THE FRR: A COMMITTED PUBLIC INVESTOR

FONDS DE RESERVE POUR LES RETRAITES

SUSTAINABILITY REPORT 2025

CONTENTS

SUMMARY

As part of its long-term sustainability policy, implemented through its 2024-2028 five-year plan, the FRR has pursued its commitments in line with its convictions, both internally and with its Asset Managers and other financial market stakeholders. On 1 September 2025, the FRR's Finance Division created a department dedicated to implementing its SRI strategy. This department is supervised by the Chief Investment Officer and reports to the Executive Board through the ESG Monitoring Committee, and to the Supervisory Board through the Responsible Investment Committee.

In 2025, the FRR continued to reinforce its extra-financial selection criteria in its call for tenders for delegated mandates and in its fund selection processes, tailoring them to each asset class.

The FRR has also tightened its climate exclusion policy, particularly on thermal coal and unconventional fossil fuels, with the aim of excluding these economic activities in the long term. To encourage companies in the energy sector to accelerate their energy transition, the FRR makes an exception to the rule for green bonds and companies with a scientifically validated, Paris-Agreement-aligned plan to achieve carbon neutrality by 2050.

The FRR continued its efforts in terms of collective engagement, most notably through its participation in two FIR working groups: one on the Just Transition, and the other on measuring engagement effectiveness. The FRR also engages with index providers as part of its work on climate indices. The FRR also continued its participation in the NZAOA and the PRI Initiative. In terms of commitment, the 2024-2028 five-year plan provides for other important projects that will be launched in 2026.

2025 IN FIGURES

ESG scope

100%

(Share of assets under management (AUM) invested in listed corporate shares and bonds that factor in ESG criteria)

The 3 priority areas of the SRI Strategy for the 2024-2028 period

1. Promote the energy and ecological transition
2. Promote social equity
3. Preserve biodiversity

KEY DATES

2001 – Factored in extra-financial considerations provided for in the law establishing the FRR

2006 – Founding member of the PRI Initiative

2014 – Created Low Carbon Leaders Indices in partnership with MSCI and the Swedish fund, AP4

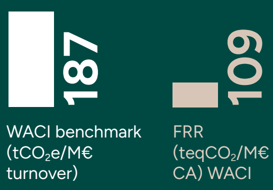
2019 – Joined the “Net Zero Asset Owner Alliance” (NZAOA) initiative

2023 – Joined the “Nature action 100” and “SPRING” initiatives on biodiversity

2025 IN FIGURES

EQUITY PORTFOLIO EMISSIONS [Scope 1, Scope 2, Scope 3 (direct suppliers)]

SOURCE: S&P GLOBAL SUSTAINABLE 1



CORPORATE BOND PORTFOLIO EMISSIONS [Scope 1, Scope 2, Scope 3 (direct suppliers)]

SOURCE: S&P GLOBAL SUSTAINABLE 1

Target:
2019 > 2029: **-60%**

SOURCE: S&P GLOBAL SUSTAINABLE 1

EQUITY PORTFOLIO CARBON FOOTPRINT [WACI – tCO_2e/M€ turnover – Scope 1, Scope 2, Scope 3 (direct suppliers)]

SOURCE: S&P GLOBAL SUSTAINABLE 1

Target:
2019 > 2029: **-60%**

Achieved:
2019 > 2025: **-50%**

CORPORATE BOND PORTFOLIO CARBON FOOTPRINT [WACI – TCO_2E/M€ TURNOVER – SCOPE 1, SCOPE 2, SCOPE 3 (DIRECT SUPPLIERS)]

SOURCE: S&P GLOBAL SUSTAINABLE 1

Target:
2019 > 2029: **-60%**

Achieved:
2019 > 2025: **-26%**

GLOBAL EQUITIES PORTFOLIO ESG RISK AT YEAR-END 2024

SOURCE: S&P GLOBAL SUSTAINABLE 1

2025 IN FIGURES

€592 m

AUM investments in green and sustainable bonds (€67 million of which are sovereign bonds)

SOURCE: S&P GLOBAL SUSTAINABLE 1

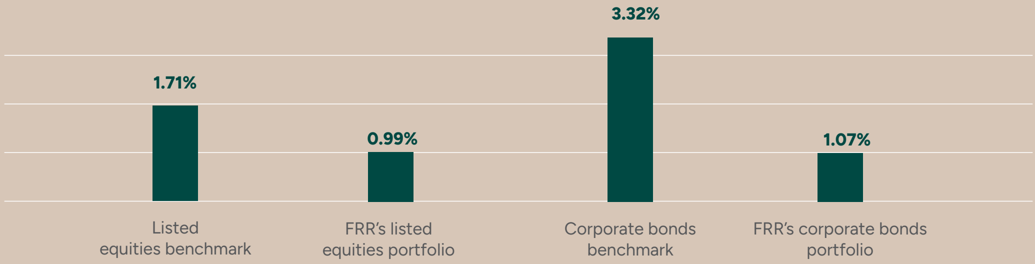
€686 m

AUM invested in infrastructure contributing towards the energy transition

SOURCE: S&P GLOBAL SUSTAINABLE 1

PORTFOLIO EXPOSURE TO FOSSIL FUELS (as % INCOME)

SOURCE: S&P GLOBAL SUSTAINABLE 1



912

participations in shareholders' general meetings

SOURCE: ISS

23%

opposed to resolutions proposed by management

SOURCE: ISS

+ 13,000

resolutions voted

SOURCE : ISS

1

FRR’S OVERALL APPROACH

SUSTAINABILITY POLICY

Incorporating sustainability issues when making investment decisions is a fundamental dimension of the FRR's overall policy. At its inception in 2001, the texts governing the FFR explicitly stipulated that *"the Executive Board shall regularly inform the Supervisory Board of the steps that are being taken to ensure that its investment strategy incorporates social, environmental and ethical concerns"*. In light of its responsibility as a public investor and as an actor of intergenerational solidarity, the FRR has made responsible investment a strategic priority. As such, the Supervisory Board has demanded an ambitious commitment to Environmental, Social and Governance (ESG) criteria on the part of the Fund, thereby affirming its desire to embody exemplary management in this area.

RESPONSIBLE INVESTMENT STRATEGY

The FRR began developing its first SRI strategy in 2005 and, since then, has formalised it through five-year strategic plans that reflect its growing ambition in terms of responsibility and its desire to advance and support the actors within its ecosystem (management companies, businesses, index providers, and extra-financial research providers). These strategies – which establish general principles, concrete targets, steps and means – are drawn up for the Executive Board and then presented to the Supervisory Board, which seeks the opinion of the FRR's Responsible Investment Committee (RIC) before approving them.

The FRR's Head of Responsible Investment Strategy coordinates the implementation of the Board's directives on preventing and controlling the FRR's portfolios' extra-financial risks with a view to creating financial, environmental and social value.

Accordingly, the FRR has gradually laid the foundations that enable it to factor in, across all of its portfolios, ESG criteria when selecting its asset managers and the issuers in which they invest.

IMPLEMENTATION OF THE RESPONSIBLE INVESTMENT STRATEGY

Integrating ESG criteria in the decision-making process for the assignment of new management mandates

Management of the FRR's portfolio is entirely delegated. As such, for the implementation of its Responsible Investment Strategy, the FRR relies on managers that are selected through calls for tenders.

Tender-selection questionnaires systematically include a section on the human and technical resources dedicated to ESG aspects, the weighting of which has increased over the years. This section include questions on the experience of the ESG analysis and management teams, the part they play in the decision-making process, the extra-financial data providers used, the ability to adapt their voting and engagement policies to the FRR's specific requirements, and the candidates' membership in collaborative sustainability and climate initiatives in the financial world.

The questions that are more specifically related to climate issues cover, for example, manager's implementation of TCFD recommendations, and the scope of the information that is available to them on GHG emissions, companies contributing to the energy and ecological transition, physical risks, transition risks, portfolio 1.5°C alignment, companies exposed to the coal sector, and companies developing new thermal coal capacity.

Since 2020, the FRR has launched calls for tenders for equity and credit mandates providing for decarbonisation targets, in addition to ESG criteria. By year-end 2025, all developed market listed-entity and corporate-bond mandates must adhere to the FRR's commitments to reduce GHG emissions, as a member of the NZAOA (Net Zero Asset Owner Alliance).

To enable better monitoring of mandates' ESG criteria, FRR's managers must provide semi-annual ESG reports incorporating the themes listed above, and address these themes at least once a year at a Management Committee meeting.

For all of its listed equities management mandates, the FRR requires managers take into account its Responsible Investment Strategy in their management process, in particular by systematically incorporating ESG analysis in the issuer selection process, across all asset classes.

For the purpose of implementing the SFDR regulation, the FRR draws up an inventory of the categories of these mutual funds (UCITS). Out of 75 UCIs, 15 fall under Article 9 of the SFDR regulation (which provides for a sustainable investment objective), 28 under Article 8 (which provides for consideration of social and/or environmental criteria), and 26 under Article 6.

As regards our mandates, 65% are classified as Article 8 and none have been reported as Article 9. 25% of the mandates are classified Article 6, and 10% consider that the SFDR does not apply. The change observed over the past 2 years in the number of mandates falling under Article 8 rather than Article 6 is due to the renewal of the actively managed equities mandate in 2024/2025. All mandates in this compartment are now subject to much stricter decarbonisation targets and disclosure requirements. The absence of Article 9 mandates is due to the fact that these mandates are expressly listed in traditional indices. However, the FRR is considering the idea of creating specific climate indices, which could lead to it assigning Article 9 mandates referencing these indices.

EXTRA-FINANCIAL PORTFOLIO ANALYSIS

Extra-financial analysis of the portfolio is a two-stage process:

- ex ante: the managers conduct an extra-financial analysis when selecting issuers, and monitor issuers' ESG ratings and other sustainability criteria while they are held in the portfolio;
- ex post: once a year, two external data providers – Morningstar Sustainalytics and S&P Global Sustainable 1 – conduct a consolidated non-financial analysis of the entire FRR portfolio. The analysis is conducted on the equities and bonds portfolios. These service providers were selected in 2023 for a period of four years, renewable for one year, following a public call for tenders. The entire portfolio is analysed on the basis of the data as at 31 November 2025 to take into account data availability times.

Ex ante extra-financial analysis

As part of its policy on delegated management, the FRR imposes a number of extra-financial objectives on the portfolio management companies that it selects to manage its mandates. These objectives apply during the implementation phase and throughout the life of the mandate.

The managers must also take into account the FRR's exclusion criteria that apply to:

- practices of companies that fail to adhere to universally recognised principles, such as United Nations Global Compact (UNGC) principles, the Principles of Responsible Investment, and good governance principles;
- activities that do not comply with certain international conventions ratified by France, in particular those on controversial and tobacco (see page 14), or companies whose Headquarters are located is located in a country appearing on the French and European lists of non-cooperative States and territories for tax purposes;
- coal-related activities, which are particularly damaging to the climate (see page 43).

To enable the FRR to ensure compliance with all of its requirements, the managers must provide a monthly report confirming compliance with the FRR's various exclusions, as well as a qualitative and quantitative semi-annual ESG report, which must include, at the very least:

- a report on portfolio companies' ESG ratings, listing the largest positive and negative contributors to the portfolio's ESG rating;
- a report on portfolio companies' carbon footprint, listing the largest positive and negative contributors to the portfolio's carbon footprint;
- the securities that contribute the most the UN's SDGs;
- the investments in the clean technology sector that contribute to the European Union's green taxonomy, or investments that contribute towards the energy transition (such as green bonds);
- an overview of steps taken to engage with issuers on extra-financial issues;
- an overview of participation in collaborative engagements initiatives on ESG-related topics, such as decarbonisation, energy transition, biodiversity, etc.

Ex post extra-financial analysis

To ensure the proper implementation of the FRR's responsible management policy by its delegated Asset Managers, the FRR has external data providers providers conduct an annual assessment of its portfolio's extra-financial criteria.

This extra-financial analysis of the FRR's listed portfolio is based on various methodologies and means used by the data providers selected by the FRR. The main extra-financial criteria examined during the annual audit include:

- the extra-financial analysis conducted using the Morningstar Sustainalytics[1] methodology, which entails:
  - an ESG risk analysis;
  - assessing controversies in the portfolio and their severity;
  - identifying issuers falling within the scope of the FRR's exclusion criteria;
  - measuring the positive impact towards the UN's 17 Sustainable Development Goals;
  - analysing compliance with the United Nations Global Compact (UNGC) principles and the OECD Guidelines for Multinational Enterprises.

Contribution to Sustainable Development Goals

The Sustainable Development Goals (SDGs) are an action plan that was adopted by all United Nations member countries in 2015. The SDGs are a call to action to eradicate poverty, protect the planet and guarantee prosperity for all by 2030.

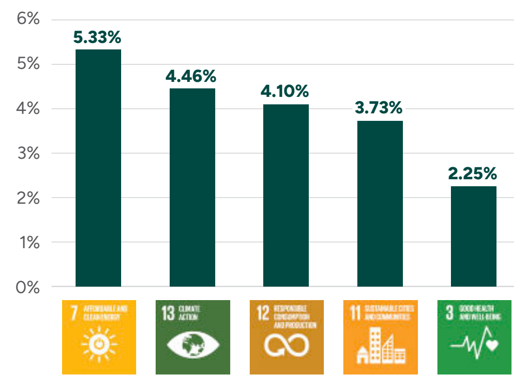
These 17 goals address the global challenges we face, including poverty, inequality, climate, environmental degradation, prosperity, peace and justice.

Among the companies in the FRR's global equities portfolio, the portfolio contributes most to the following 5 SDGs:

- Clean and affordable energy (SDG 7);
- Climate action (SDG 13);
- Responsible consumption and production (SDG 12)
- Sustainable cities and communities (SDG 11);
- Good health and well-being (SDG 3).

SDGs to which the revenues from the companies in the Global Equities portfolio contribute the most (% weighted revenue)

SOURCE : MORNINGSTAR FRANCE FUND INFORMATION



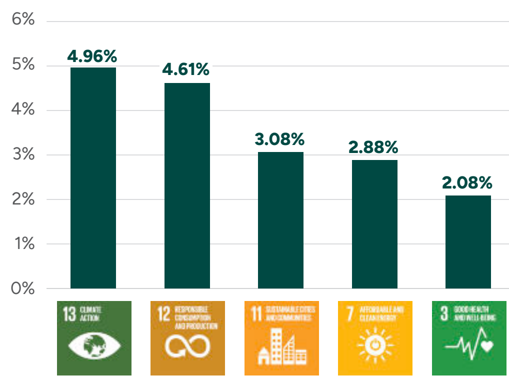
Compared to year-end 2024, there was a slight increase in the contribution of portfolio companies to the SDGs, and mainly to SDG 7 (+0.4% compared to 2024), SDG 11 (+0.3%) and SDG 13 (+0.8%). The portfolio confirmed its transition pathway with increased exposure to the Climate, Renewable Energy and Circular-Economy SDGs, while remaining balanced on urban and infrastructure.

1 • Including a reference to the Sustainalytics ESG Risk Rating methodology.

The top 5 SDGs addressed in the corporate bonds portfolio are identical to those in the global equities portfolio, albeit in a different order and with lower contributions in general:

SDGs to which the revenues from the companies in the Corporate Bonds portfolio contribute the most (%)

SOURCE : MORNINGSTAR FRANCE FUND INFORMATION



In the Corporate Bonds portfolio, contributions to the top 5 SDGs were even more substantial than in the equities portfolio compared to 2024. Contributions to all of the SDGs improved: contributions to SDG 7, SDG 13, SDG 12, SDG 11 and SDG 3 were up by 0.8%, 1.7%, 1.6%, 1.2% and 1.6%, respectively.

- a climate and environment analysis of the portfolio conducted by S&P Global Sustainable1, which includes:
  - carbon footprint;
  - share of stranded assets;
  - alignment with Paris Agreement targets;
  - transition risks;
  - physical risks;
  - alignment with the European taxonomy;
  - share of green bonds;
  - an analysis of the sovereign portfolio;
- a nature and biodiversity analysis of the portfolio conducted by S&P Global Sustainable 1.

Finally, managers must exercise voting rights in compliance with the FRR's "Guidelines on exercising voting rights", which are published on its website. Annual consolidated reports are also provided by ISS.

Identification of issuers falling within the scope of the FRR's exclusion criteria

The FRR has established exclusion criteria encompassing 3 types of activities:

- controversial weapons;
- tobacco;
- thermal coal and unconventional fossil fuels (see page 43).

Controversial weapons[2]

Excluded controversial weapons include:

- Anti-personnel mines (banned by the Ottawa Convention in 1997; signed by 164 countries);
- Cluster munitions (banned by the Oslo Convention in 2008; signed by 108 countries);
- Chemical weapons (Chemical Weapons Convention, 1992);
- Biological weapons (Biological Weapons Convention, 1972).

