Verifier Statement

Independent Verification Report

Prepared for Agence Française de Développement: 31st July 2025

Introduction

As a signatory of the Operating Principles for Impact Management (the Impact Principles)[1], Agence Française de Développement (AFD) engaged BlueMark to undertake an independent verification of the alignment of AFD's impact management (IM) system with the Impact Principles. AFD's assets under management covered by the Impact Principles (Covered Assets) total EUR 33.5 billion[2], for the period ending 31/12/2024.

Summary assessment conclusions

BlueMark has independently verified AFD's extent of alignment with the Impact Principles. Key takeaways from BlueMark's assessment are as follows:

Principle 1: AFD's 2025-2030 strategy includes three cross-cutting sustainable investment priorities: planet, social link, and citizens, institutions, and democracies. The strategy is aligned to all SDGs through a "100% SDG" approach. Further, AFD has developed a detailed impact thesis for each investment priority.

Principle 2: AFD's Corporate Results Framework, with 22 outcome areas and 22 KPIs, enable portfolio-level impact comparison. AFD's staff incentive system is aligned with the achievement of impact through performance targets and profit-sharing.

Principle 3: AFD contributes to the impact of its projects by mobilising financial and non-financial resources. Mid-term and ex-post evaluations enable AFD to assess its contribution to development outcomes on a regular basis. To further align, AFD should more clearly document its intended contribution to each project, through more specific sections in project proposals.

Principle 4: AFD assesses the expected positive impact of projects using the Sustainable Development Analysis and Opinion tool (AADD), used to evaluate projects against six dimensions. The results of the AADD assessment are included in final project proposals, which are submitted for board approval.

Principle 5: AFD manages ESG risks through a comprehensive framework that includes project screening via exclusion lists, material risk categorisation, and environmental and social action plans. Risk monitoring is tailored to the specific risk profile of each project. The approach is aligned to international standards.

Principle 6: Project impact data is collected annually and aggregated using Phare ODD, with year-on-year impact performance comparison conducted. During due diligence, AFD estimates a value for each selected KPI. These projections are compared annually to the actual impact performance of each project.

Principle 7: AFD prepares completion reports for all projects, evaluating implementation quality, technical execution, and positive sustainability outcomes. To further align, AFD should develop an Impact at Exit policy or framework detailing its approach to incorporating sustainability of impact considerations into its project completion process.

Principle 8: AFD reviews the impact performance of projects, including the indirect negative impacts, through an annual rating campaign. AFD conducts regular evaluations (real-time, mid-term and ex-post) of its projects. These evaluations guide AFD's decision-making and are used to support ongoing improvements to decision-making.

[1] Principle 9 states that signatories "shall publicly disclose, on an annual basis, the alignment of its impact management systems with the Impact Principles and, at regular intervals, arrange for independent verification of this alignment. The conclusions of this verification report shall also be publicly disclosed. These disclosures are subject to fiduciary and regulatory concerns."
[2] Assets under management figure as reflected in AFD's 2025 Disclosure Statement as of 31/12/2024. BlueMark's assessment did not include verification of the AUM figure.

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Detailed assessment conclusions

The chart below summarises findings from BlueMark's verification of AFD's extent of alignment to the Impact Principles, using the following four ratings:[3]

- Advanced (Limited need for enhancement);
- High (A few opportunities for enhancement);
- Moderate (Several opportunities for enhancement); and
- Low (Substantial enhancement required).[4]

Principle	Alignment
1. Define strategic impact objective(s), consistent with the investment strategy	ADVANCED
2. Manage strategic impact on a portfolio basis	ADVANCED
3. Establish the Manager's contribution to the achievement of impact	HIGH
4. Assess the expected impact of each investment, based on a systematic approach	ADVANCED
5. Assess, address, monitor, and manage potential negative impacts of each investment	ADVANCED
6. Monitor the progress of each investment in achieving impact against expectations and respond appropriately	ADVANCED
7. Conduct exits considering the effect on sustained impact	LOW
8. Review, document, and improve decisions and processes based on the achievement of impact and lessons learned	ADVANCED

[3] The scope of BlueMark's assessment procedures does not include the verification of the resulting impacts achieved. BlueMark's assessment is based on its analyses of publicly available information and information in reports and other material provided by AFD. BlueMark has relied on the accuracy and completeness of any such information provided by AFD. The assessment results represent BlueMark's professional judgment based on the procedures performed and information obtained from AFD.

[4] The decision to publicly disclose the results of BlueMark's detailed assessment, and the specific ratings assigned to each Principle, is left to the sole discretion of AFD.

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Assessment methodology and scope

AFD provided BlueMark with the relevant supporting documentation for the policies, processes, and tools related to the IM system applicable to the Covered Assets. The scope of BlueMark's work was limited to processes in place related to the Covered Assets as of July 2025. BlueMark's assessment of the IM system included an evaluation of both the system itself and supporting documentation, as well as the consistency of the draft disclosure statement with the IM system. BlueMark believes that the evidence obtained in the scope of its assessment is sufficient and appropriate to provide a basis for our conclusions.[5]

BlueMark's full assessment methodology, based on its professional judgment, consisted of:

1. Assessment of the IM system in relation to the Impact Principles, using BlueMark's proprietary rubric, and examining processes and policies against the following criteria:
    - *Compliance* of the IM system with a threshold level of practice;
    - *Quality* of the IM system's design in terms of its consistency and robustness; and
    - *Depth* of sub-components of the system, focused on completeness
2. Interviews with AFD staff responsible for defining and implementing the IM system;
3. Testing of selected AFD transactions to check the application of the IM system; and
4. Delivery of detailed assessment findings to AFD, outlining areas of strong alignment and recommended improvement, as well as BlueMark's proprietary benchmark ratings on the extent of alignment to each of the Impact Principles.

Permissions

This statement, including our conclusions, has been prepared solely for AFD in accordance with the agreement between our firms, to assist AFD in fulfilling Principle 9 of the Operating Principles for Impact Management. We permit AFD to disclose this statement in its entirety online, or to furnish this statement to other interested parties to demonstrate AFD's alignment with the Operating Principles for Impact Management. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than AFD for our work or this statement except where terms are expressly agreed between us in writing.

About BlueMark

BlueMark, a Delaware-registered public benefit company, is a leading provider of impact verification services in the impact investing market. BlueMark was founded with a mission to "strengthen trust in impact investing" and to help bring more accountability to the impact investment process. BlueMark has conducted this verification with an independent and unconflicted team experienced in relevant impact measurement and management issues. BlueMark has implemented a Standard of Conduct requiring our employees to adhere to the highest standards of professional integrity, ethics, and objectivity in their conduct of business activities.

BlueMark has office locations in London, UK; New York, NY; and Portland, OR; and is headquartered at 154 W 14th St, 2nd Floor, New York, NY 10011. Its outside investors include S&P Global, Temasek Trust Capital, Blue Haven Initiative, Gunung Capital, Tsao Family Office, Ford Foundation and Radicle Impact. For more information, please visit www.bluemark.co.

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