

**SUSTAINABILITY
REPORT
2025**



PUBLIC
SERVICE
ADDITIONAL
PENSION SCHEME



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INTRO- DUCTION

In adopting its SRI (Socially Responsible Investment) Charter as early as 2006, ERAFP sought to anchor the Scheme's investment policy to the values supported by its active contributors by building environmental, social and governance criteria into its processes. Keen to underscore the importance of its SRI approach, which is central to the Scheme's strategy, ERAFP has reported on it year after year in its public report. In 2016, ERAFP aligned its practices with the decree implementing Article 173-VI of the Energy Transition and Green Growth Law of 29 December 2015, marking its ongoing commitment to addressing these challenges to the best of its ability. In addition, in its 2019 public report ERAFP set out the measures it had taken to incorporate climate considerations into its practices. In doing so, it implemented the recommendations of the G20 Taskforce on Climate-related Financial Disclosures (TCFD) before they became mandatory. Similarly, and based on this report, ERAFP also monitors its actions relating to the consideration of biodiversity issues through the recommendations of the international Task Force on Nature-related Financial Disclosures (TNFD). Driven by that same determination to remain at the forefront of sustainability disclosures — which has earned it several awards in recognition of the quality of its non-financial reporting — this year ERAFP is publishing its fourth report specifically dedicated to the Scheme's SRI policy, in accordance with the decree implementing Article 29 of the Energy and Climate Law of 8 November 2019.

The aim of this report is to set out ERAFP's response to the implementing decree, on a point-by-point basis. This report can be used in tandem with ERAFP's 2025 public report, which includes a brief presentation of the SRI policy implemented by the Scheme and the main results thereof, and refers readers to this report for a more in-depth analysis. Please note in particular that the annual report, which covers all the factors that affected ERAFP's activities during the past financial year, presents both the financial and non-financial aspects of the investment policy.

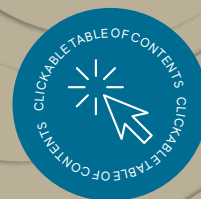
The various regulations governing sustainable finance undeniably pose challenges for investors in terms of strategy, methodology and data collection. As such, the aim of this report is to present of the measures that ERAFP has implemented and discuss how we intend to build on these initiatives.

Lastly, regulatory compliance aside, ERAFP intends in this report to be a reference document readily available to its affiliates and to anyone else who may be interested in finding out about the Scheme's SRI policy. We very much hope that it will serve this purpose well.

PART 01

GENERAL APPROACH ADOPTED BY THE ENTITY

- 1.1 Vision & values
- 1.2 ERAFP's ESG approach
- 1.3 Key aspects of ESG performance
- 1.4 Adherence to and involvement in collaborative initiatives
- 1.5 Information to affiliates on criteria related to the ESG objectives of the investment policy



VISION & VALUES

As a public institution established for the benefit of civil servants employed by the State, local and regional authorities, hospitals, the judiciary and the military, ERAFP's role is to serve the public interest. As a pension scheme with a capitalisation-based business model, it acts over the long term to ensure equity and intergenerational solidarity.

And, as the Brundtland report pointed out, a focus on the long term and future generations is the cornerstone of the sustainable development concept: "Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own needs."

ERAFP's very nature and the values it supports are fundamentally aligned with this concept, which is why its board of directors has placed socially responsible investment (SRI) squarely at the heart of its strategy. This is why ERAFP chose to adopt an SRI Charter back in 2006, when SRI had yet to gain traction in France, stating that "investments based solely on the criterion of maximum financial return fail to account for their social, economic and environmental consequences". ERAFP has therefore played a pioneering role in SRI. As well as being an early adopter, it has an authentic approach based on values set out in its Charter, which its board of directors has consistently promoted. The values laid down in ERAFP's Charter provide answers to the challenges that we face as a society.

ENVIRONMENTAL CHALLENGES

According to the latest report by the Intergovernmental Panel on Climate Change (IPCC), published on 20 March 2023, the 1.5°C warming threshold, beneath which the harmful effects of climate change can be better contained, will be reached as soon as 2030. According to the EU's Copernicus Climate Change Service (C3S), this threshold was reached in 2024 (1.6°C above the pre-industrial era). While C3S specifies "it is generally agreed that temperatures averaged over two or three decades are needed to confirm that one or other of these thresholds has been passed," 2024 will go down as the first year to cross this symbolic threshold. With extreme temperatures, heavy rainfall and rising sea levels, the climate risks identified years ago are already materialising in extreme ways, pushing biodiversity and human populations towards their limits, and in some cases even beyond them. In a study published in September 2025, an international team of researchers at the Stockholm Resilience Centre (SRC) found that seven of the nine planetary boundaries have already been crossed¹. Some of the consequences of global warming are already irreversible and any further delay in implementing concerted action across the globe will wipe out any hope of securing a liveable future for current generations and those to come. As an investor keenly aware of the urgency of this situation, ERAFP endeavours to encourage companies to pay attention to the environmental impact of their products and services, to control the risks associated with climate change, to adopt a strategy aligned with a 1.5°C warming scenario and to contribute to the energy transition.

¹ According to the researchers, seven planetary limits have already been exceeded: climate change, biosphere integrity (biodiversity loss), biogeochemical flows (disruption of the cycles of nitrogen and phosphorus), land system change, freshwater change, ocean acidification and the introduction of novel entities into the biosphere (chemicals and substances introduced by humans that do not exist naturally, such as plastic). While critical thresholds for the last two limits (stratospheric ozone depletion and atmospheric aerosol loading) have not yet been reached, indicators show that the situation is getting worse.

To this end, it engages at various stages of the investment decision-making process, from the pre-investment selection process (by applying specific analysis criteria) to post-investment dialogue with companies, as part of a structured engagement approach.

More recently, ERAFP wanted to initiate an approach on the issue of biodiversity, which is closely linked to climate considerations. Faced with the observation made by IPBES² of the accelerated loss of biodiversity in recent years, it seems increasingly necessary for investors to take action at the portfolio level.

GOVERNANCE CHALLENGES

ERAFP considers it essential to assess a company's governance, because it sheds light on the entity's accountability to its stakeholders. ERAFP seeks to promote companies whose governance ensures a balance of power, effective control mechanisms, a responsible remuneration policy and gender equality. High quality governance enables companies to meet challenges such as the fight against corruption and money laundering, the respect and protection of customers' rights, and tax transparency and responsibility

SOCIAL CHALLENGES

The very identity and composition of ERAFP's board of directors make the social dimension a fundamental one: it has eight seats allocated to representatives of active contributors, filled by the trade unions representing the three public service sectors, eight allocated to representatives of employers and three to qualified persons. As a French public institution, ERAFP seeks to protect social benefits by promoting labour-management dialogue and the respect of union rights. ERAFP is also committed to upholding the rule of law and human rights through both its sovereign and its private investments. ERAFP expects companies to pay particular attention to respect for human rights and decent working conditions in their supply chain and at their subcontractors. Similarly, the challenges that companies will have to take on for a successful energy transition involve major transformations in some business areas that will have an impact on employees and civil society. ERAFP expects companies to incorporate principles of fair transition into their transition strategies.

ERAFP WANTED TO TAKE ACTION ON THE ISSUE OF BIODIVERSITY, WHICH IS CLOSELY LINKED TO THE CLIMATE ISSUE

² The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

ERAFP'S ESG APPROACH

THE SCHEME'S SRI APPROACH

An original SRI approach

The Scheme's SRI approach is original in a number of ways:

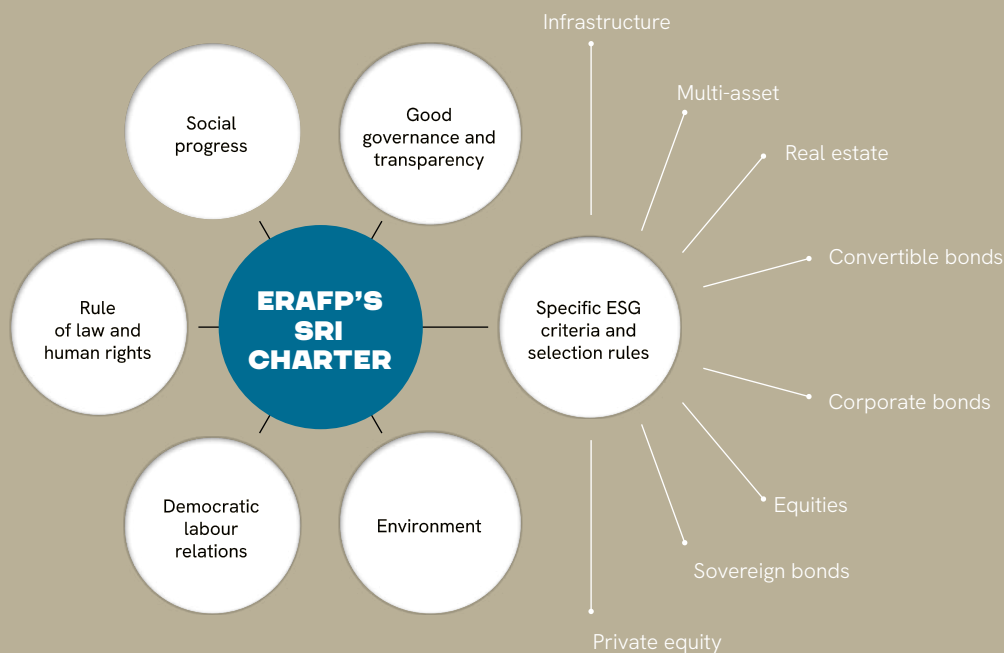
- The board of directors oversees the SRI framework internally. In response to a proposal by management, the board laid down an approach that satisfies the demands and values of its members, and regularly monitors its application on the basis of the comprehensive and continuous information provided by regular meetings of its investment policy monitoring committee (CSPP).
- The policy's content is "100% SRI". In other words, the SRI Charter applies to all of the Scheme's investments and takes into account the specific features of each asset class.

Only the currency hedging segment, which represents less than 1% of ERAFP's assets under management, does not include an ESG assessment given its specific characteristics.

An overarching SRI approach

ERAFP's SRI approach:

- not only does it concern all of the Scheme's investments, but it also applies to all of the investment phases, from the first stage of asset allocation to the post-investment stage of monitoring the assets or the issuers whose shares or bonds are included in the portfolio;
- applies to a broad spectrum of values to all sectors, instead of theme-specific investments.



For an investor of ERAFP's size that wishes to adopt a uniform approach for all of the asset classes in which it invests, the best in class approach seems the most appropriate, as it focuses on the links between the various considerations and issuers rather than tackling each individually.

The best in class principle is applied to the investment process by using quantitative rules to define the eligible investment universe. These rules are defined for each asset class with the aim of fostering improvements across all of them. Generally speaking, this means:

- not excluding individual business sectors, but promoting the issuers with the best ESG practices within each sector and, more generally, within groups of comparable issuers;
- monitoring and supporting issuers that have adopted a continuous improvement approach.

ERAFP has taken its best in class approach even further by introducing thresholds and eligibility criteria for issuers exposed to certain activities, taking into consideration the specific issues involved (coal, conventional and unconventional hydrocarbons, pesticides and palm oil). These criteria are detailed in sections 5.3 ("Policy on fossil energy") and 6.1 ("Biodiversity loss, a new challenge for investors") of this report. ERAFP also divested from the tobacco sector in 2019 and does not invest in the sovereign bonds of countries in which the death penalty is still legal.

This best in class approach is complemented by a stewardship strategy to support asset managers and issuers, as detailed in Part 3 of this report ("Stewardship strategy with issuers and assets managers").

SELECTING THE MAIN CRITERIA

ERAFP's SRI Charter, which was drawn up at the instigation of its board of directors, is based on public service values. It is applied to all of the Scheme's investments and broken down into more than 18 evaluation criteria, adapted to the specific features of each category of issuer.

Creating ERAFP's extra-financial rating system

ERAFP's SRI frameworks are an operational extension of its SRI Charter: each value is subdivided into criteria and each criterion is broken down into indicators.

ERAFP'S SRI CHARTER, WHICH WAS DRAWN UP AT THE INSTIGATION OF ITS BOARD OF DIRECTORS, IS BASED ON PUBLIC SERVICE VALUES

Each criterion is assigned a weight (from 0 to 3) according to the importance of the underlying issues considering the issuer's business activity or the characteristics of the asset being assessed. Certain issues (highlighted in bold in the table on page 9) are considered "key" for the Scheme. Their weight can never be 0, regardless of the nature, geographical origin or activity of the issuer. This applies in particular to the 'Control of the risks associated with climate change and contribution to the energy transition' criterion. For a given criterion, the score (from 0 to 100) assigned to an issuer or an asset reflects its level of control of the risks associated with the underlying issues. Globally, the rating assigned to an issuer or asset corresponds to the weighted average of the scores obtained for each criterion.

THE CHARTER'S 5 VALUES AND 18 CRITERIA

1

Rule of law and human rights

Non-discrimination and promotion of equal opportunities

Freedom of opinion and expression and other fundamental rights

Responsible supply chain management

2

Social progress

Responsible career management and forward-looking job strategy

Fair sharing of added value

Improvement of working conditions

Impact and social added value of the product or service

3

Democratic labour relations

Respect for union rights and promotion of labour-management dialogue

Improvement of health and safety conditions

4

Environment

Environmental strategy

Environmental impact of the product or service

Control of environmental impacts

Control of the risks associated with climate change and contribution to the energy transition

5

Good governance and transparency

Management/Corporate governance

Protection of and respect for customer/consumer rights

Fight against corruption and money laundering

Responsible lobbying practices

Tax transparency and accountability

THE ROLE OF CLIMATE AND BIODIVERSITY IN ESG ANALYSIS

The consequences of climate change are probably one of the risk factors most likely to have a long-term impact on the value of ERAFP's assets. That is why, in breaking down the SRI Charter into more detailed issuer evaluation frameworks, ERAFP has integrated criteria designed to better determine the level of these issuers' exposure to the various facets of climate risk and enhanced them over the years. More recently, biodiversity erosion has emerged as an equally critical issue, due to its systemic role for economies (ecosystem services, resilience of value chains) and the acceleration of its degradation. While these are distinct challenges, they are deeply interconnected: climate change accelerates biodiversity loss, while ecosystem degradation reduces the resilience of societies and economies to climate hazards. In this context, ERAFP strengthened its SRI framework in 2025 with the publication of an initial biodiversity policy, detailed in Part 6 of this report (["Consideration of biodiversity issues"](#)).

ERAFP's SRI Charter covers these two issues via a series of evaluation criteria. In particular, under the 'environment' value, the "Control of the risks associated with climate change and contribution to the energy transition" criterion makes it possible to assess the commitments that issuers have made, the measures that they have adopted and the tangible results that they have achieved as regards containing and reducing the greenhouse gas emissions associated with their activity. The listed and unlisted companies, countries and other issuers that score the highest on this criterion will probably be the

best placed to cope with the adjustments needed as a result of climate change measures, such as more stringent regulations, the introduction or increase of a carbon price, client and investor expectations and increased vigilance by civil society.

This criterion makes it possible to assess the efforts made by issuers to anticipate and adapt to the effects and consequences of climate change. It also makes it possible to recognise the companies in sectors with significant energy transition issues that have laid down a strategy in line with the objectives of the Paris Agreement.

Biodiversity issues are captured under the "Control of environmental impacts" criterion, making it possible to assess the commitments made by issuers regarding the prevention of impacts in terms of pollution, water and, more generally, the protection of biodiversity.

Lastly, the broader "environmental impact of the product or service" criterion makes it possible to recognise companies that offer solutions to sustainable development challenges, particularly in connection with the energy and ecological transition.

In addition to these analysis criteria, ERAFP has implemented eligibility criteria for issuers exposed to certain activities, taking into consideration the specific issues involved (coal, conventional and unconventional fossil fuels, pesticides and palm oil). More information is provided in sections 5.3 (["Fossil fuel policy"](#)) and 6.1 (["Biodiversity loss, a new challenge for investors"](#)) of this report.

A BEST IN CLASS SELECTION PROCESS

In practice, the best in class principle applied by ERAFP translates into detailed rules that make it possible to determine, based on the scores that issuers obtain for ERAFP's SRI criteria, the issuers that can be considered as the best in their category.

The approaches used to apply this principle to the investment process are tailored to the specific features of each asset class and issuer category via specific frameworks.

For example, for large listed companies, the best in class principle is applied by performing two simultaneous screenings:

- a first filter to identify companies whose scores on at least one of the five values of the SRI Charter are less than half of the average for their sector;
- a second filter to flag companies ranked in the bottom quartile of their sector based on their overall ESG rating.

For asset classes where ESG integration is in the earlier stages, or for which ESG criteria coverage is not sufficient, the investment manager must focus on the dynamic aspect of the best-in-class approach: issuers are assessed annually to track how their ESG ratings evolve over time, and issuers in the portfolio are engaged with to encourage them to improve their consideration of ESG factors.

CONSIDERATION OF ESG CRITERIA IN THE DECISION- MAKING PROCESS FOR THE AWARD OF NEW MANAGEMENT MANDATES

In selecting its asset managers, ERAFP, as a public entity, is required to comply with the French Public Procurement Code.

The initial implementation or renewal of a management mandate therefore involves the launch of a public tender procedure, through which candidates are assessed on their overall ability to implement the proposed mandate (application phase) and then on the quality of their bid considering ERAFP's expectations (bid phase).

In this context, candidates' ESG capabilities (coverage and depth of research, size and experience of teams, tools, etc.), together with the effectiveness of their approach for incorporating ESG criteria in the asset management process proposed, are a decisive factor when it comes to selecting asset managers. Applicants must be able to fully apply ERAFP's SRI framework. If this condition is met, ESG considerations represent 10% to 15% of the rating assigned to candidates, in both the application phase and the bid phase.

CONSIDERATION OF ESG CRITERIA IN THE MULTI- INVESTOR FUND SELECTION PROCESS

ERAFP has been authorised since 2019 to invest up to 10% of the carrying value of its assets in collective investment undertakings without delegating management. While the direct selection of collective investment undertakings is therefore not done in accordance with the Public Procurement Code, it is nonetheless governed by a documented internal procedure. The incorporation of ESG factors in the management process implemented by the funds considered is one of the selection criteria used, representing between 10% and 15% of the final rating assigned to each fund.

While the requirement for ESG integration is adjusted according to the maturity of the asset class in question, ERAFP still favours funds that adopt best practices and demonstrate innovation in this area.

KEY ASPECTS OF ESG PERFORMANCE

LISTED ASSET PORTFOLIOS

ERAFP assesses the effectiveness of its best-in-class SRI strategy by comparing the ESG scores of its portfolios of listed assets (equities, corporate bonds, convertible bonds and sovereign bonds)³, with those of its benchmark indices. In 2025, the majority of its portfolios outperformed their benchmark in terms of ESG score ⁴.

Specific provisions have been established for the application of the SRI framework to the multi-asset portfolio.

Change in the ESG rating of ERAFP's listed asset portfolio by investment segment

Sources — Moody's ESG Solutions (2017) and Morningstar-Sustainalytics (2023-2025), 31 December 2025

Listed assets at 31/12/2025	2017		2023		2024		2025	
	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark	Portfolio	Benchmark
Listed companies	46.6	42.7	55.6	54.9	58.7	58.4	62.2	62.0
Corporate and convertible bonds	48.2	42.3	54.2	53.4	56.3	55.0	60.7	59.4
Listed equities	46.2	43.6	56.8	56.6	60.4	60.6	63.2	63.8
Sovereign bond portfolio	81.1	80.5	65.4	64.3	64.7	64.3	63.4	63.0

³ Emerging market corporate bond portfolios and small cap equity portfolios are not included due to insufficient data coverage for these asset classes.

⁴ In this report, ERAFP compares its portfolios against benchmark indices. These benchmarks are selected according to the geographical region and market capitalization size of the companies included in the relevant mandate. They are collectively referred to as the "Index", it being understood that the benchmark may vary depending on the portfolio concerned. Where different portfolio sleeves are aggregated, a composite benchmark is constructed by combining the underlying indices, weighted according to the market value of the corresponding portfolios.

Aggregate listed company portfolio

The ESG score of ERAFP's portfolio of listed companies (see chart below) continued to outperform that of its benchmark (+0.2 points). This reflects the fact that the portfolio does better than the benchmark in two of the five pillars of ERAFP's SRI Charter: the portfolio of listed companies carries a better score than the benchmark, particularly in the "Democratic labour relations" (+3 points) and "Environment" (+0.2 points) pillars.

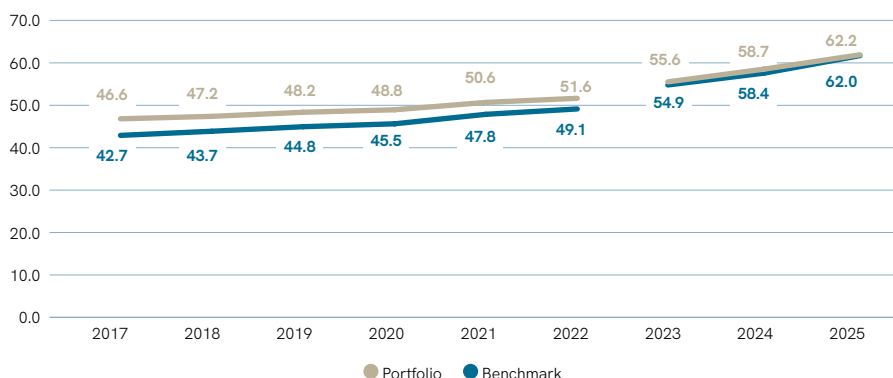
For information purposes, the ESG score from 2017 to 2022 calculated by the previous extra-financial rating agency (Moody's ESG Solutions) is provided. A comparison of the 2023 score

with those obtained in previous years is not relevant given the change in methodology.

In addition to measuring the effectiveness of the best in class approach applied to the portfolio of listed companies, ERAFP assesses its effect on the investment universe. The selectivity rate compared with the potential investment universe – i.e. the percentage of companies excluded under ERAFP's ESG methodology – is around 19%. In other words, around a fifth of the companies in which ERAFP could potentially invest are ruled out as a result of SRI screening. This high rate reflects both the stringency and the effectiveness of ERAFP's SRI screening.

ESG score of the listed company portfolio compared with the benchmark since 2017⁵

Sources — Moody's ESG Solutions (2017-2022) and Morningstar-Sustainalytics (2023-2025), 31 December 2025



IN 2025, THE ESG SCORE OF ERAFP'S LISTED COMPANY PORTFOLIO CONTINUED TO OUTPERFORM THAT OF THE BENCHMARK.

⁵ In 2023, the change of extra-financial rating agency and in the resulting assessment method led to an increase in the ESG scores assigned to issuers in the portfolio.

LISTED EQUITIES PORTFOLIO

In 2025, ERAFP's equity portfolio underperformed its benchmark index by 0.6 of a point.

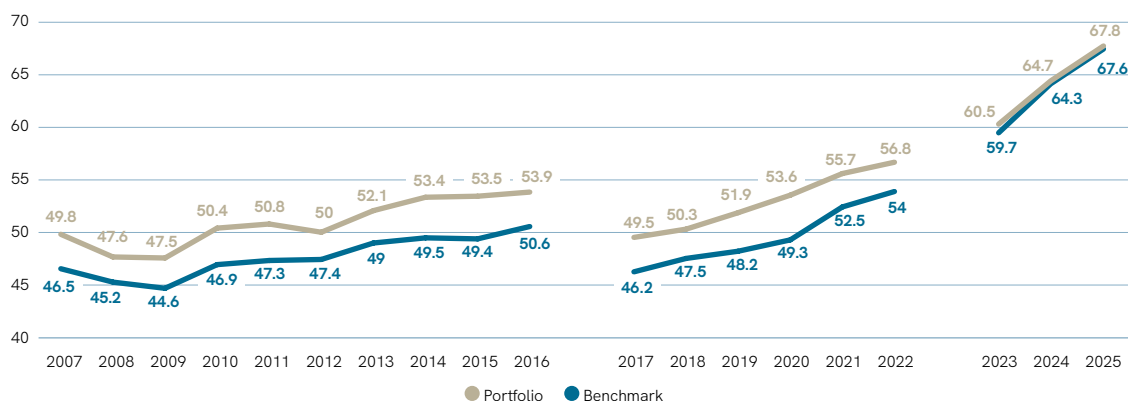
The eurozone and European equity portfolios, which account for 68% and 3% of ERAFP's aggregate equity portfolio, outperformed their benchmark indices by 0.2 of a point and 0.1 of a point, respectively. However, the rest of ERAFP's equity portfolio, particularly North American and Japanese equities, underperformed their benchmarks.

Looking at the eurozone equity portfolio⁶, ERAFP's ESG rating is by no means a cyclical phenomenon. Since the SRI Charter was adopted, the ESG rating has risen consistently and remained systematically higher than that of the benchmark index.

The dip from 2016 to 2017 and the uptick from 2022 to 2023 are due to changes in methodology.

Change in the average ESG rating of the eurozone equity portfolio compared with the benchmark

Sources — Moody's ESG Solutions (2017-2022) and Morningstar-Sustainalytics (2023-2025), 31 December 2025



The underperformance of the North American mid-cap equity portfolio was attributable to the fact that the companies covered by the mandate carry a lower rating than the benchmark index, mainly due to their smaller size and their maturity in the consideration of ESG issues. A dynamic best in class approach is used to manage this portfolio, with the selection of companies whose ESG practices are still developing. The manager engages with these companies on SRI themes to help them make the transition. In 2025, the portfolio's ESG score increased by 1.5 points.

The underperformance of the Japanese equity portfolio was mainly due to the fact that one of the two mandates was invested in smaller companies, for which the criteria were not as complete, thereby penalising issuers. It was also due to poorer asset performance in general, particularly as regards "Democratic labour relations". In this context, the management process relies heavily on dialogue with the portfolio companies aimed at increasing their transparency. ERAFP ensures that its expectations are effectively taken into account through interim meetings with the asset managers. Given the specific characteristics of these investment universes, the mandates follow a dynamic best in class approach consisting of engaging with issuers to improve their ESG practices rather than applying quantitative filters to the universe.

⁶ This is the portfolio with the longest track record and the best analysis coverage.

Between 2024 and 2025, the ESG score for the Japanese equity portfolio improved by 0.8 of a point. The score improved across both mandates.

CORPORATE BOND PORTFOLIO

In 2025, ERAFP's portfolio continued to outperform its benchmark index by 1.3 points. The ESG scores obtained by the euro-denominated corporate bond and global convertible bond portfolios explain this result. The euro-denominated corporate bond portfolio, which represents around 80% of the portfolio covered by the rating, outperformed its benchmark in four of the five pillars, resulting in an overall gap of 0.9 of a point. Similarly, the global convertible bond portfolio outperformed its benchmark by 6.4 points, benefiting from higher ESG scores across all pillars of the SRI Charter.

Sovereign bond portfolio

In keeping with previous years, all the issuers in ERAFP's portfolio satisfy its ESG criteria. All of them have been assigned an average ESG score well above 50/100, the minimum rating defined for this asset class in ERAFP's SRI guidelines. The sovereign bond portfolio continued to outperform its benchmark by 0.4 of a point in 2025. This outperformance was recorded in two of the five pillars, i.e. the "Environment" (+2.8 points) and "Rule of Law and Human Rights" (+0.1 of a point) pillars. This result was largely attributable to the overweight position in France, which accounts for nearly half of the sovereign portfolio and outperformed the index. The scores for the portfolio and the benchmark index dipped slightly between 2024 and 2025 (-1.3 points each), mainly due to the inclusion in 2025 of a new biodiversity-related indicator. Countries score relatively poorly on this criterion, and this has a greater impact on their scores than other indicators.

Multi-asset portfolio

ERAFP has developed specific application provisions regarding its SRI approach to management of the multi-asset fund portfolio. It decided that the SRI eligibility of funds available for selection by managers would be determined based on:

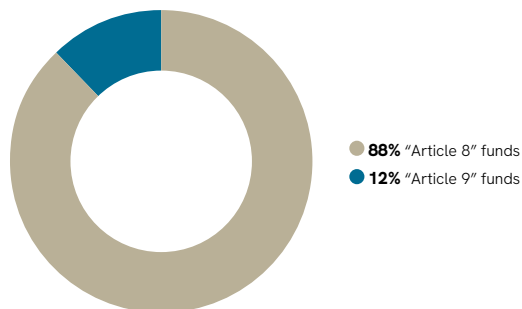
- an analysis of the management process put in place: the only funds eligible are those that apply a best in class SRI approach;
- or that follow a thematic approach based on environmental criteria (tackling climate change, protecting water resources, etc.) or social criteria (healthcare, combating poverty, etc.);
- or an analysis of the fund's ESG quality based on the ESG scores of the issuers held in the fund;
- or the fund's "Article 8" or "Article 9" classification within the meaning of the European SFDR⁷;
- or the fund securing an SRI label.

These conditions are cumulative according to the relevant asset class.

⁷ Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector (Sustainable Finance Disclosure Regulation - SFDR).

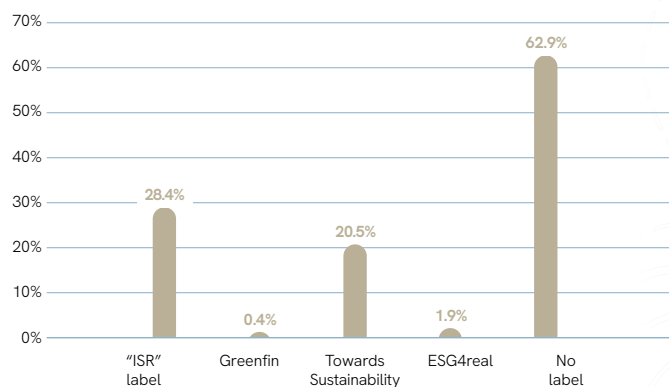
Breakdown of funds in the multi-asset portfolio by SFDR classification (%)

Source — ERAFP, 31 December 2025



Breakdown of funds in the multi-asset portfolio by type of ESG label⁸ (%)

Source — ERAFP, 31 December 2025



⁸ Some funds have various labels and are therefore counted several times.

At 31 December 2025, all funds in the multi-asset portfolio had an SRI dimension. In accordance with the SFDR classification rule, 88% (versus 83% at end-2024) of these funds promoted environmental or social characteristics ("Article 8" funds) and 12% (versus 17% in 2024) pursued a sustainable investment objective ("Article 9" funds). The decrease in "Article 9" funds mainly stemmed from the continued reclassification of these funds as "Article 8" funds since 2023 pending clarification from the European Commission on the ESG requirements applying to these funds.

In addition to the SFDR interpretation grid, which is based on the classification of funds by the fund managers themselves, the breakdown of funds by type of ESG label shows how external entities view the funds in question. At 31 December 2025, 37% of the funds in the multi-asset portfolio had been awarded one or more ESG labels. 28% of these had secured the "ISR" (SRI) label, 20% the Towards Sustainability label, 2% the ESG4real label and 0.4% the Greenfin label. Some funds have various labels and are therefore counted several times.

UNLISTED ASSET PORTFOLIOS

Real estate portfolio

ERAFP has developed a demanding and innovative SRI process for real estate assets, adapting the five values of its SRI Charter to the asset class. It not only focuses on the real estate's environmental impact, but also integrates social progress, human rights, democratic labour relations and good governance criteria into its real-estate management. In this respect, taking these criteria into account along the entire management chain is of crucial importance. This approach also aims to adapt the best in class principle to the specific nature of the real estate asset class by incorporating a dynamic approach consistent with the investments' lifespan. In practical terms, this is reflected in two types of ESG performance for the real estate assets:

- a relative performance that compares the extra-financial characteristics of these buildings and their management (lease, use, maintenance) with those of other buildings of the same type (same usage and type of construction, equivalent location);
- a dynamic performance that aims to raise each asset to best in class status, using a potential ESG score estimated at the date of acquisition.

In summary, only real estate assets with a high SRI score within their category at the time of acquisition, or those with strong improvement potential, can be selected for ERAFP's portfolio.

In 2025, the ESG score of ERAFP's consolidated real estate portfolio improved relative to the previous year, from 63.5 to 65.7. Various changes in portfolios and rating methodologies explain the rating downgrade between 2015 and 2023.