Every year, the FRR updates its exclusion list, which is validated by the Responsible Investment Committee at the meeting of the Supervisory Board. The purpose of the exclusion list is to identify companies involved in the development, production, maintenance, use, distribution, stockpiling and transport of, or trade in cluster munitions, anti-personnel mines, chemical and biological weapons, or of their key components.

2 • Summary of the analysis produced by Morningstar France Fund Information.

In 2025, 17 companies in the FRR's investment universe were included in the exclusion list:

PRODUCER / DEVELOPER	COUNTRY
Aerospace Long-March International Trade Co., Ltd.	China
Anhui GreatWall Military Industry Co., Ltd.	China
China North Industries Corp.	China
China North Industries Group Corp. Ltd.	China
Compania Nationala ROMARM SA	Romania
Defence Research & Development Organisation	India
Electromechanical Ordtech Ltd.	Greece
Global Industrial & Defence Solutions	Pakistan
LIG Nex1 Co., Ltd.	South Korea
Makine ve Kimya Endüstrisi AS	Turkey
Nityanand Udyog Pvt Ltd.	India
Poongsan Corp.	South Korea
POONGSAN HOLDINGS Corp.	South Korea
SNT DYNAMICS Co., Ltd.	South Korea
SNT Holdings Co., Ltd.	South Korea
The Day & Zimmermann Group, Inc.	United States of America
Yugoimport-SDPR	Serbia

Tobacco

Tobacco has been on the FRR's exclusion list since 2016. Its exclusion is in keeping with the 2003 World Health Organization (WHO) Framework Convention on Tobacco Control, which was adopted in 2003 and signed by France. It was the first treaty negotiated by the World Health Organization. It reaffirms the right of all people to the highest standard of health. The Convention represents a fundamental step forward, since it develops a strategy to regulate addictive substances. Unlike previous drug control treaties, the Framework Convention affirms the importance of strategies to reduce demand as well as supply. The FRR has implemented this exclusion since 2016.

Unconventional fossil fuels

The FRR reinforced its exclusion policy on unconventional fossil fuels and thermal coal to encourage companies to invest in their energy transition. The new policy is described in detail in Part 5 of the "Sustainable Investments and investments in Fossil Fuels" report. (page 43)

CLIMATE ANALYSIS

The Climate Analysis, conducted for the FRR by S&P Global Sustainable 1, comprises several parts covering the following areas:

- Green share, brown share and contribution to the energy transition (see Part 5);
- Carbon footprint and 1.5°C alignment (see part 6);
- Biodiversity footprint (see Part 7);
- Transition risk and physical risks (see Part 8).

The Climate Analysis covers the portfolio's assets as follows:

Climate analysis table

ASSET CLASS	PHYSICAL RISKS	TRANSITION RISKS/ OPPORTUNITIES	FOOTPRINT / ALIGNMENT	BIODIVERSITY
Listed Equities and Corporate Bonds	Score / 7 climate hazards	Green share / Brown share	Carbon footprint and 1.5°C alignment	Oui
Government bonds	-	-	Carbon footprint	Oui

THE FRR'S ENGAGEMENT INITIATIVES

One of the main ways for institutional investors to promote sustainable development is to exert their influence over the issuers that they help finance, but also over their ecosystem.

This dialogue may take place with other institutional investors, portfolio management companies, extra-financial data providers and the index provider, as well as companies in which the FRR is invested.

Accordingly, to ensure that its five-year SRI strategy is fully implemented, the FRR has been involved in a number of engagement initiatives since its inception, both domestically and internationally.

INITIATIVE	THEME	OBJECTIVES	JOINED IN
Signatory of: PRI Principles for Responsible Investment	ESG	The FRR is one of the founding members of the UN's "Principles for Responsible Investment" (PRI) initiative. At year-end 2025, the PRI Initiative had more than 5,300 signatories, representing a total of approximately €139,600 billion in assets. As a signatory to the PRI Initiative, the FRR is committed to: • taking ESG issues into account in its investment analysis and decision-making processes; • operating as an active investor and take ESG issues into account in its investor policies and practices; • demanding that entities in which the FRR invests publish appropriate information on ESG issues; • promoting acceptance of the Principles among asset management stakeholders; • working together to increase its effectiveness in implementing the Principles. • reporting on its activities and their progress in implementing the Principles.	2006
CDP	Environment/ Climate	The FRR supports the CDP, one of the largest international initiatives on the disclosure of information on the environment, energy consumption and climate change, and more recently on water and forests through CDP WATER and CDP FOREST.	2006
IIGCC	Climate	As a forum dedicated to investors that work together to combat climate change, the IIGCC offers its members a platform for collaborative engagement with a view to promoting the incorporation of the long-term risks and opportunities associated with climate change in public policies, investment practices and corporate behaviours. By year-end 2025, this initiative had received the support of more than 400 investors.	2015

INITIATIVE	THEME	OBJECTIVES	JOINED IN
Climate Action 100+	Climate	Climate Action 100+ is the largest collaborative shareholder engagement initiative on climate change. By year-end 2025, this initiative was supported by over 600 investors, engaging around 169 of the largest GHG-emitting companies, representing approximately 80% of GHG emissions. The aim is to encourage these companies to: • achieve carbon neutrality by 2050, in line with the Paris Agreement; • strengthen their climate governance; and • improve their transparency through TCFD-compliant reporting, with credible and scientifically validated transition plans.	2017
FIR Forum pour l'Investissement Responsable	ESG	*The Forum pour l'Investissement Responsable* (FIR, Forum for Responsible Investment) is a multi-stakeholder association whose purpose is to promote and develop responsible investment. The FIR brings together all of the actors involved in the field of SRI, including investors, management companies, non-financial rating agencies, market organisations, trade unions, NGOs, academics, etc. The FIR is involved in ESG-related dialogue and engagement with listed companies, including the FRR.	2018
Charte des investisseurs publics français en faveur des Objectifs de Développement Durable (French public investors' Charter on promoting the SDGs)	SDGs/ESG	As a signatory to the Charter, the FRR is committed to: • incorporation the SDGs in its investment strategy; • ensuring the alignment of its internal operations with the SDGs; • assessing the impact of its activities on the SDGs, and reporting on the implementation of these principles; • disseminating best SDG practices among its stakeholders.	2019
UN environment programme finance initiative	Climate	As a partnership between the PRI Initiative and the United Nations Environmental Programme – Finance Initiative (UNEP FI), the NZAOA is a grouping of 87 global investors representing €9,200 billion in assets. Its members are committed to bringing about changes in their investment portfolios with a view to achieving carbon neutrality by 2050 and making them compatible with a maximum temperature increase of 1.5°C. Members also undertake to report regularly on progress, including by setting interim targets every five years, in accordance with Article 4.9 of the Paris Agreement.	2023
spring	Biodiversity	Spearheaded by the PRI Initiative, and supported by 246 signatory financial institutions, including 99 actively participating investors, the Spring initiative focuses shareholder engagement on a few companies with a high impact on biodiversity, with the aim of halting biodiversity loss by 2030, particularly biodiversity loss due to deforestation and soil degradation.	2023
Nature Action 100	Biodiversity	As a collaborative engagement initiative bringing together more than 200 investors, representing some $23,000 billion, Nature Action 100 seeks to encourage targeted companies to reduce their negative impacts on biodiversity, protect ecosystems, and make measurable commitments by 2030. It targets around 100 companies that are the most exposed to nature-related risks, with a view to encouraging them to improve their practices, their transparency, and their alignment with international biodiversity targets – such as those set out in the Kunming-Montreal Agreement – by incorporating nature conservation in their business models.	2023

KEY MILESTONES

2001...

Incorporation of extra-financial considerations provided for in the law establishing the FRR

2003...

1st call-for-tenders to select managers: incorporation of ESG criteria

2005

- **2005-2008 SRI Strategy**
- Publication of "Guidelines on exercising voting rights"

2006

- Founding member of the PRI Initiative
- Joined the CDP
- Adoption of an approach for assessing the entire portfolio with respect to extra-financial criteria

2007

- Funding the "Sustainable Finance and Responsible Investment" Chair
- Support for the PRI-FIR Academic Research Prize

2008

2008-2012 SRI Strategy

2009...

- Joined CDP WATER
- Support for the Extractive Industries Transparency Initiative (EITI)

2013

2013-2017 SRI Strategy

2014...

- Joined the International Corporate Governance Network (ICGN)
- Support for an initiative to manage supply-chain risks in the textiles sector
- Signed the PRI Montréal Pledge
- Signed the UN Summit Declaration on Climate Change

* SDGs: Sustainable Development Goals.

** TCFD (Task Force on Climate-related Financial Disclosures): working group on financial transparency of climate-related risks.

*** Just Transition: incorporation of social aspects in energy transition-related decisions.

2017

- Joined the CA100+
- Joined the IIGCC

- Signed the French public investors climate charter
- Joined CDP FOREST

- Signed a declaration addressed to WHO members and health ministers supporting stronger tobacco control regulations

2018

- Support for the United Nations Environment Programme Finance Initiative (UNEP FI)
- Pledged to follow TCFD recommendations**
- Joined the Forum for Responsible Investment (FRI)

2019...

- Signed the French public investors SDG charter*
- Adhered to the "Women's Empowerment Principles" collaborative initiative
- Signed the "Gender Initiative" declaration
- Joined "Net Zero Asset Owner Alliance" initiative

- **2019-2023 SRI Strategy**
- Pledged to support a just transition***

2021

- Signed the "Bangladesh Accord" declaration
- Support for an engagement initiative on TotalEnergies' presence in Myanmar

2022

Support for the IIGCC Net Zero Engagement Initiative

2023

Soutien des initiatives Nature Action 100 et SPRING sur la biodiversité

2024

- **2024-2028 SRI Strategy**
- Tightened exclusion criteria for activities related to thermal coal and certain unconventional forms of energy

2

DEDICATED RESOURCES

PARTIES INVOLVED IN DEFINING, IMPLEMENTING AND MONITORING THE FRR'S RI STRATEGY

Within the FRR's Finance Division, the Responsible Investor Strategy Department leads the development, execution, and oversight of the FRR's Responsible Investment (RI) strategy. Its mandate includes ensuring the strategy's effective implementation while aligning with the organization's broader sustainability and financial objectives. In particular, it assists investment managers in their sustainability approaches in each asset class.

All assets are externally managed. As mentioned on page 22, the manager selection process includes a very significant component addressing their resources dedicated to ESG in general, and climate in particular. The Delegated Management Department's Investment Directors are involved at all stages in the lifecycle of the FRR's mandates (defining ESG objectives, selection, monitoring, etc.) and report yearly to the Manager Selection Committee on ESG indicators within their scope.

Furthermore, the Responsible Investment Committee is responsible for implementing the Supervisory Board's directives on the prevention and control of extra-financial risks in the FRR's portfolios.

CONTRIBUTION TO FINANCING RESPONSIBLE INVESTMENT RESEARCH

The FRR is currently supporting two academic research projects in connection with sustainable finance.

The FRR also finances academic research through its support for the “Sustainable Finance and Responsible Investment” (FDIR) Chair. Created in 2007, this chair was the first of its kind worldwide. It is co-directed by Catherine Casamatta and Sébastien Pouget (University of Toulouse 1 Capitole, IDEI-TSE and IAE), and Patricia Crifo (Department of Economics at *École Polytechnique*).

Throughout 2025-2028, researchers from *École Polytechnique* and TSE proposed 15 research projects, from which the FDIR’s members selected their priority themes. The final 3 research themes are: “Understanding and mitigating global environmental impacts”, “Measuring and monitoring the social impact of companies social policies”, and “Redistribution and economic transformations”.

Every year, the FRR supports the French SIF (Sustainable Investment Forum) and sponsors its European Research Awards “Finance & Sustainable Development”, organised jointly with the PRI. The awards, which celebrated their 20th anniversary in 2025, reward and promote academic research in the field of sustainable finance.

The five award-winning categories are: Best Master’s thesis, Best Doctoral thesis, Best Educational Initiative, Best Published Article, and Research Grant for an Ongoing Doctoral Thesis. In 2025, themes included **social impact financing, biodiversity, climate-smart farming, tipping points, and the financial system**[3]

In 2025, the budget allocated by the FRR to all organisations and bodies supporting ESG/Climate initiatives represents to more than €114,000, and support for academic research totaled €20,000.

3 • https://www.frenchsif.org/isr_esg/nos-actions/prix-fir-pri-finance-et-developpement-durable/

COLLABORATION WITH EXTRA-FINANCIAL DATA PROVIDERS

For several years, the FRR has been working with index providers to ensure that they incorporate extra-financial criteria when constructing their indices.

Since 2021, most of the custom-built smart beta indices used by the FRR have incorporated carbon emission monitoring in their construction methodology to ensure that carbon emissions remain equal to or below those of the cap-weighted index, thereby facilitating subsequent actions on the part of managers who still need to improve their portfolio's ESG characteristics.

In 2025, the FRR began working with three index providers to create climate indices favouring companies that play a key role in the ecological and energy transition. These indices incorporate a number of environmental criteria, such as Environmental Score, Scopes 1 to 3 Decarbonisation Targets, Implied Temperature Rise, European Green Taxonomy Alignment; and other environmental metrics. The launch of these indices is planned for 2026.

The FRR also works with extra-financial data providers to improve ESG data calculation methods and practices involving the use of such data. For ESG optimised mandates in particular, ESG data quality is crucial.

Lastly, to analyse the votes cast by the managers of its equity mandates, the FRR uses an external service provider, ISS. The services provided by ISS enable the FRR to consolidate all its votes annually in a single voting report, with a view to ensuring better implementation and monitoring of its voting policy.

In 2025, the budget earmarked by the FRR for ESG and Climate data and analysis amounted to more than €179,000.

3

ESG/CLIMATE GOVERNANCE

GOVERNANCE

Factoring in sustainability criteria in its management decisions is at the core of the FRR's identity. Indeed, the FRR's founding texts (Article L.135-8 of the Social Security Code), which date back to 2001, state that "The Executive Board shall regularly report to the Supervisory Board and describe how the general investment policy guidelines have factored in social, environmental and ethical considerations".

Supervisory Board

The FRR's Supervisory Board approves the Responsible Investment Strategies, voting policy, and climate targets presented to it by the Executive Board. It also oversees their implementation and the achievement of the climate targets.

Responsible Investment Committee (RIC)

This committee – which was established in 2008 – comprises the Chair of the Supervisory Board, a member of the panel representing workers' unions, a member of the panel representing employers' unions, and a member of parliament. It may be assisted by two qualified external persons. Two external experts are members:

- Christian Deseglise, appointed to the Responsible Investment Committee, commencing in 2026. Christian brings more than 30 years of experience at HSBC, where he held several global management positions, including as Head of Sustainable Infrastructure and Innovation and Head of Finance and Sustainable Investment. He is currently a member of the Board and Executive Committee of Mundi Ventures. He is involved in supporting innovative initiatives in connection with the climate transition and sustainable technologies. He was co-Chair of the Global Future Council on Sustainable Development Goals at the World Economic Forum. He is an independent member of the Board of Shift EV and the Global Infrastructure Basel Foundation. He currently lectures at Columbia University and is actively involved in several international initiatives on sustainable finance and resilient infrastructure.
- Jean-Pierre Hellebuyck was vice-chairman of AXA Investment Managers and Head of Responsible Investment at AXA Investment Managers. He also chaired the committee on corporate governance at the *Association française de la gestion financière* (AFG). He is the author of several reports on governance and financial management.

This Committee is responsible for ensuring that the Supervisory Board's guidelines on the prevention and control of the FRR's portfolios' extra-financial risks are implemented. In particular, it verifies annually the list of issuers that have been excluded owing to their involvement in controversial weapons (see page 14). This Committee reports on its work to the Supervisory Board at least once a year.

Executive Board

The Executive Board draws up the main guidelines for the FRR's Responsible Investment strategy (RIC), voting policy and climate targets for the attention of the Supervisory Board, and obtains the opinion of the Responsible Investment Committee on these projects.

At least once a year, the Executive Board, with the support of the Finance Division, reports to the RIC and to the Supervisory Board on the implementation of the Responsible Investment strategy, the Voting Policy and the "Climate" targets.

The reports submitted to the RIC and the Supervisory Board cover the extra-financial analysis of the portfolio, the assessment of controversies, the monitoring of issuers affected by the exclusion criteria, the climate analysis and climate-target tracking indicators, engagement actions, and the assessment of the exercise of voting rights.

Finance Division

The Responsible Investment Department is part of the Finance Division. It is responsible for updating the FRR's sustainability policy, which includes the FRR's five-year sustainability plan. It also contributes to the implementation of the FRR's sustainability policy by working closely with the other departments in the Finance Division, and with the entire FRR, to ensure that environmental, social and governance considerations are incorporated in the FRR's investments with a view to creating positive environmental and social value. This has a significant impact on manager selection criteria, voting and engagement policies, the creation of indices, and the ethical and climate exclusion policy.

