



Au service des territoires
et des exportations

Negotiable Medium Term Notes

(Negotiable European Medium Term Notes - NEU MTN)¹

Trade name of the notes defined in article D.213-1 of the French monetary and financial code

Not guaranteed programme

INFORMATION MEMORANDUM	
Name of the programme	SFIL NEU MTN (Programme ID 1978)
Name of the issuer	SFIL
Type of programme	NEU MTN
Writing language	English
Programme size	500 000 000 EURO
Guarantor(s)	Not applicable
Rating(s) of the programme	Not rated
Arranger(s)	
Introduction advisor	Not applicable
Legal advisor	Not applicable
Issuing and paying agent(s) (IPA)	NATIXIS
Dealer(s)	SFIL BNP PARIBAS BRED-BANQUE POPULAIRE CREDIT AGRICOLE CIB HPC SA ING BANK NV NATIXIS SOCIETE GENERALE
Date of the information memorandum (dd/mm/yyyy)	04/08/2021

Drawn up pursuant to articles L. 213-0-1 to L. 213-4-1 of the French monetary and financial code

A copy of the information memorandum is sent to:

BANQUE DE FRANCE
Direction générale de la stabilité financière et des opérations (DGSO)
Direction de la mise en œuvre de la politique monétaire (DMPM)
S2B-1134 Service des Titres de Créances Négociables (STCN)
39, rue Croix des Petits Champs
75049 PARIS CEDEX 01

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The Banque de France invites investors to read the general terms and conditions for the use of information related to negotiable debt securities:

<https://www.banque-france.fr/politique-monetaire/surveillance-et-developpement-des-financements-de-marche-marche-neu-cp-neu-mtn/le-marche-des-titres-negociables-court-et-moyen-terme-neu-cp-neu-mtn>

Information marked « Optional » may not be provided by the issuer because French regulations do not require it

1. DESCRIPTION OF THE ISSUANCE PROGRAMME

Articles D. 213-9, 1° and D 213-11 of the French monetary and financial code and Article 6 of the Order of 30 May 2016 and subsequent amendments

1.1	Name of the programme	SFIL NEU MTN (Programme ID 1978)
1.2	Type of programme	NEU MTN
1.3	Name of the issuer	SFIL
1.4	Type of issuer	Monetary financial Institution // Credit institution, investment firm and CDC under the conditions set out in art. L 213-3.1 of the French Monetary and Financial Code
1.5	Purpose of the programme	In order to meet the general corporate purposes of SFIL (the "Issuer") and its subsidiary, the Issuer will issue from time to time NEU MTN
1.6	Programme size (maximum outstanding amount)	500 000 000 EURO five hundred million EURO or any other currency authorized by applicable laws and regulations in force in France at the time of the issue
1.7	Form of the notes	The NEU MTN are Negotiable Debt Securities issued in bearer form and recorded in the books of authorised intermediaries (book entry system) in accordance with French laws and regulations.
1.8	Yield basis	<p>Compensation type(s) : Unrestricted</p> <p>Compensation rules(s) :</p> <p>The remuneration of the NEU MTN is unrestricted.</p> <p>However, if the Issuer issues NEU MTN with remuneration linked to an index, or an index clause, the Issuer shall only issue NEU MTN with remuneration linked to usual money market indexes, such as but not restricted to: €STR, SOFR or SONIA.</p> <p>The NEU MTN may be issued with a coupon calculated by reference to a money market rate, such as but without limitation: €STR, SOFR or SONIA or any successor or substitute thereof. The Issuer, shall use reasonable endeavours to appoint an Independent Adviser, as soon as reasonably practicable, to determine the use of any alternative rate, including any successor or substitute reference rate endorsed by competent authorities or central banks (if available) in the event of (i) the initially provided reference rate ceasing to exist or be published, (ii) the later of (a) the making of a public statement by the administrator of the initially provided reference rate that it will, on or before a specified date, cease publishing the initially provided reference rate permanently or indefinitely (in circumstances where no successor administrator has been appointed that will continue publication of the initially provided reference rate) and (b) the date falling six months prior to the date specified in the public statement referred to in (ii)(a), (iii) the making of a public statement by the supervisor of the administrator of the initially provided reference rate that such rate has been permanently or indefinitely discontinued, (iv) the later of (a) the making of a public statement by the supervisor of the administrator of the initially provided reference rate that such rate will, on or before a specified date, be permanently or indefinitely discontinued and (b) the date falling six months prior to the date specified in the public statement referred to in (iv)(a), (v) the making of a public statement by the supervisor of the administrator of the initially provided reference rate that means the initially</p>

