FONDS DE COMPENSATION

STATEMENT: PUBLICATION OF FDC'S ANNUAL REPORT 2025

FDC's annual report 2025 sets out the highlights of the past year as well as FDC's year-end results.

In 2025, the geopolitical tensions of the previous two years continued and even spread to the United States' trade and customs policies. Despite these tensions however, the financial markets showed exceptional resilience.

Predominantly American companies continued to shine thanks to their operational excellence, technological leadership and robust earnings. However, for investors such as the FDC, whose base currency is the euro, the dollar's depreciation of approximately 12% against the euro in 2025 had a significant negative impact on the profitability of investments in US companies. On the other hand, emerging market bonds denominated in local currency, particularly sensitive to fluctuations in the US dollar, performed well and attracted capital inflows thanks to increased interest arising from a weaker dollar.

In this context, the net income generated by FDC in 2025 amounted to 1.25 billion euros. Overall, FDC's annual rate of return was 4.25%. Since the SICAV was set up in 2007, FDC's annualised rate of return has reached 5.05%.

As of 31st December 2025, FDC managed a pension reserve of 30.65 billion euros. Adding the balance of the *Caisse nationale d'assurance pension* (CNAP), the overall reserve of the general pension insurance scheme amounted to 32.05 billion euros and represented 4.24 times the amount of annual pension benefits at the end of the year 2025.

In addition to the financial management of the pension reserve, the past year was mainly dedicated to a mid-term review of the investment strategy in light of the highly fragile geopolitical environment, the rise in US government debt and the significant growth in terms of market capitalisation of certain companies, the launch of infrastructure investments contributing to climate change mitigation and the renewal of FDC's unlisted real estate investment mandates, reviewing and updating certain governance documents as well as continuing the development of FDC's major real estate projects.

The FDC is proud to have won the award for best fund in the *Small Countries* category at the *IPE Conference & Awards 2025* event, notably because of its strong ESG integration, excellent results, disciplined risk management and well-thought-out and low-cost strategy, setting a benchmark for both financial resilience and sustainable asset management.