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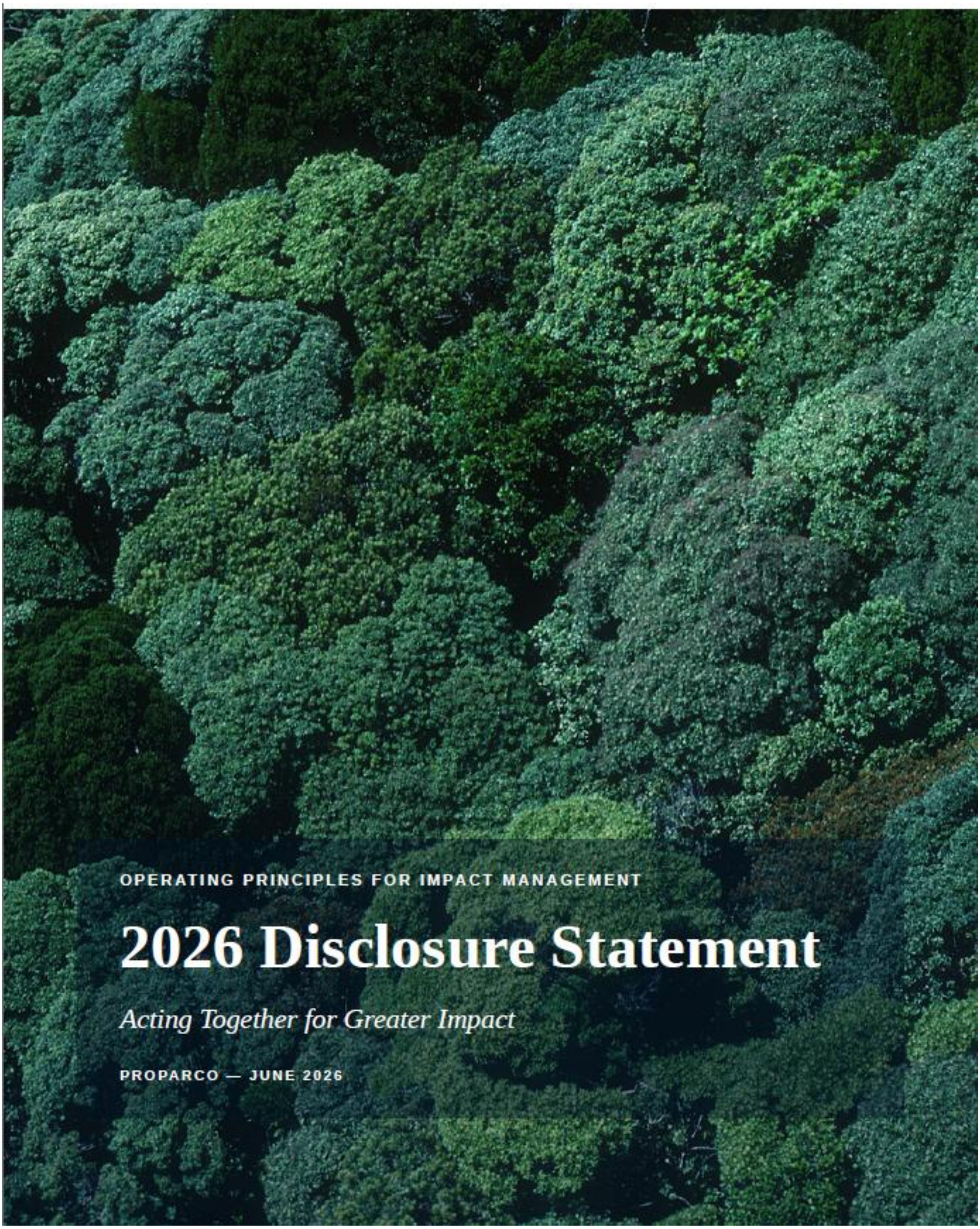

OPERATING PRINCIPLES FOR IMPACT MANAGEMENT

2026 Disclosure Statement

Acting Together for Greater Impact

PROPARCO — JUNE 2026

#MondeEnCommun

2026 Disclosure Statement
Operating Principles for Impact Management
June 2026

PROPARCO
GROUPE AFD

I. Statement by authorized executive

To our stakeholders:
The *Société de Promotion et de Participation pour la Coopération Economique* ("Proparco") is a founding signatory to the Operating Principles for Impact Management ("the Impact Principles"). The Impact Principles set inspiring goals to reach for all responsible finance investors eager to promote business in common. They provide standards and guidelines for an analytical and systemic approach to impact measurement. They also allow for sufficient flexibility for all impact investors – from asset managers, asset owners, asset allocators, to development finance institutions – to utilize their own impact management systems while harmonizing on emerging best practices.