		<p>provided reference rate will be prohibited from being used or that its use will be subject to restrictions or adverse consequences, in each case within the following six months, (vi) it has or will prior to the next interest determination date, become unlawful for the Issuer, the party responsible for determining the rate of interest, or the Issuing and Paying Agent to calculate any payments due to be made to any holder of the NEU MTN using the initially provided reference rate (including, without limitation, under Regulation (EU) 2016/1011, if applicable) or (vii) that a decision to withdraw the authorisation or registration pursuant to article 35 of Regulation (EU) 2016/1011 of any benchmark administrator previously authorised to publish such initially provided reference rate has been adopted.</p> <p>If the Independent Adviser has determined an alternative rate, successor or substitute reference rate in accordance with the foregoing, (i) the Independent Adviser will also determine concomitant changes (if any) to the adjustment spread and the terms and conditions of the NEU MTN (including the business day convention, the definition of business day, the interest determination date, the day count fraction) and any method for obtaining the alternative rate, successor or substitute reference rate, and such other changes or adjustments necessary to make such alternative rate, successor or substitute reference rate as comparable as possible to the initially provided reference rate, in each case in a manner that is consistent with industry-accepted practices for such alternative rate, successor or substitute reference rate and such guidance promulgated by associations involved in the establishment of market standards and/or protocols in the international financial and/or debt capital markets as the Independent Adviser may consider relevant for such alternative rate, successor or substitute reference rate, and (ii) the Issuer shall, subject to giving notice thereof, without any requirement for the consent or approval of holders of the NEU MTN vary the terms and conditions of the NEU MTN to give effect to such amendments with effect from the date specified in such notice. For this purpose, "Independent Adviser" means an independent financial institution of international repute or an independent adviser of recognised standing with appropriate expertise appointed by the Issuer at its own expense."</p> <p>The remuneration of the NEU MTN may be negative depending on the fixed rates or the trend of the usual money market indexes applicable to the calculation of the remuneration. In this case, the amounts actually redeemed to the holders of the NEU MTN after set-off with the negative interests flows may be below par. The conditions of remuneration of such NEU MTN will be set up when the said NEU MTN will be initially issued.</p> <p>In the case of an issue of NEU MTN embedding an option of early redemption or repurchase, as mentioned in paragraph 1.10 below, the conditions of remuneration of such NEU MTN will be set out when the said NEU MTN will be initially issued and shall not be further modified, including when such an embedded option of early redemption or repurchase will be exercised.</p>
1.9	Currencies of issue	Euro or any other currency authorized by applicable laws and regulations in force in France at the time of the issue
1.10	Maturity	The term (maturity date) of the NEU MTN shall be determined in accordance with laws and regulations applicable in France, which imply that, at the date hereof, the term of the NEU MTN shall not be shorter than one year (365 days or 366 days in a leap year).

		<p>The NEU MTN may be redeemed before maturity in accordance with the laws and regulations applicable in France.</p> <p>The NEU MTN issued under the Programme may also carry one or more embedded option of repurchase before the term (hold by either the Issuer or the holder, or linked to one or several events not related to either the Issuer or the holder).</p> <p>An option of early redemption or repurchase of the NEU MTN, if any, shall be explicitly specified in the confirmation form of any related issuance of NEU MTN.</p> <p>In any case, the overall maturity of any NEU MTN embedded with one or several of such clauses, shall always - all possibilities of early redemption or repurchase included - conforms to laws and regulations in force in France at the time of the issue.</p>
1.11	Minimum issuance amount	200 000 EURO or any other amount above the stated value (or equivalent amount in the relevant foreign currency)
1.12	Minimum denomination of the notes	By virtue of regulation (Article D 213-11 of the French monetary and financial code), the legal minimum face value of the commercial paper within the framework of this program is 200 000 euros or the equivalent in the currencies selected at the time of issuance
1.13	Status of the notes	Senior Unsecured
1.14	Governing law that applies to the programme	The NEU MTN issued under the Programme shall be governed by and construed in accordance with French law. All potential disputes related to the issuance of the NEU MTN shall be governed by and construed in accordance with French law.
1.15	Listing of the notes/Admission to trading on a regulated market	<p>Yes,</p> <p>All, or part only, of the NEU MTN issued under the Programme may be admitted to trading on Euronext Paris in accordance with Directive 2003/71/EC of the European Parliament and of the Council dated 4 november 2003. You can verify whether an issue of NEU MTN is admitted to trading on Euronext Paris on the website of Euronext Paris (https://www.euronext.com/).</p>
1.16	Settlement system	The NEU MTN will be issued in Euroclear France.
1.17	Rating(s) of the programme	Not rated
1.18	Guarantor	Not applicable
1.19	Issuing and Paying Agent(s) (IPA) - exhaustive list -	NATIXIS
1.20	Arranger	
1.21	Placement method	<p>Direct placement</p> <p>Dealer(s) :</p> <p>BNP PARIBAS BRED-BANQUE POPULAIRE CREDIT AGRICOLE CIB HPC SA ING BANK NV NATIXIS SOCIETE GENERALE</p> <p>The Issuer may subsequently elect to replace any dealer, insure the placement himself, or appoint other dealers; an updated list of such dealers shall be disclosed to investors upon request to the Issuer</p>

