

# The Public Development Bank

serving French local authorities and exporters

**Investor presentation**

**March 2024**





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## Sfil at a glance

- Strength of the status as public development bank under European Union regulations.
- Strategic subsidiary of CDC Group, with a letter of support provided by CDC, complemented by a letter of support by the French Republic.
- Two public policy missions: financing of investments by French local authorities and of French export contracts guaranteed by the French Republic.
- Leading lender to local authorities and public hospitals and 1<sup>st</sup> provider of liquidity for large export contracts
- Credit ratings of Sfil directly aligned with the ratings of the French Republic, with an additional rating pick-up for covered bonds issued by Caffil.
- An ambitious sustainability strategy confirmed by strong ESG ratings.
- Strong financial results and low risk portfolio underline the performance of the public development bank business model of Sfil.
- Sfil is a regular issuer in the SSA market and in the covered bond market via Caffil.
- ESG issuance represents a growing share of issuance, with a target of 25% of issuance under ESG format for 2024.







# Agenda

## 1. Local Government and export financing agency

Public ownership and public policy missions

Strong balance sheet

Commitment to sustainability

## 2. Funding strategy

Covered bonds and SSA issuance

ESG issuance program

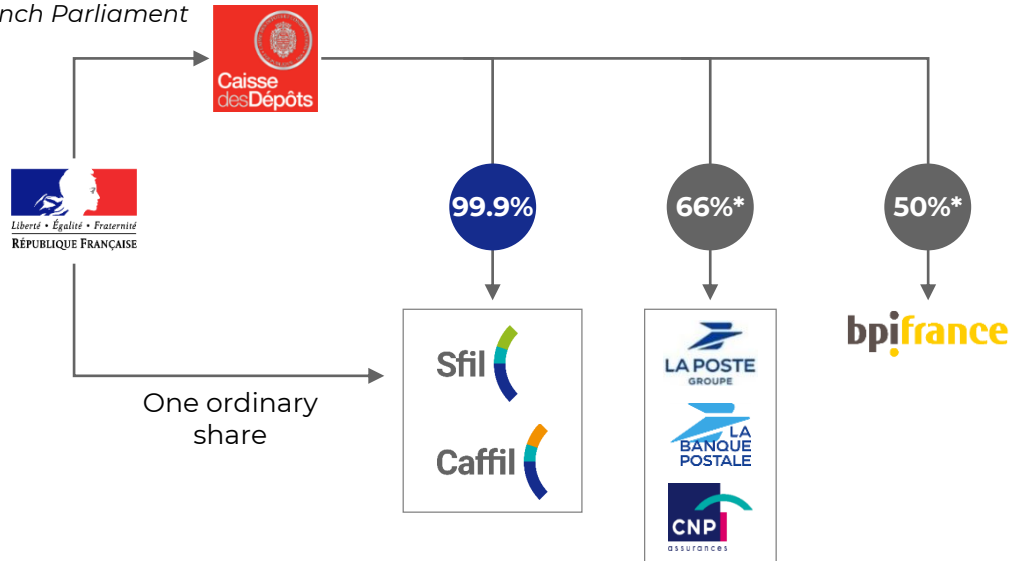
## 3. Annex



# Public ownership and public policy missions

## Public ownership and development bank status

*Under the supervision and the guarantee of the French Parliament*



Sfil has become a member of CDC Group on September 30<sup>th</sup> 2020, with CDC as new reference shareholder and the State retaining one ordinary share.

CDC provides a letter of support to Sfil, complemented by a direct letter of support by the State, maintaining Sfil's public development bank status.

Debt issued by Sfil is classified as LCR Level 1 under Article 10.1.(e)(i) LCR delegated act.

The State is represented on Sfil's board of directors via a censor (non-voting director) ensuring that Sfil's activity is coherent with public policies.







\* The State indirectly holds a 50% stake in Bpifrance SA via EPIC Bpifrance and retains a 34% stake in La Poste.



## Public ownership and public policy missions

Ratings reflect development bank status

Strong credit ratings **aligned with the ratings of the French Republic**, based on 100% public ownership and commitments **by CDC and the French Republic** to ensure that the **economic basis of Sfil is protected and the financial strength preserved**.

	 REPUBLIQUE FRANÇAISE		 ST Ratings LT Ratings	
	Aa2 Stable outlook	Aa2 Stable outlook	P-1	Aa2 Stable outlook
	AA Negative Outlook	AA Negative Outlook	A-1+	AA Negative Outlook
	AA (High) Stable outlook	-	R-1 (High)	AA (High) Stable outlook

*This assumption is based on :*

(1) CDC's commitment, as the reference shareholder, to support SFIL's solvency and liquidity through a letter of comfort (...)

(2) the State's commitment, as the ultimate shareholder, to support SFIL's solvency and liquidity in case CDC were unable to support it, through a separate letter of comfort, also communicated to the ACPR; and

(3) the key role of SFIL in the financing of the French local authorities and hospitals.

Moody's Rating Report, December 27<sup>th</sup> 2023

"Based on our view of Sfil's critical role for and integral link with the French government, we consider that there is an almost certain likelihood that the government would provide timely and sufficient extraordinary support to Sfil in the event of financial distress."

S&P Rating Report, June 5<sup>th</sup> 2023

'Sfil's Long-Term Issuer Rating of AA (high) with a Stable trend reflects DBRS Morningstar's AA (high) Issuer Rating, with a Stable trend on the Republic of France. Sfil's ratings reflect its statutory ownership by CDC (...). Moreover, both CDC and the Republic of France provide letters of comfort in support of Sfil's creditworthiness.'




DBRS Rating Report, May 26<sup>th</sup> 2023



## Public ownership and public policy missions

Ratings reflect development bank status













Covered bond ratings benefit from an **additional rating pick up**, based on the **strong legal framework, the quality of the cover pool and the level of over-collateralization**.

	Sfil 	Caffil 	
Moody's	Aa2 Stable outlook	Aaa	Key indicators (31.12.2023): <ul style="list-style-type: none"> <li>• TPI Leeway: <b>4</b></li> <li>• Collateral score: <b>7.9%</b></li> <li>• Market risk: <b>9.8%</b></li> </ul>
S&P Global Ratings	AA Negative Outlook	AA+ Negative Outlook	Key indicators (31.12.2023): <ul style="list-style-type: none"> <li>• Jurisdictional support assesment: <b>very strong</b>, legal framework: <b>very strong</b>, systemic importance: <b>very strong</b></li> <li>• Potential collateral based uplift: <b>+2</b></li> <li>• Counterparty risk rating constraints: <b>aa+</b></li> </ul>
DBRS 	AA (High) Stable outlook	AAA	Key indicators (31.12.2023): <ul style="list-style-type: none"> <li>▪ Legal and Structuring Framework (LSF) Assessment: <b>"Very Strong"</b></li> <li>▪ Cover Pool Credit Assessment (CPCA) : <b>A (low)</b></li> <li>▪ Recovery Notches: <b>2</b></li> </ul>



## Public ownership and public policy missions

Strong ESG ratings

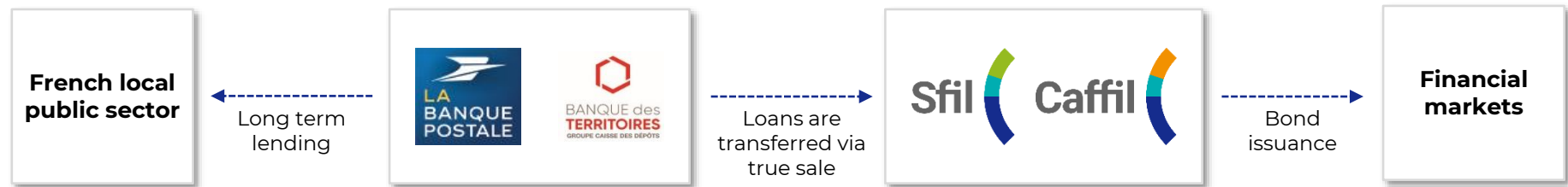
	MORNINGSTAR   SUSTAINALYTICS	MSCI	ISS ESG
<b>Rated entity</b>	Sfil  Caffil 	Sfil  Caffil 	Caffil 
<b>2023 Rating</b>	<b>7.3 - Negligible Risk</b>	<b>AA</b>	<b>C+ Prime</b>
<b>Ranking</b>	<b>14<sup>th</sup></b> out of 1019 banks (as of February 7 <sup>th</sup> 2024)	<b>Leader</b> of the industry	Among the <b>10%</b> top performers in the industry
<b>2023 Industry median score</b>	<b>26.7 - Medium Risk</b> Banks	<b>A</b> Supranational & Development Banks	<b>D+</b> Mortgage & Public Sector Finance
<b>Scale</b>	<p>Negligible Low Medium High Severe</p> <p>0  10 20  30 40 ...</p> <p>Sfil Group rating Industry's median score</p>	<p>AAA  AA  A BBB BB B CCC</p> <p>Sfil Group rating Industry's median score</p>	<p>Prime</p> <p>B  B-  C+ C C-  D+ D D-</p> <p>Caffil rating Industry's median score</p>





## Public ownership and public policy missions

French local public sector lending in partnership with La Banque Postale



Lending to the local public sector is provided under a strict framework under European Commission supervision and **scope of lending is limited to French local authorities and public hospitals**.

Loans are originated by La Banque Postale and CDC (Banque des Territoires), **transferred via true sale to the balance sheet of Cafil** and refinanced via bond issuance on international capital markets.

Loans are priced at market levels, **without any subsidization and with a separate credit approval process** at the level of Sfil Group.



## Public ownership and public policy missions

Market leader in local public sector lending

**Leading lender to the French local government sector** with more than **20% of outstanding loans provided by Sfil Group**.

Since 2013, **Sfil has provided EUR 48.3 billion in loans to the French local public sector** (as of December 31<sup>st</sup> 2023).

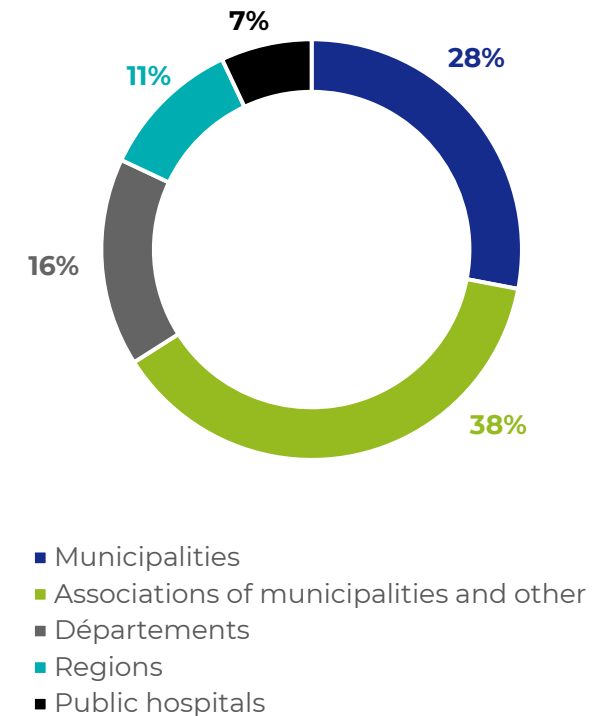
In total, Sfil provides financing **to close to 11 000 French local authorities and to over 800 public healthcare institutions**.

**EUR 4.3 billion in new loans** were provided to local authorities in 2023 – a slight increase from **EUR 4.1 billion in new lending in 2022**.

The new partnership with **Banque des Territoires provided EUR 0.2 billion in financing** to local authorities. Over time, this partnership aims to provide **EUR 0.5 billion in financing per year** for environmental and social investments.

Looking ahead, yearly local government climate-related investments will need to increase **from an estimated EUR 6.5 billion to EUR 12 billion** (in constant prices) between 2021 and 2030 to be in line with the **French National Low-Carbon Strategy - SNBC** (source: [I4CE](#)).

**2023 Local Public Sector Financing**



# Public ownership and public policy missions

Local government financing activity : example of projects financed

## Green loan

**120 km of new bicycle lanes**

HÉRAULT

### Developing a network throughout the territory

The Département has launched its 3rd "cycling plan": EUR 60 million committed from 2020 to 2030 to strengthen the territory's network of trails and greenways and reduce existing discontinuities, for purposes of daily mobility, sports practices and tourist travel.



**EUR 60 m**

## Green loan

**Construction of a new sewage treatment plant**

SDEA  
ALSACE-MOSELLE

### A state-of-the-art plant including a biogas unit

The new sewage treatment plant will cover 11 municipalities with a total of 27,000 inhabitants. It will include a biogas unit, an innovative technical choice, which will generate €500,000 annual revenue thanks to the injection of biogas into the town gas network.



**EUR 10 m**

## Social loan

**Urban renewal in a disadvantaged area**

MONTPELLIER  
MÉDITERRANÉE  
MÉTROPOLE

### A key urban and social transformation issue

The Montpellier Méditerranée Métropole intercommunal structure is investing €97 million over 5 years in the urban renewal of the Mosson neighbourhood (21,817 inhabitants). They will make the area a nicer place to live, restore balance to the city and boost the neighbourhood's appeal.



**EUR 10 m**

**Healthcare framework  
Rennes University  
Hospital**

RENNES HOSPITAL

### Regrouping all activities on one refurbished site

The hospital's real estate assets are obsolescent, heterogeneous and geographically fragmented. The project aims to bring together all of the Medicine, Surgery and Obstetrics activities, and the associated technical platforms, at the Pontchaillou site.

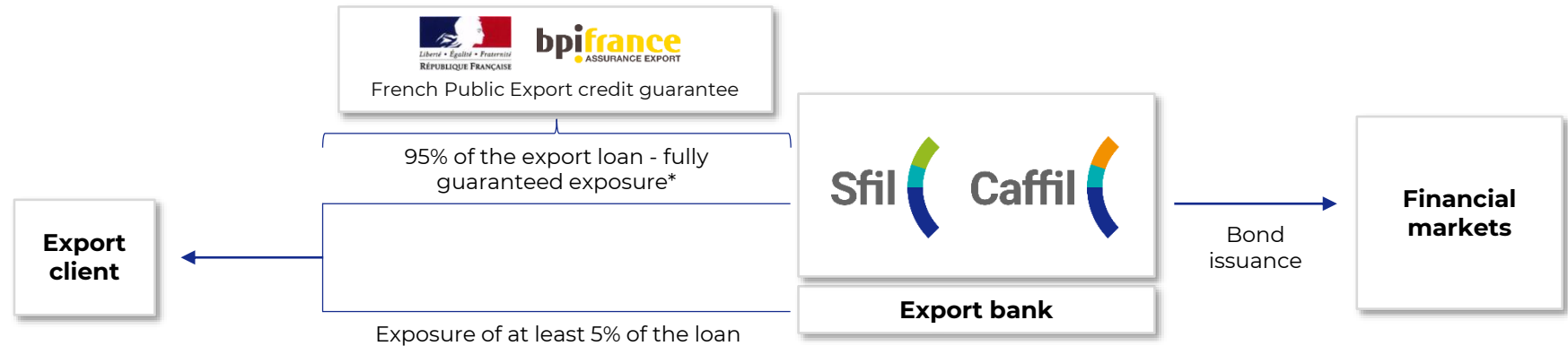


**EUR 110 m**



## Public ownership and public policy missions

Refinancing platform for large French export loans



*Schema post transfer*

Sfil provides a **refinancing platform for loans with a French public export guarantee**, framework agreements are in place with 27 banking partners covering more than 95% of the market.

