



Pillar 3

Risk report

as of 30 June 2026

Contents

1	Introduction.....	5
1.1	Regulatory framework	5
1.2	Risk management.....	6
2	Key figures	7
	TEMPLATE EU KM1 – KEY METRICS TEMPLATE	7
3	Capital management and capital adequacy	7
	TEMPLATE EU CC1 - COMPOSITION OF REGULATORY OWN FUNDS.....	7
	TEMPLATE EU CC2 - RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS	9
	TEMPLATE EU OV1 – OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS	10
	Template CCYB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer	10
	Template CCYB2 – Amount of institution-specific countercyclical capital buffer	12
4	Credit risk	12
4.1	Quantitative credit risk information	13
4.1.1	TEMPLATE EU CR1 - PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS.....	13
4.1.2	TEMPLATE EU CQ1 - CREDIT QUALITY OF FORBORNE EXPOSURES.....	14
4.1.3	TEMPLATE EU CQ4 - QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY.....	15
4.1.4	TEMPLATE EU CQ5 - CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY	16
4.1.5	TEMPLATE EU CR4 - STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CRM EFFECTS .	18
4.1.6	TEMPLATE EU CR5 – STANDARDISED APPROACH – CREDIT RISK EXPOSURE BY REGULATORY EXPOSURE CLASS AND RISK WEIGHTING	19
4.1.7	TEMPLATE EU CR1-A - MATURITY OF EXPOSURES.....	19
4.1.8	TEMPLATE EU CR10.5 - EXPOSURES IN THE FORM OF SHARES SUBJECT TO THE SIMPLE WEIGHTING METHOD20	
4.1.9	TEMPLATE EU CR3 - CRM TECHNIQUES OVERVIEW: DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES.....	20
4.2	Quantitative counterparty credit risk information	21
4.2.1	TEMPLATE EU CCR1 - ANALYSIS OF CCR EXPOSURE BY APPROACH.....	21
4.2.2	TEMPLATE EU CCR8 - EXPOSURES TO CCPS	22
4.3	Quantitative information on securitisation positions.....	23
4.3.1	Template EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as investor.....	23
5	Global interest rate, market and foreign exchange risks	24
5.1	Interest rate risk.....	24
	TEMPLATE EU IRRBB1 - INTEREST RATE RISKS OF NON-TRADING BOOK ACTIVITIES.....	24
5.2	Market and foreign exchange risk	24
6	Prudential information on environmental, social and governance (ESG) risks according to Article 449 bis of the CRR.....	25
6.1	ESG in AFD group's strategy.....	25

6.1.1	The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs ²⁵	
6.1.2	A credit policy aligned with this strategy	26
6.1.3	The exclusion list	26
6.1.4	Alignment with the highest international standards in terms of environmental and social risk management of operations financed	27
6.1.5	Particular attention is paid to the compliance of transactions	27
6.1.6	A specific roadmap on financial risks related to climate and nature	28
6.2	ESG risk governance at AFD group	28
6.2.1	Actors and organisation	29
6.2.2	The loan appraisal cycle	30
6.2.3	ESG alert systems and monitoring mechanisms	32
6.2.3.1	Early warning mechanism.....	32
6.2.3.2	Annual monitoring of sustainable development issues	33
6.2.3.3	Monitoring of residual environmental and social risks	33
6.2.3.4	For projects under implementation	33
6.2.4	Remuneration	34
6.3	ESG risk management mechanisms	34
6.3.1	Management of the negative environmental and social impacts of projects financed by AFD Group	34
6.3.2	Complaints management	35
6.3.3	AFD Group's management of financial risks related to climate and nature	35
6.3.4	Consideration of governance risks in project ratings	36
6.3.5	Preventing corruption, fraud, money laundering, terrorist financing and tax evasion	36
6.3.6	Integrating ESG risks into risk management mechanisms	37
6.3.6.1	Risk appetite framework	37
6.3.6.2	Gradually updating mapping from an ESG perspective.....	37
6.3.6.3	Climate transition risk exposure stress test	37
6.4	Cross-reference tables with qualitative tables	38
6.4.1	TABLE 1 — QUALITATIVE INFORMATION ON ENVIRONMENTAL RISK	38
6.4.2	TABLE 2 — QUALITATIVE INFORMATION ON SOCIAL RISK	39
6.4.3	TABLE 3 — QUALITATIVE INFORMATION ON GOVERNANCE RISK	41
6.5	Quantitative tables	42
6.5.1	TEMPLATE 1 - BANKING BOOK - CLIMATE CHANGE TRANSITION RISK	43
6.5.2	TEMPLATE 2 - BANKING BOOK — INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: LOANS COLLATERALISED BY IMMOVABLE PROPERTY — ENERGY EFFICIENCY OF THE COLLATERAL	47
6.5.3	TEMPLATE 3 - BANKING BOOK - CLIMATE CHANGE TRANSITION RISK: ALIGNMENT METRICS	47
6.5.4	TEMPLATE 4 - BANKING BOOK - CLIMATE CHANGE TRANSITION RISK: EXPOSURES TO TOP 20 CARBON-INTENSIVE FIRMS	48
6.5.5	TEMPLATE 5 - BANKING BOOK — INDICATORS OF POTENTIAL PHYSICAL RISK LINKED TO CLIMATE CHANGE: EXPOSURES SUBJECT TO PHYSICAL RISK.....	48
6.5.5.1	In the "Africa" geographic area	50

6.5.5.2	In the "Latin America" geographic area	51
6.5.5.3	In the "Three Oceans" geographic area.....	52
6.5.5.4	In the "Orient" geographic area.....	53
6.5.5.5	In other regions	54
7	Person responsible for the Pillar 3 risk report.....	55

1 Introduction

1.1 Regulatory framework

Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 ("CRR"), as first amended by Regulation (EU) No. 2019/876 ("CRR II") and then, since 1 January 2025, by Regulation (EU) No. 2024/1623 ("CRR III"), immediately applicable, implements the Basel III regulation in Europe.

More generally, reference will be made in the following document to the "CRR".

For AFD group, the application of Part Eight of the CRR means that additional information is required to comply with the minimum capital requirements ("Pillar 1") and the prudential supervision process ("Pillar 2").

AFD group is exempted by the ACPR from applying prudential requirements on an individual basis, under the conditions set out in Article 7 of the CRR. The information presented in the following section is therefore exclusively based on the prudential consolidation scope. Pursuant to Article 19 of the CRR, the prudential scope of consolidation is identical to the accounting scope of consolidation.

Article 7 of the Decree of 23 December 2013 on the prudential regime for finance companies stipulates that finance companies are required to comply with the provisions applicable to credit institutions pursuant to Regulation (EU) No. 575/2013 of the European Parliament, subject to the derogations set out in this Decree.

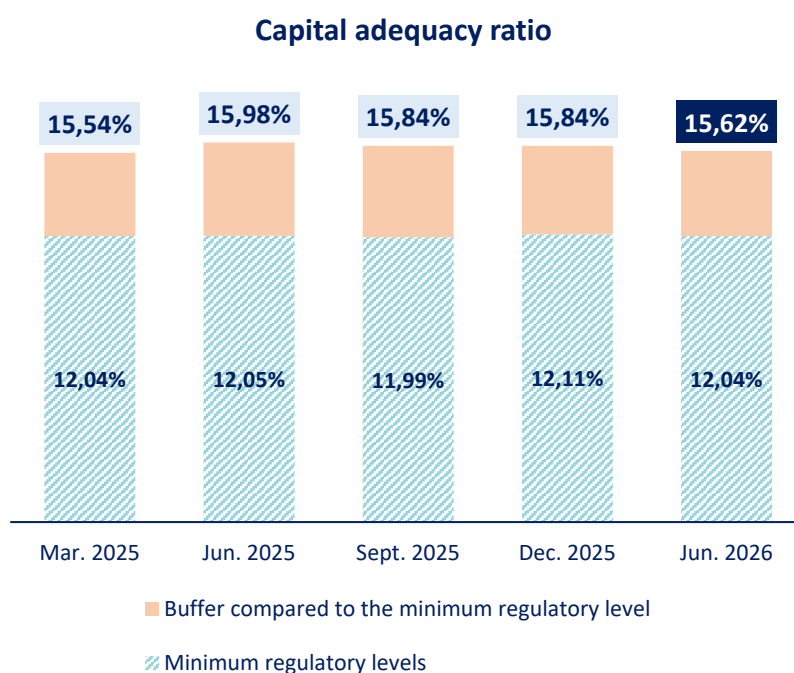
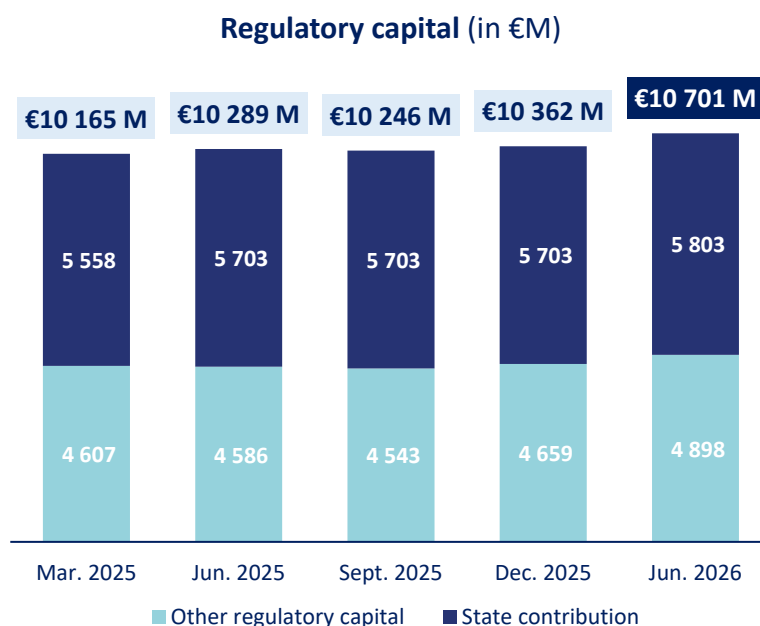
These exemptions relate to:

- the leverage ratio;
- the liquidity management ratios (LCR and NSFR);
- the BRRD directive and its resulting MREL on the resolution of banking institutions in the EU.

This report presents information on AFD group's risks; the format of the "Pillar 3" tables complies with the technical standards defined by Implementing Regulation (EU) No. 2024/3172.

1.2 Risk management

Risk monitoring and the associated internal control system are detailed in Sections 4.2.1 "Internal control" and 4.2.5 "Risk monitoring" of the 2025 Universal Registration Document.



At 30 June 2026, AFD met the minimum capital requirements of 12.04% for the Group, compared to 12.11% at 31 December 2025, a 7 bps decrease mainly related to the lower requirement relating to the countercyclical conservation buffer.

The capital adequacy ratio stood at 15.62% at 30 June 2026, down 22 bps compared to 31 December 2025 (15.84%), due to the increase in equity from €10,362M to €10,701M, *i.e.* +€339M, mitigated by a higher increase in risk-weighted exposures (RWA) of €65,406M to €68,516M, or +€3,110M. These changes will be discussed below.

2 Key figures

TEMPLATE EU KM1 – KEY METRICS TEMPLATE¹

The table provides an overview of the key prudential and regulatory indicators covered by CRR, in accordance with Article 447, points a) to g), "Disclosure of information on key indicators" and Article 438, point b), "Disclosure of information on capital requirements and risk-weighted exposure amounts".

<i>In millions of euros</i>		a	b	c	d	e
		30.06.2026	31.12.2025	30.09.2025	30.06.2025	31.03.2025
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	9 761	9 522	9 406	9 304	9 325
2	Tier 1 capital	10 601	10 362	10 246	10 144	10 165
3	Total capital	10 701	10 362	10 246	10 289	10 165
Risk-weighted exposure amounts						
4	Total risk exposure amount	68 516	65 406	64 683	64 383	65 432
4a	Total risk exposure pre-floor	68 516	65 406	64 683	64 383	65 432
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	14,25%	14,56%	14,54%	14,45%	14,25%
5b	Common Equity Tier 1 ratio considering unfloored TREA (%)	14,25%	14,56%	14,54%	14,45%	14,25%
6	Tier 1 ratio (%)	15,47%	15,84%	15,84%	15,76%	15,54%
6b	Tier 1 ratio considering unfloored TREA (%)	15,47%	15,84%	15,84%	15,76%	15,54%
7	Total capital ratio (%)	15,62%	15,84%	15,84%	15,98%	15,54%
7b	Total capital ratio considering unfloored TREA (%)	15,62%	15,84%	15,84%	15,98%	15,54%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	1,25%	1,25%	1,25%	1,25%	1,25%
EU 7e	of which: to be made up of CET1 capital (percentage points)	0,70%	0,70%	0,70%	0,70%	0,70%
EU 7f	of which: to be made up of Tier 1 capital (percentage points)	0,94%	0,94%	0,94%	0,94%	0,94%
EU 7g	Total SREP own funds requirements (%)	9,25%	9,25%	9,25%	9,25%	9,25%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2,50%	2,50%	2,50%	2,50%	2,50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0,00%	0,00%	0,00%	0,00%	0,00%
9	Institution specific countercyclical capital buffer (%)	0,29%	0,36%	0,24%	0,30%	0,30%
EU 9a	Systemic risk buffer (%)	0,00%	0,00%	0,00%	0,00%	0,00%
10	Global Systemically Important Institution buffer (%)	0,00%	0,00%	0,00%	0,00%	0,00%
EU 10a	Other Systemically Important Institution buffer (%)	0,00%	0,00%	0,00%	0,00%	0,00%
11	Combined buffer requirement (%)	2,79%	2,86%	2,74%	2,80%	2,80%
EU 11a	Overall capital requirements (%)	12,04%	12,11%	11,99%	12,05%	12,04%
12	CET1 available after meeting the total SREP own funds requirements (%)	6,47%	5,36%	5,35%	5,23%	5,03%

3 Capital management and capital adequacy

TEMPLATE EU CC1 - COMPOSITION OF REGULATORY OWN FUNDS²

The table provides a breakdown of the components of regulatory capital, in accordance with Article 437, points a), d), e), and f), of the CRR, "Disclosure of information on equity".

¹ In accordance with to Article 7 of the Decree of 23 December 2013 on the prudential regime for finance companies, AFD is required to comply with the provisions applicable to credit institutions pursuant to Regulation (EU) No. 575/2013 of the European Parliament, subject to the derogations set out in this Decree. These exemptions relate to the leverage ratio, the liquidity management ratios (LCR, NSFR), as well as the BRRD directive and its corollary (MREL) on the resolution of banking institutions in the EU

² In order to make the tables easier to read, the rows for which the amounts associated with AFD exposures have a value of 0 have been hidden

<i>In millions of euros</i>		30.06.2026	31.12.2025
		Amounts	Amounts
Common Equity Tier 1 (CET1) capital: instruments and reserves			
1	Capital instruments and the related share premium accounts	4 863	4 863
	of which: Instrument type 1	4 863	4 863
2	Retained earnings	3 061	2 748
3	Accumulated other comprehensive income (and other reserves)	1 933	1 887
5	Minority interests (amount allowed in consolidated CET1)	207	171
EU-5a	Independently reviewed interim profits net of any foreseeable charge or dividend	-	118
6	Common Equity Tier 1 (CET1) capital before regulatory adjustments	10 063	9 788
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	-7 699	-8
8	Intangible assets (net of related tax liability) (negative amount)	-227	-224
27a	Other regulatory adjustments	-67	-34
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-302	-266
29	Common Equity Tier 1 (CET1) capital	9 761	9 522
Additional Tier 1 (AT1) capital: instruments			
30	Capital instruments and the related share premium accounts	840	840
36	Additional Tier 1 (AT1) capital before regulatory adjustments	840	840
Additional Tier 1 (AT1) capital: regulatory adjustments			
44	Additional Tier 1 (AT1) capital	840	840
45	Tier 1 capital (T1 = CET1 + AT1)	10 601	10 362
Tier 2 (T2) capital: instruments			
47	Amount of qualifying items referred to in Article 484(5) CRR and the related share premium accounts subject to phase out from T2 as described in Article 486(4) CRR	-	-
51	Tier 2 (T2) capital before regulatory adjustments	100	
Tier 2 (T2) capital: regulatory adjustments			
58	Tier 2 (T2) capital	100	
59	Total capital (TC = T1 + T2)	10 701	10 362
60	Total Risk exposure amount	68 516	65 406
Capital ratios and requirements including buffers			
61	Common Equity Tier 1 capital	14,25%	14,56%
62	Tier 1 capital	15,47%	15,84%
63	Total capital	15,62%	15,84%
64	Institution CET1 overall capital requirements	7,99%	8,06%
65	of which: capital conservation buffer requirement	2,50%	2,50%
66	of which: countercyclical capital buffer requirement	0,29%	0,36%
67	of which: systemic risk buffer requirement	0,00%	0,00%
EU-67a	of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement	0,00%	0,00%
EU-67b	of which: additional own funds requirements to address the risks other than the risk of excessive leverage	5,16%	5,16%
68	Common Equity Tier 1 capital (as a percentage of risk exposure amount) available after meeting the minimum capital requirements	6,47%	5,36%
Amounts below the thresholds for deduction (before risk weighting)			
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities where the institution does not have a significant investment in those entities (amount below 10% threshold and net of eligible short positions)	368	290
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount below 17.65% thresholds and net of eligible short positions)	292	220

Regulatory capital increased by €339M through the positive effect of (i) a +€195M profit for the second half of 2025, (ii) the drawdown of the €100M 'special condition resource' from the State, classified as Tier 2, as well as (iii) other items impacting equity.