		<p>Additional information regarding the placement :</p> <p>The NEU MTN will be placed by the following Dealers: BNP Paribas, Credit Agricole Corporate & Investment Bank, Natixis, BRED Banque Populaire, ING BANK N.V., Société Générale and HPC SA.</p>
1.22	Selling restrictions	<p>General selling restrictions</p> <p>The Issuer, each Dealer, any initial subscriber or any further holder of the NEU MTN issued under the Programme shall not take any action that would allow a public offering of the NEU MTN or the possession or distribution of the Information Memorandum or any other document relating to the NEU MTN in any jurisdiction where it is unlawful for such documents to be distributed and shall not offer, sell or deliver, whether directly or indirectly, the NEU MTN in any jurisdiction where such action is unlawful. The Issuer, each Dealer, any initial subscriber has agreed, and any further holder of the NEU MTN will be deemed to have represented and agreed on the date on which he purchases the NEU MTN, to comply with all applicable laws and regulations in force in the jurisdiction in which it offers or sells the NEU MTN or hold or distribute the Information Memorandum and to obtain any consent, approval or permission required for the offer or sale by it of NEU MTN under the laws and regulations in force in any jurisdiction to which it is subject or in which it will make such offers or sales.</p> <p>France.</p> <p>The Issuer, each Dealer, any initial subscriber has represented and agreed, and any further holder of the NEU MTN will be deemed to have represented and agreed on the date on which he purchases the NEU MTN, to comply with applicable laws and regulations in force regarding the offer, the placement or the re-sale of the NEU MTN or the distribution of documents with respect thereto, in France.</p> <p>United States</p> <p>The NEU MTN have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any other laws or regulations of any state of the United States of America, and may not be offered or sold within the United States of America, or to, or for the account or benefit of, U.S. persons (as defined in accordance with Regulation S under the Securities Act). Any initial subscriber, any Dealer and any further holder of the NEU MTN has represented and agreed, that it has not offered, sold, or delivered, and will not offer, sell or deliver, whether directly or indirectly, any NEU MTN within the United States of America or to, or for the account or benefit of, any U.S. person (i) as part of their distribution at any time and (ii) otherwise until the day immediately following 40 days after the later of (y) the day on which such NEU MTN are offered and (z) the issue date of such NEU MTN (the "Distribution Compliance Period"). In addition, until 40 days after the commencement of the offering of the NEU MTN, an offer or sale of NEU MTN within the United States by an initial subscriber or any further holder of the NEU MTN, whether or not participating in the offering, may violate the registration requirements of the Securities Act. Any initial subscriber, any Dealer and any further holder of the NEU MTN has also agreed that it will send to each distributor, initial subscriber or person to which it sells NEU MTN during the 40-day period (as referred to here above) a notice setting out the selling and offering restrictions of the NEU MTN in the United States of America or to, or for the account or benefit of, US persons. The NEU MTN will be offered and sold only outside the</p>

		United States to persons other than US persons (as defined in accordance with Regulation S under the Securities Act).
1.23	Taxation	The Issuer is not bound to indemnify any holder of the NEU MTN in case of taxes which are payable under French law or any other foreign law in respect of the principal of, or the interest on the NEU MTN, except for any stamp or registration taxes payable by the Issuer under French law.
1.24	Involvement of national authorities	Banque de France
1.25	Contact(s)	<p>philippe.mills@sfil.fr The person in charge of the Programme : Funding and Treasury Desk SFIL 1-3 rue du passeur de Boulogne 92130 Issy-les-Moulineaux – France Tel : + 33.(0)1.30.13.39.09 Email address : SFIL_SDM_LiqTreso@SFIL.FR</p> <p>The person in charge of the update of the Programme is : Legal Department - Capital Market</p> <p>SFIL 1-3 rue du passeur de Boulogne 92130 Issy-les-Moulineaux – France Tel : + 33.(0)1.73.28.89.47/+ 33.(0)1.73.28.89.77 Email address : DJMF@SFIL.FR</p>
1.26	Additional information on the programme	Optional
1.27	Language of the information memorandum which prevails	English