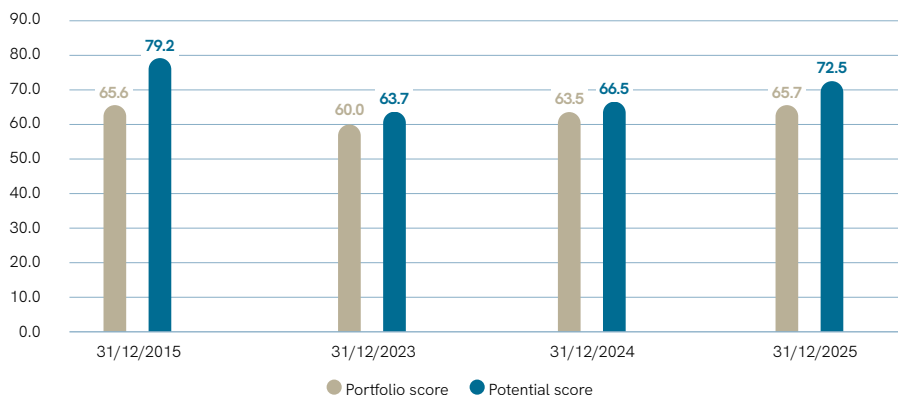
The portfolio's potential score also improved in 2025 relative to 2024, from 66.5 to 72.5.

A high proportion (73%) of the real estate assets in ERAFP's portfolio are certified to standards of minimum environmental and social performance. The certifications obtained or pending are mainly NF Habitat, HQE "high environmental quality" and BREEAM (BRE Environmental Assessment Method) certifications.

A HIGH PROPORTION (73%) OF THE REAL ESTATE ASSETS IN ERAFP'S PORTFOLIO ARE CERTIFIED TO STANDARDS OF MINIMUM ENVIRONMENTAL AND SOCIAL PERFORMANCE

Change in the ESG score of the real estate portfolio

Source – Asset managers, at 31 December 2025



Private equity and infrastructure portfolio

For its private equity and infrastructure mandates, ERAFP adapted the SRI framework to the specificities of these asset classes using a dynamic approach consistent with the life of the investments. Practically speaking, this means using the investment as a lever to encourage improvement in practices. Particular attention is also paid to managing the reputational risk arising from any controversial practices associated with portfolio companies or projects.

As the delegated managers invest mainly through mutual funds, SRI analysis is based on two aspects:

- assessment of the management company by analysing the manager's ESG commitments and the SRI management process implemented by the target fund;
- ESG assessment and monitoring of portfolio lines in relation to ERAFP's SRI criteria.

As mentioned above, the ESG analysis applies to all investment segments excluding foreign-exchange hedging, the only limitation being the availability of data for certain unlisted assets.

PRIVATE EQUITY PORTFOLIO

During the pre-investment period, an asset manager analysis is carried out. This is useful to assess their practices according to their commitments, organisational methods and ESG processes. Based on this assessment, the manager is assigned a score and categorised into one of two levels. This score is reviewed annually.

In addition to the rating process, this year, for the first time, the delegated asset manager organised individual feedback sessions with the fund managers, during which the delegated asset manager communicated their score to them against the various criteria, together with their position in relation to the average score.

Also this year, the delegated asset manager changed provider for the collection and processing of ESG data. This new collaboration relies on more advanced tools and ensures a more comprehensive and higher standard of data collection and analysis. This change may explain some of the differences with the prior-year results.

As at 31 December 2024, all the managers selected for ERAFP's private equity fund mandate had signed ERAFP's delegated asset manager ESG clause. 74% of management companies provide an ESG report (stable on 2023) and 79% are signatories to the Principles for Responsible Investment (81% at end-2023, down 2%).

The decrease in the percentage of PRI signatories is due to the fact that the managers now follow a double-check procedure. 87% disclose the carbon footprint of their portfolio (at least for Scope 1 and 2 emissions, compared with 75% at the end of 2023). At the end of 2024, 27% of managers had a formalised target to reduce greenhouse gas emissions, compared with 19% in 2023. There was a general improvement in observed performance due to the inclusion of new managers with more stringent ESG criteria, as well as better consideration of ESG issues by existing managers.

In addition, the performance of the underlying companies of the funds invested in by the asset managers is analysed annually.

In 2022, the delegated manager redesigned the ESG questionnaire in order to improve the assessment of companies, the coverage rate of indicators and the quality of responses. It is now divided into five themes: governance, organisation of corporate social responsibility (CSR), environment, ESG certification, social considerations and suppliers.

As at 31 December 2024, no company had been found to be in violation of the United Nations Global Compact or the OECD Guidelines for Multinational Enterprises. It should also be noted that 24% of the underlying companies have produced a CSR report (compared with 31% at the end of 2023). This decrease was attributable to the more stringent validation criteria linked to the change of service provider for data collection and processing, and to the entry and exit of companies in/from the portfolio. The decrease therefore does not necessarily reflect a regression in terms of practices. Moreover, the publication of a CSR report is not a regulatory requirement for the majority of portfolio companies (small and mid-caps). Some companies therefore publish such a report on a non-annual basis or adapt their ESG communication format. Recent regulatory developments (including the postponement of certain obligations under the Omnibus Directive/CSRD) mean that the availability of information has become less consistent.

83% of the underlying companies that responded to the questionnaire assessed their carbon footprint, 6% declared eligible activities under the EU Taxonomy and reported that 27% (on average) of their eligible turnover was Taxonomy-aligned. In addition, 67% have a value distribution plan that goes beyond regulatory requirements and 56% have a responsible purchasing charter.

Thanks to this new questionnaire, the coverage ratio has increased, both at the manager level and also at the underlying asset level. 100% of managers responded to the questionnaire (compared with 88% at the end of 2023). At the underlying company level, the coverage rate was 58% (compared with 54% at end-2023).

INFRASTRUCTURE PORTFOLIO

For infrastructure investments, the delegated asset manager must first ensure that targeted funds do not invest in companies that extract or burn coal and have not been found guilty of violating international environmental, social or governance standards.

All targeted fund managers are then assessed before an investment is made, based on a rating grid analysing their ESG policy, their management of significant ESG risks, their contribution to managing the ESG risks and opportunities of the underlying assets, and the transparency of their ESG reporting. As at 31 December 2024, of the 18 managers, all were signatories of the Principles for Responsible Investment (PRI) and had established a responsible investment policy, and 16 also had a climate policy (+1 compared with the end of 2023). Of these, 13 received five stars in the "Infrastructure" category of the latest PRI report (up from 9 in 2023). All of them conduct an ESG assessment in the pre-investment and holding phases and engage with companies on ESG issues. Lastly, 17 out of 18 stated that they take biodiversity into account (compared with 13 out of 16 at 31 December 2023).

In 2021, the delegated asset manager suggested revising the reporting framework in order to align it with a recognised international framework (the ESG Data Convergence Initiative, or EDCI), to focus on transversal and comparable performance indicators and to reduce the number of indicators collected in order to achieve a greater quality and quantity of information.

As a result of revising the reporting framework, the delegated asset manager implemented a new methodology for rating underlying assets as at 31 December 2022. This is aligned as much as possible with the EDCI market standard, to which certain indicators specific to ERAFP have been added on social matters. These indicators

are grouped into different categories relating to changes in employment, carbon intensity, consumption and the production of renewable energy, biodiversity, the percentage of women on boards of directors, workplace accidents, employee satisfaction surveys and the completion level of all the above.

This methodology produces two scores:

- a static score to compare the performance of the assets with each other;
- a dynamic score to compare the performance of an asset from one year to the next.

ESG rating of the underlying assets in the infrastructure portfolio

Source — Asset manager, 31 December 2024

Reference year	Number of assets	Average coverage of indicators by asset	Static average score Assets in year n	Dynamic average score Assets in year n and n-1
2022	186	63%	34.7	N/A
2023	169	59%	47.1	66.8 (105 assets)
2024	209	75%	47.6	59.5 (124 assets)

While the coverage of assets that are assigned an ESG score has decreased slightly, the ESG quality of assets appears to have improved. The static score has increased slightly, while the dynamic score remains high. This dynamic score measures the degree to which companies'

ESG practices have improved during the year. Hence, a drop in this score does not reflect a regression of practices, but simply a more subtle increase than observed in the previous year.

MEMBERSHIP AND PARTICIPATION IN COLLABORATIVE INITIATIVES

ADHERENCE TO AND SUPPORT FOR CHARTERS OR INITIATIVES

The financial sector can only adopt a longer-term vision in its practices and systematically take into consideration environmental, social and governance factors if responsible investors work together to influence the sector as a whole. With this in mind, ERAFP has joined the initiatives listed below.

Initiative/Charter	Theme(s)	Objectives	Entry date
 PRI Principles for Responsible Investment	ESG	A United Nations initiative to encourage investors to uphold the following principles: – incorporating ESG issues into their investment analysis and decision-making processes; – being active investors and incorporating ESG issues into their ownership policies and practices; – seeking appropriate disclosure on ESG issues by the entities in which it invests; – promoting acceptance and implementation of the principles within the investment industry; – working together to apply the principles more effectively; – reporting on their activities and progress towards implementing the principles.	2006
 IIGCC The Institutional Investors Group on Climate Change	Climate	A network of European investors with the common aim of taking climate action.	2014
 ShareAction» Investor Decarbonisation Initiative (IDI)	Climate	Initiative led by the NGO ShareAction in the area of climate change to help investors: – collaborate; – learn by sharing research; – advocate.	2015

Initiative/Charter	Theme(s)	Objectives	Entry date
	ESG	A multi-stakeholder association aiming to promote sustainable finance that benefits the real economy, contributes to sustainable development goals and promotes the integrity of financial markets.	2016 (member of the board of directors since 2025)
	Climate	An investor initiative to ensure that the world's largest greenhouse-gas-emitting companies take the necessary measures to tackle climate change. The work of the initiative is coordinated by five investor networks: the Asia Investor Group on Climate Change (AIGCC), Ceres, the Investor Group on Climate Change (IGCC), the Institutional Investor Group on Climate Change (IIGCC) and the Principles for Responsible Investment (PRI). Climate Action 100+ was first launched as a five-year initiative (2017-2022), but in 2022 it announced that it would continue until 2030. In 2023, it announced its strategy for phase two, from 2023 to 2030.	2017
<u>Charter of French public investors to promote the Sustainable Development Goals (SDGs)</u>	SDGs/ESG	Charter whose signatories agree to: – integrate the SDGs into their investment strategy; – ensure that internal operations comply with the SDGs; – assess the impact of their activities on the SDGs and report on the implementation of the principles; – disseminate SDG best practices among their stakeholders.	2019
 <u>Tobacco-Free Finance Pledge</u>	SDGs	Commitment of financial institutions to: – recognise the specific nature of tobacco, which cannot be subject to effective engagement actions insofar as there is no safe level of tobacco consumption; – implement and promote tobacco-free finance policies.	2019 ⁹
	Environment/ Climate	Organisation which each year asks public and private issuers, on behalf of investors, to measure and act on their risks and opportunities related to climate change, water security and deforestation and to report on these issues.	2020
	Climate	An international group of investors committed to achieving carbon neutrality in their investment portfolios by 2050.	2020

⁹ ERAFP has not held any investments in the tobacco sector since this date.

Initiative/Charter	Theme(s)	Objectives	Entry date
	Biodiversity	Statement by investors and financial institutions with the following objectives: – Recognising that the Earth’s biosphere is the foundation of human resilience and progress and that it is under increasing stress. – Calling for, and committing to take, ambitious action on biodiversity.	2021
<u>Net Zero Engagement Initiative (NZEI)</u>	Climate	The NZEI was set up to develop and extend the scope of investor engagement beyond the Climate Action 100+ target company list, operating on the basis of the same model and including more companies which consume fossil fuels and hence contribute to the demand for these products.	2023
<u>Mental health and wellness initiative for end-users of technology</u>	Social	A coalition of investors asking companies to define policies and implement measures to mitigate the potentially negative impact of technology on the mental health and well-being of end-users.	2023
	Biodiversity	Collaborative investor-led initiative focused on supporting greater ambition and action by companies in key sectors deemed systemically important in reversing nature and biodiversity loss. The initiative’s Secretariat and Corporate Engagement Working Group is co-led by Ceres and the Institutional Investors Group on Climate Change (IIGCC), and the initiative’s Technical Advisory Group is co-led by the Finance for Biodiversity Foundation and Planet Tracker.	2024
	Biodiversity	Created by the Jeremy Collier Foundation in 2015, FAIRR is an investor network that raises awareness of the material risks and opportunities in intensive animal agriculture and the global food sector to promote best practices and minimise risks. The initiative focuses its efforts on providing high-quality research, facilitating collaborative engagements and coordinating policy action with regulators.	2024
	Human rights	The PRI human rights initiative aims to help institutional investors protect and improve risk-adjusted returns while advancing human rights. Meeting human rights expectations leads companies and investors to manage issues such as employee and community relations, health and safety or forced labour more effectively and proactively.	2025
	Biodiversity	The PRI stewardship initiative for nature addresses the systemic risks of biodiversity loss to protect investors’ long-term interests. The initiative aims to contribute to the global objective of halting and reversing biodiversity loss by 2030. Spring seeks to improve business practices, generating positive results in the real world.	2025

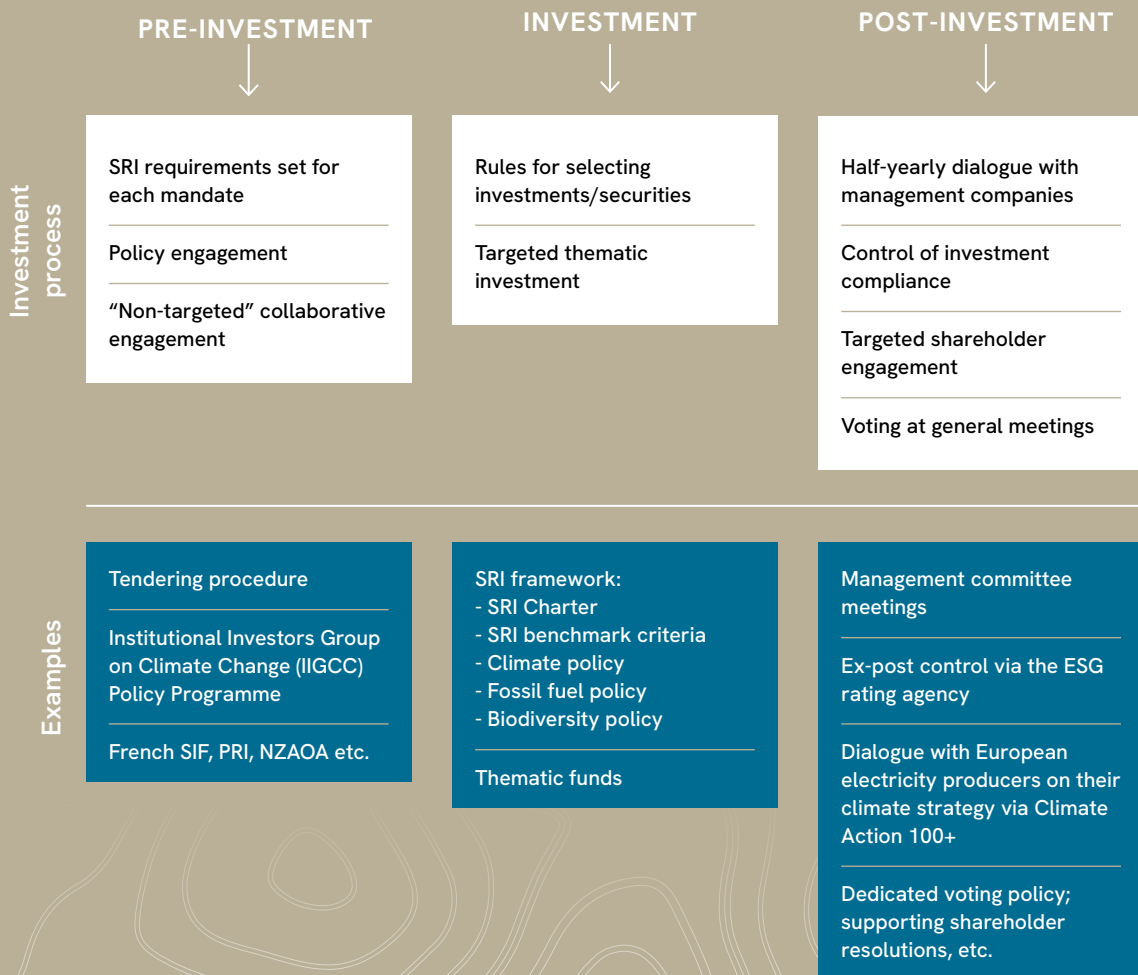
PARTICIPATION IN SPECIFIC WORK AND ACTIONS

In connection with these initiatives, in 2025 ERAFP participated in the following work and actions:

- Sustainable Investment Forum (French SIF) - In June 2025, ERAFP was elected to the board of directors of the French SIF, reflecting its ongoing commitment to collectively participate in the promotion and development of responsible investment and its best practices. This appointment is a logical follow-up to ERAFP's active engagement within the French SIF, where, in 2024, it joined forces with the Fonds de Réserve pour les Retraites (FRR) to set up a working group tasked with developing a method for measuring the effectiveness of engagement, under the aegis of the French SIF. The pilot group, comprised of experts representing institutional investors, asset management companies and academics, aims to create concrete, standardised tools that can be used by institutional investors and asset management companies for reporting purposes and, more broadly, to select managers and funds. This initiative aims to address growing concerns regarding lack of standardisation, the disparity of definitions and targets, and the difficulty of demonstrating the real impact of engagement activities and initiatives that are developing throughout SRI. The group met several times in 2025 and a report summarising its work is earmarked for publication in June 2026. The aim is to provide clear and precise definitions as well as practical, easy-to-implement solutions. Institutional investors and management companies will be encouraged to use these tools as much as possible in order to harmonise requests, including reporting-related requests.
- IIGCC/Climate Action 100+/NZEI - ERAFP continued to work in partnership with the IIGCC (Institutional Investors Group on Climate Change), Climate Action 100+ and NZEI to pursue its role as an investor by leading engagement for three companies in the utilities sector.
- FAIRR and Nature Action 100 - In keeping with its efforts to integrate biodiversity into its SRI activities and in accordance with its biodiversity policy published in June 2025, ERAFP joined two collaborative engagement initiatives in 2025 involving two companies in the mass retail sector.
- CDP (Carbon Disclosure Project) - ERAFP supported the CDP's Non-Disclosure Campaign targeting nearly 2,000 international companies that do not disclose their carbon emissions or their impact on deforestation or water and marine resources.

UNDER THE AEGIS OF THE FRENCH SIF AND ALONGSIDE THE FRR, ERAFP TOOK THE INITIATIVE IN 2024 TO ESTABLISH A WORKING GROUP DEDICATED TO DEVELOPING A METHOD FOR MEASURING THE EFFECTIVENESS OF ENGAGEMENT. THE PUBLICATION OF A REPORT SUMMARISING THIS WORK IS EARMARKED FOR JUNE 2026. INSTITUTIONAL INVESTORS AND MANAGEMENT COMPANIES WILL BE ENCOURAGED TO USE THESE TOOLS AS MUCH AS POSSIBLE IN ORDER TO HARMONISE REQUESTS, INCLUDING REPORTING-RELATED REQUESTS

A SUMMARY OF ERAFP'S SRI STRATEGY



INFORMATION FOR AFFILIATES ON CRITERIA RELATED TO THE ESG OBJECTIVES OF THE INVESTMENT POLICY

From the outset, ERAFP has been keen to keep its contributors fully informed about its SRI approach and actions through a range of communication channels and events, with the aim of demonstrating, in an informative manner, that implementing a 100% socially responsible investment policy provides long-term sustainability and security. To achieve this aim, ERAFP has designed its communication strategy to reach all its stakeholders:

- active contributors, via its website offering a detailed “Responsible Investment” section which presents the Scheme’s SRI policy and ERAFP’s measures to fight climate change;
- public sector employers, by presenting the Scheme’s SRI policy and energy transition initiatives at the Public Employer Meetings arranged by ERAFP in the regions;
- all its stakeholders through its public report and sustainability report, its website and its presence on social media (LinkedIn).

Given ERAFP’s large number of contributors, the main channel used to provide them with information is the Scheme’s website. The website was overhauled and the responsible investment page was completely redesigned. Internet users can now find all ERAFP’s SRI publications on its website, including its SRI brochure, shareholder engagement guidelines, SRI Charter, climate policy, fossil fuel policy and biodiversity policy, infographics on ERAFP’s best-in-class approach, video tutorials and an SRI quiz to test their knowledge.

FROM THE OUTSET, ERAFP HAS BEEN KEEN TO KEEP ITS ACTIVE CONTRIBUTORS FULLY INFORMED ABOUT ITS SRI APPROACH AND ACTIONS

PART 02

SRI GOVERNANCE & DEDICATED RESOURCES

- 2.1 The board of directors
- 2.2 ERAFP's management
- 2.3 Internal human resources
- 2.4 Internal financial resources
- 2.5 Integrating sustainability risks
into remuneration policies
- 2.6 External technical resources



THE BOARD OF DIRECTORS

ERAFP's board of directors sets out the general guidelines for the Scheme's socially responsible investment policy.

In addition to any SRI issues on which it may have occasion to comment, each year the board of directors adopts the updated shareholder engagement guidelines.

In order to carry out in-depth work, the board receives comprehensive and continuous information provided through the quarterly meetings of its investment policy monitoring committee (CSPP) before each of its own meetings.

Each year, the board of directors draws up its training programme for the following year, including an SRI module.

ERAFP'S BOARD OF DIRECTORS SETS OUT THE GENERAL GUIDELINES FOR THE SCHEME'S SOCIALLY RESPONSIBLE INVESTMENT POLICY.

THE INVESTMENT POLICY MONITORING COMMITTEE (CSPP)

The CSPP is responsible for preparing the board of directors' decisions on the general guidelines of the SRI policy, monitoring their implementation, assessing their effects on the Scheme, ensuring compliance with the principles of the SRI Charter and preparing any updates thereto. The following subjects are usually examined by the CSPP:

- the updating of the shareholder engagement guidelines;
- the annual summary of voting at general meetings by asset managers on ERAFP's behalf;
- the annual SRI reporting on the Scheme's investments;
- the monitoring of ERAFP's involvement in engagement initiatives and monitoring of controversies;
- the results of the implementation of the climate and biodiversity policy. These reviews examine climate-related risks and opportunities as well as nature-related dependencies, impacts, risks and opportunities;
- the monitoring of the application of ERAFP's fossil fuel policy by its delegated asset managers.

SRI TRAINING FOR ERAFP DIRECTORS

Each year, ERAFP's directors complete at least one training course on an ESG-related theme. In 2023 and 2024, these training programmes focused on the theme of biodiversity in order to lay the ground for the review and, ultimately, the publication of a dedicated policy in June 2025. As explained in more detail in Part 6 of this report, for several years now, scientific reports, and particularly those published by the IPBES¹⁰, have warned about the accelerated decline of biodiversity and its serious consequences on conditions for life on Earth. The economic impacts of this decline are also increasingly well documented, and the incentives to take urgent action to stop it are growing. In March 2024, a one-day seminar was organised on biodiversity issues. The day's activities included an ecologist's talk, "Biodiversity Fresk" workshops and presentations on biodiversity

issues for corporations and institutional investors. In March 2025, and in order to prepare for the update of ERAFP's climate policy for the 2025-2030 period as part of the Net-Zero Asset Owner Alliance (AOA), training was offered to directors on climate issues. Consulting firm I Care and data provider Iceberg Data Lab presented the national and international contexts of this update as well as the main indicators used for portfolio climate analyses and the associated methodologies. ERAFP's SRI team presented the AOA framework and ERAFP's current climate policy.

In addition, a round table was set up to coincide with the conference held by ERAFP to mark its 20th anniversary, bringing together academics, experts and professionals dedicated specifically to SRI issues.

¹⁰ The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

ERAFP'S MANAGEMENT

ERAFP's management plays several SRI-related roles:

- it drafts proposed changes to thematic policies like the climate policy for submission to the board of directors;
- it directly implements the SRI policy with regard to internal bond management, which, under the Scheme's current regulations, concerns sovereign and similar bonds;
- it ensures that the asset management companies follow both the SRI policy and the thematic policies;
- it ensures consistency between management companies' SRI practices and ERAFP's SRI provisions when selecting multi-investor funds;
- it presents the following items to the board of directors at least once a year:
 - portfolio ESG ratings;
 - climate indicators used to monitor the objectives and rules set as part of ERAFP's thematic policies: climate, fossil fuels, biodiversity;
 - updates to the Scheme's shareholder engagement policy.

ERAFP'S MANAGEMENT DRAFTS PROPOSED CHANGES TO THEMATIC POLICIES FOR SUBMISSION TO THE BOARD OF DIRECTORS AND ENSURES THAT ASSET MANAGEMENT COMPANIES FOLLOW THE SRI POLICY

INTERNAL HUMAN RESOURCES

THE SRI TEAM

In 2023, ERAFP's SRI team was expanded by creating an additional position. In 2025, the SRI team had 3.5 employees (i.e. 6.3% of the total workforce).

One of the tasks entrusted to the SRI team is to monitor the implementation of ERAFP's SRI policy by the delegated management companies. The implementation of ERAFP's SRI framework is monitored through:

- the incorporation of SRI criteria into the decision-making process for the award of new management mandates;
 - the SRI team's participation in management committee meetings during which ESG, climate and biodiversity reporting is discussed and supporting evidence specifically requested by ERAFP is provided.
- ERAFP's SRI team is also responsible for the following tasks, under the supervision of the chief investment officer:
- establishing the procedures for rolling out ERAFP's SRI Charter for each new asset class and rolling out theme-based policies (climate, fossil fuels, biodiversity), as well as updating them as and when necessary;
 - participating in the selection of delegated asset managers, focusing on aspects relating to the SRI assessment of candidates;
 - updating ERAFP's shareholder engagement guidelines and ensuring that they are properly implemented (monitoring of the voting by delegated asset managers at general meetings and their engagement actions, etc.);
 - participating in collaborative engagement initiatives;
 - selecting data and research providers (extra-financial rating agencies, providers of environmental data and analyses of shareholder voting at general meetings, etc.) and ensuring that their assignments are properly conducted;
 - contributing to communication efforts focusing on the Scheme's SRI approach;
 - representing ERAFP in various sustainable finance industry bodies and participating in working groups;
 - external SRI reporting for the Scheme;
 - preparing documents on the Scheme's SRI policy for submission to the CSPP or the board of directors and coordinating the internal climate and biodiversity committee.

ONE OF THE TASKS ENTRUSTED TO THE SRI TEAM IS TO MONITOR THE IMPLEMENTATION OF ERAFP'S SRI POLICY BY THE DELEGATED MANAGEMENT COMPANIES. IT ALSO PARTICIPATES IN COLLABORATIVE ENGAGEMENT INITIATIVES

THE INTERNAL CLIMATE AND BIODIVERSITY COMMITTEE

In order to establish its own climate roadmap, ERAFP set up an internal steering committee in 2020 composed of the chief executive officer, the deputy chief executive officer in charge of technical and financial management, and the heads of the various asset classes and the SRI team. The steering committee's remit was subsequently extended to cover fossil fuel and biodiversity issues.

The committee meets regularly to monitor the implementation of the climate, fossil fuel and biodiversity policies, and also meets on an ad hoc basis whenever one of these policies is updated.

In addition to this committee, ERAFP's entire investment team and, more broadly, all its employees are also highly engaged in working on SRI issues.

From the outset, SRI issues were fully integrated into ERAFP's internal operations. Whether through training, providing the latest information or consultations, ERAFP has always been keen to involve and empower its employees in these areas. The challenges posed by the ecological transition are another regular focus of communication initiatives such as the Climate Fresk and Biodiversity Fresk collaborative workshops held.

ERAFP also holds regular sessions to inform and enlighten all its employees on topics relating to its activities and SRI in general. This provides an opportunity to review and discuss current issues or projects being implemented internally, while broadening employees' perspectives thanks to contributions from external specialists. The last session linked to SRI focused on ERAFP's fossil-fuel policy, and provided a more general presentation of the context regarding energy scenarios and financial risks related to stranded assets.

INTERNAL FINANCIAL RESOURCES

In 2025, ERAFP allocated €694k to SRI, i.e. 2.1% of its total budget.

The SRI budget covers internal human resources (3.5 FTEs), membership of the various initiatives, the purchase of ESG and environmental data, the analysis of resolutions to be put to the vote at companies' general meetings, and subscriptions to specialised industry publications.

INTEGRATING SUSTAINABILITY RISKS INTO REMUNERATION POLICIES

Pursuant to Article 20 of Decree 2004-569 of 18 June 2004 on the French public service additional pension scheme, members of the board of directors are not remunerated for their services.

The annual targets set for the chief executive officer, the deputy chief executive officer and chief investment officer and the head of SRI all incorporate SRI considerations.

EXTERNAL TECHNICAL RESOURCES

EXTRA-FINANCIAL RATING AGENCY

The extra-financial rating agency is tasked with analysing the asset portfolio and providing monthly and annual reports on the bond and equity segments for submission to ERAFP. It also assesses the SRI compliance of sovereign and similar bonds managed directly.

Following a public tender, Morningstar-Sustainalytics was chosen as the new non-financial rating agency in 2023, replacing Moody's ESG Solutions.

The Morningstar-Sustainalytics ESG rating incorporates an issuer management score for all the indicators making up the five pillars of the SRI Charter. This score assesses the ability of a company's management team to manage ESG risks specific to its sector. It includes management indicators that incorporate a set of category-based results. The Morningstar-Sustainalytics teams determine the relevant category(ies) to establish the final score for the indicator. They are made up of four pillars:

- “Policy(ies) implemented”: indicators that measure the strength and quality of the commitment of an issuer's policy to addressing a material ESG issue. Environmental policy is a commonly used indicator.
- “Management programmes and systems”: indicators that assess a company's operational systems for managing material ESG issues.
- “Transparency and compliance”: indicators that assess whether companies are sufficiently transparent to investors regarding their ESG risks and management practices.
- “Quantitative performance”: indicators that measure the effectiveness of policies, programmes and management systems and are monitored annually to establish trends over time.

The resulting assessment gives a score of between 0 (unmanaged risk) and 100 (best practices). It is fully in line with ERAFP's desire to identify, using non-financial ratings, the best practices of companies that reflect the application of the best in class principle in its SRI framework.

In addition, Morningstar-Sustainalytics assesses controversies that may reduce an issuer's ESG rating, depending on the severity of the controversy(ies) identified. Controversies are assessed on a scale of one (least severe) to five (most severe). This dual analysis enhances the non-financial rating of companies and ultimately broadens its coverage.

ASSET MANAGEMENT COMPANIES

87% of ERAFP's assets under management are managed on a delegated basis, across 35 mandates and a number of multi-investor funds. The resources that these management companies allocate to incorporate ESG, climate and biodiversity criteria into their practices is a deciding factor in ERAFP's selection process for these firms.

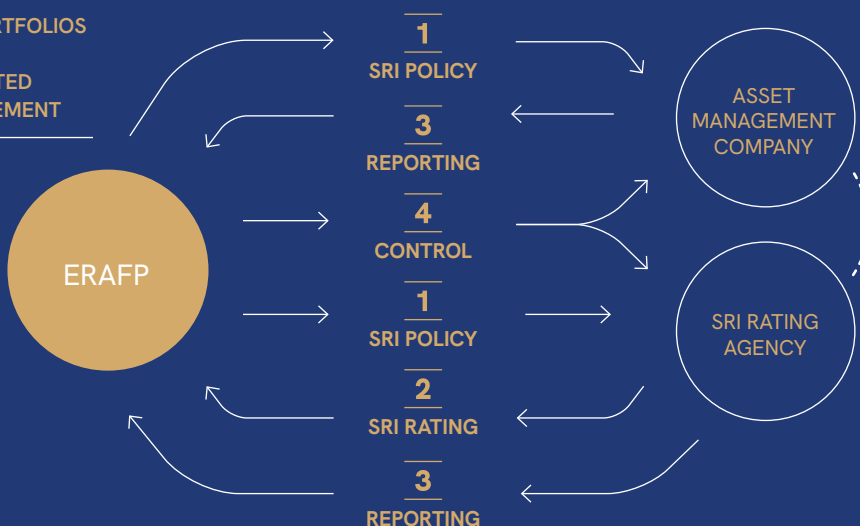
The asset management companies monitor issuers' ESG scores for as long as they are held in the portfolio. ERAFP holds a management committee meeting every six months with each of its delegated asset managers. At these meetings, the SRI aspects of mandates are discussed, including how the ESG scores of issuers in the portfolio have changed, climate and biodiversity indicators, and engagement and voting actions where applicable.

ROLES OF THE VARIOUS ENTITIES AND CONTROL PROCEDURES

FOR DIRECT BOND
MANAGEMENT



FOR PORTFOLIOS
UNDER
DELEGATED
MANAGEMENT



1

SRI POLICY

- Definition of the investment policy
- Settlement of any differences in interpretation
- Decisions on changes to the charter and guidelines

2

SRI RATING

- Pre-investment SRI data for the manager
- --- Alerts

3

REPORTING

- Half-yearly reporting
- Regular updates

4

CONTROL

- Monitoring of implementation of SRI procedures, controls and any requests to adjust investments
- Review of annual reports (managers, agencies, committees, etc.)