Legal and Communications Division

The Legal and Communications Division is responsible for the FRR's communications and is involved in the preparation and publication of annual reports and sustainability reports.

Operations and Risks Division

The Operations and Risk Division is responsible for monitoring compliance with exclusions in connection with controversial weapons, tobacco, and the most severe controversies. It is also responsible for implementing the climate policy and monitoring infringements of the policy on thermal coal and unconventional fossil fuels.

ESG Committee

The ESG Committee, which is chaired by the Head of Responsible Investment Strategy, meets monthly with the members of the Executive Board and all the FRR Divisions. It is responsible for operational monitoring and coordination of ESG activities and ensures that all departments are incorporated in discussion on ESG topics. It also prepares ESG-related files for the RIC.

Investment Managers

Managers are required to take the FRR's Responsible Investment Strategy into consideration in their management mandates by systematically incorporating ESG analyses in the issuer selection process, across all asset classes. For equities held in the portfolio, they also exercise voting rights at general meetings of shareholders, in accordance with the FRR's Voting Policy guidelines, and report annually on voting and the most important resolutions adopted, which are addressed at management committee meetings. Lastly, they engage with portfolio companies on ESG and/or climate matters.

LEARNING & DEVELOPMENT

ESG issues are incorporated in the FRR's in-house processes. In terms of promoting responsible investment internally, the FRR has provided in-house training for staff, and for members of the Executive Board, the Supervisory Board and the Manager Selection Committee, over the past few years, in compliance with the provisions of Article 29 of the Climate and Energy Law. Much of the training has focused on the knowledge, skills and experience of governance bodies in particular.

In 2026, the FRR is planning to partner with CDC Biodiversity to improve FRR employees' skills in nature and biodiversity issues, and set the groundwork for the drafting its future biodiversity policy.

INTEGRATION OF SUSTAINABILITY CRITERIA IN VARIABLE COMPENSATION

With the exception of the Chair, the members of the Supervisory Board and the Responsible Investment Committee do not receive any compensation. The members of the Executive Board and the Finance Division are given annual targets with respect to the implementation of the responsible investment strategy.

The entire Executive Committee, composed of the two executive members of the Executive Board and the directors, have explicit non-financial targets, which impact all of the FRR's teams.

4

STEWARDSHIP STRATEGY WITH ISSUERS AND ASSET MANAGERS

The FRR's engagement policy, covering its three priority areas that are climate, biodiversity and social issues, is implemented mainly through the managers, who report at least once a year on the progress made with targeted portfolio companies.

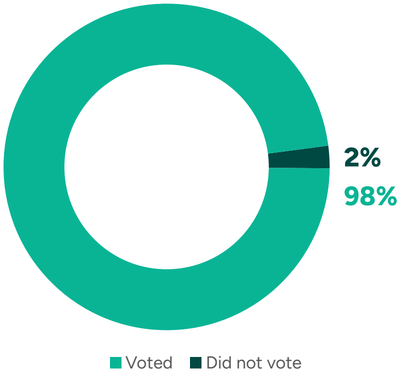
GUIDELINES ON EXERCISING VOTING RIGHTS

In accordance with its founding documents, the FRR's voting rights are exercised by the asset managers it has selected and in the FRR's sole interests. The "Guidelines on exercising voting rights" incorporate all of the elements of the FRR's responsible investment strategy, and must therefore be sufficiently broad in scope to account for specific national features (in France and internationally). The FRR's aim is to capitalise on managers' knowledge and ability to respect the best practices in each financial market in various financial markets. Managers may also refer to these local practices for matters that are not covered by the FRR's voting guidelines.

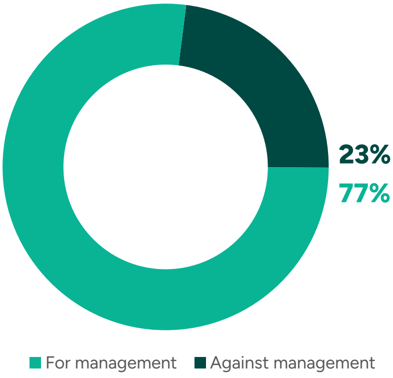
OVERVIEW OF EXERCISED VOTING RIGHTS

In 2025, through its asset managers, the FRR took part in 912 shareholders' general meetings and implement its voting policy for more than 13,000 resolutions in the countries included in its developed markets equities portfolio. Its managers attended 98% of the shareholders' general meetings in which it was possible for them to vote. As such, in 2025, the FRR's asset managers voted "FOR" 77% of the resolutions proposed by management at shareholders' general meetings, and "AGAINST" 23% of the proposed resolutions. The most frequent "AGAINST" votes concerned the renewal of Board members and the variable share of executives' compensation.

Number of general meetings at which the FRR voted in 2025



Direction of voting in 2025



Voting results for Equity mandates managed in alignment with the Paris Agreement

Paris Agreement-aligned equity index replication strategies optimise portfolios, as they are constructed using advanced extra-financial criteria. The managers of these portfolios engage in discussion with companies on various sustainability topics and implement the FRR's responsible voting rights policy.

In 2025, the managers of these mandates voted on 100% of the resolutions, as was the case in previous years. Votes against management accounted for 24% of the votes and mainly concerned executives' compensation, the appointment of directors and discharges (approvals of Board of Directors' decisions and actions, without exemption from responsibility).

Of all the shareholder resolutions voted on, approximately 90 were related to ESG issues, of which 50% were climate-related. The managers of the FRR's CAAP mandates voted "FOR" 78% of the ESG-related resolutions proposed by management at shareholders' general meetings, "AGAINST" 22% of the ESG-related resolutions. This ratio (77%/23%) is comparable to that observed for all votes.

In 2026, executives' compensation will remain a closely monitored topic at shareholders' general meetings. It is also important for companies to consider the equity ratio and explain any changes to it.

Lastly, the composition of boards and the competence of directors will remain key issues for the FRR's asset managers, who must be able to support and challenge management on their transition strategies in a complex and uncertain economic environment.

OVERVIEW OF ENGAGEMENT INITIATIVES IN 2025

Initiative supported by the FRR

In 2025, the FRR, together with the ERAFP and under the oversight of the FIR, launched a working group to measure the effectiveness and influence of ESG engagement. This ambitious project brings together experts from the institutional investment sector, management companies and academia.

The objective of this working group is to harmonise practices related to measuring the effectiveness of engagement, determine its influence, and standardise its accounting and reporting in stewardship reports. This initiative aims to assess not only the degree of engagement, but also its quality. This should allow institutional investors to make more informed decisions when selecting management companies. The report is expected to be published in the first half of 2026.

The FRR also joined the FIR's Just Transition Collaborative Engagement Working Group. Just Transition combines environmental and social objectives. The concept of a just transition provides for incorporating, insofar as possible, the social risks and opportunities associated with the transition towards a low-carbon world. This requires social dialogue with all stakeholders, i.e. workers, trade unions, consumers, customers, local communities and businesses.

As a member of NZAOA, the FRR joined with several Institutional Investors in signing the *Joint Asset Owner Statement on NZAM in support of NZAM* (Net Zero Asset Manager), at the initiative of Brunel Pension Partnership. Indeed, the FRR encourages its Management Companies to join this Alliance with a view to collectively achieving Net Zero across investment portfolios by 2050, in line with the Paris Agreement.

Initiatives undertaken at the mandate level

Since the beginning of 2025, following the renewal of the FRR's Japanese equity management mandates in February, this engagement obligation applies to all active equity management mandates. As part of the information required by the FRR, management companies must report the number of issuers in the portfolio with which it has engaged, specifying the themes covered and whether the engagement was direct or part of a collective initiative.

Engagement actions undertaken at the FRR's initiative

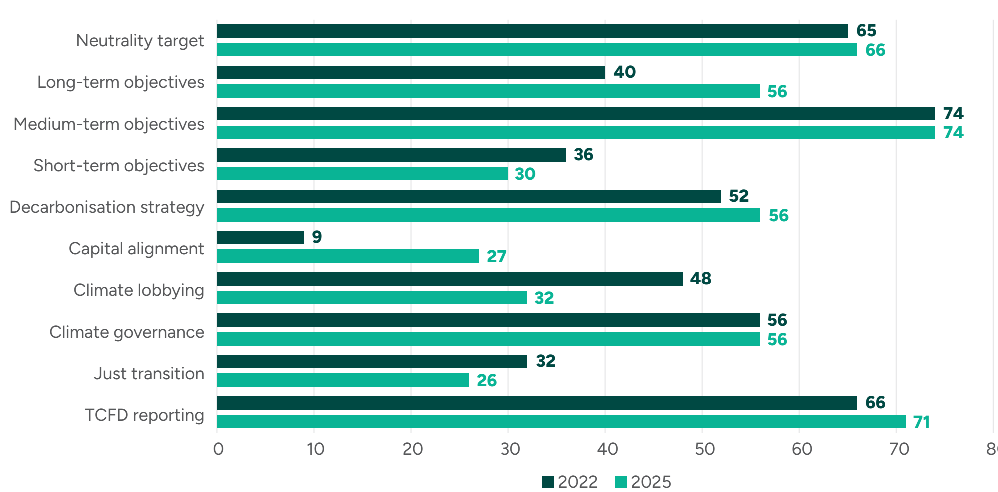
As part of its engagement initiatives undertaken as a member of the NZAOA, the FRR requested two managers to engage with a selection of portfolio companies. The 26 targeted companies were selected in accordance with the NZAOA's "Target Setting Protocol" rules. This provides for the selection of at least 20 portfolio companies responsible for at least 65% of the emissions generated. The desired outcome of these engagement initiatives is alignment with pathways tending towards targets that do not exceed, or do not significantly exceed, the 1.5°C threshold.

These two managers use the analysis matrix developed by the "Climate Action 100+" initiative to perform their own analyses. With this analysis matrix, the progress of the targeted companies over the duration of the engagement initiative, can be measured as objectively as possible. It also provides a means of comparing companies' progress in various areas, such as neutrality targets, decarbonisation strategy, CAPEX alignment, climate lobbying, climate governance, just transition, and compliance of disclosures with TCFD recommendations.

This engagement initiative was undertaken for the third consecutive year in 2025. The progress achieved in the various areas is somewhat varied.

The chart below shows the evolution of the average score the average score of the 26 companies targeted for engagement, for each criterion. The two criteria with the largest margins for improvement in 2025 compared to 2022 are long-term targets and capital alignment. Climate governance and just transition criteria were not covered in 2022 so, for these criteria, the data shown is based on 2023.

Average ratings of companies in 2022 and 2025



Between 2022 (the year in which two selected managers began monitoring the 26 companies) and 2025, the average scores of the 26 companies involved improved on almost all of the criteria. The progression most evident for the "long-term targets" and "capital alignment" criteria.

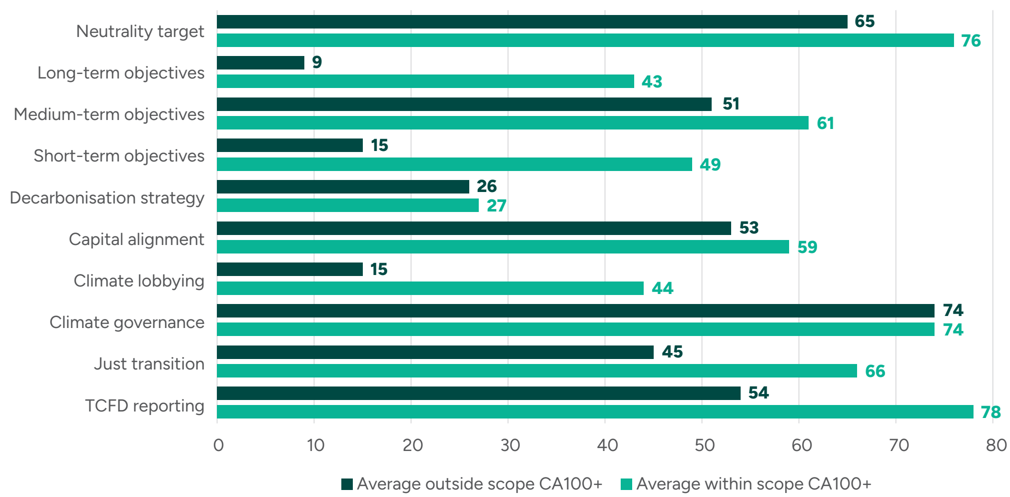
Regarding the first criterion, this can be explained by the fact that half of the companies had scores of zero in 2022 since very few of them disclosed this information, while only 4 out of the 26 companies had this score in 2025.

Regarding the "capital alignment" criterion, 21 companies had zero scores in 2022, compared to only 6 companies in 2025, reflecting the efforts made to support companies in improving the level and quality of their disclosures. For this criterion, the rating methodology is more granular: companies must decarbonise their capital expenditure and disclose their methodology for aligning their future capital expenditure with the Paris Agreement. This change in methodology prompted companies that were lagging behind to get up to speed in disclosing their data and targets, and those that were ahead of the curve to refine their disclosures in order to obtain a more accurate score.

This improvement is confirmed by the companies' average score on the "TCFD disclosure" criterion (66 in 2022 and 71 in 2025) and the "Decarbonisation strategy" criterion (52 in 2022 and 56 in 2025).

The chart below show that the companies target for engagement by the FRR are also within the scope of the CA100+ initiative, compared to those companies outside this scope. Of the 26 companies targeted for engagement, half are within the scope of the CA100+ initiative.

Average scores of companies within/outside the scope of the CA100+ initiative in 2025



This chart reveals significant differences in scores. The overall average score for companies outside the scope of the CA100+ initiative was 41, compared to 58 within the scope. Across all criteria, the average scores of companies outside the scope of the CA100+ initiative were lower than those within the scope.

Two types of company profiles can be distinguished with regard to the changes in maturity levels reported by the two managers for each of the criteria over the 2022-2025 period:

- 4 companies within the CA 100+ initiative engagement scope, two of which were already among the highest-scoring companies in the panel, with the most scores of 100 since 2022, and two other companies exhibiting a significant improvement in their "long-term targets" and "TCFD disclosure" scores
- 7 companies outside the CA 100+ initiative engagement scope exhibiting a marked overall improvement, including two that improved their overall score by more than 50%. One made significant progress on the "neutrality target" criterion, and the other significantly improved its scores on the "long-term targets" and "TCFD disclosure" criteria, demonstrating the importance of extending the dialogue for these companies.

Support for companies in private equities portfolio

As part of its Request for Proposals for Private Markets, the FRR asked managers to provide non-financial indicators using the EDCI framework. The EDCI (ESG Data Convergence Initiative) is an initiative that seeks to standardise and harmonise the collection of ESG data in private equity, based on common key metrics such as Scope 1, 2 and 3 GHG emissions and net job creation, to improve the portfolio comparability and management with respect to ESG criteria. The FRR will tighten its requirements even further in its next RFP for Private Markets mandates.

5

SUSTAINABLE INVESTMENTS AND INVESTMENT IN FOSSIL FUELS

SUSTAINABLE INVESTMENTS

The definition of what a "sustainable" investment is, and what financing "green" activities entails, has been the subject of much debate. At European level, this has led to the development of a classification of economic activities with a favourable impact on the environment, referred to as the "Green taxonomy". This harmonisation stemmed from the desire to direct investments towards these "green" activities.

An activity is classified as sustainable if it meets at least one of the following six objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

The activity must contribute substantially to one or more of the six objectives, without causing significant harm to the other objectives (the "Do no significant harm" principle[4]). It must also comply with social standards and with the technical assessment criteria set forth in delegated acts.

Eligible income by potential objective and type of activity

The taxonomy defines 96 commercial activities linked to the 13 macro sectors of the Nomenclature of Economic Activities (which may be categorised as General, Transitional or Enabling). General activities are those that could mitigate carbon emissions directly (e.g. renewable energies). Transitional activities are those with relatively high carbon intensities, but which could significantly reduce their carbon emissions over time (e.g. steel production). Enabling activities are those that could support carbon emission reductions in other sectors (e.g. wind turbine manufacturing).

In 2022, after intense debate, the European Commission included natural gas and nuclear energy in its taxonomy of sustainable activities.

Gas is only allowed if it is used as a substitute for coal, with the progressive lowering of caps on emissions – from 270 g CO_2e/kWh to 100 g after 2030 – well below the current average. Nuclear power, on the other hand, is recognised as a transition energy until 2045, subject to strict waste management and safety conditions. The extensions of existing reactors' lifetimes must be validated before 2040. This decision is part of the European strategy on achieving carbon neutrality by 2050, which encourages the exit from coal and support for renewables. The FRR plans to continue investing in civil nuclear power generation capacities in France.