This 2026 Disclosure Statement reaffirms that Proparco's impact management systems, policies and practices are aligned with the Impact Principles. Total assets under management in alignment with the Impact Principles are EUR 9,1 billion[1] as of December 31, 2025.

In 2025, BlueMark, a leading independent provider of impact verification services, reviewed the alignment of our impact management system's tools and processes with the Impact Principles and provided recommendations to further enhance our alignment with their highest standards[2].

This updated disclosure statement builds on this verification and reflects developments in our impact management approach since that assessment.

Françoise Lombard
Proparco Chief Executive Officer
June 30th, 2026

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[1] Equivalent to USD 10,69 billion at the exchange rate prevailing at the end of December 2025. This corresponds to all assets under Proparco management in Proparco's own account investment and includes the following amounts:
(i) Portfolio exposure in debt: EUR 6,682 billion (USD 7,851 billion);
(ii) Portfolio exposure in equity stakes and quasi-equity: EUR 1,579 billion (USD 1,855 billion).
Exposure is defined as the sum of the (i) committed exposure for Proparco's debt investments, (ii) fair market value of Proparco's equity investments, and (iii) total undisbursed equity commitments. Subsidies and TA that are not in Proparco's own balance sheet are not included.
Disclaimer: The information contained in this Disclosure Statement has not been verified or endorsed by the Global Impact Investing Network ("the GIIN") or the Secretariat or Advisory Board. All statements and/or opinions expressed in these materials are solely the responsibility of the person or entity providing such materials and do not reflect the opinion of the GIIN. The GIIN shall not be responsible for any loss, claim or liability that the person or entity publishing this Disclosure Statement or its investors, Affiliates (as defined below), advisers, employees or agents, or any other third party, may suffer or incur in relation to this Disclosure Statement or the impact investing principles to which it relates. For purposes hereof, "Affiliate" shall mean any individual, entity or other enterprise or organization controlling, controlled by, or under common control with the Signatory.
[2] Blue Mark verifier statement

Principle 1

Define strategic impact objective(s), consistent with the investment strategy

The Manager shall define strategic impact objectives for the portfolio or fund to achieve positive and measurable social, economic, or environmental effects, which are aligned with the Sustainable Development Goals (SDGs), or other widely accepted goals. The strategic intent does not need to be shared by the investee. The Manager shall seek to ensure that the impact objectives and investment strategy are consistent; that there is a credible expectation of achieving the impact objectives through the investment strategy; and that the magnitude (scale and/or intensity) of the expected portfolio impact is proportionate to the size of the investment portfolio.

As a member of the Agence Française de Développement (AFD) Group, Proparco has been dedicated to sustainable private sector development in emerging markets for over 45 years. Our mission centers on financing and supporting companies, infrastructure, and financial institutions that promote inclusive and sustainable growth. The AFD Group new strategy for the period 2025-2030, which is the overarching strategy for all the Group's entities, lays out four commitments, one of them is being 100% SDGs aligned and impact oriented with a focus on three priorities:

- Sustainable and resilient infrastructure
- Economy and SDG finance
- Human development and social progress

Proparco's own strategy for 2023-2027, *Acting Together for Greater Impact*[3], translates this mission into private sector-specific commitments. It is built on three strategic objectives:

- Acting for a more resilient and sustainable economy
- Acting for our planet
- Acting for greater equality

All projects must contribute to at least one of these strategic goals. These objectives are backed by quantitative and qualitative strategic indicators, tracked annually or over multiple years.

[3] Proparco 2023-2027 Strategy

Figure 1: Proparco's strategic objectives

Proparco's impact thesis[4], developed in 2023, illustrates the causal pathways linking inputs, additionality, beneficiaries, supported activities, outputs, and expected outcomes. This strategic framework ensures that all investments contribute meaningfully to the SDGs.

[4] Proparco's impact thesis

Each strategic objective is underpinned by strategic steering indicators with quantitative targets to be reached annually or on a multi-year basis.

In order to maximise impacts, our strategy is underpinned by:

- Three differentiated approaches for adapting our solutions to the specific needs of our clients, taking into account the complexity and reality on the ground, and one lever for action:
    - **Enabling**: Intensifying our pioneering efforts to support the emergence of new markets and new players, financing innovation, testing new business models and making a more meaningful contribution in fragile environments.
    - **Strengthening**: Enhancing impacts. As such, technical assistance will be offered to our clients on a more systematic basis, in order to further support the generation of positive impacts, particularly in terms of planet protection and reduction of inequalities.
    - **Amplifying**: Working further with our clients over the long term in order to maximise their impact on sustainable and inclusive growth, thanks to a multi-annual partnership providing clients with expertise, networks, human resources and funding.

- And one lever for action, **Mobilising**: Leveraging private finance in order to enable, strengthen and amplify projects with positive impacts and thus further contribute to achieving the Sustainable Development Goals (SDGs) (more details provided in Principle 3 section).

