

# The Public Development Bank

*Sfil finances what is essential, every day*

**Investor presentation**

**December 2024**



**Sfil**

Au service des territoires et  
des exportations



**Caffil**



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## Sfil at a glance

- Sfil is a 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 33% of issuance under ESG format from 2024 to 2030.





# 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

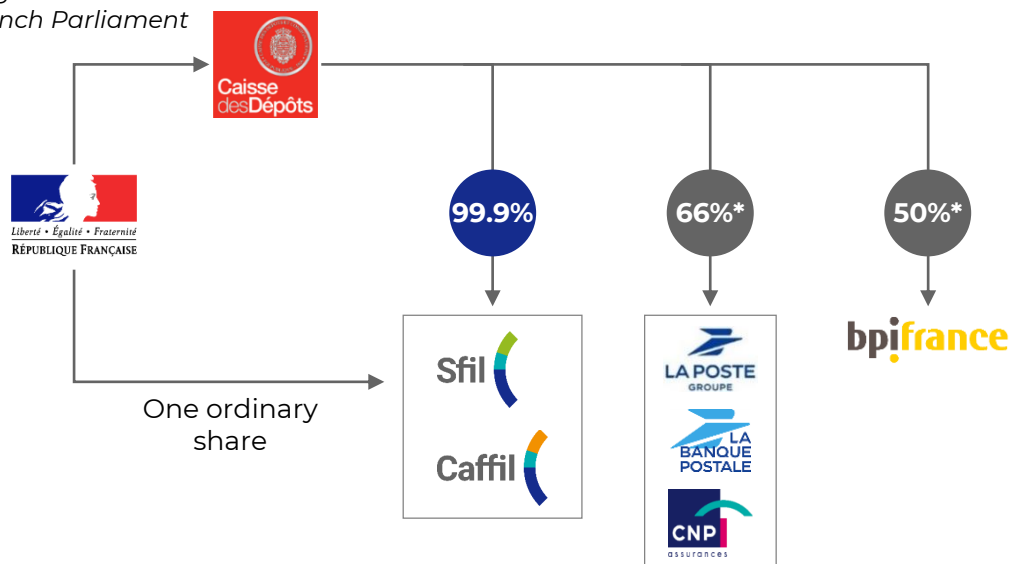
ESG issuance program

## 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 protect the economic basis** and preserve the financial strength of Sfil.

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**.

|  | <br><small>Liberté • Égalité • Fraternité</small><br><small>RÉPUBLIQUE FRANÇAISE</small> | <br><small>Caisse des Dépôts</small> | <br><small>Sfil</small>  | <br><small>Caffil</small>   |
|--|---|---|---|--|
| <br><b>MOODY'S</b>                  | Aa2<br>Negative outlook   | Aa2<br>Negative outlook   | <b>Aa3</b><br>Stable outlook<br><br><i>This assumption is based on :</i><br>(1) CDC's commitment, as the reference shareholder, to support SFIL's solvency and liquidity through a letter of comfort (...)<br>(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 (...); and<br>(3) the key role of SFIL in the financing of the French local authorities and hospitals.<br><i>Moody's Rating Report, June 10<sup>th</sup> 2024</i> | <b>Aaa</b><br><ul style="list-style-type: none"> <li>• TPI Leeway: 4</li> <li>• Collateral score: 5.7%</li> <li>• Market risk: 10%</li> </ul> 30.06.2024 |
| <br><b>S&amp;P Global Ratings</b> | AA-<br>Stable outlook   | AA-<br>Stable outlook   | <b>AA-</b><br>Stable outlook<br><br><i>'We consider that there is an almost certain likelihood that the government would provide timely and sufficient extraordinary support to society in the event of financial distress.'</i><br><i>S&amp;P Rating Report, July 18<sup>th</sup> 2024</i>   |  |
| <br><b>DBRS</b>                   | AA (High)<br>Stable outlook   | -   | <b>AA (High)</b><br>Stable outlook<br><br><i>'Sfil's credit ratings reflect its statutory ownership by Caisse des Dépôts et Consignations (...). Moreover, both CDC and the Republic of France provide letters of comfort in support of Sfil's creditworthiness.'</i><br><i>DBRS Rating Report, May 3<sup>rd</sup> 2024</i>   | <b>AAA</b>   |



# Public ownership and public policy missions

Strong ESG ratings

|                                   | MORNINGSTAR   SUSTAINALYTICS   | MSCI   | ISS ESG   |
|-----------------------------------|--|--|---|
| <b>Rated entity</b>               | Sfil  Caffil   | Sfil  Caffil   | Caffil  |
| <b>2024 Rating</b>                | <b>8.3 - Negligible Risk</b>   | <b>AA</b>  | <b>C+ Prime</b>   |
| <b>Ranking</b>                    | <b>20<sup>th</sup></b> out of 1021 banks<br><i>(as of November 1<sup>st</sup> 2024)</i>  | <b>Leader</b><br>of the industry<br><i>(as of February 28<sup>th</sup> 2024)</i>                 | Among the <b>10%</b> top performers in the industry<br><i>(as of February 7<sup>th</sup> 2024)</i>          |
| <b>2024 Industry median score</b> | <b>26.7 - Medium Risk</b><br>Banks   | <b>A</b><br>Supranational & Development Banks  | <b>D+</b><br>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 at 8.3, Industry's median score at 26.7</p> | <p>AAA <b>AA</b> A BBB BB B CCC</p> <p>Sfil Group rating at AA, Industry's median score at A</p> | <p>Prime</p> <p>B  B- <b>C+</b> C C-  D+ D D-</p> <p>Caffil rating at C+, Industry's median score at D+</p> |

# Public ownership and public policy missions

Sfil finances the access to essential services

French local authorities are the leading public investors accounting for **roughly 2/3 of French public investments in 2023**.