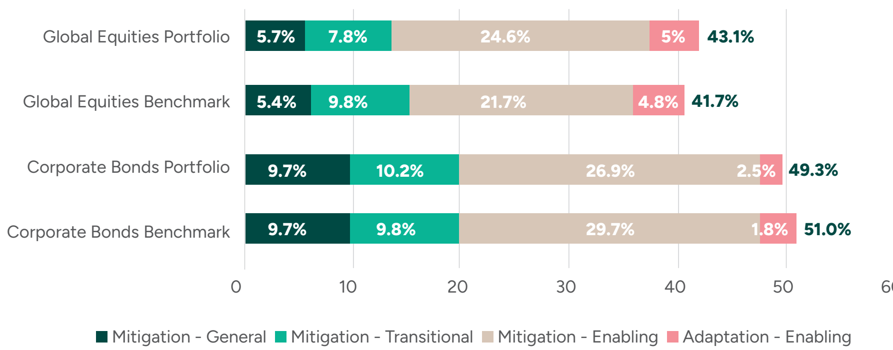
4 • Source: Carbon neutrality: *La taxonomie européenne en six questions* (The European taxonomy in six questions) | Vie publique.fr (vie-publique.fr)

The chart below shows portfolios' and indices' eligible income, broken down by objective (i.e. mitigation or adaptation) and by the type of activity they would fall under if they were classified as aligned. It is based on sustainable activities linked to objectives 1 and 2 of the Taxonomy (1. Climate change mitigation - 2. Climate Change Adaptation).

Total eligible income increased in 2025 compared to 2024, mainly in the corporate bonds portfolio (+6.6%). The global equities portfolio gained 0.6% compared to 2024.

Eligible income by potential objective and type of activity

SOURCE : S&P GLOBAL SUSTAINABLE 1



Investments in energy transition-enabling activities

To complete this analysis, the FRR identifies its investments in energy transition-enabling activities more accurately using to the following categories:

- 100% of European equities management mandates "Consistent with the Paris Agreement";
- 100% of equity and credit mandates with decarbonisation targets in line with its commitment to the NZAOA;
- €592 million invested in "green" bonds and "sustainable" bonds;
- €686 million invested in infrastructure contributing to the Ecological and Energy Transition (EET);
- €273 million invested in real estate contributing to decontamination of land and the creation of housing with very high social criteria.

Sustainable investment in 2025

The energy transition is one of the FRR's major commitments. Its express inclusion in all mandates has encouraged asset management companies to further incorporate this theme in their management processes.

It should be noted that the calculation of an investment portfolio's Implied Temperature Rise (ITR) varies widely depending on the assumptions, data and models used. ITR scores are estimates, temperature ranges are indicative, and the ITR scores can vary widely depending on the data provider.

As such, Paris Agreement-aligned equity mandates (CAAP mandates) favour companies that contribute to the energy transition in different ways. The FRR's consolidated global equities portfolio is aligned with an ITR of between 1.5°C and 2°C.

Investment in Green Bonds

Bond mandates also incorporate energy and ecological transition financing targets, and management companies must take these themes into account – by incorporating green corporate bonds and sovereign bonds – when analysing securities and constructing portfolios.

The FRR's corporate bonds portfolio holds around €525 million in green bonds and sustainable bonds. The two most represented sectors in the corporate green bonds are "Utilities" (33%) and the Financial sector (55%), with a 70% coverage. These bonds enable the financing of projects with a significant positive environmental impact. This includes the amount of green energy produced, the surface area covered by the financed green buildings, and the kilometres travelled by passengers using green transport. The decarbonisation achieved by the green bond portfolio comes mainly from the utilities sector, mainly renewable electricity and heat producers, and electricity transmission, distribution and storage. The table below shows the impact of these green bonds.

Positive Environmental Impact of Investee Companies' Green Bonds

SOURCE : S&P GLOBAL SUSTAINABLE 1

CATEGORY	UNIT	QUANTITY
Green energy	Energy Produced (GWh)	3,932
Green buildings	Surface area (m^2)	13,047
Green transport	Passenger distance travelled (km)	5,804,660
Avoided Emissions	Tonnes CO_2e avoided and annualised	-86,879.21

The sovereign bonds portfolio includes €67 million in green and sustainable bonds, 93% of which come from France.

Investment in real-estate and infrastructure

Real estate

Certain investments made by the FRR have an inherently positive investment profile in terms of impact.

The FRR's investments in the *Fonds de Logement Intermédiaire* (FLI, Intermediate Housing Fund) have had a positive social impact, in that they enabled more than 15,000 people to be housed on a means-tested basis, with a rent saving of almost 14.6%, or €1,603, per beneficiary household.

Similarly, in 2025, in line with its impact investing approach, the FRR invested in FLI 3, an Article 9 fund. Once again, FLI 3 targets investments in intermediate housing, but also investments in managed residences for students and young workers, with a view to taking account of societal developments and proposing suitable accommodation in areas under pressure.

In addition, the investment in the Brownfields fund, whose aim is to depollute and convert urban and industrial wastelands, contributes to rehabilitating polluted sites and thereby preventing urban sprawl and land take.

Brownfields' ecological footprint is clearly positive:

- elimination of pollution sources that are likely to contaminate various environments (soil, groundwater and ambient air);
- converting brownfield sites into urban areas helps not only to reduce urban sprawl but also to reduce CO_2 emissions associated with travel.

Through these conversions, the Brownfields 3 Fund has financed:

- the creation of 9,500 social housing units, 40% of which are social- or affordable-housing units;
- 15 serviced residences totalling 2,000 Accommodation Units;
- 5 business parks with 331,000 m^2 in total floor space;
- 2 office buildings with 10,000 m^2 in total floor space;
- 1 hypermarket;
- 1 4-star hotel with 101 rooms.

The Colombes operation: an example of an operation to renovate a site with an ageing shopping centre

In the heart of the Victor Basch district in Colombes, the project is shaping the new face of the rapidly changing district. The area is very well served by public transport, and features many local businesses, and the project is designed to meet the need for housing in a dense area, thus reducing the carbon emissions associated with car travel, while at the same renaturing impermeable spaces.

Colombes

The challenges of the project are threefold:

- The renovation of the Quatre Chemins shopping centre without interrupting commercial operations, in three stages: 1) build a lot 2 to accommodate the temporary transfer of the Leclerc operations; 2) demolish the Leclerc hypermarket and rebuild a mixed real-estate complex with businesses on the ground floor+housing+residence; 3) reinstall the Leclerc operations on the initial site, with lot 2 hosting other activities;
- The transformation of the district through the development of a high-quality real estate complex as an extension to the Charles de Gaulle ZAC;
- re-green fully sealed plots.

Ultimately, lot 2 will be used to build 109 collective housing units – with generous outdoor areas for each dwelling (10 m² on average per dwelling), thereby meeting NF HABITAT HQE/ RT2012 -10% standards – and to create an 800 m² green space with a foundation slab, with the greening of all inaccessible roofs and the installation of planters on the terraces and balconies of the housing units. In addition, the new Leclerc block will include the E. Leclerc hypermarket (with a pharmacy, restaurant and a shop), 107 rooms in a student residential block, 213 collective housing units, 647 parking spaces, and a 3,000 m² landscaped area in the centre of the block. This Leclerc centre construction project seeks to combat land take. By building 320 housing units and 13,443 m² of retail floor space, the operation will save 77,443 m² of land. In addition, 96% of the materials were recycled en masse, and 315 tonnes of polluted soil were removed.

Barn solarisation by Arkolia

Infrastructure

In view of the significant financing requirements for the ecological and energy transition, and of the FRR's desire to contribute to France's (and more generally Europe's) energy sovereignty, the vast majority of the investments made by the funds selected in this asset class are dedicated more or less to this theme: they represent almost 90% of the investments in this asset class.

They target the renewable energy sectors in particular (wind, solar, biomass and biogas, etc.), but also storage (which is now essential for optimising network fluidity), mobility (to support the expansion of the electric vehicle fleet, among other things), energy efficiency, waste treatment, and the water sector in general.

Indeed, Europe's energy transition and sovereignty require a massive investment effort in low-carbon infrastructure.

In order to meet this need, the FRR selected three new equity financing funds that meet this requirement in 2025, namely the third iteration of Quaero Capital's Quaero European Infrastructures Fund strategy, the fifth iteration of Rgreen Invest's Infragreen strategy, and the Mirova Energy Transition 6 (MET6*) fund.

This fund, in particular, continues to implement the proven strategy of its five previous iterations by financing renewable energy projects and industrial platforms that contribute directly to the decarbonisation of the energy system.

*MIROVA ENERGY TRANSITION 6 is a Société de Libre Partenariat (SLP) under French law, open to subscriptions. Mirova is the Management Company. This fund is not subject to the approval of a supervisory authority.

The fund invests predominantly in Europe (and targets a share of its portfolio of around 35% in France) in wind, solar, hydropower, as well as low-carbon storage solutions and mobility assets. This approach enables it to support industrial players that are essential to the energy transition, while meeting the needs of long-term investors seeking stability, visibility and measurable impacts.

Its historical partners include Arkolia, a French independent energy producer operating across the entire value chain (development, construction and operation of solar and wind-turbine power plants, and green gas projects). Created in 2009 to combine the intelligence of technology with that of the territories, this integrated energy company, with a workforce of 274 employees, now operates more than 500 MW of renewable assets, and aims to develop around 1 GW more, including 400 MW that are already secured, mainly in rooftop solar.

Arkolia conducts 100% of its business in France and has its headquarters in Montpellier. The company's activity is deeply rooted in the territories, particularly in the farming sector, through barn solarisation, agrivoltaic systems and biogas. This positioning contributes to the local production of low-carbon electricity, in line with national energy transition objectives.

The relationship between Mirova and Arkolia is long-term relationship that began in 2019, and entered a new phase in 2025 when MET6 acquired a €105 million stake in Arkolia to support its growth plan. This continuity reflects Mirova's desire to provide long-term support to pivotal industrial players and to offer financing solutions adapted to each phase of development.

In 2025, Arkolia's operations generated approximately 538 GWh of renewable electricity – i.e. the equivalent of the annual consumption of nearly 125,000 French households – thereby contributing to increasing the supply of low-carbon energy in the region. The company also has a strict, comprehensive ESG policy, including an ISO 14001-certified environmental management system, and an enhanced waste management system, and is committed to equal employment opportunity and sustainable governance.

PORTFOLIO EXPOSURE TO FOSSIL FUELS

As part of its sustainability strategy, the FRR is intent on increasing its investments in the energy transition sector, and reducing its exposure to fossil fuels. In 2017, the FRR decided to exclude from its portfolios companies whose thermal coal extraction operations, or operations involving the generation of electricity, heat or steam using coal, exceed a set threshold, in order to commit even further to a low carbon economy.

In 2025, as part of its new 2024-2028 Responsible Investor Strategy, the FRR lowered the exclusion thresholds once again to the levels shown below:

- more than 1% of turnover from thermal coal;
- the development of new coal-based power plants, or any new thermal coal production capacity;
- more than 10% of cumulative turnover for unconventional fossil fuels (tar sands, operations conducted in the Arctic, hydraulic fracking and deepwater drilling).

The FRR forecasts a total exit from thermal coal. From 1 January 2030, companies whose registered offices are located in an OECD country will be excluded from the first euro of turnover in these activities, and from 1 January 2040, the same will apply for non-OECD companies, in accordance with the pathways to limit global warming provided in the Paris Agreement.

These exclusions do not apply to green bonds that comply with the European Green Bonds standard (or equivalent), or where the companies concerned have published an exit plan from these activities that is compatible with a pathway to limit global warming to 1.5-2°C and scientifically validated by the SBTi (or equivalent).

For unlisted equity and infrastructure, no new investments will be made in new oil or gas fields. Investments in distribution and storage will be limited to existing operations, or those that contribute to the 1.5-2°C alignment (e.g. through the implementation of carbon capture and storage technologies).

The Operations and Risk Division verifies compliance with these exclusions on a monthly basis. Every year, the FRR also conducts an additional verification through the Climate Report produced by S&P Global Sustainable 1. Where issuers are reportedly in breach, a discussion is held with the managers to give them the opportunity to justify their position. If, after these discussions, the position is not justified, the manager will be required to sell off the position in the issuer and may be required to compensate the FRR for any loss associated with this undue position.

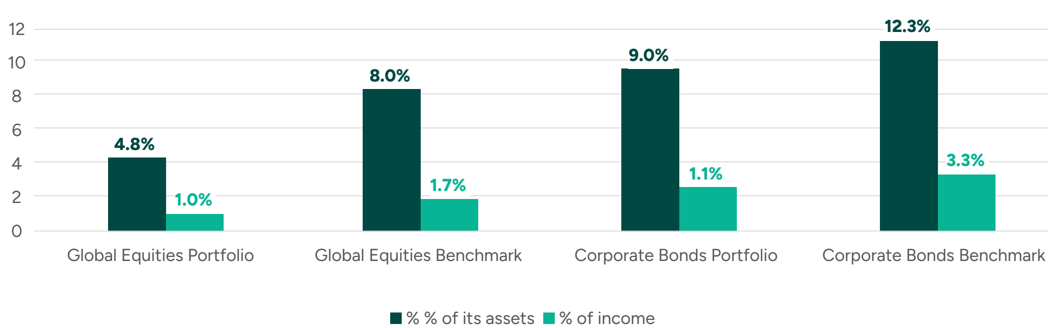
We analyze the portfolio's investments in fossil fuel-dependent companies to evaluate the risk of "Stranded assets". These activities pose a risk of impairment owing to regulatory developments associated with governments' commitments to limit global warming to between 1.5 and 2 °C. S&P Global Sustainable 1's analysis takes into account not only fossil fuel exploitation operations, but also associated support operations (exploration, drilling, etc.), and electricity generation operations involving these fossil fuels. This exposure is determined with reference to:

- the share of assets exposed to these activities;
- the share of companies' income derived from these activities.

At year-end 2025, portfolios' exposure to fossil fuels remained well below that of their benchmarks.

Exposure to assets of companies whose business relies on fossil fuels

SOURCE: S&P GLOBAL SUSTAINABLE 1



To gain a better understanding of stranded asset risk, S&P Global Sustainable 1 also measures future carbon emissions from fossil fuel reserves, as well as capital expenditure (CAPEX) associated with fossil fuel operations, such as exploration and extraction. For these two indicators, S&P Global Sustainable 1 takes into consideration only reported (not estimated) data. Future emissions intensity from reserves has also been specified. It is calculated by dividing the emissions allocated to the portfolio by the value invested.

Future carbon emissions derived from fossil fuel reserves

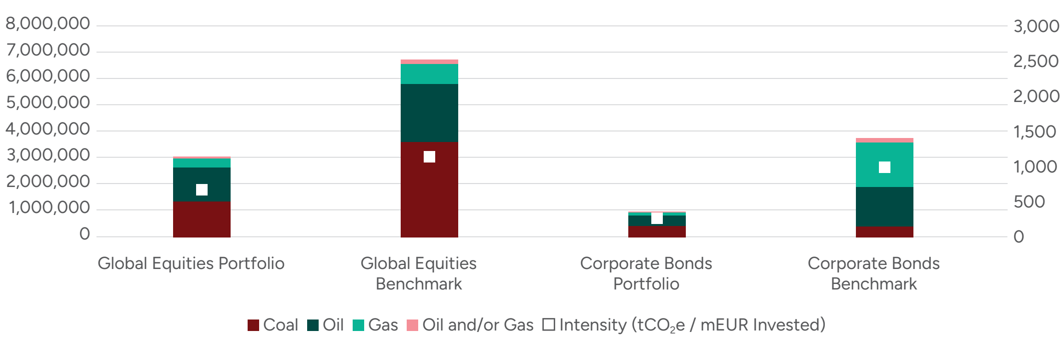
This estimate provides information on the risk associated with stranded assets. Indeed, fossil reserves held by companies can be considered "unburnable", i.e. they should not be extracted and burned in order to limit global warming and achieve the 2°C targets in accordance with the Paris Agreements. For the global equities portfolio: the original carbon emission mix is relatively similar to that of its benchmark, but the intensity of future carbon emissions from fossil reserves is significantly lower compared to its benchmark (473 tCO_2e/million EUR invested versus 1,084), with a decrease of 29% compared to year-end 2024 (665 tCO_2e/million EUR invested versus 1,262 for the benchmark, which fell by only 15%).

For corporate bonds, the original carbon emissions mix exhibits a lower share of emissions derived from coal reserves than for equities. Indeed, emissions of companies held in the FRR's mandates are subject to exclusion constraints, whereas in the equities portfolio the relevant companies are mostly from the emerging markets. The FRR invests in Emerging Markets through mutual funds, on which it is unable to impose all of its constraints.

The intensity of future carbon emissions from fossil reserves is lower than that of the benchmark (220 tCO_2e/million EUR invested versus 997 for the benchmark), and down compared to the previous year.