TEMPLATE EU CC2 - RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE AUDITED FINANCIAL STATEMENTS

The table makes it possible to identify the differences between the accounting consolidation scope and the regulatory consolidation scope and to show the relationship between the balance sheet published in the financial statements and the figures used in the statement on the composition of equity provided for in the EU CC1 table, in accordance with Article 437, point a), of the CRR, “Disclosure of information on equity”.

		30.06.2026		31.12.2025	
		a	b	a	b
		Balance sheet as in published financial statements	Under regulatory scope of consolidation	Balance sheet as in published financial statements	Under regulatory scope of consolidation
		As at period end	As at period end	As at period end	As at period end
<i>In millions of euros</i>					
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements					
1	Cash, due from central banks	545	545	792	792
2	Financial assets at fair value through profit or loss	4 626	4 477	3 268	3 055
3	Hedging derivatives	2 384	942	2 701	867
4	Financial assets at fair value through other comprehensive income	2 880	2 880	4 272	4 272
5	Debt securities at amortised cost	4 392	4 392	2 248	2 248
6	Financial assets at amortised cost	57 197	58 981	55 946	57 607
7	Revaluation differences on interest rate-hedge portfolio	-	-	-	-
8	Current tax assets	2	2	3	3
9	Deferred tax assets	28	28	24	24
10	Accruals and other miscellaneous assets	3 760	3 760	3 240	3 240
11	Equity stakes in companies accounted for by the equity method	246	246	249	249
12	Fixed assets property, plant and equipment	954	954	969	969
13	Intangible assets	227	-	224	-
xxx	Total assets	77 239	77 207	73 936	73 326
Liabilities - Breakdown by liability classes according to the balance sheet in the published financial statements					
1	Central banks	193	193		
2	Financial liabilities at fair value through profit or loss	3 966	3 966	140	140
3	Hedging derivatives	57 211	57 423	4 105	4 105
4	Financial liabilities at amortised cost	37	37	54 356	53 869
6	Current tax liabilities	15	15	3	3
7	Deferred tax liabilities	3 232	3 232	12	12
8	Accruals and other miscellaneous liabilities	1 333	1 333	3 303	3 303
9	Provisions	943	943	1 056	1 056
10	subordinated debt	10 101	9 857	843	843
11	Equity Group share	206	207	9 886	9 788
12	Non-controlling Interests		-	196	171
	Total liabilities	77 239	77 207	73 936	73 326
Shareholders' Equity					
1	Provisions and related retained earnings	5 323	5 323	5 323	5 323
2	Consolidated retained earnings and other	4 357	4 357	4 054	4 054
3	Gains and losses recognised in other comprehensive income	177	177	121	121
4	Earnings for the period	245	-	388	118
5	Non-controlling interests	206	207	196	171
	Total shareholders' equity	10 308	10 063	10 083	9 788

TEMPLATE EU OV1 – OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS

The table provides an overview of total RWAs included in the denominator of risk-based capital requirements in accordance with Article 438, point d), of the CRR, "Disclosure of information on capital requirements and risk-weighted exposure amounts".

<i>In millions of euros</i>	Total risk exposure amounts (TREA)		Total own funds requirements
	a	b	c
	30.06.2026	31.12.2025	30.06.2026
1 Credit risk (excluding CCR)	65 024	61 740	5 202
2 Of which the standardised approach	65 024	61 740	5 202
6 Counterparty credit risk - CCR	215	229	17
7 Of which the standardised approach	86	95	7
EU 8a Of which exposures to a CCP	130	108	10
9 Of which other CCR	-	26	-
10 Credit valuation adjustments risk - CVA risk	119	223	10
16 Securitisation exposures in the non-trading book (after the cap)	550	728	44
19 Of which SEC-SA approach	550	728	44
20 Position, foreign exchange and commodities risks (Market risk)	-		-
EU 21a Of which the Simplified standardised approach (S-SA)	-		-
24 Operational risk	2 608	2 486	209
29 Total	68 516	65 406	5 481

Risk-weighted exposures increased by €3,110M in the first half of 2026, breaking down mainly as follows:

- Cash: +€1,002M mainly due to the increase in UCITS outstandings, less the decrease in investment securities;
- loans and guarantees: +€1,281M related to the increase in outstandings;
- Equity investments: +€978M increase in EADs and increase in weightings from 100% to 130%.

Template CCYB1 – Geographical distribution of credit exposures relevant for the calculation of the countercyclical buffer

The table shows the amount of the institution-specific countercyclical capital buffer in accordance with Article 440, point b), of the CRR, "Disclosure of information on countercyclical capital buffer".

		General credit exposures	Total exposure value	Own fund requirements		Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach		Relevant credit risk exposures - Credit risk	Total			
As of 30.06.2026 (in millions of euros)								
010	Breakdown by country:							
	France	8 699	8 699	400	400	5 009	19%	1%
EUO- EUROPE	Luxembourg	479	479	45	45	557	2%	1%
	New Caledonia	383	383	33	33	418	2%	1%
	Other	2 987	2 987	223	223	2 829	11%	
	Senegal	1 499	1 499	120	120	1 500	6%	0%
AFR- AFRICA	Morocco	1 106	1 106	85	85	1 066	4%	0%
	Mauritius	1 023	1 023	99	99	1 240	5%	0%
	Other	4 834	4 834	433	433	5 406	20%	
	Brazil	1 076	1 076	86	86	1 073	4%	0%
AML- LATIN AMERICA	Mexico	779	779	54	54	671	3%	0%
	Colombia	725	725	63	63	785	3%	0%
	Other	1 859	1 859	136	136	1 676	6%	
AMN- NORTH AMERICA	Canada	311	311	27	27	335	1%	0%
	United States	142	142	10	10	137	1%	0%
	Other	95	95	9	9	116	0%	
OCN- OCEANIA	Australia	13	13	1	1	7	0%	0%
	Other	4	4	0	0	5	0%	
	Vietnam	652	652	54	54	657	2%	0%
MIE- MIDDLE EAST	Kenya	583	583	49	49	609	2%	0%
	Egypt	549	549	53	53	661	2%	0%
	Turkey	380	380	32	32	381	1%	0%
	India	352	352	33	33	411	2%	0%
	Other	1 053	1 053	86	86	1 062	4%	
020	Total	29 582	29 582	2 128	2 128	26 612		

		General credit exposures	Total exposure value	Own fund requirements		Risk-weighted exposure amounts	Own fund requirements weights (%)	Countercyclical buffer rate (%)
		Exposure value under the standardised approach		Relevant credit risk exposures - Credit risk	Total			
As of 31.12.2025 (in millions of euros)								
010	Breakdown by country:							
	France	6 583	6 583	298	298	3 595	15%	1%
EUO- EUROPE	Luxembourg	303	303	23	23	292	1%	1%
	New Caledonia	388	388	34	34	424	2%	1%
	Other	2 615	2 615	212	212	2 659	11%	
	Senegal	1 546	1 546	125	125	1 565	7%	0%
AFR- AFRICA	Morocco	1 292	1 292	98	98	1 228	5%	0%
	Mauritius	854	854	79	79	983	4%	0%
	Other	4 714	4 714	415	415	5 181	22%	
	Brazil	1 025	1 025	80	80	998	4%	0%
AML- LATIN AMERICA	Mexico	782	782	52	52	655	3%	0%
	Colombia	692	692	55	55	683	3%	0%
	Other	1 758	1 758	123	123	1 517	6%	
AMN- NORTH AMERICA	Canada	195	195	18	18	222	1%	0%
	United States	118	118	8	8	123	1%	0%
	Other	101	101	9	9	114	0%	
OCN- OCEANIA	Australia	5	5	0	0	4	0%	0%
	Other	4	4	0	0	5	0%	
	Vietnam	601	601	48	48	602	3%	0%
MIE- MIDDLE EAST	Kenya	586	586	48	48	602	3%	0%
	Egypt	532	532	49	49	611	3%	0%
	Turkey	403	403	32	32	402	2%	0%
	India	354	354	29	29	357	1%	0%
	Other	1 023	1 023	80	80	1 005	4%	
020	Total	26 475	26 475	1 917	1 917	23 828		

Template CCyB2 – Amount of institution-specific countercyclical capital buffer

<i>In millions of euros</i>		30.06.2026	31.12.2025
		a	a
1	Total risk exposure amount	68 516	65 406
2	Institution specific countercyclical capital buffer rate	0,29%	0,36%
3	Institution specific countercyclical capital buffer requirement	201	233

The 7 bps decrease in the countercyclical capital buffer from 0.36% at 31 December 2025 to 0.29% at 30 June 2026 is due to a dilution effect: the weighted relevant exposures of countries subject to CCyB rates (primarily France) rose by +29%, but at a slower rate than the total weighted relevant exposures, which increased by +32%. The relative contribution of CCyB countries to the total was thus down, automatically leading to a decrease in the CCyB, despite the increase in absolute value of the exposures concerned.

4 Credit risk

Credit risk is defined as the risk that a borrower will not repay all or part of their loan on the due dates set out in the contract signed by them and AFD group. By extension, this risk also concerns the guarantees issued by AFD group to cover the loan commitments of some of its banking partners. Exposure to credit risk includes balance sheet risk, notably exposure to loans, equity investments, financial instruments and derivatives, as well as off-balance sheet exposures (financing commitments and guarantees given).

4.1 Quantitative credit risk information

4.1.1 TEMPLATE EU CR1 - PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

The table provides a comprehensive overview of the credit quality of performing and non-performing exposures, including their cumulative impairment, provisions and negative changes in fair value due to credit risk, and the amount of collateral and financial guarantees received by portfolio and exposure class, in accordance with Article 442, point c) and e), of the CRR, "Disclosure of information on credit risk and dilution risk exposures".

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
	Total	of which: stage 1	of which: stage 2	Total	of which: stage 1	of which: stage 2	Total	of which: stage 1	of which: stage 2	Total	of which: stage 1	of which: stage 2			
as of 30.06.2026 In millions of euros															
005 Cash balances at central banks and other demand deposits	1 514	1 514	-	-	-	-	-	-	-	-	-	-	-	-	-
010 Loans and advances	54 885	44 565	9 501	3 766	322	3 416	-564	-169	-396	-1 037	-27	-1 009	-	6 341	27
020 Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030 General governments	38 025	31 073	6 952	2 685	280	2 386	-107	-191	-550	-24	-525	-	5 923	-	-
040 Credit institutions	5 285	4 556	470	114	-	111	-47	-31	-16	-70	-	-70	-	327	27
050 Other financial corporations	4 593	4 467	85	39	-	39	-11	-7	-4	-20	-	-20	-	-	-
060 Non-financial corporations	6 982	4 468	1 994	928	42	880	-207	-23	-185	-398	-4	-394	-	91	-
070 Of which: SMEs	912	513	373	98	3	95	-50	-2	-47	-35	-	-35	-	-	-
080 Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
090 Debt Securities	7 798	6 400	22	7	-	0	-8	-4	-3	-0	-	-	-	-	-
110 General governments	1 161	1 161	-	-	-	-	-	-	-	-	-	-	-	-	-
120 Credit institutions	3 571	2 438	-	-	-	0	-	-	-	-	-	-	-	-	-
130 Other financial corporations	134	134	-	-	-	0	-1	-1	-	-	-	-	-	-	-
140 Non-financial corporations	2 931	2 666	22	7	-	-	-7	-3	-3	-	-	-	-	-	-
150 Off-balance sheet exposures	19 750	18 362	1 307	1 380	187	1 183	127	46	81	444	10	434	-	-	-
170 General governments	13 429	12 378	970	1 148	74	1 063	79	29	50	425	3	422	-	-	-
180 Credit institutions	2 351	2 329	22	1	-	24	5	4	1	10	-	10	-	-	-
190 Other financial corporations	987	945	42	1	-	1	6	1	5	0	-	-	-	-	-
200 Non-financial corporations	2 983	2 710	273	208	112	96	37	12	25	9	7	2	-	-	-
220 Total	83 947	70 840	10 830	5 153	508	4 599	-698	-219	-480	-1 481	-37	-1 443	-	6 341	27

	Gross carrying amount/nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions						Accumulated partial write-off	Collaterals and financial guarantees received	
	Performing exposures			Non-performing exposures			Performing exposures - Accumulated impairment and provisions			Non-performing exposures - Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions				On performing exposures	On non-performing exposures
	Total	of which: stage 1	of which: stage 2	Total	of which: stage 1	of which: stage 2	Total	of which: stage 1	of which: stage 2	Total	of which: stage 1	of which: stage 2			
as of 31.12.2025 In millions of euros															
Cash balances at central banks and other demand deposits	1 743	1 743	-	-	-	-	-	-	-	-	-	-	-	-	-
010 Loans and advances	53 744	43 812	9 030	3 872	374	3 466	-524	-149	-375	-1 187	-32	-1 155	-	6 001	16
020 Central banks	0	0	-	-	-	-	-	-	-	-	-	-	-	-	-
030 General governments	37 027	30 411	6 616	2 891	281	2 590	-79	-182	-752	-23	-729	-	5 654	-	-
040 Credit institutions	5 211	4 418	485	122	-	119	-55	-31	-24	-72	-	-72	-	277	16
050 Other financial corporations	4 469	4 297	125	16	-	16	-14	-7	-6	-12	-	-12	-	-	-
060 Non-financial corporations	7 037	4 686	1 803	842	93	741	-194	-31	-163	-351	-9	-342	-	70	-
070 Of which SMEs	894	513	353	127	30	96	-48	-2	-46	-40	-4	-36	-	-	-
090 Debt securities	5 883	5 805	-	12	-	1	-6	-6	-	-0	-	-0	-	-	-
100 Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110 General governments	926	926	-	-	-	-	-	-	-	-	-	-	-	-	-
120 Credit institutions	2 758	2 681	-	-	-	1	-2	-2	-	-	-	-	-	-	-
130 Other financial corporations	149	149	-	-	-	1	-1	-1	-	-0	-	-0	-	-	-
140 Non-financial corporations	2 050	2 049	-	11	-	-	-3	-3	-	-	-	-	-	-	-
150 Off-balance-sheet exposures	18 460	17 248	1 200	1 437	86	1 336	14	6	9	57	1	56	-	-	-
170 General governments	12 500	11 515	973	1 249	86	1 153	9	3	6	55	1	54	-	-	-
180 Credit institutions	2 107	2 075	32	1	-	28	1	1	0	1	-	1	-	-	-
190 Other financial corporations	1 164	1 163	1	1	-	1	0	0	0	0	-	0	-	-	-
200 Non-financial corporations	2 690	2 496	194	154	-	154	4	2	2	0	-	0	-	-	-
220 Total	79 830	68 608	10 230	5 321	460	4 802	-544	-160	-384	-1 244	-32	-1 211	-	6 001	-

4.1.2 TEMPLATE EU CQ1 - CREDIT QUALITY OF FORBORNE EXPOSURES

The table provides an overview of the quality of forborne exposures, in accordance with Article 442, point c), of the CRR, "Disclosure of information on credit risk and dilution risk exposures".