**Investments by French local authorities** serve **major structural needs** and contribute significantly to the objectives of sustainability, both in terms of **ecological transition** (public transport, water and sanitation, etc.), and **social cohesion** (education, culture, sport, etc.).

**French local authorities are organized on three levels with clearly defined key responsibilities:**

## 13 Regions

- Construction and upkeep of high schools
- Regional rail infrastructure
- Economic development

## 101 Départements

- Construction and upkeep of secondary schools ("Collèges")
- Departmental road network
- Fire fighting and emergency services

## Over 30,000 Municipalities & associations of municipalities

- Construction and upkeep of nurseries and primary schools
  - Urban public transport and municipal road network
  - Drinking water supply, household waste collection and valuation
- Sfil provides financing to 9 out of 10 municipalities in France** (municipalities above 10 000 inhabitants).





## 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 Caffil** and refinanced via bond issuance on international capital markets.

Loans are priced at market levels, **and with a independant 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 held by Sfil Group**.

Since 2013, **Sfil has provided over EUR 50 billion in loans to the French local public sector**.

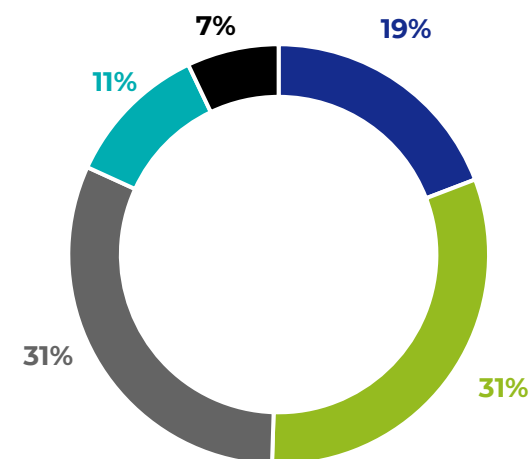
In total, Sfil provides financing **to close to 11 000 French local authorities and to over 800 public healthcare institutions**.

**EUR 2.8 billion in new loans** were provided to local authorities during the first 6 months of 2024 – a sharp **increase by 157%** compared to the same period in 2023.

The **production of Green and Social loans also increased significantly by 52%** compared to the first half of 2023:

- **EUR 512 m of Green loans** (+56% vs 1H23) and **EUR 263 million of social loans** to local authorities (+45% vs 1H23)
- **EUR 201 million loans to public hospitals** (+37% vs 1H23)

**S1 2024 Local Public Sector Financing**



- Municipalities
- Associations of municipalities and other
- Départements
- Regions
- Public hospitals

# Public ownership and public policy missions

Local government financing activity : example of projects financed

## Energy efficiency

- *Département de la Côte d'Or*
- Financing the construction of the Osmose territorial campus
- EUR 10 m – 25 years



## Water and sanitation

- *Communauté d'agglomération de la Rochelle*
- Financing the renewal of the wastewater network
- EUR 5 m – 25 years



## Territorial mobility

- *Région Hérault*
- Financing the construction of 120 km of new bicycle lanes
- EUR 60 m



## Social Note Framework

- *Rouen University Hospital*
- Finance real estate restructuring and development projects for several University Hospital unit
- EUR 10 m – 20 years



## Education, vocational training

- *Département de la Gironde*
- Financing the renovation and construction of the Collège du Taillan Medoc
- EUR 15 m – 20 years