- Our strategy places a special emphasis on impacts. Impacts are identified and examined at all stages of Proparco's relationship with its partners: from the project identification phase using the Sustainable Development scoring tool (more details in Principle 2 and Principle 4 sections), to the project execution phase through the monitoring of actual impacts.

We rolled out the Sustainable Development Scoring Tool – which is a shared tool within the AFD Groupe - across all funding operations to standardize impact analysis and establish a unified, shared methodology.

PRINCIPLE 2

MANAGE STRATEGIC IMPACT AND FINANCIAL RETURNS AT THE PORTFOLIO LEVEL

> *The Manager shall have a process to manage impact achievement at the portfolio level, similar to that of managing financial returns. The objective of the process is to establish and monitor expected impact performance for the whole portfolio, while recognizing that impact may vary across individual investments in the portfolio. As part of the process, the Manager shall consider aligning staff incentive systems with the achievement of impact, as well as with financial performance.*

Proparco manages Impact and financial performance in parallel at the portfolio level. Strategic indicators guide performance monitoring, with a real-time dashboard accessible to all staff. This ensures collective ownership and continuous improvement.

Each investment is evaluated based on:

1. Expected development impact (via the Sustainable Development Scoring Tool and impact indicators)
2. Financial return expectations
3. Risk assessments
4. Potential to mobilize private finance

To strengthen the integration of sustainable development objectives into operations, Proparco introduced in 2023 the Sustainable Development Scoring Tool. Aligned with Proparco's three strategic objectives, the latter is structured around seven dimensions. Each investment is analysed through the Sustainable Development Scoring Tool (details provided in Principle 4 section).

Figure 2: Proparco's Sustainable Development scoring system

- At Proparco, we measure impact throughout three stages of the lifecycle and through four exercises.

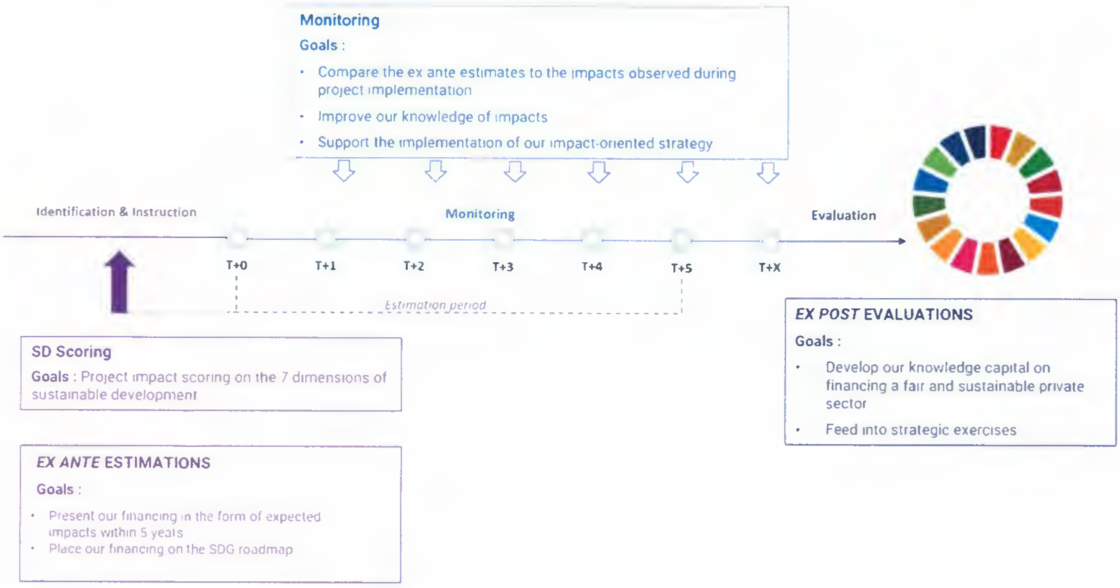

Figure 3: Measuring impacts throughout the project cycle

- We assess every new investment on its expected impact on development using aggregate impact monitoring indicators (*ex ante* estimations).