French export credit guarantees are managed by Bpifrance Assurance Export, guarantees are directly provided by the French Republic.

Sfil's activity is limited to the **refinancing of 100% French government exposures** and to large export contracts above EUR 70 m.

\* A specific guarantee mechanism is in place for the civil aviation industry covering 100% of the contract volume.



## Public ownership and public policy missions

Leadership in financing large French export contracts

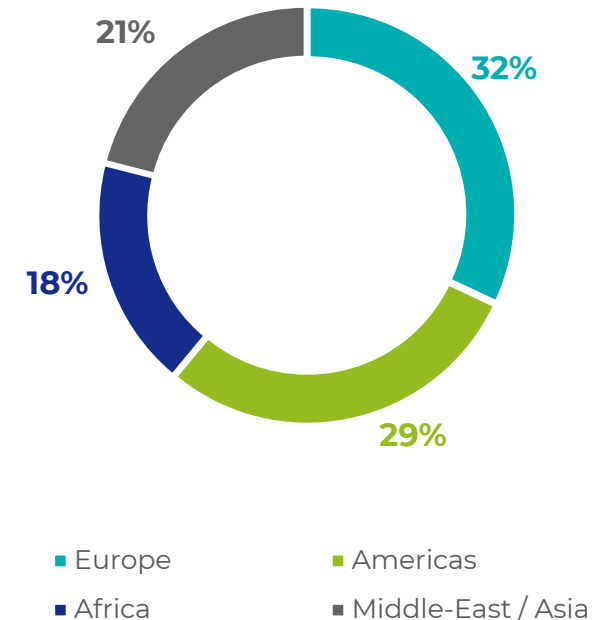
Sfil Group is the **leading liquidity provider for large French export contracts** with an average market share of 40%. As of December 31<sup>st</sup> 2023, Sfil has financed export contracts with a total volume of **EUR 16.1 billion** since 2016.

**2023** has seen the **best performance since the start of the activity** with the conclusion of **6 operations involving 10 exporters** for a total **amount of EUR 5 billion**.

The outlook for the activity remains **very positive** with around **176 operations under assessment** for a total amount of approximately **EUR 62 billion**.

In 2024, Sfil plans to **refinance eligible export projects via the issuance of green and/or social bonds**.

Geographic distribution as of December 31<sup>st</sup> 2023\*



\*all exposures guaranteed by the French Republic

# Public ownership and public policy missions

Export financing activity : example of projects financed

## Offshore wind farm in the North Sea



### The largest wind farm project in the world

Producing clean, low-carbon energy to power more than 6 million British homes per year. This is the first export success for GE's Haliade-X, one of the most powerful turbines on the world market (up to 14 MW).



GBP 287 m

## Urban railway transport in Africa



### A key project for Abidjan's sustainable growth

The consortium has signed a commercial contract covering the design, construction, operation and maintenance of the Abidjan metro. A key project for the sustainable development of the Ivorian capital, it was named "Deal of the year Africa" at the TXF Global Export Forum in June 2023.



EUR 630 m

## Electrification project in Sub-Saharan Africa



### A key project for the population of Benin

Improving access to power through the development, reinforcement and reliability of the electricity transmission and distribution network. Eventually, the rate of access to electricity will reach 75% (vs. 45% in 2019).



EUR 157 m

## Renovation of La Côtère road in Ivory Coast



### Improved security and reduced travel time

La Côtère is a backbone of Ivory Coast's road network, connecting Abidjan to San Pedro. The project consists in the renovation of a 75km portion of the road, with significant positive impact on local populations' welfare and the local economy,



EUR 68 m





## Strong balance sheet

Strong capital and liquidity position

**Consolidated main balance sheet items  
(including CAFFIL) – Total assets of EUR 69.6 billion  
December 31<sup>st</sup> 2023 - (EUR billion, notional amounts)**

<i>Loans and securities</i>	<i>61.2</i>	<i>Bond issuance</i>	<i>63.5</i>
<i>Cash assets</i>	<i>3.0</i>	<i>Commercial paper</i>	<i>0.8</i>
<i>Cash collateral paid</i>	<i>2.1</i>	<i>Cash collateral received</i>	<i>0.1</i>
		<i>Equity and other</i>	<i>1.8</i>

Strong capital and liquidity position significantly above regulatory requirements :

- CET1 ratio: 37.5%
- 301% for the LCR Ratio
- 122% for the NSFR Ratio

Lowest SREP requirement amongst financial institutions based on the low risk business model :

- 7.92% for the CET1 ratio

The Single Resolution Board has announced that simplified obligations apply to Sfil with normal insolvency law as preferred resolution strategy.

# Strong balance sheet

Focus on 2023 results

## Higher recurring net income despite a disrupted economic environment

- **Recurring net banking income moderately down at EUR 198 million** (-6% vs 2022) despite a disrupted economic environment
- **Operating expenses at EUR 118 million** (-5.6% vs 2022), reflecting a tight control of general and administrative costs (+1% vs 2022)
- **Reversal in cost of risk** (-2 basis points) and **non-performing exposures at an all-time low of 0.2% of assets**
- **Recurring net income of EUR 65 million (+4.8% vs 2022)** illustrating the performance of public development bank model

## Record level of activity for export credit refinancing

- **Best performance since the activity started in 2016** with the conclusion of **6 operations** involving **10 exporters** for a total amount of **EUR 5 billion** (vs EUR 0.7 billion in 2022)
- Refinancing of the **“Abidjan Metro Line 1” project** awarded **« Deal of the year Africa »** at the TXF Global export forum in June 2023

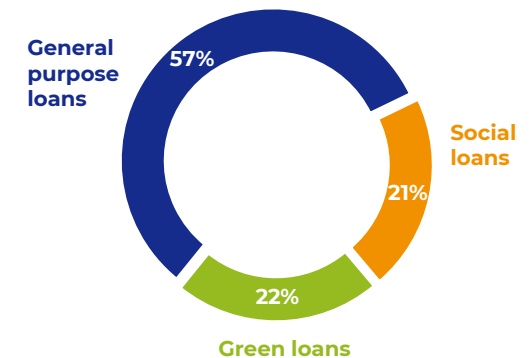
## Strong growth in thematic loans for the local public sector lending activity

- **Loan origination of EUR 4.3 billion (+4.9% vs 2022)**
- New **partnership with Banque des Territoires** with **EUR 0.2 billion** of loans granted
- **Accelerated growth in green and social loans to 43% of loan origination** (vs 37% in 2022)

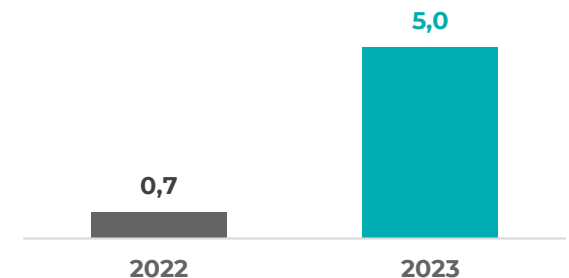
## Highly positive outlook for 2024

- **Strong business outlook** underpinned by a particularly high number and volume of deals under assessment, **176 operations for EUR 62 billion**
- **Expected growth in local and hospital investments in 2024**, in light of public initiatives to accelerate climate investments by local authorities

## 2023 local public sector lending



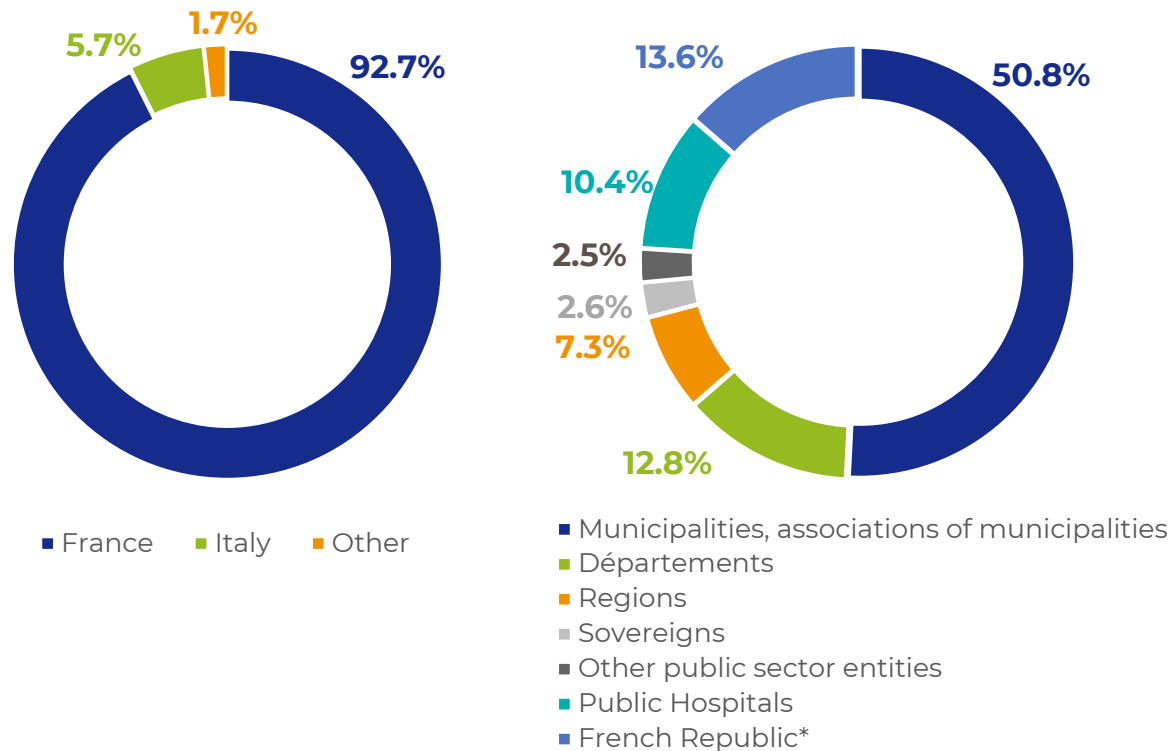
## Export transactions signed (EUR billion)



## Strong balance sheet

Overview of the balance sheet composition

Caffil public sector portfolio as of December 31<sup>st</sup> 2023



The Origination of **new loans is limited to French assets**: Local government and public hospital loans and export loans benefitting from a French State guarantee.

The International legacy portfolio is managed in runoff, the cover pool is to be entirely composed of French assets in the long run.

The share of exposures linked to the **export activity will increase gradually**.

\* export refinancing benefitting from a 100% guarantee by the French Republic



# Commitment to sustainability

Sustainable development integrated into Sfil's public policy missions



## Local public sector financing

Leading lender in the areas of **public education**, **public healthcare** and **clean public transport** in France.

Sfil supports the local public sector with **a complete range of green and social loans** - representing **43%** of local public sector lending in 2023 (vs. **37%** in 2022, **27%** in 2021 and **18%** in 2020).

**Social and environmental factors** are taken into account in the credit approval process :

- qualitative approval criteria allowing **greater flexibility** in terms of repayment profiles and;
- quantitative criteria allowing **a higher level of exposure** for these loan categories.



## Export financing

Looking ahead, the French government aims increase its support to **export projects aligned with the Paris agreement** via the French **public export guarantee mechanism**.

In line with the **OECD rules**, export credit transactions refinanced adhere to strict rules on **environmental and social standards**, anti-corruption measures and debt sustainability for borrowers.

For sensitive export projects, a social and environmental **impact analysis is publicly available**, and may lead to an **environmental and/or social impact management plan**.

## EXCLUSION POLICY

In accordance with the guidelines of the French support policy, **Sfil does not finance new fossil fuel projects**.

No financing of **activities of production or trade of any illicit product**, as well as any **illegal activity** with regard to the legislations of France or the destination country.

**Sfil excludes a number of activities** including tobacco, gambling, pornography, non-conventional weapons, pesticides prohibited on French territory.



## Commitment to sustainability

Committed to ESG issuance and sustainable investment

Sfil Group is a **leading issuer** in the **Green and Social bond market**, with a total of **EUR 7.5 billion** in green and social issuance.

Sfil has been one of the **pioneers in financing green and social public sector investments**.

As an active contributor to the Green and Social Bond markets, Sfil was elected to **ICMA Green and Social Bond Principles Advisory Council** in 2020 and 2023.

With the aim of **increasing the share of green, social or sustainability issuance**, Sfil has defined two objectives over time:

**2024** **25%**  
of total financing

**2024 - 2030** **33%**  
of total financing

### TREASURY INVESTMENT POLICY

In addition to applying the exclusion policy, the **treasury investment policy** integrates **ESG criteria** since 2021 :

- **Bank issuers:** **ESG rating threshold** (Sustainalytics ESG Risk Rating) and the existence of a green, social or sustainability framework;
- Exclusion of high-risk or **prohibited countries** according to Sfil's internal country risk classification;
- **Sovereign issuers** and **public sector entities:** the average of the **World Bank's global governance indicators** and signature of the Paris Climate Agreement.