		Gross carrying amount/nominal amount of exposures with forbearance measures			Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures
		Performing forborne	Non-performing forborne		On performing forborne exposures	On non-performing forborne exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired			
As of 30.06.20256 (In millions of euros)							
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-
010	Loans and advances	1 027	407	407	377	-46	-186
020	Central banks	-	-	-	-	-	-
030	General governments	716	65	65	65	-12	-
040	Credit institutions	-	11	11	11	-	-10
050	Other financial corporations	-	15	15	15	-	-13
060	Non-financial corporations	311	316	316	286	-34	-162
070	Households	-	-	-	-	-	-
080	Debt Securities	-	-	-	-	-	-
090	Loan commitments given	1	6	6	6	0	-
100	Total	1 027	412	412	382	-46	-186

		Gross carrying amount/nominal amount of exposures with forbearance measures			Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne
		Performing forborne	Non-performing forborne		On performing forborne exposures	On non-performing forborne exposures	Of which collateral and financial guarantees received on non-performing exposures with forbearance measures
			Of which defaulted	Of which impaired			
As of 31.12.2025 (In millions of euros)							
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-
010	Loans and advances	1 120	471	471	385	-50	-168
020	Central banks	-	-	-	-	-	-
030	General governments	745	66	66	66	-7	-0
040	Credit institutions	-	12	12	12	-	-11
050	Other financial corporations	-	13	13	13	-	-12
060	Non-financial corporations	375	379	379	293	-43	-144
070	Households	-	-	-	-	-	-
080	Debt Securities	-	-	-	-	-	-
090	Loan commitments given	1	7	7	7	0	-
100	Total	1 121	478	478	392	-50	-168

4.1.3 TEMPLATE EU CQ4 - QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY

The table provides an overview of the quality of non-performing exposures in accordance with Article 442, points c) and e), of the CRR, "Disclosure of credit risk and dilution risk exposures", broken down by geographical location.

as of 30.06.2026
In millions of euros

	Gross carrying/Nominal amount			Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non-performing		of which: subject to impairment			
		of which: defaulted				
On balance sheet exposures	67 969	3 773	3 773	65 761	-1 609	-35
AFR – Africa	17 783	1 496	1 496	17 554	-688	-20
AML – Latin America	9 580	436	436	9 172	-169	-1
AMN – North America	1 266	-	-	1 265	-8	-
EUO – Western Europe	12 394	9	9	10 977	-55	-
OCN – Oceans	6 934	1 406	1 406	6 886	-403	-1
MIE – Middle East	20 011	426	426	19 907	-286	-12
Off balance sheet exposures	21 131	1 380	1 380		571	
AFR – Africa	9 502	816	816		359	
AML – Latin America	3 065	133	133		47	
AMN – North America	295	-	-		0	
EUO – Western Europe	825	265	265		75	
OCN – Oceans	2 865	165	165		56	
MIE – Middle East	4 579	2	2		33	
Total	89 100	5 153	5 153	65 761	-1 609	-35

as of 31.12.2025
In millions of euros

Gross carrying/Nominal amount				Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
	of which: non-performing		of which: subject to impairment			
		of which: defaulted				
On balance sheet exposures	65 254	3 884	3 884	64 254	-1 717	-
AFR – Africa	17 903	2 833	2 833	17 653	-1 092	-
AML – Latin America	9 644	490	490	9 468	-226	-
AMN – North America	1 964	1	1	1 964	-1	-
EUO – Western Europe	9 543	6	6	9 150	-8	-
OCN – Oceans	10 062	356	356	10 004	-200	-
MIE – Middle East	16 139	197	197	16 016	-191	-
Off balance sheet exposures	19 897	1 437	1 437			-71
AFR – Africa	9 397	1 334	1 334			-59
AML – Latin America	2 477	21	21			-4
AMN – North America	360	-	-			-0
EUO – Western Europe	393	1	1			-0
OCN – Oceans	1 371	50	50			-2
MIE – Middle East	5 899	32	32			-6
Total	85 151	5 321	5 321	64 254	-1 717	-71

4.1.4 TEMPLATE EU CQ5 - CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY

The table presents the information referred to in Article 442, points c) and e), of the CRR "Disclosure of information on credit risk and dilution risk exposures".

As of 30.06.2026 (In millions of euros)		Gross carrying amount			Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures	
		Total nominal	Of which non-performing				Of which loans and advances subject to impairment
			Total non-performing	Of which defaulted			
010	Agriculture, forestry and fishing	133	2	2	100	-1	-
020	Mining and quarrying	372	49	49	372	-32	-
030	Manufacturing	619	66	66	466	-47	-
040	Electricity, gas, steam and air conditioning supply	3 039	428	428	2 912	-215	-
050	Water supply	766	50	50	765	-50	-
060	Construction	166	-	-	166	-4	-
070	Wholesale and retail trade	85	-	-	72	-1	-
080	Transport and storage	1 108	137	137	1 067	-72	-
090	Accommodation and food service activities	121	45	45	121	-29	-
100	Information and communication	171	8	8	138	-9	-
110	Financial and insurance activities	138	2	2	14	-2	-
120	Real estate activities	496	36	36	496	-58	-
130	Professional, scientific and technical activities	156	37	37	156	-38	-
140	Administrative and support service activities	17	17	17	17	-2	-
150	Public administration and defense, compulsory social security	41	-	-	41	-	-
160	Education	85	10	10	85	-11	-
170	Human health services and social work activities	268	40	40	268	-33	-
180	Arts, entertainment and recreation	10	-	-	10	-	-
190	Other services	119	-	-	119	-	-
200	Total	7 910	928	928	7 384	-605	-

As of 31.12.2025 (In millions of euros)		Gross carrying amount			Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures	
		Total nominal	Of which non-performing				Of which loans and advances subject to impairment
			Total non-performing	Of which defaulted			
010	Agriculture, forestry and fishing	149	6	6	114	-3	-
020	Mining and quarrying	83	48	48	83	-32	-
030	Manufacturing	832	47	47	670	-30	-
040	Electricity, gas, steam and air conditioning supply	3 056	278	278	2 918	-185	-
050	Water supply	761	51	51	760	-43	-
060	Construction	163	-	-	163	-4	-
070	Wholesale and retail trade	85	-	-	72	-1	-
080	Transport and storage	1 144	183	183	1 099	-70	-
090	Accommodation and food service activities	119	43	43	119	-28	-
100	Information and communication	152	6	6	117	-9	-
110	Financial and insurance activities	140	3	3	16	-3	-
120	Real estate activities	518	37	37	518	-67	-
130	Professional, scientific and technical activities	157	50	50	157	-25	-
140	Administrative and support service activities	17	17	17	17	-2	-
150	Public administration and defense, compulsory social security	33	-	-	33	-0	-
160	Education	87	23	23	87	-11	-
170	Human health services and social work activities	241	49	49	241	-33	-
180	Arts, entertainment and recreation	10	-	-	10	-0	-
190	Other services	130	0	0	130	-1	-
200	Total	7 879	842	842	7 323	-545	-

4.1.5 TEMPLATE EU CR4 - STANDARDISED APPROACH – CREDIT RISK EXPOSURE AND CRM EFFECTS

The table illustrates the effects of credit risk mitigation techniques on the calculation of capital requirements under the standardised approach for credit risk by exposure class, in accordance with Article 453, points g), h) and i), of the CRR, "Disclosure of information on the use of credit risk mitigation techniques" and Article 444, point e), of the CRR, "Disclosure of information on the use of the standardised approach". The RWA density provides a summary measure of the level of risk of each portfolio.

As of 30.06.2026 (In millions of euros)	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWEAs and RWEAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWEAs	RWEAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	30 284	12 177	34 916	7 424	31 990	76%
2	Non-central government public sector entities	8 545	1 268	6 783	480	2 905	40%
EU 2a	Regional governments or local authorities	7 860	1 219	6 133	453	2 741	42%
EU 2b	Public sector entities	685	49	650	27	164	24%
3	Multilateral development banks	1 340	90	1 340	90	99	7%
EU 3a	International organisations	-	-	-	-	-	0%
4	Institutions	5 411	702	5 286	360	3 419	61%
5	Covered bonds	219	-	219	-	22	10%
6	Corporates	20 382	5 487	18 505	3 546	18 058	82%
6,1	Of which: Specialised Lending	1 549	175	1 368	138	1 756	117%
7	Subordinated debt exposures and equity	1 419	14	1 419	6	2 163	152%
EU 7a	Subordinated debt exposures	129	14	129	6	203	150%
EU 7b	Equity	1 289	-	1 289	-	1 960	152%
10	Exposures in default	2 777	864	1 908	765	2 794	105%
EU 10b	Collective investment undertakings (CIU)	3 211	-	3 211	-	3 574	111%
12	TOTAL	73 588	20 601	73 588	12 671	65 024	75%

As of 31.12.2025 (In millions of euros)	Exposure classes	Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWEAs and RWEAs density	
		On-balance-sheet exposures	Off-balance-sheet exposures	On-balance-sheet exposures	Off-balance-sheet exposures	RWEAs	RWEAs density (%)
		a	b	c	d	e	f
1	Central governments or central banks	29 947	11 886	34 574	7 266	31 526	75%
2	Non-central government public sector entities	8 061	724	6 348	327	2 769	41%
EU 2a	Regional governments or local authorities	7 763	670	6 081	297	2 595	41%
EU 2b	Public sector entities	298	54	267	29	174	59%
3	Multilateral development banks	1 305	159	1 305	159	104	7%
EU 3a	International organisations	-	-	-	-	-	0%
4	Institutions	5 679	556	5 564	311	3 514	60%
5	Covered bonds	247	-	247	-	25	10%
6	Corporates	19 071	5 147	17 113	3 462	17 121	83%
6,1	Of which: Specialised Lending	1 554	31	1 369	29	1 576	113%
7	Subordinated debt exposures and equity	1 253	15	1 253	6	1 729	137%
EU 7a	Subordinated debt exposures	125	15	125	6	196	150%
EU 7b	Equity	1 128	-	1 128	-	1 533	136%
10	Exposures in default	2 743	893	1 874	761	2 824	107%
EU 10b	Collective investment undertakings (CIU)	1 732	-	1 732	-	2 128	123%
12	TOTAL	70 037	19 379	70 037	12 292	61 740	75%

4.1.6 TEMPLATE EU CR5 – STANDARDISED APPROACH – CREDIT RISK EXPOSURE BY REGULATORY EXPOSURE CLASS AND RISK WEIGHTING

Exposure classes <i>as of 30.06.2026</i> <i>In millions of euros</i>	Risk weight														Total	Of which unrated
	-	4%	10%	20%	30%	40%	50%	75%	100%	130%	150%	250%	1250%	Other		
	a	c	d	e	f	h	j	m	p	s	t	u	x	y	z	aa
Central governments or central banks	6 761	-	104	1 158	-	-	6 036	-	27 383	-	898	-	-	-	42 340	3 614
Non-central government public sector entities	3 075	-	-	1 295	-	-	506	-	2 372	-	14	-	-	-	7 263	-
Regional governments or local authorities	2 671	-	-	1 225	-	-	387	-	2 302	-	0	-	-	-	6 586	5 150
Public sector entities	405	-	-	70	-	-	119	-	70	-	14	-	-	-	677	296
Multilateral development banks	933	-	-	497	-	-	-	-	-	-	-	-	-	-	1 429	-
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Institutions	3	-	-	2 386	1 166	227	199	-	2 585	-	20	-	-	-	6 587	468
Covered bonds	-	-	219	-	-	-	-	-	-	-	-	-	-	-	219	62
Corporates	141	-	-	4 538	-	-	736	1 694	13 155	1 019	768	-	-	-	22 052	15 827
Of which: Specialised Lending	55	-	-	-	-	-	-	-	431	1 019	-	-	-	-	1 505	1 505
Subordinated debt exposures and equity	-	-	-	-	-	-	-	-	269	717	135	304	-	-	1 425	-
Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	135	-	-	-	135	102
Equity	-	-	-	-	-	-	-	-	269	717	-	304	-	-	1 289	1 188
Exposures in default	-	-	-	-	-	-	-	-	2 431	-	243	-	-	-	2 673	919
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Collective investment undertakings (CIU)	124	-	-	206	467	-	352	200	116	1 269	253	172	39	2	3 211	1 813
TOTAL	11 039	-	333	10 080	1 633	227	7 830	1 894	48 312	3 005	2 331	476	39	2	87 201	30 945

Exposure classes as of 31.12.2025 In millions of euros	Risk weight														Total	Of which unrated
	-	4%	10%	20%	30%	40%	50%	75%	100%	130%	150%	250%	1250%			
	a	c	d	e	f	h	j	m	p	s	t	u	x	z	aa	
Central governments or central banks	6 648	133	-	1 141	-	-	6 395	-	26 384	-	1 141	-	-	41 841	3 143	
Non-central government public sector entities	2 695	-	-	1 239	-	-	517	-	2 146	-	78	-	-	6 674	5 203	
Regional governments or local authorities	2 688	-	-	1 164	-	-	391	-	2 072	-	63	-	-	6 378	4 909	
Public sector entities	7	-	-	75	-	-	126	-	73	-	15	-	-	296	293	
Multilateral development banks	943	-	-	521	-	-	-	-	-	-	-	-	-	1 464	-	
International organisations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Institutions	5	-	71	1 532	2 166	223	139	-	2 577	-	29	-	-	6 741	520	
Covered bonds	-	-	247	-	-	-	-	-	-	-	-	-	-	247	69	
Corporates	137	-	-	3 746	-	-	735	1 626	12 846	843	643	-	-	20 577	14 357	
Of which: Specialised Lending	76	-	-	-	-	-	-	-	479	843	-	-	-	1 398	1 398	
Subordinated debt exposures and equity	-	-	-	-	-	-	-	-	858	-	131	270	-	1 259	1 126	
Subordinated debt exposures	-	-	-	-	-	-	-	-	-	-	131	-	-	131	97	
Equity	-	-	-	-	-	-	-	-	858	-	-	270	-	1 128	1 029	
Exposures in default	-	-	-	-	-	-	-	-	2 258	-	378	-	-	2 635	800	
Claims on institutions and corporates with a short-term credit assessment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Collective investment undertakings (CIU)	30	1	2	88	11	-	19	24	1 245	-	167	124	22	1 732	1 514	
TOTAL	10 482	134	319	8 267	2 177	223	7 805	1 650	48 314	843	2 566	394	22	83 196	28 155	

4.1.7 TEMPLATE EU CR1-A - MATURITY OF EXPOSURES

The table provides a breakdown of net exposures by residual maturity and exposure class, in accordance with Article 442, point g), of the CRR, "Disclosure of information on credit risk and dilution risk exposures".

		a	b	c	d	e	f
		Net exposure value					
<i>As of 30.06.2026</i> <i>(In millions of euros)</i>		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	-	3 219	8 441	62 013	-	73 673
2	Debt securities	-	713	614	3 582	-	4 909
3	Total	-	3 931	9 055	65 595	-	78 582
		a	b	c	d	e	f
		Net exposure value					
<i>As of 31.12.2025</i> <i>(In millions of euros)</i>		On demand	<= 1 year	> 1 year <= 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	-	3 499	7 968	62 101	-	73 568
2	Debt securities	-	806	592	2 538	-	3 936
3	Total	-	4 305	8 560	64 639	-	77 504

4.1.8 TEMPLATE EU CR10.5 - EXPOSURES IN THE FORM OF SHARES SUBJECT TO THE SIMPLE WEIGHTING METHOD

The table sets out equity exposures pursuant to Article 133(3) to (6) and Article 485a(3) of the CRR.

<i>as of 30.06.2026</i> <i>In millions of euros</i> <i>(en millions d'euros)</i>	On- balancesheet exposure	Off- balancesheet exposure	Risk weighted	Value at Risk	Risk weighted exposure amount	Expected Loss Amount
Private Equity Exposures	931		[100%-250%]	931	1 211	-
Listed Equities	139		[100%-250%]	139	214	-
Unlisted Equities	1 096		[100%-250%]	1 096	1 675	-
Total	2 166		[100%-250%]	2 166	3 100	-

<i>as of 31.12.2025</i> <i>In millions of euros</i> <i>(en millions d'euros)</i>	On- balancesheet exposure	Off- balancesheet exposure	Risk weighted	Value at Risk	Risk weighted exposure amount	Expected Loss Amount
Private Equity Exposures	825		[100%-250%]	825	825	-
Listed Equities	126		[100%-250%]	126	175	-
Unlisted Equities	957		[100%-250%]	957	1 313	-
Total	1 908		[100%-250%]	1 908	2 312	-

4.1.9 TEMPLATE EU CR3 - CRM TECHNIQUES OVERVIEW: DISCLOSURE OF THE USE OF CREDIT RISK MITIGATION TECHNIQUES

The table provides information on the degree of use of credit risk mitigation techniques (CRMs) in accordance with Article 453, point f), of the CRR, "Disclosure of information on the use of credit risk mitigation techniques".

	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
<i>As of 30.06.2026</i> <i>(In millions of euros)</i>	a	b	c	d	e
1 Loans and advances	52 196	6 368	-	6 368	-
2 Debt securities	7 797	-	-	-	-
3 Total	59 993	6 368	-	6 368	-
4 Of which non-performing exposures	2 763	-	-	27	-
EU-S Of which defaulted					

	Unsecured carrying amount	Secured carrying amount	Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
<i>As of 31.12.2025</i> <i>(In millions of euros)</i>	a	b	c	d	e
1 Loans and advances	51 632	6 016	-	6 016	-
2 Debt securities	5 889	-	-	-	-
3 Total	57 521	6 016	-	6 016	-
4 Of which non-performing exposures	2 712	-	-	16	-
EU-S Of which defaulted					

4.2 Quantitative counterparty credit risk information

AFD uses derivatives to hedge its interest rate and exchange rate risks. Transactions are restricted to counterparties that sign French (AFB or FBF) or international (ISDA) framework agreements. AFD has negotiated collateral agreements with almost all of its active counterparties, which are activated without rating conditionality, and have an immediate triggering threshold and no deductible. AFD does not carry out credit derivatives transactions.

4.2.1 TEMPLATE EU CCR1 - ANALYSIS OF CCR EXPOSURE BY APPROACH

The table provides a comprehensive overview of the methods used to calculate the regulatory requirements applicable to counterparty risk, as well as the main parameters used for each method, in accordance with Article 439, points f), g) and k), of the CRR, "Disclosure of counterparty credit risk exposure disclosures". The table excludes capital requirements for CVA (credit valuation adjustment) risk (Part Three, Title VI of the CRR) and exposures to a central counterparty (Part Three, Title II, Chapter 6, Section 9 of the CRR) as defined for the purposes of the EU CCR8 table.