2 DESCRIPTION OF THE ISSUER		
Article D. 213-9, 2° of the French monetary and financial code and Article 7, 3° of the Order of 30 May 2016 and subsequent amendments		
2.1	Legal name	SFIL
2.2	Legal form/status, governing law of the issuer and competent courts	<p>Legal form/status : Company limited by shares (société anonyme) incorporated and organized in accordance with Luxembourg</p> <p>Governing law of the issuer : Monetary financial Institution // Credit institution, investment firm and CDC under the conditions set out in art. L 213-3.1 of the French Monetary and Financial Code</p> <p>Competent courts : TRIBUNAL DE COMMERCE DE NANTERRE</p>
2.3	Date of incorporation	29/12/1999
2.4	Registered office or equivalent (legal address) and main administrative office	<p>Registered office : 1-3 RUE DU PASSEUR DE BOULOGNE 92130 ISSY LES MOULINEAUX FRANCE</p>
2.5	Registration number, place of registration and LEI	<p>Registration number : 428 782 585</p> <p>LEI : 549300HFEHJOXGE4ZE63</p>
2.6	Issuer's mission summary	<p>The company is a credit institution, licensed by the <i>Autorité de contrôle prudentiel et de résolution</i>, whose purpose is to carry out on a regular basis:</p> <p>(a) any banking transactions, within the meaning of article L.311-1 of the French Monetary and Financial Code;</p> <p>(b) any transactions relating to those transactions referred to in (a) above, including the investment, subscription, purchase, management, custody and sale of financial securities and any financial products;</p> <p>(c) any transactions involving the receipt of funds from its shareholders and the société de crédit foncier controlled by the company;</p> <p>(d) pursuant to article L.513-15 of the French monetary and financial code, any services relating to the management and recovery of exposures, debt securities and other securities, bonds, or other resources provided for in article L.513-2 of the French Monetary and Financial Code, of a duly authorized société de crédit foncier controlled by the company;</p> <p>(e) the provision of services on behalf of third parties with a view to carrying out banking transactions;</p> <p>each in connection with credit transactions for the local public sector in France and export credit refinancing operations.</p>
2.7	Brief description of current activities	<p>The SFIL Group successfully discharged its key responsibilities:</p> <ul style="list-style-type: none"> • financing, within a strictly defined framework, loans initially granted by La Banque Postale to eligible^[1] local government entities and public hospitals via Caisse Française de Financement Local ("CAFFIL") issued <i>Obligations Foncières</i>; • refinancing large export credit contracts; • SFIL's provision of specialized services to La Banque Postale

		<p>and CAFFIL to enable the system to function correctly;</p> <ul style="list-style-type: none"> the continuation and near-completion, in line with the State's public finances management objectives and SFIL's strategic interests, of the program to reduce the sensitivity of certain structured loans held on CAFFIL's balance sheet when SFIL was created. <p>Detailed information about the Issuer's business activity can be found on pages 18 to 25 of the 2020 Financial Report of SFIL, available at the following internet address: https://sfil.fr/infos-financieres/publications/</p> <p>[1] Eligibility within the meaning of the law on sociétés de crédit foncier, pursuant to which on-balance sheet hedging assets can be considered collateral for issued covered bonds.</p>
2.8	Capital	<p>130,000,150.00 EURO</p> <p>Decomposition of the capital :</p> <p>As at the date hereof, SFIL's issued share capital amounts to 130,000,150 euros divided into 9 285 725 shares of 14 euros of nominal value.</p> <p>The shares are divided into two categories: 7 428 580 ordinary shares, and 1 857 145 preference shares issued pursuant to the provisions of Articles L. 228-11 of the French Code de Commerce whose rights and obligations are set out in the Articles of Association of SFIL.</p>
2.8.1	Amount of capital subscribed and fully paid	130,000,150.00 EURO
2.8.2	Amount of capital subscribed and not fully paid	Not applicable
2.9	List of main shareholders	Shareholders : CAISSE DES DEPOTS (99.99 %)
2.10	Regulated markets on which the shares or debt securities of the issuer are listed	Regulated markets on which the debt securities are listed : EURONEXT PARIS
2.11	Composition of governing bodies and supervisory bodies	<p>Philippe Mills , Directeur Général</p> <p>Pierre Sorbets, Président du Conseil d'Administration</p> <p>François Laugier , Directeur Général Délégué</p> <p>Olivier Fabas, Administrateur</p> <p>Sandrine Barbosa, Administratrice</p> <p>Serge Bayard, Administrateur</p> <p>Virginie Chapron du Jeu, Administratrice</p> <p>Brigitte Daurelle, Administratrice</p> <p>Laetitia Dordain, Administratrice</p> <p>Eckhart Forst, Administrateur</p> <p>Frédéric Guillemin, Administrateur</p> <p>Catherine Kopp, Administratrice</p> <p>Cécile Latil-Bouculat, Administratrice</p> <p>Pierre Laurent, Administrateur</p> <p>Fabienne Moreau, Administratrice</p>