During this meeting, the ESG scores assigned by the asset managers to each issuer in the portfolio are compared to those assigned by Morningstar-Sustainalytics. In the event of a discrepancy, discussions are held with the manager to identify the root causes. If an issuer's ESG rating is downgraded, ERAFP may consider asking the management company to take corrective action at the level of its investments. Since 2021, the asset management companies have been tasked with conducting certain climate-related engagement initiatives on ERAFP's behalf. Since 2025, ERAFP has also asked them to engage with certain companies on biodiversity-related issues.

CLIMATE AND BIODIVERSITY AGENCIES

In 2023, following the public procurement procedure launched in May 2022 to select one or more consulting firms specialising in climate and biodiversity strategy for the listed, real estate and unlisted asset portfolios (infrastructure and private equity), ERAFP decided to award the listed asset lot to Iceberg Data Lab and the real-estate asset lot to CBRE Conseil & Transaction.

When these contracts were renewed, ERAFP extended the scope of analysis to include biodiversity issues.

Climate and biodiversity indicators provided by the agencies

Data provider	Asset class	Indicators
Iceberg Data Lab	Listed companies	Carbon intensity, alignment of temperature scenarios, alignment with the EU Taxonomy, brown share, physical and transition risks, biodiversity footprint, alignment of the energy mix in electricity generation with a 1.5 °C global warming scenario.
	Sovereign bonds	Carbon intensity, alignment of the energy mix in electricity production with a 1.5 °C global warming scenario, biodiversity footprint.
CBRE	Real estate	Absolute emissions, carbon footprint, carbon intensity, alignment with temperature scenarios, climate risk, impact on biodiversity, Biotope Area Factor (BAF).

PROXY ADVISORY FIRM

In order to ensure that the positions expressed by its delegated asset managers are correctly interpreted and consistent with its voting policy, ERAFP supervises voting for a sample of around 30 major French companies and 10 major international companies. In 2025, ERAFP used the services of a proxy advisory firm, Proxinvest, which assists it in analysing the resolutions put to shareholders at general meetings by companies in its portfolios under delegated management.

PART 03

STEWARDSHIP STRATEGY WITH ISSUERS AND ASSET MANAGERS

- 3.1 Engagement conducted by ERAFP
- 3.2 Engagement conducted by management companies
- 3.3 A demanding voting policy consistent with public service values



Engagement includes all forms of dialogue between one or more investors and one or more issuers. It may be collaborative, in other words led by a group of investors, or limited to exchange between a single investor and a single issuer. ERAFP tends to prioritise collaborative engagement insofar as:

- a group of investors can exert greater influence through a company's capital than a single investor acting alone;
- the resources needed for engagement (research, time, etc.) can be pooled between the participants;
- it facilitates the sharing of best practices between investors.

The general meeting is an important date in the company calendar, providing an opportunity for dialogue with shareholders as it requires them to give their opinion directly on a certain number of agenda items.

Since 2012, ERAFP has formalised its engagement approach by adopting guidelines that define both priority engagement themes and its general meeting voting policy. These have since been updated annually. For 2026, the engagement priorities are identical to 2025:

- promoting strategies that comply with the objectives of the Paris Agreement, including clearly defined objectives and action plans to achieve carbon neutrality by 2050. ERAFP will focus in particular on promoting entities seeking to align themselves with a scenario in which global warming is limited to 1.5°C;
- combatting aggressive tax optimisation, in particular by promoting greater transparency in financial reporting by multinational groups;
- promoting biodiversity integration policies and strategies within portfolio companies.

Moreover, in updating its SRI Charter in 2016, ERAFP sought to formally strengthen its position as a committed investor. According to the updated SRI Charter, "ERAFP is determined to support, on a long term basis, those bodies in which it has decided to invest, by exercising its responsibilities as shareholder or stakeholder in such a way as to sustainably promote, within these entities, practices that respect the values it supports".

Convinced that engagement is a significant driver of its SRI policy and faced with the lack of standardisation of these practices, making it difficult to assess the actions of managers and even more difficult to assess the results of these actions, in 2024, alongside the Fonds de Réserve pour les Retraites (FRR) and under the aegis of French SIF, ERAFP took the initiative to establish a working group dedicated to developing a method for measuring the effectiveness of engagement. The tasks of this group are detailed in section 1.4 of this report "Membership and participation in collaborative initiatives". This initiative will inform ERAFP's reflections on the definition of expectations, and on the assessment, monitoring and reporting of these activities in the future. Work was carried out throughout 2025 and will culminate in the publication of a report in 2026.

ERAFP practices shareholder or bond engagement with issuers in its portfolio to influence their ESG practices through:

- direct involvement in collaborative engagement;
- engagement initiatives conducted by its delegated asset managers on its behalf;
- the exercise of its voting rights at general meetings of shareholders.

In addition to the engagement and voting specifically aimed at certain issuers, ERAFP is committed to promoting the values it supports with companies in general, asset management companies or regulators, in particular through:

- the expectations expressed in its SRI Charter, its engagement and voting guidelines or its thematic policies, such as its fossil fuel policy;
- positions expressed by institutions or initiatives of which it is a member, such as the PRI, AOA, IIGCC or French SIF;
- the signing of investor statements;
- dialogue with its delegated asset managers.



**ERAFP'S
ENGAGEMENT
GUIDELINES AND
VOTING POLICY**

ENGAGEMENT CONDUCTED BY ERAFP

ERAFP's engagement strategy potentially covers all the companies held in its portfolio, regardless of asset class (equities or bonds) or company type (listed or unlisted). Engagement initiatives are carried out:

- in accordance with the priority engagement themes;
- when a company is involved in an ESG-related controversy;
- in order to improve a company's transparency and ESG performance.

These initiatives are consistent with ERAFP's priority engagement themes, which its board of directors defines every year based on the shareholder engagement guidelines.

In general, the aim of collaborative initiatives is to challenge companies on their practices, asking them to explain and improve them as necessary.

In addition to written correspondence, the engagement coordinators organise meetings with companies to explain the expected level of transparency and best practices in their sector and discuss the issuers' intended action plans for the coming years.

COLLABORATIVE INITIATIVES

In 2025, ERAFP pursued its engagement approach on a number of environmental, social and governance fronts, via both collaborative initiatives and various investor networks and platforms.

COLLABORATIVE INITIATIVES SUPPORTED BY ERAFP AS RELATED TO ITS PRIORITY ENGAGEMENT THEMES

1

Promoting strategies aligned with the targets of the Paris climate agreement:

- IIGCC/Climate Action 100+ and Net Zero Engagement Initiative
- Net-Zero Asset Owner Alliance
- CDP

2

Promoting biodiversity integration policies and strategies within portfolio companies

- IIGCC / Nature Action 100
- FAIRR
- Finance for biodiversity
- PRI / Spring

FOCUS ON COLLABORATIVE INITIATIVES ADDRESSING CLIMATE-RELATED ISSUES

CLIMATE ACTION 100+

Launched at the end of 2017, the Climate Action 100+ initiative is considered to be one of the most significant investor initiatives for tackling climate change. It aims to work with around 160 companies identified as being not only the world's largest greenhouse gas emitters, but also as having the greatest capacity to contribute to the energy transition through their emissions reduction strategy.

Led jointly by the PRI and the Global Investor Coalition on Climate Change (an association of four regional investor groups, one of which is IIGCC, the Institutional Investors Group on Climate Change), the initiative currently brings together over 600 investors. The initiative was first launched for a five-year period (2017-2022) and then extended to 2030. In 2023, it announced its strategy for phase two, from 2023 to 2030. Of the companies targeted by the initiative, 80% have now set a target of achieving carbon neutrality by 2050, whereas only 5 had done so in 2018, when the initiative was launched.

THE INSTITUTIONAL INVESTORS GROUP ON CLIMATE CHANGE (IIGCC)

IIGCC is an international organisation that brings together 400 members (asset owners and financial managers), representing \$50 trillion in assets under management, to collaborate on incorporating climate change-related risks and opportunities in their investment processes. IIGCC's main missions are to provide the knowledge and tools needed to assess the effects of climate change on assets, to encourage investors to manage the effects of climate change on their investments by incorporating climate risks in their analyses, and to push for public policies and solutions for markets to ensure an effective transition towards a secure climate system compatible with long-term investment objectives.

IIGCC – NET ZERO ENGAGEMENT INITIATIVE (NZEI)

Launched in March 2023 when the first 107 companies targeted received letters from more than 90 participating investors, the NZEI was set up to develop and extend the scope of investor engagement beyond the Climate Action 100+ target company list, operating based on the same model and including more companies that consume fossil fuels (which contribute to the demand for these products).

The extension of the scope of companies targeted by this engagement approach is intended to help investors align a larger portion of their portfolio with the Paris Agreement objectives, as defined by their "net-zero emissions" commitments.

The main request made by investors through the NZEI is for a plan to be introduced for the transition to a carbon neutral economy. The main recommendations of the transition plan set out in the letter are: 1) a full net-zero commitment; 2) aligned GHG targets; 3) performance monitoring in terms of emissions; and 4) a credible decarbonisation strategy.

THE NET-ZERO ASSET OWNERS ALLIANCE (AOA)

The Net Zero Asset Owner Alliance (AOA), which ERAFP joined at the beginning of 2020, sees shareholder dialogue with companies as a driver for achieving carbon neutrality in investment portfolios by 2050, thereby contributing to limiting global warming to 1.5°C by 2100, in accordance with the Paris Agreement.

As a member of this initiative, ERAFP has published a climate policy including an engagement target to build shareholder dialogue with some 30 of the companies with the highest greenhouse gas emissions in its portfolio, in order to promote an energy transition in accordance with the Paris Agreement targets. ERAFP engages with certain companies directly, and its asset managers engage with the remaining companies on its behalf.

As part of these initiatives, ERAFP took part in the following engagement actions in 2025:

Initiative	Sector and number of companies	Role of ERAFP	Since	Theme
Climate Action 100+	Utilities: 2	Co-lead	2017	Climate
	Utilities: 1	Support	2021	Climate
	Energy: 1	Support	2021	Climate
	Automotive: 2	Support	2017	Climate
Net Zero Engagement Initiative	Utilities: 1	Co-lead	2023	Climate
Nature Action 100	Mass retail: 1	Co-lead	2024	Biodiversity
FAIRR	Mass retail: 1	Support	2024	Biodiversity (protein diversification)

INVESTOR STATEMENTS

ERAFP regularly signs investor statements in order to express its expectations to a large number of stakeholders. These statements can cover a variety of topics, ranging from the regulatory framework for sustainable finance to general sustainability expectations for asset management companies or calls on governments to adopt measures in line with ERAFP's SRI Charter, such as the Kunming-Montréal Global Biodiversity Framework adopted in 2022.

Recently, ERAFP was a signatory to two investor statements:

- In October 2025, ERAFP supported a statement entitled “Asset Owner Statement on Climate Stewardship”, an investor statement on managers’ expectations regarding climate engagement. The statement, sponsored by the UK pension fund People’s Pension, highlighted the financial materiality of climate change, stating that there was a fiduciary duty to beneficiaries that implied robust voting and engagement strategies to facilitate the ecological transition. The statement detailed five principles, which the signatories said asset managers should apply when structuring such strategies.
- In January 2026, ERAFP signed another statement supporting the Net Zero Asset Manager (NZAM) initiative, an equivalent body for NZAOA management companies that was relaunched in early 2026 after a one-year break. The statement, sponsored by the UK pension fund Brunel, expressed support for asset managers who had joined or remained in the NZAM and encouraged others to do so. Still driven by fiduciary responsibility, the statement explained that initiatives such as the NZAM promoted the adoption of best practices within a clear, shared and transparent framework.

In addition to these two statements, in 2025 ERAFP supported two new collaborative engagement initiatives coordinated by the PRI, one on human rights and the other on biodiversity: Advance and Spring (see details in Part 1, section “Adherence to and support for charters or initiatives”).

ENGAGEMENT WITH MANAGEMENT COMPANIES

Under delegated management arrangements (which do not cover the sovereign bond portfolio), ERAFP entrusts the asset managers it has selected with the task of implementing its SRI policy, as well as the values enshrined in its Charter, throughout the asset management process. These management companies are also key points of contact.

In particular, through regular management committee meetings, ERAFP ensures that its SRI policy is effectively applied and verifies that management companies maintain an overall approach to sustainability topics that is consistent with its SRI Charter. Additional ad hoc discussions can be held to provide more detailed information on new tools, indicators or methodologies.

IN 2025, ERAFP SUPPORTED AN INVESTOR STATEMENT ON MANAGERS’ EXPECTATIONS REGARDING CLIMATE ENGAGEMENT. THIS STATEMENT HIGHLIGHTED THE FINANCIAL MATERIALITY OF CLIMATE CHANGE, STATING THAT THERE WAS A FIDUCIARY DUTY TO BENEFICIARIES THAT IMPLIED ROBUST VOTING AND ENGAGEMENT STRATEGIES TO FACILITATE THE ECOLOGICAL TRANSITION

ENGAGEMENT CONDUCTED BY MANAGEMENT COMPANIES

ERAFP asks its asset managers to engage with issuers represented in the portfolios they manage on its behalf. This requirement has been a contractual part of management mandates since 2022.

Since the update of its SRI Charter in 2016, ERAFP's asset managers closely monitor controversies that companies may be exposed to. As part of an engagement approach, the managers initiate a dialogue with companies involved in proven breaches of international standards or that have been the subject of significant controversies. In addition to their engagement in monitoring controversies, the managers may engage

individually or collectively with companies on one or more ESG themes, with the aim of improving these companies' transparency and ESG performance.

In 2025, the number of engagement actions by ERAFP's asset managers increased (+20%)¹¹ compared with the previous year. As part of this increase, while there were fewer collaborative engagements in absolute terms, they nonetheless doubled. It should be noted that the approaches used can vary considerably in terms of practices used and time allocated (letters, occasional or recurring dialogue, submission of shareholder resolutions, etc.).

Engagement actions undertaken on the listed company portfolio¹²

Direct engagement	1,222
Engagement via a collaborative initiative	198
Of which "Lead" role	44
Number of companies that made a formal commitment to change following the engagement procedure	123

In 2025, there was a marked refocusing on environmental issues in collaborative engagement initiatives, so much so that the environment now accounts for the majority of issues, while social themes have also seen a strong increase. Conversely, when it came to direct engagement, there was a more balanced distribution between governance, environment and ESG themes.

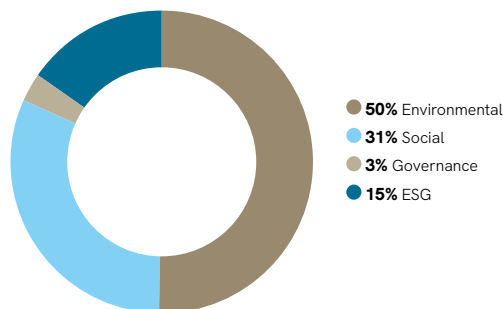
¹¹ The figures in the table "Engagement actions undertaken on the listed company portfolio" were supplied by our asset management companies operating on behalf of ERAFP.

¹² Equity, corporate bond and convertible bond portfolios.

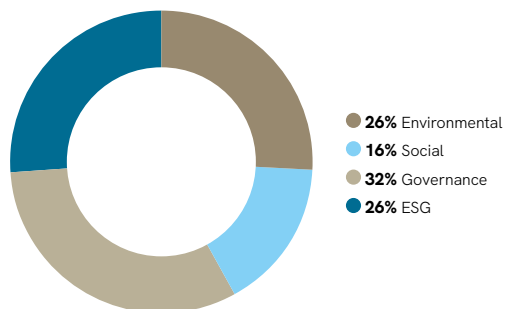
Engagement actions by theme

Sources — ERAFP, managers

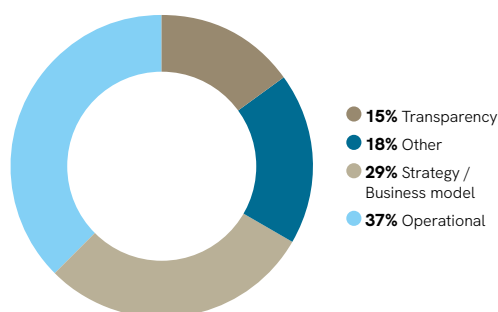
THEME OF COLLABORATIVE ENGAGEMENT INITIATIVES



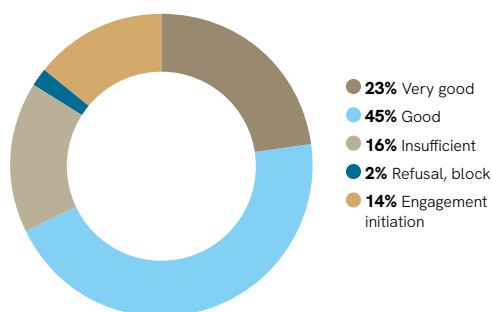
THEME OF DIRECT ENGAGEMENT INITIATIVES



NATURE OF THE OBJECTIVES PURSUED



COMPANY RECEPTIVENESS



Following the work carried out by the French SIF working group on measuring commitment, in which ERAFP is participating, new indicators have been incorporated into the annual engagement disclosures made by the management companies. Management companies were asked to include three additional indicators: the nature of the objectives pursued, an assessment of companies' responsiveness and an assessment of engagement results.

The first indicator, "Nature of the objectives pursued", specifies whether the engagement relates to improving the transparency of disclosures, operational performance, or the integration of sustainability matters into the company's strategy or business model. In 2025, the main

types of objectives pursued were operational and then strategic in nature (37% and 29%, respectively). As 2025 was the first reporting year, an "Other" category was included to be able to adapt to the heterogeneous data received.

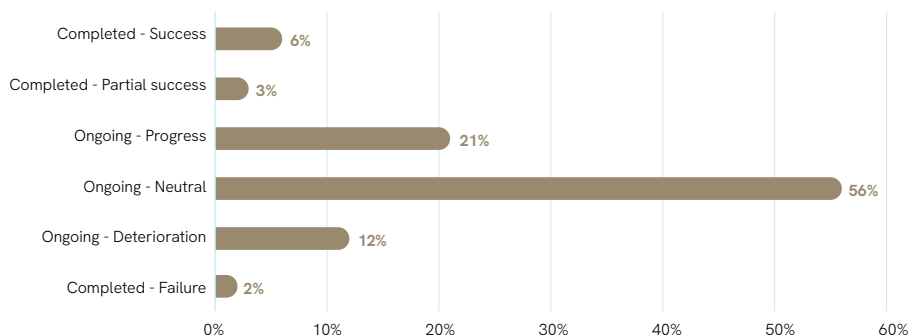
For the second indicator "Company receptiveness", the manager is asked to assess the degree to which the company is receptive to accepting or collaborating on the topics addressed or the requests made. This qualitative assessment is measured on a scale ranging from a "very good" level of cooperation to "no response" or a "block". In 2025, 68% of engagements were considered positive or very positive by the managers.

Lastly, the third indicator, "Assessment of engagement results", measures the degree to which requests have been satisfied by assessing whether the company has actually responded to or is working on them. For completed engagement initiatives, the assessment will range from total success to failure, while for initiatives still in progress, the results will be based on an assessment of progress, stagnation, or

deterioration of dialogue. In 2025, most engagement initiatives were ongoing, of which more than half showing a neutral result for the time being (around 56%). About a fifth showed progress (21%), while a smaller percentage showed a deterioration. Based on all the completed engagement initiatives combined (11%), there are more - complete or partial - successes than failures.

Assessment of engagement results

Sources — ERAFP, managers



In keeping with the information collected in 2022, ERAFP is again disclosing the percentage of assets in these portfolios covered by these engagement actions. Of the 1,353 issuers in ERAFP's listed company portfolio, 538 were covered by at least one engagement action, i.e. 40%. This engagement covers 75% of our total assets under management.

Based on this data, the issuers covered by at least one engagement action can also be broken down by sector and region.

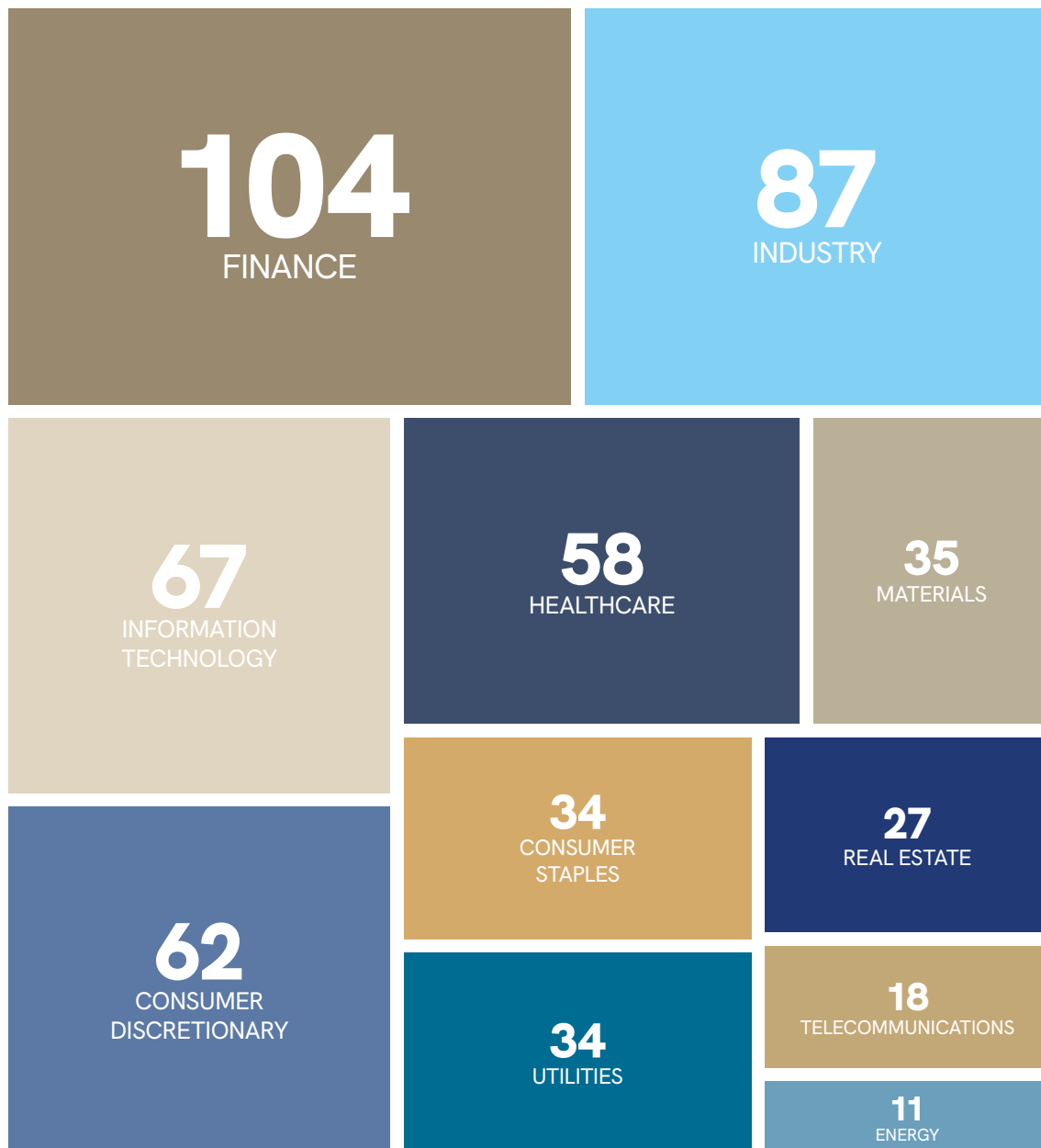
**75% OF ERAFP'S AUM
ARE COVERED BY AT LEAST
ONE ENGAGEMENT ACTION**

Engagement actions by region and sector

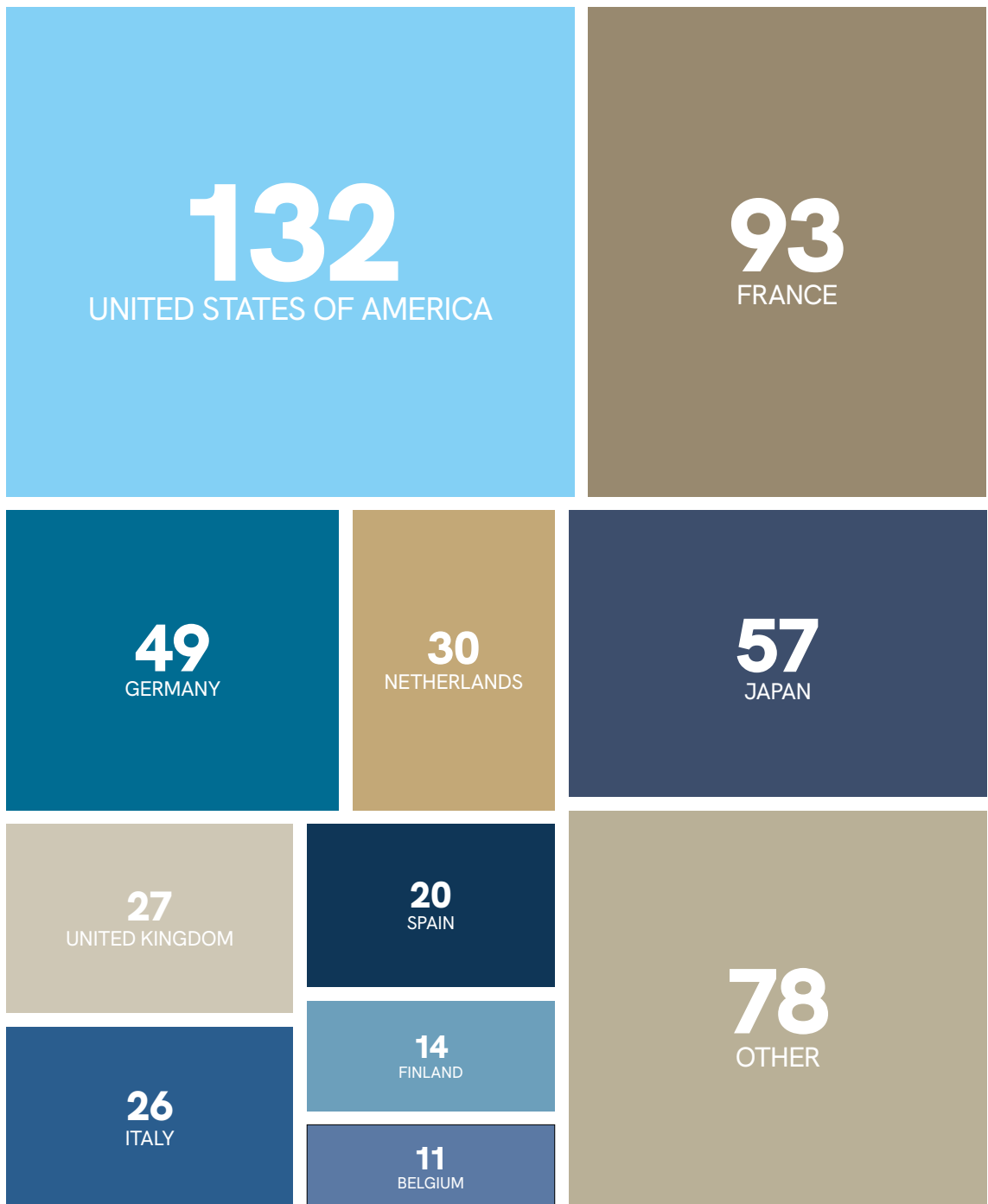
Source — ERAFP

ENGAGEMENT ACTIONS BY SECTOR

The sectors in which ERAFP's asset management companies carry out the largest number of engagement actions are finance, industry and information technology.



ENGAGEMENT ACTIONS BY REGION



The geographical breakdown of our engagement actions confirms the strong representation of French, US, Japanese and German companies. These results reflect the choices and allocations of ERAFP's portfolios.

Alongside these activities, in accordance with its commitments as a member of the AOA, ERAFP has undertaken to engage in shareholder dialogue with some 30 companies amongst the highest greenhouse gas emitters of its portfolio. This commitment is either undertaken directly by ERAFP, notably as part of the Climate Action 100+ initiative, or delegated to its asset management companies, allocating approximately one or two companies to each manager.

ERAFP asked its managers to carry out an initial assessment using the analysis grid developed by the Climate Action 100+ initiative ("Climate Action 100+ Net-Zero Company Benchmark"), which covers investors' key expectations of companies: reducing greenhouse gas emissions, governance and reporting. This analysis is updated annually and facilitates the uniform quantitative monitoring of progress made by the companies. The results of this analysis are presented in Part 5 of this report ("Strategy for alignment with the Paris Agreement").

AS PART OF THE COMMITMENT MADE IN ACCORDANCE WITH THE AOA METHODOLOGY, ERAFP ASKED ITS MANAGERS TO ASSESS THE COMPANIES INVOLVED USING THE ANALYSIS GRID DEVELOPED BY THE CLIMATE ACTION 100+ INITIATIVE

A DEMANDING VOTING POLICY CONSISTENT WITH PUBLIC SERVICE VALUES

ERAFP's voting policy is updated annually, in order to draw lessons from each general meeting season and any regulatory developments and thereby gradually improve the policy's consistency and comprehensiveness. While its equity managers implement the policy on its behalf, ERAFP ensures that the positions expressed are correctly interpreted and consistent by monitoring the voting of its delegated asset managers for a number of companies.

The sample of companies selected is analysed based on a number of criteria: large carbon footprint; lack of alignment with a 1.5°C global warming scenario validated by the Science-Based Targets initiative; and weight of the company in the portfolio.

This sample changed in 2025, as it does every year. It now comprises 30 French large-caps and 10 global large-caps, representing just under 30% of the assets in ERAFP's equity portfolio.

Minor changes were made for the 2025 update of the voting policy at general meetings, and the board of directors chose to continue to focus on the following themes:

- transparency of the company's business and its financial position;
- the implementation of responsible dividend distribution policies;
- the proportion of women on boards;
- the promotion of the principles of transparency, equity and moderation in determining executive pay;
- the consideration given to CSR issues, particularly climate change, in corporate governance.

ALTHOUGH THIS POLICY IS IMPLEMENTED BY THE COMPANIES THAT MANAGE MANDATES ON ITS BEHALF, ERAFP ENSURES THAT IT IS CORRECTLY INTERPRETED BY SUPERVISING VOTING FOR A SAMPLE OF COMPANIES

REVIEW OF THE 2025 GENERAL MEETING SEASON

The 2025 general meeting season took place against a backdrop of moderate growth and persistent geopolitical uncertainty, despite falling inflation. In France, the season was more subdued than in previous years, with shareholder dissent down slightly.

In this calmer environment, two major themes emerged: governance and climate issues.

Firstly, governance was a core focus of discussions, with particular attention paid to the capacity of directors, their independence and the accumulation of offices. Within the SBF120, 11 directors were elected with less than 80% support, an unusually low level.

In keeping with these concerns, executive pay remained a central and thorny issue. Despite overall high approval rates, there was mounting disagreement over policies that were deemed excessive or opaque. Eight CAC 40 executives saw their compensation increase by more than 25%.

Issues relating to succession plans and statutory age limits were also discussed.

At the same time, climate and ESG issues continued to take centre stage, despite a more difficult political and regulatory environment. Sustainability strategy accounted for a third of the time devoted to AGMs, although discussions regarding CSRD reports remained limited.

At the European level, 20 climate resolutions were submitted, stable on the 2024 figure. The approval rate remained very high at 90.9% in 2025, compared with 90.2% in 2024.

In France, fewer companies put forward a climate resolution in 2025 (eight compared with nine in 2024), as many of them are now in the implementation phase of their trajectories.¹³

Beyond voting, ESG issues remained very prominent: 12% of questions asked at AGMs related to climate issues, and there was active shareholder dialogue outside the realm of AGMs throughout the year via individual or collective engagement initiatives.

Lastly, overall shareholder dissent remained moderate, with 105 resolutions receiving less than 80% support (compared with 109 in 2024). There were very few external resolutions, confirming a trend towards better dialogue.

Nevertheless, certain themes sparked tension: financial authorisations linked to fears of takeover bids (36% of the volume of dissent, up 29% on 2024); remuneration policies (43% of dissent volumes, down 49% on 2024)¹⁴; and appointments of directors (11 directors were appointed with an approval rate of less than 80%).