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre- CRM	Exposure value post- CRM	Exposure value	RWEA
<i>As of 30.06.20256 (In millions of euros)</i>									
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1,4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1,4	-	-	-	-
1	SA-CCR (for derivatives)	27	181		1,4	294	294	294	86
2	IMM (for derivatives and SFTs)			-	2	-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	Total					294	294	294	86

		a	b	c	d	e	f	g	h
		Replacement cost (RC)	Potential future exposure (PFE)	EEPE	Alpha used for computing regulatory exposure value	Exposure value pre- CRM	Exposure value post- CRM	Exposure value	RWEA
<i>As of 31.12.2025 (In millions of euros)</i>									
EU-1	EU - Original Exposure Method (for derivatives)	-	-		1,4	-	-	-	-
EU-2	EU - Simplified SA-CCR (for derivatives)	-	-		1,4	-	-	-	-
1	SA-CCR (for derivatives)	40	191		1,4	322	322	322	95
2	IMM (for derivatives and SFTs)			-	2	-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					-	-	-	-
5	VaR for SFTs					-	-	-	-
6	Total					322	322	322	95

4.2.2 TEMPLATE EU CCR8 - EXPOSURES TO CCPS

The table provides an overview of exposures to central counterparties, in accordance with Article 439, point i), of the CRR, "Disclosure of information on counterparty credit risk exposures".

In millions of euros	30.06.2026		31.12.2025	
	a	b	a	b
	Exposure value	RWEA	Exposure value	RWEA
Exposures to QCCPs (total)		130		108
Exposures for trades at QCCPs (excluding initial margin and default fund contributions); of which	275	55	234	47
(i) OTC derivatives	275	55	234	47
(ii) Exchange-traded derivatives				
(iii) SFTs			-	-
(iv) Netting sets where cross-product netting has been approved			-	-
Segregated initial margin			-	
Non-segregated initial margin	373	75	305	61
Prefunded default fund contributions			-	-
Unfunded default fund contributions			-	-
Exposures to non-QCCPs (total)				-
Exposures for trades at non-QCCPs (excluding initial margin and default fund contributions); of which			-	-
(i) OTC derivatives			-	-
(ii) Exchange-traded derivatives			-	-
(iii) SFTs			-	-
(iv) Netting sets where cross-product netting has been approved			-	-
Segregated initial margin			-	
Non-segregated initial margin			-	-
Prefunded default fund contributions			-	-
Unfunded default fund contributions			-	-

4.3 Quantitative information on securitisation positions

4.3.1 Template EU SEC4 - Securitisation exposures in the non-trading book and associated regulatory capital requirements – institution acting as investor

The table provides a breakdown of exposures in accordance with Article 449, point k) ii), of the CRR, "Disclosure of information on exposures to securitisation positions".

[illegible][illegible]

5 Global interest rate, market and foreign exchange risks

5.1 Interest rate risk

The Group has no trading book and no portfolio of so-called speculative transactions. Its exposure to interest rate risk therefore relates solely to its “banking book”. Interest rate risk in the banking book refers to current or future risk to which AFD group’s equity or profits are exposed owing to adverse fluctuations in interest rates which influence the positions of the institution’s banking book.

TEMPLATE EU IRRBB1 - INTEREST RATE RISKS OF NON-TRADING BOOK ACTIVITIES

The table assesses the interest rate risk of non-trading book activities using the internal risk measurement system method, the standard method, or the simplified standard method, as appropriate, in accordance with Article 84 of Directive 2013/36/EU, taking into account the shock scenarios applied for supervisory purposes and the common modelling assumptions and parametric assumptions referred to in Article 98, paragraph 5 bis, of said Directive. The instructions were drafted on the basis of the requirements of Article 448 of the CRR "Disclosure of information on exposures to interest rate risk for positions not held in the trading book".

In millions of euros	30.06.2026				31.12.2025			
	a	b	c	d	a	b	c	d
	Changes of the economic value of equity		Changes of the net interest income		Changes of the economic value of equity		Changes of the net interest income	
	Current period	Last period	Current period	Last period	Current period	Last period	Current period	Last period
Supervisory shock scenarios								
Parallel up	-894	-901	-47	-51	-901	-1 006	-51	-35
Parallel down	704	672	14	40	672	797	40	27
Steepener	-262	-266			-266	-317		
Flattener	117	94			94	135		
Short rates up	-102	-136			-136	-111		
Short rates down	112	105			105	117		

5.2 Market and foreign exchange risk

AFD does not have a speculative operations portfolio. However, it recognises in accounting trading hedging instruments that cannot be accounted for using fair value hedge accounting and hedging instruments with a deferred start and/or that have been stripped of their hedging function. AFD's positions place it below the thresholds for the capital requirement for market risk.

6 Prudential information on environmental, social and governance (ESG) risks according to Article 449 bis of the CRR

6.1 ESG in AFD group's strategy

The Agence Française de Développement Group (AFD group) finances and drives the transition to a fairer, safer and more resilient world. Climate, biodiversity, peace, education, urban planning, health, governance, etc. In doing so, AFD group contributes to France's and the French people's commitment to the Sustainable Development Goals (SDGs).

This commitment to the SDGs is presented in the new Strategic Orientation Plan (SOP). The commitments set out in SOP V are described in detail in Section 2.1.2.1.1 "AFD group's fifth Strategic Orientation Plan (SOP V) "100% Sustainable Development Goals (SDGs)"" of the 2025 Universal Registration Document.

SOP V is divided into roadmaps, which were adopted by AFD's Board of Directors in July 2025: the "Planet" roadmap, the "Social Link" roadmap and the "Citizens, Institutions and Democracies" roadmap. Each of them is discussed in Section 2.1.2.1.2. "The SOP V commitments are divided into three cross-functional roadmaps" of the 2025 Universal Registration Document.

The alignment of financed operations with the SDGs is managed by means of the sustainable development analysis and opinion mechanism. Moreover, the appraisal, financing decision and monitoring of projects financed by AFD group are part of the Group's credit policy, of the list of exclusions, of compliance with international standards in terms of environmental and social risk management, and of respect with strict compliance rules.

Lastly, since 2026, ESG risks have been overseen by a dedicated committee, which meets twice a year to ensure the due implementation of the Group's ESG risk management policy. Specifically on climate financial risks, given the strategic challenge and regulatory expectations in this area, a steering committee reporting to AFD group's Executive Committee has been set up to implement the "climate financial risks" roadmap.

6.1.1 The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs

In 2014, AFD adopted the SDAO mechanism, which aims to promote the consideration of sustainable development issues in AFD's financing transactions and strategies. This mechanism provides for sustainable development analysis to be carried out by the operational teams at the first level and, for the second level, for the issuance of a sustainable development opinion issued by the Sustainable Development Analysis and Opinion (ADD, for Analyse et Avis Développement Durable in French) unit, a structure independent of the operational department. The sustainable development analysis and opinion mechanism consists of a detailed analysis of the project's expected impacts on each of the seven operational dimensions underpinning the three pillars of sustainable development, grouped under the terms "planet", "people" and "economy and governance": biodiversity, low-carbon transition, resilience to climate change, social link, reduction of inequalities and inclusion, gender equality and autonomy of women and girls, and economy and governance.

The SDAO mechanism at AFD and its adaptation to Proparco are described in Section 2.1.2.6.2. "Sustainable Development Analysis and Opinion System" of the 2025 Universal Registration Document.

6.1.2 A credit policy aligned with this strategy

Pursuant to the European Banking Authority (EBA) guidelines of 29 May 2020, AFD group considers credit risk in a broad sense, including for equity investments. In line with the institution's Risk Appetite Framework (6.3.6.1) (and that of its subsidiary Proparco, which adapts it to its own activities) and with the mechanism of limits in place, both regulatory and internal operational (individual and large exposures, by group, geographical, sectoral, on subordinated or capital interventions in financial institutions, in local currency, etc.), all risks related to credit and investment transaction are thus taken into account when potential financing is identified, appraised and granted.

As a result of its activity, AFD is exposed to most of the risks encountered by institutions in the banking sector and by companies making equity investments in its activities. Given the specificities of its regions of intervention and its mandate to finance the SDGs, AFD must more specifically integrate geopolitical and macroeconomic, climatic and non-financial issues and risk factors, including in relation to counterparty governance, environmental and social issues, or those related to the operation financed. Thus, in addition to credit, concentration, solvency, profitability, non-compliance and fraud, operational and reputational risks, AFD's credit policy refers to:

- The control of ESG risks, risks arising from environmental, social and governance (ESG) factors likely to affect AFD group and/or its operations in the short, medium or long term.
- The policy for controlling environmental and social risks in operations financed by AFD. The approach to managing environmental and social risks is based on the responsibility of project owners. It is continuous, differentiated and proportionate, and consists of identifying, preventing or mitigating environmental and social damage ("Avoid, Reduce, Offset" sequence). It takes place at every stage of the project cycle.
- Financial climate risks, which include physical risks (risks of financial loss caused by the occurrence of extreme climate hazards or by the physical consequences of gradual changes related to climate change), transition risks (risks of financial loss caused by the transition to a low-carbon economy), and risks related to physical risks induced by the degradation of biodiversity.
- Compliance risks, in particular on issues corresponding to the risks incurred in terms of corruption, money laundering or terrorist financing.

6.1.3 The exclusion list

AFD group has an exclusion list⁽³⁾, the purpose of which is to clearly indicate the types of activities that the Group refuses to finance due to environmental, social, ethical or regulatory criteria, or resulting from the translation of the Group's normative requirements and strategic choices. It is reviewed approximately every five years. In addition to this exclusion list, the Group has equipped itself with other tools for selecting the operations it finances: additional exclusions thus result from strategic frameworks (e.g. climate selectivity) and sectoral intervention frameworks, which can be consulted on the Group's website. These selectivity doctrines, which are updated on a regular basis, are intended to be used in the context of project appraisal.

The exclusion list presents three types of activities:

- Firstly, illegal activities, which include the activities of production or trade of any illicit product, as well as any illegal activity under the legislation of the country of destination or of France, national or international regulations applicable in the country of destination or in France, as well as international conventions or agreements creating commitments for the country of destination or for France. This includes any equipment, sector or service subject to economic sanctions imposed by the United

³ The exclusion list is available on the AFD website: <https://www.afd.fr/fr/ressources/liste-dexclusion-du-groupe-afd>

Nations, the European Union or France, as well as production or activities involving forced labour, child labour or human trafficking.

- Secondly, activities that are not aligned with AFD group's commitments to sustainable development: these include projects to build, extend or renovate electricity generation plants using fossil fuels, and projects for the exploration, production or processing of coal, gas and oil, or operations resulting in a negative and irreversible residual impact on a critical habitat.

- The third type of activities covered by the exclusion list is applicable to the financial institutions with which AFD group collaborates, requiring them to apply exclusions to all of their own financing (exclusion of activities of production or trade in illicit products, etc.).

6.1.4 Alignment with the highest international standards in terms of environmental and social risk management of operations financed

AFD makes its financing conditional on the implementation by the beneficiary project owners of a continuous and systematic environmental and social appraisal process making it possible (i) to assess the environmental and social impacts of operations, (ii) to propose appropriate measures to avoid negative impacts, or when they are unavoidable to reduce or compensate for them appropriately, (iii) to monitor the implementation of these measures during the implementation phase of the transaction, (iv) to assess a posteriori the effectiveness of the proposed measures.

In 2017, AFD adopted a policy to manage environmental and social risks for the operations it finances. As part of the follow-up to the 2005 Paris Declaration on Aid Effectiveness, and in line with the 2014 Orientation and Programming Law on Development and International Solidarity Policy, AFD has chosen to harmonise the principles of its policy for managing environmental and social risks related to operations financed in foreign states and to coordinate its actions with the environmental and social framework of multilateral donors. For this reason, it has chosen to align with the World Bank's environmental and social standards for projects with high or significant environmental and social impacts. This policy defines the framework and guiding principles applicable to environmental and social risk management. AFD also has a procedural corpus allowing it to operationally implement this policy.

Taking into account the specificities of its private sector financing mandate, Proparco has adopted an approach similar to that of AFD by aligning itself with the practices of international financial institutions. Proparco relies on the performance standards of the International Finance Corporation (IFC), the standards of the International Labour Organization (ILO), the United Nations Guiding Principles on Business and Human Rights (UNGPs), as well as on the resources of the Corporate Governance Development Framework (CGDF).

This system is explained in Section 2.1.2.6.3. "Managing the risks of causing negative environmental and social impacts" of the 2025 Universal Registration Document.

6.1.5 Particular attention is paid to the compliance of transactions

As discussed in Section 2.4. "Information on governance (G1)" of the 2025 Universal Registration Document, AFD group complies with the applicable regulations and strives to promote the highest standards and requirements in terms of integrity: fair practices, financial transparency, accountability on this financing, and zero tolerance for fraud, corruption and any Prohibited Practices across all its operations.

AFD group is aware that it operates in a very specific environment: notably, it provides supports for countries that are in crisis, are vulnerable, have limited capacity and/or are stigmatised in the corruption perception index produced by civil society. It often supports weak public contracting authorities, in areas of public finances where the regulatory environment is weak or, in a number of

countries, operates in sectors, particularly banking and finance, that are weak or lack maturity in terms of regulation and control. The Group also provides financing in countries that are subject to international, European or national economic and financial sanctions, or that have been criticised by the FATF or the European Union for shortcomings in their regulatory framework for combating money laundering and terrorist financing.

In this unique and complex context, a risk management mechanism has been put in place to prevent, detect and address any suspected misuse of its funding (for further details on the compliance risk management framework, please refer to Section 6.3.5).

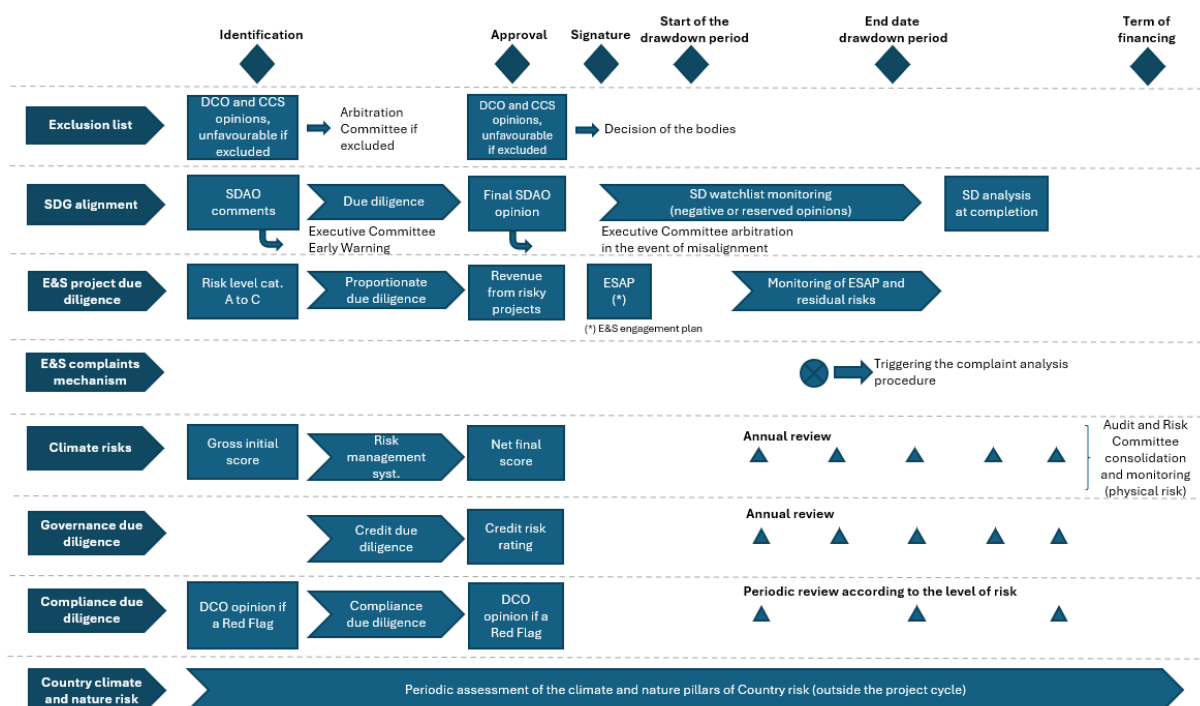
6.1.6 A specific roadmap on financial risks related to climate and nature

Since 2017, AFD group has been working to integrate financial climate risks, both physical and transition, into its risk analysis processes through various projects, and has developed internal and external training modules.

This work is documented in a roadmap, which focuses on four areas, discussed in Section 2.1.2.6.4. "Consideration of climate and nature financial risks" of the 2025 Universal Registration Document.

6.2 ESG risk governance at AFD group

AFD group disseminates the management of ESG risks in its organisation, with the establishment of teams, committees and bodies involved in the matter, with specific adapted procedures, and the implementation of monitoring and alert mechanisms. AFD's remuneration model is also explained at the end of this section.