		Quentin De Nantes, Administrateur
2.12	Accounting method for consolidated accounts (or failing that, for the annual accounts)	Accounting method for consolidated accounts : IFRS
2.13	Accounting year	Starting on 01/01 ending on 31/12
2.13.1	Date of the last general annual meeting of shareholders (or equivalent thereof) which has ruled on the last financial year accounts	28/05/2021
2.14	Fiscal year	Starting on 01/01 ending on 31/12
2.15	Auditors of the issuer, who have audited the issuer's annual accounts	
2.15.1	Auditors	Holder(s) : KPMG SA Tour Eqho, 2, avenue Gambetta 92066 Paris-La-Défense Cedex France PricewaterhouseCoopers Audit 63, rue de Villiers 92200 Neuilly sur Seine
2.15.2	Auditors report on the accuracy of the accounting and financial information	The 2019 financial statements of SFIL have been certified by the statutory auditors on 31 March 2020. The report of the statutory auditors on the 2019 financial statements can be found on page 171 to 173 of the 2019 Financial Report of SFIL. The 2019 consolidated financial statements of SFIL have been certified by the statutory auditors on 31 March 2020. The report of the statutory auditors on the 2019 consolidated financial statements can be found on page 142 to 146 of the 2019 Financial Report of SFIL. The 2020 financial statements of SFIL have been certified by the statutory auditors on 30 March 2021. The report of the statutory auditors on the 2020 financial statements can be found on page 196 to 199 of the 2020 Financial Report of SFIL. The 2020 consolidated financial statements of SFIL have been certified by the statutory auditors on 30 March 2020. The report of the statutory auditors on the 2020 consolidated financial statements can be found on page 164 to 169 of the 2020 Financial Report of SFIL.
2.16	Other equivalent programmes of the issuer	Notes under Euro Medium Term Notes for a maximum global amount of EUR 15 billion may be listed on Euronext Paris.
2.17	Rating of the issuer	Optional
2.18	Additional information on the issuer	Throughout 2020, marked by the Covid-19 health crisis and its consequences on the economy, SFIL continued to carry out all of its refinancing missions, via its subsidiary Caisse Française de Financement Local, loans granted by La Banque Postale to local authorities and public health institutions, the provision of specialized services to La Banque Postale and Caisse Française de Financement Local and the refinancing of export credit. It was also during the first half of 2020 that SFIL adopted a raison d'être inserted in its by-laws "Financing a sustainable future by sustainably and responsibly supporting the development of the regions and the international activity of large companies. The French local public sector financing activity had a very strong year despite the crisis. The EUR 5.6 billion production is close (-3%) to that of 2019, even though 2019 was a record year. As part of the national mobilization to fight Covid-19, SFIL has decided to deploy two approaches to support borrowers faced with difficulties due to the health crisis: one, proactive and systematic, by proposing payment terms to all healthcare

entities in recognition of their exceptional involvement in the Covid-19 pandemic. SFIL proposed payment terms of 180 days to these borrowers for all of their loan contract with maturities between March 12 and June 30, 2020, without any late interest or penalties being invoiced. As at December 31, 2020, 27 public health institutions had benefited from these payment terms from SFIL.

The other approach is to respond to requests from local authorities and equivalent faced with temporary cash flow difficulties due to the health crisis caused by the decline in revenue from specific activities, related to economic and touristic activities (cinemas, swimming pools, car parks, thermal baths, etc.), on a case by case basis. As of December 31, 2020, 65 local authorities have requested SFIL to obtain payment terms, which represented only 0.6% of local authorities with maturities over this period and less than 2% by amount.

As regards the export credit refinancing activity, SFIL, which has been involved in all French export credit cruise ships financing transactions concluded since 2016, is part of the approach developed jointly by the European export credit insurance agencies to provide liquidity support for cruise lines, faced with an abrupt shutdown of their activity. This consists of deferring the repayment of the principal amount of the credits. For SFIL, the amount concerned is slightly less than EUR 68 million. In the other credit export sectors concerned, the impact of the successive lockdown periods in the different regions of the world, led, in the short term, to a slowdown in on-going negotiations for certain projects. However, over the medium term and as part of the economic recovery, the use of SFIL export credit and refinancing could play a counter-cyclical role. During the year, this resulted in an increase of around 40% in bank requests on files in the preliminary phase. This trend indicates a possible greater use of export credit and SFIL refinancing in the coming months and years.