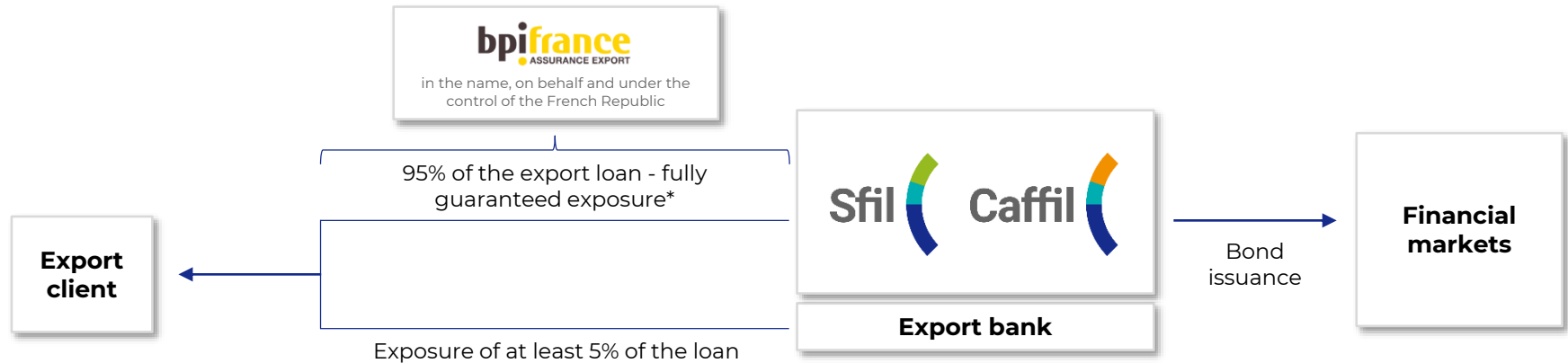
## Health, social and family care

- *Communauté de communes de Poher communauté*
- Financing the construction of 18 medical cells for a health center
- EUR 1 m – 15 years



## 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 ECA 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

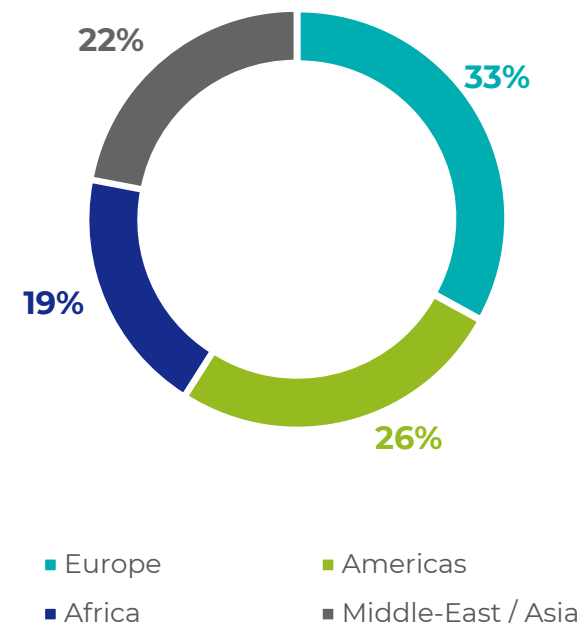
Sfil Group is the **leading liquidity provider for large French export contracts** with an average **market share of 40%**. France. Since the activity was launched in 2015, Sfil has financed export contracts with a total volume of almost **EUR 18 billion**, resulting in the signing of EUR 31 billion in export contracts.

In the first half of 2024, Sfil **concluded 2 export credit transactions** with a **total financing volume of EUR 1.7 billion**, leading to the signature of EUR 3.1 billion in export contracts.

The outlook for the activity remains **very positive** with around **170 operations under assessment** for a total amount of approximately **EUR 68 billion**.

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

Geographic distribution as of June 30<sup>th</sup> 2024\*



\*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 70.7 billion  
June 30<sup>th</sup> 2024 - (EUR billion, notional amounts)**

|                             |      |                                 |      |
|-----------------------------|------|---------------------------------|------|
| <i>Loans and securities</i> | 63.3 | <i>Bond issuance</i>            | 64.7 |
| <i>Cash assets</i>          | 2.5  | <i>Commercial paper</i>         | 1.2  |
| <i>Cash collateral paid</i> | 2.1  | <i>Cash collateral received</i> | 0.1  |
|                             |      | <i>Equity and other</i>         | 1.8  |

Strong capital and liquidity position significantly above regulatory requirements :

- **CETI ratio: 37.3%**
- **9.9% for the Leverage ratio\***
- **270% for the LCR Ratio**
- **123.5% for the NSFR Ratio**

Lowest SREP requirement amongst financial institutions based on the low risk business model : **8.56% for the CETI ratio**