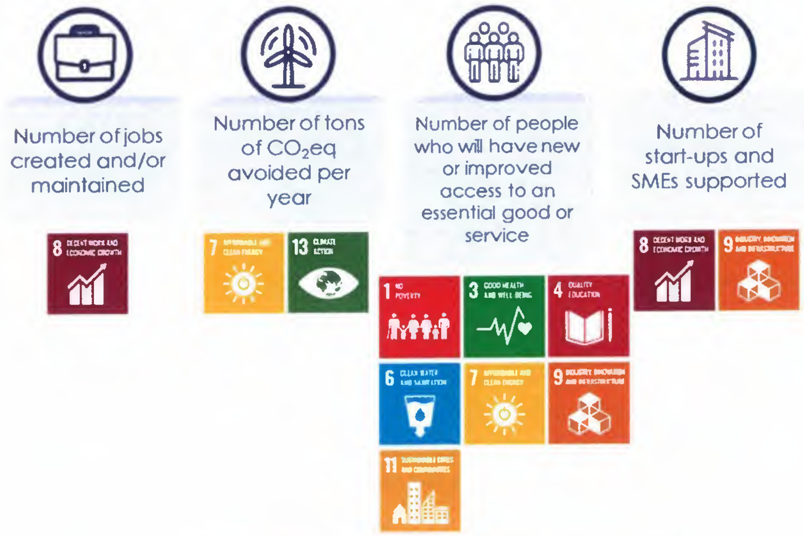

Figure 4: Proparco's impact monitoring indicators

These Impact monitoring indicators are aligned with the Joint Impact Indicators and draw on DFIs' Harmonised Indicators for Private Sector Operations (HIPSO), the Global Impact Investing Network's Impact Reporting and Investment Standards (IRIS), the 2X Challenge indicators. Proparco completes sector specific *ex ante* impact assessment templates for each investment. The Project appraisal document describes the challenges addressed by each investment, its additionality along with a description of the solution offered by each client.

- These indicators reflect Proparco's actions towards a just and sustainable development, and allow for comparability across investments. They provide qualitative and quantitative reporting on the impacts. These impacts and the SDGs they contribute to are the focus of Proparco's annual Impact report.

- Annual monitoring of impact indicators has been a strategic work stream for Proparco since 2019 The progress made in the annual monitoring of impact indicators contributes to:
    - Supporting the implementation of our impact-focused strategy. The analysis of observed impact indicators helps identify additional impact opportunities and levers, as well as resource allocation strategies to maximize impacts (prioritizing actions to be taken internally and with clients).
    - Improving our understanding of impacts. The results of the monitoring and the reliability of the *ex ante* estimates of impact indicators enable us to review and refine our processes and methods related to impact measurement. The collected data and their analysis contribute to enhancing collective knowledge of impacts

PRINCIPLE 3

ESTABLISH THE INVESTOR'S CONTRIBUTION TO THE ACHIEVEMENT OF IMPACT

The Manager shall seek to establish and document a credible, transparent narrative on the investor's contribution to the achievement of impact for each investment. Contributions can be made through one or more financial and/or non-financial channels, and assessed for the individual investment, or from a portfolio perspective. The narrative should be stated in clear terms and supported, as much as possible, by evidence.

Proparco's mandate includes being additional as a pre-requisite for any investment to be conducted. Its operations focus on areas where its assistance is most needed and where it has the highest added value, particularly in terms of non-financial assistance. Proparco's subsidiarity and additionality are questioned during the origination phase and is a condition for any deal to be investigated further.

For each investment, expected impact and environmental & social diligences are conducted alongside financial, legal or risk diligences. The impact rationale for the investment as well as. Proparco's value creation plan and associated deployed means (E&S advisory, climate action plans, Technical Assistance ("TA"), Governance action plans, etc.) are described in the project documentation presented to the Investment Committee and inform the final decision.

Benefiting to all clients whose operations have expected unlocking effects on impact, Proparco keeps on developing and diversifying its range of support in order to increase the impact of its clients' operations. This involves deploying TA projects and mobilizing delegated funds from several sources external to Proparco – notably from the European Commission – combined with its own instruments. The use of these concessional funds and grant resources from Agence Française de Développement ("AFD") and the French Government, blended with market instruments, enables Proparco to diversify and tailor its instruments to the needs and level of risks of companies, while maximizing the impact of its action. Deployment of a range of instruments with strong leverage effect on private finance mobilization such as equity and guarantees is another opportunity for Proparco to contribute further to supporting its clients on building their strategies towards impact achievement.

Our technical assistance projects aim to amplify the positive impact of our clients through tailored support aligned with the client profile and the business context. Our Technical Assistance team developed different facilities aligned with our three strategic objectives to strengthen clients' capacity to generate positive impacts.

Three types of modalities could be considered:

- Off the shelf facilities
- Tailor-made projects
- Multi-clients training (PROPULSE ACADEMY)

Also, as the need to mobilize private resources is at the heart of discussions around how to finance the SDGs, Proparco made Private Finance Mobilization (PFM) a central pillar of its 2023–2027 strategy. As part of the AFD Group's mandate, this mission is specifically carried out by Proparco.

PFM encompasses all actions implemented to encourage investment by private financial actors in the regions where Proparco operates, recognizing that international financial institutions alone cannot provide sufficient resources to achieve the Sustainable Development Goals (SDGs), and with the aim of supporting partner countries in gradually reducing their dependence on development aid.

Proparco's interventions seek to mobilize both domestic private financing in local currency and international private financing originating from OECD countries.