The impact of the crisis on credit risk was very limited since, as of December 31, 2020, the 65 French borrowers who had requested new payment terms representing a maturity amount of EUR 18.6 million, 55 of which reimbursed their maturities in line with the agreed deadline. Overall, balances due resulting from payment delays only amounted to EUR 0.9 million at the end of 2020. The only significant impact on credit risk concerns the cruise sector, whose debt is fully guaranteed by Bpifrance Assurance Export in the name and on behalf of the French State in principal and interest, and which will have generated an increase in provisions of EUR 14.8 million at the end of 2020. With regard to liquidity, the health crisis did not affect the SFIL Group's issuance program overall during the year 2020. This amounted to EUR 7.2 billion in 2020, i.e. EUR 1.1 billion more than in 2019. The normalization of the financial markets from mid-April, thanks in particular to the vigorous and rapid action of the central banks, enabled the SFIL Group to resume its financing program, which it had voluntarily interrupted for one month given the level of refinancing spreads. It was thus able to complete the entire annual financing plan scheduled from the end of November, at an average level of spread in line with the budget.

As in 2019, the SFIL Group's social issues program was rewarded twice by the financial press: Environmental Finance Bond Awards 2020 – Best social bond – asset based and covered bonds; Covered Bond Report Awards for Excellence 2020 – Best ESG Issue. SFIL and CAFFIL's investor base continued to grow in 2020. Liquidity risk was closely monitored throughout the year and liquidity stress tests were carried out regularly to check the group's ability to withstand prolonged market closures.

The induced effects of market volatility as a result of the pandemic on valuation standards within the framework of the IFRS 9 accounting standards and liquidity requirements was also a point of attention. Other risks particularly monitored during the period include operational risks for the group, cyber risk and the risk of fraud for which protection measures were regularly reinforced. All of these risks were subject to specific monitoring and regular reporting to the European banking supervisor. The main regulatory ratios remained at very high levels, with little fluctuation.

The group's CET1 ratio stands at 29.4% as of December 31, 2020, confirming its unswerving financial stability. The LCR liquidity ratio stands at 193%, for SFIL on a consolidated basis.

The impact of the health crisis on SFIL's financial results was limited as of December 31, 2020. Indeed, the context of volatility and deterioration in financial markets, particularly in the first half of 2020, led to changes in the value of financial assets and liabilities as well as hedging instruments with an overall impact of EUR -29 million on the Net banking income at end June 2020. In view of the normalization of the financial markets during the second half of 2020, this impact has been eliminated at December 31, 2020. Hence, the Group's accounting income at end December was EUR +44 million, close to the recurring net income, which precisely adjusts the impact of changes in the valuation of balance sheet items, in particular non-SPPI loans, which reached EUR +42 million.

Overall, the management of the acute phase of the health crisis was a triple success for SFIL from the point of view of protecting the health of its employees, maintaining operational capacity and demonstrating the resilience of its business model. As a public development bank, SFIL will be able to provide all its support to the public policies required for economic recovery, whether for financing the local public sector and French hospitals or for financing exports.

The SFIL Group, via its subsidiary Caisse Française de Financement Local (CAFFIL), finances loans granted by La Banque Postale to French local authorities and public hospitals. The scheme was renewed until 2026 when SFIL changed its shareholding structure on September 30, 2020. The SFIL/La Banque Postale system demonstrated its performance by maintaining its position as leader in the financing of the French local public sector, which it has held since 2015. In fact, during the year 2020, this system proved its resilience by the production of an amount of EUR 5.6 billion of loans (down by only 3% compared to 2019 which showed an increase of more than 55% compared to 2018) and maintaining a similar market share. The market for financing local authorities and public hospitals remained dynamic in 2020 despite the impact of the electoral cycle for the municipal block, with increased loans for the regions, and departments. At the same time, CAFFIL acquired EUR 4.6 billion in loans initiated by La Banque Postale. This is the highest level of loans acquired since the creation of SFIL Group and the launch of its partnership with La Banque Postale in 2013. Since the partnership began, the total volume of loans acquired stands at EUR 24.5 billion. It should also be noted that with the launch of its range of green loans in 2019, the scheme reached EUR 1,154 million in green loans to local authorities at the end of 2020. Since the French State entrusted it with this task in 2015, the SFIL Group has granted loans for the refinancing of large export credits. These loans benefit from an irrevocable and unconditional 100% guarantee by the French State.