**Cost of risk of 1 BP** and **non-performing exposures at 0.2%** in H1 2024

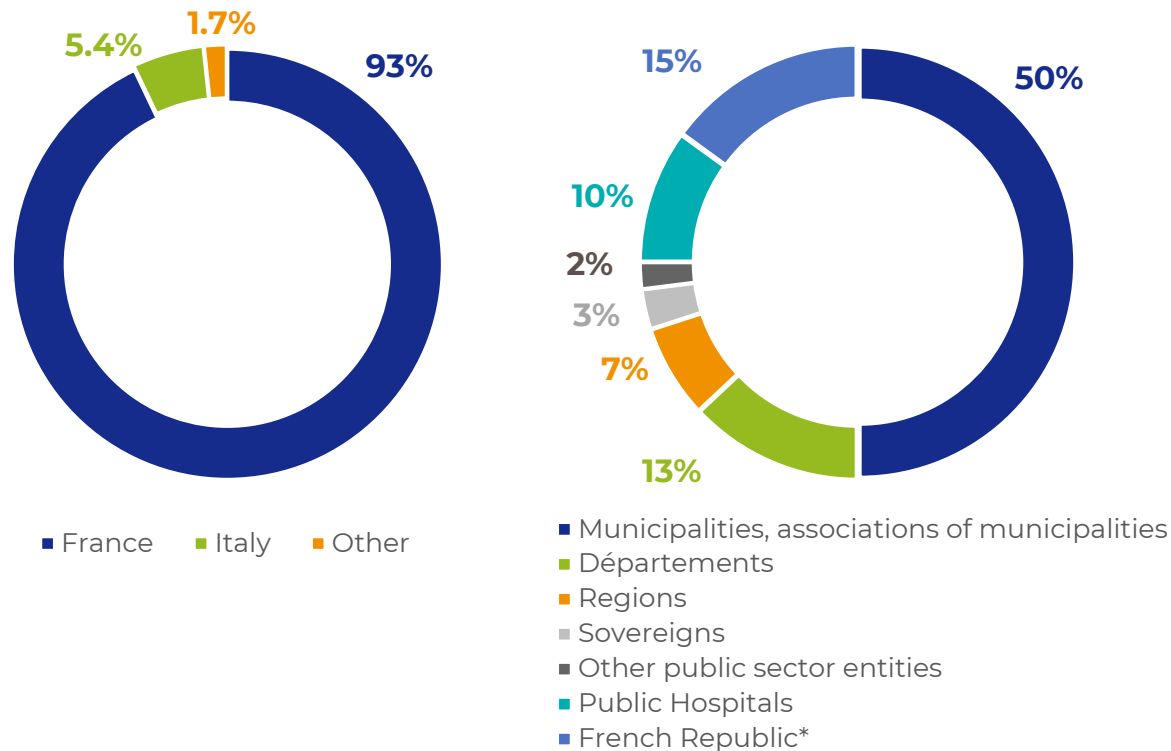
The Single Resolution Board has announced that simplified obligations apply to Sfil with normal insolvency law as preferred resolution strategy.

\*Specific calculation rules apply for public development banks under article 429 CRR

## Strong balance sheet

Overview of the balance sheet composition

Caffil public sector portfolio as of June 30<sup>th</sup> 2024



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 provides to French local authorities **a complete range of green and social loans** with a pricing incentive. In 2023, green and social loans represented **43%** of local public sector lending (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 10 billion** in green and social issuance.

Sfil has been one of the **pioneers in financing green and social public sector investments**, Green and Social Bonds by Sfil and Caffil have **won awards every single year since 2019**.

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:



### 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.

|   |  |  |  |   |   |
|---|--|--|--|---|---|
| <p>2019 Most Impressive Social or Sustainability Issuer</p> | <p>2019 Best Social Bond</p>                                   | <p>2019 Best ESG Issuer</p>                                    | <p>2020 Best Social Bond - Asset Based &amp; Covered Bonds</p> | <p>2020 Best green, social or sustainability deal</p>         | <p>2020 Most impressive FI Funding Strategy during Covid Pandemic</p> |
| <p>2021 Best Covered Bond</p>                               | <p>2021 Best Social Bond - Asset Based &amp; Covered Bonds</p> | <p>2022 Best Social Bond - Asset Based &amp; Covered Bonds</p> | <p>2023 Best Green Covered Bond Issuer</p>                     | <p>2023 Best Green Bond - Asset Based &amp; Covered Bonds</p> | <p>2024 Best ESG Covered Bond Issuer</p>                              |