2019  
Most Impressive  
Social or  
Sustainability  
Issuer



2019  
Best Social Bond



2019  
Best ESG  
Issuer



2020  
Best Social Bond  
- Asset Based &  
Covered Bonds



2020  
Best green,  
social or  
sustainability  
deal



2020  
Most impressive  
FI Funding  
Strategy during  
Covid Pandemic



2021  
Best Covered  
Bond



2021  
Best Social Bond  
- Asset Based &  
Covered Bonds



2022  
Best Social Bond  
- Asset Based &  
Covered Bonds



2023  
Best Green  
Covered Bond  
Issuer



2023  
Best Green  
Bond - Asset  
Based & Covered  
Bonds



2024  
Best ESG  
Covered Bond  
Issuer



# Agenda

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ESG issuance program

## 3. Annex





## Covered bonds and SSA issuance

Sfil Group liquidity scheme

### No retail deposits

As a public development bank, Sfil is not a deposit taking institution, and not exposed to any liquidity risk linked to a withdrawal of deposits

### Diversified access to capital markets funding

Sfil and Caffil access a wide range of different market segments (NEU CP and Bonds ; Agency and Covered Bond), with a very diversified investor base

### Large liquidity reserves

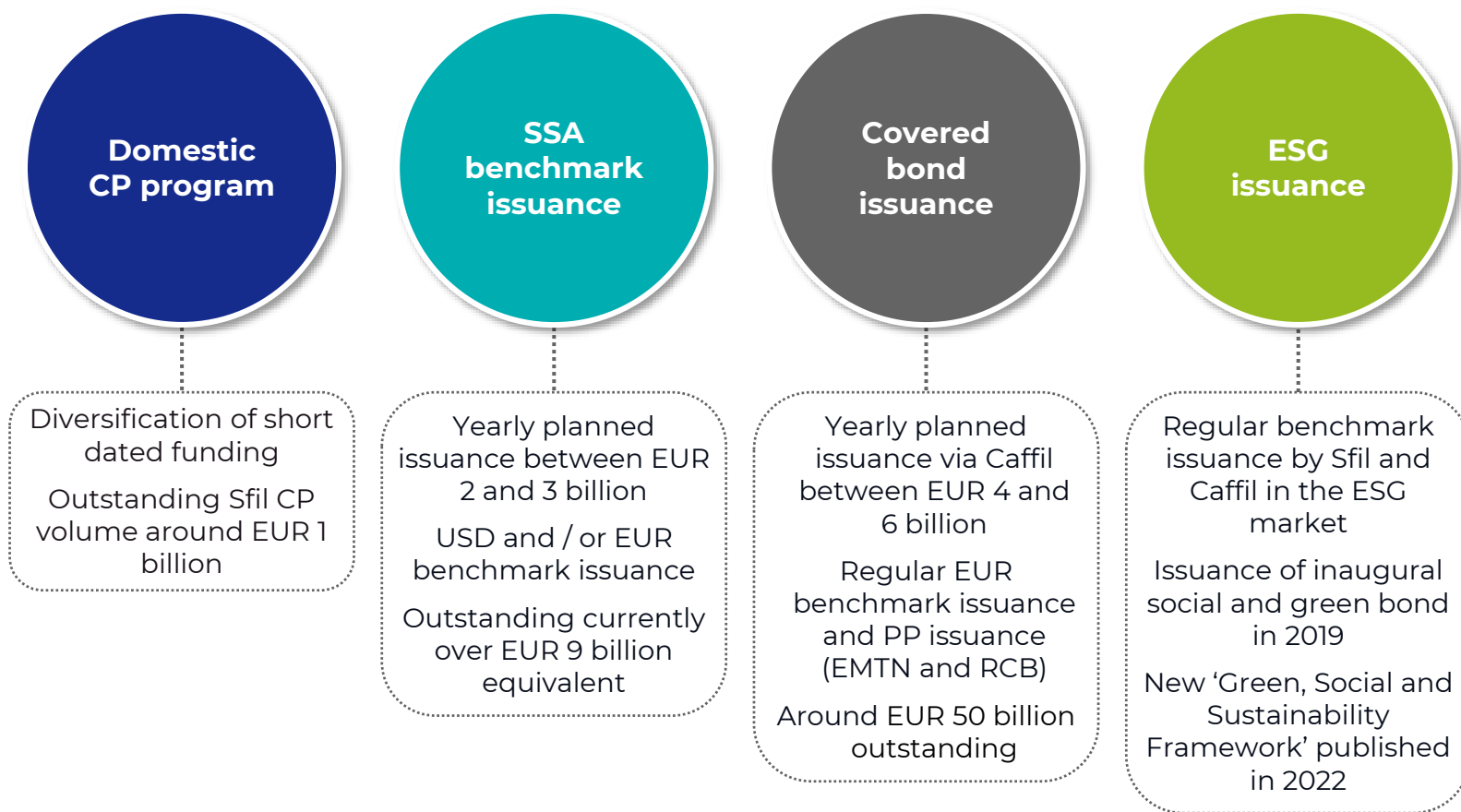
Overall liquidity reserves amount to EUR 40 billion at the end of 2022. Public sector portfolio is directly eligible as ECB collateral. Sfil and Caffil have access to repo transactions with the market.

### Important back up credit facilities

Significant back up credit facilities - in total EUR 5 billion - are provided by CDC and La Banque Postale

## Covered bonds and SSA issuance

Four strategic funding axes





## Covered bonds and SSA issuance

2024 funding perspective

### Sfil

**EUR 3.5 to 4.5 billion**  
planned issuance for 2024

#### Benchmark issuance

- Regular benchmark issuance in the SSA market **in EUR and USD**
- Focus in **3 and 5 year maturity segment** for USD issuance
- EUR benchmark issuance with a focus **on intermediate maturities**

### Caffil

**EUR 4 to 5.5 billion** planned issuance for 2024

#### Benchmark issuance

- **Regular benchmark issuance in EUR** under covered bond format
- Complete reference curve with issuance focus on **medium to long duration**
- Possible taps with a **minimum size of EUR 150 m**
- Maximum outstanding volume per bond of **EUR 2 billion** (taps included)

#### Private placement issuance

- EMTN and RCB format
- Possibility of **lightly structured pay-offs** in EUR including single callable and CMS-linked
- Minimum size: **EUR 10 m**
- Issuance of **Social bond private placements** under plain vanilla format

### ESG issuance

**25% of issuance** planned under ESG format in 2024



## Covered bonds and SSA issuance

Issuer profiles in the SSA market and in the covered bond market

Issuer	Caffil
<b>Legal Format</b>	Obligations Foncières
<b>Credit Ratings</b>	Aaa/AA+/AAA
<b>ESG Ratings</b>	ISS: Prime C+
<b>Risk weighting</b>	10% (standardized approach)
<b>LCR classification</b>	Level 1*
<b>Maturity structure</b>	Hard bullet only
<b>Overcollateral</b>	113.9% (as of June 30 <sup>th</sup> 2023)**
<b>European Covered Bond Premium Label</b>	✓ for issuance after July 8 <sup>th</sup> 2022 (including taps of existing bonds issued before July 8 <sup>th</sup> 2022)***
<b>ECBC Covered Bond Label</b>	✓
<b>CBPP3 eligible</b>	✓

Issuer	Sfil
<b>Credit ratings</b>	Aa2/AA/AA (high)
<b>ESG Rating</b>	Negligible Risk – 7.3 (Sustainalytics)
<b>Format</b>	EMTN
<b>Risk weighting</b>	20% (standardized approach)
<b>Currencies</b>	EUR / USD
<b>Documentation</b>	Reg. S
<b>LCR classification</b>	Level 1*
<b>ECB REPO classification</b>	Haircut category II (IG 8 – Agency – Credit Institution)
<b>PSPP eligible</b>	✓

\* According to the European Union LCR Delegated Act

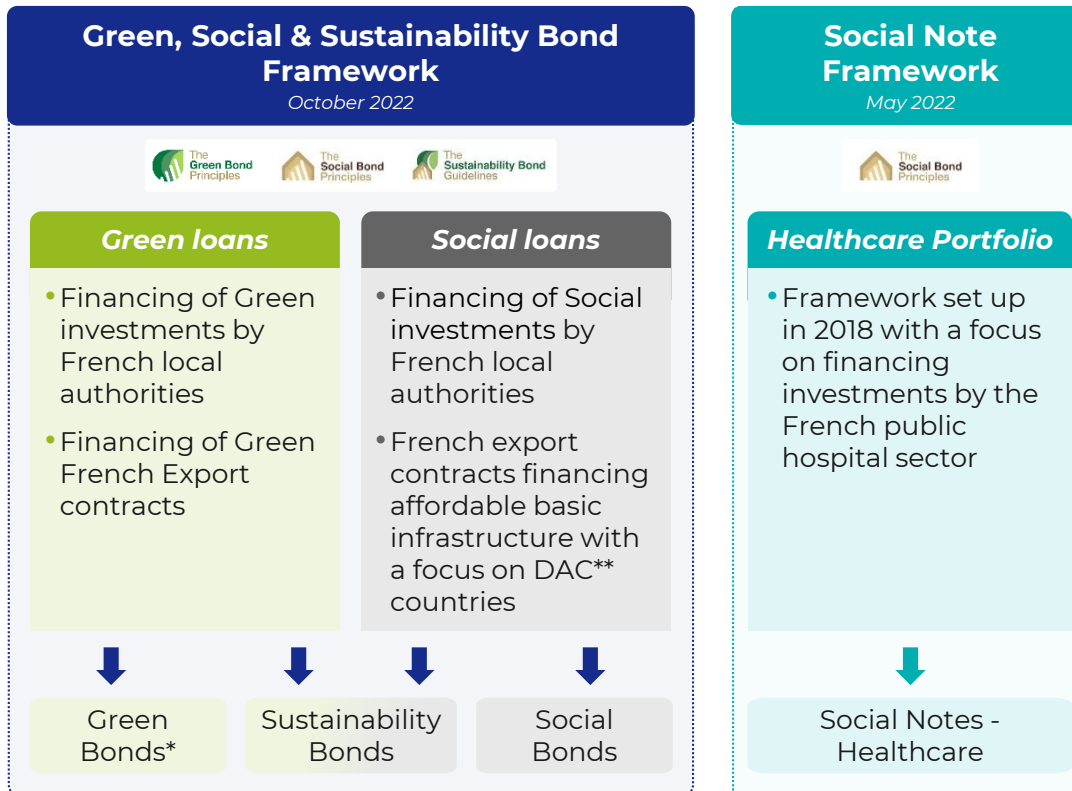
\*\* the level of overcollateralization required by rating Agencies are 105% for Moody's ; 107.2% for S&P ; 105% for DBRS

\*\*\* for EMTN and Registered Covered Bond issuance



# Sustainable bond issuance programme

Frameworks for green, social and sustainability bond issuance



Sfil and Caffil have been issuers of Green and Social Bonds since 2019:

- The Social Note Program has been set up to finance investments by public hospitals in France
- Green Bonds issuance has been financing green investments by French local authorities.

Sfil will be a regular issuer under the new **Green, Social and Sustainability Bond framework** and will continue financing investments by French public hospitals under the existing **Social Note Framework**.

The previous Green Bond Framework however will not be used for new issuance.

\* The previous Green Bond framework (10.2019) will continue to apply to existing Green Bonds - issued prior to the publication of the new Green, Social & Sustainability Bond Framework (prior to 2022)

\*\* Development Assistance Committee – all countries eligible to receive official development assistance (ODA)



# Sustainable bond issuance programme

Eligible green and social loan categories

## Eligible green loan categories

- **Territorial Mobility and Soft Urban Transport**  
*Passenger trains and coaches with zero direct CO2 emissions; Infrastructure enabling low-carbon road transport and public transport*
- **Renewable Energy**  
*Electricity generation from solar energy, wind power, hydropower, ocean energy technologies; Electricity generation, co-generation of heat/cool and power, and production of heat/cool from geothermal energy, bioenergy*
- **Energy Efficiency of Construction and Urban Development**  
*Construction, refurbishment and acquisition of green buildings; Renovation of existing buildings; Energy performance improvement measures*
- **Sustainable Water and Sanitation**  
*Projects supporting water quality, efficiency and conservation; Restoration and rehabilitation of ecosystems; Management of aquatic environments and flood prevention*
- **Waste Management & Valuation**  
*Waste management activities supporting pollution control and resources efficiency*



## Eligible social loan categories

- **Renewal and Cohesion of Territories**  
*French local authorities subsidies to the social housing sector; Broadband network and related infrastructure; Support to public initiatives in favor of social cohesion in territories*
- **Access to Essential Services**  
*Infrastructures and equipment dedicated to education, culture and sports; Free & subsidized healthcare*
- **Affordable Basic Infrastructure**  
*Development, provision and access to clean water & sanitation to all populations; Development, provision and access to electricity to all populations; All season roads in areas that lack connectivity or access to basic infrastructure*



# Sustainable bond issuance programme

ESG issuance in line with ICMA Principles

The commercial teams of La Banque Postale propose **Green or Social Loans** – with a specific loan documentation including a description of the planned green or social project - to finance green and social investments by French local authorities.

The classification as Eligible Green or Social Loan is **verified and validated by Sfil**.

For the export financing activity, all the projects go through an enforced diligence process meant to ensure that **relevant environmental and social (E&S) safeguards are systematically met**. All information relevant for the eligibility under the framework will be collected and analyzed by the Export Credit Department and **reviewed by the 'Green, Social and Sustainability bond committee'**.

Allocations for each transaction are managed under a **transaction by transaction approach**.

**Allocation reporting** will be available within one year from the date issuance and annually thereafter until full allocation.



*“**Sustainalytics** is of the opinion that the Sfil Group Green, Social & Sustainability Bond Framework is credible and impactful and **aligns with the Sustainability Bond Guidelines 2021, Green Bond Principles 2021, and Social Bond Principles 2021.**”*



## Social Note Framework

Social issuance in line with ICMA Principles

The Social Note Program financing the **French public hospital sector is managed separately** from the Green, Social and Sustainability Framework.

Social notes will finance and/or refinance the **portfolio of loans to French public hospitals** (new loans and loans originated since 2013).

In addition, the credit decision by Sfil is in part based on an extra-financial analysis of the public hospital to assess the **Healthcare Added Value** ("HAV") of a public hospital.



















Internal systems have been set up by Sfil to track the use of proceeds of the Social Notes and monitor the Health Loan Portfolio. Social Notes are managed under a **portfolio approach**, i.e. the total outstanding amount of Social Notes is **always lower than the size of the Health Loan Portfolio**.

**Allocation reporting** will be available within one year from the date issuance and annually thereafter until full allocation. In addition, Sfil will report on **social impact indicators**.



# ESG bond issuance

Highly regarded issuer

 <p><b>Most Impressive Social or Sustainability Issuer</b></p> <p>SRI Awards</p> <p>2019</p>	 <p><b>Best Social Bond</b></p> <p>IFR Awards</p> <p>2019</p>	 <p><b>Best ESG Issuer</b></p> <p>CBR Awards</p> <p>2019</p>	 <p><b>Best Social Bond – Asset Based &amp; Covered Bonds</b></p> <p>Environmental Finance</p> <p>2020</p>	 <p><b>Best green, social or sustainability deal</b></p> <p>CBR Awards</p> <p>2020</p>	 <p><b>Best Euro Issuer</b></p> <p>GC Covered Bond Award</p> <p>2020</p>
 <p><b>Most impressive FI Funding Strategy during Covid Pandemic</b></p> <p>Global Capital Awards</p> <p>2020</p>	 <p><b>Best Covered Bond Issuer</b></p> <p>CMD Portal Awards</p> <p>2021</p>	 <p><b>Best Covered Bond</b></p> <p>IFR Awards</p> <p>2021</p>	 <p><b>Best Social Bond – Asset Based &amp; Covered Bonds</b></p> <p>Environmental Finance</p> <p>2021</p>	 <p><b>Best Euro Issuer</b></p> <p>CBR Awards</p> <p>2021</p>	 <p><b>Best Covered Bond Issuer</b></p> <p>CMD Portal Awards</p> <p>2022</p>
 <p><b>Best Social Bond – Asset Based &amp; Covered Bonds</b></p> <p>Environmental Finance</p> <p>2022</p>	 <p><b>Best Green Covered Bond Issuer</b></p> <p>CMD Portal Awards</p> <p>2023</p>	 <p><b>Best Green Bond – Asset Based &amp; Covered Bonds</b></p> <p>Environmental Finance</p> <p>2023</p>	 <p><b>Editor's Award</b></p> <p>CBR Awards</p> <p>2023</p>	 <p><b>Best Covered Bond Issuer</b></p> <p>CMD Portal Awards</p> <p>2024</p>	 <p><b>Best ESG Covered Bond Issuer</b></p> <p>CMD Portal Awards</p> <p>2024</p>



## Key take aways

Status as **public development bank** – debt classified as HQLA Level 1 and PSPP eligible - with two public policy missions.

**Leadership position** in both public policy missions :

- First lender to French **local public sector with a market share of around 20% - 30%**
- First re financier of **export loans** guaranteed by the State with a market share **above 40%**

CDC is the **reference shareholder** and provides a letter of support, supplemented **by a letter of support from the French Government**.