The short-term effect of the health crisis has led to a general slowdown in the pace of contract negotiations in 2020. A single dossier was signed in 2020 for EUR 0.2 billion in the field of

renewable energies in Europe. Since the launch of this mission mid-2015, the total volume refinanced by the SFIL Group stands at EUR 8.3 billion for EUR 15 billion in total export credits. On average, over the last four years, SFIL's contribution of liquidity to the refinancing of major export credits represents more than 40% of the market. At the same time, in 2020, the financial market system entrusted to SFIL was in great demand for projects in the preliminary study phase, with 40 % more requests than in 2019. It should be finally noted that, on May 7, 2020, the European Commission renewed SFIL-CAFFIL's authorization for the financing of export credits, reaffirming the market failure and the relevance of the intervention of a development bank such as SFIL. The initial authorization, dated May 5, 2015, was valid for five years. It was renewed for a period of seven years. A project is also underway concerning the extension to the scope of strategic projects. The aim is to allow the SFIL Group to refinance credits benefiting from the Strategic Projects Guarantee. This plan to extend the SFIL Group's activity will enable France to offer a financing system in line with the best practices observed in other major exporting countries, particularly in Asia.

In order to refinance its two activities, the SFIL Group raised EUR 7.2 billion long-term issues in the bond markets in 2020 in a market context marked by high volatility for the various asset classes including covered bonds in euros. As part of the development of its social and environmental policy, it fully succeeded in continuing to develop its "Social" and "Green" thematic bond issues.

SFIL also strengthened its franchise within the French agencies and the Group continued to diversify its investor base, in particular with specialist "Green" investors. (see update on "SFIL Group financing"). As announced by SFIL's historical shareholders on October 9, 2019 (signing of an agreement in principle) and March 4, 2020 (signing of a binding agreement), the sale to Caisse des Dépôts respectively by the French State, with the exception of one share, of 75% of the share capital of SFIL and by La Banque Postale of 5% of the share capital of SFIL, was completed on September 30, 2020. Caisse des Dépôts, which held 20% of SFIL's share capital, thus became its reference shareholder. The State continues to attend SFIL's Board of Directors through a non-voting director, given the public interest missions entrusted to SFIL. Through this operation, which is part of the project to create a large public finance hub around Caisse des Dépôts and La Poste, SFIL's shareholding remains entirely public. Its shareholders will continue to ensure that its financial strength is preserved and its economic base protected, in accordance with applicable regulations. La Banque Postale, which will retain a central role in the system, decided to renew its partnership early with SFIL until end 2026 for the commercialization of medium and long term loans to regional authorities and public hospitals. In view of the change in the shareholding structure, the governance was modified at the level of the Board of Directors and its specialized committees. Caisse des Dépôts, a member of the Board, has a representative and has also proposed the appointment of five other members. Board. In addition, following elections held in November 2020, three members representing employees were elected. Finally, the representative of the Social and Economic Committee has changed. Of the four Independent Board's members, two were appointed in 2020. A non-voting Board member representing the French State has been appointed by the Board. The changes made to the composition of the Board of Directors were followed by the updating of the composition of its specialized committees.

The SFIL Group has placed social and environmental issues at the heart of its strategy and activities during the year 2020. The year 2020 has been marked by the development of the SFIL

Group's social and environmental policy and its implementation in its financing policy with the aim of channeling specialized global savings towards the green and social investment projects carried out by local authorities and French public hospitals. This strategy resulted in the successful launch of CAFFIL's second "Social" thematic program and the second SFIL Group's "Green" thematic program, launched for the first time by SFIL as an issuer, which made it possible to further diversify its sources of financing and investor base. In addition, the Group has strengthened its key role in the healthcare sector with the launch, in April, of a social issue by Caisse Française de Financement Local, aimed at providing new financing directly or indirectly to the sectors affected by the pandemic.

At the same time, payment terms were proposed to all healthcare players due to their exceptional involvement in the face of the pandemic, as detailed above. Throughout the year, the SFIL Group also financed the environmental investments of regional authorities and their groups, via the range of green loans designed and distributed in partnership with La Banque Postale. The projects refinanced by the SFIL Group concern the following five areas: renewable energy; sustainable water and sanitation management; waste management and valuation; territorial mobility and soft urban transport; energy-efficient construction and urban development.

The SFIL Group's CSR commitment has three major areas of focus: carrying out sustainable public policy missions, implementing balanced internal policies and engaging our employees. With a dedicated governance and CSR Committee in place since the end of 2019, the Group has continued to develop and disseminate its CSR commitments in all aspects of its business, including: the affirmation of its role as a major player in sustainable finance, with the participation in the Climate Finance Day held on October 29, 2020 in Paris, during which the SFIL Group reaffirmed, through the intervention of SFIL's Chief Executive Officer, its commitment in supporting the responsible ecological transition. This event is in addition to SFIL joining the "Finance for Tomorrow" initiative in early 2020, which aims to stimulate the development of the French ecosystem in terms of responsible investment and green finance.