Future carbon emissions derived from fossil fuel reserves

SOURCE: S&P GLOBAL SUSTAINABLE 1



Capital expenditure (CAPEX) associated with fossil fuel activities

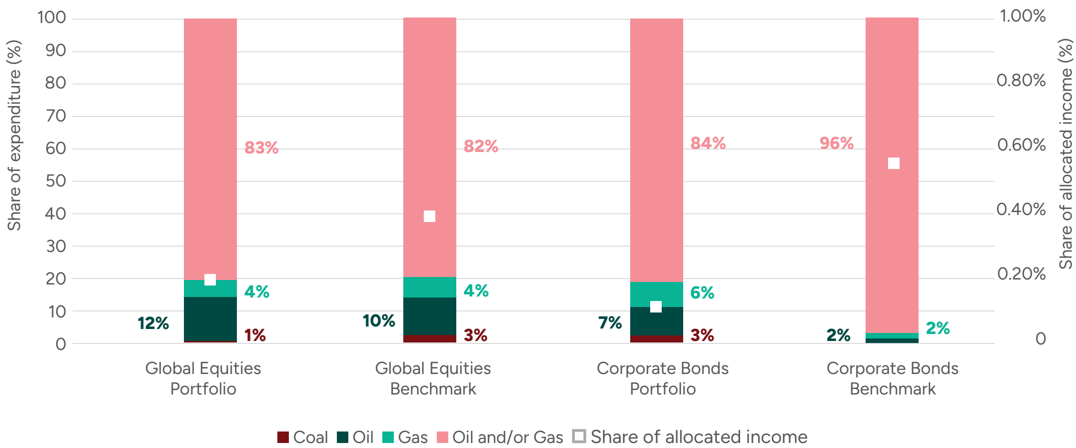
The chart below represents capital expenditure (CAPEX) on new fossil fuel-related projects, such as exploration and extraction, and the share of portfolio companies' income allocated to these investments.

This chart shows that portfolios' future exposure is mainly oriented towards oil and gas extraction. In most cases, owing to lack of transparency on the part of companies, it is impossible to distinguish between oil-related and gas-related CAPEX. Note also the marginal nature of coal-related capital expenditure.

Lastly, at the portfolio level, the percentage of income allocated to fossil fuel-related activities is relatively modest – 0.17% for the Global Equities (half as much as that of the benchmark), and 0.09% for the Corporate Bonds portfolio (one sixth of that of the benchmark).

Capital expenditure in fossil fuel activities

SOURCE: S&P GLOBAL SUSTAINABLE 1



Electricity producers' energy mix

The electricity generation sector will play a crucial role in any strategy that seeks to mitigate the effects of climate change. The chart below shows the breakdown, by energy source, of the electricity produced by portfolio companies. It highlights the brown and green shares of electricity production. Fossil fuel power generation includes coal, oil and natural gas. Renewable generation includes solar, wind, geothermal, hydro and biomass. The "other energies" category includes nuclear energy, which explains the high levels in this category, particularly for corporate bonds.

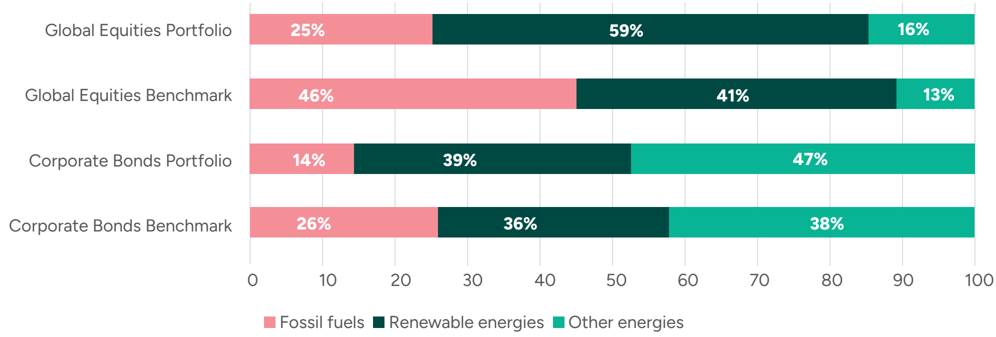
Electricity generation by Global Equities and Corporate Bonds portfolio companies is fossil fuel-based to a far lesser extent than that of their benchmarks.

According to the analysis provided by S&P, the share of renewable energies in the global equities and corporate bonds portfolios' energy mixes is higher than that of their benchmarks (59% vs 41%, and 39% vs 36%, respectively).

The global equities and corporate bonds portfolios' energy mixes are aligned with the 1.5° global warming scenario when compared with the International Energy Agency (IEA) 1.5° scenario.

Energy mix (%)

SOURCE: S&P GLOBAL SUSTAINABLE 1



6

PARIS AGREEMENT ALIGNMENT STRATEGY

FONDS DE RÉSERVE POUR LES RETRAITES

The FRR has been a member of the PRI Initiative since 2006 – it was one of the initiative's founding members. In November 2019, it joined of the Net Zero Asset Owner Alliance (NZAOA), an initiative supported by the main institutional investors committed to carbon neutrality, in line with the Paris Agreement. The signatories commit to taking the necessary stepsto achieve carbon neutrality in their investments and in the real economy by 2050, in an attempt to limit global warming to 1.5°C. They do so while reporting regularly on the achievement of their intermediate targets.

As a member of the NZAOA, the FRR is committed to achieving alignment with the Paris Agreement, by taking action on three levels:

- Adopt ambitious greenhouse gas emission reduction targets for portfolios. Firstly, the carbon footprint comprising Scopes 1, 2 and 3 category 1 (direct suppliers). From 2026 onwards, the signatories undertake to request from managers, and to publish the following year, the carbon footprints of their new investments in private markets;
- Engage with portfolios' top emitters to encourage them to adopt Paris Agreement-alignment strategies, primarily through its managers, but also through collaborative initiatives such as Climate Action 100+ (see pages 33 to 35);
- Continue to contribute to the long-term financing of the energy transition.

PORTFOLIOS' GREENHOUSE GAS EMISSIONS REDUCTION TARGETS

While maintaining an essential level of vigilance on all other ESG issues, responding to the climate emergency is one of the FRR's priorities.

Emissions reduction

As a member of the Net Zero Asset Owner Alliance (NZAOA), the FRR has adopted portfolio greenhouse gas emission reduction targets, with a view to achieving a pathway to limit global warming to 1.5°C.

Whereas the NZAOA's decarbonisation target for the period 2019-2024 was 20%, the FRR had targeted a 40% reduction between 2019 and 2025, and has set a reduction target of -60% by the end of 2029, versus 2019. This is the continuation of a long-standing approach, which had already enabled the FRR to achieve a 40% reduction in its global equities portfolio's emissions between 2013 and 2019. These targets are set in absolute terms, and includes Scope 1, Scope 2 and Scope 3 (direct suppliers) of the GHG Protocol. They will be reviewed every five years within the framework of the NZAOA.

To achieve the targets by the end of 2029, each new equities or corporate bonds management mandate is assigned different targets depending on the geographical area and asset class. This differentiation means that the underlying companies' progress, and margin for manoeuvre, can be taken into consideration.

Setting increasingly ambitious decarbonisation targets as management mandates are renewed

In FRR RFPs new mandates now systematically include quantified decarbonisation targets. Targets were initially set for equity index management mandates only (at -50% compared to benchmarks), but now all equities and corporate bond mandates are subject to decarbonisation targets.

In 2025, Japanese equities mandates that were tendered in 2024 were set a 40% reduction in their carbon footprint compared to their benchmark levels at their launch in 2025, and a 70% reduction as of the end of 2028.

Mandates' decarbonisation targets are set at their start date, and are not set with NZAOA's target dates (2030), but instead with mandates' end dates.

Table of decarbonisation requirements per asset class*

	TARGET AT INCEPTION	FINAL TARGET
Paris Agreement Equities index	-50%	-50% by end of 2028
European small-cap equities	-40%	-75% by end 2028
French small-cap equities	-40%	-70% by end 2028
US small and large cap equities	-40%	-75% by end 2028
Japan equities (request for proposals ongoing)	-40%	-70% by end 2028
Euro investment grade corporate bonds	-0%	-65% by end of mandate (2027)
Dollar investment grade corporate bonds	-40%	-75% by end of mandate (2028)
Euro high yield corporate bonds	-0%	-65% by end of mandate (2027)
Dollar high yield corporate bonds	-35%	-60% by end of 2028

*Decarbonisation targets compared to benchmarks, estimated based on weighted average carbon intensity (WACI) (tCO_2e/€ million in turnover), for a scope that includes Scope 1, Scope 2 and Scope 3 (direct suppliers) of the GHG Protocol.

METHODOLOGY USED TO ESTIMATE PORTFOLIO GREENHOUSE GAS EMISSIONS

Carbon footprint

In 2022, the FFR decided to change the methodology used to calculate its carbon footprint, in order to align more closely with the TCFD's recommendations. Whereas it previously used a calculation method based on the sum of its portfolio's emissions per million euros in turnover, now, through its service provider, it determines the Weighted Average Carbon Intensity (WACI) for the portfolio. Each method, based on identical amounts in volume terms of CO_2 emitted, interprets the results from different perspectives (ownership of emissions, or efficiency of companies or efficiency of the portfolio). When this change was made, the FRR observed that the magnitude of these different metrics varied differently, or even in opposite directions, from one year to the next, which, in the short term, had the effect of disrupting the reading of the indicators with regard to the quantified decarbonisation targets set on the basis of another metric. In the medium term, however, the progression of these indicators should converge in a downward trend, following the global decline in emission volumes.

The FRR calculated the environmental footprint of its portfolio for the first time in 2007. Every year since then, in line with its responsible investment strategy, its commitments, and the decarbonisation of its portfolios, the FRR has measured the carbon footprint of its mandates and funds.

The FRR regularly reviews methodological and data reliability developments: S&P Global Sustainable 1 provides the FRR with an estimate of its portfolio's carbon footprint, calculated using different methods and expressed "per million in income generated", "per million in euros invested", or as "Weighted Average Carbon Intensity" (WACI). The decision to use WACI is the culmination of a thought process and a review of market developments.

Carbon footprints are calculated for direct emissions and direct suppliers, and are standardised using a financing rate that is computed with reference to EVIC (Enterprise Value Including Cash).

Global Scope 3, while relevant – since it takes into account emissions along the entire value chain, upstream and downstream – is not yet used fully in the FRR's current analyses, which only include direct suppliers' emissions, as per the GHG Protocol. Currently, given the lack of standardisation in corporate disclosures and the poor reliability of estimates, the carbon footprint score is not reliable enough to use as a management tool at the portfolio level.

Estimated portfolio greenhouse gas emissions at year-end 2025

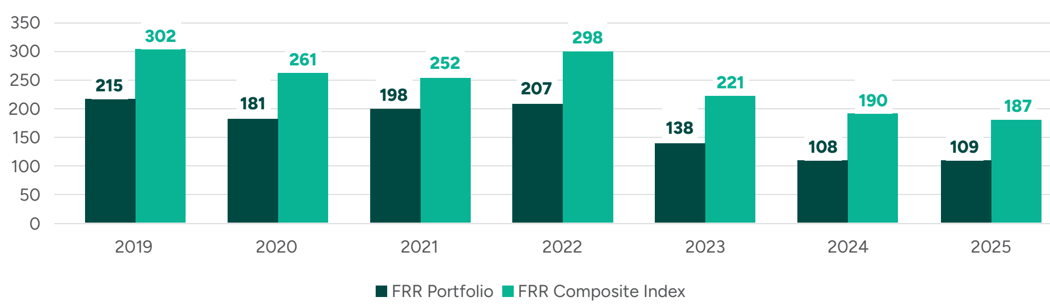
At the end of 2025, carbon footprint data was available for 100% of the listed equities portfolio, 79% of the listed corporate bonds portfolio, and 100% of the government bonds portfolio.

Carbon footprint of the equities portfolio

At the end of 2025, the weighted average carbon intensity (WACI method) of the companies within the FRR's global equities portfolio was 109 tonnes CO_2 equivalent per million euros in turnover. This was 42% below the FRR's benchmark. From 2019 to 2025, the carbon footprint of the FRR's equities portfolio had fallen by 50% (around 10% per year) whereas the FRR portfolio's benchmark had fallen by only 38%.

Change in the global equities portfolio's carbon footprint, in tonnes of CO_2 equivalent per million euros in turnover [Scope 1, Scope 2, Scope 3 (direct suppliers)]

SOURCE: S&P GLOBAL MARKET INTELLIGENCE LLC



The table below compares the total decarbonisation of the FRR's equities portfolios between 2019 and 2025. There is a marked trend in the decarbonisation of the "developed market equities" and emerging markets equities portfolio, despite benchmarks retreating in particular in emerging markets.

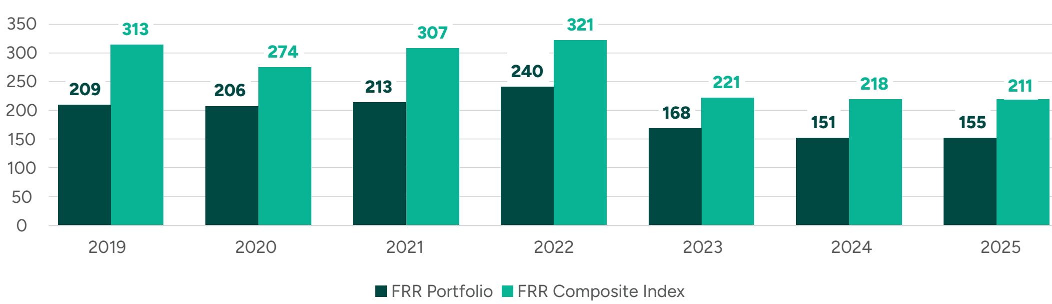
	PORTFOLIO	INDEX
Global equities	-50%	-38%
Developed Market Equities	-54%	-44%
Emerging Market Equities	-44%	-31%

Carbon footprint of the corporate bonds portfolio

At the end of 2025, the carbon footprint of the FRR's corporate bonds portfolio was 155 tonnes CO_2 equivalent per million euros in turnover. This was 27% below that of the benchmark. From 2019 to 2025, the portfolio's carbon footprint fell by 26%, whereas the benchmark's fell by 33%. This slight difference can be explained by the "allocation effect" due to an increase in the weight of high-yield bonds (whose activities are more intensive in terms of carbon emissions). The difference decreased in 2025, since it stood at 9 points at year-end 2023. This reflects the increased decarbonisation commitments made by the FRR.

Change in the corporate bonds portfolio's carbon footprint, in tonnes of CO_2 equivalent per million euros in turnover [Scope 1, Scope 2, Scope 3 (direct suppliers)]

SOURCE: S&P GLOBAL MARKET INTELLIGENCE LLC



Green bonds finance projects with a positive environmental impact, such as renewable energy or green transportation. As such, they may be deemed net-zero for CO_2 emissions. However, projects financed by green bonds are not always considered carbon-free. For example, a renewable energy project may generate CO_2 emissions during its construction phase. Moreover, a green-bond issuer may have other operations that generate CO_2 emissions.

At this stage, the FRR assigns the issuer's footprint to green bonds, which is in line with the provider's methodology. This is a conservative approach. Nevertheless, the FRR requires its managers to increase exposure to green bonds compared to the benchmarks. The share of green bonds in the corporate bonds portfolio is 31%, compared to 30% for the benchmark. These exposures therefore increase the portfolio footprints reported by the FRR.

Carbon footprint of the sovereign bonds portfolio

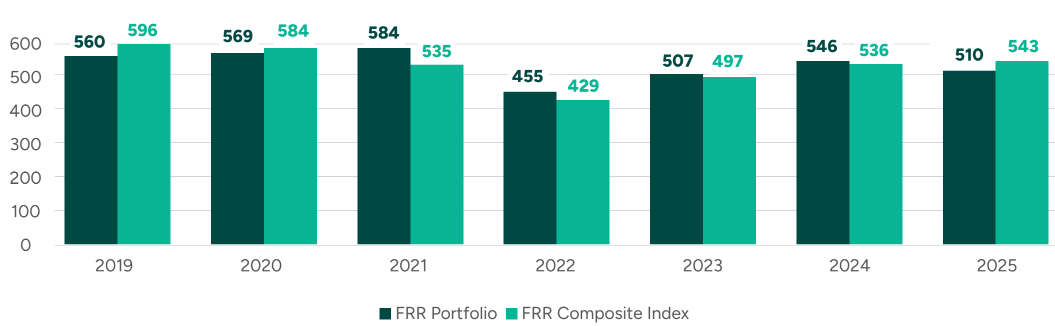
The carbon footprint methodology for sovereign portfolios is based on the issuing country's total greenhouse gas emissions. It reflects the public sector's dual role as an economic service provider and a legislator driving decarbonisation. The scope covers:

- domestic emissions, i.e. emissions generated by goods and services produced and consumed in a given territory;
- direct imports, i.e. emissions generated by goods and services directly imported by a country;
- direct exports, i.e. emissions generated by goods and services produced in a country and exported to a foreign economy.