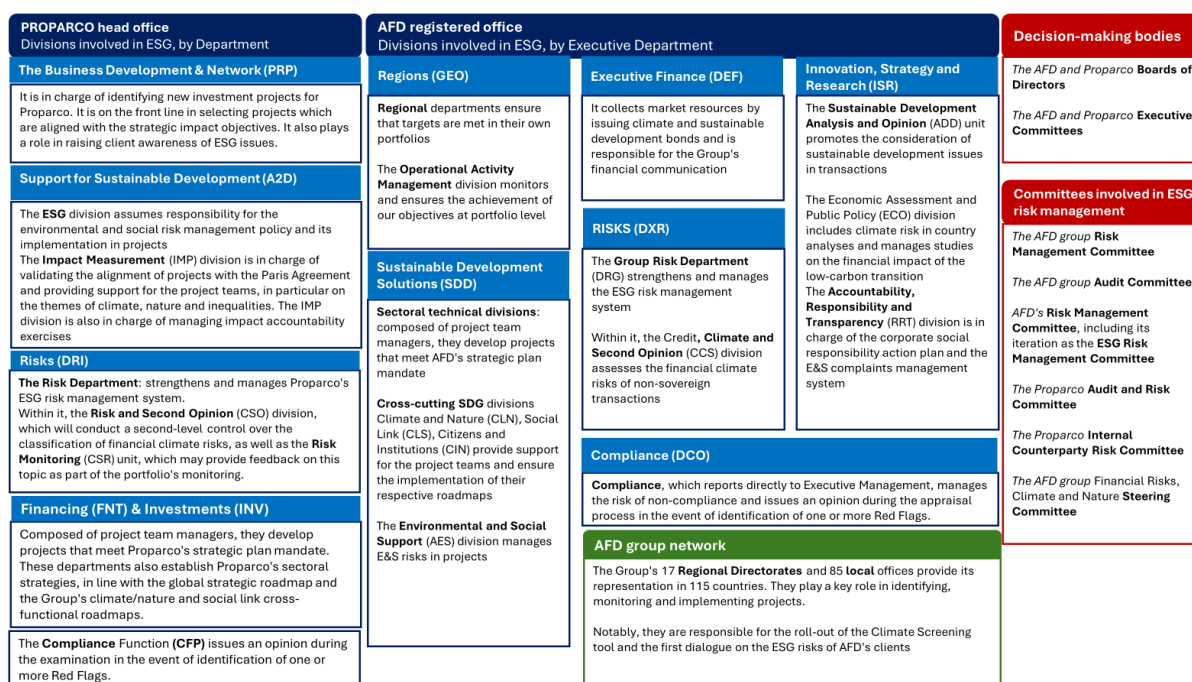


The graph above summarises the various mechanisms and tools relating to ESG topics at each stage of projects financed by AFD, from their identification to the end of financing. For further details, references to the paragraphs in this document are provided under each device name.

6.2.1 Actors and organisation

The organisation chart presented below shows AFD group's main organisation, listing the departments and teams involved in ESG risk management. This section also presents the main decision-making bodies at AFD and Proparco, as well as the committees involved in risk management.

It also includes the AFD group network. AFD, the Group's parent company, is present on five continents where it finances and drives development projects in 136 countries. It has a network of 85 local offices and 17 Regional Directorates around the world, including in the French Overseas. Proparco's network, an AFD subsidiary, is highly integrated with that of AFD, and has its own teams spread over 14 Regional Directorates and a dozen local offices. The local offices, as close as possible to the field, make it possible to initiate the first contact with the beneficiaries of projects, to identify projects, and to maintain a dialogue throughout their implementation. During the identification phase, local offices have the opportunity to highlight the first points of attention on the environmental and social issues of a project. As soon as they are identified, the local offices can call on project managers positioned in the Regional Directorates and housing cross-functional expertise, such as on environmental and social issues: their knowledge of the regulatory context and local practices also allows a more detailed analysis of these issues. The Proparco network does not include cross-functional project managers but relies on Proparco's head office teams from the Support for Sustainable Development (A2D, for *Accompagnement vers le Développement Durable* in French) department in the identification phase, for a preliminary analysis of the issues.



The Group's decision-making bodies (the AFD and Proparco Boards of Directors and Executive Committees) are presented in Section 3.1 "Corporate governance report" of the 2025 Universal Registration Document, taking into account, in May 2026, the succession of Christophe Lecourtier to Rémy Rioux as Chief Executive Officer of AFD group.

Some **committees** at the Group are involved in the ESG risk management system, whose functioning, composition and missions are discussed in Section 6.2.4 "Risk information" of the Universal Registration Document. Firstly, AFD's Risk Management Committee (takes several forms, including one specific to ESG. The half-yearly ESG Risk Management Committee ensures the due implementation of the Group's ESG risk management policy. The ESG Risk Management Committee makes it possible, on the one hand, to review the implementation of ESG risk management and, on the other, to review the

ESG risk profile. These reviews are structured around four axes: (i) risks related to ESG events impacting counterparties or invested assets; (ii) risks related to negative environmental and social impacts generated by counterparties; (iii) risks related to ESG events impacting AFD's internal operations; and (iv) risks related to sustainable strategic objectives.

At AFD, specifically in relation to ESG, the Group Audit and Risk Committee is informed quarterly of the indicators of the Risk Appetite Framework, including the ESG indicators. Similarly, the Group Audit and Risk Committees validates regulatory publications, and in particular this "Pillar 3" report.

At Proparco, specifically in relation to ESG, the Risk and Audit Committee assists the Board of Directors on matters concerning notably the risk and financial impacts in relation to Proparco's overall strategy, the mechanism for managing, monitoring, framing and controlling the risks to which the entity is exposed, as well as the entity's risk appetite. It is regularly informed of the work carried out at the level of AFD group or Proparco itself, with a view to complying with changes in standards (regulatory or accounting) applicable to the institution, notably with regard to the management of environmental, social and governance risks. The Internal Counterparty Risk Committee, for its part, meets quarterly and its main purpose is to analyse the credit risks borne by Proparco. Aggregate indicators of the portfolio's exposure are regularly presented for different portfolio dimensions (geographical, sectoral, etc.). Twice a year, Proparco's ESG division gives a presentation on the ESG quality of the portfolio, as well as on highlights of the period. One of the ESG items examined is the list of projects on the ESG Watchlist (portfolio of projects that have had unforeseen events related to ESG issues) as well as changes in this list. The projects presented in this Watchlist are classified according to three alert thresholds, each threshold being associated with a degree of involvement of the teams in charge of monitoring the project, or the implementation of specific actions according to scenarios.

6.2.2 The loan appraisal cycle

This section presents the loan appraisal cycle, from their identification to their presentation to the final decision-making bodies, and specifies the due diligence and interventions of the various issuers of ESG opinions.

At AFD

The project financing cycle comprises three main phases in which credit risk management structures in the broad sense of the term are involved.

The identification phase

On the basis of referral forms produced by the local offices and validated by the Regional Directorates, the Identification Committee decides whether to continue appraising financing proposals. It organises the project teams according to the nature of the projects and the counterparties involved. The project teams bring together, in addition and as necessary, the relevant support services (or cross-functional contributors) who contribute, within their field of competence, to the appraisal or implementation of financing transactions within the project team: climate and nature experts, specialists in environmental issues, gender and/or equality and inclusion experts (from the CLS division), environmental and social experts (from the AES division), Citizens and Institutions experts (from the CIN division), legal experts, specialists in procurement issues, etc.

Lastly, the Identification Committee defines the project team's investigation mandate, making it possible to ensure that the negative environmental and social impacts of the proposed transaction are controlled. Comments on aspects relating to compliance, credit risk, climate risk and the scope of the second-opinion regulatory opinion, as well as comments on alignment with the sustainable development framework, are then included and taken into account in the mandate. A sustainable development visa, equivalent to a favourable final opinion, may be issued by the unit at the identification committee stage for projects whose intervention logic is aligned with AFD's strategic

orientations, which do not present a risk of negative sustainable development impacts, and whose sustainable development issues are clearly identified and optimised upon identification.

The appraisal phase

The project team implements the mandate given to it during the appraisal phase and then presents the transaction to the Credit Committee, which examines the financing proposals, drawn up in the form of a project presentation sheet. The presentation to the Credit Committee takes place after the feasibility of the transaction has been established (technical and economic studies and associated due diligence, including environmental and social studies), and the financial analysis due diligence has been carried out for the rating of credit risk on non-sovereign risks. The Credit Committee also analyses the opinion formalised upstream by the Finance Department on the financial conditions proposed (pricing, management methods, etc.). Lastly, the Credit Committee defines the negotiation mandate given to the project team to finalise the terms of the financing with the client counterparty.

Following the appraisal process for proposals to finance projects and programmes involving credit risk, the decision to approve financing requires the systematic collection of the provisional second opinion, and, depending the risk level of the operation, the collection of the provisional compliance opinion (if a Red Flag is identified) and the provisional sustainable development opinion. These three opinions are said to be provisional because they are likely to include additional procedures and recommendations on the negotiation mandate and on the terms for structuring the financing (notably, for the second opinion, on the basis of the rating and structuring report prepared by the credit risk, climate and second opinion team).

The presentation phase at the final decision-making bodies (Board of Directors or Committee of Foreign States)

Further due diligence will enable the opinions' issuers to provide final opinions to the decision-making bodies based on the finalised presentation note. If one of the final opinions is reserved, negative or unfavourable, or if the operational teams wish to contest the recommendations, conditions precedent or consecutive rights issued by the issuers, the case is presented to the arbitration committee. This committee, chaired by Executive Management, examines the file to decide whether or not to present it to the decision-making body, based on the note to the decision-making bodies and the final opinions.

Once the transaction has been approved by the body, the project teams then formalise the financing documentation and respond to any potential rights, in order to then be able to sign the documentation and enter the phase of disbursement of funds and of implementation of the project.

At Proparco

The financing or investment project award cycle comprises four main phases in which the wider credit risk management structures are involved: (i) the identification phase, (ii) the appraisal phase, (iii) the granting phase and (iv) the formalisation phase. Proparco's appraisal process is broadly similar to that of AFD, with only the specific features relating to opinion issuers and ESG being discussed below.

The identification phase

It makes it possible to select, among financing applications, projects that are in line with Proparco's intervention strategies as defined in the business plan and in line with Proparco's exclusion list.

On the basis of project identification notes drafted by Proparco's regional offices (or the operational divisions housed at the head office in some cases), the Identification Committee, chaired by the head of the operational division concerned, decides on the continuation of the examination of financing proposals and defines the mandate for the project team. This decision is based in particular on the analyses carried out by the divisions of the Support for Sustainable Development department (the ESG division and the Impact Measurement (IMP) division). Experts from the ESG division carry out contextual research for the Identification Committee (screening of climate risks, biodiversity, reputation, gender, human rights, etc.) which complements the initial ESG risk analysis elements

collected by the project identification sheet's drafter. All of these elements serve as the basis for determining the Identification Committee classification of ESG risk according to the scale described in the appropriate procedure, which includes four categories for direct projects (A, B+, B, C) and three for projects of financial intermediaries (FI-A, FI-B, FI-C) (see Section 6.3.1). This classification determines the level of E&S requirements to be applied during the subsequent phases of the project cycle, and the level of involvement of the ESG division. The Identification Committee is also an opportunity to validate the compliance of the project proposal with the requirements of the AFD group exclusion list, the terms of use of which are described in an internal exclusion list application guide. In some cases, this validation is not possible at the CID stage and requires additional analyses to be carried out during the appraisal phase.

For its part, the IMP division is involved in validating the project's alignment with the Paris Agreement. This analysis is carried out on the basis of information collected upstream of the Identification Committee, through an interaction with the offices or project managers responsible for the appraisal. IMP also provides support at the Identification Committee for the identification of the positive impacts of financing proposals, notably with regard to their contribution in terms of climate finance (mitigation, adaptation), biodiversity finance or their gender classification according to the 2X methodology indicators⁽⁴⁾.

The appraisal phase

The ESG division is involved in the project team for projects classified as A, B+ and FI-A. This phase aims to implement the investigation mandate set out at the Identification Committee and results in the establishment of an overall analysis of the environmental and social impacts described in an Environmental and Social Shuttle Form, which is reviewed at the time of the grant. The appraisal phase aims to confirm compliance with the exclusion list, and also helps to identify gaps between the client's performance and the rules and standards that Proparco is committed to respecting in its projects. These differences are transcribed in Environmental and Social Action Plans (ESAP) integrated into the contractual financing documentation (at the formalisation stage). The due implementation of these action plans is monitored throughout the life of the project, with the involvement of the ESG teams. The appraisal phase is also used to validate the positive impact elements identified at the Identification Committee stage (validation carried out by the Impact Measurement (IMP) division at the time of the granting phase).

Following the process for examining financing proposals for projects and programmes involving credit risk, the decision to approve financing requires the collection of compliance opinions (issued by Proparco Compliance team, if a Red Flag is identified), and of the Second Opinion (CSO team) opinions that include the ESG dimension in their respective opinion scopes.

6.2.3 ESG alert systems and monitoring mechanisms

6.2.3.1 Early warning mechanism

At AFD, at the Identification Committees, the Sustainable Development Analysis and Opinion (SDAO) team has the option to issue an "early warning" to the AFD Executive Committee for projects identified as possibly out of alignment with the SDGs at the time of the Identification Committee and likely to receive a negative sustainable development opinion. It is a mechanism that makes it possible to check the alignment of each line of financing with the expectations of the Paris Agreement and the Global Biodiversity Framework. The Executive Committee is then called upon to decide whether to continue the appraisal and the associated conditions and mandate, or whether to abandon one or more components, or even the entire project.

⁴ <https://www.2xchallenge.org>

During the appraisal and before the decision is taken, if the opinion remains reserved or negative, the project is submitted to the decision of an arbitration committee chaired by Executive Management, which decides whether or not to present the project as it stands to the final decision-making bodies.

Moreover, for projects that have benefited from a "sustainable development visa" at the identification stage, *i.e.* for projects that have received a final favourable opinion from the Identification Committee, any person or entity participating in the decision-making process will be able to exercise a mechanism known as a "rappel rope" in the event of a major change between the Identification Committee and the Credit Committee, if the environmental and social risk management framework is not complied with or if the instruction does not address the sustainable development issues identified at the time of the Identification Committee. The project will then be subject to a sustainable development opinion in due form.

At Proparco

Unfavourable opinions are expressed by the teams of the Support for Sustainable Development (A2D, for *Accompagnement vers le Développement Durable* in French) department during the identification committee. On this basis, it is left to the discretion of the project team to decide whether to continue the investigation or to request the opinion of the Executive Management on the continuation of the investigation.

6.2.3.2 Annual monitoring of sustainable development issues

AFD's Sustainable Development Analysis and Opinion mechanism provides for specific monitoring of financing transactions that have received a final, reserved or negative SDAO opinion. These projects are monitored specifically after a grant as part of the "*sustainable development watchlist*" led by AFD's middle office team.

Lastly, since 2023, the project teams carry out a sustainable development analysis upon completion of projects. Based on the ratings set at the time of the grant, they update the sustainable development analysis according to the actual achievements carried out as part of the project. This re-rating process also aims to contribute to learning about the sustainable development analysis and opinion mechanism.

6.2.3.3 Monitoring of residual environmental and social risks

AFD's Environmental and Social Support (AES for *Appui Environnemental et Social* in French) division and Proparco's ESG division carry out an annual appraisal of the residual environmental and social risks of projects under implementation, with the support of the operational teams. The methodology of this analysis is described in Section 6.3.1

6.2.3.4 For projects under implementation

As part of AFD's risk monitoring, the update of the credit risk and climate risk ratings of all non-sovereign and indirect sovereign counterparties in the portfolio (and of guarantor entities when the personal guarantee improves credit risk) is carried out by the project teams and verified by the Executive Risk Department. This update is carried out on the basis of the Risk Appraisal Sheet completed by the local office, the Regional Directorate, and then by the operational middle office or the country manager. The rating, according to the intrinsic and credit rating methodology, must be updated as soon as any major event affecting the risk borne occurs and, at least, quarterly for counterparties under surveillance (registered in the *watchlist*), and annually for all counterparties. For counterparties in AFD portfolio, there are two methods for reviewing ratings: a less stringent review for the counterparties considered to be the least risky, and a traditional review for the others. The review of ratings involves a review of the exposure to climate-related financial risks, both physical and transition risks, using the same tools as those used during the appraisal. The respect of the commitments made by the beneficiary as part of its Environmental and Social Commitment Plan (ESAP)

is the responsibility of AFD's operational teams. As such, the AES division's E&S experts conduct an annual analysis of residual risks on the projects deemed the riskiest during the initial analysis (see Section 6.2.3.3).

At Proparco

The mechanism for monitoring counterparties is based notably on continuous monitoring and a rating of counterparties over time, at least once each year. These ratings are carried out by Proparco's operational teams or by the regional departments, which apply rating methodologies adopted by the Group (similar to those used for the Risk Appraisal Sheets mentioned above), and are then reviewed by the Second Opinion (CSO, for *Crédit & Seconde Opinion* in French) division. The ratings may be reviewed, notably by the Risk Department, in the event of new circumstances impacting the financial position and credit quality of the counterparties.

The risk situation is the subject of a half-yearly presentation to the Internal Counterparty Risk Committee, to the Risk and Audit Committee and to Proparco's Board of Directors. The indicators of the risk appetite framework are reviewed quarterly.