To measure the mobilization generated by its activities, Proparco relies on the OECD methodology, with marginal adjustments to better reflect the catalytic effect of private equity, the indirect leverage effects of projects considered systemic, and to incorporate interventions not yet captured by the OECD framework (e.g., credit insurance, portfolio transfers).

PRINCIPLE 4

ASSESS THE EXPECTED IMPACT OF EACH INVESTMENT, BASED ON A SYSTEMATIC APPROACH

For each investment, the Manager shall assess, in advance and, where possible, quantify the concrete positive impact potential deriving from the investment. The assessment should use a suitable results measurement framework that aims to answer these fundamental questions: (1) What is the intended impact? (2) Who experiences the intended impact? (3) How significant is the intended impact? The Manager shall also seek to assess the likelihood of achieving the investment's expected impact. In assessing the likelihood, the Manager shall identify the significant risk factors that could result in the impact differing from ex ante expectations.
In assessing the impact potential, the Manager shall seek evidence to assess the relative size of the challenge addressed within the targeted geographical context. The Manager shall also consider opportunities to increase the impact of the investment. Where possible and relevant for the Manager's strategic intent, the Manager may also consider indirect and systemic impacts. Indicators shall, to the extent possible, be aligned with industry standards and follow international best practice conventions.

Proparco assesses the expected impact of each investment using a systematic, evidence-based approach. During identification and appraisal, resources are evaluated for their contribution to local development across multiple dimensions of sustainable development — including biodiversity, climate mitigation and adaptation, social inclusion, gender equality, economic development, and governance—using the Sustainable Development Scoring Tool (see Principle 1).

The tool structures impact analysis around three strategic objectives: **Planet, Social, and Economy**. These objectives are further broken down into seven key dimensions—Biodiversity, Climate Mitigation, Climate Adaptation, Social, Gender, Economy, and Governance.

- The tool supports evaluating the positive contributions of projects to sustainable development while adhering to a "do no harm" principle.
- An ex-ante score, ranging from -2 to +3, is assigned to each dimension. The result is represented in a chart included in project identification and appraisal documents to inform decision-making.
- All projects must contribute to at least one strategic objective, determined by achieving a score of **+2 or higher** in at least one dimension (excluding governance). Negative scores may be assigned when potential adverse impacts are identified (see Principle 5 for negative impact assessment and monitoring).

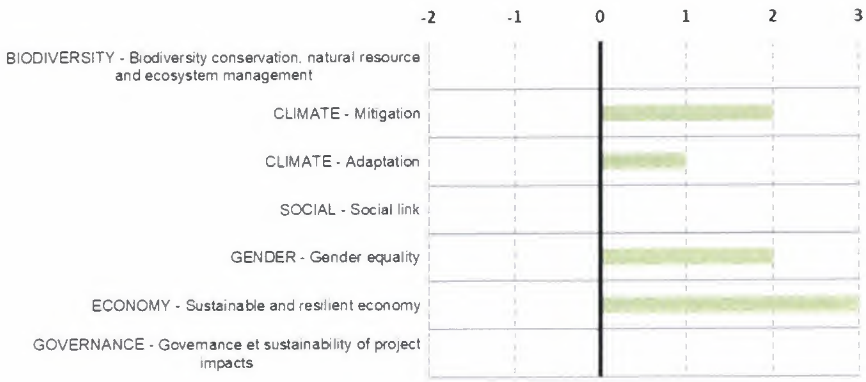

Figure 5: Example of Proparco's Sustainable Development score graph (for one investment)

- We use Impact monitoring indicators (listed in Principle 2 section) to assess *ex ante* the expected developmental, environmental and social impacts of each investment. We collect the required data during due diligences and through exchanges with clients and project studies. Quantitative indicators include effects on employment, SME funding, gender equality, access to essential goods or services, underserved population inclusion and avoided GHG emissions.

We assess the expected contribution of each investment to the Sustainable Development Goals (SDGs) using a dedicated mapping methodology developed for the AFD Group. This approach connects the key project classification attributes (sector codes, OECD DAC markers, impact monitoring indicators, sustainable development scores) with relevant SDGs and targets.

In addition to the Sustainable Development Scoring Tool, Proparco has developed an **Impact Assessment Template** for each investee type. This template enables detailed calibration of targeted impacts by consolidating all relevant impact and SDG data. It incorporates measurement tools to estimate key indicators such as employment creation, SME support, CO_2 emission avoidance, and access facilitated through infrastructure projects.

- Impact indicators are calculated using client data combined with internal and established impact measurement methodologies and tools (e.g., HIPSO, IRIS, JIM, 2X). This ex-ante data serves as the baseline for ongoing monitoring.
- Impact is assessed over a five-year period and monitored annually, contingent upon the availability of data from clients. Further details on the impact data collection cycle are outlined in Principle 6.
- The SDGs targeted by each funding are identified based on the methodology described above.