The chart below shows the weighted average carbon intensities of the sovereign bonds portfolio and its benchmark: this indicator quantifies the average intensity of the portfolio by reference to the weighting of each country within it. It measures the allocation of the portfolio to more or less carbon-intensive economies.

Change in the sovereign bonds portfolio's carbon footprint, in tonnes of CO_2 equivalent per million euros in GDP [Scope 1, Scope 2, Scope 3 (direct suppliers)]

SOURCE: S&P GLOBAL MARKET INTELLIGENCE LLC



1.5°C ALIGNMENT

In addition to portfolios' carbon footprint, the climate analysis includes an assessment of the portfolios' alignment with the objective of limiting global warming to less than 1.5°C compared to pre-industrial levels (or "1.5°C Alignment"). This involves assessing the transition trajectory of the companies in the portfolio. The analysis, carried out by S&P Global Sustainable 1, takes into account past data (since 2012), as well as an estimate of future carbon footprint (up to 2035). S&P Global Sustainable 1 has adapted two approaches implemented by the Science Based Target initiative (SBTi)[5] : the first methodology (SDA - Sectoral decarbonization approach) applies to companies with homogeneous, high-emission business activities. The second methodology (GEVA - Greenhouse Gas Emissions per Value Added) applies to companies in heterogeneous, less energy intensive sectors.

At year-end 2025, the assessment of alignment with a 1.5°C scenario covered: 99% of the global equities portfolio and 66% of the corporate bonds portfolio. These percentages are relatively compared to 2024.

The scenarios used for assessment purposes are as follows:

1. International Energy Agency (IEA) scenarios derived from the Energy Technology Perspectives (ETP) 2017 providing SDA assessment parameters consistent with 1.75°, 2° and 2.7°C global warming;
2. RCP (Representative Concentration Pathways) scenarios as used in the IPCC AR5 report, providing GEVA assessment parameters consistent with 1.5°, 2°, 3°, 4° and 5 °C global warming.

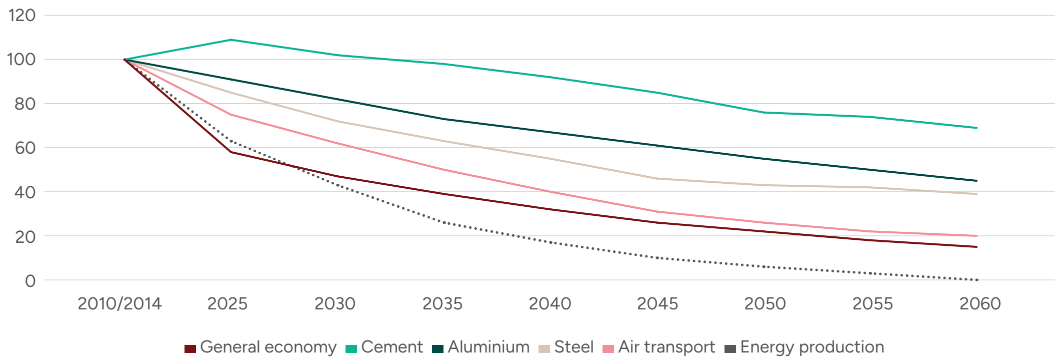
The assessed decarbonisation pathways incorporate historical and forward-looking data to provide a medium and long-term outlook assessment. Historical data on greenhouse gas emissions and business activities has been compiled since 2012. Forward-looking data sources are used to track likely future transition pathways up to 2025. The forward-looking data used in the analysis depends on the availability of the sources specified below. They are listed in order of use:

1. Emission reduction targets reported by companies;
2. Data by asset type, for certain sectors;
3. Historical emissions of a group of companies involved in homogeneous commercial activities;
4. Average historical emission trends within a sub-industry;
5. No change in emission intensity beyond the past year.

5 • The SBTI is a joint project of the Carbon Disclosure Project, the United Nations Global Compact, the World Resources Institute, and the World Wide Fund.

2°C-aligned decarbonisation pathways by sector

SOURCE: S&P GLOBAL SUSTAINABLE 1



Summary of results

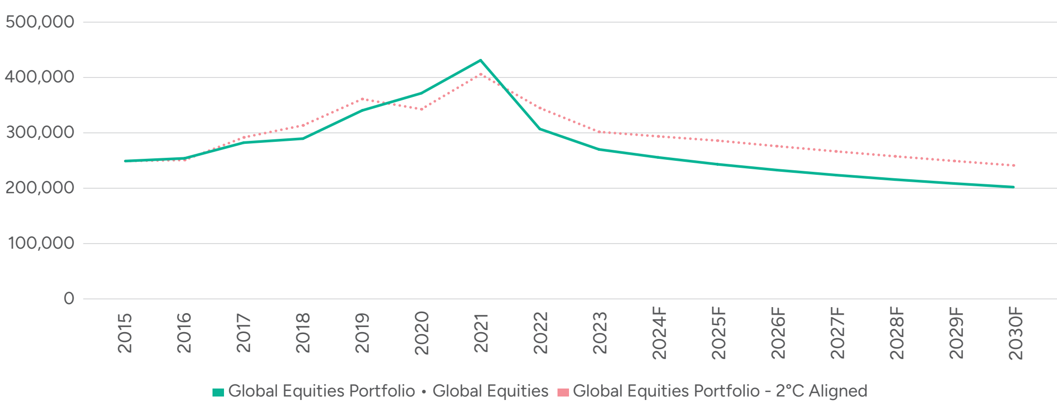
Equities portfolio

The chart below shows the global equities portfolio's emissions pathway over the period 2015-2030, and compares it with one that would limit global warming to 2°C above pre-industrial levels (dotted line).

Global equities portfolio companies' average pathway is aligned with a 1.5-2°C scenario.

2015-2030 Emissions Pathway - Global Equities Portfolio

SOURCE: S&P GLOBAL SUSTAINABLE 1



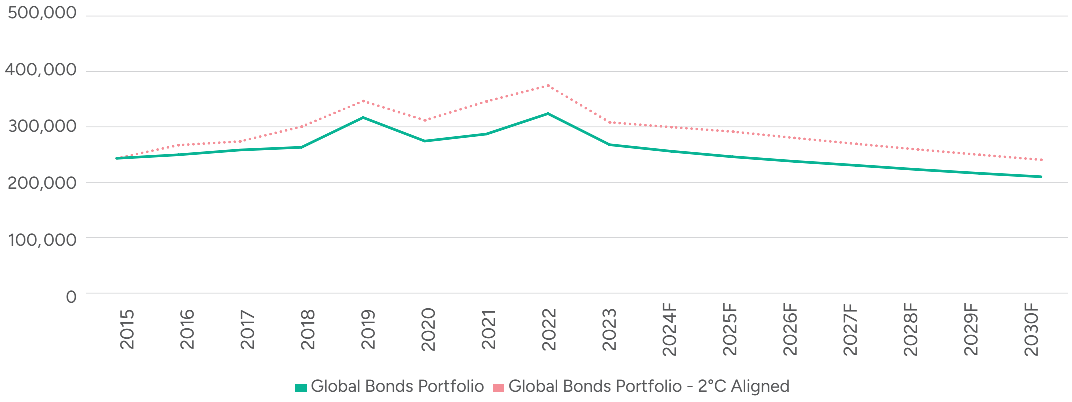
Corporate Bonds portfolio

The chart below shows the corporate bonds portfolio's emissions pathway over the period 2015-2030, and compares it with one that would limit global warming to 2°C above pre-industrial levels (dotted line).

The issuers in the corporate bonds portfolio are on a pathway to an alignment scenario of less than 1.5°C.

2015-2030 Emissions Pathway - Corporate Bonds Portfolio

SOURCE: S&P GLOBAL SUSTAINABLE 1



MONITORING CLIMATE TARGETS

The table below illustrates the progress of the various management compartments towards the targets adopted within the framework of the NZAOA by 2029. At the end of 2025, the equities (active and passive management) and euro bond portfolios are well on track to meet their targets:

	DECARBONISATION AT YEAR-END 2025	COMPARED TO YEAR-END 2019 DECARBONISATION TARGET: YEAR-END 2029 VS. YEAR-END 2019
Active management of developed market equities	-52%	-60%
Passive management of developed market equities	-62%	-60%
All corporate bonds issued in euros	-34%	-60%
All corporate bonds issued in dollars	-57%	-60%

The different classes in the portfolio are generally close to their 2029 targets. They are all continuing to follow their decarbonisation pathways, having exceeded their 2025 target.

Changes in allocations, most notably for corporate bonds issued in dollars, required allocating ambitious decarbonisation targets to mandates of this asset class. At year-end 2025, high yield bonds now represent the entire dollar bond portfolio allocation. Furthermore, in 2019, the FRR invested in US dollar high-yield bonds through funds rather than mandates—a structure it later switched to in 2023. Because the high-yield bond universe is significantly more carbon-intensive than investment-grade bonds, the FRR had to set ambitious targets during the transition to new investment vehicles. This was necessary to offset allocation effects and meet its 60% emission reduction target for this asset class.

7

CONSIDERATION OF BIODIVERSITY ISSUES

Preserving biodiversity is one of the major challenges facing humanity, to the same degree as limiting global warming.

Biodiversity is one of the nine planetary boundaries that are essential to the Earth's stability, and its collapse threatens the ecosystems that regulate climate, water, and natural cycles. In turn, overstepping other limits (global warming, pollution, deforestation) accelerates biodiversity loss, creating a vicious circle with consequences that are difficult to reverse for humanity.

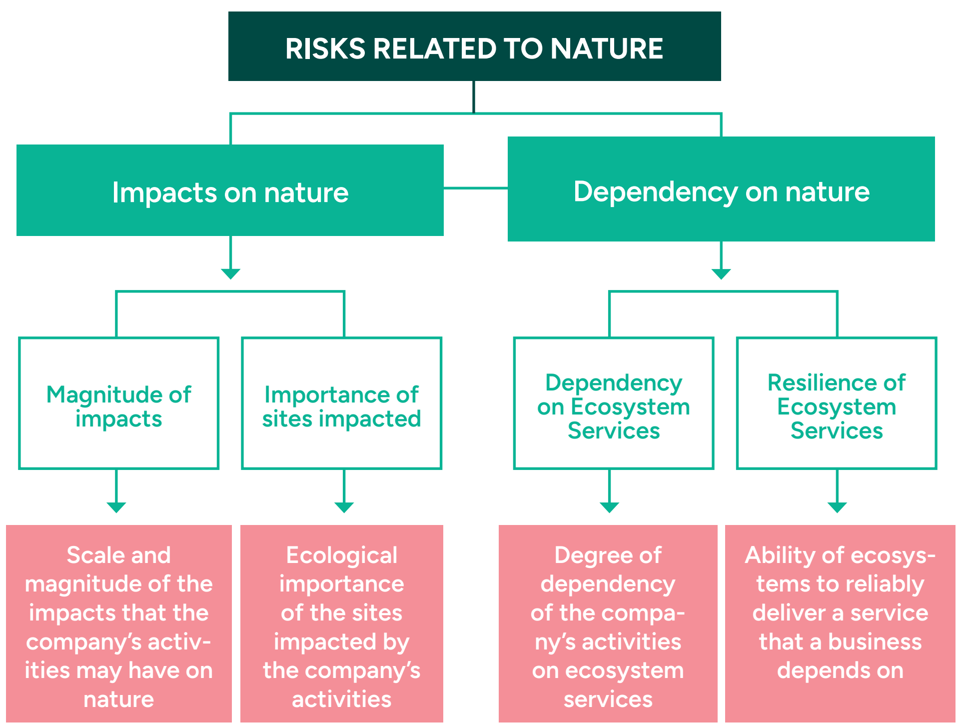
Our economic model's reliance on ecosystem services is deep, systemic, and often underestimated. In fact, a large part of our economy relies directly or indirectly on the proper functioning of ecosystems. These services include but are not limited to crop pollination, soil fertility, air purification, water purification, climate regulation, erosion and flood protection, and many more.

In December 2022, at COP15, governments from around the world adopted the Kunming-Montreal Global Biodiversity Framework. The agreement aims to stem and reverse the dangerous decline of nature that is being observed on a global scale. It includes the "30 by 30" initiative, through which governments commit to protecting 30% of the world's land and seas by 2030.

However, target-setting has been hindered so far by the lack, fragmentation, and non-standardisation of available data.

Evaluating how companies in high-impact sectors manage these issues is an integral part of our broader ESG analysis. In addition to estimating our portfolios' carbon footprints, S&P Global Sustainable 1 conducts an assessment of nature and biodiversity risks every year, covering:

- the magnitude and extent of impacts on nature;
- dependency on and resilience of ecosystem services.



Impacts on nature refer to how a company's activities and operations may have positive or negative effects on natural resources or ecosystem services.

Dependency relationships refer to how a business relies on natural resources and ecosystem services to operate.

The portfolio biodiversity study focuses on:

1. companies' biodiversity footprint, i.e. the reputational and regulatory risks associated with their presence in risk areas;
2. the impact on nature (transition risk), as defined by the TNFD: encompasses changes in the state of nature (quality and quantity) that could lead to alterations in the ability of nature to perform its social and economic functions;
3. dependency on nature (physical risk), as defined by the TNFD: refers to the aspects of ecosystem services that a business needs to operate and thrive.

At year-end 2025, the S&P Global Nature and Biodiversity analysis had covered 98.8% of the listed portfolio – i.e. 4,546 portfolio companies and 481,153 physical assets had been analysed – compared to 99% for the benchmark.

The FRR's global equities portfolio makes better use of land than its benchmark. According to the S&P Global methodology, "apportioned land use" consists in distributing an activity's total land between the different products or outputs, in proportion to their economic or physical contribution. With this approach, land use-related environmental impacts (such as deforestation or biodiversity loss) can be attributed consistently to each financed product or activity.

Apportioned Land Use

SOURCE: S&P GLOBAL SUSTAINABLE 1, YEAR-END 2025

Portfolio

8,103

hectares

Benchmark

11,542

hectares

ANALYSIS OF THE GLOBAL EQUITIES PORTFOLIO

Risks of impacts on nature and biodiversity footprint

SOURCE: S&P GLOBAL SUSTAINABLE 1, YEAR-END 2025

Hectares occupied	Globally significant degraded hectares equivalent (Hae)	Globally significant degraded hectares equivalent (Hae)
8,103	**1,048**	**41%**
Portfolio land use footprint in hectares (ha.), representing the area used by the companies' activities.	Ecosystem footprint, representing the equivalent extent of globally important ecosystems that are fully degraded.	Ecosystem impact ratio, representing the ratio between the ecosystem footprint and the land use footprint.

The consolidated global equities portfolio's land use footprint improved by 30% compared to the benchmark, and the portfolio's ecosystem footprint improved by 27% compared to that of the benchmark. Nevertheless, the portfolio's ecosystem impact ratio is slightly worse than that of the benchmark (41% vs 40%), and the higher the ratio, the more negative the relative impact (level of ecosystem degradation and importance of occupied areas).

Risks linked to dependency on ecosystems

SOURCE: S&P GLOBAL SUSTAINABLE 1, YEAR-END 2025

Dependence

0.53

Portfolio's weighted average dependency score, indicating moderate dependency on nature overall.

Heavily dependent assets

47%

Share of portfolio companies' assets with a high level of dependency on ecosystem services.

The portfolio's weighted average dependency score reflects a moderate level of dependency on nature overall. The portfolio's dependency score is slightly better than that of the benchmark (-3%). The sectors with the greatest dependency on ecosystems are the Energy, Real Estate, and Utilities sectors.

ANALYSIS OF THE CORPORATE BONDS PORTFOLIO

Risks of impacts on nature and biodiversity footprint

SOURCE: S&P GLOBAL SUSTAINABLE 1, YEAR-END 2025

Hectares occupied

20,505

Portfolio land use footprint in hectares (ha.), representing the area used by the companies' activities.

Globally significant degraded hectares equivalent (Hae)

2,749

Ecosystem footprint, representing the equivalent extent of globally important ecosystems that are fully degraded.

Globally significant degraded hectares equivalent (Hae)

47%

Ecosystem impact ratio, representing the ratio between the ecosystem footprint and the land use footprint.

Risks linked to dependency on ecosystems

SOURCE: S&P GLOBAL SUSTAINABLE 1, YEAR-END 2025

Dépendance

0.57

Portfolio's weighted average dependency score, indicating moderate dependency on nature overall.

Heavily dependent assets

63%

Share of portfolio companies' assets with a high level of dependency on ecosystem services.

8

INTEGRATION OF ESG RISKS IN THE RISK MANAGEMENT PROCESS

ESG ANALYSIS

The FRR has adopted a double materiality approach, with the aim of going further than **financial materiality** by also taking into account impact materiality. Financial materiality, which means simple materiality, studies the impact of environmental and societal issues on the company's economic performance, whereas **impact materiality** assesses the impact of the company's activity on society and the environment.