6.2.4 Remuneration

The remuneration of AFD group employees and representatives consists mainly of a basic salary, various bonuses and awards (end-of-year bonuses, holiday bonuses, function bonuses) and a collective performance variable bonus. Specific conditions apply to employees and representatives in mainland France as well as for those in local offices in Guadeloupe, Martinique, French Guiana, Reunion Island and Mayotte.

The amount of the variable collective performance bonus paid depends on the achievement of collective performance targets. The eligibility conditions and the methods for calculating and paying the variable collective performance bonus are set out in a unilateral note from management.

6.3 ESG risk management mechanisms

6.3.1 Management of the negative environmental and social impacts of projects financed by AFD Group

AFD makes its financing conditional on the implementation by clients and beneficiaries of a continuous and systematic environmental and social appraisal process making it possible (i) to assess the environmental and social impacts of operations, (ii) to propose appropriate measures to avoid negative impacts, or when they are unavoidable to reduce or compensate for them appropriately, (iii) to monitor the implementation of these measures during the implementation phase of the transaction, (iv) to assess a posteriori the effectiveness of the proposed measures. Thus, AFD has adopted an environmental and social (E&S) risk management policy for the operations it finances. This policy defines the framework and guiding principles applicable to E&S risk management. AFD also has a procedural corpus allowing it to operationally implement this policy.

Notwithstanding a few specificities, Proparco follows an approach similar to that of AFD in its system for managing negative environmental and social impacts in its financed operations (due diligence during appraisal, classification by risk level, annual assessment of residual risks of projects being executed).

Proparco has also introduced an “ESG watchlist”: where unforeseen events or significant delays in the implementation of the action plan arise, projects being monitored may be placed on this watchlist and are then flagged as “E&S-G Alert”. The purpose of this list is to draw internal attention to projects where a significant E&S or G risk is proven. This risk may lead either to a proven case of non-compliance with the commitments made by Proparco in its sustainable development strategy, or to a deterioration

in the financial health of the project, or an external reaction damaging Proparco's reputation (media, NGO, etc.). It is fed by E&S-G monitoring, as well as the E&S monitoring carried out by the ESG division. It is presented to the Internal Counterparty Risk Committee twice a year and disseminated internally by the Risk Department.

The environmental and social risk management systems for operations financed by AFD and Proparco are discussed in Section 2.1.2.6.3. "Managing the risks of causing negative environmental and social impacts" of the 2025 Universal Registration Document.

6.3.2 Complaints management

Two mechanisms for processing environmental and social complaints, respectively for AFD and Proparco, help to manage, where appropriate, an operational risk. These mechanisms make it possible to explore remediation when negative or unexpected environmental and social impacts could not be avoided, reduced or offset according to the provisions of the environmental and social management plans of projects financed by AFD or Proparco. These mechanisms help to strengthen the AFD's transparency and accountability practices, drawing on the experience of other financial stakeholders, thanks to exchanges within the IAMnet international network (Independent Accountability Mechanism Network).

The two mechanisms are discussed in Section 2.3.2.3.1 "Environmental and social complaints system" of the 2025 Universal Registration Document.

6.3.3 AFD Group's management of financial risks related to climate and nature

At AFD group, climate risks are approached from different angles: the type of climate risks considered (physical or transition), the scope studied (at the counterparty level, or at the level of a country).

At country level, the Economic Assessment and Public Policy (ECO) division systematically integrates the appraisal of financial risks related to climate change and gradually integrates the assessment of financial risks related to biodiversity into its country risk and sovereign risk assessments.

For non-sovereign financing, financial climate risks are addressed in two ways: on the one hand, through credit risk rating exercises during appraisals and the annual Risks Appraisal Sheets exercise for the portfolio, and, on the other hand, through analysis tools specific to climate risk.

The tools for assessing financial climate risks are addressed in section 2.2.1.1.2. "The operationalisation of AFD group's climate commitments" of the 2025 Universal Registration Document, for AFD group's sovereign and non-sovereign clients.

Similarly, the tools for assessing financial risks related to biodiversity are discussed in Section 2.2.2.3.5. "AFD group monitoring financial risks" of the 2025 Universal Registration Document for AFD group's sovereign clients.

At Proparco, the analysis of clients' climate risks follows the same approach as that of the AFD outlined above: with regard to physical climate risks, an automated assessment is carried out systematically, and an in-depth review of these risks has been conducted since 2025 across the scope of debt financing. The analysis of the transition risks of Proparco's clients is also based on the tools developed by AFD. These risks are assessed as part of the preparation or updating of the Risk Appraisal Sheet.

Financial risks related to biodiversity are not currently analysed by AFD group as part of the lending or credit risk review processes for non-sovereign counterparties. However, AFD has developed a methodology for assessing the physical risks related to nature degradation, by coupling a sectoral approach (analysis of the dependencies of economic activities on the services provided by ecosystems) with a geographical approach (analysis of data on the state of these ecosystem services at the country

level). An initial mapping of the global exposure of the non-sovereign portfolio to physical nature risks was drawn up in 2024.

6.3.4 Consideration of governance risks in project ratings

The challenges of the capacity of project owners to carry out projects financed by AFD and, more generally, of the governance of the entities financed, are key success factors for the projects and major risk factors for AFD's clients. The local office therefore developed methods for assessing and monitoring these risks at both the project and client levels.

The appraisal of risks related to counterparties' organisational maturity and the institutional governance of their projects is fully integrated into AFD's non-sovereign counterparties rating process as part of the credit risk rating during the project appraisal and the production of the annual Risks Appraisal Sheets: this is one of the main lines of qualitative analysis considered when assigning a credit rating to a counterparty. For these analyses, the governance of the listed entity is the first pillar of the counterparty's qualitative rating. The elements analysed depend on the type of counterparty and include assessments of the entity's governance (influence of shareholders on the management of the company, functioning of bodies, quality of management) and the organisation and quality of controls (quality of the organisation and internal processes, quality of internal control and quality of external audit). These assessments contribute to the counterparty's intrinsic rating and, consequently, to its final credit rating.

6.3.5 Preventing corruption, fraud, money laundering, terrorist financing and tax evasion

Corruption, influence peddling, fraud and any form of misappropriation of public and private aid are likely to have a detrimental impact on AFD group's mission. The same applies to any financing that would lead, without the knowledge of AFD and its subsidiaries, to participating in a money laundering or terrorist financing mechanism.

To this end, AFD group promotes a culture of integrity and notably ensures compliance with applicable regulations and internal provisions on (i) the prevention of money laundering and the financing of terrorism (AML/CFT), (ii) the fight against corruption and related offences, as well as fraud or anti-competitive practices, (iii) compliance with international and national financial and commercial sanctions, (iv) banking ethics, the conduct of banking and financial activities, and (v) the protection of the privacy and personal data of clients. AFD group also rolled out a risk management mechanism aimed at preventing, detecting and dealing with any suspicion of predation of its financing. This system is based first and foremost on a set of procedures relating to financial security and professional ethics. This system and the associated training courses are presented in Section 2.4.1.2 "Procedures put in place to prevent, detect and deal with cases of prohibited practices" of the 2025 Universal Registration Document. Section 2.4.1.1. "Mechanisms in place to identify, report and investigate concerns relating to behaviour that is unlawful or contrary to its Code of Conduct" of the 2025 Universal Registration Document gives more details on the subject, and covers controls during the lifetime of the project, third-party commitments, and controls in the context of the award of foreign public contracts. Lastly, AFD, in its capacity as a parent company, supervises and steers its subsidiaries and strategic equity investments in compliance with the legal framework applicable to it.

Moreover, being subject to banking regulations on the fight against money laundering and the financing of terrorism, AFD, its subject subsidiaries or AFD on behalf of its non-subject subsidiaries, may make a suspicion report to Tracfin⁽⁵⁾.

The systems for reporting misconduct (the whistleblowing system, operational incident reporting, reporting through the line management, and the system for reporting prohibited practices) enable

⁵ Tracfin is the financial intelligence unit under the authority of the Ministry of the Economy, Finance and Industrial, Energy and Digital Sovereignty

information to be effectively channelled upwards within AFD group and are set out in detail in Section 2.4.2.2. "Whistleblowing system and other types of reporting (protection, investigation procedures, communication of results)" of the 2025 Universal Registration Document.

Lastly, in order to take action to prevent tax evasion, and with a view to participating in the French policy to combat fraud and tax evasion as promoted by France within the framework of the G7, the G20, or the Interministerial Committee for International Cooperation and Development (CICID), AFD group has, since 2009, had a rigorous policy, redefined in 2023, with regard to non-cooperative jurisdictions (NCJ) in tax matters and anti-money laundering/combating the financing of terrorism (AML/CFT). This policy provides a framework for operations carried out and projects financed in NCJs as well as operations involving one or more NCJs and/or more broadly one or more jurisdictions considered as offshore centres.

When a project involves one or more fiscal NCJs or AML/CFTs, AFD group's policy sets out the categories of operations prohibited, authorised or eligible for Group financing as well as the specific diligence to be performed: depending on the case, the presence of fiscal NCJs may be authorised subject to conditions or strictly prohibited.

6.3.6 Integrating ESG risks into risk management mechanisms

The integration of ESG risks in a cross-functional manner into the various branches of AFD group's risk management system is the object of the following projects.

6.3.6.1 Risk appetite framework

AFD's risk appetite framework covers the Group's entire scope; Proparco is also governed by its own risk appetite framework, established in line with that of AFD.

Since 2025, AFD's Risk Appetite Framework has proposed a first ESG indicator, with the addition of an indicator on the vulnerability of AFD's non-sovereign portfolio to climate financial risk. It is foreseen that additional ESG indicators will be gradually integrated into the future risk appetite frameworks.

6.3.6.2 Gradually updating mapping from an ESG perspective

In 2025, AFD group committed to carrying out a first ESG risk mapping exercise, in the context of mapping its financial risks through the identification of environmental transmission channels, and in mapping its operational risks as part of highlighting operational and environmental risks. The ultimate goal is to update all of AFD group's risk maps through an ESG lens, using materiality analyses, resilience and climate stress tests, and relevant performance and risk monitoring indicators.

6.3.6.3 Climate transition risk exposure stress test

Furthermore, in 2020, AFD took part in a stress test led by the ACPR to assess the French banking sector's exposure to transition risk. The work carried out concluded that the impact on credit ratings is limited, even in the most adverse scenario (considering an "accelerated" transition, with carbon neutrality in 2050). Indeed, the model results in an average deterioration of one notch for the most adverse scenario, and only 0.03 of a notch in the central scenario. These results are a natural consequence of the 100% Paris Agreement policy adopted by AFD and of the exclusion policies mentioned above.

6.4 Cross-reference tables with qualitative tables

6.4.1 TABLE 1 — QUALITATIVE INFORMATION ON ENVIRONMENTAL RISK

Line number	Qualitative information – free format	
	Economic strategy and processes	
a)	Institution's business strategy to integrate environmental factors and risks, taking into account the impact of environmental factors and risks on institution's business environment, business model, strategy and financial planning	6.1 ESG in AFD group's strategy 6.1.6 A specific roadmap on financial risks related to climate and nature
b)	Objectives, targets and limits to assess and address environmental risk in short-, medium-, and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	6.1 ESG in AFD group's strategy 6.1.1 The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs 6.1.2 A credit policy aligned with this strategy 6.1.3 The exclusion list 6.1.6 A specific roadmap on financial risks related to climate and nature
c)	Current investment activities and (future) investment targets towards environmental objectives and EU Taxonomy-aligned activities	6.1.1 The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs
d)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce environmental risks	6.3.1 Management of the negative environmental and social impacts of projects financed by AFD group 6.3.3 AFD group's management of financial risks related to climate and nature
	Governance	
e)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of environmental risk management covering relevant transmission channels	6.2 ESG risk governance at AFD group 6.2.1 Actors and organisation
f)	Management body's integration of short-, medium- and long-term effects of environmental factors and risks, organisational structure both within business lines and internal control functions	6.2.3 ESG alert systems and monitoring mechanisms
g)	Integration of measures to manage environmental factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body covering relevant transmission channels	6.2.3.1 Early warning mechanism 6.2.1 Actors and organisation
h)	Lines of reporting and frequency of reporting relating to environmental risk	6.2.3.1 Early warning mechanism 6.2.1 Actors and organisation
i)	Alignment of the compensation policy with institution's environmental risk-related objectives	6.2.4 Remuneration
	Risk management	
j)	Integration of short-, medium- and long-term effects of environmental factors and risks in the risk framework	6.3.6 Integrating ESG risks into risk management mechanisms
k)	Definitions, methodologies and international standards on which the environmental risk management framework is based	6.1.4 Alignment with the highest international standards in terms of environmental and social risk management of operations financed 6.3.3 AFD group's management of financial risks related to climate and nature

l)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to environmental risks, covering relevant transmission channels	6.1.1 The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs 6.1.2 A credit policy aligned with this strategy 6.2.3.2 Annual monitoring of sustainable development issues 6.3.1 Management of the negative environmental and social impacts of projects financed by AFD group 6.3.3 AFD group's management of financial risks related to climate and nature
m)	Activities, commitments and exposures contributing to mitigate environmental risks	6.1.3 The exclusion list
n)	Implementation of tools for identification, measurement and management of environmental risks	6.2.3.1 Early warning mechanism 6.2.3.2 Annual monitoring of sustainable development issues 6.2.3.3 Monitoring of residual environmental and social risks 6.2.3.4 For projects under implementation
o)	Results and outcome of the risk tools implemented and the estimated impact of environmental risk on capital and liquidity risk profile	6.3.3 AFD group's management of financial risks related to climate and nature 6.3.6 Integrating ESG risks into risk management mechanisms
p)	Data availability, quality and accuracy, and efforts to improve these aspects	6.3.3 AFD group's management of financial risks related to climate and nature
q)	Description of limits to environmental risks (as drivers of prudential risks) that are set, and triggering escalation and exclusion in the case of breaching these limits	6.3.6 Integrating ESG risks into risk management mechanisms
r)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	6.3.6 Integrating ESG risks into risk management mechanisms

6.4.2 TABLE 2 — QUALITATIVE INFORMATION ON SOCIAL RISK

Line number	Qualitative information – free format	
	Economic strategy and processes	
a)	Adjustment of the institution's business strategy to integrate social factors and risks taking into account the impact of social risk on the institution's business environment, business model, strategy and financial planning	6.1 ESG in AFD group's strategy
b)	Objectives, targets and limits to assess and address social risk in short-term, medium-term and long-term, and performance assessment against these objectives, targets and limits, including forward-looking information in the design of business strategy and processes	6.1 ESG in AFD group's strategy 6.1.1 The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs 6.1.2 A credit policy aligned with this strategy 6.1.3 The exclusion list
c)	Policies and procedures relating to direct and indirect engagement with new or existing counterparties on their strategies to mitigate and reduce socially harmful activities	6.1.2 A credit policy aligned with this strategy 6.2.2 The loan appraisal cycle 6.3.1 Management of the negative environmental and social impacts of projects financed by AFD group
	Governance	
d)	Responsibilities of the management body for setting the risk framework, supervising and managing the implementation of the objectives, strategy and policies in the context of social risk management covering counterparties' approaches to:	6.2 ESG risk governance at AFD group 6.2.1 Actors and organisation
i)	Activities towards the community and society	
ii)	Employee relationships and labour standards	
iii)	Customer protection and product responsibility	

iv)	Human rights	
e)	Integration of measures to manage social factors and risks in internal governance arrangements, including the role of committees, the allocation of tasks and responsibilities, and the feedback loop from risk management to the management body	6.2 ESG risk governance at AFD group 6.2.1 Actors and organisation 6.3.5 Preventing corruption, fraud, money laundering, terrorist financing and tax evasion
f)	Lines of reporting and frequency of reporting relating to social risk	6.2.3.1 Early warning mechanism 6.2.3.2 Annual monitoring of sustainable development issues 6.2.3.3 Monitoring of residual environmental and social risks 6.2.3.4 For projects under implementation
g)	Alignment of the compensation policy in line with institution's social risk-related objectives	6.2.4 Remuneration
	Risk management	
h)	Definitions, methodologies and international standards on which the social risk management framework is based	6.1.4 Alignment with the highest international standards in terms of environmental and social risk management of operations financed
i)	Processes to identify, measure and monitor activities and exposures (and collateral where applicable) sensitive to social risk, covering relevant transmission channels	6.1.1 The Sustainable Development Analysis and Opinion (SDAO) mechanism to steer alignment with the SDGs 6.1.2 A credit policy aligned with this strategy 6.2.3.2 Annual monitoring of sustainable development issues 6.3.1 Management of the negative environmental and social impacts of projects financed by AFD group
j)	Activities, commitments and assets contributing to mitigate social risk	6.3.1 Management of the negative environmental and social impacts of projects financed by AFD group
k)	Implementation of tools for identification and management of social risk	6.3.1 Management of the negative environmental and social impacts of projects financed by AFD group
l)	Description of setting limits to social risk and cases to trigger escalation and exclusion in the case of breaching these limits	6.3.6 Integrating ESG risks into risk management mechanisms
m)	Description of the link (transmission channels) between environmental risks with credit risk, liquidity and funding risk, market risk, operational risk and reputational risk in the risk management framework	6.3.6 Integrating ESG risks into risk management mechanisms

6.4.3 TABLE 3 — QUALITATIVE INFORMATION ON GOVERNANCE RISK

Line number	Qualitative information – free format	
	Governance	
a)	Institution's integration in their governance arrangements governance performance of the counterparty, including committees of the highest governance body, committees responsible for decision-making on economic, environmental, and social topics	6.1 ESG in AFD group's strategy
b)	Institution's accounting of the counterparty's highest governance body's role in non-financial reporting	6.3.4 Consideration of governance risks in project ratings
c)	Institution's integration in governance arrangements of the governance performance of their counterparties including:	6.3.4 Consideration of governance risks in project ratings
i)	ethical considerations	
ii)	strategy and risk management	
iii)	inclusiveness	
iv)	transparency	
v)	management of conflict of interest	
vi)	internal communication on critical concerns	
	Risk management	
d)	Institution's integration in risk management arrangements the governance performance of their counterparties in terms of:	6.3.5 Preventing corruption, fraud, money laundering, terrorist financing and tax evasion
i)	ethical considerations	
ii)	strategy and risk management	
iii)	inclusiveness	
iv)	transparency	
v)	management of conflict of interest	
vi)	internal communication on critical concerns	

6.5 Quantitative tables

In the European context of the simplification of regulatory requirements relating to ESG, and following the publication by the European Banking Authority on 6 August 2025 of a no-action letter, quantitative models 6 to 10 will not be published until the end of 2026. Similarly, the taxonomic alignment information is not completed in Model 1 (column c) and Model 4 (column c).