In contrast to the calmer environment in France, the 2025 general meeting season in the US unfolded amidst strong regulatory and ideological tensions, against the backdrop of an expanding anti-ESG movement. The new US Administration has explicitly challenged diversity, equity and inclusion (DEI) policies. In this context, ISS is no longer taking diversity criteria into consideration in its voting recommendations, while Glass Lewis has stopped issuing recommendations on these issues by default. The agency still provides DEI-related information but leaves it up to its clients to determine their own voting position.

¹³ https://www.frenchsif.org/isr_esg/wp-content/uploads/Bilan-SoC-2025-EN.pdf

¹⁴ <https://www.novethic.fr/finance-durable/engagement-actionnarial/climat-remunerations-contestations-saison-ag-sage-groupes-francais>

In addition, a new policy stance adopted by the SEC¹⁵ marks a significant rollback of ESG oversight: this makes it easier to exclude non-financial shareholder resolutions by introducing more restrictive admissibility criteria. Furthermore, transparency requirements have been tightened for shareholders holding more than 5% of a company's share capital, who must now comply with rules similar to those applying to activist investors. This is putting pressure on large asset managers, who are becoming more reluctant to take a public stance, thereby undermining the quality of shareholder dialogue and the relationship of trust that is essential to the transition.

ERAFP VOTING SUMMARY

Across its French sample, ERAFP opposed a slightly higher proportion of AGM resolutions during the 2025 season. Through its delegated asset managers, ERAFP voted against 29.4% of resolutions put forward by the management of French companies (compared with 27.7% in 2024). ERAFP's opposition at international general meetings increased significantly across the sample under review, to 44.4% (up from 33% in 2024). The higher opposition rate for the international sample was due both to changes in this sample and the overhaul of the voting criteria for the appointment or reappointment of directors in the Japanese market, which were more stringent than in the previous year.

The main areas in which ERAFP expressed its opposition at 2025 general meetings were executive pay, governance issues (succession plan, statutory age limit) and capital transactions (share buybacks, etc.).

Executive pay

In 2025, across the 30 French companies in its sample, ERAFP voted in favour of 76 resolutions on executive pay ("Say on Pay") out of a total of 191. The number of votes in favour was down on 2024.

ERAFP's opposition to executive pay in its French company sample was stable in 2025 compared with 2024 (with 115 oppositions in 2025 and 113 in 2024). However, the opposition rate increased slightly from 58% to 60% this year. In 2025, out of its sample of 30 French companies, ERAFP voted in favour of 76 resolutions on executive pay ("Say on Pay") out of a total of 191, a lower level than in 2024. The number of oppositions remained virtually stable at 115 in 2025 compared with 113 in 2024. In a context of declining favourable votes, this meant that the opposition rate increased slightly, from 58% to 60%. ERAFP's opposition to certain resolutions was mainly on the grounds of executive pay being above the thresholds set in its own voting policy¹⁶. ERAFP also noted a lack of transparency in the definition of performance as it relates to pay, and considered the weight of qualitative performance criteria to be excessive (absence of ESG criteria for the variable component, structure of variable pay, lack of transparency with regard to performance, inadequate supplementary retirement schemes).

With regard to the international companies in the sample, ERAFP's opposition declined (13% of votes in favour, compared with 6% in 2024). All the resolutions for which ERAFP voted in favour in 2024 and 2025 aim to strengthen the alignment between managers and shareholders by replacing a portion of the cash remuneration component with performance shares, while maintaining multi-year performance conditions. The factors that led ERAFP to mainly oppose the executive pay at international companies remain unchanged. This was mainly on the grounds that pay levels were out of line with the thresholds set by ERAFP. In 2025, average executive pay at international companies was much higher than at French companies. The gap widened significantly (+€5.6 million). The remuneration of French executives fell by 8%, while the pay for executives at foreign companies increased by 63%.

¹⁵ Securities and Exchange Commission.

¹⁶ The socially acceptable maximum amount of an executive's total annual remuneration (salary, benefits, options, bonus shares and top-up pension plan contributions) has been set at 100 times the minimum wage in force in the country in which the company's registered office is located, which in France is the SMIC, and 50 times the median remuneration at the company.

This was mainly due to the change in the sample, and particularly the inclusion of a US large cap.

As regards governance issues, at the 30 French general meetings monitored in depth by ERAFP, its opposition to resolutions on the appointment or reappointment of directors fell slightly to 22% in 2025 (compared with 28% in 2024). The main reasons for ERAFP's opposition, which is in line with its guidelines, are multiple directorships and low percentages of independent board members and women on boards. ERAFP's opposition to resolutions relating to renewals (82% approval) was more pronounced than those relating to appointments (76% approval).

In the international sample, opposition rose sharply. In 2025, ERAFP voted more against proposals relating to the appointment or reappointment of directors (55% opposition rate, compared with 9% in 2024). This strong opposition was partly due to the change in the sample and different voting criteria used for the Japanese market. This year, the change in the sample meant that the number of resolutions increased significantly, from 28 in 2024 to 68 in 2025, particularly those relating to the reappointment of directors, which increased from 13 in 2024 to 59 in 2025.

ERAFP'S MAIN AREAS OF OPPOSITION AT 2025 GENERAL MEETINGS WERE EXECUTIVE PAY, GOVERNANCE ISSUES (SUCCESSION PLAN, STATUTORY AGE LIMIT) AND CAPITAL TRANSACTION ISSUES (SHARE BUYBACKS, ETC.)

Consideration of climate-related issues

In Europe, and particularly in France, climate issues were mainly addressed in 2025 via Say on Climate resolutions supported by management, which remained rare but were largely approved (votes in favour average around 91% in Europe), while shareholder climate resolutions fell sharply.

In the United States, the consideration of climate issues is mainly done through shareholder resolutions, which continued to be submitted in 2025 but were down sharply on the previous year (80 climate resolutions in 2025, compared with 126 in 2024) and received limited support (around 20-25%), with Say on Climate resolutions remaining marginal.

Overall, 2025 was marked by a decline in dedicated climate-related voting at general meetings without, however, signalling any loss of commitment to the underlying issues, as investors increasingly favoured forms of engagement other than voting.

Against this backdrop, ERAFP continued to take climate issues into consideration across the board in its voting at general meetings in 2025, beyond specific climate-related resolutions.

In accordance with its voting policy, this may have resulted in votes against certain appointments or reappointments of directors, remuneration or dividend policies, or in support of climate resolutions, when the governance, strategy or climate trajectory of companies did not seem sufficiently aligned with ERAFP's requirements and long-term commitments.

In 2026, ERAFP will support climate resolutions promoting transparency and accountability, which it will analyse on a case-by-case basis using a set analysis grid. It will support proposals that are consistent with its climate policy and SRI framework, with a particular focus on the ambitiousness, relevance, precision and practical implementation of the commitments assessed.

Summary tables: votes at general meetings (French and international samples)

FRENCH SAMPLE

Figures for ERAFP sample	2025	2024	2023	2022	2021	2020
Women board members	45.3%	45.5%	45.9%	46.5%	46.0%	47.0%
Independent board members	64.6%	68.7%	63.0%	55.7%	56.0%	59.0%
Average remuneration of chief executive (€m)	6.6	7.1	6.3	6.2	4.0	5.0
ERAFP votes	2025	2024	2023	2022	2021	2020
Resolutions monitored in depth by ERAFP	749	781	681	943	959	1,009
ERAFP votes in favour of the resolution (all resolutions excluding shareholder-initiated resolutions)	70.6%	73.2%	68.8%	62.6%	66.3%	68.2%
ERAFP votes in favour of resolutions on dividends	93.3%	87.1%	93.1%	90.0%	74.4%	92.3%
<i>Average adoption rate per GM of resolutions concerning a dividend distribution</i>	98.5%	99.1%	99.0%	99.1%	96.4%	99.3%
ERAFP votes in favour of resolutions on executive pay	40%	42%	26.5%	26.2%	25.1%	13.1%
<i>Average adoption rate per GM of resolutions concerning executives' remuneration</i>	95.2%	94.3%	93.6%	94.3%	91.0%	91.8%
ERAFP votes in favour of resolutions on the appointment or reappointment of directors	78%	72%	77.2%	70.3%	74.2%	77.9%
<i>Average adoption rate of AGM resolutions on appointments or reappointments of directors</i>	95.3%	95.0%	96.0%	95.5%	94.0%	94.1%
Shareholders resolutions	2025	2024	2023	2022	2021	2020
Shareholder-initiated resolutions	3	1	10	14	10	11
Shareholder-initiated resolutions adopted by the AGM	0	0	1	0	1	0
Shareholder-initiated resolutions supported by ERAFP	100%	100%	100%	57%	90%	45%

INTERNATIONAL SAMPLE

Figures for ERAFP sample	2025	2024	2023	2022	2021	2020
Women board members	35.2%	31.8%	38.9%	37.5%	36.0%	34.0%
Independent board members	64.8%	56.6%	68.1%	56.5%	71.0%	63.0%
Average remuneration of chief executive (€m)	12.1	7.4	9.1	7.4	5.1	7.0
ERAFP votes	2025	2024	2023	2022	2021	2020
Resolutions monitored in depth by ERAFP	174	122	198	309	297	319
ERAFP votes in favour of the resolution (all resolutions excluding shareholder-initiated resolutions)	55.6%	67.2%	64.9%	68.1%	60.3%	59.9%
ERAFP votes in favour of resolutions on dividends	83.3%	85.7%	100.0%	95.7%	84.6%	93.8%
<i>Average adoption rate per GM of resolutions concerning a dividend distribution</i>	<i>98.5%</i>	<i>99.8%</i>	<i>99.8%</i>	<i>83.1%</i>	<i>99.5%</i>	<i>98.3%</i>
ERAFP votes in favour of resolutions on executive pay	13.3%	5.6%	10.5%	2.9%	7.1%	3.4%
<i>Average adoption rate per GM of resolutions concerning executives' pay</i>	<i>95.2%</i>	<i>92.7%</i>	<i>89.4%</i>	<i>85.8%</i>	<i>87.9%</i>	<i>91.8%</i>
ERAFP votes in favour of resolutions on the appointment or reappointment of directors	45%	91%	78.5%	76.5%	57.9%	65.8%
<i>Average adoption rate of AGM resolutions on appointments or reappointments of directors</i>	<i>94.7%</i>	<i>95.4%</i>	<i>82.8%</i>	<i>96.0%</i>	<i>95.6%</i>	<i>93.7%</i>
Shareholders resolutions	2025	2024	2023	2022	2021	2020
Shareholder-initiated resolutions	0	0	2	3	24	24
Shareholder-initiated resolutions supported by ERAFP	N/A	N/A	50%	0%	79%	74%

This year, ERAFP collected data on all the votes of its delegated managers in order to be able to present an overview of the 2025 general meeting season in its entirety, in addition to the details presented for the sample.

A comparison of these general results with those of the sample is provided below: on the one hand, for mandates investing exclusively in French small- and mid-cap equities ("French mandates") and, on the other hand, for mandates investing in global equities ("international mandates"), covering the eurozone, Europe, the United States and Japan.

General results - ERAFP voting	"French mandates"	Sample
Number of general meetings at which votes were cast	128	30
Number of resolutions	3,339	749
ERAFP votes in favour of the resolution (all resolutions)	70.1%	70.6%
ERAFP votes in favour of resolutions on dividends	95.2%	93.3%
ERAFP votes in favour of resolutions on executive pay	48.6%	39.8%
ERAFP votes in favour of resolutions on the appointment of directors	67.5%	78.1%
ERAFP votes in favour of shareholder resolutions	100.0%	100.0%

General results - ERAFP voting	"International mandates"	Sample
Number of general meetings at which votes were cast	1,044	10
Number of resolutions	17,942	174
ERAFP votes in favour of the resolution (all resolutions)	69.5%	55.6%
ERAFP votes in favour of resolutions on dividends	91.6%	83.3%
ERAFP votes in favour of resolutions on executive pay	29.8%	13.3%
ERAFP votes in favour of resolutions on the appointment of directors	64.8%	44.8%
ERAFP votes in favour of shareholder resolutions	48.7%	N/A

Together, the “French mandates” covered 128 general meetings in which ERAFP took part, representing a total of 3,339 resolutions put to the vote, i.e. an average of 26 resolutions per general meeting.

By way of comparison, all the “international mandates” combined included 1,044 general meetings and 17,942 resolutions on which ERAFP cast a vote, equating to an average of 18 resolutions per general meeting. The higher number of resolutions examined by general meetings in France was primarily due to the presence of multiple resolutions, particularly those on executive pay and financial delegations.

Over the entire 2025 general meeting season, ERAFP voted against 30% of the resolutions proposed by French companies through its delegated asset managers. An identical rate was observed for international companies. This comparable level of dissent indicates that the sample is representative of the “French mandates” in their entirety. Nevertheless, some differences emerged with resolutions that were deemed more sensitive, particularly those relating to executive pay and the appointment of directors. With regard to executive pay in the “French” universe, the average approval rate reached 49% for this type of resolution, i.e. 9.4 points higher than the average observed in the French sample. Conversely, for resolutions relating to the appointment of directors, the approval rate was lower for the «French mandates» as a whole, with the sample showing an approval rate that was nine points higher with this type of resolution. The approval rate for dividend-related resolutions was very close between the sample and the “French mandates” as a whole.

With regard to “International” mandates, ERAFP voted against 30% of all the resolutions put forward during the 2025 general meeting season, i.e. a rate that was 14.4 points higher than that observed for the sample of the 10 international companies analysed.

The average approval rate of resolutions on executive pay was 30% for the “international mandates” as a whole, which was 16.5 points higher than for the sample with this type of resolution. Similarly, the approval rate for resolutions on the appointment of directors was 20.2 points higher for the “international mandates” as a whole than for the sample.

The approval rate on resolutions relating to dividend distribution was 92% for the “international mandates” as a whole, compared with 83.3% for the sample, i.e. a difference of 8.7 points. Lastly, no shareholder resolutions were put to the vote in the sample of the 10 international companies, while the approval rate for these resolutions was 49% for the “international mandates” as a whole.

PART 04

INVESTMENTS ALIGNED WITH THE EU TAXONOMY AND INVESTMENTS IN FOSSIL FUELS

- 4.1 Sustainable investments: EU Taxonomy
- 4.2 Portfolio exposure to companies active in fossil fuels



SUSTAINABLE INVESTMENTS: EU TAXONOMY

LISTED COMPANY PORTFOLIOS

Methodology used by ERAFP

Since 1 January 2024, the EU Taxonomy has applied, through its delegated acts, to the 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, and protection and restoration of biodiversity and ecosystems.

Iceberg Data Lab (IDL) collects eligibility and alignment data on ERAFP's behalf covering the three areas of the EU Taxonomy:

- a substantial contribution: the activity must make a substantial contribution to one of the six environmental objectives defined by the regulation¹⁷;
- the “Do No Significant Harm” (DNSH) principle: the activity must not cause any significant harm to other environmental objectives;
- minimum social safeguards: the activity must meet minimum standards in terms of human and labour rights.

IDL models the Taxonomy-eligible and Taxonomy-aligned share of turnover, including nuclear energy and gas, and performs an analysis based on the DNSH principle and the minimum social safeguards.

¹⁷ Climate change mitigation, climate change adaptation, sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems.

THE EU TAXONOMY FOR SUSTAINABLE ACTIVITIES

Since 2018, the European Commission, through its sustainable finance action plan, has started work on integrating non-financial criteria in the economic and financial sphere. With this objective in mind, one of the plan's proposals was to develop a standard classification system across the European Union (EU), commonly known as the "Taxonomy", which would define the economic activities that are considered to be environmentally sustainable. In 2020, the EU published the "Taxonomy" regulation¹⁸, supplemented in December 2021 by a first delegated act¹⁹ to specify the content to be published by companies subject to reporting on their environmentally sustainable activities, as well as the method to adopt to comply with this reporting obligation.

For the period from 1 January to 31 December 2025, ERAFP is required to publish the percentage of its total assets exposed to Taxonomy-eligible economic activities aligned with the six objectives included in the Taxonomy, and the percentage exposed to economic activities contributing to the last four objectives.

At 1 January 2023, natural gas and nuclear were added to the list of activities eligible as transitional energy. These activities can be aligned under certain conditions, particularly if the GHG emissions they generate do not exceed a certain threshold.

¹⁸ 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.

¹⁹ Commission Delegated Regulation (EU) 2021/2178 of 6 July 2021 supplementing Regulation (EU) 2020/852 of the European Parliament and of the Council.

The main results of ERAFP's investments in relation to the EU Taxonomy

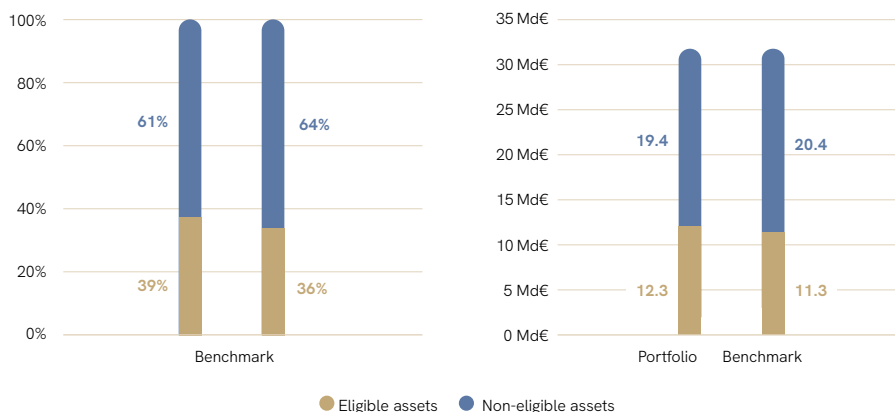
At 31 October 2025, ERAFP had data on the eligibility and alignment of the assets in its listed company portfolio, based on the six objectives included in the Taxonomy, as shown in the table below.

Objectives	Assessed eligibility	Assessed alignment
1 Climate change mitigation		
2 Climate change adaptation		
3 Sustainable use and protection of water and marine resources	Yes	Yes
4 Transition to a circular economy		
5 Pollution prevention and control		
6 Protection and restoration of biodiversity and ecosystems		

Based on the aggregate analysis of its listed company portfolios²⁰ ERAFP outperforms its benchmark index in both cases, as shown in the chart below.

Share of ERAFP's listed company portfolio assets eligible for the EU Taxonomy compared with the benchmark (% and €bn)

Source — Iceberg Data Lab, 31 October 2025

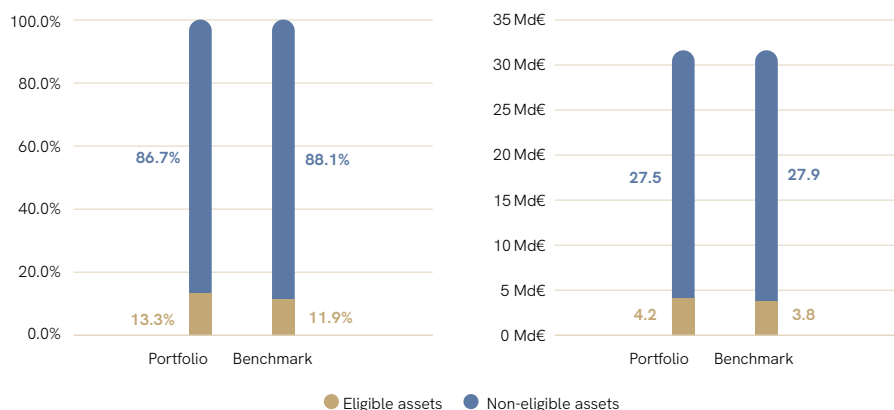


²⁰ In accordance with Article 7(1) of Delegated Act 2021/2178, ERAFP is not required to include "exposures to central governments, central banks or supranational issuers".

In the listed company portfolio, the main sectors which are eligible for EU Taxonomy alignment are information technology, industry and finance.

Estimation of assets aligned with the EU Taxonomy compared with the benchmark index (% and €bn)

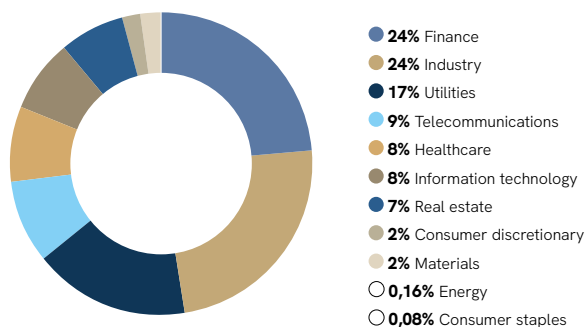
Source — Iceberg Data Lab, 31 October 2025



At the level of the portfolio of listed companies, the main sectors aligned with the Taxonomy are utilities, industry and finance.

Sector breakdown of the listed company portfolio assets aligned with the Taxonomy (%)

Source — Iceberg Data Lab, 31 October 2025



Key points and next steps

At this stage, the data is based on modelling covering all six pillars, independently of the company's disclosures.

In the future, ERAFP expects data to be more reliable through refined modelling and possibly through the collection of information reported by companies. This would also allow for coverage of investment expenditure indicators (CapEx and OpEx).

UNLISTED ASSET PORTFOLIOS

The processes for selecting asset managers and multi-investor funds for ERAFP's private equity and infrastructure investments are set out in this report²¹. As regards monitoring indicators, ERAFP relies on the work carried out by its asset managers under fund-of-fund mandates. They promote non-financial best practices for the managers they invest in.

Private equity

The eligibility and alignment of underlying companies with the EU taxonomy is calculated as an indicator in the ESG monitoring questionnaire that the asset manager, Access Capital Partner, sends to the managers of the funds in which it invests. A dialogue is also held with them to encourage them to adopt best practices, including taxonomy assessment.

EU Taxonomy-eligibility was assessed for 126 companies out of a total of 253 in the portfolio, representing 50% of the universe covered. Of the companies that were assessed, only 6% reported that they were engaged in Taxonomy-eligible activities. For these eligible companies only, the average share of Taxonomy-aligned turnover was 27%, with an identical level of alignment observed for CapEx. Compared to the entire portfolio of 253 companies, these alignment levels correspond to around four companies, both for turnover and for CapEx.

It should be noted that this is a conservative estimate and that the coverage of this indicator is expected to increase in the coming years.

Infrastructure

Ardian, the asset manager that has been entrusted with ERAFP's infrastructure mandate, monitors the climate-related risk and opportunity assessments of the underlying managers during the pre-investment period. This may cover climate-related governance criteria, exposure to transition risks and opportunities, alignment with benchmark climate scenarios and EU Taxonomy alignment calculations.

Of the 18 managers with whom we invested, 9 (50%) said they assessed alignment according to the Taxonomy's technical screening criteria. A dialogue has been initiated with the other managers to encourage them to follow this measure. Details of the Taxonomy-eligibility and Taxonomy-alignment of underlying assets are not yet available at this stage. This information is expected to be available from next year.

Real estate

ERAFP will incorporate eligibility and alignment data for its real estate portfolio in the coming years.

²¹ See "Consideration of ESG criteria in the decision-making process for the award of new management mandates" and "Consideration of ESG criteria in the multi-investor fund selection process" in this report.

PORTFOLIO EXPOSURE TO COMPANIES ACTIVE IN FOSSIL FUELS

The following paragraphs and graphs present ERAFP's exposure to investments in fossil fuels, in light of the criteria defined in the new fossil fuel policy adopted by the board of directors in December 2025 and detailed in section 5.3 "[Fossil fuel policy](#)".

The analysis below focuses on the listed assets held under mandates, in dedicated funds and managed directly, representing 64% of ERAFP's total assets.

PORTFOLIO EXPOSURE TO FOSSIL FUELS

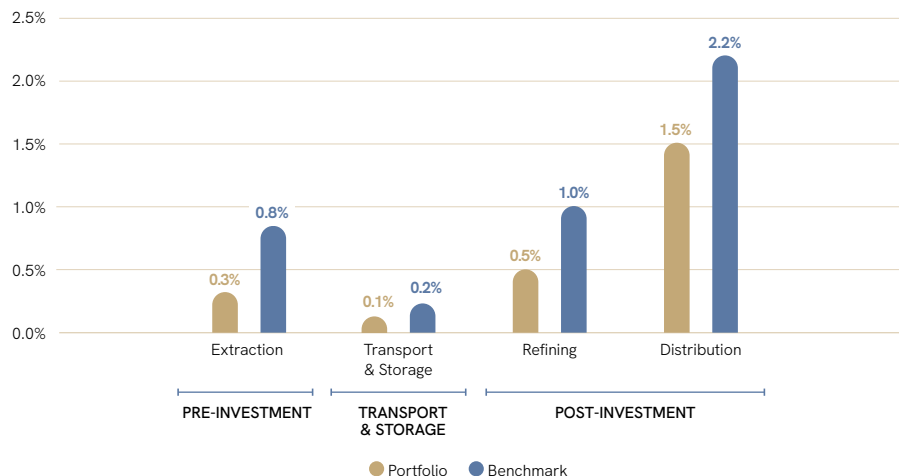
The exposure of ERAFP's listed company portfolio to fossil fuels can be measured using various indicators. Firstly, the revenue of portfolio companies can be broken down by business sector. Using the methodology and data developed by Iceberg Data Lab, ERAFP can achieve a level of granularity that makes it possible to identify the different activities involving fossil fuels along the entire length of the value chain, from extraction to transport, storage, refining and distribution.

ERAFP has chosen not to include petrochemicals, steelmaking and certain other industries that currently use fossil fuels directly (e.g. shipping and aviation) for the purpose of this indicator. In addition, the data available for the petrochemicals sector is insufficiently granular to enable a distinction to be drawn between pure petrochemicals activities (using oil or natural gas to manufacture synthetic chemical compounds) and traditional industrial chemicals activities.

Firms in the listed company portfolio have little exposure to fossil fuel activities in the upstream section of the value chain, which represent 0.3% of their aggregate revenue. Transportation and storage represent 0.1% of revenue for the portfolio and 0.2% for the index. Taking the various fossil fuel-related activities in the downstream section into account, the exposure percentage stands at 2.0% of aggregate revenue, compared with 3.2% for the benchmark. Looking at each activity individually, the portfolio's exposure is again lower than that of the benchmark index. Overall, the companies in ERAFP's listed company portfolio generate 2.4% of their revenue in fossil fuel-related activities, compared with 4.2% for the benchmark.

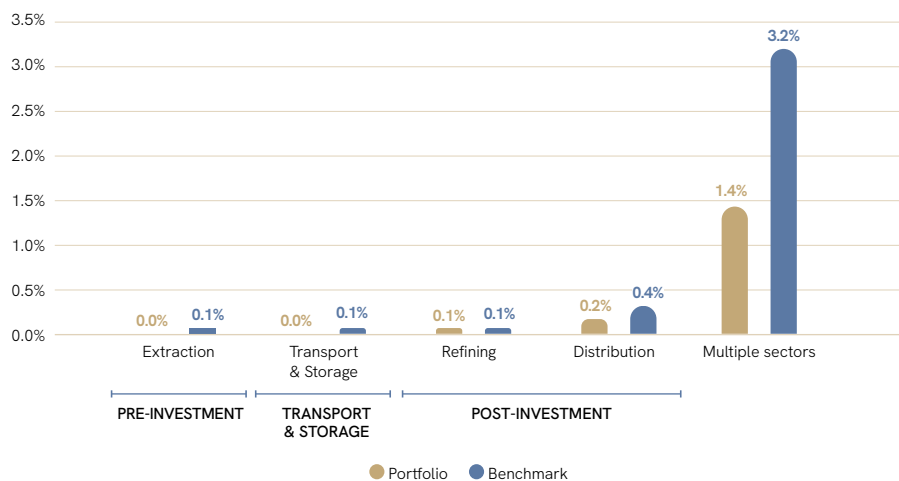
Share of revenue from companies in the listed company portfolio that is linked to fossil fuels compared with the benchmark, by activity type (%)

Source — Iceberg Data Lab, 31 October 2025



Share of listed company portfolio assets in companies that derive most of their revenue from fossil fuels compared with the benchmark, by activity type (%)

Source — Iceberg Data Lab, 31 October 2025



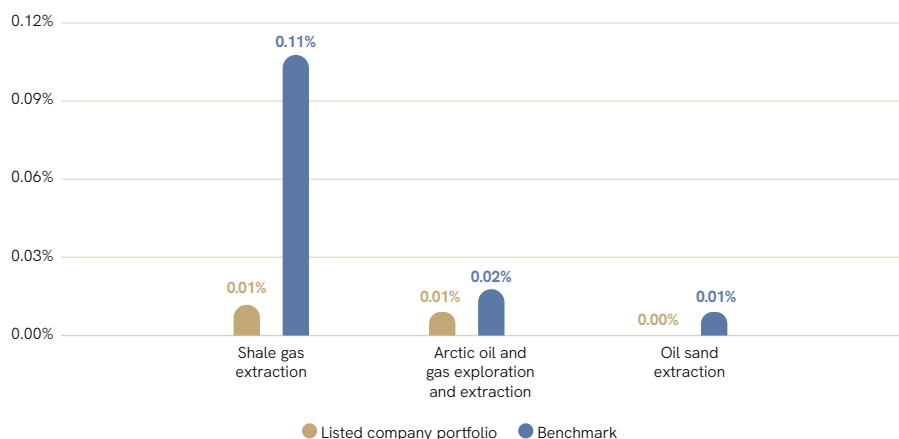
In addition to the indicator on the share of aggregate revenue from companies in the listed company portfolio generated from fossil fuels, ERAFP also discloses the share of the portfolio invested in companies heavily involved in fossil fuel operations compared with the benchmark.

It thus established that 1.8% of the assets in the listed company portfolio are invested in companies that generate more than 50% of their revenue from fossil fuels, compared with 3.8% for the benchmark. Most of the assets concerned relate to companies that are involved in multiple sub-sectors.

PORTFOLIO EXPOSURE TO UNCONVENTIONAL FOSSIL FUELS

Share of revenue from companies in the listed company portfolio that is linked to unconventional fossil fuels compared with the benchmark, by activity type (%)

Source — Morningstar-Sustainalytics, 31 December 2025



In addition to its fossil fuel exposure, ERAFP also reports its listed company portfolio's exposure to unconventional fossil fuels. For this purpose, it uses the methodology developed by Morningstar-Sustainalytics, which provides exposure for three unconventional fossil fuels: shale gas extraction, Arctic oil and gas exploration and extraction, and oil sand extraction.

Overall, 0.02% of the revenue generated by companies in ERAFP's listed company portfolio comes from unconventional fossil fuels, which compares favourably to the benchmark index (0.14%). ERAFP's exposure to each individual type of unconventional fossil fuel is also lower than that of the index.

To supplement this information, ERAFP also reports the percentage of its assets invested in companies whose activities involve unconventional fossil fuels.

Share of listed company portfolio assets in companies involved in unconventional fossil fuels compared with the benchmark (%)

Source — Morningstar-Sustainalytics, 31 December 2025



In total, 1.22% of ERAFP's investments are in companies whose activities involve unconventional fossil fuels, compared with 2.96% for the benchmark. Unconventional fossil fuels represent a small part of the activities of the companies held in the portfolio.

As a reminder, and as explained in ERAFP's fossil fuel policy, companies whose activity related to unconventional fossil fuels exceeds 15% of their revenue are excluded.

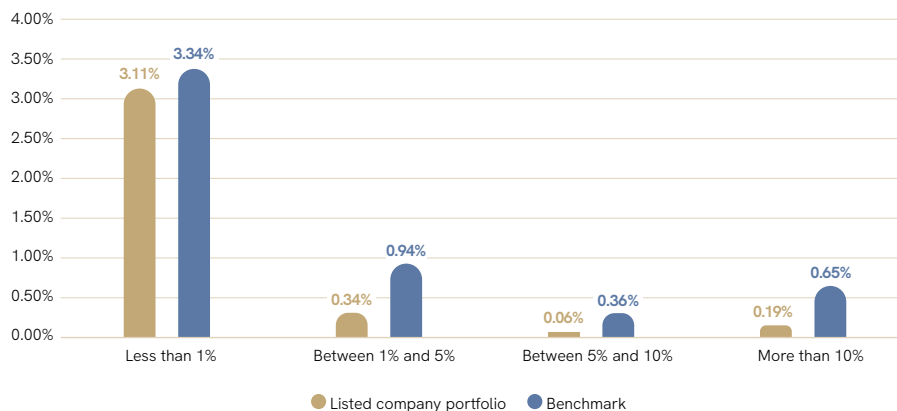
PORTFOLIO EXPOSURE TO THERMAL COAL

In 2026, ERAFP applies an eligibility criterion through its fossil fuel policy, with a threshold for thermal coal-related revenue set at 1%. This exclusion does not apply to companies aligned with a 1.5°C pathway whose targets have been validated by the SBTi initiative, or to investments in green bonds, which are intended to support companies' energy transition. This policy limits the exposure of ERAFP's listed company portfolio to coal-related activities. The residual exposure is shown in the table below.