Discussions are currently underway **to extent the export financing activity** of Sfil to include the financing of **sustainable projects benefiting from guarantees by European export credit agencies or by multilateral institution**, subject to the necessary approvals.

Sfil commits to conduct its two public policy missions in a responsible manner following a formalized **environmental & social strategy** in line with the **United Nations Sustainable Development Goals (SDGs)**.

Sfil group has been issuing green and social bonds since 2019 to support its clients in their investments related to the ecological transition and social cohesion. Through its **green, social and sustainability bond frameworks**, provides an opportunity for international investors to finance Green and Social investments by French local authorities.

In line with its growing share of ESG issuance, Sfil has set a **target of 25% of issuance under ESG format by 2024**.





# Agenda

## 1. Local Government and export financing agency

Public ownership and public policy missions

Strong balance sheet

Commitment to sustainability

## 2. Funding strategy

Covered bonds and SSA issuance

ESG issuance program

## 3. Annex



## Annex – Public ownership and public policy missions

Public development banks stand under LCR Regulation and CRR

### Liquidity Coverage Delegated Act : Article 10 – Level 1 assets (version du 8 juillet 2022)

*'(e.) assets issued by credit institutions which meet at least one of the following two requirements:*

*(i) the issuer is a credit institution incorporated or established by the central government of a Member State or the regional government or local authority in a Member State, the government or local authority **is under the legal obligation to protect the economic basis of the credit institution and maintain its financial viability throughout its life-time** (...)*

### Capital Requirements Regulation (CRR) : Article 429a - Exposures excluded from the total exposure measure

*'2. (...) 'public development credit institution' means a credit institution that meets all the following conditions:*

- (a) it has been established by a Member State's central government, regional government or local authority;*
- (b) its **activity is limited to advancing specified objectives of financial, social or economic public policy** in accordance with the laws and provisions governing that institution, including articles of association, on a non-competitive basis;*
- (c) its **goal is not to maximise profit or market share**;*
- (d) subject to Union State aid rules, the **central government, regional government or local authority has an obligation to protect the credit institution's viability** or directly or indirectly guarantees at least 90 % of the credit institution's own funds requirements, funding requirements or promotional loans granted;*
- (e) it does not take covered deposits as defined in point (5) of Article 2(1) of Directive 2014/49/EU or in national law implementing that Directive that may be classified as fixed term or savings deposits from consumers (...)'*

# Annex

Additional information provided by the rating agencies on covered bond ratings

MOODY'S

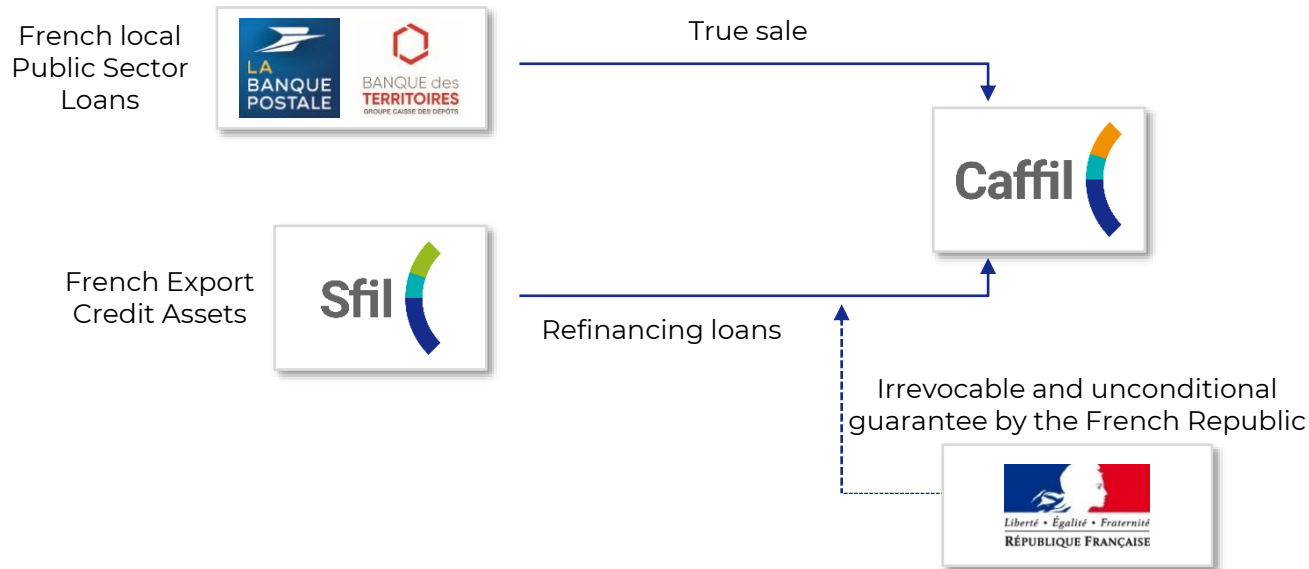
S&P Global  
Ratings



<p>Scenarios for a potential Caffil upgrade</p>	<p>Not applicable due to Aaa-rating</p>	<p>'We would raise our ratings on the covered bonds <b>if we raised our long-term rating on SFIL</b> and if the <b>derivatives in the program were compliant with our counterparty criteria</b>, and in both cases if the available credit enhancement led to the number of notches required for the rating uplift'</p> <p>Available credit enhancement is sufficient to support only <b>a one-notch uplift above the long-term ICR on SFIL</b>.</p>	<p>Not applicable due to AAA-rating</p>
<p>Scenarios for a potential Caffil downgrade</p>	<p>'Based on the current TPI ('Timely payment indicator') of Probable-High, the <b>TPI leeway for this programme is four notches</b>.</p> <p>This four-notch leeway implies that we <b>might downgrade the covered bonds' rating because of a TPI cap if we were to lower the CB anchor by more than four notches</b>, all other variables being equal.'</p> <p><b>CB anchor rating:</b> Aa2 (Sfil rating)</p> <p><b>TPI Leeway:</b> 4 notches</p> <p><b>Collateral score :</b> 7.5</p>	<p>'Counterparty risks constrain the covered bond ratings <b>to one notch above the long-term ICR on (...) SFIL</b></p> <p>The negative outlook on our covered bond ratings <b>reflects the negative outlook on (...) SFIL</b> (AA/Negative/A-1+). We would <b>automatically lower our ratings on the covered bonds should we lower our ICR on SFIL</b>, or if the available credit enhancement were to drop below the level that is commensurate with 'AA+' ratings.'</p>	<p>'CB ratings would be downgraded if any of the following occurred:</p> <ol style="list-style-type: none"> <li>(1) the sovereign <b>rating on the Republic of France was downgraded below AA</b>;</li> <li>(2) the relative amortisation profile of the CB and CP moved adversely;</li> <li>(3) volatility in the financial markets caused the currently estimated MVS to increase; or</li> <li>(4) the composition of the CP, the level of OC to which DBRS Morningstar gives credit, interest rate stresses, or foreign currency exposure changed adversely to a degree that a one-notch uplift for good recovery prospects could no longer be granted.'</li> </ol>

## Annex – Public ownership and public policy missions

Cover pool assets



- **One single cover pool** for French local public sector loans and refinancing export loans with French State guarantee
- Transfer of local public sector loans from La Banque Postale and Banque des Territoires **via true sale to Caffil**.
- Refinancing of export loans via a **refinancing loan from Caffil to Sfil** with an irrevocable and unconditional 100% guarantee by the French Republic (enhanced guarantee mechanism law n°2012-1510).
- A specific guarantee mechanism is in place for the **civil aviation industry** – the **'pure and unconditional guarantee'** provided by the French Republic for the export loan is transferred from Sfil to Caffil for refinancing of civil aviation contracts by Caffil.

## Annex – Public ownership and public policy missions

### Control framework and budget rules

France **local Government** is organized on three levels:

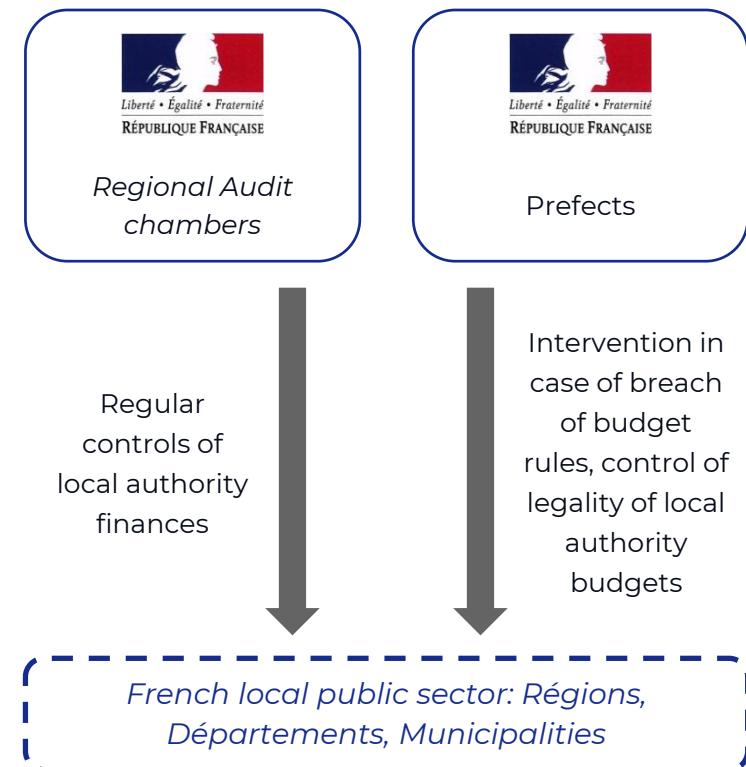
- **13 Regions**, responsibilities include Construction and upkeep of secondary schools (“Lycées”), regional rail infrastructure and economic development
- **101 Départements**, responsibilities include construction and upkeep of secondary schools (“Collèges”), the departmental road network, fire fighting and emergency services
- **Over 35,000 Municipalities** and associations of municipalities, responsibilities include construction and upkeep of nurseries and primary schools, urban public transport and municipal road network, drinking water supply, household waste collection and valuation

French local authorities are only allowed to **raise debt to finance new investments** under the ‘Golden Rule’

The **State exercises strict supervision over all French local authorities:**

- controls of the legality of all decisions taken by the executive, **including the budget**,
- controls by the **Regional Audit Chambers**.

The **Prefect**, as representative of the State, can impose a decrease in **current expenditures** and/or **an increase in discretionary taxes** in the case of financial difficulty or breach of budget rules.



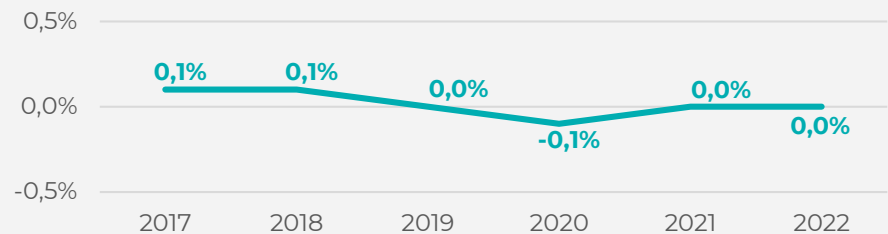


## Annex – Public ownership and public policy missions

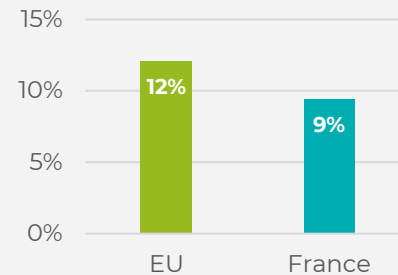
Low levels of debt and a high degree of financial flexibility

- **Stable local government finances** : French local authorities have regularly posted a **budget close to equilibrium** (between +0.1% and -0.1% of GDP) over recent years.
- Very limited impact of the **Covid pandemic on local government finances**: Local government revenues for the year 2021 have been above 2019 levels.
- **Low debt levels** in a European comparison: French local and regional government debt is **significantly below the European Union average**.
- **Investments** represent a **much higher share** of expenditures than in other European countries, creating additional **flexibility** in case expenditures need to be reduced. Overall, investments by French local authorities **represent close to 60%** of total French public investments

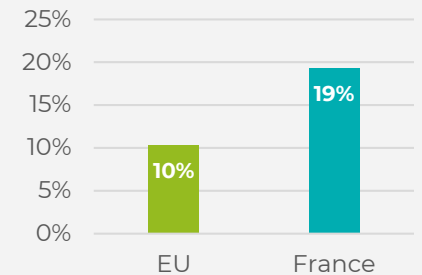
**French local government consolidated surplus / deficit as percentage of GDP**



**Local and regional government debt as percentage of GDP**



**Share of investments of local and regional government budget**



Data source: Eurostat

## Annex – Strong balance sheet

LCR level 1 classification



*‘Par principe, les titres émis par les catégories d’acteurs du secteur financier listées à l’article 7(4) du règlement délégué LCR ne sont pas éligibles en tant qu’actifs liquides, sauf dans les cas suivants : ...*

- *l’établissement de crédit appartient **à l’une des deux catégories de l’article 10.1.e** du Règlement LCR qui vise certains établissements publics et banques de développement. À ce titre, les titres émis par les entités suivantes sont réputés **respecter les dispositions de l’article 10.1.e** du règlement LCR: BPI-France Financement et la **Société de Financement Local (Sfil).***

**ACPR : NOTICE 2022** - Modalités de calcul et de publication des ratios prudentiels dans le cadre de la CRDIV et exigence de MREL (version du 13 juillet 2022)

## Annex – Commitment to sustainability

Sfil's carbon footprint and 2030 greenhouse gas emission reduction targets

### DECARBONIZATION PATHWAYS TO 2030

Sfil is committed to gradually aligning its financing portfolios with **trajectories compatible with the Paris Agreement** :



#### Local public sector financing

- ▶ Reduce **by 40% the monetary intensity of the loan portfolio** on scopes 1, 2 and 3 (upstream and downstream), with reference to SNBC (French National Low-Carbon Strategy, in line with the Paris Agreement)



#### Export financing

- ▶ **Fossil energy**: no financing of any new project related to **coal, oil and gas**
- ▶ **Electricity Generation**: financing **limited to low-carbon energy projects** or gas-fired power plants that **improve the carbon intensity of the energy mix** in destination countries
- ▶ **Shipping**: reach a zero or negative climate alignment score of its portfolio according to the Poseidon Principles

#### Levers to support the transition between 2024 – 2030










- ▶ **EUR 17.5 billion in lending dedicated to the ecological transition** via Green loans to **local authorities** and the **refinancing of export loans** with a positive environmental or climate impact
- ▶ **EUR 12 billion in social loans** to finance public hospitals and social investments by French local authorities

# Annex – Commitment to sustainability

## 2022 results and 2023 lending targets

In line with the adoption of the **#Objectif2026 strategic plan**, Sfil has set **ambitious sustainability targets** in relation to its two activities since 2019. These objectives are published annually in the CSR report.