6.5.1 TEMPLATE 1 - BANKING BOOK - CLIMATE CHANGE TRANSITION RISK

As of 30.06.2026
(In millions of euros)

Sector/subsector	a	b	c	d	e
Gross carrying amount (Mln EUR)					
		Of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with Article 12(1) points (d) to (g) and Article 12(2) of Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures
1 Exposures towards sectors that highly contribute to climate change*	7 810	1 058		1 857	929
2 A - Agriculture, forestry and fishing	188	-		6	2
3 B - Mining and quarrying	323	-		6	-
4 B.05 - Mining of coal and lignite	-	-		-	-
5 B.06 - Extraction of crude petroleum and natural gas	6	-		6	-
6 B.07 - Mining of metal ores	21	-		-	-
7 B.08 - Other mining and quarrying	296	-		-	-
8 B.09 - Mining support service activities	-	-		-	-
9 C - Manufacturing	788	-		231	121
10 C.10 - Manufacture of food products	132	-		4	22
11 C.11 - Manufacture of beverages	-	-		-	-
12 C.12 - Manufacture of tobacco products	-	-		-	-
13 C.13 - Manufacture of textiles	108	-		98	0
14 C.14 - Manufacture of wearing apparel	20	-		-	20
15 C.15 - Manufacture of leather and related products	-	-		-	-
16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	37	-		24	13
17 C.17 - Manufacture of paper and paper products	-	-		-	-
18 C.18 - Printing and reproduction of recorded media	1	-		-	1
19 C.19 - Manufacture of coke and refined petroleum products	-	-		-	-
20 C.20 - Manufacture of chemicals and chemical products	28	-		-	12
21 C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	295	-		77	-
22 C.22 - Manufacture of rubber products	1	-		-	1
23 C.23 - Manufacture of other non-metallic mineral products	52	-		26	-
24 C.24 - Manufacture of basic metals	60	-		3	50
25 C.25 - Manufacture of fabricated metal products, except machinery and equipment	-	-		-	-
26 C.26 - Manufacture of computer, electronic and optical products	0	-		-	-
27 C.27 - Manufacture of electrical equipment	20	-		-	-
28 C.28 - Manufacture of machinery and equipment n.e.c.	-	-		-	-
29 C.29 - Manufacture of motor vehicles, trailers and semi-trailers	-	-		-	-
30 C.30 - Manufacture of other transport equipment	-	-		-	-
31 C.31 - Manufacture of furniture	-	-		-	-
32 C.32 - Other manufacturing	33	-		-	0
33 C.33 - Repair and installation of machinery and equipment	-	-		-	-
34 D - Electricity, gas, steam and air conditioning supply	3 058	1 058		648	434
35 D35.1 - Electric power generation, transmission and distribution	2 988	1 058		648	434
36 D35.11 - Production of electricity	2 846	1 058		634	363
37 D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	69	-		-	-
38 D35.3 - Steam and air conditioning supply	-	-		-	-
39 E - Water supply; sewerage, waste management and remediation activities	1 003	-		370	71
40 F - Construction	226	-		61	-
41 F.41 - Construction of buildings	74	-		18	-
42 F.42 - Civil engineering	152	-		43	-
43 F.43 - Specialised construction activities	-	-		-	-
44 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	126	-		-	15
45 H - Transportation and storage	1 370	-		156	204
46 H.49 - Land transport and transport via pipelines	746	-		20	114
47 H.50 - Water transport	28	-		1	-
48 H.51 - Air transport	41	-		0	33
49 H.52 - Warehousing and support activities for transportation	509	-		135	57
50 H.53 - Postal and courier activities	46	-		-	-
51 I - Accommodation and food service activities	156	-		26	46
52 L - Real estate activities	574	-		354	36
53 Exposures towards sectors other than those that highly contribute to climate change*	58 760	-		4 954	2 871
54 K - Financial and insurance activities	17 727	-		581	143
55 Exposures to other sectors (NACE codes J, M - U)	41 033	-		4 373	2 728
56 TOTAL	66 569	-		6 811	3 800

* In accordance with the Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

As of 30.06.2026
(In millions of euros)

Sector/subsector	f	g	h	i	j
	Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions (Mln EUR)			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) (in tons of CO2 equivalent)	
		Of which Stage 2 exposures	Of which non-performing exposures		Of which Scope 3 financed emissions
1 Exposures towards sectors that highly contribute to climate change*	541	178	344	9 265 109	2 305 036
2 A - Agriculture, forestry and fishing	2	0	-	59 838	28 659
3 B - Mining and quarrying	0	0	-	97 871	39 870
4 B.05 - Mining of coal and lignite	-	-	-	0	0
5 B.06 - Extraction of crude petroleum and natural gas	0	0	-	4 093	436
6 B.07 - Mining of metal ores	0	-	-	4 787	3 225
7 B.08 - Other mining and quarrying	0	-	-	88 991	36 208
8 B.09 - Mining support service activities	-	-	-	0	0
9 C - Manufacturing	83	20	61	284 597	194 743
10 C.10 - Manufacture of food products	15	0	13	70 636	66 272
11 C.11 - Manufacture of beverages	-	-	-	0	0
12 C.12 - Manufacture of tobacco products	-	-	-	0	0
13 C.13 - Manufacture of textiles	16	16	0	20 840	17 461
14 C.14 - Manufacture of wearing apparel	3	-	3	2 518	2 045
15 C.15 - Manufacture of leather and related products	-	-	-	0	0
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	11	1	10	11 179	7 020
17 C.17 - Manufacture of paper and paper products	-	-	-	0	0
18 C.18 - Printing and reproduction of recorded media	-	-	-	496	474
19 C.19 - Manufacture of coke and refined petroleum products	-	-	-	0	0
20 C.20 - Manufacture of chemicals and chemical products	1	-	1	53 622	22 199
C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	1	1	-	60 265	43 049
22 C.22 - Manufacture of rubber products	-	-	-	530	476
23 C.23 - Manufacture of other non-metallic mineral products	2	2	-	33 748	12 808
24 C.24 - Manufacture of basic metals	34	0	34	14 725	8 534
C.25 - Manufacture of fabricated metal products, except machinery and equipment	-	-	-	0	0
26 C.26 - Manufacture of computer, electronic and optical products	-	-	-	169	114
27 C.27 - Manufacture of electrical equipment	-	-	-	8 626	7 993
28 C.28 - Manufacture of machinery and equipment n.e.c.	-	-	-	0	0
29 C.29 - Manufacture of motor vehicles, trailers and semi-trailers	-	-	-	0	0
30 C.30 - Manufacture of other transport equipment	-	-	-	0	0
31 C.31 - Manufacture of furniture	-	-	-	0	0
32 C.32 - Other manufacturing	0	-	-	7 246	6 298
33 C.33 - Repair and installation of machinery and equipment	-	-	-	0	0
34 D - Electricity, gas, steam and air conditioning supply	220	65	147	6 318 523	1 512 195
35 D35.1 - Electric power generation, transmission and distribution	220	65	147	6 267 466	1 502 454
36 D35.11 - Production of electricity	208	64	136	0	0
37 D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	0	-	-	51 057	9 740
38 D35.3 - Steam and air conditioning supply	-	-	-	0	0
39 E - Water supply; sewerage, waste management and remediation activities	65	33	30	1 888 781	206 999
40 F - Construction	2	2	-	40 174	38 088
41 F.41 - Construction of buildings	1	1	-	18 746	17 563
42 F.42 - Civil engineering	2	1	-	21 427	20 524
43 F.43 - Specialised construction activities	-	-	-	0	0
44 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	1	-	0	16 854	15 056
45 H - Transportation and storage	75	18	56	469 056	188 164
46 H.49 - Land transport and transport via pipelines	13	2	9	283 976	102 385
47 H.50 - Water transport	1	0	-	61 362	26 927
48 H.51 - Air transport	30	0	30	61 320	15 344
49 H.52 - Warehousing and support activities for transportation	31	16	17	56 009	37 832
50 H.53 - Postal and courier activities	0	-	-	6 389	5 675
51 I - Accommodation and food service activities	31	4	26	52 146	49 199
52 L - Real estate activities	62	37	24	37 270	32 064
53 Exposures towards sectors other than those that highly contribute to climate change*	1 144	267	744		
54 K - Financial and insurance activities	162	22	96		
55 Exposures to other sectors (NACE codes J, M - U)	982	244	649		
56 TOTAL	1 685	445	1 088		

* In accordance with the Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

As of 30.06.2026
(In millions of euros)

Sector/subsector	k	l	m	n	o	p
	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company- specific reporting	<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
1 Exposures towards sectors that highly contribute to climate change*	0%	1 612	2 415	3 636	147	9
2 A - Agriculture, forestry and fishing	0%	97	91	1	-	4
3 B - Mining and quarrying	0%	27	-	296	-	10
4 B.05 - Mining of coal and lignite	0%	-	-	-	-	-
5 B.06 - Extraction of crude petroleum and natural gas	0%	6	-	-	-	0
6 B.07 - Mining of metal ores	0%	21	-	-	-	3
7 B.08 - Other mining and quarrying	0%	-	-	296	-	11
8 B.09 - Mining support service activities	0%	-	-	-	-	-
9 C - Manufacturing	0%	353	411	24	0	4
10 C.10 - Manufacture of food products	0%	77	55	-	-	4
11 C.11 - Manufacture of beverages	0%	-	-	-	-	-
12 C.12 - Manufacture of tobacco products	0%	-	-	-	-	-
13 C.13 - Manufacture of textiles	0%	14	94	-	0	5
14 C.14 - Manufacture of wearing apparel	0%	20	-	-	-	3
15 C.15 - Manufacture of leather and related products	0%	-	-	-	-	-
16 C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	0%	13	-	24	-	10
17 C.17 - Manufacture of paper and paper products	0%	-	-	-	-	-
18 C.18 - Printing and reproduction of recorded media	0%	1	-	-	-	0
19 C.19 - Manufacture of coke and refined petroleum products	0%	-	-	-	-	-
20 C.20 - Manufacture of chemicals and chemical products	0%	17	11	-	-	2
21 C.21 - Manufacture of basic pharmaceutical products and pharmaceutical preparations	0%	155	139	-	-	3
22 C.22 - Manufacture of rubber products	0%	1	-	-	-	0
23 C.23 - Manufacture of other non-metallic mineral products	0%	29	23	-	-	4
24 C.24 - Manufacture of basic metals	0%	3	58	-	-	6
25 C.25 - Manufacture of fabricated metal products, except machinery and equipment	0%	-	-	-	-	-
26 C.26 - Manufacture of computer, electronic and optical products	0%	0	-	-	-	0
27 C.27 - Manufacture of electrical equipment	0%	20	-	-	-	0
28 C.28 - Manufacture of machinery and equipment n.e.c.	0%	-	-	-	-	-
29 C.29 - Manufacture of motor vehicles, trailers and semi-trailers	0%	-	-	-	-	-
30 C.30 - Manufacture of other transport equipment	0%	-	-	-	-	-
31 C.31 - Manufacture of furniture	0%	-	-	-	-	-
32 C.32 - Other manufacturing	0%	3	30	-	-	5
33 C.33 - Repair and installation of machinery and equipment	0%	-	-	-	-	-
34 D - Electricity, gas, steam and air conditioning supply	0%	416	1 036	1 545	61	10
35 D35.1 - Electric power generation, transmission and distribution	0%	406	977	1 545	61	10
36 D35.11 - Production of electricity	0%	385	890	1 522	49	10
37 D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	0%	10	59	-	-	7
38 D35.3 - Steam and air conditioning supply	0%	-	-	-	-	-
39 E - Water supply; sewerage, waste management and remediation activities	0%	103	161	736	3	12
40 F - Construction	0%	133	53	39	0	5
41 F.41 - Construction of buildings	0%	61	5	7	-	3
42 F.42 - Civil engineering	0%	72	48	32	0	6
43 F.43 - Specialised construction activities	0%	-	-	-	-	-
44 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	0%	109	16	-	-	2
45 H - Transportation and storage	0%	229	455	684	2	9
46 H.49 - Land transport and transport via pipelines	0%	85	187	472	1	10
47 H.50 - Water transport	0%	1	28	-	-	7
48 H.51 - Air transport	0%	27	12	2	-	4
49 H.52 - Warehousing and support activities for transportation	0%	70	228	210	0	10
50 H.53 - Postal and courier activities	0%	46	-	-	-	1
51 I - Accommodation and food service activities	0%	77	77	2	-	5
52 L - Real estate activities	0%	69	113	310	81	12
53 Exposures towards sectors other than those that highly contribute to climate change*		11 599	16 288	26 513	4 360	10
54 K - Financial and insurance activities		8 485	4 861	1 847	2 535	6
55 Exposures to other sectors (NACE codes J, M - U)		3 114	11 427	24 666	1 825	12
56 TOTAL		13 211	18 703	30 148	4 507	10

* In accordance with the Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No 1893/2006

* In accordance with Commission Delegated Regulation (EU) No. 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks – Climate Benchmark Regulation – Preliminary Point 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) No. 1893/2006

This table summarises the breakdown of AFD group's portfolio by business sectors that contribute significantly to greenhouse gas emissions, by cross-referencing it with information on the credit quality of the portfolio.

Paris-Aligned Benchmark (PAB)

The regulation requires the identification of exposures excluded from the Paris-Aligned Benchmark (PAB) index, as defined by Article 12.1 of Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020. An internal methodology had to be developed for this purpose, as the geographical distribution of AFD group's portfolio in developing or emerging countries makes it difficult to use an index calculated by an external data provider: the business sector of the counterparties was identified on the basis of their NACE codes, and made it possible to distinguish between (i) counterparties active in the fossil fuel sector (coal, oil or gas), and (ii) those active in the electricity generation sector. For the few counterparties in the first category, an analysis of the composition of their revenue was carried out. For electricity operators, data on their production mix was collected from several sources: in operators' reports or from AFD group's technical experts. These analyses led to a list of exposures excluded from the PAB index. However, two important remarks should be noted about the composition of AFD group's portfolio:

- exposures to counterparties operating in the fossil fuel sector are very limited, as AFD group's exclusion list was reinforced in this regard in 2022 (see Section 6.1.3). In addition to the depreciation and amortisation of the existing portfolio, there may also be renewable energy development support projects for these same players.
- through its mandate, AFD group finances integrated electricity operators that do not currently meet the definition of the PAB index, precisely with a view to backing them during their low-carbon transition.

Greenhouse gas (GHG) emissions financed

The regulation also requires the disclosure, by sector of activity, of GHG emissions attributable to AFD group's financial exposures. In line with Part A "financed emissions" of the Partnership for Carbon Accounting Financials (PCAF) standard, AFD group rolled out two complementary processes:

- Information is collected for the investment portfolio from external reports on their ESG performance. This method of collection corresponds to a Level 1 or 2 PCAF data quality score.
- The use of a tool for estimating financed emissions, the Joint Impact Model (JIM) v4.2, aligned with the PCAF methodology, for all other counterparties in its portfolio. This model generates data with a PCAF quality score of 4 or 5. The JIM's methodology is based on macroeconomic modelling that estimates the carbon intensity of investments by economic sector and country. The results are therefore estimates and should be interpreted as such. The changes in financed emissions are explained by the updates made by the JIM tool.

Two methods of estimating emissions are proposed. In the "Individual Client" method, a client's emissions are estimated based on their revenue, to which a sectoral and geographical carbon intensity factor is applied. This gives an estimate of the company's total emissions. AFD then allocates a share of these emissions which is proportional to its financing, calculated pro rata of the outstandings on the company's total balance sheet. In the "Sector Exposure" method, emissions are directly allocated in proportion to outstanding financing without using a more individualised estimate based on revenues.