IN 2026, ERAFP APPLIES AN ELIGIBILITY CRITERION THROUGH ITS FOSSIL FUEL POLICY, WITH A THRESHOLD FOR THERMAL COAL-RELATED REVENUE SET AT 1%

Share of listed company portfolio assets in companies involved in thermal coal-related activities, compared with the benchmark (%)

Source — Morningstar-Sustainalytics, 31 December 2025



As shown, ERAFP's listed company portfolio is less exposed than its benchmark to companies engaged in thermal coal-related activities (3.7% of assets under management for the portfolio, compared with 5.3% for the benchmark) and, most importantly, ERAFP has invested in companies that generate only a small fraction of their revenue in these businesses: Of the assets in ERAFP's listed company portfolio, 3.1% are in companies that generate 1% or less of their revenue from thermal coal-related activities.

Eight companies, representing 0.25% of ERAFP's portfolio assets, generate more than 5% of their revenue from the production of electricity using thermal coal.

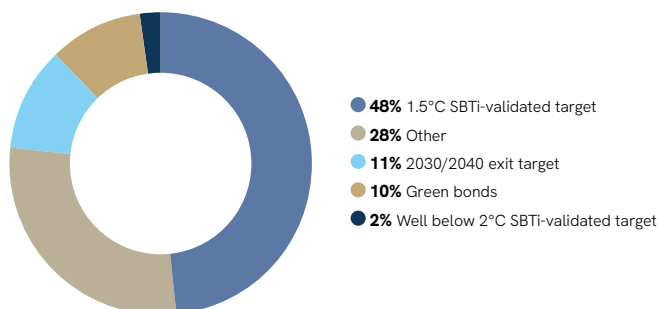
In accordance with ERAFP's specific eligibility policy, three of the eight positions have a 2030/2040 exit plan, and one has a 1.5°C alignment target validated by the SBTi. Two others are financed via green bonds. The last two are bonds that can no longer be redeemed since the policy was implemented.

It is also relevant to consider the source of this exposure, as well as the commitments given by the companies concerned. This can be done by analysing a breakdown of the revenue attributed²² to ERAFP that is generated by thermal coal-related activities. This indicator is relevant because it integrates financial exposure as well as the proportion of revenue derived from thermal coal-related activities.

²² The revenue attributed to ERAFP is calculated as the company's total revenue divided by the ratio of the value of the securities held by ERAFP to the total value of the company.

Breakdown of revenue from thermal coal-related activities attributed to ERAFP (%)

Source — Morningstar-Sustainalytics, SBTi, ERAFP, 31 December 2025



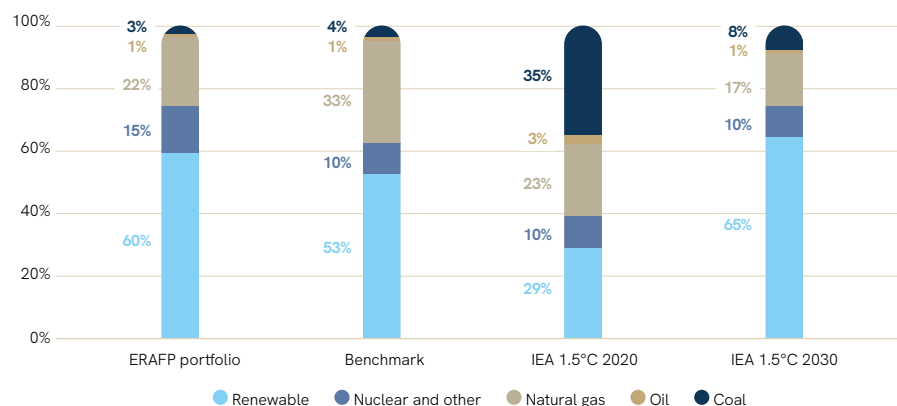
The source of 10% of the revenue attributed to ERAFP that is generated in coal-related activities is its exposure to companies via green bonds. Of the remaining 90% of this revenue, 48% comes from companies that have had a 1.5°C-aligned target validated by the SBTi and 2% from companies that have had a target aligned with a temperature scenario “well below 2°C” validated by the SBTi. Out of the revenue attributed to ERAFP, 11% comes from companies which have plans

in place to exit coal, with specified dates and in line with international and scientific recommendations²³ on exiting thermal coal activities by 2030 in OECD countries and by 2040 worldwide. The remaining 28% of revenue attributed to ERAFP comes from companies that do not yet have a coal exit date, but whose percentage of revenue from this energy source is between 1% and 3.7%.

Focus on the electricity generation mix in the listed company portfolio

Energy generation mix of companies in ERAFP’s listed company portfolio by energy source, in gigawatt hours (%)

Source — Iceberg Data Lab, International Energy Agency (IEA), 31 October 2025



²³ IEA (2021), *Phasing Out Unabated Coal: Current Status and Three Case Studies*, IEA, Paris.

Focusing on electricity generation, which is the most easily decarbonisable energy vector and will play a key role in the energy transition, ERAFP's portfolio can be compared with benchmark scenarios.

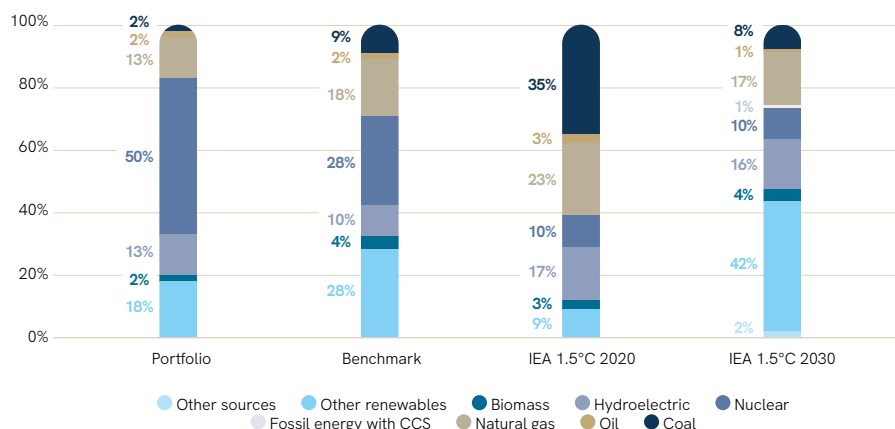
Compared with its benchmark, ERAFP's listed company portfolio shows a larger share of renewable energies (60% versus 53%) and, to a lesser extent, nuclear energy (15% versus 10%), as well as a significantly lower percentage of fossil fuels (26% versus 38%).

Compared to the energy mix planned for 2020 by the International Energy Agency (IEA) to achieve the objective of limiting the temperature increase to 1.5°C, ERAFP's portfolio of listed companies is well positioned. Moreover, despite a slightly lower share of energy from renewable sources, the portfolio is very close to the energy mix forecast for 2030 in the agency's scenario, with a share of nuclear energy that is 5% higher.

Focus on the energy generation mix in the sovereign bond portfolio

Energy generation mix of countries in ERAFP's sovereign bond portfolio by energy source, in GWh (%)

Source — Iceberg Data Lab, International Energy Agency (IEA), 31 October 2025



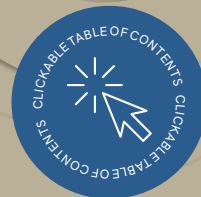
An analysis of the energy generation mix in the countries in ERAFP's sovereign bond portfolio shows a higher share of nuclear energy than the benchmark (50% versus 28%), and a slightly lower share of renewable energies (33% versus 42%). The share of energy generated by countries in ERAFP's sovereign bond portfolio from fossil fuels is also well below the benchmark (17% versus 29%).

One special feature of the portfolio is that both the proportion of renewable energy and the proportion of fossil energies are lower than the scenario projected by the IEA for 2030 in order to achieve the objective of limiting global warming to 1.5°C. This is due to the portfolio's overweight position in France, where the share of nuclear power in the energy mix is much higher than in the IEA's 2030 scenario.

PART 05

STRATEGY FOR ALIGNMENT WITH THE PARIS AGREEMENT

- 5.1 Targets adopted under the climate policy:
methodologies and latest developments
- 5.2 Target monitoring indicators: results obtained in 2025
- 5.3 Fossil fuel policy
- 5.4 Changes in the investment strategy in line with the
objective of alignment with the Paris Agreement



By joining the Net-Zero Asset Owners Alliance (AOA) in 2020, ERAFP marked a turning point in its investment policy by setting a target to achieve carbon neutrality in its investment portfolio by 2050. As a first step towards achieving this target, ERAFP's climate policy for 2019-2024, adopted in October 2021 by the board of directors, continued in 2025 with the adoption and roll-out of ERAFP's second climate policy. In the pages that follow, we present the methodology used to establish our climate policy, followed by the objectives we have set and the results achieved.

TARGETS ADOPTED UNDER THE CLIMATE POLICY: METHODOLOGIES AND LATEST DEVELOPMENTS

For ERAFP, as for the other members of the Alliance, the net-zero target for 2050 is broken down into a number of interim targets, with milestones to be reached every five years. The first leg runs from the end of 2019 to the end of 2024. In October 2021, the board of directors formally adopted ERAFP's targets for this first period.

In 2025, ERAFP set its new targets for the second period, covering 2019-2029, in accordance with the Target Setting Protocol 2030²⁴ – developed jointly with the other members of the AOA. For the period covering 2019-2029, the protocol in force when ERAFP drew up its policy requires members to achieve a reduction of between 40% and 60% in their greenhouse gas (GHG) emissions relative to the end of 2019.

²⁴ The fourth edition of the AOA's Target Setting Protocol was published in April 2024. This protocol defines a framework structured around four interlocking components — engagement, sector objectives, portfolio objectives and investments in climate solutions — to guide climate-related pathways through 2030-2050. Updated each year, its scope is gradually expanding, as it adapts to scientific progress, particularly to the work of the IPCC.

The types of targets involved in the AOA's 2030 target setting protocol

Source — AOA Target Setting Protocol (fourth edition)²⁵



ERAFP HAS DECIDED TO SET THE FOLLOWING TYPES OF TARGETS WHEN DRAWING UP ITS CLIMATE POLICY: GREENHOUSE GAS EMISSION TARGETS, ENGAGEMENT TARGETS AND TRANSITION FINANCING TARGETS

²⁵ Source: <https://www.unepfi.org/wordpress/wp-content/uploads/2024/04/NZAOA-TSP-Background-Doc-2024.pdf>

Alliance members must set three of the four types of target defined by the Alliance Protocol (see box above). ERAFP decided to set the following types of targets to draw up its policy: greenhouse gas emissions targets, engagement targets and targets for financing the transition to a low-carbon economy.

ERAFP chose not to set sector-specific targets, which are particularly complex in terms of implementation and risked being counterproductive, especially given that most of its assets are managed by delegated asset managers and that it implements a strict SRI framework based on a best in class approach across all asset classes.

In addition to setting three of the four types of targets in accordance with the Alliance protocol, ERAFP has also set an additional “temperature alignment” target for its equity, corporate bond and convertible bond portfolios.

ERAFP has therefore set several targets for these various pillars, which are summarised in the table below. The implementation and degree of achievement of these targets is published each year in both ERAFP’s public report and sustainability report.

Targets set by ERAFP for 2025-2030

Type of target	Scope covered	Reference in the report	Target
Reduction in greenhouse gas emissions	Listed assets ²⁶	AOA listed company portfolios	60% reduction in carbon intensity between 2019 and 2029 (Scopes 1 and 2).
			Further develop actions (SRI filter for stock selection, SBTi validation, engagement and voting policy) to reduce Scope 3 emissions.
	Real estate ²⁷	AOA real estate portfolio	15% reduction in the carbon intensity (emissions per square metre) of real estate portfolios (Scopes 1, 2 and part of Scope 3) between 2023 and 2028. 10% reduction in the energy intensity per square metre of real estate portfolios (Scopes 1, 2 and part of Scope 3) between 2023 and 2028. Alignment of 30% of the real estate portfolio (floor area) with the CRREM 1.5°C pathway target (second version; Scopes 1 and 2, and part of Scope 3 emissions).
Temperature alignment	Listed assets	AOA listed company portfolios	Build shareholder dialogue with 30 companies amongst the highest greenhouse gas emitters of its portfolio, in order to promote the energy transition in accordance with the targets of the Paris Agreement.
Transition financing	Global aggregate portfolio	—	Increase the amounts invested in assets that contribute to the energy transition and decarbonisation of the economy. Invest between €1.5 billion and €1.8 billion in financing the ecological transition over 2025-2029.
Temperature alignment	Listed assets ²⁸	AOA listed company portfolios	Achieve a situation where companies representing 55% of the carbon footprint have set targets aligned with a temperature increase of 1.5°C or lower validated by the SBTi, by 2029.

²⁶ Listed company mandates, excluding multi-investor funds.

²⁷ Excluding certain multi-investor funds.

²⁸ Listed company mandates, excluding multi-investor funds.

THE SCOPES FOR MEASURING GREENHOUSE GAS EMISSIONS

- **“Scope 1”** (direct emissions) includes emissions physically produced by an activity such as the combustion of fossil fuels (gas, oil or coal).
- **“Scope 2”** (indirect emissions) covers emissions relating to the consumption of electricity, heat or steam required for the company’s activities.
- **“Scope 3”** (indirect emissions) refers to emissions produced upstream or downstream of production. “Upstream Scope 3 emissions” relate to the supply chain (the extraction and transportation of the materials a company buys to make its products, for example), while “downstream Scope 3 emissions” relate in particular to the transportation, use and ultimate disposal of finished products.

PORTFOLIO EMISSIONS TARGETS

Scope	Target	Starting point	Deadline
AOA listed company portfolios	60% reduction in carbon intensity	30/11/2019	31/10/2029
	(Scopes 1 and 2)	-	-
AOA real estate portfolio	Further develop actions (SRI filter for stock selection, SBTi validation, engagement and voting policy) to reduce Scope 3 emissions.	31/12/2023	31/12/2028
	15% reduction in carbon intensity (emissions per square metre) (Scopes 1, 2 and part of Scope 3)		
	10% reduction in energy intensity per square metre (Scopes 1, 2 and part of Scope 3)	-	
	Portfolio alignment with a 1.5°C target scenario		

AOA listed company portfolio

For the AOA listed company portfolio, the targets were determined as follows:

- by taking into account the starting point in terms of the portfolios’ carbon intensity relative to their benchmarks;
- by seeking to maintain the necessary balance between the need to reduce carbon intensity and the financing of companies whose activities contribute to the energy and ecological transition.

ERAFP has chosen to use carbon intensity per €1 million of revenue as its indicator rather than per €1 million invested, since using revenue enables it to assess a company’s operational efficiency as well as the exposure of the portfolio to the most carbon intensive companies. The carbon intensity of portfolio companies per €1 million invested is, however, presented for information purposes.

In terms of emission scopes, the quantified target covers Scopes 1 and 2. The inclusion of Scope 3 emissions, which are essential for analysing the performance of individual issuers, currently remains delicate at the portfolio level due to reasons relating to methodology. The percentage of companies that report Scope 3 emissions is low, the standards for calculating these emissions are currently inadequate and estimates calculated by specialised agencies can vary widely. Moreover, when emissions are consolidated at the portfolio level, double or even triple counting remains an issue (the same emissions may be included in Scope 3 by one issuer and scope 2 by another).

It is for these reasons that, when the climate policy was updated in 2025, a qualitative target was adopted for Scope 3 emissions rather than a quantified target: the aim is to further develop actions aimed at reducing the Scope 3 emissions of the portfolio. These are presented in this section as well as in Part 7 of this report *“Consideration of ESG risks in the risk management process”* (in the section covering the principal adverse impacts).

AOA real estate portfolio

For the AOA real estate portfolio, the alignment target was determined using the Carbon Risk Real Estate Monitor (CRREM) tool. This tool, initially developed by the European research and innovation project “Horizon 2020” (now an independent foundation and market benchmark), aims to accelerate decarbonisation and climate resilience in the real estate sector. The CRREM methodology makes it possible to assess a portfolio’s greenhouse gas emissions in light of the global warming targets of the Paris Agreement. Each asset in the portfolio is assessed to determine its position relative to a 1.5°C scenario specific to the asset type and country concerned.

The indicator used for this purpose is the portfolio’s carbon intensity in kgCO_2/m^2 , i.e. carbon emissions per square metre. It should be noted that the scope used to calculate the indicator includes some Scope 3 emissions (relating to the energy consumption of tenants²⁹), as well as Scopes 1 and 2. In addition to the alignment target, a target to reduce carbon intensity (emissions per square metre) was set in 2022.

The scope initially used did not include residential real estate assets since there was insufficient climate data to assess them. However, a commitment was made to incorporate this data as soon as possible. As the availability of climate data for these assets improved, ERAFP was able to extend the scope in 2022. As at 31 December 2024, 94% of assets in the real estate portfolio were covered by the alignment target, compared with 47% as at 31 December 2019.

In 2025, these targets were supplemented by a target relating to energy intensity per square metre. This indicator, expressed in kWh/m^2 , measures the final energy consumption of a portfolio, in order to assess the intrinsic energy performance of assets. It is a useful indicator to assess the actual efficiency of buildings, regardless of the local energy mix. It supplements the carbon intensity (emissions per square metre) indicator.

ENGAGEMENT TARGET

The engagement target involves building shareholder dialogue with 30 companies amongst the highest greenhouse gas emitters of its portfolio, in order to promote the energy transition in accordance with the targets of the Paris Agreement.

The following criteria were used to identify the 30 companies with which ERAFP or its delegated asset managers will engage:

- contribution to the portfolio’s carbon footprint³⁰;

²⁹ Data is estimated if not known.

³⁰ For the list of companies updated in 2025, the contributors to the carbon footprint of the portfolio, including Scope 3 emissions, were also considered.

- whether or not the company has set an emissions reduction or carbon neutrality target, in particular through the Science Based Targets initiative (SBTi), and the ambitiousness of the target set ³¹;
- belonging to certain key sectors for the transition to a less carbon-intensive economy (energy, utilities and materials);
- geographical proximity (with a focus on French or European companies, over which ERAFP can exert a greater influence).

In order to assess the progress made by the companies targeted by this objective and to steer the engagement actions carried out with them, ERAFP relies on the “Net-Zero Company Benchmark” methodology developed by the Climate Action 100+ initiative. Launched in March 2021, it involves analysing how companies are positioned in relation to the main challenges of the climate transition. If a company covered by ERAFP’s engagement action is not included in the scope of the assessment carried out by Climate Action 100+, it is the managers’ responsibility to carry out the assessment themselves, based on the grid used by the initiative.

TARGET FOR FINANCING THE TRANSITION TO A LOW-CARBON ECONOMY

As part of its objective to finance the transition to a low-carbon economy, ERAFP reports annually on the amount it has invested in the energy transition or that contributes to the decarbonisation of the economy. The target to increase this amount, set in 2021 for all asset classes, was renewed in 2025.

With the adoption of ERAFP’s second climate policy, this commitment is now supplemented by a quantified target to invest €1.5 to €1.8

billion in financing the ecological transition over 2025-2029. It is worth noting that the climate segment has been expanded to encompass the ecological transition theme, which may therefore include investments directed towards nature or biodiversity solutions.

Each year, ERAFP reports on the implementation of this target by announcing the action it has taken on this front since the adoption of its climate policy. The classification of investments included in this category is based on an internal system, which is broader than the EU Taxonomy. This was reviewed when the climate policy was updated.

TEMPERATURE ALIGNMENT TARGET

Carbon intensity or carbon footprint metrics provide a retrospective view of changes in the portfolio’s greenhouse gas emissions. Conversely, companies’ emission reduction or carbon neutrality targets facilitate a better assessment of the portfolio’s alignment with Paris Agreement-aligned climate trajectories.

The Science Based Targets Initiative (SBTi) invites companies to base their greenhouse gas emissions reduction pathway within a common, science-based framework.

The share of the carbon footprint relating to companies that have set a target aligned with an SBTi-validated warming scenario of 1.5°C or lower gives a useful indication of a portfolio’s future emissions trajectory ³².

With the adoption of its second climate policy, ERAFP’s aim is to achieve a situation where companies representing 55% of the carbon footprint³³ of its listed company portfolio³⁴ (equities, credit and convertible bonds) have set targets consistent with global warming of 1.5°C or lower that have been validated by the SBTi.

³¹ While not excluded from the engagement list, companies that have adopted targets aligned with a 1.5°C scenario will be given less priority than those that have set targets aligned with a 2°C scenario, are in the process of setting a target or have not yet committed to a target at all.

³² As from 2022, the SBTi only validates targets that are 1.5°C-aligned or more ambitious.

³³ Scopes 1 and 2.

³⁴ i.e. 64% of ERAFP’s total assets.

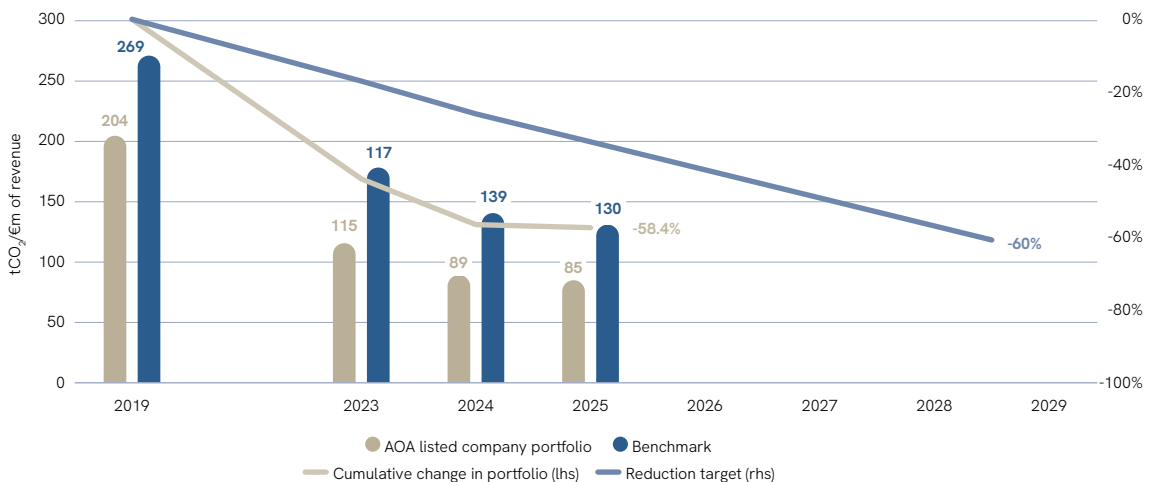
TARGET MONITORING INDICATORS: 2025 RESULTS

PORTFOLIO EMISSIONS TARGETS

AOA listed company portfolios

Carbon intensity of the AOA listed company portfolio compared with the benchmark (Scopes 1 and 2, per €1 million of revenue, as a weighted average)

Source — Iceberg Data Lab, 31 October 2025



IN 2025, THE CARBON INTENSITY OF ERAFP'S PORTFOLIO OF AOA LISTED COMPANIES PER €1 MILLION OF REVENUE DECREASED BY 4.5%

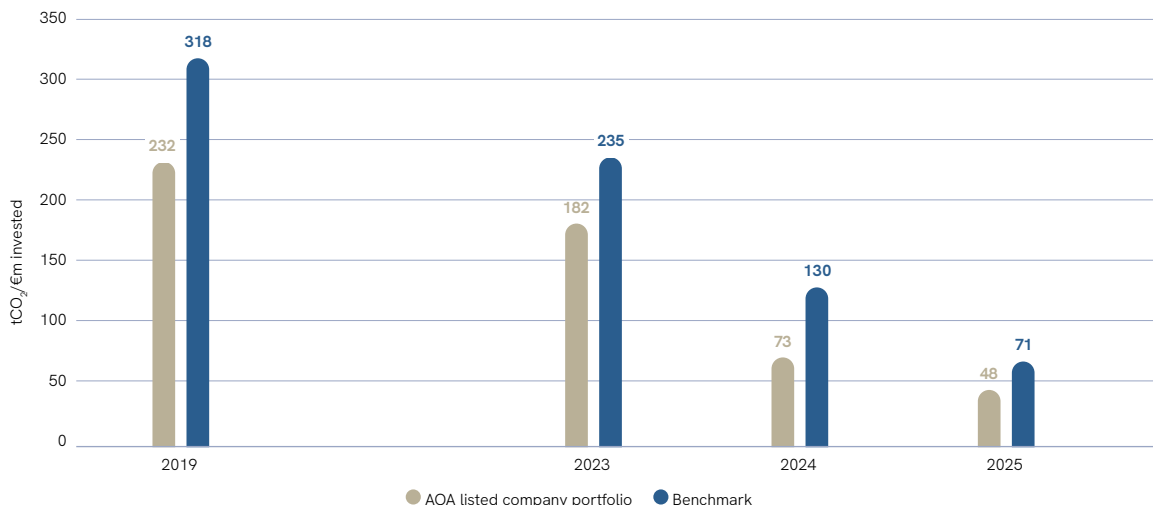
In 2025, the carbon intensity of ERAFP's portfolio of AOA listed companies per €1 million of revenue decreased compared with 2024, from 89 tonnes of CO₂ equivalent (tCO₂eq) to 85, i.e. a decrease of 4.5%. This was mainly due to a decrease in the carbon intensity of several high-emissions companies that carried a significant portfolio weighting.

The portfolio continues to outperform the index, with the difference between the portfolio's emissions and those of the index remaining very substantial (-35% in 2025 versus -36% in 2024).

At the end of 2025, the cumulative change in carbon intensity of the portfolio of AOA listed companies since the beginning of the period (2019-2025) was -58%. This very encouraging result leaves ERAFP well placed on its trajectory towards its 2029 target. The sharp decline since 2019 stems primarily from a different portfolio allocation, with fewer companies in the materials and energy sectors and more in the technology and telecommunications sectors, as well as a selection of less carbon-intensive companies within the carbon-intensive sectors.

Carbon intensity of the AOA listed company portfolio compared with the benchmark (Scopes 1 and 2, per €1 million invested, as a weighted average)

Source — Iceberg Data Lab, 31 October 2025



Looking at another carbon intensity metric, i.e. carbon intensity in millions of euros invested (tCO₂eq/€m invested), again for ERAFP's AOA listed company portfolio, one can see that it fell between 2024 and 2025 by 34%.

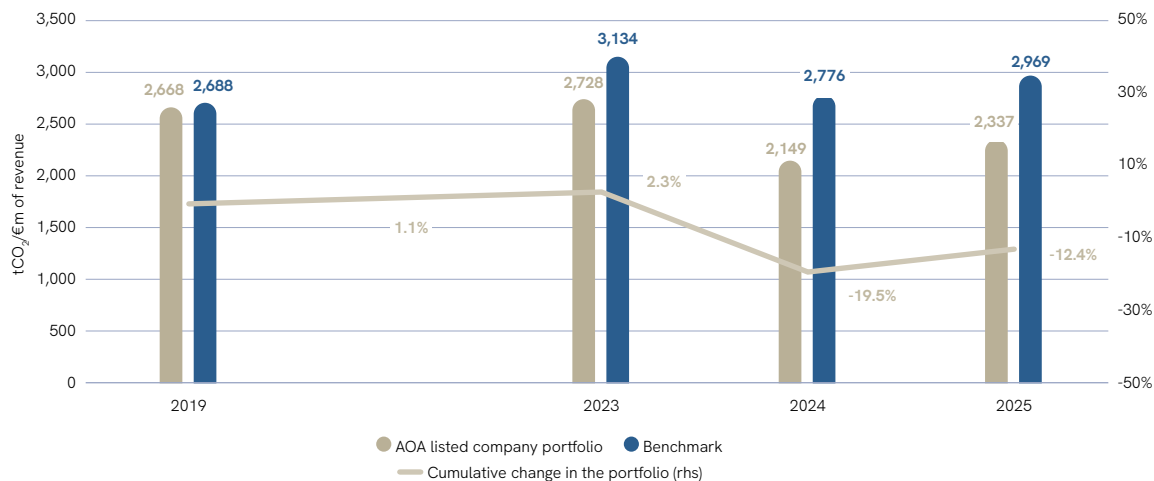
This decrease can be explained both by an overall decrease in the emissions of the companies in the portfolio, similar to that of the carbon intensity per €1 million of revenue, as well as by an improvement in the reliability of enterprise

value data for several carbon-intensive issuers, with higher values. This mechanically reduces the carbon intensity of the portfolio, as well as that of the benchmark index, whose carbon footprint fell 46% between 2024 and 2025.

In 2025, compared to 2024, the gap between the portfolio and the benchmark was significant, at 32%. Over the entire period under review, the portfolio's carbon intensity per €1 million invested fell by 79%.

Estimated carbon intensity of the AOA listed company portfolio compared with the benchmark (Scopes 1, 2 and 3, per €1 million of revenue, as a weighted average)

Source — Iceberg Data Lab, 31 October 2025



In 2025, the carbon intensity of ERAFP's portfolio of AOA listed companies per €1 million of revenue across the entire value chain increased compared with 2024, from 2,149 tonnes of CO₂ equivalent (tCO₂eq) to 2,337, i.e. an increase of 9%. The portfolio nevertheless compares favourably with its benchmark index.

Companies generally disclose part of their Scope 3 emissions, depending on whether these emissions are material or not, while some companies do not disclose any information at all about

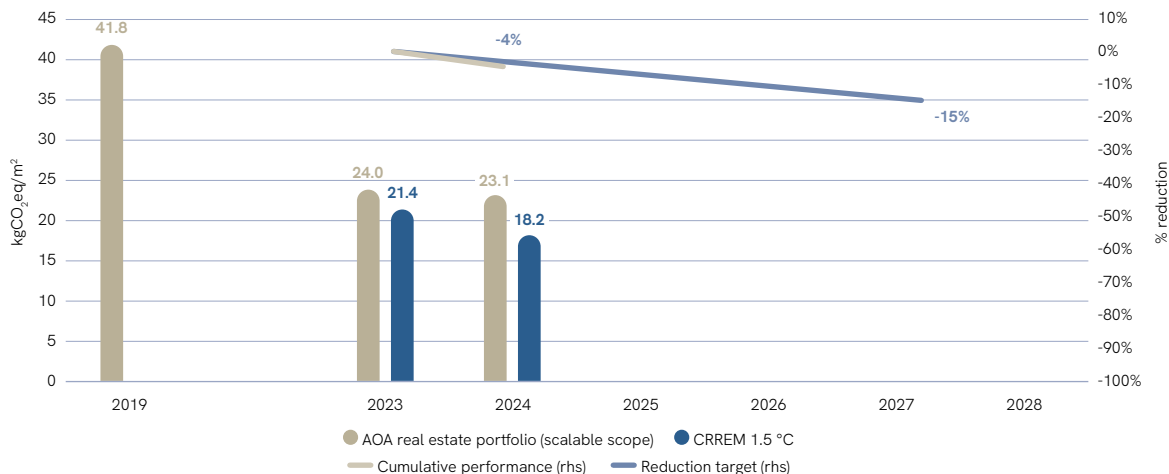
this metric. To facilitate comparability between companies, especially within the same sector, the data provider systematically models their Scope 3 emissions, which generally accounts for the majority of their total emissions. It should also be noted that the inclusion of Scope 3 emissions implies a risk of double or even triple counting at the portfolio level.

These results must therefore be interpreted with caution, taking into account the associated methodological limitations.

AOA real estate portfolio

Carbon intensity per square metre of the AOA real estate portfolio relative to the CRREM 1.5°C pathway (kgCO₂eq/m²)

Source — Carbone 4 (2019-2021), CBRE (2022-2024), CRREM, ERAFP, 31 December 2024



In 2024³⁵, the carbon intensity per square metre of ERAFP's AOA real estate portfolio decreased by 3.8% compared with 2023, from 24.0 kgCO₂eq/m² to 23.1 kgCO₂eq/m².

This encouraging result leaves ERAFP well placed on its trajectory towards its 2028 target (-15%).

Since 2023, emissions related to refrigerant leaks from air conditioning systems — mainly concerning commercial and hotel assets, with residential and logistics being much less affected — have been included in the carbon footprint of real estate assets. They account for 2.5% of total greenhouse gas emissions.