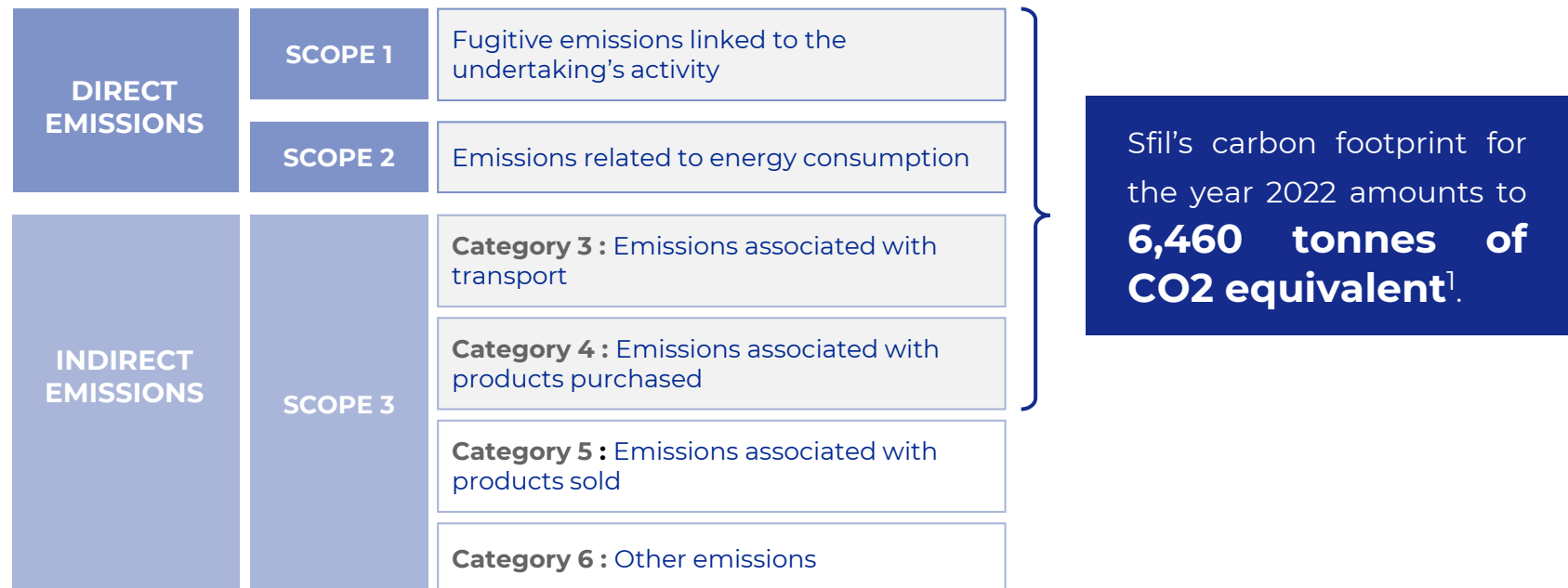
SDG	Key objectives	Indicators (annual flow)	2022 results	2023 targets (prod.)
	Supporting the public hospital sector	Loans to public health institutions	EUR 622 m	<b>EUR 600 m</b>
	Participating in the financing of the educational system	Loans to educational and vocational training institutions	EUR 444 m	<b>EUR 450 m</b>
	Financing investment in public services relating to drinking water and sanitation	Green loans granted for “sustainable management of water and sanitation”	EUR 311 m	<b>EUR 350 m</b>
	Financing investment in renewable forms of energy and energy efficiency	Green loans granted for “renewable energy” and “energy efficiency of buildings and urban development”	EUR 202 m	<b>EUR 220 m</b>
	Developing basic infrastructure and access to essential services in foreign countries	Contribution of export credit contracts to the development of infrastructure providing access to essential services/low-carbon energy	EUR 120 m	<b>EUR 310 m</b>
	Financing soft mobility and clean transport solutions	Green loans granted for soft mobility and clean transport solutions	EUR 149 m	<b>EUR 180 m</b>
	Helping to improve household waste treatment	Green loans granted for waste management and recovery	EUR 113 m	<b>EUR 140 m</b>



## Annex – Commitment to sustainability

### Sfil's carbon footprint

For the third consecutive year, Sfil has assessed its **carbon footprint** in 2022, which takes into account direct and indirect greenhouse gas (GHG) emissions linked to its operational scope (excluding lending and investments).






<sup>1</sup> A tonne of CO<sub>2</sub> equivalent is a unit of measure introduced by the IPCC in 1990 to be able to add together the emissions of different greenhouse gases in proportion to their contribution to climate change.



## Annex – Covered bond and SSA issuance

Update on ratings and regulatory treatment

	<p><b>Upgrade of Sfil Long Term Debt Rating to Aa2</b></p>	<p>In December 2022, Moody's upgraded the rating of Sfil to Aa2 in line with the French Republic.</p> <p>Sfil is now rated on the same level as France by the three rating agencies (Moody's, S&amp;P Global Ratings, DBRS).</p> <p>See Moody's rating for Sfil :  <a href="https://sfil.fr/en/wp-content/uploads/sites/2/2023/01/Credit-Opinion-SFIL-Update-to-credit-analysis-03Jan2023.pdf">https://sfil.fr/en/wp-content/uploads/sites/2/2023/01/Credit-Opinion-SFIL-Update-to-credit-analysis-03Jan2023.pdf</a></p>
	<p><b>Upgrade of Sfil Issuer Group and Haircut Category for Collateral use of assets issued by Sfil</b></p>	<p>Sfil is now in the Issuer Group IG8 « Agency – credit Institution ».</p> <p>Assets issued by Sfil benefit from the same Haircut Category II as those issued by the leading European Agencies.</p> <p>See the list of recognized agencies on ECB website with Sfil compliant with quantitative criteria :  <a href="https://www.ecb.europa.eu/mopo/assets/standards/marketable/html/index.en.html">https://www.ecb.europa.eu/mopo/assets/standards/marketable/html/index.en.html</a></p>
	<p><b>Taps on Caffil's outstanding bonds benefit from the European Covered Bond Label (Premium)</b></p>	<p>European Covered Bond Label Premium is granted for issuance after July 8<sup>th</sup> 2022, including for taps of outstanding bonds issued before July 8<sup>th</sup> 2022.</p> <p>See the instruction 2022-I-23 of ACPR :  <a href="https://acpr.banque-france.fr/sites/default/files/media/2022/12/22/20221222_301_instruction_2022-i-23.pdf">https://acpr.banque-france.fr/sites/default/files/media/2022/12/22/20221222_301_instruction_2022-i-23.pdf</a></p>



## Annex – Covered bond and SSA issuance

Caffil – 2014 - 2021 Benchmark issuance

Issue date		Transaction	Volume	Spread vs MS	Spread vs OAT	Thematic
September 2021	0.500% CAFFIL 01/10/2046		EUR 500 m	+ 12 bps	- 11 bps	
September 2021	0.010% CAFFIL 01/10/2029		EUR 750 m	- 1 bps	+ 12 bps	
June 2021	0.125% CAFFIL 30/06/2031		EUR 1 bn	+ 4 bps	+ 4 bps	
April 2021	0.100% CAFFIL 27/04/2029		EUR 750 m	- 2 bps	+ 7.1 bps	Social
February 2021	0.125% CAFFIL 15/02/2036		EUR 750 m	+2 bps	+6.3 bps	
January 2021	0.010% CAFFIL 18/03/2031		EUR 1.5 bn	+ 3 bps	+ 10.1 bps	
October 2020	0.010% CAFFIL 19/10/2035		EUR 750 m	+ 7 bps	+ 7 bps	
September 2020	0.010% CAFFIL 22/02/2028		EUR 1.5 bn	+ 4 bps	+ 11 bps	
June 2020	0.010% CAFFIL 24/06/2030		EUR 1 bn	+ 7 bps	+ 2 bps	
April 2020	0.010% CAFFIL 07/05/2025		EUR 1 bn	+ 22 bps	+ 31 bps	Social
February 2020	0.375% CAFFIL 13/02/2040		EUR 750 m	+ 5 bps	+ 5.1 bps	
November 2019	0.100% CAFFIL 13/11/2029		EUR 750 m	+ 2 bps	+ 13.2 bps	Green
February 2019	0.500% CAFFIL 19/02/2027		EUR 1 bn	+ 11 bps	+ 25 bps	Social
January 2019	0.500% CAFFIL 16/01/2034		EUR 500 m	+ 31 bps	+34 bps	
January 2019	0.500% CAFFIL 16/01/2025		EUR 750 m	+ 16 bps	+ 36 bps	
June 2018	1.500% CAFFIL 26/06/2038		EUR 500 m	+14 bps	+26 bps	
April 2018	1.000% CAFFIL 25/04/2028		EUR 1.5 bn	+4 bps	+26.5 bps	
January 2018	1.125% CAFFIL 19/01/2033		500 m	Flat	+10 bps	
January 2018	0.500% CAFFIL 19/01/2026		1 bn	-10 bps	+17 bps	
September 2017	0.750% CAFFIL 27/09/2027		EUR 750 m	-2 bps	+13 bps	
May 2017	1.250% CAFFIL 11/05/2032		EUR 750 m	+20 bps	+14 bps	
May 2017	0.375% CAFFIL 11/05/2024		EUR 1 bn	-5 bps	+15 bps	
January 2017	0.750% CAFFIL 11/01/2027		EUR 1.5 bn	+8 bps	+1.5 bps	
November 2016	1.125% CAFFIL 01/12/2031		EUR 500 m	+17 bps	+1 bps	
June 2016	0.375% CAFFIL 23/06/2025		EUR 1 bn	+4 bps	+14 bps	
April 2016	0.625% CAFFIL 13/04/2026		EUR 1.25 bn	+14 bps	+26 bps	
January 2016	0.500% CAFFIL 13/04/2022		EUR 1 bn	+7 bps	+25 bps	
January 2016	1.500% CAFFIL 13/01/2031		EUR 500 m	+25 bps	+8 bps	
October 2015	0.625% CAFFIL 26/01/2023		EUR 1 bn	+5 bps	+20.5 bps	
September 2015	1.125% CAFFIL 09/09/2025		EUR 1 bn	+3 bps	-5.5 bps	
April 2015	0.200% CAFFIL 27/04/2023		EUR 1 bn	-11 bps	+9 bps	
January 2015	1.250% CAFFIL 22/01/2035		EUR 500 m	+19 bps	+4 bps	
September 2014	0.375% CAFFIL 16/09/2019		EUR 1.25 bn	-1 bp	+21 bps	
April 2014	3.000% CAFFIL 02/10/2028		EUR 1 bn	+37 bps	+2 bps	
January 2014	2.375% CAFFIL 17/01/2024		EUR 1 bn	+36 bps	+6 bps	



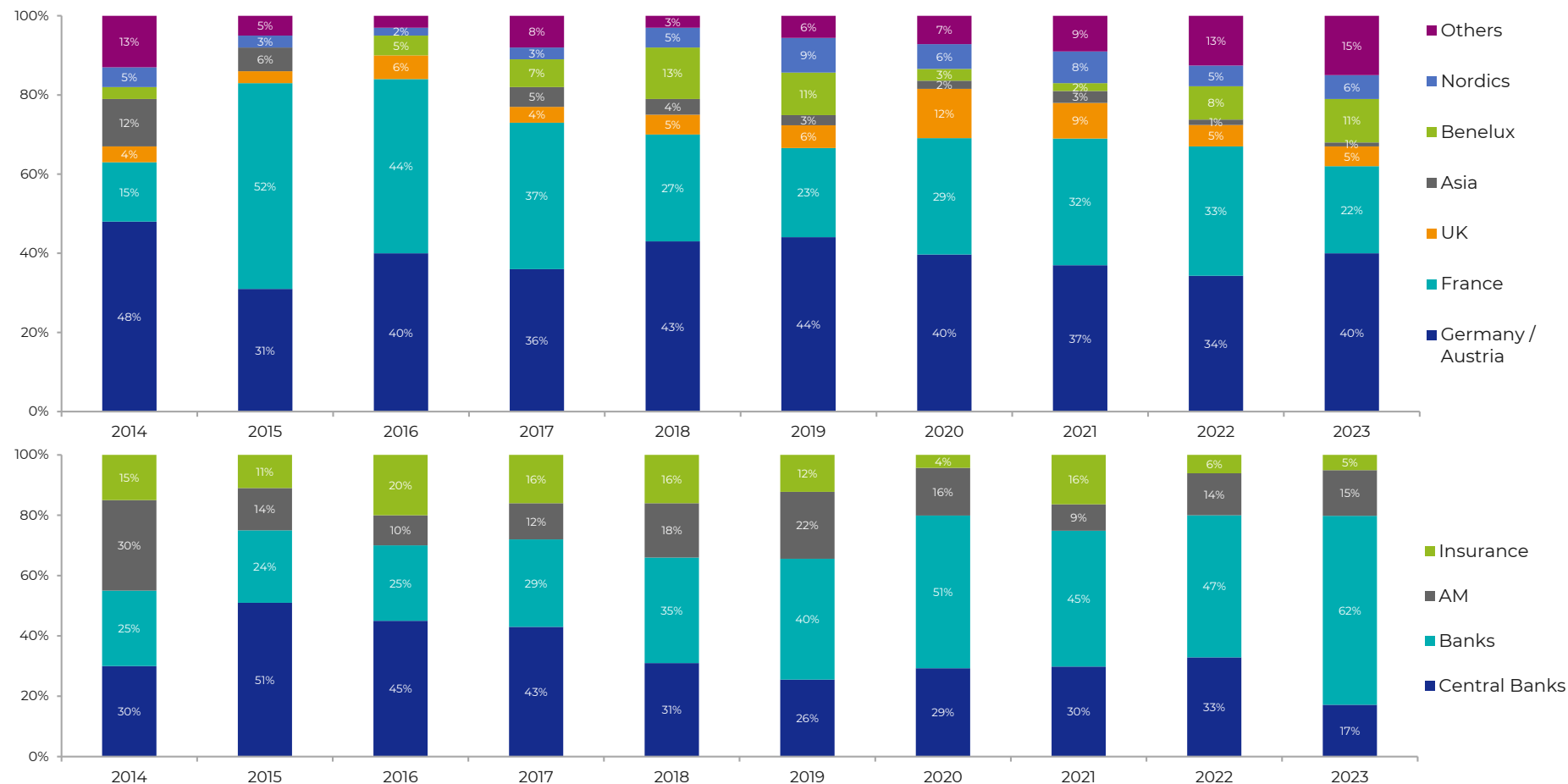
## Annex – Covered bond and SSA issuance

Caffil – 2022 - 2024 Ytd Benchmark issuance

Issue date	Transaction	Volume	Spread vs MS	Spread vs OAT	Thematic
March 2024	3% CAFFIL 19/03/2036	EUR 500 m	+ 45 bps	+ 16.5 bps	Social
January 2024	3.125% CAFFIL 24/11/2033	EUR 1 bn	+ 47 bps	+ 34 bps	
November 2023	3.5% CAFFIL 20/03/2029	EUR 500 m	+ 34 bps	+ 49 bps	Social
October 2023	3.625% CAFFIL 19/01/2029	EUR 750 m	+ 32 bps	+ 55 bps	Green
March 2023	3.5% CAFFIL 16/03/2032	EUR 750 m	+ 27 bps	+ 37 bps	
January 2023	2.875% CAFFIL 30/01/2030	EUR 1 bn	+ 24 bps	+ 54.5 bps	
November 2022	3.125% CAFFIL 16/11/2027	EUR 750 m	+ 12 bps	+ 62.3 bps	Green
October 2022	3.25% CAFFIL 19/02/2029	EUR 1 bn	+ 11 bps	+ 83 bps	
May 2022	1.875% CAFFIL 25/05/2034	EUR 500 m	+ 12 bps	+ 28 bps	Social
April 2022	1.125% CAFFIL 12/06/2028	EUR 1 bn	+ 5 bps	+ 39 bps	
January 2022	0.625% CAFFIL 20/01/2042	EUR 500 m	+ 6 bps	- 7 bps	
January 2022	0.25% CAFFIL 20/01/2032	EUR 750 m	- 1 bps	+ 9 bps	