The impact indicators, the SDG contribution and Sustainable Development Scoring Tool are included in the project documents. They inform about the investment impacts ambitions and additionality and are part of the funding decision and must be clearly displayed and documented.

To support an impact-driven investment strategy from the initial deal identification stage, we have **developed 25 sector-specific impact manuals**. These manuals provide a consistent framework for analysing and articulating development impacts across various sectors. Developed collaboratively by the Impact Division and the front office teams and regularly updated, they are primarily intended for investment officers and regional offices to support them during project screening and assessment.

Each manual details project types aligned with Proparco's strategic objectives, sector-specific impact thesis linked to these objectives and guidance on Sustainable Development scoring across all relevant dimensions.

The manuals enhance our prospective knowledge of impacts by sector and operation type, supporting more informed decision-making. They are being developed into a tool that makes their use easier and more accessible for all Proparco employees.

PRINCIPLE 5

ASSESS, ADDRESS, MONITOR AND MANAGE THE POTENTIAL NEGATIVE EFFECTS OF EACH INVESTMENT

> *For all investments, the Manager shall seek to avoid, minimize, or mitigate potential negative effects by assessing and monitoring Environmental, Social and Governance (ESG) and other non-financial risks, as well as the performance of the investee in managing material ESG issues. Where appropriate, the Manager shall engage with the investee company to seek its commitment to take action to address potential gaps in current investee systems, processes and practices, using an approach aligned with good international industry practice. As part of portfolio management, the Manager shall monitor investees' ESG risk and performance, provide support where appropriate, and address unexpected events.*

Proparco's environmental and social (E&S) approach is based on a risk-based methodology aligned with:

- IFC Performance Standards,
- ILO International Labour Standards,
- UN Guiding Principles on Business and Human Rights.

This approach is harmonized with the practices of other European Development Finance Institutions and involves:

(i) conducting an assessment of E&S risks for each project through a thorough understanding of the project's context and characteristics (categorization);
(ii) ensuring that the project does not involve any activities listed on the AFD Group's Exclusion List; and
(iii) developing an ESG action plan in collaboration with the client to address material ESG risks and enhance the project's E&S performance.
(iv) systematic pre-screening for climate-related risks.

Proparco is a member of the **Corporate Governance Development Framework** and uses diagnostic and assistance tools (pre-analysis rating tool, Governance maturity matrix , questionnaires, etc.) to assess and monitor the corporate governance of its equity clients. When appropriate, governance experts provide recommendations in accordance with the Framework guidelines.[5]

Climate-related negative effects are assessed during project appraisal through evaluation of the carbon footprint of direct operations (including induced GHG emissions in supply and value chains) of their alignment with the Paris Agreement. Operations identified as presenting a risk of misalignment undergo specific analysis focusing on:

- Alignment with the decarbonization and resilience pathway of the country of intervention (or sector, if impact exceeds national scale)

[5] This framework agreement supports the implementation of a common policy and methodology for good governance, based, for example, on the work of IFC on its performance standards. More information at: http://cgdevelopmentframework.com/

- Absence of long-term structural "lock-in" effects
- No crowding-out of less carbon-intensive or more resilient alternatives

In 2021, Proparco advanced its **100% Paris Agreement** commitment by expanding analysis to intermediated operations (financial institutions and investment funds), evaluating climate risks and collaborating with financial partners—particularly those exposed to high-emission sectors—to enhance climate integration.

Climate-related financial risks are increasingly recognized as key drivers of traditional financial risks, including credit, market and operational risks. In line with guidance from the European Banking Authority (EBA) and the European Central Bank (ECB), and upcoming regulatory requirements (CRR3 Pillar 3 ESG and CRD6), Proparco has progressively integrated the assessment of these risks into its operations since July 2025.

Proparco's approach distinguishes between physical risks (acute and chronic) and transition risks linked to the shift towards a low-carbon economy. A risk-based framework has been implemented to identify, assess and monitor these risks throughout the project lifecycle, building on existing tools and practices and aligned with evolving market standards.

Climate-related financial risks are assessed during project appraisal, including analysis of client exposure, risk management capacity and mitigation or adaptation measures. Residual risks are documented within internal systems and contribute to ongoing risk monitoring and regulatory reporting.

During operation execution, Investment Officers, supported by the ESG Division, oversee implementation of ESG mitigation measures to ensuring long term adherence to best practices and enhance clients sustainability performance. . Key indicators are regularly assessed and reported by the ESG team, reflecting ESG performance evolution and residual ESG risks throughout the project lifecycle. When necessary, dedicated technical assistance programs are established to facilitate ESG improvements. In case of unforeseen ESG-related incidents, a specific protocol is followed, including placement on an "**ESG watchlist**" to closely monitor the project and support corrective actions.