# 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

## 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

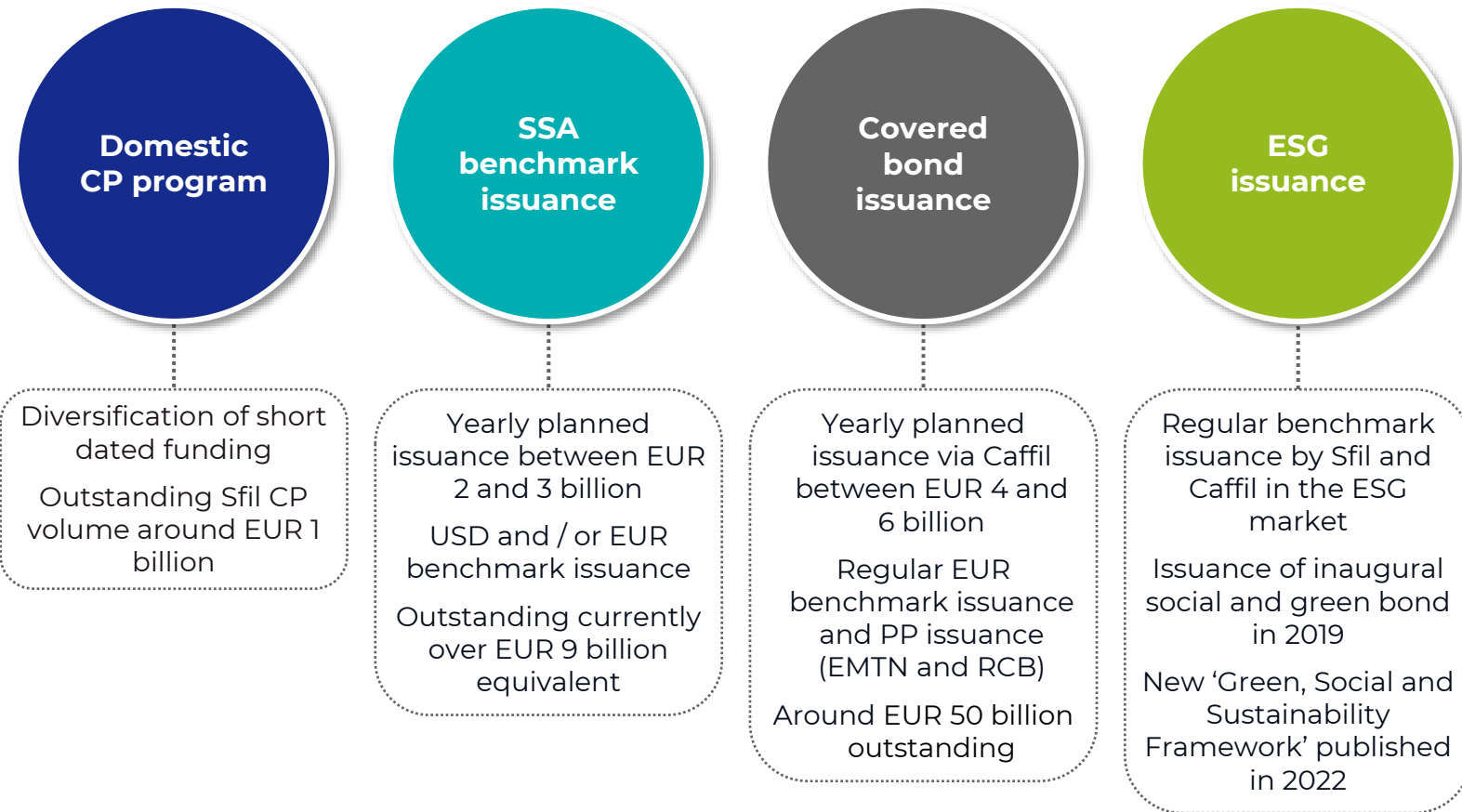
Well over EUR 40 billion in liquidity reserves. Public sector portfolio is directly eligible as ECB collateral Sfil and Caffil have access to repo transactions with the market

### 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 (DBRS)   |
| <b>ESG Ratings</b>                         | Prime C+ (ISS ESG)   |
| <b>Risk weighting</b>                      | 10% (standardized approach)  |
| <b>LCR classification</b>                  | Level 1*   |
| <b>Maturity structure</b>                  | Hard bullet only   |
| <b>Overcollateral</b>                      | 119.2% (as of June 30 <sup>th</sup> 2024)**  |
| <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>          | Long term: Aa2/AA-/AA (high) (DBRS)<br>Short term: P-1, A-1+, R-1 (High) (DBRS) |
| <b>ESG Rating</b>              | Negligible Risk – 8.3 (Sustainalytics)<br>AA (MSCI)                             |
| <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 minimum level of overcollateralization required are 105% for Moody's, 108.5% for S&P, 105% for DBRS

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

# ESG issuance program

Green, Social & Sustainability Bond Framework - Overview

## Green, Social & Sustainability Bond Framework (GSS)<sup>1</sup>

November 2024



### Eligible Green Loans

- Financing of green investments by French local authorities
- Financing of green French export contracts

### Eligible Social Loans

- Financing of social investments by French local authorities
- Financing investments by French public hospitals (previously eligible under the Sfil Group **Social Note Framework**<sup>2</sup>)
- French export contracts financing affordable basic infrastructure with a focus on DAC<sup>3</sup> countries



Green Bonds



Sustainability Bonds



Social Bonds

**Sfil and Caffil have been regular issuers of Green and Social Bonds since 2019** under the Social Note Framework (2018), the Green Bond Framework (2019) and the Green, Social & Sustainability Bond Framework (2022).

In 2024, Sfil Group has updated its **Green, Social & Sustainability Bond Framework** to incorporate evolutions in best market practices, and to consolidate all ESG issuance into a single framework.

Categories of assets previously eligible under the **Social Note Framework** can now only be financed and/or refinanced under the Green, Social & Sustainability Bond Framework.

The previous Green Bond Framework and Social Note Framework will not be used for new issuance.

<sup>1</sup>The 2024 GSS Bond Framework does not apply retroactively.







<sup>2</sup>The previous Social Note Framework will continue to apply until the maturity of the existing social bonds issued under this Framework.