## Annex – Covered bond and SSA issuance

Caffil – Breakdown of 2014 – 2023 Benchmark issue





## Annex – Covered bond and SSA issuance

Sfil – 2016 – 2024 Ytd – USD and EUR Benchmark issuance

### EUR benchmark issuance

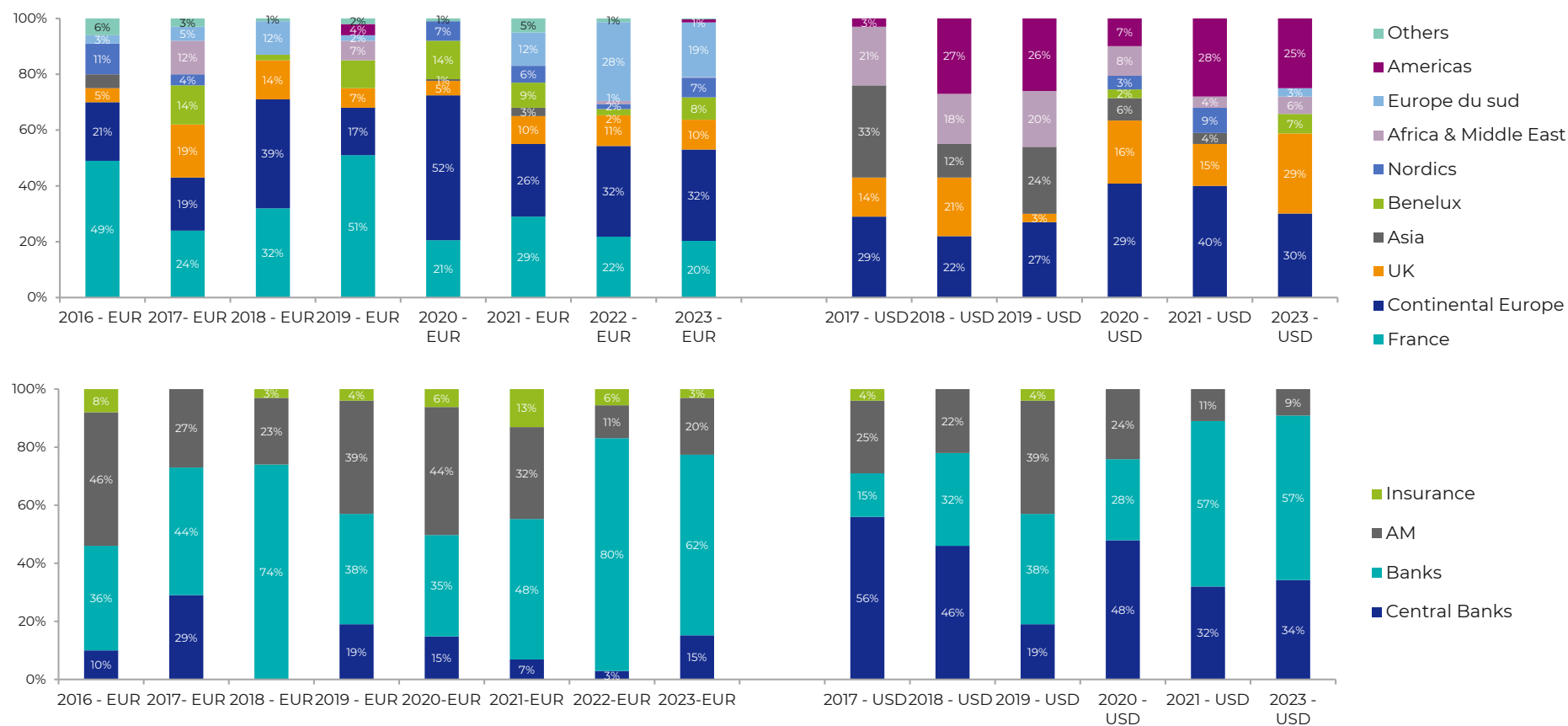
Issue date	Transaction	Volume	Spread vs MS	Spread vs OAT	Thematic
January 2024	2.875% SFIL 22/01/2031	EUR 1.25 bn	+ 35 bps	+ 43 bps	
April 2023	3.25% SFIL 25/10/2030	EUR 750 m	+ 17 bps	+ 42 bps	
January 2023	2.875% SFIL 18/01/2028	EUR 1.5 bn	+ 12.5 bps	+ 45 bps	
September 2022	3.25% SFIL 05/10/2032	EUR 500 m	+ 4 bps	+ 40 bps	
April 2022	1.5% SFIL 05/03/2032	EUR 1 bn	+ 0 bp	+ 26 bps	
November 2021	0.25% SFIL 01/12/2031	EUR 500 m	+ 11 bps	+ 19 bps	Green
May 2021	0.050% SFIL 04/06/2029	EUR 1 bn	+ 12 bps	+ 18 bps	
November 2020	0.000% SFIL 13/11/2028	EUR 500 m	+ 9 bps	+ 23 bps	Green
Mai 2019	0.000% SFIL 24/05/2024	EUR 1 bn	+ 3,8 bps	+ 29 bps	
January 2018	0.750% SFIL 06/02/2026	EUR 1 bn	-5 bps	+20 bps	
November 2017	0.100% SFIL 18/10/2022	EUR 1 bn	-13.4 bps	+21 bps	
November 2016	0.125% SFIL 18/10/2024	EUR 1 bn	Flat	+21 bps	

### USD benchmark issuance

Issue date	Transaction	Volume	Spread vs MS	Spread vs UST
September 2023	4.875% SFIL 03/10/2028	USD 500 m	+54 bps	+32.8 bps
February 2021	0.625% SFIL 09/02/2026	USD 1 bn	+17 bps	+18 bps
May 2020	0.500% SFIL 27/05/2023	USD 1.25 bn	+31 bps	+38 bps
April 2019	2.625% SFIL 25/04/2022	USD 1.25 bn	+18 bps	+24.8 bps
June 2018	3.000% SFIL 21/06/2021	USD 1 bn	+19 bps	+42 bps
June 2017	2.000% SFIL 30/02/2020	USD 1 bn	+33 bps	+49.3 bps

# Annex – Covered bond and SSA issuance

Sfil – Breakdown 2016 – 2023 Benchmark issuance





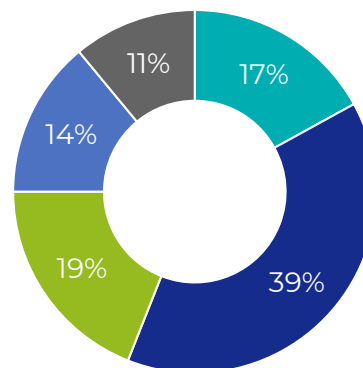
## Annex – Covered bond and SSA issuance

2019 ESG issuance

### EUR 1 billion CAFFIL 2019/2027 – SOCIAL BOND

<b>Coupon</b>	0.500%
<b>Trade date</b>	12/02/2019
<b>Maturity date</b>	19/02/2027
<b>Reoffer Spread</b>	MS +11 BP OAT +25 BP

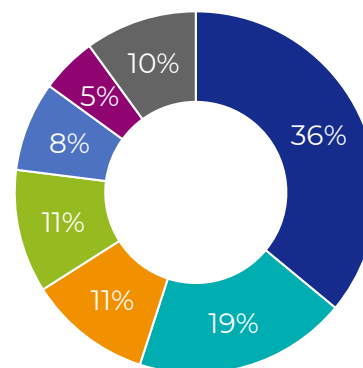
**Orderbook** **EUR 2.6 billion**  
Participation of 100 investors  
(1/3 ESG investors)



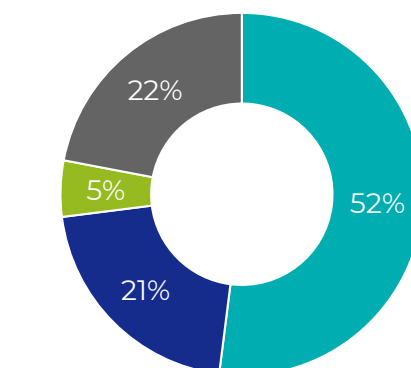
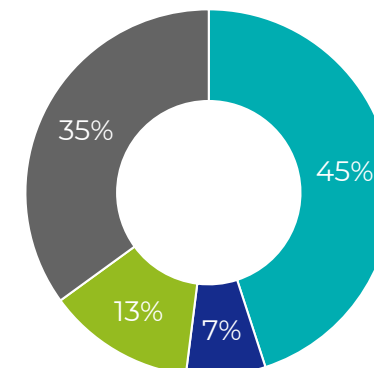
### EUR 750 m CAFFIL 2019/2029 – GREEN BOND

<b>Coupon</b>	0.100%
<b>Trade date</b>	05/11/2019
<b>Maturity date</b>	13/11/2029
<b>Reoffer Spread</b>	MS +2 BP OAT +13 BP

**Orderbook** **EUR 2.5 billion**  
Participation of 100 investors  
(80% ESG investors)



■ Germany/Austria  
■ UK/Ireland  
■ Nordics  
■ Others  
■ France  
■ Benelux  
■ Italy



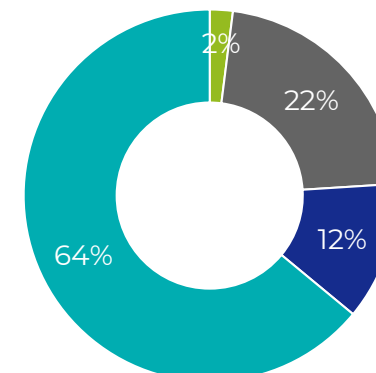
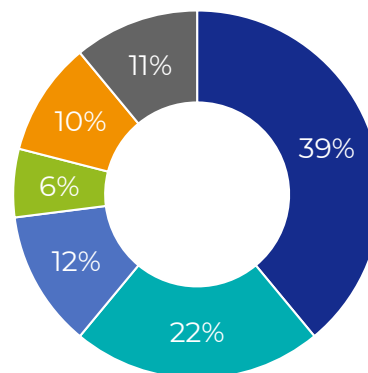
■ Banks ■ CB/OI ■ Insurance ■ AM

# Annex – Covered bond and SSA issuance

2020 ESG issuance

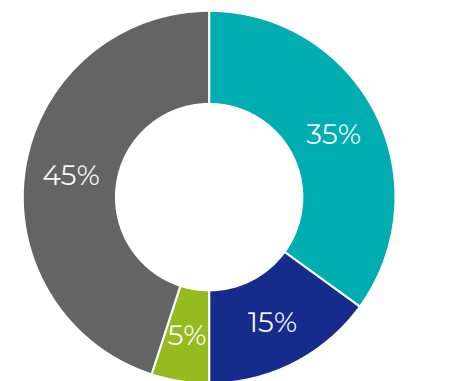
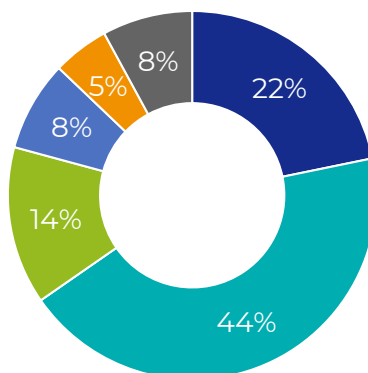
## EUR 1 billion CAFFIL 2020/2025 – SOCIAL BOND

<b>Coupon</b>	0.01%
<b>Trade date</b>	28/04/2020
<b>Maturity date</b>	07/05/2025
<b>Reoffer Spread</b>	MS +22 BP OAT +31 BP
<b>Orderbook</b>	<b>EUR 4.5 billion</b> participation of 130 investors



## EUR 500 m SFIL 2020/2028 – GREEN BOND

<b>Coupon</b>	0%
<b>Trade date</b>	13/11/2020
<b>Maturity date</b>	23/11/2028
<b>Reoffer Spread</b>	MS +9 BP OAT +23 BP
<b>Orderbook</b>	<b>EUR 2.5 billion</b> participation of 100 investors (80% ESG investors)



■ Germany/Austria    ■ France  
 ■ Benelux    ■ Nordics  
 ■ UK/Ireland    ■ Others

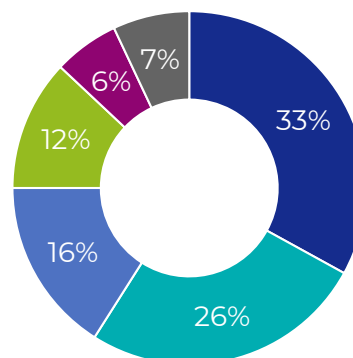
■ Banks    ■ CB/OI    ■ Insurance    ■ AM

## Annex – Covered bond and SSA issuance

### 2021 ESG issuance

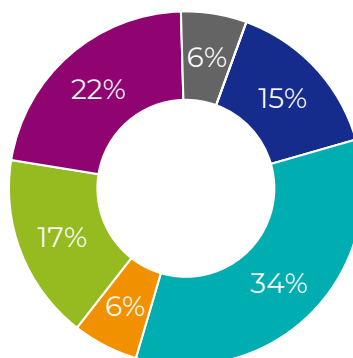
#### EUR 750 m CAFFIL 2021/2029 – SOCIAL BOND

<b>Coupon</b>	0.01%
<b>Trade date</b>	19/04/2021
<b>Maturity date</b>	27/04/2029
<b>Reoffer Spread</b>	MS - 2 BP OAT + 7 BP
<b>Orderbook</b>	<b>EUR 1.5 billion</b> participation of 60 investors (51% ESG investors)

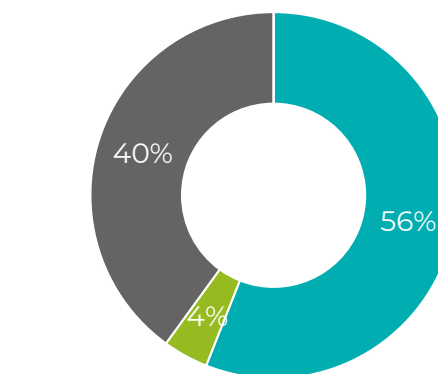
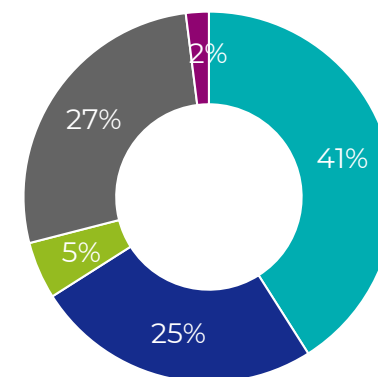