Since 2019, Proparco has participated in an **Independent Complaints Mechanism (ICM)** a joint initiative with DEG and FMO, allowing individuals, groups, or communities adversely affected by Proparco-financed projects to file complaints heard by independent experts. The ICM attempts consensual resolution of concerns through problem-solving approach. It also evaluates compliance with Proparco policies and applicable standards, provides advice and recommendations to Proparco management, and follows up on corrective actions where relevant.

PRINCIPLE 6

MONITOR THE PROGRESS OF EACH INVESTMENT IN ACHIEVING IMPACT AGAINST EXPECTATIONS AND RESPOND APPROPRIATELY

The Manager shall use the results framework (referenced in Principle 4) to monitor progress toward the achievement of positive impacts, including social, economic or environmental impacts, in comparison to the expected impact for each investment. Progress shall be monitored using a predefined process for sharing performance data with the investee. To the best extent possible, this shall outline how often data will be collected; the method for data collection; data sources; responsibilities for data collection; and how, and to whom, data will be reported. When monitoring indicates that the investment is no longer expected to achieve its intended impacts, the Manager shall seek to pursue appropriate corrective action, consistent with the nature of the investment. The Manager shall also seek to use the results framework to capture investment outcomes, or longer-term effects.

Proparco annually collects the necessary data from its clients to monitor the impact indicators (mandatory provision of impact data annually is incorporated in each client's legal documentation). Proparco's Impact team continuously works on harmonizing and simplifying indicators to improve data quantity and quality[6].
Beyond transparency and accountability commitments, annual monitoring enables comparison of actual data to ex ante estimates.

Proparco implemented the Impact Data Tool to systematically collect data from portfolio clients with ongoing projects, enhancing data reliability and accuracy. During monitoring, investees provide data for each indicator outlined in the Impact Template. A comparison is then conducted between the estimated data and the collected data to assess progress. Data reliability is evaluated for each indicator, based on the quality and availability of the monitoring information.

Proparco applies an impact attribution methodology using proportional allocation considering Proparco's ownership stake in each investee for more accurate impact representation. Annual portfolio metrics are collected from investee companies to precisely measure of our contribution to overall impact.
In 2025, Proparco monitored the impacts achieved at the end of 2025 by 399 projects signed before December 31st, 2023 (portfolio of EUR 6,8 billion) in terms of jobs supported, new or improved access to essential goods or services, gender equality and avoided emissions[7].
Proparco's philosophy emphasizes ongoing advisory and support services to its clients, fostering alignment with international best practices and enhancing their overall impact. When initial contractual commitments—such as environmental, social, or corporate governance action plans—

[6] Depending on the sectors of activity, this reporting compiles data concerning employment (direct and indirect), the number of women in the company, beneficiaries reached, climate and GHG impact, corporate tax paid, etc.
[7] These indicators are aligned with the Joint Impact Indicators (JII) and draw on DFIs' Harmonised Indicators for Private Sector Operations (HIPSO), the Global Impact Investing Network's Impact Reporting Investment Standards (IRIS), the 2X Challenge indicators and the Joint Impact Model (JIM).

are not implemented by the client, we proactively work to identify the underlying causes and may offer targeted financial and non-financial assistance, including technical support, to help the client improve its practices and maximize project potential.

To enhance contextual understanding of impact performance data, we conduct **ex post evaluations**[8]. These thematic or sectorial evaluations provide deeper insights into the outcomes and impacts of our investments, serving as valuable inputs for our strategic planning and decision-making processes (see Principle 8). Proparco also takes part to the AFD group evaluations when the topic is related to our activity.

[8] Group AFD Transparency Portal

PRINCIPLE 7

CONDUCT EXITS CONSIDERING THE EFFECT ON SUSTAINED IMPACT

The Manager shall, in good faith and consistent with its fiduciary responsibilities, consider the effect which the timing, structure, and process of its exit will have on the sustainability of the impact

- For debt and guarantee instruments, exits are *generally* self-liquidating with no strategic decision required. However, the teams discuss refinancing, repeat deals, and any financial structuring with clients when relevant for sustainability project achievements. . Long-term client support is integral to Proparco's strategy . When clients encounters operational and financial difficulties, Proparco's approach, implemented by a special operations team, is to actively find restructuring solutions that can accommodate the client needs and, if possible, ensure sustained operations and impact.

- When conducting exits in its equity portfolio, Proparco always considers the timing, the structure and the choice of the buyer in a concerted manner with its client's needs and preferences as these can have an instrumental effect on sustaining development impact. Exit plans are confirmed during an Exit Committee led by Proparco's CEO, after comprehensive diligences on the buyer's reputation have been conducted.