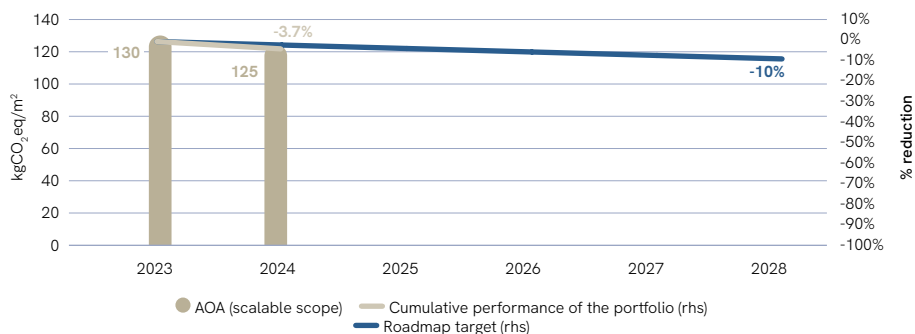
At the end of 2024, 54% of the assets covered by the reduction target were aligned with the CRREM 1.5°C pathway. As a reminder, the target is to reach 30% of aligned assets by 2028. However, this proportion is expected to gradually decrease, given the increasingly demanding pathway set out in the second version of the CRREM scenario.

IN 2024 (MOST RECENT DATA AVAILABLE), THE CARBON INTENSITY PER SQUARE METRE OF ERAFP'S AOA REAL ESTATE PORTFOLIO FELL BY 3.8%

³⁵ Most recent known data.

Energy intensity per square metre of the AOA real estate portfolio (in kWh/m²)

Source — CBRE, ERAFP, as at 31 December 2024



In 2024³⁶, the carbon intensity per square metre of ERAFP's AOA real estate portfolio fell by 3.7% compared to 2023, from 130 kWh/m² to 125 kWh/m².

This result puts ERAFP on an encouraging trajectory with regard to its 2028 target of a 10% reduction in energy intensity since 2023.

As regards this indicator, refrigerant leaks have no additional impact, since their energy consumption was already included in the overall energy consumption assessment for each of the buildings in previous years.

IN 2024 (MOST RECENT DATA AVAILABLE), THE ENERGY INTENSITY PER SQUARE METRE OF ERAFP'S AOA REAL ESTATE PORTFOLIO FELL BY 3.7%

³⁶ Most recent known data.

ENGAGEMENT TARGET

Companies covered by ERAFP's engagement target by business sector at end-2025

Source — ERAFP, Iceberg Data Lab, at 31 October 2025

Business sector	Number of companies covered by the target	Percentage of assets	Percentage of the carbon footprint (tCO ₂ eq/€ million invested, Scopes 1 and 2)
Materials	8	1.2%	15.2%
Utilities	6	2.2%	9.7%
Energy	7	1.2%	8.7%
Consumer discretionary	5	1.3%	1.5%
Industrials	5	0.5%	0.9%
Other sectors	4	1.7%	0.5%
Total	35	8.1%	36.6%

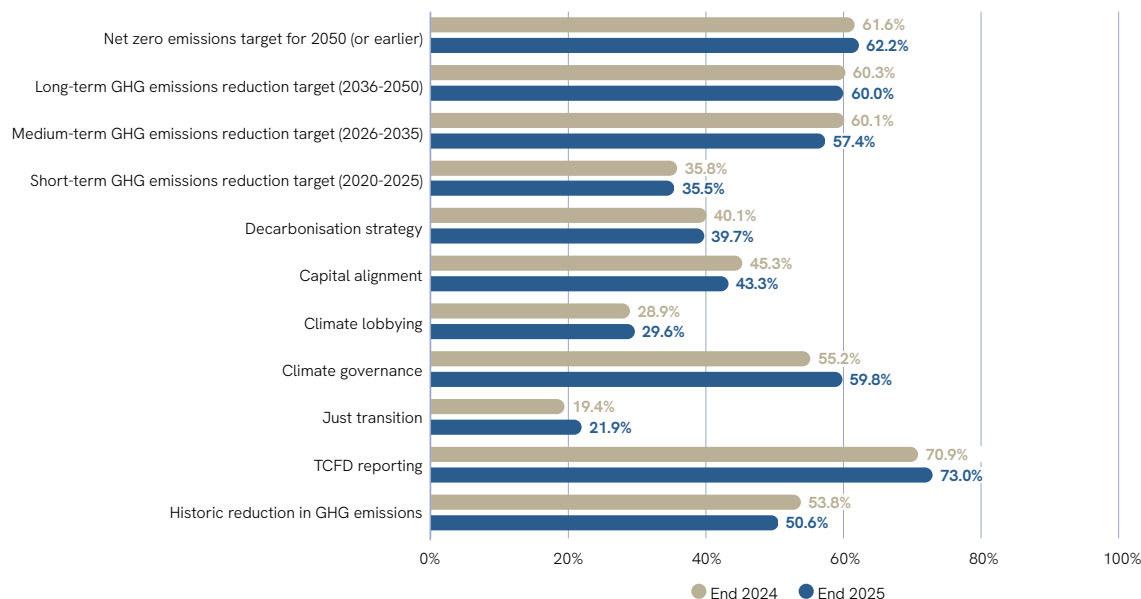
IN 2025, ERAFP ENGAGED WITH 35 OF THE ISSUERS WITH THE HIGHEST EMISSIONS, REPRESENTING 37% OF THE PORTFOLIO'S CARBON FOOTPRINT, ON CLIMATE ISSUES

The table above shows the breakdown of the 35 companies selected by ERAFP as part of its engagement target, by business sector, at the end of 2025. In 2025, ERAFP increased by 46% the sample of companies covered by this target. In addition, ERAFP had already engaged with 43 companies in this new sample on such issues in 2024. The majority (21) of these companies belong to the materials, energy and utilities sectors, followed by industry (5), consumer discretionary (5), information technology (2), consumer staples (1) and healthcare (1). They account for 36.6% of our carbon footprint (in tCO₂eq/€m invested), across Scopes 1 and 2, for listed assets, and 8.1% of our listed assets under management.

Over the period, ERAFP engaged with 35 of the portfolio companies with the highest emissions. In 2025, ERAFP reached its engagement target.

Engagement indicator achievement rate for the 35 companies monitored (%)

Source — ERAFP, Climate Action 100+ and managers, 31 December 2025



As indicated above, in 2025, ERAFP updated the list of companies subject to an engagement initiative. Of the 35 companies concerned, 15 were already on the 2024 list. ERAFP's engagement actions primarily target the companies with the highest emissions in its portfolio, selected with the managers according to three criteria: strong financial conviction (in order to avoid as much as possible a sale of the stock over the period), major contribution to the portfolio's carbon intensity (sometimes including Scope 3) and absence of a robust transition plan.

Between 2024 and 2025, the companies followed by ERAFP made progress on 6 of the 11 engagement indicators. However, they regressed on several points, including for the "Medium-term GHG emission reduction targets (2026-2035)", "Capital alignment" and "Historical reduction in GHG emissions" indicators. The most frequently achieved indicators relate to medium- and long-term greenhouse gas emission reduction targets (2026-2050), climate governance, TCFD reporting and net zero ambitions for 2050.

Looking more closely, with regard to the medium- and long-term greenhouse gas emission reduction targets (2026-2050), most of the companies analysed have implemented policies with precise targets linked to emissions scopes, covering at least 95% of Scopes 1 and 2 over these two periods (2026-2035 and 2036-2050) as well as the relevant Scope 3 emissions. However, there was a 3 percentage point decrease in 2025 in the "Medium-term reduction targets" indicator, mainly linked to the introduction of new sub-indicators assessing the ability of companies to express their reduction targets in absolute values, separately for Scopes 1 and 2 and Scope 3.

There was also a decrease in the "Capital alignment" indicator (-2 percentage points compared to 2024). Capital alignment is assessed according to two criteria:

- the company explicitly commits to aligning its capital expenditure plans with its long-term goal of reducing GHG emissions or eliminating planned spending on carbon-intensive assets or products;
- the company explicitly commits to aligning its capital expenditure plans with the Paris Agreement target of limiting global warming to 1.5°C and eliminating investments in carbon-intensive assets or products.

For the “Climate governance” indicator, the improvement in the achievement rate (60% at end 2025 versus 55% at end-2024) reflects greater consideration by companies of the assessment of their board of directors’ skills in climate risk management, as well as increased transparency regarding the criteria used and the actions taken to strengthen these skills.

Lastly, there was a 3 percentage point decrease in 2025 for the “Historical reduction in GHG emissions” indicator, linked to the introduction of a new sub-indicator and the decrease in the achievement of all sub-indicators. In particular for those assessing the level of transparency and quality of disclosures (and in particular the quantified explanation of the change in emissions and the use of carbon credits), the observed decrease was mainly due to the change of methodology, which has become stricter and now requires a more precise level of information.

TARGET FOR FINANCING THE TRANSITION TO A LOW-CARBON ECONOMY

As part of its new climate policy, ERAFP wished to review the categories of investments included in the objective for financing the transition to a low-carbon economy. This switch to a more restrictive and rigorous approach aims to ensure that the investments selected effectively contribute to the financing of the transition, instead of being simply aligned with the decarbonisation objective.

In 2025, ERAFP invested €605 million in assets contributing to the transition to a low-carbon economy. These investments break down as follows: €525 million in corporate bonds, €64.5 million³⁷ in equities and €16 million³⁸ in public sector bonds.

IN 2025, ERAFP INVESTED €605 MILLION IN ASSETS CONTRIBUTING TO THE TRANSITION TO A LOW-CARBON ECONOMY

³⁷ Gross investments.

³⁸ This relates to a sustainability bond.

Investments in energy transition or that contribute to the decarbonisation of the economy

Source — ERAFP, 31 December 2025

Asset class		2024 Amount invested (market value in €m)	2025 Amount invested (market value in €m)	% Share	2024-2025 change
Equities	Equity funds – climate theme	566	571	9.1%	0.8%
Bonds	Green bonds	1,658	2,197	35.0%	32.5%
	Bond funds – climate theme	70	72	1.2%	2.6%
	Forestry	29	30	0.5%	5.6%
Real estate	Aligned real estate 1.5°C	2,559	2,679	42.7%	4.7%
Infrastructure	Mandate + direct ³⁹	630	630	10.0%	0.0%
Private equity	Mandate + direct ⁴⁰	100	100	1.6%	0.0%
Total		5,613	6,279	100.0%	11.9%

ERAFP's total investments in the energy transition or contributing to the decarbonisation of the economy amounted to €6.3 billion at end-2025 (i.e. 11.7% of assets), compared with €5.6 billion at end-2024, i.e. an increase of 11.9% year-on-year. This was mainly driven by the strong increase in investments in green bonds.

³⁹ Amounts committed.

⁴⁰ Amounts committed.

Green bonds

ERAFP invests, through its portfolio of public sector and private corporate bonds, in “green” bonds, the purpose of which is to finance projects that have a positive impact on the environment, such as renewable energies, energy efficiency or sustainable resource management and whose issuers produce detailed reports on the use of proceeds.

The portfolio contained 357 green bonds at end-2025, an increase of 52% compared to end-2024 (235). These green bonds held in the portfolio, the number of which has been steadily increasing for several years, represented a market value of €2.2 billion at end-2024, i.e. 10.1% of the assets under management via ERAFP’s credit mandates (public and private corporate bonds).

Forestry

ERAFP’s forestry assets have a market value of €30 million and comprise 12,600 hectares of Finnish forest, the manager of which is Forest Stewardship Council (FSC)⁴¹ certified. The carbon footprint produced by these forests is calculated each year by an independent Finnish company (Simosol⁴²), taking into account the life cycle of the trees. Simosol calculates the carbon sequestered as the trees grow, net of harvested wood and emissions generated by the forest’s exploitation, then adds the carbon stored in the products that the wood is used to make. In 2024, for which the most recent data is available, forests sequestered 33,566 tonnes of CO₂, or 2.7 tonnes of CO₂ per hectare per year.

Private equity and infrastructure

In 2025, like in 2024, ERAFP’s private equity and infrastructure investments contributed towards its targets of financing a low-carbon economy, to the tune of €730 million⁴³. Of these assets, slightly more than half went to financing renewable energies (primarily solar and wind) and around a quarter to electric mobility, a sector which is essential to reducing oil consumption. Other sectors invested in to a lesser extent included energy efficiency, heating networks and waste treatment.

⁴¹ The FSC is an NGO created in 1993 following the Rio Earth Summit, which aims to promote the responsible management of forests.

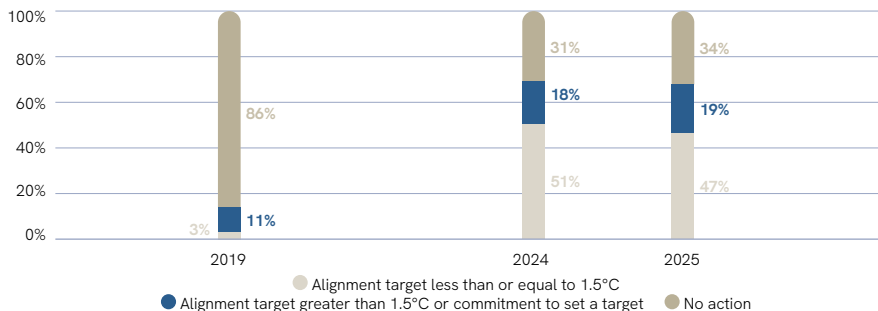
⁴² Recently acquired by AFRY.

⁴³ Amount committed.

TEMPERATURE ALIGNMENT TARGET

Percentage of the listed company portfolio covered by science-based targets, by type of approach (% , Scopes 1 and 2)

Source — Iceberg Data Lab, SBTi, ERAFP, at 31 October 2025



ERAFP has set a target to achieve a situation by 2029 where companies representing 55% of the carbon footprint have set targets aligned with a temperature increase of 1.5°C or lower validated by the SBTi.

At 31 October 2025, 47% of the listed company portfolio's carbon footprint (Scopes 1 and 2) related to companies that had set targets aligned with a temperature increase of 1.5°C or lower that had been validated by the SBTi. This share was 51% at the end of 2024.

This decline is not due to companies withdrawing from the initiative, but rather to the significant reduction in the carbon footprint of some of the portfolio's 1.5°C-aligned carbon-intensive companies. By reducing their carbon footprint, they automatically reduce their relative share of the portfolio's total footprint.

AT THE END OF 2025, 47% OF THE LISTED COMPANY PORTFOLIO'S CARBON FOOTPRINT RELATED TO COMPANIES THAT HAD SET TARGETS ALIGNED WITH A TEMPERATURE INCREASE OF 1.5°C OR LOWER THAT HAD BEEN VALIDATED BY THE SBTi.

FOSSIL FUEL POLICY

In September 2023, as part of its SRI approach, ERAFP adopted a first policy relating to the three main fossil fuels (thermal coal, unconventional fossil fuels⁴⁴ and conventional fossil fuels⁴⁵). This policy, which is part of the SRI framework, was designed to align investments with a scenario of limiting global warming to 1.5°C and was based on scientific recommendations, particularly regarding the rapid exit from coal and the gradual reduction of fossil fuels.

In the winter of 2025, when reviewing the fossil fuel policy, ERAFP's board of directors noted a significant change in the context in which this policy was being applied. Recent work by the IEA⁴⁶ has highlighted a weakening in the pathway compatible with the limitation of global warming to 1.5°C by 2050, while energy security has become a major issue in Europe amid heightened geopolitical tensions. To take this new reality into account, ERAFP has decided to step up its withdrawal from hydrocarbons, while introducing specific and temporary criteria to distinguish European companies that are the most advanced in the energy transition and play a major role in energy security. These choices will enable ERAFP to continue the shareholder engagement initiatives implemented with the companies concerned.

SCIENTIFIC RECOMMENDATIONS ON FOSSIL FUELS

ERAFP relied on a review of the main recommended scenarios for financing an economy compatible with scenarios for limiting global warming to 1.5°C by 2100. For example, the IEA and the IPCC agree on the need to reduce coal production in the short, medium and long term. With regard to oil and gas, according to the IEA, as long as demand for hydrocarbons falls within a pathway that is compatible with a 1.5° scenario, limiting investment to maintaining the existing production of oil and natural gas deposits in operation should suffice. In addition, this scenario is contingent on not pursuing any oil and gas exploration or development projects not already underway by the end of 2021 and rules out any new oil or gas drilling programmes.

⁴⁴ Shale oil and gas, oil sands and shales, hydrocarbons extracted from sensitive areas such as the Arctic or ultra-deep drilling.

⁴⁵ Crude oil and natural gas.

⁴⁶ International Energy Agency (IEA), World Energy Outlook 2025: <https://www.iea.org/reports/world-energy-outlook-2025?language=en>

The measures adopted are summarised in the table below⁴⁷:

Thermal coal	Fossil fuels: new conventional and unconventional projects (Debt)	Fossil fuels: unconventional
– Exclusion threshold: >1% of revenue => existing holdings (excluding bonds) and new investments from 2026 – Exclusion of companies developing new capacities Exemption for: – Green bonds – Companies that have a credible thermal coal exit plan (2030/2040 OECD World) – Companies with a 1.5°C pathway validated by the SBTi.	End of debt financing for hydrocarbon-producing companies developing new (conventional or unconventional) projects from 2026 <i>Exception for green bonds and companies aligned with 1.5°C</i> Exemption if: – The company has its registered office in Europe AND – if its Taxonomy-aligned CapEx represents on average over the last three years at least 25% of total CapEx	Exclusion threshold: >15% of revenue => existing & new Exemption if: – The company has its registered office in Europe AND – if its Taxonomy-aligned CapEx represents at least 25% of total CapEx Exclusion threshold: >5% of revenue => New (Bonds) <i>Exception for green bonds and companies aligned with 1.5°C</i> Exemption if: – The company has its registered office in Europe AND – if its Taxonomy-aligned CapEx represents on average over the last three years at least 25% of total CapEx

These eligibility criteria are accompanied by systematic annual monitoring, alongside managers, of any changes in these companies' policies, as well as in their respective exit plans. For companies that are not aligned with a 1.5°C global warming scenario, a case-by-case review may lead to a divestment from the position, in the best interests of ERAFP's members, i.e. factoring in the impact in terms of financial performance, bearing in mind the requirement to cover the Scheme's commitments.



ERAFP'S "FOSSIL FUEL POLICY"

⁴⁷ The procedures described in the document came into force on 1 January 2026. They apply to mandates and dedicated funds investing directly in companies or infrastructure projects.

CHANGES IN THE INVESTMENT STRATEGY IN LINE WITH THE OBJECTIVE OF ALIGNMENT WITH THE PARIS AGREEMENT

As the targets for reducing greenhouse gas emissions were set by ERAFP and not by the asset management companies to which it delegates the management of a large part of its assets, ERAFP decided to assess the ability of candidates bidding for new listed asset and real estate management mandates to implement innovative approaches and tools to support it in its climate policy. To this end, in 2022 it decided to use the following levers:

- stating, as part of the purpose of mandates awarded for the management of assets covered by the greenhouse gas emission reduction target, that the asset manager must contribute to achieving this target;
- amending the SRI guidelines for the asset classes in question, to provide details on contributing to reducing greenhouse gas emissions in the Environment section and include a paragraph similar to that in the mandate's purpose regarding contributing to this target.

THE INSTITUTION ASSESSES THE ABILITY OF CANDIDATES BIDDING FOR NEW LISTED ASSET AND REAL ESTATE MANAGEMENT MANDATES TO IMPLEMENT INNOVATE APPROACHES AND TOOLS TO SUPPORT IT IN ITS CLIMATE POLICY

PART 06

CONSIDERATION OF BIODIVERSITY ISSUES

- 6.1 Biodiversity loss: a new challenge for investors
- 6.2 The principle of double materiality
- 6.3 ERAFP's integration of biodiversity to date
- 6.4 Measuring exposure to the biodiversity issue



KEY FIGURES⁴⁸

69%

Fall in relative abundance of wildlife populations monitored between 1970 and 2018

2-6%

Biodiversity loss by decade according to all indicators assessed over the past 30-50 years

23%

Decrease in land surface productivity due to soil degradation compared to its initial state

>100%

Growth of urban areas since 1992

**\$58,000
BILLION**

2023 value of global economic activity dependent on nature

1,000%

Increase in plastic pollution since 1980

⁴⁸ IPBES Nexus Report (December 2024), Living Planet Report, WWF (2022) and IPBES press release.

BIODIVERSITY LOSS: A NEW CHALLENGE FOR INVESTORS

For several years, scientific reports, notably those of the IPBES⁴⁹, have been warning us about the accelerating pace of biodiversity loss, with the aim of raising awareness of this issue, particularly among companies, so that corrective action can be taken. In February 2026, IPBES published its first global assessment of companies' impacts and dependencies on biodiversity and ecosystem services⁵⁰. According to this report, which has been approved by more than 150 states, biodiversity loss now poses a major systemic risk to businesses, the economy and financial stability.

The impacts, or pressures, on biodiversity can be broken down into five categories (by order of importance): changes in land and sea use, overexploitation of resources, climate change, pollution and invasive alien species. Managing companies' contributions to these developments and controlling the associated risks to their viability is a crucial challenge for the future. As an investor that contributes to corporate financing, ERAFP was keen to strengthen its engagement on this front. In 2021, it signed the Finance for Biodiversity Pledge, a statement by investors and financial institutions committed to four objectives:

- collaborating and sharing their knowledge of biodiversity matters;

- engaging with businesses;
- measuring the biodiversity impact of their financing and investments;
- setting targets and reporting publicly on progress made.

In 2022, a year marked by the Kunming-Montréal COP 15, ERAFP and other investors signed a financial sector declaration on biodiversity. By doing so, ERAFP committed to helping to protect and restore biodiversity and ecosystems through its financing activities and investments.

The conclusion of this fifteenth meeting of the Conference of the Parties led to the adoption of the Kunming-Montreal Global Biodiversity Framework on 19 December 2022. The GBF is a strategic plan for 2030 on biodiversity issues, and follows on from the Aichi Biodiversity Targets⁵¹.

The framework consists of four global objectives for 2050, focusing on ecosystem and species health, sustainable use of biodiversity, equitable benefit-sharing, and implementation and financing. These four objectives are broken down into 23 targets to be achieved by 2030 to "live in harmony with nature" by 2050. The main targets include the preservation of 30% of land and seas, the reduction of incentives (including subsidies) that are harmful to biodiversity, and the reduction of pollution (pesticides, fertilizers, etc.).

⁴⁹ The Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services.

⁵⁰ IPBES Business and Biodiversity Assessment (2026).

⁵¹ 20 targets set by the Convention on Biological Diversity (CBD) in 2010 to protect global biodiversity by 2020.

For several years now, and with the aim of building expertise to understand its various aspects, training employees and directors has been an essential means of action.

Between 2022 and 2024, ERAFP began a gradual training programme on biodiversity issues:

- “Biodiversity Fresk” workshops for ERAFP employees and directors.
- Specialised sessions for directors and management teams (concepts, regulations, measurement methodologies).
- Directors seminar in 2024 with expert presentations and collaborative workshops.

These actions have further reinforced our understanding and integration of biodiversity issues at ERAFP. In 2025, ERAFP took a major step forward by publishing its first biodiversity policy.

This policy has six major strategic focuses, covering the entire value chain in the investment process, from understanding the issues at stake and measuring impacts and dependencies to making investment choices, engaging with shareholders, and monitoring and communicating on implementation, as part of a governance-led strategic steering approach.

It formalises the first strong commitments, in particular investments focused on nature and biodiversity, targeted eligibility criteria (pesticides, palm oil), and the continuous enhancement of internal expertise on biodiversity issues.

IN 2025, ERAFP TOOK A MAJOR STEP FORWARD BY PUBLISHING ITS FIRST BIODIVERSITY POLICY

THE SIX STRATEGIC

FOCUSES OF ERAFP'S BIODIVERSITY POLICY

UNDERSTANDING

Continuing to develop ERAFP's expertise in biodiversity matters, particularly in the priority water theme, and raising awareness among all employees.

ASSESSING AND MEASURING

Strengthening our biodiversity analysis: monitoring the development of tools, data and methodologies, measuring impacts/risks/dependencies, refining the assessment across all asset classes (equities, bonds, real estate, etc.) and making water a priority focus.

GOVERNANCE

Defining a policy aligned with long-term international biodiversity objectives (Convention on Biological Diversity, Kunming-Montréal Framework) and reporting regularly on the monitoring of this policy.

INVESTING

Formulating public expectations for managers to integrate biodiversity issues into their processes and aiming for alignment with global objectives.

Analysing biodiversity-related investment opportunities across all asset classes, and integrating nature and biodiversity investments into ecological transition financing objectives.

Continuing the assessment and action plan for the real estate portfolio, prioritising actions and implementing priorities identified by the managers.

Applying eligibility criteria for companies most exposed to pesticides and non-sustainable palm oil.

ENGAGING

Reviewing and selecting relevant initiatives, signing statements aligned with the positions of ERAFP and France, pursuing key commitments and asking managers to seek targeted actions from the main contributors in the portfolio.

CONTROLLING & COMMUNICATING

Disclosing, each year, the portfolio's biodiversity footprint, major pressures and main dependencies, and monitoring over time at least one key indicator relating to these dependencies.

Sharing best practices with peers and regularly assessing the implementation of the biodiversity policy to ensure it remains relevant.

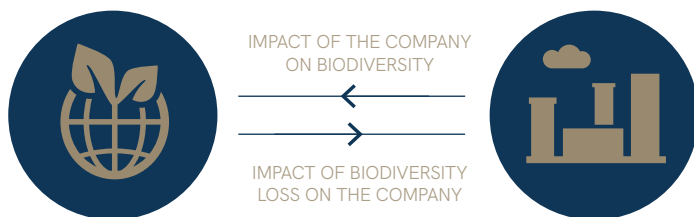
THE PRINCIPLE OF DOUBLE MATERIALITY

Biodiversity loss, like climate change, presents financial risks for companies and investors. According to the Banque de France, 42% of the value of the securities portfolio held by French financial institutions was issued by businesses that rely heavily or very heavily on at least one ecosystem service⁵². According to the Finance for Biodiversity Foundation, the most dependent sectors are construction, agriculture and food products⁵³ through the extraction of resources (forests, oceans, etc.) and the use of ecosystem services (soil, water, pollination, etc.).

While business activities may have dependencies on biodiversity, they can also exert pressure on biodiversity. The Natural Capital Investment Alliance presents the most priority sectors according to their impact on biodiversity,

including distribution, mining, oil and gas (exploration, production, storage and transport) and agriculture. According to the Banque de France, the average impact of €1 million in securities held by French financial institutions is equivalent to land take of 13 hectares of natural land each year⁵⁴.

For these reasons, and in accordance with Article 29 of the Energy and Climate Law and the latest recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD), ERAFP has adopted a “double-materiality” approach, i.e. taking into account both the financial risks related to biodiversity (financial materiality) and the impacts of its investments on biodiversity (impact materiality).



⁵² Banque de France, “Perte de biodiversité et stabilité financière”, Bloc-notes Éco 5 January 2022.

⁵³ Finance for biodiversity, « Top 10 biodiversity-impact ranking of company industries ».

⁵⁴ Banque de France “A ‘Silent Spring’ for the Financial System? Exploring Biodiversity-Related Financial Risks in France”, August 2021.

ERAFP'S CONSIDERATION OF BIODIVERSITY TO DATE

Since its establishment in 2006, ERAFP's SRI framework has factored in the importance of tackling biodiversity loss by including it in the "controlling environmental impacts" criterion of its SRI Charter. In order to assess companies in this area, its SRI assessment covers the efforts that they make to prevent threats to biodiversity. They must therefore:

- identify operations that have an impact on biodiversity;
- establish systems to assess the quality and health of the ecosystems affected;
- avoid or reduce practices that exploit vulnerable regions, ecosystems, plants or organisms (such as practices involving rare plants, deforestation, species that are disappearing or facing extinction, or unsustainable farming practices);
- rehabilitate the areas exploited;
- responsibly manage any issues relating to animal testing by scaling back, refining or changing their practices.

FROM ITS CREATION IN 2006 TO THE PRESENT DAY, ERAFP'S SRI FRAMEWORK HAS CONSISTENTLY CONSIDERED THE IMPORTANCE OF BIODIVERSITY ISSUES

REAL ESTATE SRI GUIDELINES AND BIODIVERSITY ISSUES

Biodiversity issues are also taken into account in the SRI guidelines for real estate, through the “preserving biodiversity” sub-criterion of the “controlling environmental impacts” criterion.

The sub-criterion is used to assess the efforts made to prevent threats to biodiversity. During development and renovation work:

- operations that have an impact on local biodiversity are identified;
- in areas where biodiversity is at risk (protected areas, etc.), appropriate preventive measures are adopted;
- systems are put in place to assess and monitor the quality and health of the ecosystems affected;
- exploited areas affected by operations are rehabilitated.

The assessment considers any measures taken to preserve biodiversity on the property itself or in the vicinity (green roofs, etc.).

Since the publication of the biodiversity policy in 2025, action plans have been implemented by the managers for assets identified as relevant, and studies will look at certain assets in the presence of an ecologist.

MEASURING EXPOSURE TO BIODIVERSITY ISSUES

The determination of a strategy and objectives remains very complex due to the ongoing difficulties associated with the definition and availability of reliable quantitative indicators.

In view of this, ERAFP seeks to supplement the data and analyses received from its delegated management companies, and in 2022 launched a public tender to award a contract for the provision of biodiversity data as from 2023 to enhance the analysis of its listed company portfolio. The contract was awarded to Iceberg Data Lab.

MEASURING THE PORTFOLIO'S BIODIVERSITY FOOTPRINT

The footprint indicator

To measure the biodiversity footprint, ERAFP has chosen the Corporate Biodiversity Footprint (or CBF) indicator.

The CBF is based on the issuer's underlying economic activities responsible for its impact on nature. It is calculated using generally-accepted environmental accounting rules and based on a scientific approach that covers all the material impacts of the company's supply chain, processes and products throughout its value chain. It is broken down into scopes (emission Scopes 1, 2 and 3, upstream and downstream), in accordance with the definitions and limits established in the Greenhouse Gas Protocol (GHG Protocol).

The method used to calculate the CBF is based on life cycle analysis, in accordance with the Organisation Environmental Footprint (OEF) recommended methods and guide published by the European Commission. This tool fully covers three of the five main pressures on biodiversity listed above: changes in land and sea use, climate change and pollution. Overexploitation of resources and invasive alien species are currently partially covered.

THE CBF USES THE MEAN SPECIES ABUNDANCE (MSA) METRIC TO QUANTIFY THE IMPACT ON BIODIVERSITY. MEAN SPECIES ABUNDANCE IS A BIODIVERSITY METRIC THAT EXPRESSES THE MEAN RELATIVE ABUNDANCE OF NATIVE SPECIES IN AN ECOSYSTEM COMPARED TO THEIR ABUNDANCE IN AN ECOSYSTEM UNDISTURBED BY HUMAN ACTIVITIES AND PRESSURES.

The CBF uses the Mean Species Abundance (MSA) metric to quantify the impact on biodiversity. Mean species abundance is a biodiversity metric that expresses the mean relative abundance of native species in an ecosystem compared to their abundance in an ecosystem undisturbed by human activities and pressures. As such, it measures the state of preservation of an ecosystem compared to its original state.

An area with an MSA of 0% will have lost all of its original biodiversity (or will be exclusively colonised by invasive species), while an MSA of 100% reflects a level of biodiversity where an ecosystem remains in its undisturbed natural state. To make the calculation, the CBF model maps and assesses the various environmental pressures linked to the company based on its economic activities. The core of the model consists of quantitative pressure-impact relationships which have been established using extensive databases and make it possible to express data for different activities using the same impact unit, “km². MSA”. Lastly, the various impacts are aggregated into an absolute overall impact. The CBF approach calculates biodiversity footprints expressed in terms of km².MSA, representing a negative impact (footprint) on biodiversity, i.e. the difference between an initial state and a final state of biodiversity. For example, 1 km².MSA corresponds to the value of the biodiversity contained in 1 km² of virgin tropical forest undisturbed by human activities (MSA = 100%). Thus, an activity that transforms 1 km² of virgin tropical forest (MSA = 100%) into a totally artificial area that has lost all its original biodiversity (MSA = 0%) will have a footprint of -1 km².MSA.

At this stage, only the negative impact of activities is measured. However, developments are underway to measure the positive contributions of certain activities to biodiversity in the form of reduced impact, avoided impact or offset impact.