Throughout 2020, marked by the Covid-19 health crisis and its consequences on the economy, SFIL continued to carry out all of its refinancing missions, via its subsidiary Caisse Française de Financement Local, loans granted by La Banque Postale to local authorities and public health institutions, the provision of specialized services to La Banque Postale and Caisse Française de Financement Local and the refinancing of export credit. It was also during the first half of 2020 that SFIL adopted a raison d'être inserted in its by-laws "Financing a sustainable future by sustainably and responsibly supporting the development of the regions and the international activity of large companies. The French local public sector financing activity had a very strong year despite the crisis. The EUR 5.6 billion production is close (-3%) to that of 2019, even though 2019 was a record year.

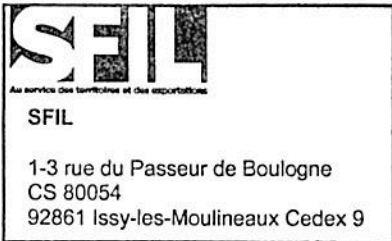
As part of the national mobilization to fight Covid-19, SFIL has decided to deploy two approaches to support borrowers faced with difficulties due to the health crisis: one, proactive and systematic, by proposing payment terms to all healthcare entities in recognition of their exceptional involvement in the Covid-19 pandemic. SFIL proposed payment terms of 180 days to these borrowers for all of their loan contract with maturities between March 12 and June 30, 2020, without any late interest or penalties being invoiced. As at December 31, 2020, 27 public health institutions had benefited from these payment terms from SFIL; the other approach is to respond to requests from local

		<p>authorities and equivalent faced with temporary cash flow difficulties due to the health crisis caused by the decline in revenue from specific activities, related to economic and touristic activities (cinemas, swimming pools, car parks, thermal baths, etc.), on a case by case basis. As of December 31, 2020, 65 local authorities have requested SFIL to obtain payment terms, which represented only 0.6% of local authorities with maturities over this period and less than 2% by amount.</p> <p>As regards the export credit refinancing activity, SFIL, which has been involved in all French export credit cruise ships financing transactions concluded since 2016, is part of the approach developed jointly by the European export credit insurance agencies to provide liquidity support for cruise lines, faced with an abrupt shutdown of their activity. This consists of deferring the repayment of the principal amount of the credits. For SFIL, the amount concerned is slightly less than EUR 68 million. In the other credit export sectors concerned, the impact of the successive lockdown periods in the different regions of the world, led, in the short term, to a slowdown in on-going negotiations for certain projects. However, over the medium term and as part of the economic recovery, the use of SFIL export credit and refinancing could play a counter-cyclical role. During the year, this resulted in an increase of around 40% in bank requests on files in the preliminary phase. This trend indicates a possible greater use of export credit and SFIL refinancing in the coming months and years. The impact of the crisis on credit risk was very limited since, as of December 31, 2020, the 65 French borrowers who had requested new payment terms representing a maturity amount of EUR 18.6 million, 55 of which reimbursed their maturities in line with the agreed deadline. Overall, balances due resulting from payment delays only amounted to EUR 0.9 million at the end of 2020. The only significant impact on credit risk concerns the cruise sector, whose debt is fully guaranteed by Bpifrance Assurance Export in the name and on behalf of the French State in principal and interest, and which will have generated an increase in provisions of EUR 14.8 million at the end of 2020. With regard to liquidity, the health crisis did not affect the SFIL Group's issuance program overall during the year 2020.</p>
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3. CERTIFICATION OF INFORMATION

Articles D. 213-5 et D. 213-9, 4° of the French monetary and financial code and subsequent amendments

Certification of information of the issuer SFIL

3.1	Person(s) responsible for the information memorandum concerning the programme of NEU MTN for the issuer	Mr - Philippe - MILLS - Directeur Général - SFIL
3.2	Declaration of the person(s) responsible for the information memorandum concerning the programme of NEU MTN for the issuer	To the best of my knowledge, the information provided by the issuer in the financial documentation, including the French summary (if relevant) is accurate, precise and does not contain any omissions likely to affect its scope or any false or misleading information
3.3	Date (DD/MM/YYYY), place of signature, signature	04/08/2021, Issy-les-Moulineaux  SFIL 1-3 rue du Passeur de Boulogne CS 80054 92861 Issy-les-Moulineaux Cedex 9

APPENDICES

Further to articles D.213-9 of the French monetary and financial code and L.232-23 of the French commercial code, financial information mentioned in Article D213-9 of the French monetary and financial code should be made available to any person upon request

Appendice 1	Documents available to the shareholders annual general meeting or the equivalent²	<u>Annual general meeting 2021</u> Annual report for the financial year ended 31/12/2020 <u>Annual general meeting 2020</u> Annual report for the financial year ended 31/12/2019
Appendice 2	Annual report Year 2021	https://eucpmtn.banque-france.fr/neusgate/api/public/document/7177
Appendice 3	Annual report Year 2020	https://eucpmtn.banque-france.fr/neusgate/api/public/document/2252