#### EUR 500 m SFIL 2021/2031 – GREEN BOND

<b>Coupon</b>	0.25%
<b>Trade date</b>	23/11/2021
<b>Maturity date</b>	01/12/2031
<b>Reoffer Spread</b>	MS +11 BP OAT +19 BP
<b>Orderbook</b>	<b>EUR 750 m</b> participation of 40 investors (94% ESG investors)



■ Germany/Austria  
 ■ UK/Ireland  
 ■ Italy  
 ■ Nordics  
 ■ France  
 ■ Benelux  
 ■ Others



■ Banks  
 ■ CB/OI  
 ■ Insurance  
 ■ AM  
 ■ Corporate

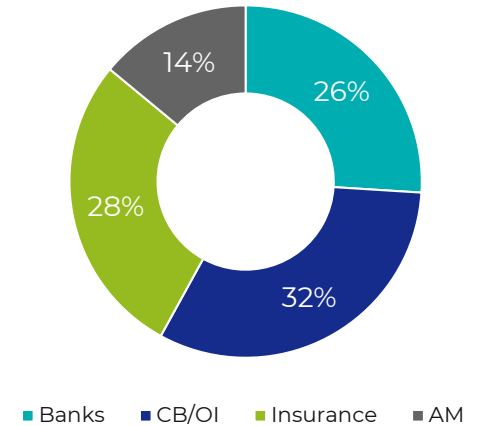
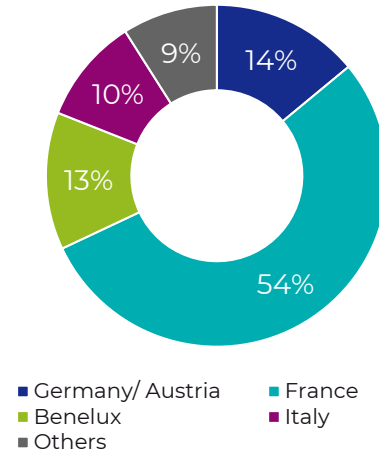
## Annex – Covered bond and SSA issuance

### 2022 ESG issuance

#### EUR 500 m CAFFIL 2022/2034 – SOCIAL BOND

<b>Coupon</b>	1.875%
<b>Trade date</b>	18/05/2022
<b>Maturity date</b>	25/05/2034
<b>Reoffer Spread</b>	MS +12 BP OAT +28 BP

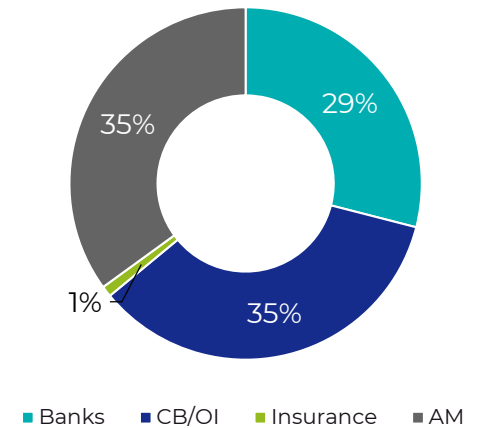
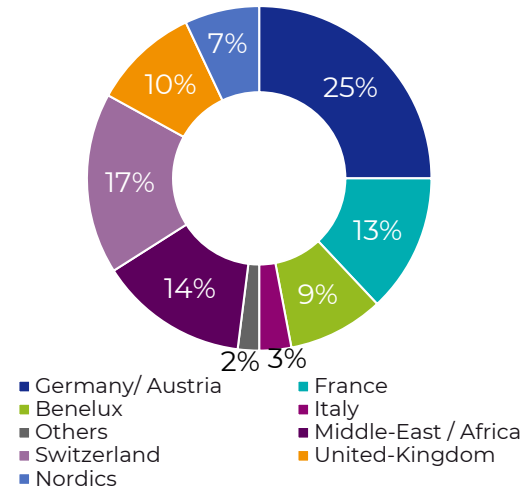
**Orderbook** **Over EUR 700 m**  
Participation of 29 investors  
(46% ESG investors)



#### EUR 750 m CAFFIL 2022/2027 – GREEN BOND

<b>Coupon</b>	3.125%
<b>Trade date</b>	08/11/2022
<b>Maturity date</b>	16/11/2027
<b>Reoffer Spread</b>	MS +11 BP OAT +62.3 BP

**Orderbook** **EUR 1.6 billion**  
Participation of 57 investors  
(78% ESG investors)



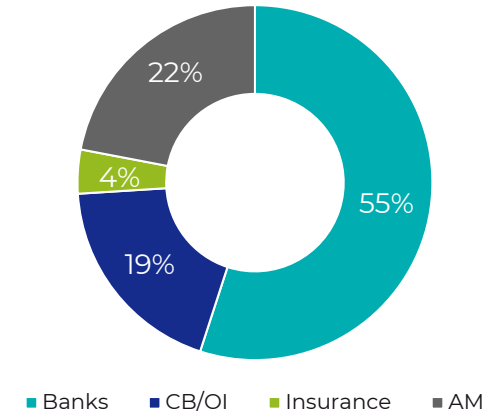
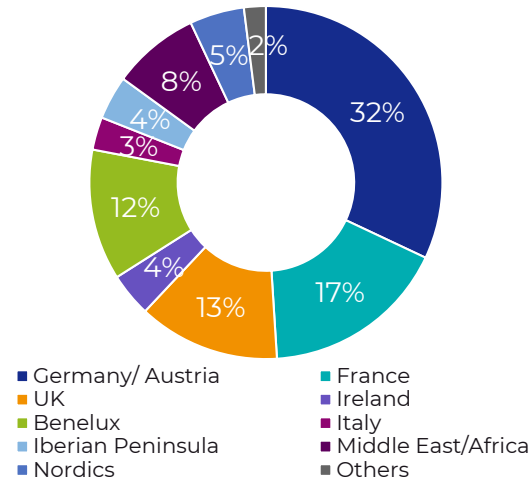
## Annex – Covered bond and SSA issuance

2023 ESG issuance

### EUR 750 m CAFFIL 2023/2029 – GREEN BOND

<b>Coupon</b>	3.625%
<b>Trade date</b>	10/10/2023
<b>Maturity date</b>	19/01/2029
<b>Reoffer Spread</b>	MS +32 BP OAT +55 BP

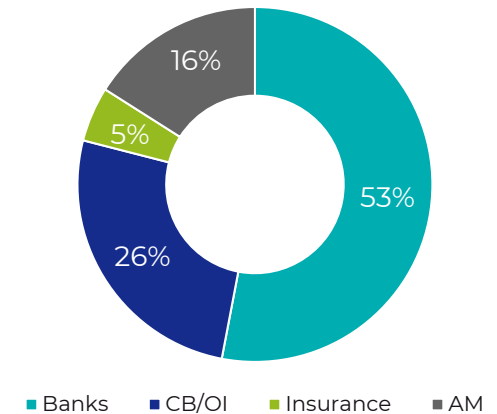
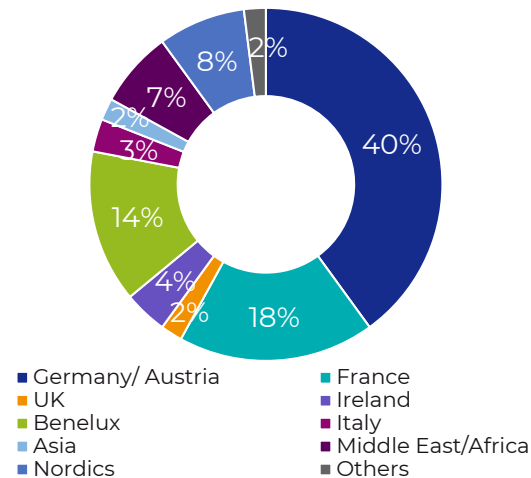
**Orderbook** **EUR 3.5 billion**  
115 orders



### EUR 500 m CAFFIL 2023/2029 – SOCIAL BOND

<b>Coupon</b>	3.5%
<b>Trade date</b>	13/11/2023
<b>Maturity date</b>	20/03/2029
<b>Reoffer Spread</b>	MS +34 BP OAT +49 BP

**Orderbook** **EUR 1.3 billion**  
60 orders



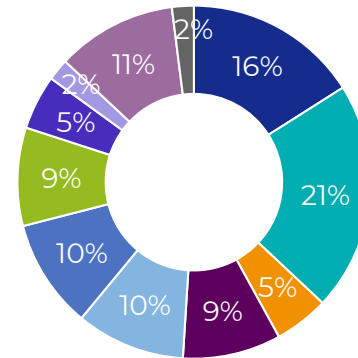
# Annex – Covered bond and SSA issuance

2023 issuance

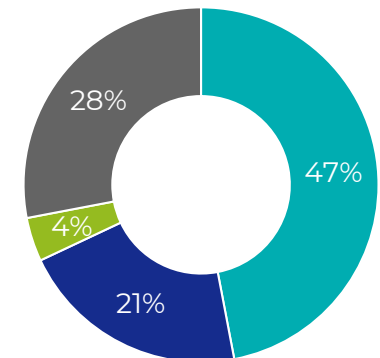
## EUR 1.5 billion SFIL 2023/2028

<b>Coupon</b>	2.875%
<b>Trade date</b>	11/01/2023
<b>Maturity date</b>	18/01/2028
<b>Reoffer Spread</b>	MS +12.5 BP OAT +45 BP

**Orderbook** Reached EUR 5 billion  
115 orders



Germany/ Austria France UK/Ireland  
Italy Iberian Peninsula Nordics  
Benelux Central Europe North America  
Switzerland Others

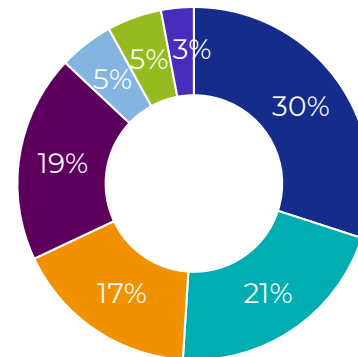


Banks CB/OI Insurance AM

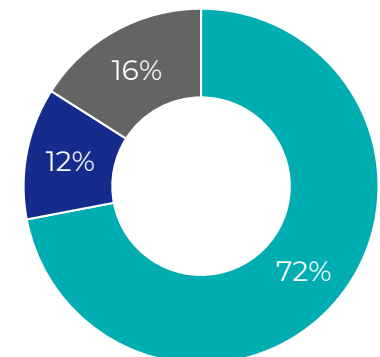
## EUR 750 m SFIL 2023/2030

<b>Coupon</b>	3.25%
<b>Trade date</b>	21/04/2023
<b>Maturity date</b>	25/11/2030
<b>Reoffer Spread</b>	MS +17 BP OAT +42 BP

**Orderbook** Reached EUR 1.1 billion  
40 orders



Germany/ Austria France  
UK/Ireland Italy  
Middle-East / Africa Benelux  
Asia



Banks CB/OI AM

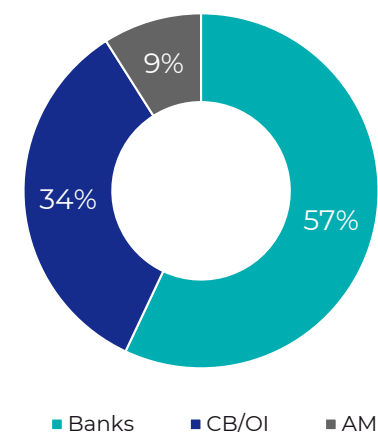
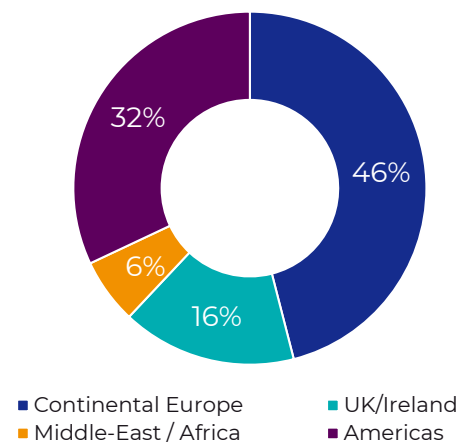


## Annex – Covered bond and SSA issuance

2023 issuance

### USD 500 m SFIL 2023/2028

<b>Coupon</b>	4.875%
<b>Trade date</b>	26/09/2023
<b>Maturity date</b>	03/10/2028
<b>Reoffer Spread</b>	SOFR +54 BP UST +32.8 BP



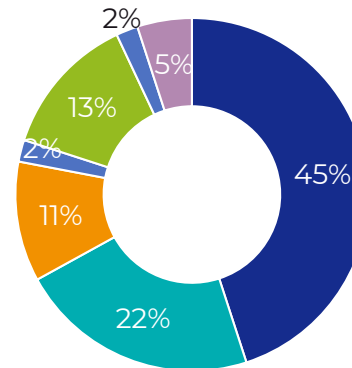
## Annex – Covered bond and SSA issuance

2023 issuance

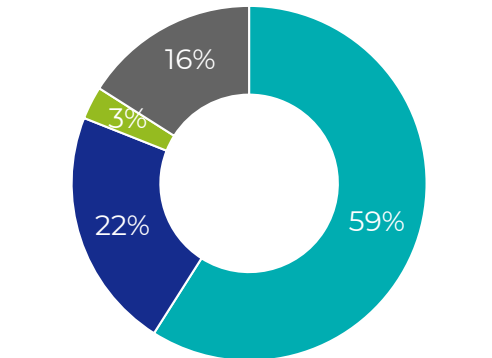
### EUR 1 billion CAFFIL 2023/2030

<b>Coupon</b>	2.875%
<b>Trade date</b>	20/01/2023
<b>Maturity date</b>	30/01/2030
<b>Reoffer Spread</b>	MS +24 BP OAT +54.5 BP

**Orderbook** **EUR 1.5 billion**  
65 orders



Germany/Austria  
UK/Ireland  
Benelux  
France  
Nordics  
Italy

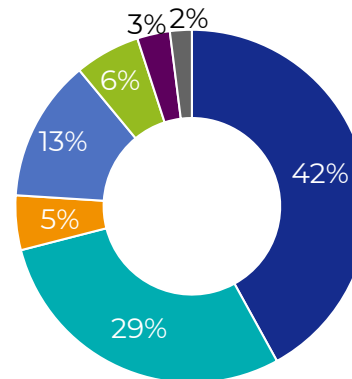


Banks CB/OI Insurance AM

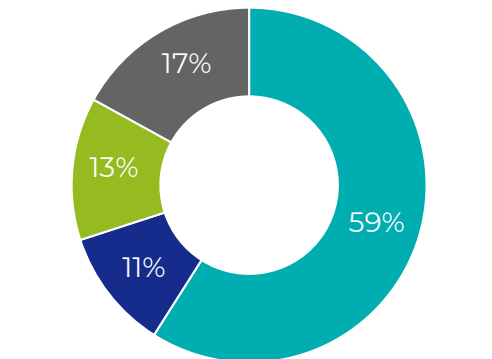
### EUR 750 m CAFFIL 2023/2032

<b>Coupon</b>	3.5%
<b>Trade date</b>	09/03/2023
<b>Maturity date</b>	16/03/2032
<b>Reoffer Spread</b>	MS +27 BP OAT +37 BP