- Finally, Proparco incorporates contractual safeguards to discourage prepayments, ensuring that loan durations remain aligned with intended impact objectives. Proparco also intends to enhance its "support to client" approach and dedicate more human and TA resources to long-term clients in order to deepen its collaboration with them and improve their innovation skills and management practices in the long run.

PRINCIPLE 8

REVIEW, DOCUMENT, AND IMPROVE DECISIONS AND PROCESSES BASED ON THE ACHIEVEMENT OF IMPACT AND LESSONS LEARNED

> *The Manager shall review and document the impact performance of each investment, compare the expected and actual impact, and other positive and negative impacts, and use these findings to improve operational and strategic investment decisions, as well as management processes.*

- Evaluations are essential tools for improving actions, and constitute a crucial component of learning and accountability. Based on AFD Group evaluation and monitoring policy, Proparco has developed its own roadmap with specific commitments for the policy period. Every year, AFD evaluates a large proportion of its operations, giving priority to those that will be most useful to strategic and operational decision-makers.

- Project evaluation meets Proparco's objective of accountability but also and especially aims to improve its operational process, through the identification of recommendations. Evaluations contribute to development knowledge linking research and operations. For certain projects or groups of projects, in-depth *ex post* evaluations are conducted by the Impact division or with support from external consultants. Combined with project-by-project monitoring (see Principle 6), these in-depth studies make it possible to compare the actual results of projects with the results expected at the time of the signing and feed into Proparco's strategic thinking. These are mostly demand-driven evaluations identified to fill knowledge gaps and/or accordingly requested by the investment teams to evaluate global performance.

- As part of the AFD Group, Proparco has access to all evaluations conducted by the group's entities. In 2025, the first Group evaluation report was published[9], highlighting all assessments and learnings from the past two years. For Proparco, an evaluation of microfinance institutions in Tunisia with a focus on gender[10], and another one focusing on the 2X employment criteria[11] have enhanced our understanding of gender impact.

- In addition to the evaluations that Proparco chooses to carry out, donors providing grant funding for specific programs—such as the European Commission or French ministries—also commission in-depth analyses. These evaluations are crucial for assessing the impact and performance of particular programs,

[9] AFD Group Evaluations Report 2025
[10] Microfinance Tunisia & gender Evaluation
[11] 2X challenge Employment criteria Evaluation

PRINCIPLE 9

PUBLICLY DISCLOSE ALIGNMENT WITH THE IMPACT PRINCIPLES AND PROVIDE REGULAR INDEPENDENT VERIFICATION OF THE EXTENT OF ALIGNMENT

The Manager shall publicly disclose, on an annual basis, the extent to which impact management systems are aligned with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall be publicly disclosed, subject to fiduciary and regulatory concerns.

- This Disclosure Statement re-affirms the alignment of Proparco's policies and procedures with the Impact Principles and will be updated annually. Additional information on Proparco's impact management systems and results can be found in Proparco's "2025 Impact report" and other publications on Proparco's and AFD's websites, including AFD Group's "2024 results[12]", "2024 Corporate Social Responsibility & activity Report[13]", various sectoral and thematic activity reports[14], as well as "2025 Evaluations report"[15].

- As part of our public disclosure and reporting practices, we take into account applicable sustainability reporting requirements, including the CSRD/ESRS where relevant, in order to strengthen the transparency, consistency, and credibility of the information we disclose. Proparco is fully embarked on the first voluntary consolidated sustainability statement that was published in April 2026, setting an example within the framework of the CSRD directive. Through this exercise, the AFD Group reports on its commitments and impacts with enhanced transparency, thereby anticipating the requirements of the European Corporate Sustainability Reporting Directive (CSRD) to which it will be subject starting in 2028.

- Independent verifications were conducted in 2020, 2021 2023 and 2025[16]. In 2025, Proparco engaged BlueMark[17] to independently verify the alignment of Proparco's impact management practices with the Operating Principles for Impact Management, an industry standard for integrating impact throughout the investment lifecycle.

- Next independent verification will be conducted by June 2027.

Most recent independent verification review:	June 2025
Next planned independent verification review:	June 2027

[12] AFD Group 2024-2025 Results
[13] Corporate Social Responsibility & Activity Report 2024 | AFD - Agence Française de Développement..
[14] Resource Home | AFD - Agence Française de Développement
[15] 2025 Evaluation report
[16] 2025 verification statement
[17] BlueMark, Tideline Inc.'s independent impact verification services, 915-2 Battery St. San Francisco, CA 94111. BlueMark is a leading provider of impact verification services for investors and companies. Founded in 2020, BlueMark's mission is to "strengthen trust in impact investing." BlueMark's verification methodologies draw on a range of industry standards, frameworks, and regulations, including the Impact Management Project, the Operating Principles for Impact Management, the Principles for Responsible Investment, SDG Impact, and the Sustainable Finance Disclosure Regulation