For the analysis of the biodiversity footprint, the Iceberg Data Lab CBF covers all scopes (1,2 and 3). Despite the risk of double counting, opting for full coverage to measure the footprint, in line with TNFD recommendations, seems essential for ERAFP insofar as the majority of the impacts are most often upstream of the supply chain. For each company, once its impact has been measured, the share attributable to ERAFP is calculated on the basis of the amount of its investment divided by the total asset value. The aggregate impact is obtained by adding the impacts of each line of the portfolio covered by the analysis. Aggregate impact is then standardised by the assets under management covered by the analysis to obtain the portfolio's biodiversity footprint per €1 million invested. It should be noted that companies' biodiversity footprints are currently estimated using financial data, physical data and carbon emissions. These estimates are based on sector ratios, which makes it impossible to directly compare the biodiversity footprints of companies in the same sector. This indicator nevertheless highlights trends regarding the biodiversity impact of the companies in a portfolio, and provides an overview of key themes related to biodiversity.

Results of biodiversity footprint measurement

On 31 October 2025, ERAFP's biodiversity footprint was estimated at -0.046 km². MSA per €1 million invested. In the interests of comparison, the biodiversity footprint of the benchmark index is estimated at -0.052 km².MSA per €1 million invested. This means that an investment of €1 million in the companies in ERAFP's portfolio leads to land take of 0.046 km², i.e. the equivalent of approximately six football pitches.

In absolute terms, ERAFP is responsible for -1,328 km². MSA, i.e. the equivalent of approximately 185,000 football pitches. This indicator is not relative to the amount invested, but increases in line with assets under management, all else being equal. Given that ERAFP's portfolios are currently in an expansion phase, this indicator is expected to increase⁵⁵.

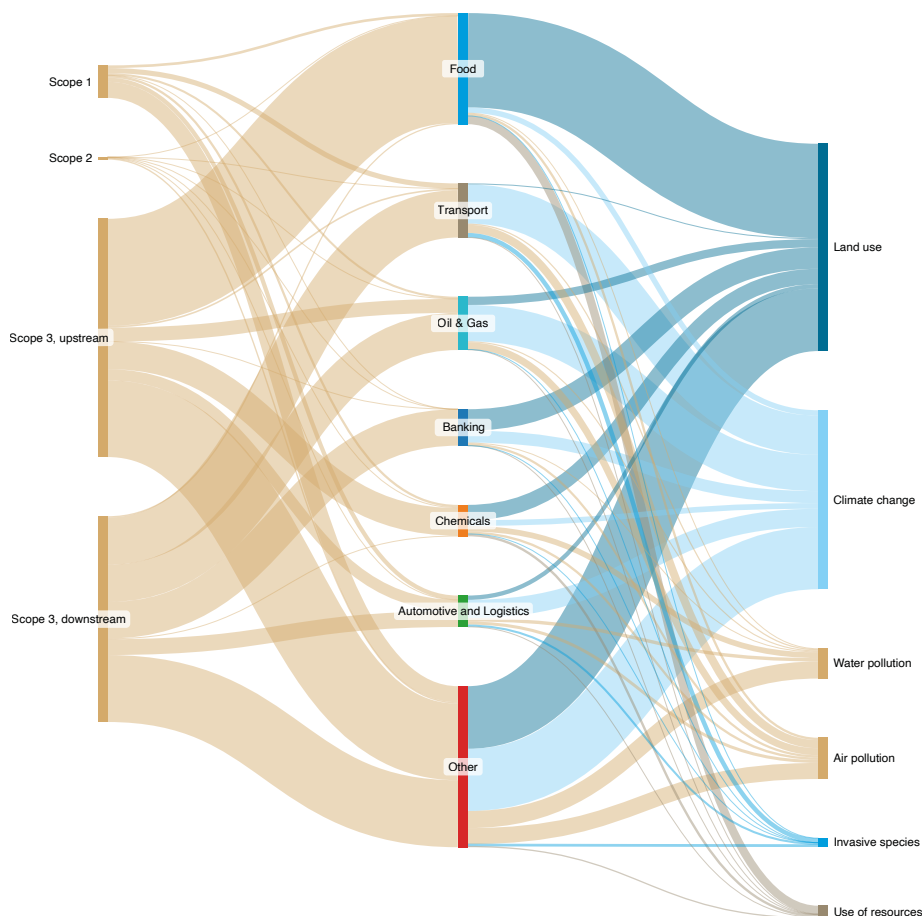
⁵⁵ It is worth noting that the Iceberg Data Lab biodiversity footprint is now calculated according to version 3 of the model; the results are therefore not directly comparable with those as at 31 October 2024.

While it may be difficult to draw direct conclusions from the biodiversity footprint, it is instructive to examine the impacts by sector and to identify the main pressures exerted by the companies in the portfolio.

The chart below visually illustrates the impacts of ERAFP's investments on biodiversity.

Breakdown of the biodiversity footprint of the listed company portfolio by emission scope, sector and pressure

Source — Iceberg Data Lab, ERAFP, SankeyMatic, 31 October 2025



We note that the majority of the portfolio's environmental impacts are related to land use change, mainly attributable to the food, oil and gas and transport sectors, as well as climate change, where the main contributing sectors are transport, oil and gas, and automotive and logistics. These impacts stem mainly from Scope 3 emissions, and more particularly from its upstream component for the retail and wholesale sectors as well as for the food sector, which includes the entire supplier chain.

MEASURING THE PORTFOLIO'S DEPENDENCY ON ECOSYSTEM SERVICES

The dependency indicator

While the CBF provides an overview of companies' impact on biodiversity, the ENCORE (Exploring Natural Capital Opportunities, Risks and Exposure) matrix, developed through a partnership between Global Canopy, UNEP FI and UNEP-WCMC, provides an overview of companies' dependencies on biodiversity and ecosystem services. Studied together, the CBF and ENCORE enable reports to be drawn up based on the principle of double materiality.

The dependency rating of a production process is calculated according to the loss of functionality if the ecosystem service were to be disrupted, and the financial loss it would suffer, where applicable.

ERAFF USES THE ENCORE TOOL TO OBTAIN AN OVERVIEW OF COMPANIES' DEPENDENCIES ON BIODIVERSITY AND ECOSYSTEM SERVICES

While the ENCORE matrix is a very good starting point for incorporating biodiversity into a portfolio, it is important to note that it only lists direct dependencies related to a company's production process. The "upstream" and "downstream" value chains, despite representing most of the impacts and dependencies, are not covered by the analysis. E.g. for the analysis of paper production dependencies, potential dependencies related to wood cultivation and harvesting are not taken into account.

The ENCORE matrix is a first step and will need to be accompanied by a more in-depth analysis in the future. An asset's dependency on its ecosystem is assessed from zero to five. For the analysis of ERAFF's portfolio of listed companies, a score of four will be considered as a significant dependency, and a score of five will be considered a very strong dependency.

For each production process, the ENCORE database identifies and assesses potential impacts on biodiversity and potential dependencies (with 25 services).

The database consists of scientific data from specialised publications, interviews with industry experts and other physical data. It lists 11 major economic sectors, including consumer discretionary, consumer staples, energy, finance, healthcare, industry, technology, materials, real estate, telecommunication services and utilities. Each sector is broken down into sub-industries (paper products, personal care products, rail transport, etc.) and each sub-industry is associated with one or more production processes to which the assets are attached in order to determine their dependencies, which can be "strong" or "very strong".

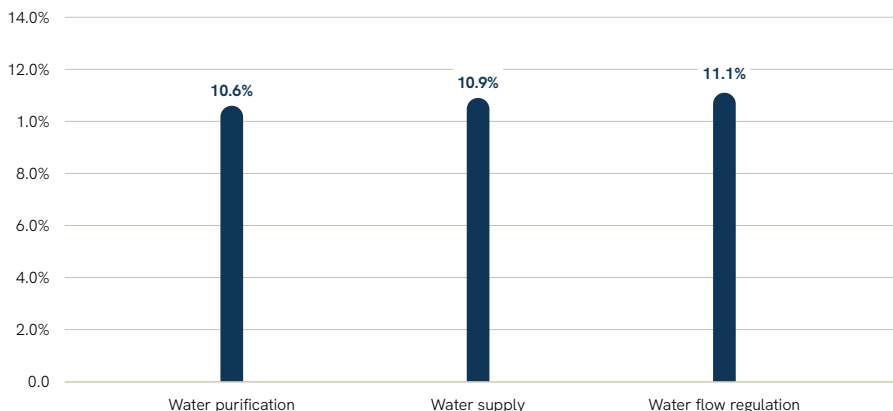
ECOSYSTEM SERVICES

Ecosystem services refer to the various benefits that society derives from the natural environment, including clean air, water, food and other resources. Companies, which are part of society, depend on these services to carry out their operations and maintain the quality of life of their employees and stakeholders. There are three main categories of ecosystem services: provisioning services, such as food and water; regulating services, such as climate regulation and waste treatment; and cultural services, such as leisure and aesthetic enjoyment.

Dependency results

Major dependencies of listed asset portfolio on ecosystem services

Source — ENCORE, ERAFP, 31 October 2025



The ecosystem services on which ERAFP's portfolio is most dependent are water purification, water supply and water flow regulation, with 10.6%, 10.9% and 11.1% respectively of assets under management being significantly dependent on these services. 24.5% of listed assets are significantly dependent on at least one ecosystem service, i.e. around €8.2 billion in ERAFP's assets.

The sectors most dependent on water purification within ERAFP's portfolio are those related to the manufacture of food, pharmaceuticals and beverages. While assets relating to manufacturing also have significant dependencies on water supply and water flow regulation, this is even more the case with electricity producers (particularly when it comes to the production of hydroelectricity and nuclear power).

Having analysed the biodiversity impacts and dependencies of its portfolio, ERAFP understands the link between investment and biodiversity conservation, and recognises its role in safeguarding the latter as a responsible investor.

For the second year in a row, the portfolio's main dependencies relate to water. In accordance with its biodiversity policy, ERAFP will endeavour to publish and monitor a water-related indicator from next year.

MONITORING OF THE IMPLEMENTATION OF THE BIODIVERSITY POLICY

Eligibility criteria

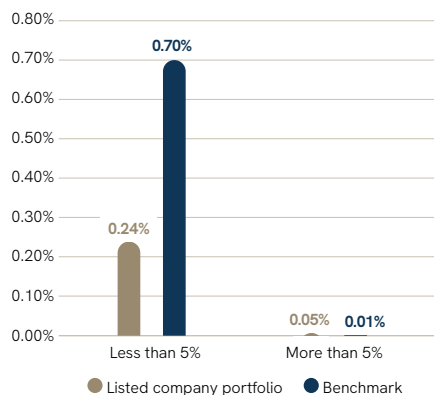
In accordance with the "Investing" pillar of its biodiversity policy, ERAFP has incorporated the following eligibility criteria (applicable to both existing and future investments for equity mandates and to future investments only for credit mandates):

- excluding businesses deriving more than 20% of their revenue from pesticides;
- excluding businesses deriving more than 5% of their revenue from palm oil. Businesses are not excluded where 80% of their palm oil is RSPO-certified⁵⁶ or where they are taking steps to reach this target by 2030.

⁵⁶ Round Table on Sustainable Palm Oil, [find out more here](#).

Share of listed company portfolio assets in companies whose revenue is linked to palm oil, compared to the benchmark (%)

Source — Morningstar - Sustainalytics,
as at 31 October 2025

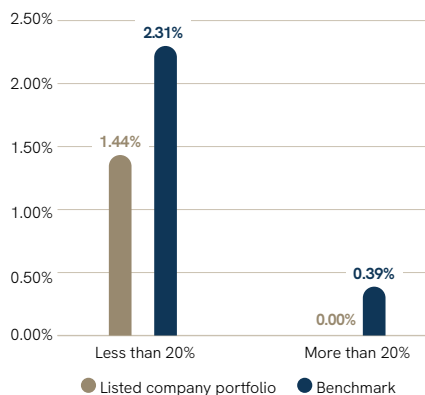


We can see that companies in the portfolio of listed companies have little exposure to palm oil-related activities:

- 0.24% of the portfolio's assets are invested in companies involved in palm oil activities for 5% of their revenue or less, compared with 0.70% for the benchmark.
- 0.05% of the portfolio's assets are invested in companies involved in palm oil-related activities for more than 5% of their revenue. This is attributable to a European company, not included in the benchmark, which derives 10% of its revenue from palm oil. In 2024, 91% of the company's palm oil production was certified "verified deforestation-free", with a target to reach 100% by 2025. As a committed player in the RSPO, the company adopts a proactive and positive approach to sustainable palm oil production.

Share of listed company portfolio assets in companies whose revenue is linked to pesticides, compared to the benchmark (%)

Source — Morningstar - Sustainalytics,
as at 31 October 2025



Companies in the portfolio of listed companies have very limited exposure to pesticide-related activities.

All positions in companies generating more than 20% of their revenue in this sector were sold before the end of 2025.

As at 31 December 2025, the portfolio therefore fully complies with the eligibility criteria associated with the biodiversity policy.

PART 07

CONSIDERATION OF ESG RISKS IN THE RISK MANAGEMENT PROCESS

- 7.1 Consideration of sustainability risks in investment decision-making processes
- 7.2 Principal adverse impacts of ERAFP investments on sustainability factors
- 7.3 Additional climate data for the sovereign portfolio



This part of the report provides information in compliance with the recommendations of the G20 Task Force on Climate-related Financial Disclosures (TCFD) and the decree implementing Article 29 of the Energy and Climate Law of 8 November 2019⁵⁷. The purpose of these two frameworks is to put companies' ESG risk management systems on a more formal footing. ESG risks – or sustainability risks – are analysed on the basis of the double materiality principle, i.e. taking into account:

- the potential impact of ESG risks on ERAFP's investments;
 - the principal adverse impacts that ERAFP's investments have on sustainability factors (such as the environment, civil society, employees and human rights).
-

CONSIDERATION OF SUSTAINABILITY RISKS IN INVESTMENT DECISION-MAKING PROCESSES

⁵⁷ Decree no. 2021-663 of 27 May 2021 implementing Article L. 533-22-1 of the French Monetary and Financial Code.

ERAFP is a long-term investor: its commitments have a duration of over 20 years. It is therefore crucial to take ESG issues into account, particularly in view of ERAFP's long-term perspective, with a special focus on risks relating to climate change and preserving biodiversity.

ERAFP's entire SRI framework has been built around the need to analyse ESG risks and opportunities and incorporate them in its investment decisions:

- systematic ESG analysis of assets makes it possible to assess their positioning and their degree of control over the underlying issues;
- the SRI selection processes, broken down by asset class, make it possible to direct investments towards ESG best practices – and at the same time to avoid investing in assets identified as being the most at risk;
- the monitoring of ESG controversies helps to identify the risks arising from controversies involving issuers in the portfolio.

ERAFP's SRI framework relies partly on the pre-investment analysis carried out by its delegated asset managers⁵⁸ and partly on analyses by non-financial rating agencies. This second level of independent analysis enables ERAFP to ensure that its SRI framework is properly implemented by the delegated asset managers.

ERAFP's analysis of ESG and climate change risks covers all its asset classes and geographical regions. It is adjusted based on the asset type and business sector concerned (by weighting ratings in accordance with the materiality of a specific issue for the sector under review).

ERAFP'S ENTIRE SRI FRAMEWORK HAS BEEN BUILT AROUND THE NEED TO ANALYSE ESG RISKS AND OPPORTUNITIES AND INCORPORATE THEM IN ITS INVESTMENT DECISIONS

The framework for managing ESG and climate risks is reviewed periodically, through any changes made to the SRI Charter. The most recent amendment, in 2016, involved attaching greater importance to the climate theme in the SRI guidelines for companies. Moreover, ERAFP further developed its best in class approach in 2019, requiring companies in key sectors for the energy transition to develop a strategy aligned with the targets of the Paris Agreement, and divesting holdings in companies without a strategy and which generate more than 10% of their revenue from thermal coal-related activities. In 2026, the board of directors also adopted a fossil fuel policy that bolstered the measures taken on coal and introduced thresholds and eligibility criteria for issuers exposed to conventional and unconventional fossil fuels. This policy is detailed in section 5.3 of this report ("Fossil fuel policy").

⁵⁸ Delegated management covers all asset classes other than sovereign bonds (see page 35).

ESG RISKS

Description of the main ESG risks

The main ESG risks to which companies are exposed are as follows:

- regulatory risks, namely the emergence of more demanding standards to eliminate the negative impacts of certain activities, which may have serious implications for companies that have not adopted best practices;
- legal risks arising from non-compliance with standards and regulations, or from product quality defects (these risks can result in convictions, fines or even the loss of a company's operating licence);
- reputational risk arising from poor CSR practices that could tarnish a company's reputation;
- production-related risks, such as poor management of human resources or the supply chain.

Limiting exposure to ESG risks

ERAFP seeks to limit its exposure to the main ESG risks through:

- The process for selecting delegated managers, which takes into account their experience and the resources they allocate to ESG analysis.
- ERAFP's SRI framework, which is implemented by the delegated asset managers and excludes 19% of listed issuers from benchmark indices. This high rate reflects both the stringency and the effectiveness of ERAFP's SRI screening. This system, which is monitored by ERAFP's teams, is subject to oversight at half-yearly management-committee meetings, during which ERAFP discusses the following issues with its delegated managers:
 - any discrepancies between the issuer assessments performed by the delegated managers and those conducted by the non-financial rating agency;
 - the main ESG controversies involving issuers in the portfolio.

THERE ARE SEVERAL PROCESSES DESIGNED TO LIMIT ERAFP'S EXPOSURE TO THE MAIN ESG RISKS

MONITORING OF ESG CONTROVERSIES BY THE NON-FINANCIAL RATING AGENCY AND MANAGEMENT COMPANIES

With a new non-financial rating agency in tow to rate issuers in the portfolio, ERAFP took the opportunity to make controversy analysis an integral part of a company's ESG rating. As such, certain indicators in ERAFP's SRI framework now incorporate a relevant controversy analysis on this theme.

The non-financial rating agency, Morningstar-Sustainalytics, assesses companies' involvement in incidents with negative environmental, social and governance (ESG) impacts. The controversy rating reflects a company's level of involvement in controversies and how it manages these issues. It takes into account incidents and events:

- incidents are the basic component of the controversy rating. An incident may be a company activity with unintentional and/or unwanted negative environmental and/or social impacts on stakeholders. Incidents are mainly assessed on the basis of their negative environmental and/or social impacts. They are monitored by various media outlets and NGOs and typically contribute to the controversy rating over a three-year period.
- Events are defined as isolated or linked series of incidents that relate to the same ESG issues. Events are classified into 40 indicators that relate to these ESG issues.

The scale used for the rating is as follows: 1 (lowest score) to 5 (highest score). The controversy rating is included in the company's overall SRI rating.

The purpose of taking controversies into account upstream of the investment process is to increase the selectivity of the non-financial analysis process.

Ultimately, it needs to make it possible to exclude and identify the companies and sectors most at risk in the portfolio from a controversy standpoint. ERAFP also considers controversies downstream of the investment process. In updating its SRI Charter in 2016, ERAFP's board of directors wanted to do more to prevent negative societal impacts, particularly as regards the major international human rights standards. It therefore asked its delegated asset managers to monitor, on ERAFP's behalf, controversies to which issuers may be exposed, particularly those involving proven violations of international standards or principles of social and environmental responsibility, namely:

- the Universal Declaration of Human Rights;
- the ILO Declaration on Fundamental Rights and Principles at Work;
- the Rio Declaration on Environment and Development;
- UN conventions (including the convention against corruption).

If a controversial practice is identified, dialogue is initiated with the issuer. If the dialogue does not succeed, three means of action are considered:

- intensified dialogue between the issuer and delegated manager in preparation for voting at the general meeting;
- any other legal means enabling ERAFP to protect its interests;
- sale of the securities by the delegated manager.

Estimating the financial impact of the main ESG risks

Quantitative estimates of the financial impacts of most ESG risks are not currently available, due to the wide variety of investments involved and the complexity of the calculations required.

The various data providers have focused their efforts on the risks most likely to occur and for which analysis models exist: transition risks and physical risks related to climate change.

CLIMATE RISKS CAN BE GROUPED INTO TWO CATEGORIES: TRANSITION RISKS AND PHYSICAL RISKS

CLIMATE-RELATED RISKS

Given the nature of ERAFP's activities, climate risks relate to its investments rather than its direct activities.

Description of the main climate-related risks

Climate risks include all the risks associated with climate change that may have a significant actual or potential negative impact on the value of an investment. These risks are split into two categories:

- risks associated with the energy transition (risk resulting from the implementation of a low-carbon economic model);
- physical risks (associated with physical disruption caused by climate change).

Types of risks associated with the energy transition	Risk factors	Risk description	Current or emerging, exogenous or endogenous
Regulatory risks	Changes in public policy	Impact of the emergence of more stringent regulations on certain activities, for example on carbon prices	Current/exogenous
Market risks	Changes in the balance between supply and demand due to the effects of climate change, the supply chain, etc.	Changes in prices of raw materials, components, etc.	Emerging/exogenous
Technology risks and opportunities	Innovation and the development of disruptive technology solutions	Loss of market share to competitors	Current/endogenous
Reputational risks	Customers and other stakeholders becoming increasingly aware of poor climate-related practices	Reputational damage	Emerging/exogenous
Legal risks	Increase in damages attributed to the consequences of climate change	Increase in complaints and disputes (States and fossil fuel industries)	Emerging/exogenous

Particular attention is given to the sectors that are most exposed to risks associated with the energy transition. These sectors are identified based on the work carried out under the AOA Target Setting Protocol. They include fossil fuel-related sectors, as well as electricity

generation, transportation, basic materials (steel, cement, and aluminum), agriculture, forestry, aquaculture, chemicals, construction and building materials, water supply, and the textile and leather industries.

Type of physical risk	Risk factors	Risk description	Current or emerging, exogenous or endogenous
Acute risks associated with climate change	Increase in natural disasters	Storms, hurricanes, floods, etc.	Current/exogenous
Chronic risks associated with climate change	Climate change: rising temperatures	Rising sea levels, chronic heatwaves, changes in precipitation, loss of certain resources, etc.	Emerging/exogenous

The analysis of physical risk exposure covers both listed assets (equities, bonds, convertible bonds) and unlisted assets (real estate, private equity and infrastructure).

Limitation of exposure to climate-related risks

ERAFP specifically seeks to limit its exposure to risks associated with the climate change by:

- applying the fossil fuel policy, which establishes eligibility criteria for thermal coal, unconventional fossil fuels and conventional fossil fuels⁵⁹;
- implementing its strategy for alignment with the Paris Agreement, including its pre-investment and post-investment analyses and its climate policy⁶⁰.

Assessment of the risks associated with the energy transition and climate change

The transition risks of ERAFP's portfolio of listed companies are analysed by Iceberg Data Lab. Similarly, revenue is broken down by segment (NACE) and country, and each pair makes it possible to model risks across the entire value chain.

The transition factors considered for each geographical region and sector analysed are:

- the implementation of climate regulations, such as carbon taxes or quotas;
- consumer choice, which may be influenced by climate-related criteria;
- the cost of the transition for energy-intensive or carbon-intensive industries (the transition will be costly as their cost will increase due to carbon prices).

⁵⁹ See the section "Fossil fuel policy".

⁶⁰ See "Strategy for alignment with the Paris Agreement".

Companies will also face indirect financial risks as higher carbon prices are passed on to their suppliers, who will seek to cover some or all of the cost by increasing their own prices in turn.

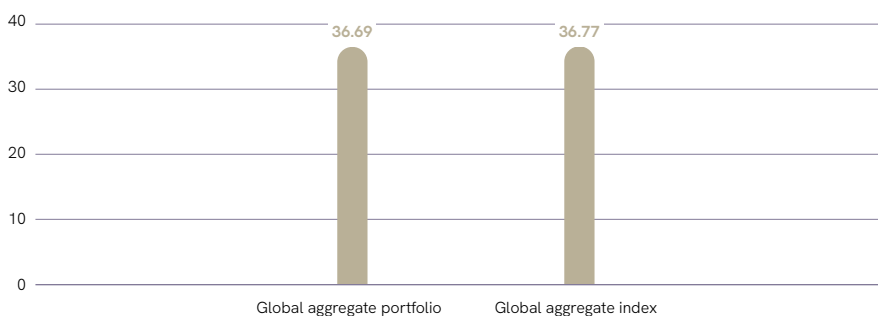
To calculate the risk indicator, a risk score is assigned to each sector and each country, yielding three risk matrices according to each of the transition factors.

Transition risk exposure is expressed as a score from 0 to 100, with 100 being the highest risk score.

Results for ERAFP

Transition risk exposure of ERAFP's listed company portfolio compared with its benchmark index

Source — Iceberg Data Lab, 31 October 2025



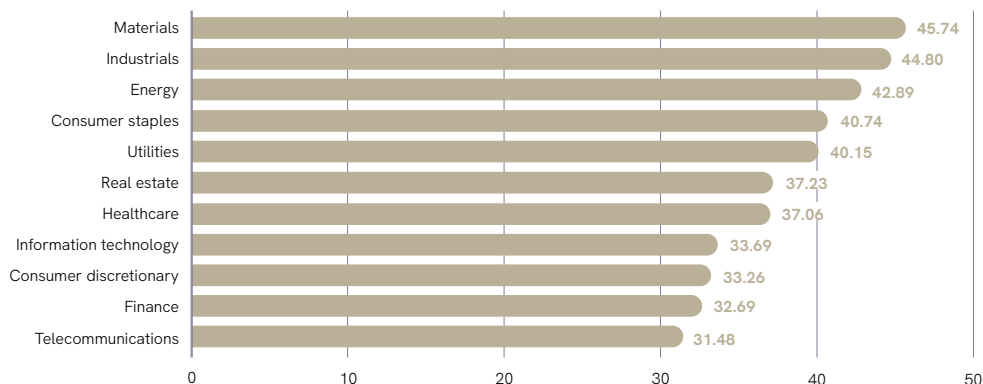
The transition risk exposure of ERAFP's portfolio of listed companies at end-2025 was 36.69 versus 36.77 for the index.

As risk scores are partly modelled based on the sector and location of assets, the results of the portfolio and the benchmark are very similar and do not allow for a comprehensive and relevant analysis of the portfolio's risks.

The breakdown of risks by sector enables ERAFP to detect the riskiest assets.

Transition risk exposure of ERAFP's listed company portfolio

Source — Iceberg Data Lab, 31 October 2025



While the exposure to physical risks is somewhat homogenous from sector to sector, the exposure to transition risks reveals differences in the risk level between sectors.

The two sectors most at risk are materials and industry, as their production processes are very energy-intensive, with high levels of greenhouse gas emissions. For example, in the materials sector, steel production is still largely based on the use of coal, which has a high carbon concentration that facilitates ore processing and resistance to extreme blast furnace temperatures. In industry, many production lines also require intensive thermal or chemical processes, for which low-carbon alternatives are still under-developed or costly.

These activities are also more likely to be penalised by carbon taxes or higher energy prices. The energy sector is also highly exposed due to the need to transition from an energy system that relies heavily on fossil fuels, emits high levels of greenhouse gases, and pollutes, to cleaner, more sustainable energy sources in order to combat climate change. This transition involves significant investment and numerous structural changes, as well as the risk of stranded assets (i.e. assets that cannot be used until their expected end of life).

Assessment of physical risks related to climate change

The physical risks precipitated by climate change will have a considerable impact on financial markets. Severe disruptions could materialise globally due to commodity shortages, price fluctuations, or damage and loss of infrastructure. Physical risks are a combination of localised risks (relating to sites) and risks relating to the value chain of affected businesses. The physical risks associated with ERAFP's listed company portfolio are also analysed by Iceberg Data Lab. For each company, revenue is broken down by segment (NACE) and country, and each of these business sector/geography pairs makes it possible to model the different risk exposures across its entire value chain. The risk is analysed on both the sensitivity of the sector to climate change and its geographical exposure. For sector sensitivity, five factors are considered:

- the presence of fixed assets (factories, warehouses, mines, etc.);
- temperature sensitivity (agricultural production, forestry, etc.);
- dependency on energy and in particular electricity (steel production, data centres, etc.);
- dependency on transport, particularly road transport (travel agencies, freight, etc.);
- dependency on natural capital, i.e. ecosystems and water resources (agriculture, textile production, etc.).

The risk score is generated based on the asset's sector/geography pairing, for each of the five factors.

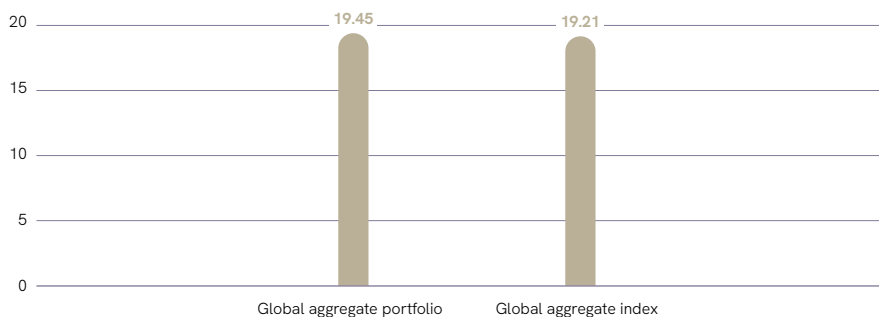
Exposure to physical risks is expressed as a score from 0 to 100, with 100 being the highest risk score.

Results for ERAFP

LISTED COMPANIES

Physical risk exposure of ERAFP's listed company portfolio compared with its benchmark index

Source — Iceberg Data Lab, 31 October 2025



The physical risk exposure of ERAFP's portfolio of listed companies at end-2025 was 19.45, versus an estimated 19.21 for its benchmark index.

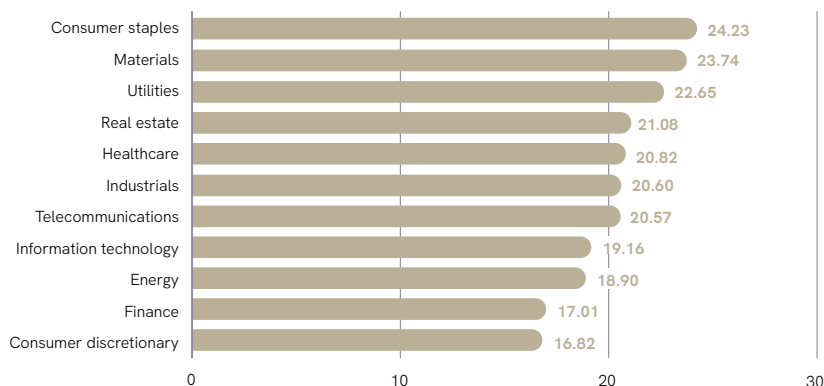
As risk scores are partly modelled based on the sector and location of assets, the results of

the portfolio and the benchmark are very similar and do not allow for a comprehensive and relevant analysis of the portfolio's risks.

The breakdown of risks by sector enables ERAFP to detect the riskiest assets more easily.

Breakdown of the physical risk exposure of ERAFP's listed company portfolio by sector

Source — Iceberg Data Lab, 31 October 2025



While the physical risks faced by different sectors are broadly similar, the consumer staples sector is characterised by a higher than average exposure to such risks. Consumer staples relies heavily on natural resources, such as water, agricultural land and ecosystems, which are directly affected by climate change. For example, droughts can reduce agricultural yields, while floods can destroy infrastructure and food supplies.

The utilities sector is also highly exposed. The sector, which encompasses electricity generation and distribution, water treatment and distribution, and gas distribution, is particularly exposed due to its reliance on climate conditions. Extreme weather events, such as storms, floods and droughts, can disrupt infrastructure and operations, resulting in service outages and high repair costs. Rising sea levels and changes in precipitation patterns can also affect the availability

and quality of water resources, which in turn can compromise energy production and utility operations. Similarly, companies in the materials sector generally use very large volumes of water and are particularly sensitive to spells of hot weather. In periods of drought, they may face difficulties procuring raw materials and have to scale down their production capacity, while high temperatures can disrupt the cooling of their facilities.

REAL ESTATE

The assessment of physical risks relating to real estate assets has been carried out for many years by CBRE using the R4RE (Resilience for Real Estate) tool developed by the Green Building Observatory. For each asset, a cross-analysis is performed between the building's exposure to physical risks and its vulnerability to them.

- For the building’s exposure, the characteristics of any climate hazards (nature, intensity, frequency, duration) are assessed based on the address.
- For the building’s vulnerability, sensitivity to these hazards is assessed using the building’s characteristics (construction details, reliability of networks).

Based on this analysis, the risks related to heat, precipitation and flooding as well as extreme cold are assessed through 2030 and 2050.

This year, the physical risk assessment was carried out for the first time using the *ClimateX* tool across a sample of ERAFP’s real estate mandates. *ClimateX* provides a physical risk score for each asset and translates these risks into potential financial losses. It also facilitates short- and long-term analysis, providing detailed visibility at the level of each asset.

The tool covers 16 major climate hazards in France and Europe, such as floods, forest fires and extreme frost episodes. *ClimateX* is based on IPCC projections, with a maximum horizon of 2100.