There are some limitations to using the JIM tool. Firstly, emissions from the water and sanitation sector are estimated using sectoral data that also aggregate data for the waste management sector. This implies estimates that are significantly higher than the averages for the Water and Sanitation sector alone observed elsewhere. Secondly, the tool does not provide an estimate of emissions for biomass power plants. In the absence of other information, these plants have been treated as conventional power plants. Methodological work is under way to better understand the calculation of emissions for these two sectors. Work on data quality is also under way to better estimate and calculate the emissions of integrated electricity operators, which represent the largest share in AFD group's portfolio.

6.5.2 TEMPLATE 2 - BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: LOANS COLLATERALISED BY IMMOVABLE PROPERTY — ENERGY EFFICIENCY OF THE COLLATERAL

The regions in which AFD group operates do not allow for an easy valuation of real estate collateral, which is most often taken on a defensive basis, for a limited number of financing transactions. AFD group does not provide real estate financing, or only does so very marginally. For these reasons, Model 2 "Banking book — Indicators of potential climate change transition risk: Loans collateralised by real immovable property – Energy efficiency of the collateral" is not provided here.

6.5.3 TEMPLATE 3 - BANKING BOOK - CLIMATE CHANGE TRANSITION RISK: ALIGNMENT METRICS

As of 30.06.2026
(In millions of euros)

a	b	c	d	e	f	g
Sector	NACE Sectors (a minima)	Portfolio gross carrying amount (Mln EUR)	Alignment metric**	Year of reference	Distance to IEA NZE2050 in %***	Target (year of reference + 3 years)
1 Power	3511-3512-3513	2 988	Average tonnage of CO ₂ e/MWh – Scope 1	0,256159237	38%	No target
2 Fossil fuel combustion	620-1920-2014-3522-3523	86	N/A ¹	N/A	N/A	N/A
3 Automotive	-	-	N/A ²	N/A	N/A	N/A
4 Aviation	5110-5223	267	Percentage of Sustainable Aviation Fuel (SAF) used by airlines and airports	-	100% ³	No target
5 Maritime transport	5010-5020-5222-5224-5229	307	Annual Efficiency Ratio (AER) of fleets ⁴ – Scope 1, 2	N/A ⁵	N/A	No target
6 Cement, clinker and lime production	2351	52	Tonnes of CO ₂ e per tonne produced – Scope 1 and 2 "inclusive" ⁶	0,683468014	53%	No target
7 Iron and steel, coke, and metal ore production	729-2445	82	Tonnes of CO ₂ e per tonne produced – Scope 1 and 2 (steel and aluminium only)	N/D ⁷	N/D	No target
8 Chemicals	2014-2015-2059	28	Tonnes of CO ₂ e per tonne produced – Scope 1 and 2 "inclusive" ⁶	N/D ⁸	N/D	No target
9 ... potential additions relevant to the business model of the institution						

^{*1} Fossil fuels are now part of the AFD Group's exclusion list, therefore the suggested alignment parameters for this sector do not apply. In addition to fossil-fuel-related assets, which are declining and expected to disappear, this line also includes renewable energy production assets – linked to entities whose revenues are mostly derived from fossil fuels – that AFD may continue to finance.

^{*2} The AFD Group does not finance projects in this sector.

^{*3} This indicator is not monitored by AFD. According to experts, the SAF rate is close to 0%.

^{*4} Indicator equivalent to the IMO's Carbon Intensity Indicator (CII) (CO₂e/tonne-kilometre).

^{*5} Currently, AFD does not finance non-sovereign fleets. Projects in this sector mainly benefit port authorities and terminals.

^{*6} The notion of Scope 1 and 2 "inclusive", as defined by ADEME, adds to Scope 1 and 2 GHG emissions the imported emissions linked to incompressible inputs such as limestone or cement.

^{*7} The IEA has defined alignment benchmarks for the production of steel and aluminium. At present, the AFD Group's portfolio does not include any counterparty whose production is focused on these minerals.

^{*8} Data collection is ongoing.

With a view to managing transition risks, the table above shows, for certain particularly emitting sectors, the positioning of the carbon intensity of financed activities in line with the carbon neutrality trajectories by 2050 (NZE 2050) defined by the International Energy Agency (IEA). It includes eight sectors whose carbon intensity is considered significant by the European Banking Authority (EBA), namely fossil fuel combustion, power, iron and steel, cement, automotive, maritime transport, aviation and chemicals. The table consolidates all outstandings associated with the NACE codes proposed by the EBA for each sector. However, it should be noted that the scope of the alignment parameter only covers the relevant NACE codes and not necessarily the entire financial exposure, *i.e.* outstandings linked to NACE 3511 codes for electricity generation. Carbon intensity can be calculated for three sectors, which can be compared with the NZE2050 trajectory, in accordance with regulatory requirements. AFD group's main sector of exposure is the power sector, with an outstanding amount of just over €3bn. Emission factors were obtained either directly from counterparties or using estimates (derived from the energy mix for certain electricity producers). Pending the generation of data of a better quality, conservative values have sometimes been used, notably for emission factors that also cover Scopes 2 and 3. Five sectors are not, or are no longer, covered by AFD group's scope of intervention (fossil fuels; automotive); do not currently appear in its portfolio as it is (steel or

aluminium production; fleets); or do not yet have consolidated data to date (chemical products). It should be noted that the IEA's decarbonisation pathways are carried out on a global scale, while AFD group's activities focus on developing and emerging countries, which, under the Paris Agreement, can follow differentiated pathways towards carbon neutrality.

Alignment with the Paris Agreement was adopted as a guiding principle in 2017, and structures all of the Group's actions. AFD group's commitment to "net zero" transitions is to be understood in view of the role expected of development banks in the Global North under the Paris Agreement, robustly underpinned by a set of operational due diligence processes, tested since 2017, making it possible to report on their implementation and which analyse the consistency of interventions in relation to low-carbon economic development trajectories. Projects are analysed using existing methodologies for alignment with national low-carbon and resilient development trajectories, and specific doctrines have been consolidated for the maritime and aviation sectors, as well as for energy operators. This "100% Paris Agreement" commitment has been taken up by all multilateral development banks, and well received by specialised civil society organisations. With regard specifically to the management of climate transition financial risks, an ongoing appraisal is conducted at counterparty level, enabling a formal assessment of net risks (see Section 6.3.3). This system is supplemented by a policy of exclusion of coal, oil and gas fossil fuels (see Section 6.1.3). No sectoral carbon intensity target has been adopted by AFD group. The indicators presented are complementary diagnostic elements, and are not intended for the strategic or operational management of the activity.

6.5.4 TEMPLATE 4 - BANKING BOOK - CLIMATE CHANGE TRANSITION RISK: EXPOSURES TO TOP 20 CARBON-INTENSIVE FIRMS

Data as of 30.06.2026 (in million EUR)	a	b	c	d	e
	Gross carrying amount (aggregate)	Gross carrying amount towards the counterparties compared to total gross carrying amount (aggregate)*	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
1	42	0,06%	-	11	1

*For counterparties among the top 20 carbon emitting companies in the world

This table identifies the financial exposure to companies that are among the world's top 20 emitters of greenhouse gases. Among the sources proposed by the regulations, AFD group retained data from the Climate Accountability Institute, referring to the most recent annual data.

No funding was allocated to the parent companies of the groups on this list. In addition, the financing granted to subsidiaries of these groups is exclusively for renewable electricity generation projects.

6.5.5 TEMPLATE 5 - BANKING BOOK – INDICATORS OF POTENTIAL PHYSICAL RISK LINKED TO CLIMATE CHANGE: EXPOSURES SUBJECT TO PHYSICAL RISK

AFD updated its system for measuring physical climate risks as of 1 July 2025. Thus, while the first publication was based on the measurement of five climate hazards (cyclones and extreme precipitation as acute hazards; heat stress, water stress, and sea level rise as chronic hazards), this and subsequent publications will focus on the measurement of 14 hazards. This methodological change is also accompanied by greater geographical granularity, now on a regional scale.

Acute hazards measured

Coastal flooding: submersion of the coastline with a minimum water height of 0.5m, taking into account sea level rise, tidal levels and land subsidence.

River flooding: flooding of a watercourse with a water height of at least 0.5 m, taking into account contributions from meteorological data (e.g. precipitation and evaporation).

Heat stress: probability of extreme heat and humidity – conditions in which it is difficult for the human body to cool down.

Cold stress: probability of cold temperatures - conditions where it is difficult for the human body to stay warm.

Forest fires: probability of weather conditions favourable to fires.

Tropical storms: Beaufort scale 9 tropical storms (wind speed of 82 km/h).

Cyclones: category 3 cyclone (wind speed of 178 km/h).

Landslides: a combined index of landslide susceptibility and rainfall risk, indicating the annual probability of landslides.

Extreme precipitation: events of high intensity precipitation.

Chronic hazards measured

Erosion: annual rate of topsoil erosion across all types of land use, based on the revised Universal Soil Loss Equation.

Cropland erosion: annual rate of topsoil erosion across all types of land use.

Drought: number of extreme weather drought events per decade, based on the standardised precipitation evapotranspiration index.

Water stress: availability of fresh water in relation to local water withdrawals

Subsidence: Potential Global Subsidence Indicator Index – A combination of susceptibility to subsidence and groundwater depletion.

6.5.5.1 In the "Africa" geographic area

This zone includes the projects attached to the Regional Directorates of North Africa, the Greater Sahel, the Gulf of Guinea, Central Africa, East Africa and Southern Africa.

As of 30.06.2026
(In millions of euros)

a	b	c	d	e	f	g
Variable: Geographical area subject to climate change physical risk - acute and chronic events		Gross carrying amount (Mn EUR)				
		of which exposures sensitive to impact from climate change				
		Breakdown by maturity bucket				
		<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
1 A - Agriculture, forestry and fishing	76	17	55	-	-	6
2 B - Mining and quarrying	301	6	-	296	-	11
3 C - Manufacturing	180	83	68	-	0	3
4 D - Electricity, gas, steam and air conditioning supply	1 020	118	241	660	0	11
5 E - Water supply; sewerage, waste management and remediation activities	303	19	62	167	0	10
6 F - Construction	54	13	-	-	-	4
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	49	14	-	-	-	0
8 H - Transportation and storage	783	53	61	263	0	11
9 L - Real estate activities	163	32	2	-	0	2
10 Loans collateralised by residential immovable property	-	-	-	-	-	0
11 Loans collateralised by commercial immovable property	-	-	-	-	-	0
12 Repossessed collaterals	-	-	-	-	-	0
13 Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	0

As of 30.06.2026
(In millions of euros)

a	b	h	i	j	k	l	m	n	o						
										Gross carrying	Gross carrying amount (Mln EUR)				
											of which exposures sensitive to impact from climate change				
											of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures
Variable: Geographical area subject to climate change physical risk - acute and chronic events								of which Stage 2 exposures	Of which non-performing exposures						
1	A - Agriculture, forestry and fishing	76	-	15	57	5	2	1	0	-					
2	B - Mining and quarrying	301	-	296	6	6	-	0	0	-					
3	C - Manufacturing	180	-	83	68	26	34	15	2	12					
4	D - Electricity, gas, steam and air conditioning supply	1 020	-	796	224	384	338	134	40	91					
5	E - Water supply; sewerage, waste management and remediation activities	303	-	11	238	188	50	45	18	27					
6	F - Construction	54	-	-	13	13	-	1	1	-					
7	G - Wholesale and retail trade; repair of motor vehicles and motorcycles	49	-	-	14	-	-	-	-	-					
8	H - Transportation and storage	783	264	113	-	75	72	31	8	21					
9	L - Real estate activities	163	-	34	-	0	13	10	0	10					
10	Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-	-					
11	Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-	-					
12	Reposessed collaterals	-	-	-	-	-	-	-	-	-					
13	Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-	-					

This zone includes the projects attached to the Regional Directorates of Mexico, Cuba and Central America, the Andes and Brazil-Southern Cone.

	a	b	c	d	e	f	g		
				Gross carrying amount (Mln EUR)					
					of which exposures sensitive to impact from climate change				
					Breakdown by maturity bucket				
					<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years	> 20 years	Average weighted maturity
Variable: Geographical area subject to climate change physical risk - acute and chronic events									
1 A - Agriculture, forestry and fishing		48		5	32	-	-		
2 B - Mining and quarrying		-		-	-	-	-		
3 C - Manufacturing		106		53	28	-	-		
4 D - Electricity, gas, steam and air conditioning supply		807		52	403	352	0		1
5 E - Water supply; sewerage, waste management and remediation activities		387		12	-	343	0		1
6 F - Construction		42		-	-	-	-		
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles		1		-	-	-	-		
8 H - Transportation and storage		113		-	113	-	0		
9 L - Real estate activities		3		-	3	-	-		
10 Loans collateralised by residential immovable property		-		-	-	-	-		
11 Loans collateralised by commercial immovable property		-		-	-	-	-		
12 Repossessed collaterals		-		-	-	-	-		
13 Other relevant sectors (breakdown below where relevant)		-		-	-	-	-		

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)	Gross carrying amount (Mln EUR)												
		of which exposures sensitive to impact from climate change										Accumulated impairment, accumulated		
		of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures						of which Stage 2 exposures	Of which non-performing exposures	
1 A - Agriculture, forestry and fishing	48	0	-	37	-	-	0	-						
2 B - Mining and quarrying	-	-	-	-	-	-	-	-						
3 C - Manufacturing	106	-	76	4	7	13	11	0						
4 D - Electricity, gas, steam and air conditioning supply	807	-	615	192	35	-	8	6						
5 E - Water supply; sewerage, waste management and remediation activities	387	-	354	1	-	-	2	-						
6 F - Construction	42	-	-	-	-	-	-	-						
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	1	-	-	-	-	-	-	-						
8 H - Transportation and storage	113	-	113	-	-	-	1	-						
9 L - Real estate activities	3	3	-	-	3	-	0	0						
10 Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-						
11 Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-						
12 Repossessed collaterals	-	-	-	-	-	-	-	-						
13 Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-						

This zone includes the projects attached to the Regional Directorates of South-East Asia, South Asia, East Asia, the Near and Middle East, and of the European Enlargement and Neighbourhood.

	a	b	c	d	e	f	g
					Gross carrying amount (Mln EUR)		
						of which exposures sensitive to impact from climate change	
						Breakdown by maturity bucket	
					<= 5 years	> 5 year <= 10 years	> 10 year <= 20 years
							> 20 years
							Average weighted maturity
Variable: Geographical area subject to climate change physical risk - acute and chronic events							
1 A - Agriculture, forestry and fishing		50	50	-	-	-	
2 B - Mining and quarrying		21	21	-	-	-	
3 C - Manufacturing		163	51	94	-	-	
4 D - Electricity, gas, steam and air conditioning supply		642	148	217	257	0	
5 E - Water supply; sewerage, waste management and remediation activities		145	40	45	60	-	
6 F - Construction		-	-	-	-	-	
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles		28	15	-	-	-	
8 H - Transportation and storage		29	-	-	-	-	
9 L - Real estate activities		-	-	-	-	-	
10 Loans collateralised by residential immovable property		-	-	-	-	-	
11 Loans collateralised by commercial immovable property		-	-	-	-	-	
12 Repossessed collaterals		-	-	-	-	-	
13 Other relevant sectors (breakdown below where relevant)		-	-	-	-	-	

Variable: Geographical area subject to climate change physical risk - acute and chronic events	Gross carrying amount (Mln EUR)	of which exposures sensitive to impact from chronic climate change events	of which exposures sensitive to impact from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	Of which Stage 2 exposures	Of which non-performing exposures	Accumulated impairment, accumulated	
							of which Stage 2 exposures	Of which non-performing exposures
1 A - Agriculture, forestry and fishing	50	27	2	21	1	1	0	0
2 B - Mining and quarrying	21	-	21	-	-	-	0	-
3 C - Manufacturing	163	-	145	-	98	20	19	16
4 D - Electricity, gas, steam and air conditioning supply	642	0	345	278	71	55	59	5
5 E - Water supply; sewerage, waste management and remediation activities	145	-	118	27	27	-	2	1
6 F - Construction	-	-	-	-	-	-	-	-
7 G - Wholesale and retail trade; repair of motor vehicles and motorcycles	28	-	15	-	-	15	0	-
8 H - Transportation and storage	29	-	-	-	-	-	-	-
9 L - Real estate activities	-	-	-	-	-	-	-	-
10 Loans collateralised by residential immovable property	-	-	-	-	-	-	-	-
11 Loans collateralised by commercial immovable property	-	-	-	-	-	-	-	-
12 Repossessed collaterals	-	-	-	-	-	-	-	-
13 Other relevant sectors (breakdown below where relevant)	-	-	-	-	-	-	-	-

7 Person responsible for the Pillar 3 risk report

Name and position

Mr Bertrand WALCKENAER: Chief Operating Officer (COO)

Certification of the person responsible

I certify that, to the best of my knowledge, the disclosures provided in this document in relation to Pillar III comply with part 8 of CRR Regulation (EU) No. 575/2013 (and subsequent modifications) and have been prepared in accordance with the internal control framework agreed at AFD management body level.

Paris, 23 September 2026

Chief Operating Officer (COO)

Bertrand WALCKENAER