<sup>3</sup>Development Assistance Committee: [DAC country of ODA recipients](#)



# ESG issuance program

Green, Social & Sustainability Bond Framework - Eligible Green Loan Categories




| Eligible Green Loan Categories   | Geographical applicability  | EU Taxonomy   |
|--|---|---|
| <p><b>Territorial mobility and soft urban transport</b><br/> <i>Design, construction, modernization, operation, acquisition, and maintenance of low-carbon vehicles, rolling stock and low-carbon transport infrastructure</i></p>   |  <p>France or abroad</p> | <p>Aligned with substantial contribution criteria (SCC*) to climate change mitigation</p>   |
| <p><b>Renewable energy</b><br/> <i>Electricity generation from solar energy, wind power, hydropower; Electricity generation, co-generation of heat/cool and power, and production of heat/cool from geothermal energy, bioenergy; Electric heat pump; Energy transmission and distribution units; Energy storage units; Manufacture of low-carbon energy</i></p> |  <p>France or abroad</p> | <p>Aligned with SCC to climate change mitigation or internal criteria for solid biomass fuels powered electricity and/or heat generation facilities</p> |
| <p><b>Low-carbon energy**</b><br/> <i>Construction, modification of existing nuclear installations for the purposes of extension, and safe operation of nuclear power plants ; Research, development, demonstration, and deployment of innovative reactors</i></p>   |  <p>France or abroad</p> | <p>Fully aligned for projects located inside the EU</p>   |
| <p><b>Energy efficiency of construction and urban development</b><br/> <i>Construction, refurbishment and acquisition of green buildings; Renovation of existing buildings; Energy performance improvement measures</i></p>  |  <p>France or abroad</p> | <p>Aligned with SCC to climate change mitigation or internal criteria</p>   |
| <p><b>Sustainable Water and Sanitation</b><br/> <i>Projects supporting water quality, efficiency and conservation; Restoration and rehabilitation of ecosystems; Management of aquatic environments and flood prevention</i></p>   |  <p>France only</p>    | <p>Internal criteria</p>  |
| <p><b>Waste Management &amp; Valuation</b><br/> <i>Waste management activities supporting pollution control and resources efficiency; Energy from Waste (EfW) facilities for the generation of electricity and/or heat</i></p>   |  <p>France only</p>    | <p>Internal criteria</p>  |

\* SCC : substantial contribution criteria

\*\*Market participants will be informed at the latest at the time of execution of the transaction in case proceeds will be used to finance nuclear projects.

# ESG issuance program

Green, Social & Sustainability Bond Framework - Eligible Social Loan Categories

| Eligible Social Loan Categories  | Geographical applicability |
|--|----------------------------|
| <p><b>Access to essential services</b></p> <ul style="list-style-type: none"> <li>• Development, provision and access to education &amp; culture to all populations</li> <li>• Development, provision and access to healthcare to all populations (from pre-existing <b>Social Note Framework</b>)</li> </ul>   | France or abroad           |
| <p><b>Renewal and cohesion of territories</b></p> <ul style="list-style-type: none"> <li>• Fight against inadequate housing and support of access to housing</li> <li>• Support connectivity and digital inclusion</li> <li>• Improve living conditions of inhabitants of cities and rural areas</li> </ul>   | France only                |
| <p><b>Affordable basic infrastructure</b></p> <ul style="list-style-type: none"> <li>• Development, provision and access to clean water &amp; sanitation to all populations</li> <li>• Development, provision and access to electricity to all populations</li> <li>• Development, provision and access to public transportation networks accessible to all populations;</li> <li>• Development, provision, and access to road transportation networks to all populations</li> </ul>  | Specific DAC country list* |

\*DAC country list of ODA recipients classified as 'least developed country' or 'low income country' or 'lower middle income country' (see [here](#))

# ESG issuance program

Green, Social & Sustainability Bond Framework - Asset selection, Management of Proceeds, Reporting & Second Party Opinion

## Process for asset selection and evaluation

**1) Eligible green & social loans assessed against Sfil governance guidelines, principles and management systems** (exclusion policy, corruption risks, etc.)

**2) Dedicated processes for selection & evaluation applicable to eligible loans depending on the type of activity:**



**French local authorities:** origination of green & social loans by La Banque Postale and Banque des Territoires (specific loan documentation) and classification as eligible verified by Sfil



**French public hospitals:** extra financial analysis of public hospitals to assess Healthcare Added Value (HAV) is part of the credit decision process (HAV calculation is based on internal methodology)



**Large French export contracts:** enforced diligence process to ensure that relevant environmental and social (E&S) safeguards are met including analysis of loans eligibility and review of exporter's E&S commitments by Sfil

**3) Green, Social & Sustainability Bond Committee** (meetings at least twice a year): review and validation of selection of eligible green & social loans, management of framework updates, review & validation of annual reporting

### Management of Proceeds

- Bonds Proceeds allocation managed on a **transaction-by-transaction approach**
- Look-back period max. **3 years before issuance**

### Reporting

- The year following the issuance of the bond** and then on an annual basis until full allocation
- Verification** of allocated amounts by independent third-party

### Second Party Opinion





















Excellent 

*"Sustainable Fitch considers transactions under Sfil's green, social and sustainability bond framework, published in November 2024, to be aligned with the ICMA's 2021 GBP, 2023 SBP and 2021 Sustainability Bond Guidelines."*



# Awards

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>Most impressive FI Funding Strategy during Covid Pandemic</b></p> <p>Global Capital Awards</p> <p>2020</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>Best Social Bond – Asset Based &amp; Covered Bonds</b></p> <p>Environmental Finance</p> <p>2021</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 Euro Issuer</b></p> <p>CBR Awards</p> <p>2021</p>  |  <p><b>Best Social Bond – Asset Based &amp; Covered Bonds</b></p> <p>Environmental Finance</p> <p>2022</p> |  <p><b>Best Covered Bond Issuer</b></p> <p>CMD Portal Awards</p> <p>2022</p> |
|  <p><b>Editor's Award</b></p> <p>CBR Awards</p> <p>2023</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>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>                         |  <p><b>European Deal of the Year</b></p> <p>CBR 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**.