From next year, *ClimateX* will be used to analyse the entire real estate portfolio. As this year was a test year for *ClimateX*, and the different portfolios have been analysed using separate tools, it is not currently possible to present aggregate results for all our real estate portfolios.

Nevertheless, the two tools used show that our assets are highly exposed to the risks of heat and drought. The climate risk posed by storms and extreme winds was analysed for the first time this year using *ClimateX*. The vast majority of assets are exposed to a material risk regarding these particular hazards starting in 2030.

PRIVATE EQUITY

The physical risk analysis covers investments under the private equity management mandate. Given the time taken to collect, process and analyse underlying investment data, the results presented here relate to data as at 31 December 2024. Through its assessment grid, Access Capital Partner tracks the number of companies that assess their climate change risks. In 2023, the analysis became more granular via the breakdown of risks into two types: physical risks (e.g. exposure and vulnerability to extreme weather events) and transition risks (risks related to regulations, changes in carbon prices, changes in product demand, etc.). At end-2024, 44% of portfolio companies had assessed their physical risks (compared with 23% in 2023), while 43% had assessed their transition risks (compared with 29% in 2023). It is also worth mentioning that 0% of the companies in the portfolio were facing environmental litigation.

INFRASTRUCTURE

The physical risk analysis presented covers the investments under the infrastructure management mandate. Given the time taken to collect, process and analyse underlying investment data, the results presented here relate to data as at 31 December 2024. Ardian monitors a number of indicators regarding how the asset managers of underlying funds manage climate risks. Of the 18 managers with whom we invested, 17 said that they systematically reviewed climate risks (carbon, physical and transition risks) during the due diligence phase, while 1 did not respond. In addition, all managers said they engaged with underlying companies on ESG issues. More specifically, 12 indicated that they provide technical support to carry out a forward-looking analysis of climate risks and opportunities.

Furthermore, 94% of asset managers monitored biodiversity risks and issues in 2024, compared with 81% in 2023.

PRINCIPAL ADVERSE IMPACTS OF ERAFP INVESTMENTS ON SUSTAINABILITY FACTORS

PAIs (Principal Adverse Impacts) represent the impact that the investments made by ERAFP may have on the environment and society, as well as the issues likely to impact the financial performance of all listed companies in ERAFP's global aggregate portfolio⁶¹. From a legal perspective, the main negative sustainability impacts referred to in this sub-section correspond to those mentioned in Article 4 of Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on sustainability-related disclosures in the financial services sector ("SFDR").

PAIs are reported via a list of environmental, social and governance (ESG) indicators aimed at capturing the principal adverse impacts (PAIs) of investments on sustainability considerations.

ERAFP DOES NOT FALL WITHIN THE SCOPE OF THE SFDR. HOWEVER, ERAFP CHOSE TO PUBLISH THE PAI INDICATORS FOR ITS INVESTMENT PORTFOLIO VOLUNTARILY IN ITS SUSTAINABILITY REPORT THIS YEAR.

SFDR introduces a distinction between certain "mandatory" PAI indicators, which regulated entities are required to disclose, and "optional" PAI indicators, which may be selected at the discretion of the reporting entities.

⁶¹ Equity, private corporate bond and convertible bond portfolio.

LISTED COMPANY PORTFOLIO

This section presents the PAI indicators of the portfolio of listed companies and its benchmark index as at 31 December 2025. It includes 9 of the 14 mandatory PAI indicators, for which the coverage and methodology are satisfactory, as well as four optional indicators relevant to the portfolio.

Mandatory						
Indicator	Metric	Portfolio at 31/12/2025	Portfolio at 31/12/2024	Benchmark at 31/12/2025	Portfolio coverage at 31/12/2025	
1. GHG emissions	GHG emissions (Scope 1, tCO ₂ eq)	710,685	669,621	1,114,285	84.78%	
	GHG emissions (Scope 2, tCO ₂ eq)	262,141	228,826	273,389		
	GHG emissions (Scope 3, tCO ₂ eq)	16,954,190	11,691,455	18,140,852		
	Total GHG emissions (tCO ₂ eq)	17,927,016	12,589,902	18,414,241		
2. Carbon footprint	Carbon footprint (Scopes 1+2, tCO ₂ eq/€m invested)	33	44	48	84.78%	
	Carbon footprint (Scopes 1+2+3, tCO ₂ eq/€m invested)	619	617	671		
3. Carbon intensity of investee companies	Carbon intensity (Scopes 1+2, tCO ₂ eq/€m of revenue)	74	73	116	93.08%	
	Carbon intensity (Scopes 1+2+3, tCO ₂ eq/€m of revenue)	1,371	1,037	1,662		
GHG EMISSIONS	4. Exposure to companies active in the fossil fuel sector	Share of investments in companies active in the fossil fuel sector (%)	4.83%	5.2%	7.4%	97.1%
	5. Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee companies from non-renewable energy sources compared to renewable energy sources, expressed as a percentage of total energy sources (%)	54.75%	Unsatisfactory coverage	56.59%	68.08%
		Share of non-renewable energy consumption by investee companies from non-renewable energy sources compared to their consumption of energy from renewable energy sources, expressed as a percentage of total energy sources (%)	19.21%		20.63%	
		6. Energy consumption intensity per high climate impact sector	Energy consumption in GWh per million euros of revenue of investee companies, per high impact climate sector (GWh/€m of revenue)		Unsatisfactory coverage	

BIODIVERSITY	7. Activities negatively affecting biodiversity-sensitive areas	Share of investments in investee companies with sites/operations located in or near to biodiversity-sensitive areas where activities of those investee companies negatively affect those areas (%)	Inconclusive (PAI 7): the results are limited to a match between the issuer's areas of operation and impact on biodiversity, with no ability to measure the percentage of the activity and/or income of the company involved, or the nature of the activity.			97.22%
	8. Discharges into water	Tonnes of discharges into water generated by investee companies per million euros invested, expressed as a weighted average (t/€m of revenue)	Unsatisfactory coverage			1.02%
WASTE	9. Hazardous waste	Tonnes of hazardous waste and radioactive waste generated by investee companies per million euros invested, expressed as a weighted average (t/€m of revenue)	0.01	0.01	0.01	84.6%
SOCIAL AND EMPLOYEE MATTERS	10. Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	0.19%	0.1%	0.3%	96.5%
	11. Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with the UNGC principles or OECD Guidelines for Multinational Enterprises or grievance/complaints handling mechanisms to address violations of the UNGC principles or OECD Guidelines for Multinational Enterprises (%)	26.85%	31.1%	25.0%	96.5%
	12. Unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies (%)	Unsatisfactory coverage			15.08%
	13. Board gender diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members (%)	40.45%	40.1%	40.1%	84.1%
	14. Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)	Share of investments in investee companies involved in the manufacture or sale of controversial weapons (%)	0.00%	0.0%	0.0%	97.2%

Mandatory						
SOCIAL AND EMPLOYEE MATTERS	7. Incidents of discrimination	Number of incidents of discrimination reported in investee companies	139 (1,286 companies)	272 (1,820 companies)	183 (1,195 companies)	97.54%
		Number of incidents of discrimination leading to sanctions in investee companies	24 (1,286 companies)	84 (1,820 companies)	33 (1,195)	97,54 %
HUMAN RIGHTS	14. Number of identified cases of severe human rights issues and incidents.	Number of cases of severe human rights issues and incidents connected to investee companies	114 (1,286 companies)	185 (1,820 companies)	146 (1,195 companies)	97.54%
ANTI-CORRUPTION AND ANTI-BRIBERY	17. Number of convictions and amount of fines for violation of anti-corruption and antibribery laws	Numbers of convictions for violations of anticorruption and antibribery laws by investee companies	7 (1,286 companies)	1 (1,172 companies)	8 (1,195 companies)	97.54%
		Amount of fines for violations of anticorruption and antibribery laws by investee companies (€m)	469.97 (1,286 companies)	551.62 (1,172 companies)	466.97 (1,195 companies)	97.54%

The portfolio outperformed the benchmark for seven of the nine “mandatory” indicators covered. Both the portfolio and the benchmark have a 0% share of investments in controversial weapons. The benchmark obtained slightly better results than the portfolio on PAI 11, “Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises” and, to a lesser extent, on PAI 9 “Hazardous and radioactive waste”.

Compared to 2024, the portfolio improved on almost all mandatory indicators, with the exception of PAI 10 relating to violations of the UN Global Compact and the OECD Guidelines for Multinational Enterprises, rising from 0.09% to 0.19%. The share of investments in companies active in fossil fuels also decreased from 5.2% to 4.83%, while remaining well below the benchmark (7.4%).

SOVEREIGN BOND PORTFOLIO

This section presents the PAI indicators of the sovereign bond portfolio and its benchmark index as at 31 December 2025. It includes the two mandatory PAIs, for which the coverage and methodology are satisfactory.

Mandatory						
Indicator		Metric	Portfolio at 31/12/2025	Portfolio at 31/12/2024	Benchmark at 31/12/2025	Coverage of portfolio N
GHG EMISSIONS	15. Carbon intensity	Carbon intensity (Kt/CO ₂ eq of country emissions/GDP)	0.14	0.14	0.15	96.01%
	16. Violations of labour standards	Number of investee countries where there are violations of labour standards, within the meaning given to such standards by international treaties and conventions (United Nations principles and, where applicable, national laws)	0	0	0	96.01%

As in 2024, the portfolio outperformed the benchmark on greenhouse gas emissions. No countries experienced violations of labour standards within the meaning of international treaties and conventions, in the portfolio or the benchmark.

REAL ESTATE PORTFOLIO

This section presents the PAI indicators of the real estate portfolio as at 31 December 2024. It includes one of the two mandatory PAIs, for which the coverage and methodology are satisfactory, as well as the two optional indicators relating to greenhouse gas emissions and energy consumption.

Mandatory					
	Indicator	Metric	Portfolio at 31/12/2024	Portfolio at 31/12/2023	Portfolio coverage
FOSSIL ENERGY	17. Exposure to fossil fuels through real estate assets (share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels)	Share of investments in real estate assets involved in the extraction, storage, transport or manufacture of fossil fuels	0%	0%	100%
ENERGY EFFICIENCY	18. Exposure to energy-inefficient real estate assets	Share of investments in energy-inefficient real estate assets	No coverage		
Optional					
GHG EMISSIONS	18. GHG emissions	GHG emissions (Scope 1, tCO ₂ eq)	9,092,951	10,152,351	95%
		GHG emissions (Scope 2, tCO ₂ eq)	15,324,661	14,853,655	
		GHG emissions (Scope 3, tCO ₂ eq)	8,194,192	7,061,459	
		Total GHG emissions (tCO ₂ eq)	32 611 804	32 067 465	
ENERGY CONSUMPTION	19. Energy consumption intensity	Energy consumption in GWh of owned real estate assets per square metre (kWh/m ² /year+)	128	132	

ERAFP's real estate portfolio improved on both indicators relating to GHG emissions and energy consumption, while it continues to have zero exposure to fossil fuels. As GHG emissions are expressed in gross values, we can nevertheless

expect this indicator to increase as the portfolio continues to expand in the coming years.

The carbon metrics of real estate assets included in the scope of the Net-Zero Asset Owners Alliance are presented in Section 5 of this report.

ERAFP'S REAL ESTATE PORTFOLIO IMPROVED ON BOTH INDICATORS RELATING TO GHG EMISSIONS AND ENERGY CONSUMPTION, WHILE IT CONTINUES TO HAVE ZERO EXPOSURE TO FOSSIL FUELS

PRIVATE EQUITY AND INFRASTRUCTURE PORTFOLIO

This year, ERAFP is disclosing the PAIs for its private equity portfolio for the first time. This has been enabled by the delegated asset manager's switch to a new service provider for data collection and analysis. From now on, this information will be disclosed annually.

PAI		Indicator	Metric	Portfolio coverage
1	GHG emissions (Scope 1)	tCO ₂ eq	4,913	59%
	GHG emissions (Scope 2)	tCO ₂ eq	757	59%
	GHG emissions (Scope 3)	tCO ₂ eq	103,849	57%
	GHG emissions (Scopes 1, 2 and 3)	tCO ₂ eq	109,518	62%
2	Carbon footprint	tCO ₂ eq/€m invested	481	62%
3	Carbon intensity (Scopes 1 and 2)	tCO ₂ eq/€m revenue	37	58%
	Carbon intensity (Scopes 1, 2 and 3)	tCO ₂ eq/€m revenue	859	57%
4	Companies with activities in the fossil fuel sector	%	1.75%	70%
5	Share of non-renewable energy consumed by investee companies	%	80.88%	53%
	Share of non-renewable energy produced by investee companies	%	N/A (unsatisfactory coverage)	11%
6	Intensity of energy consumption in relation to the high-impact climate sector	GWh/€m revenue	N/A (unsatisfactory coverage)	12%
7	Companies whose activities have an adverse impact on biodiversity-sensitive areas	%	1.63%	62%
8	Pollutant discharges into water	t/€m invested	0.05	52%
9	Hazardous waste	t/€m invested	0.87	55%
10	Companies involved in violations of the United Nations Global Compact and OECD Guidelines	%	0.00%	65%
11	Companies with no policy to ensure compliance with the UN Global Compact and OECD Guidelines	%	52.12%	60%
12	Unadjusted gender pay gap	%	15.21%	61%
13	Gender diversity on the board of directors - % of men	%	88.14%	71%
14	Companies whose activities are exposed to controversial weapons	%	0.00%	61%
2,4 (optional)	Companies with no carbon reduction initiatives	%	17.49%	55%
3,1 (optional)	Companies with no workplace accident prevention policy	%	30.32%	53%

The disclosed indicators highlight several material ESG issues: an 80.88% share of energy consumed by investee companies sourced from non-renewable resources; 1.75% exposure to fossil fuel-related activities, as well as various social and governance issues, including a gender pay gap of 15.21% and a male representation on boards of directors of 88.14%.

All PAI indicators selected for disclosure have an average coverage of around 60%, providing a solid basis for the first reporting year. Starting next year, the annual disclosure of these indicators will provide a consolidated history and allow for more detailed and robust comparative analyses.

Work is underway to assess the possibility of also publishing PAI data for the infrastructure portfolio.

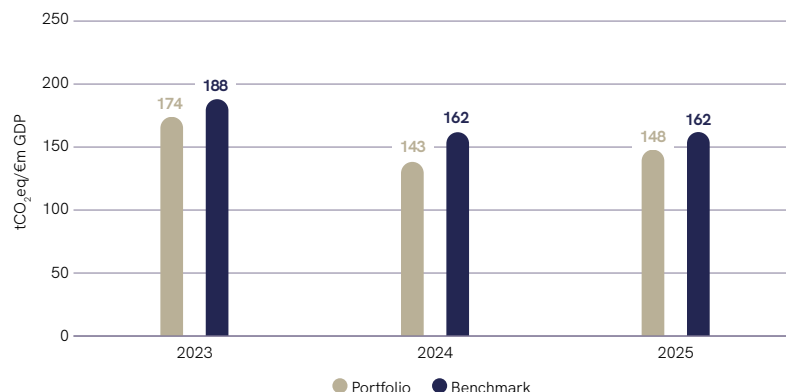
ADDITIONAL CLIMATE DATA FOR THE SOVEREIGN PORTFOLIO

In addition to the sovereign PAI indicator relating to the GHG intensity of investee countries (PAI 15), ERAFP is publishing the share of

non-renewable energy consumption and production of the sovereign portfolio, compared with its benchmark index as at 31 October 2025.

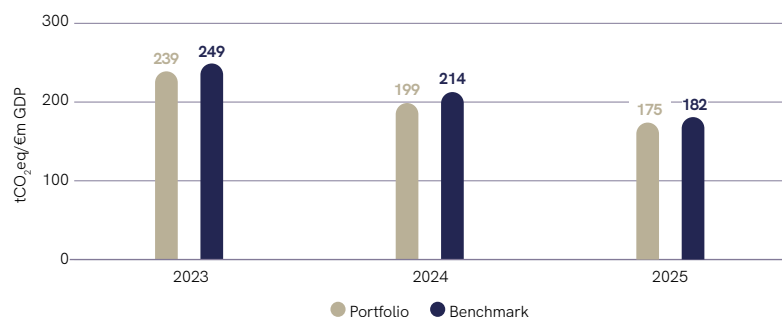
Production intensity of the sovereign portfolio compared with the benchmark

Source — Iceberg Data Lab, 31 October 2025



Consumption intensity of the sovereign portfolio compared with the benchmark

Source — Iceberg Data Lab, 31 October 2025



Production emissions are emissions attributable to domestic emissions and include domestic consumption and exports. This definition follows the territorial approach to emissions adopted by the United Nations Framework Convention on Climate Change (UNFCCC). Hence, the methodology does not factor in the large volume of upstream GHG emission flows linked to countries which manufacture goods that are consumed in the country for which the national emissions inventory is drawn up ("imported emissions"). Under the Paris Agreement, carbon emission targets are based on production-based accounting.

In order to complete this partial view, are also included here consumption emissions that take into account domestic consumption and imports.

ERAFP's portfolio shows production and consumption intensities, calculated as weighted averages, that are 9% and 4% lower than those of the benchmark index, respectively.

The positive difference is mainly due to the portfolio's overweight position in French government securities. Over two-thirds of the electricity produced in France is from a low-carbon nuclear source. For this reason, France's ratio of greenhouse gas emissions to GDP is one of the eurozone's lowest.

ERAFP'S PORTFOLIO SHOWS PRODUCTION AND CONSUMPTION INTENSITIES, CALCULATED AS WEIGHTED AVERAGES, THAT ARE 9% AND 4% LOWER THAN THOSE OF THE BENCHMARK INDEX, RESPECTIVELY.

PART 08

IMPROVEMENT MEASURES

Theme	Measure(s) identified in 2025	Measure(s) implemented in 2025	Planned improvement action(s) in 2026
Consideration of biodiversity issues	In 2025, ERAFP disclosed its finalised biodiversity policy and its biodiversity ambitions.	In 2025, ERAFP adopted its first biodiversity policy, integrated into its responsible investor approach. It was also able to include in this report an initial analysis of the various points addressed in this new policy.	ERAFP will disclose one or more water indicators following a more in-depth analysis in 2026.
The main negative impacts that ERAFP's investments have on sustainability factors	Over the coming years, ERAFP will be able to monitor changes in the indicators published for the first time in its 2024 sustainability report. Measurement of the infrastructure portfolio's carbon footprint is underway.	ERAFP disclosed the carbon footprint of its infrastructure portfolio for the first time this year, as well as the main adverse impacts (PAIs) relating to its private equity portfolio.	ERAFP plans to continue to disclose the main adverse impacts (PAIs) of the remaining unlisted assets in the coming years, particularly those of the infrastructure portfolio.
Investments aligned with the EU Taxonomy	In the coming years, ERAFP aims to disclose data on the Taxonomy eligibility and alignment of its unlisted real estate assets.	ERAFP also disclosed for the first time this year the eligibility and alignment of its private equity assets.	ERAFP wants to continue to disclose data on the eligibility and alignment of the remaining unlisted assets, i.e. infrastructure and real estate assets, in the coming years.

APPENDICES

Appendix 1

Table summarising the coverage of indicators

Section	Section name	Data	Segment	Portfolios	Assets	% of segment	% of global assets	Emissions scope	Carbon calculation method	Page
1.3	Key aspects of ESG performance – Listed portfolios	SRI rating	Listed companies	Listed mandates (excluding small cap equities, US mid cap equities and emerging market bonds)	28,377	88%	59%	N/A		12
1.3	Key aspects of ESG performance – Listed portfolios	Change in the average SRI rating of the eurozone equity portfolio	Listed companies	Euro equity mandates	12,705	39%	27%	N/A		14
1.3	Key aspects of ESG performance – Multi-asset portfolio	SFDR classification	Multi-asset	Multi-asset mandates	1,498	100%	3%	N/A		16
1.3	Key aspects of ESG performance – Multi-asset portfolio	Certification	Multi-asset	Multi-asset mandates	1,498	100%	3%	N/A		16
1.3	Key aspects of ESG performance – Unlisted portfolios	SRI rating	Real estate	Real estate mandates (excluding certain funds)	4,465	100%	9%	N/A		18
3.2	Engagement conducted by asset management companies on ERAFP's behalf	Engagement actions implemented	Listed companies	Listed mandates	30,509	94%	64%	N/A		43
4.1	Sustainable investments – EU Taxonomy	Taxonomy-eligible and Taxonomy-aligned turnover	Listed companies	Listed mandates	30,509	94%	64%	N/A		60-61
4.2	Portfolio exposure to fossil fuels	Share of revenue of companies in the listed company portfolio linked to fossil fuels	Listed companies	Listed mandates	30,509	94%	64%	N/A		64
4.2	Portfolio exposure to fossil fuels	Share of listed company portfolio assets relating to companies generating a majority of their revenue from fossil fuels	Listed companies	Listed mandates	30,509	94%	64%	N/A		64
4.2	Portfolio exposure to thermal coal	Share of listed company portfolio assets relating to companies involved in thermal coal-related activities	Listed companies	Listed mandates	30,509	94%	64%	N/A		67
4.2	Portfolio exposure to thermal coal	Breakdown of revenue from thermal coal-related activities	Listed companies	Listed mandates	30,509	94%	64%	N/A		68
4.2	Portfolio exposure to unconventional fossil fuels	Share of revenue of companies in the listed company portfolio linked to unconventional fossil fuels	Listed companies	Listed mandates	30,509	94%	64%	N/A		65
4.2	Portfolio exposure to unconventional fossil fuels	Share of listed company portfolio assets in companies involved in unconventional hydrocarbons	Listed companies	Listed mandates	30,509	94%	64%	N/A		66

Section	Section name	Data	Segment	Portfolios	Assets	% of segment	% of global assets	Emissions scope	Carbon calculation method	Page
4.2	Focus on the electricity generation mix in the listed company portfolio	Breakdown of energy produced by companies in the listed equity portfolio	Listed companies	Listed mandates	30,509	94%	64%	N/A		68
4.2	Focus on the energy generation mix in the sovereign bond portfolio	Breakdown of energy produced by countries in the sovereign bond portfolio	Sovereign bonds	Sovereign bonds	6,602	100%	14%	N/A		69
5.2	Target monitoring indicators: results obtained in 2025 - Portfolio emissions targets	Carbon intensity of the AOA listed company portfolio	Listed companies	Listed mandates	29,320	90%	61%	Scopes 1 and 2	WACI	77
5.2	Target monitoring indicators: results obtained in 2025 - Portfolio emissions targets	Carbon intensity of the AOA listed company portfolio	Listed companies	Listed mandates	29,320	90%	61%	Scopes 1 and 2	Carbon intensity per €1 million invested	78
5.2	Target monitoring indicators: results obtained in 2024 - Portfolio emissions targets	Surface intensity of the AOA real estate portfolio	Real estate	AOA real estate	3,598	81%	8%	Scopes 1 and 2 + tenants' consumption	Surface intensity	80
5.2	Target monitoring indicators: results obtained in 2024 - Portfolio emissions targets	Surface intensity of the AOA real estate portfolio	Real estate	AOA real estate	3,598	81%	8%	Scopes 1 and 2 + tenants' consumption	Energy intensity	81
5.2	Target monitoring indicators: results obtained in 2025 - Temperature alignment target	Percentage of the listed company portfolio's carbon footprint covered by science-based targets	Listed companies	Listed mandates	30,509	94%	64%	Scopes 1 and 2	Carbon intensity per €1 million invested	87
6	Consideration of biodiversity issues - Measurement of exposure to biodiversity issues	ERAFP's biodiversity footprint	Listed companies	Listed mandates	30,509	94%	64%	Scopes 1,2 and 3		100
6	Consideration of biodiversity issues - Measurement of exposure to biodiversity issues	Breakdown of the biodiversity footprint by emission scope, sector and pressure	Listed companies	Listed mandates	30,509	94%	64%	Scopes 1,2 and 3		101
6	Consideration of biodiversity issues - Measurement of exposure to biodiversity issues	Major dependencies of listed asset portfolio on ecosystem services	Listed companies	Listed mandates	30,509	94%	64%	Scope 1		103
7.1	Assessment of physical risks related to climate change	Exposure to transition risks	Listed companies	Listed mandates	30,509	94%	64%	N/A		113
7.1	Assessment of physical risks related to climate change	Exposure to physical risks	Listed companies	Listed mandates	30,509	94%	64%	N/A		115
7.2	Principal adverse impacts of investments on sustainability - Listed company portfolio	Principal adverse impacts (SFDR)	Listed companies	Listed mandates	30,509	94%	64%			119-121
7.2	Principal adverse impacts of investments on sustainability - Sovereign bonds	Principal adverse impacts (SFDR)	Sovereign bonds	Sovereign bonds	6,602	100%	9%			122
7.2	Principal adverse impacts of investments on sustainability - Real estate	Principal adverse impacts (SFDR)	Real estate	Real estate mandates	4,465	100%	9%			123
7.2	Principal adverse impacts of investments on sustainability - Sovereign bonds	Carbon intensity - Production and consumption	Sovereign bonds	Sovereign bonds	6,602	100%	14%			122

Appendix 2

Cross-reference table with Article 29 of the French Energy and Climate Law

Information required under decree No. 2021-663 of 27 May 2021		Page(s)
General approach adopted by the entity	Presentation of the entity's general approach to the consideration of ESG criteria, particularly in its investment policy and strategy.	5-26
	Content, frequency and means used by the entity to inform members and contributors about the criteria relating to the ESG targets incorporated in its investment policy and strategy	26
	Overall share of assets under management that take ESG criteria into account, relative to the total amount of assets managed by the entity	7
	Consideration of ESG criteria in the decision-making process for the award of new management mandates	11
	Any charter, code, initiative or label relating to the consideration of ESG criteria to which the entity subscribes, and a brief description of them	21-23
Internal resources to contribute to the transition	Description of the financial, human and technical resources dedicated to taking ESG criteria into account in the investment strategy, relative to the total assets managed or held by the entity	31-33
	Measures taken to strengthen the entity's internal capabilities	
Information on the entity's approach to incorporating ESG considerations in its governance structure	Knowledge, skills and experience of the governance bodies.	28-29
	Inclusion in remuneration policies of information on how these policies are adapted to take sustainability risks into account	33
	Consideration of ESG criteria in the rules of procedure of the entity's board of directors or supervisory board	32
Strategy of engagement with issuers and asset managers	Scope of companies covered by the engagement strategy	43
	Presentation of the voting policy	49
	Report on the voting policy, particularly as regards the submission of and voting on ESG-related resolutions at general meetings	53-56
	Decisions taken on investment strategy, including disengagement from certain sectors	
Information on the EU Taxonomy and investments in fossil fuels	Share of assets relating to activities aligned with the Taxonomy	60-61
	Proportion of assets in companies active in the fossil fuel sector.	63-69
Strategy for alignment with the Paris Agreement	Quantitative target for the period to 2030, reviewed every five years until 2050	70-76

Information required under decree No. 2021-663 of 27 May 2021		Page(s)
Strategy for alignment with the Paris Agreement	Where the entity uses an internal methodology, it publishes information on this methodology to assess its investment strategy's alignment with the Paris Agreement	74-76
	The general approach and method used	71-73
	The level of coverage of the portfolio and the various asset classes	71-73
	The time horizon used for the assessment	74
	The assumptions used for estimated data	74-79
	How the methodology adapts the chosen energy-climate scenario to the analysed portfolios, including a weighted average analysis of carbon intensity, as well as analyses in absolute terms and using an intensity metric	74-79
	A quality analysis of the methodology and data used	74-79
	The scope adopted by the methodology in terms of covering greenhouse gas emissions within the value chain	74-79
	The method used to obtain a forward-looking estimate, based on the type of asset chosen	
	The level of temporal, sectoral and geographical granularity of the analysis	
	Quantification of results using at least one indicator	77-87
	Role and use of the assessment in the investment strategy	72-73
	Changes in the investment strategy related to the strategy of alignment with the Paris Agreement	72-73
	Possible measures to monitor results and changes that have occurred	72-73
	The frequency of the assessment, provisional update dates and the relevant development factors used	74
"Biodiversity" alignment strategy	Assessment of compliance with the objectives set out in the Convention on Biological Diversity adopted on 5 June 1992	
	An analysis of the contribution to reducing the main pressures and impacts on biodiversity	99-101
	Mention of the use of a biodiversity footprint indicator	99-101
A characterisation of these risks.	The process for identifying, assessing, prioritising and managing risks related to the consideration of ESG criteria, how risks are integrated into the entity's established risk management framework	106-107
	Description of the main ESG risks taken into account and analysed, including:	110-112
	A characterisation of these risks	110-112
	Segmentation of these risks (physical risks, transition risks, litigation risks) and a descriptive analysis associated with each of the main risks	110-112

Information required under decree No. 2021-663 of 27 May 2021		Page(s)
Consideration of ESG risks in the risk management system	An indication of the economic sectors and geographical areas affected by these risks, the recurring or one-off nature of the risks identified and their possible weighting	114-116
	An explanation of the criteria used to select material risks and the choice of their possible weighting	106-109
	Indication of the frequency of review of the risk management framework	107
	Action plan to reduce the entity's exposure to the main environmental, social and governance risks considered	110-112
	Quantitative estimate of the financial impact of the main ESG risks identified and the share of assets exposed, as well as the time horizon associated with these impacts, at the level of the entity and the assets concerned, including the impact on the portfolio's valuation (where a qualitative statement is published, the entity describes the difficulties encountered and the measures envisaged to quantitatively assess the impact of these risks).	113-117
Improvement measures	Indication of changes in methodological choices and results.	113-126
	In the event that the entity does not publish some of the required information, it shall, where appropriate, publish a continuous improvement plan covering the missing information.	128

Appendix 3

Cross-reference table with the TCFD recommendations

Theme	Description	Pages
Governance	a) Description of how the board of directors oversees climate change risks and opportunities.	28
	b) Description of the role of management in the assessment and management of climate-related risks and opportunities.	30
Strategy	a) Description of the risks and opportunities identified in the short, medium and long term.	106-110
	b) Description of the impact of these risks and opportunities on the investment policy.	90
	c) Description of the resilience of the investment strategy under different scenarios, including the scenario of global warming of 2°C or lower.	108-117
Risk management	a) Description of the procedures for identifying and assessing climate-related risks.	74, 106, 110
	b) Description of the climate risk management procedure.	112
	c) Description of how the procedures for identifying, assessing and managing climate-related risks are integrated into the overall risk management system.	
Indicators	a) Publication of indicators used to assess climate risks and opportunities as part of the investment strategy and risk management process.	107-114
	b) Publication of indicators on greenhouse gas emissions and associated risks for Scopes 1 and 2 and, if relevant, Scope 3.	118-126
	c) Publication of targets set to manage climate-related risks and opportunities and information on actual performance in relation to these targets.	71-87

Appendix 4

Cross-reference table with the TNFD recommendations

Theme	Description	Pages
Governance	Describe how the board of directors oversees nature-related dependencies, impacts, risks and opportunities	28
	Describe management's role in assessing and managing nature-related dependencies, impacts, risks and opportunities	30
	Describe the organisation's human rights policies and engagement activities and how the board and management oversee them (indigenous peoples, local communities, etc.)	
Strategy	Describe nature-related dependency relationships, impacts, risks and opportunities that the organisation has identified in the short, medium and long term	100-103
	Describe the effect that these nature-related dependency relationships, impacts, risks and opportunities have had on business strategy, value chain, financial planning, transition plans or analyses already in place	100-103
	Describe the resilience of the organisation's strategy to nature-related risks and opportunities, taking into account different scenarios	
	Indicate the locations where assets and/or activities are located in the organisation's own operations and, where possible, in the upstream and downstream value chains, which meet the criteria for priority locations	
Risk management	Describe the organisation's processes for identifying, analysing and prioritising nature-related dependency relationships, impacts, risks and opportunities in its own operations	99-100
	Describe the organisation's processes for identifying, analysing and prioritising nature-related dependency relationships, impacts, risks and opportunities in its value chain(s), upstream and downstream	
	Describe the organisation's processes for managing nature-related dependency relationships, impacts, risks and opportunities	99-100
	Describe how nature-related risk identification, analysis, prioritisation and monitoring processes are integrated into the organisation's overall risk management processes	
Indicators	Disclose the measurement tools used by the organisation to analyse and manage material nature-related risks and opportunities, consistent with its risk management strategy and process	99-100
	Disclose measurement tools used by the organisation to analyse and manage dependency relationships and impacts on nature	101-103
	Describe the objectives and targets used by the organisation to manage nature-related dependency relationships, impacts, risks and opportunities, and the results achieved against these objectives	95



Établissement de Retraite additionnelle de la Fonction publique

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