The ESG analysis is provided by Morningstar Sustainalytics, whose ESG Risk Rating approach is based on a two-dimensional architecture: exposure, which measures the degree of ESG risk to which a company is exposed, and management, reflecting the quality of the company's management of this risk. The ESG Risk Rating score attributed to the issuer is construed as the ESG risk that is not managed by the company (exposure to material ESG risks minus the company's ability to manage these risks).

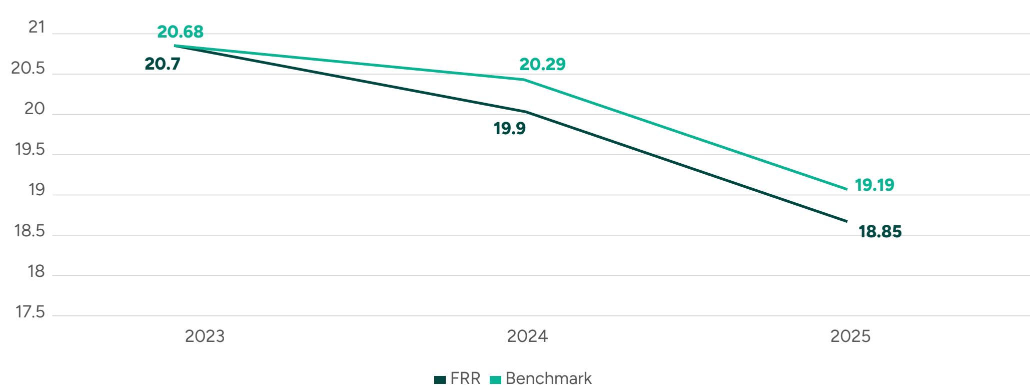
Unmanaged risk is measured on an open-ended scale starting at zero, where zero means "no risk", which means that the lower the ESG risk score, the lower the ESG risk. In 95% of cases, this score is below 50. The score severity scale is as follows:

Negligible	Low	Medium	High	Severe
0-10	10-20	20-30	30-40	40+

The ESG risk rating of the FRR's consolidated portfolio (companies and sovereigns) is broadly aligned with that of its benchmark. The consolidated portfolio has an ESG risk rating of 18.85, which places it in the low risk category. This figure has been falling continuously since 2023 and is now below the aggregate index rating, confirming a structural improvement in the risk profile. However, this development remains partly correlated with the drop in the benchmark rating, reflecting a generally improving market trend.

Change in ESG Risk Rating of the FRR portfolio

SOURCE: MORNINGSTAR SUSTAINALYTICS



This positive momentum is driven by the reduction of risk in all corporate portfolios year over year (equities: 20.82 => 18.30; bonds 22.01 => 19.97), and the stabilisation of sovereign risk, contributing to overall control of the FRR's ESG risk. Across all of the FRR's corporate portfolios, ESG risk remains below the benchmark, confirming effective overall risk management.

Two ESG issues are particularly material to the FRR's portfolio: Product Governance and Data Privacy and Cybersecurity. These ESG issues are among the main contributors to the total ESG risk rating of the global equities and global bonds portfolios (sovereign and corporate), in both absolute and weighted terms.

	ESG RATINGS	WEIGHTING IN THE AGGREGATED PORTFOLIO	ESG RATING BENCHMARK
Global Equities Portfolio	18.3	37.3%	18.54
Developed market equities	17.8	30.6%	18.1
Developed market equities (Passive)	19.4	17.4%	20
Developed market equities (Active)	15.7	13.3%	15.8
Emerging market equities	20.5	6.7%	21
Corporate portfolio (Equities & Bonds)	19.1	68.6%	19.4
Sovereign Bonds portfolio	18.4	31.4%	18.7
Global Bonds Portfolio	19.97	31.3%	20.45
All Portfolios (weighted)	18.85	100%	19.19

Global equities portfolio's ESG rating

Sector allocation drives positive ESG performance within the global equities portfolio. The portfolio is mainly exposed to Information Technology (25%), Financials (21%) and Industrials (18%), and overweighted in Consumer Discretionary, Industrials and Financials compared to the benchmark. Most of the sectors are low-to-medium risk, close to the benchmark, but certain compartments contribute to a relative increase in risk, in particular Consumer Discretionary (18.4 vs. 16.8) and Materials (25.4 vs. 24.4).

In the Energy sector, the selection of best-in-class securities drives the portfolio's higher ESG rating relative to the benchmark (28.4 for the portfolio vs. 30.6 for the benchmark).

ESG risk is lowest in the Europe and North America zones (16.86 and 18.70, respectively), which together account for 76% of the portfolio, with Europe scoring less than the overall average (-1.4). Conversely, the Asia-Pacific and Latin America regions, with scores of 20.97 (and a weighting of 21%) and 24.12 (representing 2% of the global equity portfolio), respectively, exhibit the highest levels of risk, with the Asia-Pacific region exerting a significant upward effect, given its weight.

Global Bonds Portfolio's ESG rating

In the global bond portfolio, the sector allocation does not deviate much from its benchmark, but is less favourable than in the equities portfolio. The portfolio is mainly exposed to the Consumer Discretionary (20%), Financials (19.1%) and Industrials (12.6%) sectors (20%, 19.1% and 12.6%, respectively), but is under-weighted in the Energy sector, due mainly to the fossil-fuel exclusions imposed by the FRR. In most of the sectors, the ESG risk is low-to-medium, and since the riskiest sectors – particularly Energy (36.76) – have very low weightings, this reduces their impact on the overall risk of the portfolio.

As such, the superior ESG rating of the FRR's bond portfolio is driven more by sector allocation than by the selection of best-in-class securities within each sector.

In terms of geographical exposure, the bonds portfolio is highly concentrated in Europe (59%), and notably on French sovereign bonds (ESG risk rating of 13.01), which contributes to lowering the overall ESG risk of the portfolio.

Standardised extra-financial analysis

In line with its promotion of sustainable and responsible business practices, the FRR relies on its ESG provider to identify companies that do not comply with the UN Global Compact (UNGC) principles. Some of the companies in both the equities and corporate bonds portfolios are in breach of these UN standards.

Only one company in the bonds portfolio is in breach of the UNGC standards. In the global equities portfolio, 0.92% of the companies (20 companies) are non-compliant. This figure is in decline compared to 2024 (1.14%), reflecting a reduction in direct exposure to proven violations. Most of these companies are in Asia – particularly China – and operate in sensitive sectors (technology, industry, energy and financial services) exposed to violations of Principles 2 (relating to human rights) and 7 (Environmental). However, these portfolio securities have very low weightings in the Equities portfolio (0.92% in total). Thus, despite the high reputational risk generated by these residual investments, the financial gains from these positions is minimal.

Since the FRR holds securities from emerging countries – through funds and not dedicated mandates – it is not in a position to decide on the disposal of these individual securities. However, the FRR engages in dialogue with the relevant fund managers to assess their reasons for holdings these assets and how they monitor progress towards meeting these standards. Thus, the progress made by these companies is the subject of ongoing monitoring.

Assessment of controversies

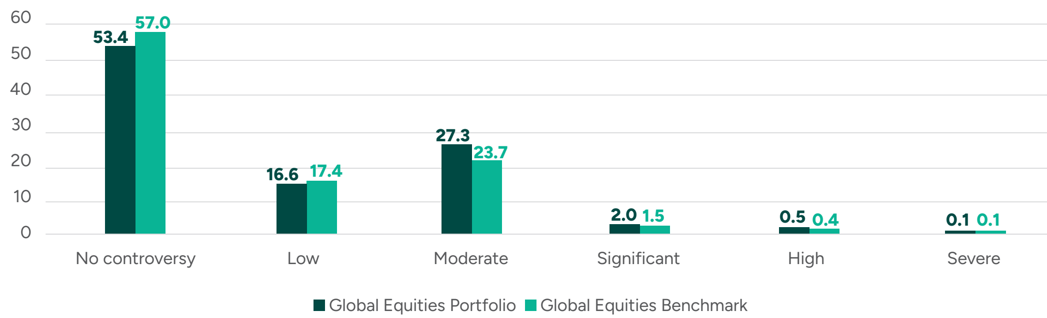
Reminder on the methodology used

Morningstar Sustainalytics assesses companies' involvement in incidents with negative Environmental, Social and Governance (ESG) implications. Involvement in a controversy is a key measure of ESG performance that can inform our clients' investment decisions. The controversy rating reflects a company's degree of involvement in incidents and how it manages these incidents.

Regarding controversies, the FRR's Global Equities portfolio is comparable to the benchmark, with 0.6% of companies involved in one or more of the most severe controversies (categories 4 and 5). Based on the double materiality analysis, the controversy risk in the global equities portfolio can be attributed more to the financial risk than to the risk of negative impacts, particularly for category 1 controversies. The most frequent controversy-related themes reflect the portfolio's sectoral composition, and are category 4 (High) & category 5 (Severe) controversies, i.e. pollution, community relations, quality and product safety.

Breakdown of issuers by highest level of controversy - Global Equities Portfolio

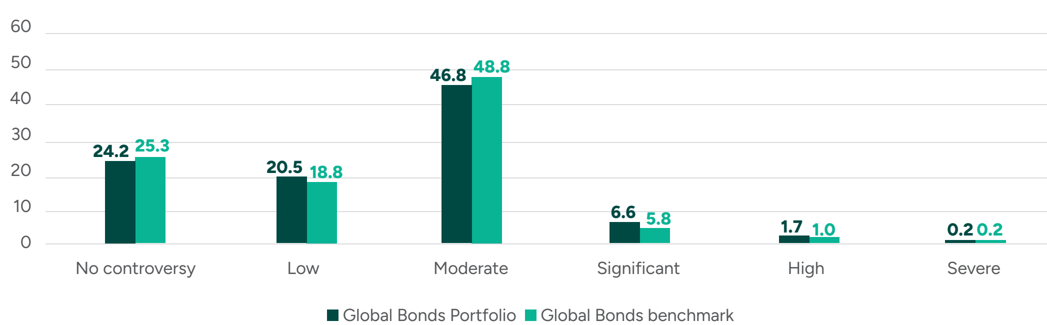
SOURCE: MORNINGSTAR SUSTAINALYTICS



Similar to its benchmark, the FRR's global bonds portfolio is slightly more exposed than its equities equivalent. In most of the issuers in the Global Bonds portfolio (46.8%) and its benchmark (48.8%), the highest level of controversy is category 2. While serious and severe controversies (categories 4 and 5) remain minimal (23 issuers, i.e. 1.9% of all controversies in the portfolio vs. 1.2% for the benchmark), they also account for significant negative impacts and financial risks. Reflecting the portfolio's sector exposure, the most frequent Category 4 (High) and Category 5 (Severe) controversies involve business ethics and anti-competitive practices.

Breakdown of issuers by highest level of controversy - Global Bonds Portfolio (Corporate and Sovereign)

SOURCE: MORNINGSTAR SUSTAINALYTICS



CLIMATE RISKS

Climate-related risks are twofold:

1. Transition risks: the exposure of heavy greenhouse gas emitters to potential regulatory shifts, carbon pricing, technological advances, and evolving consumer expectations;
2. Physical risks related to climatic and meteorological events. These risks affect not only companies' direct activities, but also their entire value chain.

To assess these risks, the FRR relies on S&P Global Sustainable 1's annual Climate Analysis.

Transition risks

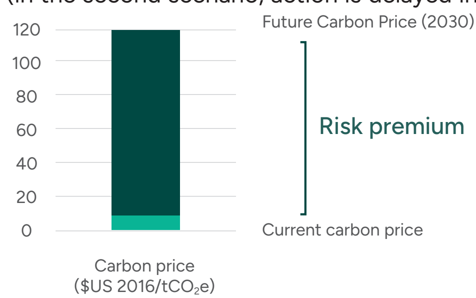
Regarding transition risks, S&P Global Sustainable 1 has compiled a dataset on possible future carbon pricing, which can be used by investors to manage the risks associated with a rise in the price of carbon. The degree of exposure of a portfolio to carbon price risks is determined by the "total risk premium" – an indicator that quantifies the difference between the price a company pays today for a tonne of carbon emissions and the possible future price it may have to pay under various scenarios (see chart opposite).

To help investors manage carbon price risk, Trucost has compiled a dataset of possible future carbon prices that can be used to test each company's current ability to absorb future costs. An integral part of this analysis is the quantification of the unpriced carbon cost (UCC) – i.e., the difference between what a company pays today to emit carbon and what it might pay in the future.

The carbon price risk premium varies by sector, year, and region. These fluctuations reflect differing government approaches to climate policy across various economic sectors. Its calculation is used to determine future carbon costs that companies may face. These future carbon costs are therefore computed by multiplying companies' carbon footprint (tCO_2e) by their risk premium.

Risk premium

SOURCE: S&P TRUCOST METHOD

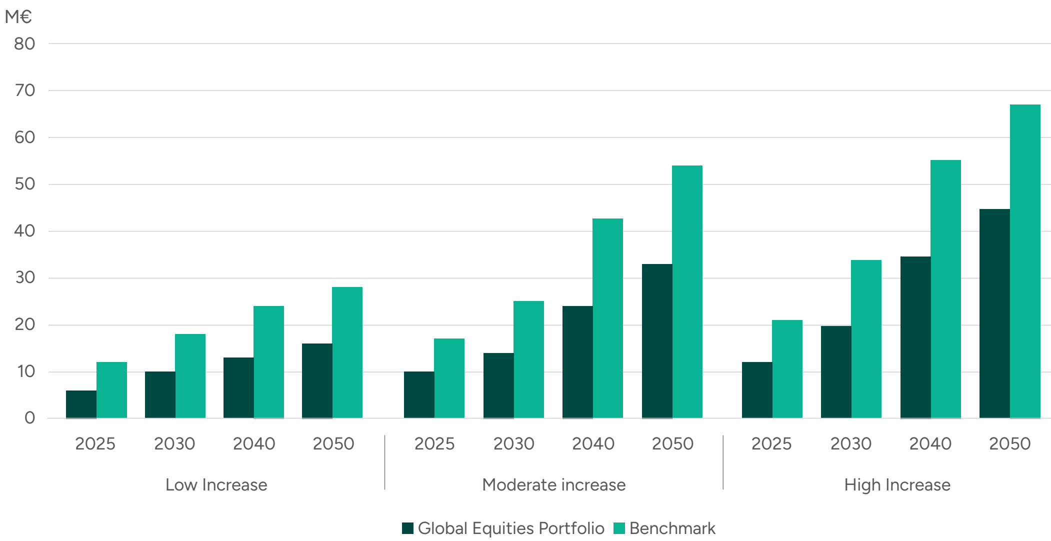


These unpriced carbon costs also depend on the chosen scenario and reference year. The "high" and "moderate" scenarios both result in a price deemed sufficient to limit global warming to 2°C by 2050, compared to pre-industrial levels (in the second scenario, action is delayed in the short term). The scenario of a slight increase in carbon prices is not aligned with a 2°C scenario, but assumes that countries that have ratified the 2015 Paris Agreement implement their Nationally Determined Contributions (NDCs).

The charts below provide an overview of the unpriced carbon costs allocated to the global equities and corporate bonds portfolios under different carbon price increase scenarios (i.e. low, moderate and high) and different reference years, i.e. 2030, 2040, and 2050.

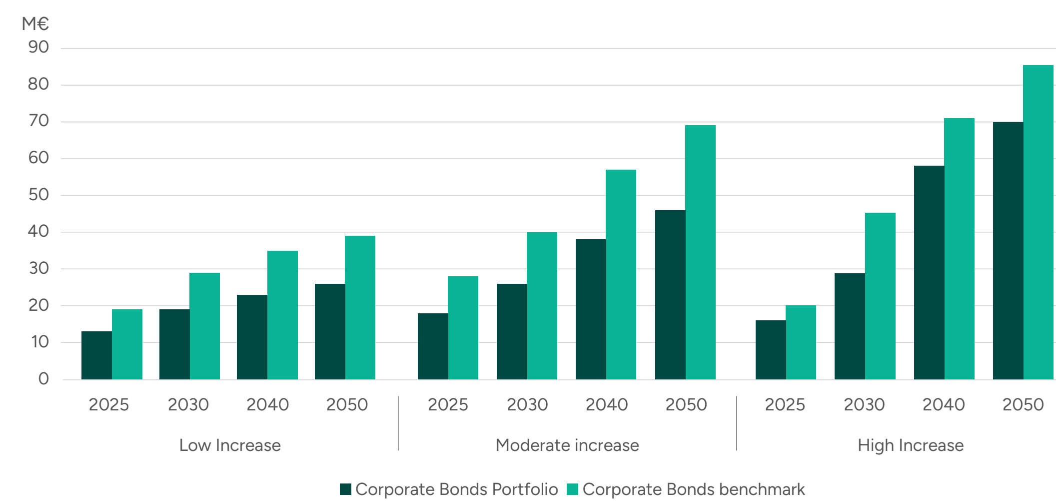
Global Equities Portfolio's Future "Allocated" Carbon Costs (€ million)

SOURCE: S&P GLOBAL MARKET INTELLIGENCE



Corporate Bonds Portfolio's Future "Allocated" Carbon Costs (€ million)

SOURCE: S&P GLOBAL MARKET INTELLIGENCE



Global equities and corporate bonds portfolios' estimated transition risks

SOURCE: S&P GLOBAL SUSTAINABLE 1 AT YEAR-END 2025

	% EBITDA AT RISK	REDUCTION IN EBITDA MARGIN (% POINTS)	ASSETS WITH EBITDA AT-RISK > 10%	% ASSETS WITH MARGINS BECOMING NEGATIVE
Portfolio Global equities	3.30%	-0.57%	5.42%	0.36%
Global equities benchmark	6.11%	-1.23%	9.44%	1.39%
Corporate Bonds portfolio	7.92%	-1.11%	13.55%	1.37%
Bonds Benchmark	11.05%	-1.65%	15.56%	2.21%

EBITDA at-risk: proportion of portfolio profits exposed to a high increase in carbon prices

Reduction in EBITDA margin: reflects the change in a portfolio's profit margins relative to the portfolio's margins, owing to a high increase in carbon prices.