In addition, discussions are underway with European authorities in order to **expand the typology of public assets that could be financed in line with the current mandates of Sfil and without any change in fundamentals** (low risk public assets and prudent management).

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 1/3 of issuance under ESG format from 2024 to 2030**.



# 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 – Public ownership and public policy missions

Letters of support for Sfil and financial support by Sfil for Caffil

*“Sfil's shareholding structure is still fully public. Its shareholders will ensure that Sfil's financial solidity is preserved and its economic base protected and will continue to provide it with the necessary support, in accordance with the applicable regulations. CDC confirmed its commitment in a letter of support, completed by a letter of support from the State, in the context of Sfil's continuing status as a State-owned development bank.”*

**Base Prospectus 12.06.2023 – Sfil EMTN Programme** – 3. Financial risks

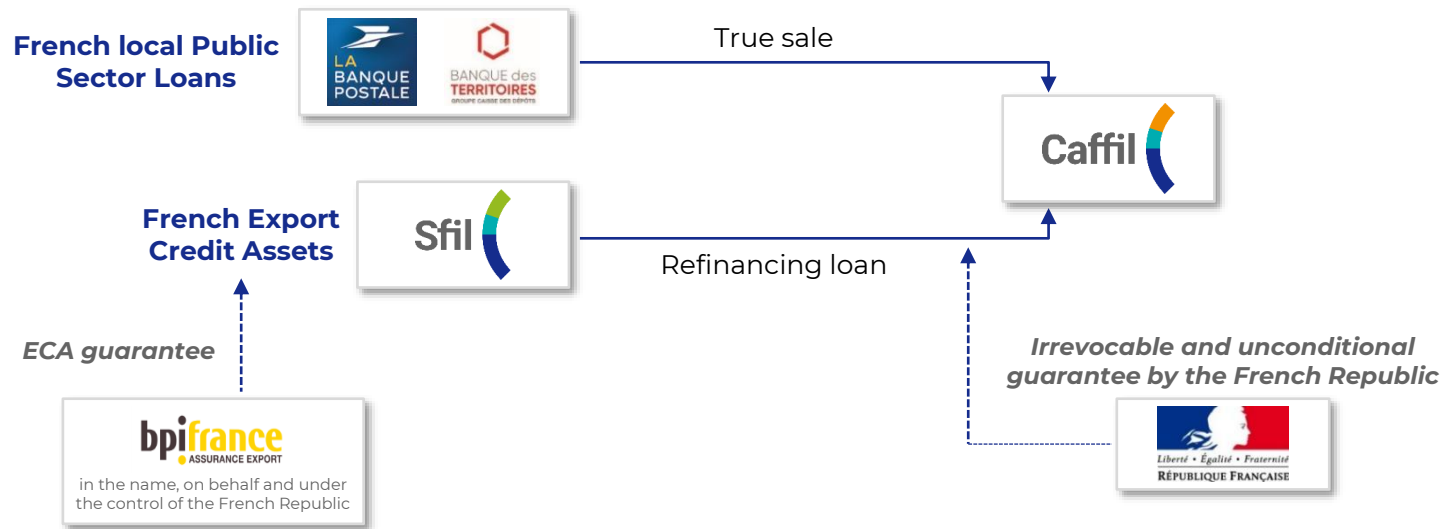
*“Since January 31, 2013, Sfil has been the reference shareholder of Caisse Française de Financement Local, a société de crédit foncier subject to the provisions of articles L.513-2 et seq. of the French Monetary and Financial Code, and holds 99.99% of its capital. Sfil will continue to play the role of reference shareholder of Caisse Française de Financement Local and will hold more than 99.99% of the capital over the long term. Sfil, its reference shareholder Caisse des Dépôts et Consignations and the French State will ensure, subject to the European Union rules on State aid, to protect the economic base of Caisse Française de Financement Local and to preserve its financial viability throughout its existence in accordance with the obligations imposed by the banking regulations in force.”*

**Caffil annual financial report 2023** – 1.3.4 Servicing and financing by Sfil



## 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 ECA 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)\*.

\* As a part of a simplification process, Sfil Group will change Caffil's terms of intervention by the end of 2024: in line with the practices of other sociétés de crédit foncier, Caffil will no longer use the enhanced guarantee mechanism for newly concluded transactions. This change will not call into question the principle of exposures to public entities or those guaranteed by them in line with article 129 CRR.

# Annex – Public ownership and public policy missions

Low levels of debt and a high degree of financial flexibility

## Strict framework

A **golden rule** ensures sound financial management:

- Operating revenues must **exceed operating expenditures**
- French local authorities are only allowed to **raise debt to finance new investments**.