**Orderbook** **EUR 1 billion**  
50 orders



Germany/Austria  
UK/Ireland  
Benelux  
Autres  
France  
Nordics  
Asie



Banks CB/OI Insurance AM

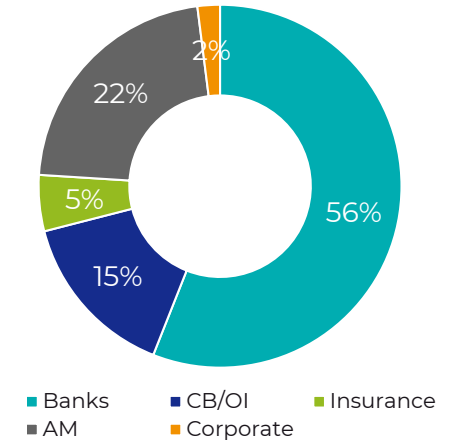
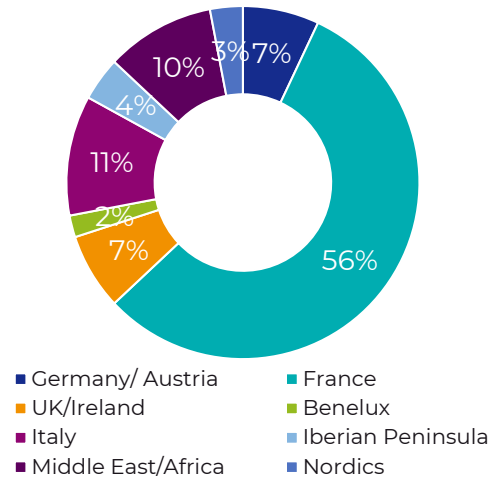
## Annex – Covered bond and SSA issuance

2024 SSA issuance

### EUR 1.25 billion SFIL 2024/2031

<b>Coupon</b>	2.875%
<b>Trade date</b>	11/01/2024
<b>Maturity date</b>	22/01/2031
<b>Reoffer Spread</b>	MS +35 BP OAT +43 BP

**Orderbook** **EUR 2.1 billion**  
50 orders



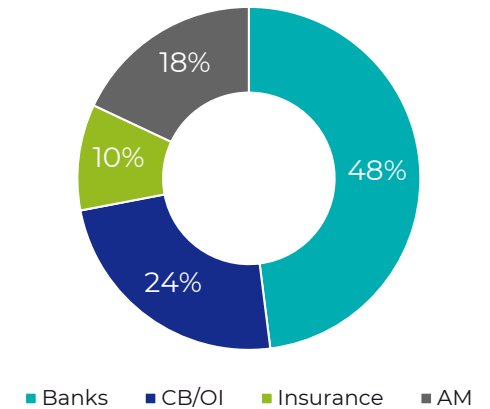
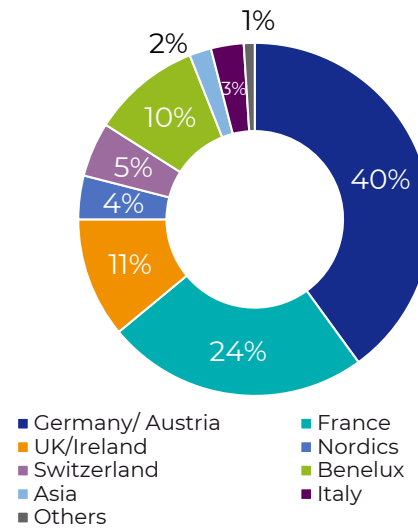
## Annex – Covered bond and SSA issuance

### 2024 Covered bond issuance

#### EUR 1 billion CAFFIL 2024/2033

<b>Coupon</b>	3.125%
<b>Trade date</b>	17/01/2024
<b>Maturity date</b>	24/11/2033
<b>Reoffer Spread</b>	MS +47 BP OAT +34 BP

**Orderbook** **EUR 3.1 billion**  
110 orders



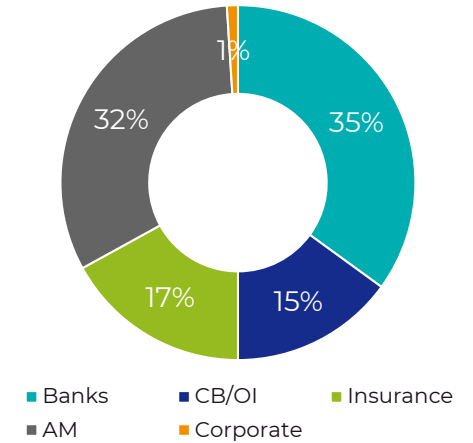
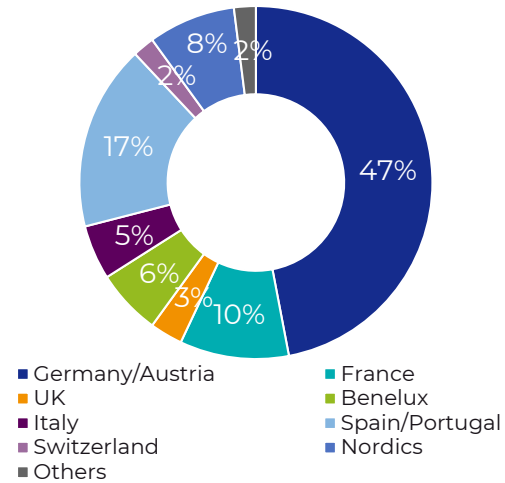
## Annex – Covered bond and SSA issuance

2024 ESG issuance

### EUR 500 m CAFFIL 2024/2036 – SOCIAL BOND

<b>Coupon</b>	3%
<b>Trade date</b>	11/03/2024
<b>Maturity date</b>	19/03/2036
<b>Reoffer Spread</b>	MS +45 BP OAT +16.5 BP

**Orderbook** **EUR 2.9 billion**  
89 orders

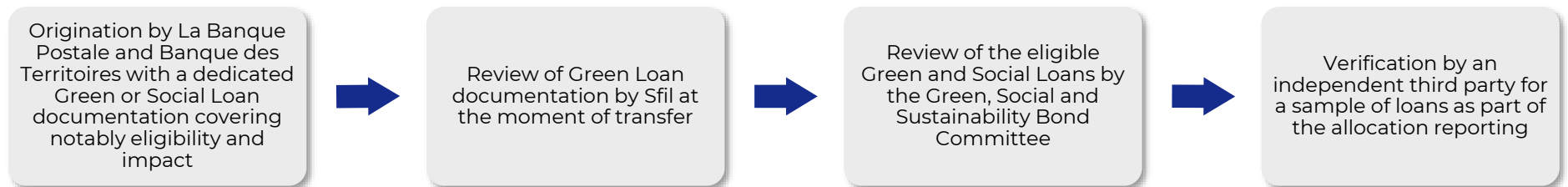




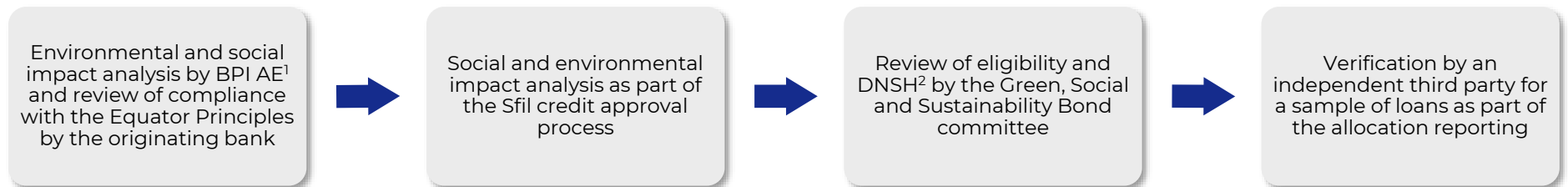
## Annex – ESG issuance program

New Green, Social and Sustainability Bond Framework – Asset selection process

### Asset selection process for Green and Social Loans to Local Authorities:



### Asset selection process for Green and Social Export Loans:



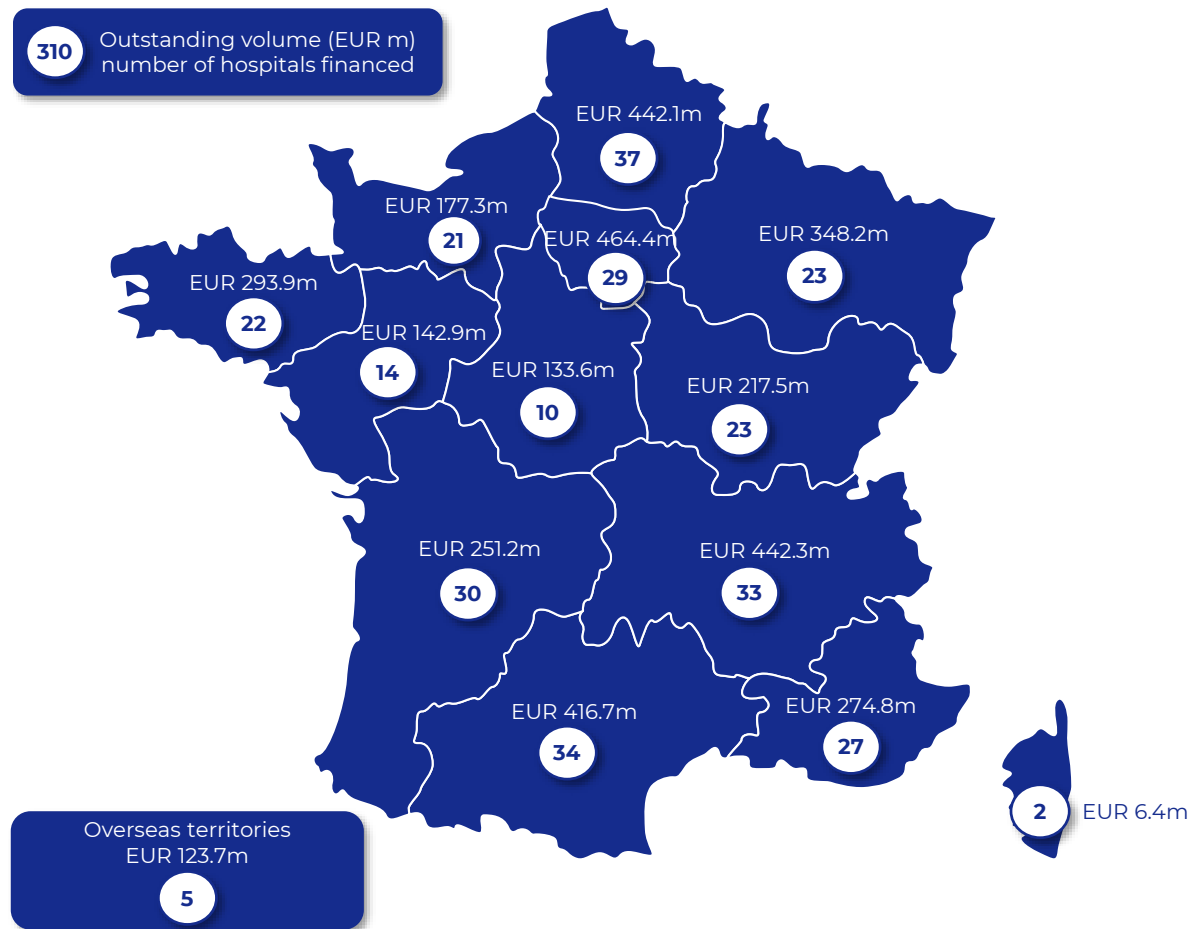
<sup>1</sup> As part of the public guarantee approval process for sensitive projects

<sup>2</sup> Do No Significant Harm (DNSH)



## Annex – ESG issuance program

### Social Bond Reporting Summary



The total outstanding amount as of December 31<sup>st</sup> 2022 is EUR 3 735 m.

Loans to 310 public hospitals are included in the healthcare portfolio. The number of public hospitals in the healthcare portfolio has increased since the last reporting with 302 included in the healthcare portfolio as of December 31<sup>st</sup> 2021.

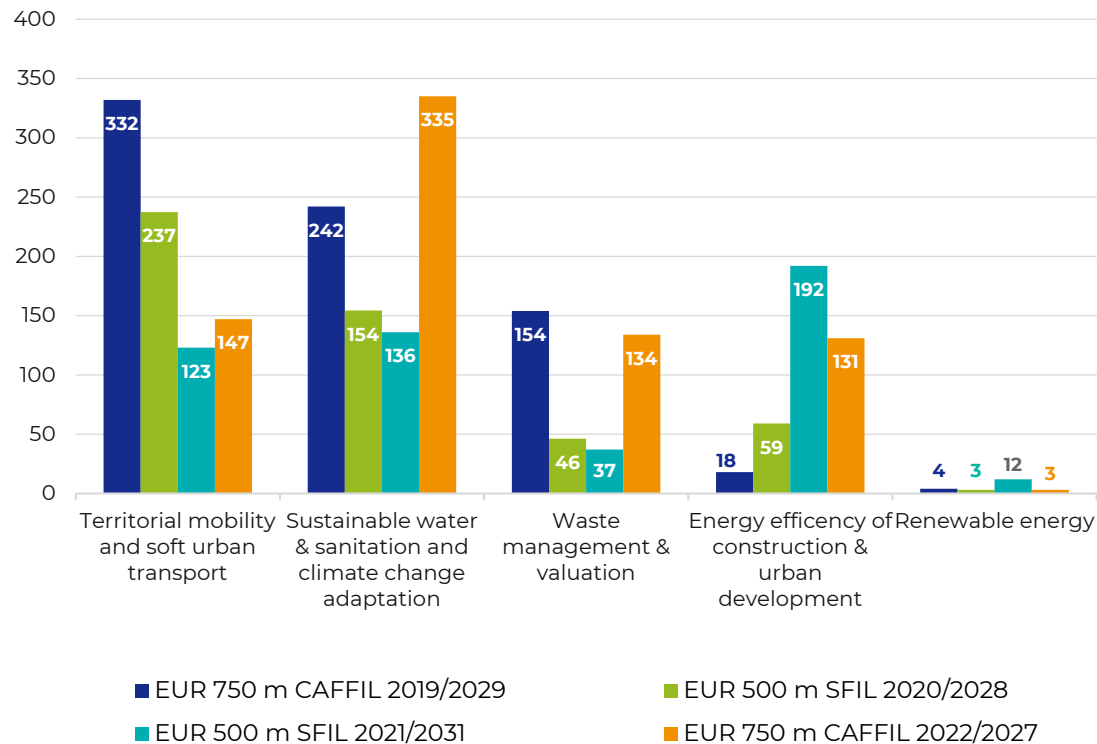
Sfil Group public hospitals financing covers the entire French territory, all metropolitan regions are covered.



## Annex – ESG issuance program

### Green Bond Reporting Summary

Volume by category (EUR m)



Overall Green Loans with a total volume of EUR 2.5 billion have been allocated to the four Green Bond transactions.

In total, the four Green Bond transactions have contributed to the financing of closed to 700 different green investment projects by French local authorities.

The financing provided by the four Green Bond transactions will lead to estimated annual reductions in CO2 emissions of 76 827 t.

Sfil and La Banque Postale aim to provide smaller local authorities with an access to green financing with a minimum amount for green loans lowered to EUR 300 k.

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