The results highlight the future carbon costs faced by companies, calculated at portfolio level: they therefore reflect the increase in risk premiums over the years studied and under the various carbon price increase scenarios. Assuming a high carbon price by 2030, the analysis of transition risks reveals, as it did the previous year, that FRR's portfolios' overall EBITDA[6] at-risk is lower than that of its benchmarks.

Physical risks

The consequences of global warming are already being felt, and manifest themselves in two forms: the physical risks due to climate change can be acute (due to more frequent extreme weather events, such as floods or storms), or chronic (due to longer-term changes in climate patterns).

Companies' assets are assessed by S&P Global Sustainable 1 based on their exposure and vulnerability to eight types of physical risks: wildfires, extreme cold, extreme heat, water stress, coastal flooding, river flooding, tropical cyclone, and drought. When the data on a company's asset is not available, the analysis is conducted with reference to the location of the head office, geographical distribution, revenues, and average physical risk levels in each country.

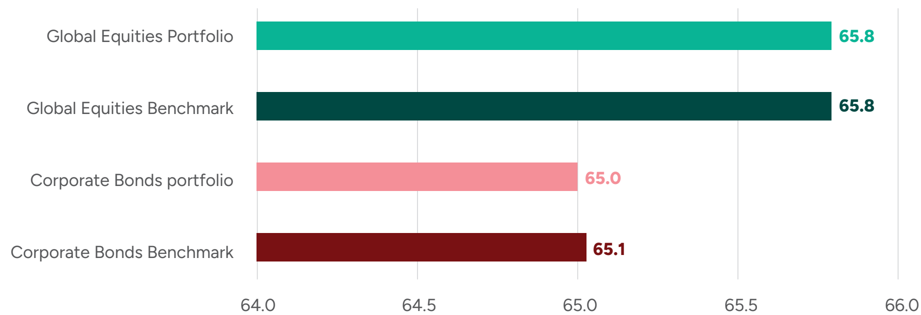
The two main outcomes of these assessments are exposure scores and financial impacts. The exposure score is a one-off assessment of exposure to climate-related risks in light of global conditions, regardless of the characteristics of the assets in a given location. It is determined on a scale of 1 to 100, where 100 is the highest possible risk and 1 the lowest.

6 • EBITDA: earnings before interest, taxes, depreciation, and amortisation.

By 2050, with a moderate-to-high temperature increase scenario, the FRR's portfolios' and their benchmarks' levels of exposure are similar, i.e. 65.8 for the global equities portfolio and 65.0 for the corporate bonds portfolio.

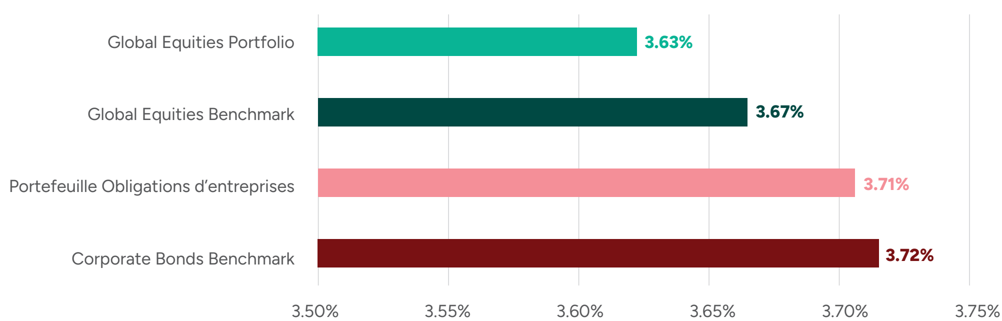
Composite Exposure Score - Moderate High Score, 2050

SOURCE: S&P GLOBAL SUSTAINABLE 1



Aggregate financial impact - Moderate High score, 2050

SOURCE: S&P GLOBAL SUSTAINABLE 1



The second metric reflects the financial impact of changing weather hazard exposure relative to a location-specific asset baseline. The financial impacts are presented in the form of potential climate-related losses (e.g., in the case of capital expenditure, operating expenditure or business interruption), expressed as a percentage of asset value.

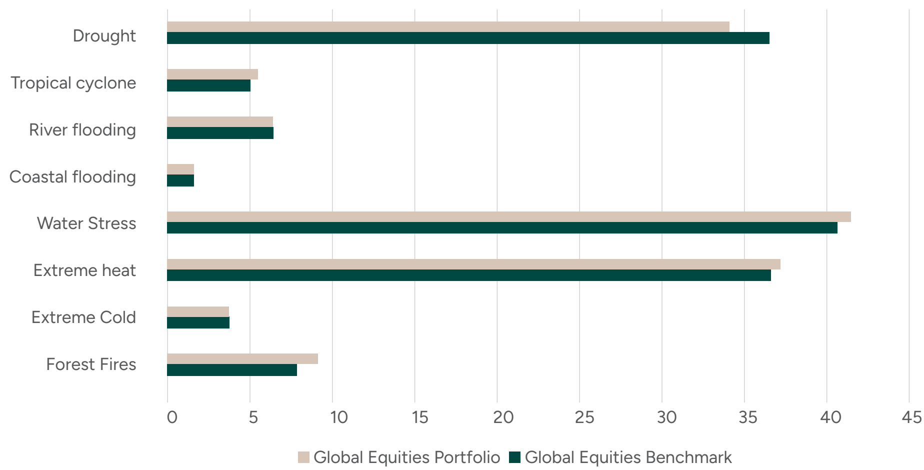
By 2050, with a moderate-to-high temperature increase scenario, the exposure levels, the FRR's portfolios' and their benchmarks' exposure are similar, i.e. 3.63% for the global equities portfolio and 3.67% for its benchmark, and 3.71% for the corporate bonds portfolio and 3.72% for its benchmark.

Overall, the FRR's listed portfolio is most exposed to the following physical risks: drought, water stress and extreme heat, demonstrating its level of dependency on the need for water.

The charts below show the portfolios' and their benchmarks' weighted average exposure scores, broken down by type of physical risks in a moderate-to-high scenario by 2050.

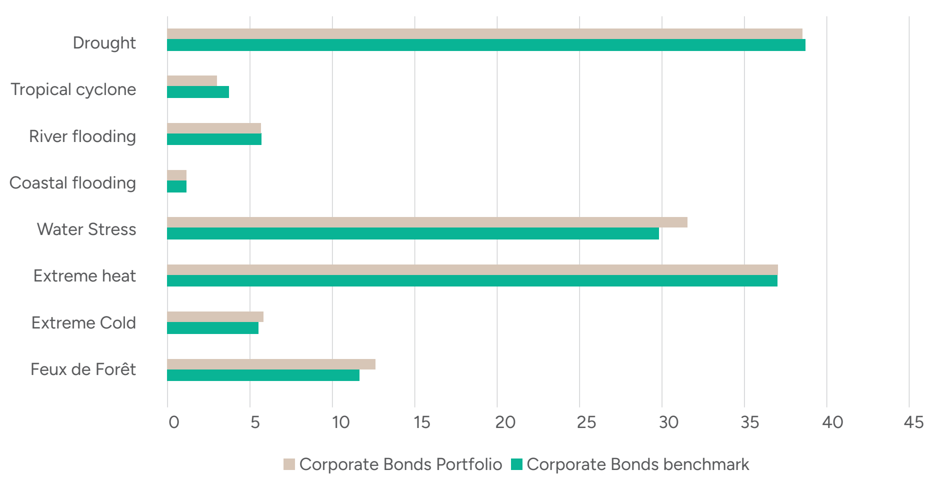
Global Equities portfolio's exposure score by type of physical risk - Moderate High score, 2050

SOURCE: S&P GLOBAL SUSTAINABLE 1



Corporate Bonds portfolio's exposure score by type of physical risk - Moderate High Score, 2050

SOURCE: S&P GLOBAL SUSTAINABLE 1



9

IMPROVEMENT MEASURES

FONDS DE RÉSERVE POUR LES RETRAITES

The FRR has identified several areas for improvement, with initiatives either ongoing, planned or to be carried out:

The three priority areas for improvement identified for the next year are:

1. Tighten the sustainability criteria for unlisted assets in the portfolio;
2. Refine the voting policy;
3. Lay the groundwork for a biodiversity policy in line with the FRR's five-year sustainability strategy.

In line with its commitments as a member of the NZAOA, the FRR wishes to obtain a better coverage of principal adverse (sustainability) impacts (PAIs) – including carbon footprints – for its unlisted assets portfolio. Unlisted companies still very rarely publish these indicators. The FRR encourages its management companies to engage in more dialogue with these companies on their impact.

In 2026, the FRR will also focus on strengthening its voting policy and creating a more prescriptive implementation document so that its main guidelines are easier to follow by its portfolio management companies.

Lastly, similar to its climate policy, the FRR is preparing to launch a comprehensive biodiversity policy. This standalone framework will centralise all of the fund's nature-related analyses and initiatives. The FRR remains committed to minimising its negative impact on nature by expanding its biodiversity footprint measurement. In parallel, the fund will divest from companies involved in harmful practices that lack clear mitigation strategies, while actively strengthening shareholder engagement through the Nature Action 100 and Spring initiatives. The FRR also plans to leverage the expertise of CDC Biodiversité.

APPENDICES

Cross-reference table for information required under the implementing decree of Article 29 of the Energy Climate Law of 8 November 2019

PARAGRAPH OF THE IMPLEMENTING DECREE	PAGE NO. AND LINK
1° Information on the entity's general approach	
a) Summary presentation of the entity's general approach to factoring-in environmental, social and governance-quality criteria, including in its investment policy and strategy.	p. 8
b) Content, frequency and means employed by the entity to inform subscribers, affiliates, contributors, beneficiaries and clients of the criteria relating to the environmental, social and governance-quality targets taken into consideration in its investment policy and strategy.	Not applicable
c) List of financial products referred to under Articles 8 and 9 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019, and the overall share of assets under management that take ESG criteria into account, as a percentage of the total assets managed by the entity.	p. 10
d) Consideration of environmental, social and governance-quality criteria in the decision-making process for awarding new management mandates, by the entities mentioned in Articles L.310-1-1-3 and L. 385-7-2 of the Insurance Code.	p. 10
e) Entity's or certain financial products', adherence to a charter, code, or initiative, or the award of a label for factoring-in environmental, social and governance-quality criteria, as well as a summary description thereof, in accordance with Article 4(2)(d) of the above-mentioned Regulation.	p. 17
2° Information on internal resources deployed by the entity	
a) Description of the financial, human and technical resources dedicated to factoring in environmental, social and governance-quality criteria in the investment strategy, with reference to the total assets managed or held by the entity. The description should include some or all of the following indicators: share, as a percentage, of corresponding full-time equivalents; share, as a percentage and as an amount in euros, of budgets allocated to environmental, social and governance-quality data; amounts invested in research; and use of external service providers and data providers.	p. 21
b) Actions undertaken to reinforce the entity's internal capabilities. The description should include some or all of the information on training, the communication strategy, and the development of financial products and services associated with these actions.	p. 26

PARAGRAPH OF THE IMPLEMENTING DECREE	PAGE NO. AND LINK
3° Information on the process for taking environmental, social and governance-quality criteria into account in the governance of the entity	
a) Knowledge, skills and experience of governance bodies – and particularly administrative, supervisory and management bodies – in decision-making in connection with the incorporation of environmental, social and governance-quality criteria in the entity's investment strategy and policy, and those of entities under its control, if any. The information may include, for example, the level of supervision and associated processes, reporting of results, and specialist skills.	p. 25
b) Inclusion, in accordance with Article 5 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019, in compensation policies of information on how such policies are adapted for the purpose of incorporating sustainability risks, including details on the criteria used to link the compensation policy to performance indicators.	p. 25
c) Incorporation of environmental, social and governance-quality criteria in the internal regulations of the entity's Board of Directors or Supervisory Board.	p. 25
4° Information on the strategy for engaging with issuers or management companies, and its implementation	
a) Scope of the companies targeted by the engagement strategy	p. 33
b) Presentation of the voting policy.	p. 31
c) Outcome of the implemented engagement strategy, which may include the share of companies with which the entity has engaged in dialogue, the themes covered, and the follow-up actions of this strategy.	p. 33
d) Outcome of the voting policy, in particular as regards the tabling of and voting on resolutions on environmental, social and governance issues at general shareholder meetings.	p. 31
e) Investment strategy decisions, in particular on sector divestments.	Not applicable
5° Information on the European taxonomy and fossil fuels	
a) Share of assets for activities that meet the technical screening criteria defined in the delegated acts relating to Articles 10 to 15 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088, in accordance with the delegated act adopted pursuant to Article 8 of that regulation.	p. 43
b) Share of assets in companies actively involved in the fossil fuels sector, within the meaning of the delegated act pursuant to Article 4 of that regulation.	p. 43

PARAGRAPH OF THE IMPLEMENTING DECREE	PAGE NO. AND LINK
6° Information on the strategy for achieving alignment with the international targets for limiting global warming set out in the above-mentioned Paris Agreement, in line with Article 4(2)(d) of the same regulation	
a) A quantitative target for 2030, reviewed every five years until 2050. The review of this target must be carried out no later than five years before its expiry. The target includes direct and indirect greenhouse gas emissions, in absolute terms or intensity relative to a baseline scenario and a reference year. It can be expressed by measuring the increase in implied temperature, or the volume of greenhouse gas emissions.	p. 49
b) Where the entity uses an in-house methodology, information on that methodology to assess the investment strategy's alignment with the Paris Agreement or the national low-carbon strategy...	p. 56
c) Quantification of results using at least one indicator.	p. 56
d) For entities managing index funds, information on the use of the European Union's "climate transition" and "Paris Agreement" benchmarks, as defined in Regulation (EU) 2019/2089 of the European Parliament and of the Council dated 27 November 2019.	Not applicable
e) The role and use of assessment in the investment strategy, and in particular the complementarity between the chosen assessment methodology and other indicators on environmental, social and governance-quality criteria used more broadly in the investment strategy.	Not applicable
f) Changes in the investment strategy consistent with Paris-Agreement alignment strategy, and in particular the policies established for phasing out coal and unconventional hydrocarbons, specifying the adopted exit timetable and the share of total assets managed or held by the entity covered by these policies.	Not applicable
g) Possible actions to monitor outcomes and changes made.	p. 56
h) Frequency of assessment, the provisional update timetable, and the relevant factors of change selected.	p. 56
7° Information on the strategy for alignment with long-term	p. 60
8° Information on the processes for taking environmental, social and governance-quality criteria into account in the management of risks	p. 66
9° If the entity fails to publish some of information referred to in in III, 1–8(a), it shall, where appropriate, publish a continuous improvement plan	p. 76

APPENDICES

Cross-reference table of information contained in this report and that provided in the TCFD recommendations

TCFD RECOMMENDATIONS	PAGE NO. AND LINK
Governance of climate issues	
a) Supervision by the Supervisory Board and b) the Executive Board	p. 25
Strategy	
a) Climate-related risks and opportunities	p. 48 - 59
b) Impact of climate-related risks and opportunities on the investment strategy	p. 48 - 59
c) Resilience of the strategy and portfolio alignment with 2°C scenarios	p. 48 - 59
Risk Management	
a) Procedure for identifying and assessing climate-related risks	p. 66 - 75
b) Procedure for managing climate-related risks	p. 66 - 75
c) Incorporation in the risk management processes	p. 66 - 75
Metrics and targets	
a) Measurement system used to assess climate-related risks and opportunities	p. 66 - 75
b) Scope 1, Scope 2, and where appropriate Scope 3 greenhouse gas emissions and associated risks	p. 52 - 55
c) Targets used to manage these risks and performance achieved	p. 59

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Fonds de Réserve pour les Retraites
- 56 rue de Lille 75007, Paris -
www.fondsdereserve.fr