Budget of French local authorities are reviewed by the **Regional Audit Chambers**.

Under French law, **French local authorities cannot go bankrupt**.

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

## Sound financial position

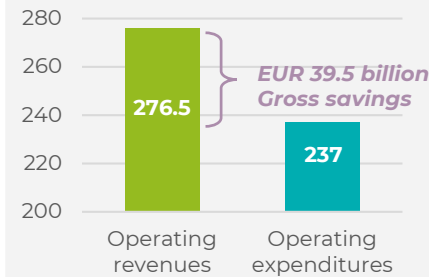
**Gross savings have been relatively stable** over recent years and cover roughly 60% of yearly investments.

## Low levels of debt and new borrowing

The consolidated budget deficit of French Authorities **represented 0.2% of GDP in 2023** (roughly 1/20<sup>th</sup> of the **overall General Government** deficit).

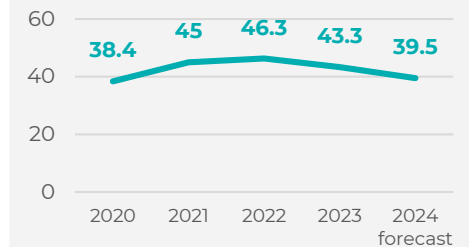
French local authorities debt is relatively **low**, the debt to GDP ratio has decreased over recent years to below 9% of GDP.

## 2024 estimated operating revenues and expenditures (EUR billion)



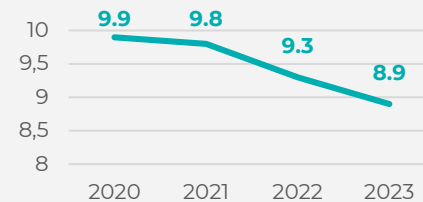
Source: Note de conjoncture 2024, La Banque Postale

## French local authorities gross savings (EUR billion)



Source: Note de conjoncture 2024, La Banque Postale

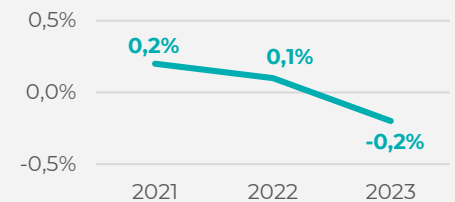
## Declining levels French Local Government Debt as % of GDP\*



\*excluding various local gov. bodies (ODAL - organismes divers d'administration locale)

Source: Cours des comptes / INSEE, 2023 figures

## French local government consolidated surplus / deficit as % of GDP\*



\*excluding various local gov. bodies (ODAL - organismes divers d'administration locale)

Source: Cours des comptes / INSEE, 2023 figures

## 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 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 2023** - Modalités de calcul et de publication des ratios prudentiels dans le cadre de la CRD IV et exigence de MREL (version du 7 juillet 2023)

## Annex - Strong balance sheet

Focus on 2024 interim results

### Higher recurring net income despite a disrupted economic environment

- **Higher recurring net banking income at EUR 103 m** (+4% vs 1H23)
- **Operating expenses at EUR 57 m** (-8% vs 1H23), resulting from the end of the constitution period of the SRF and operational costs under control (-6% vs 1H23)
- **Cost of risk under 1 basis point** and **recurring net result at EUR 31 m** (+15% vs 1H23)

### Outstanding level of lending to local authorities

- **Loan origination of EUR 2.8 billion** (+157% vs 1H23), with a particularly sharp increase in loans to large local authorities
- **Significant growth in Use-of-Proceeds loans at EUR 976 m** (+49% vs 1H23) : **EUR 512 m of green loans** to the French local public sector and **EUR 464 m of social loans** in favor of public hospitals and social investments by local authorities
- Since 2013, **over EUR 50 billion in loans granted to the French local public sector**
- **Acquisition of loans up to EUR 2.8 billion** (+27% vs 1H23)
- **Dynamic activity anticipated in 2H24**

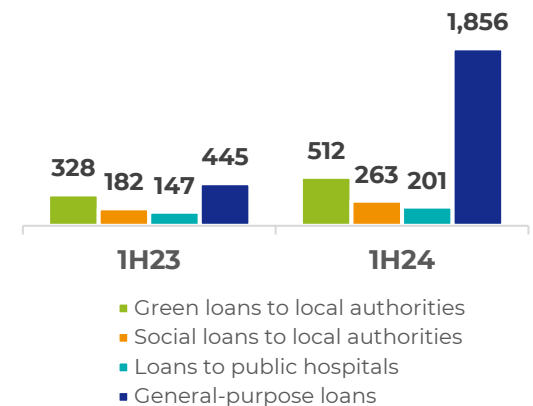
### Dynamic export credit refinancing

- **2 transactions** for a total amount of **EUR 1.7 billion** (vs EUR 2.8 billion in 1H23)
- **"Deal of the year Central Asia 2023"** by TXF Global export forum (June 2024)
- **Very positive business outlook** supported by around 170 deals under assessment for a total amount of nearly **EUR 68 billion**

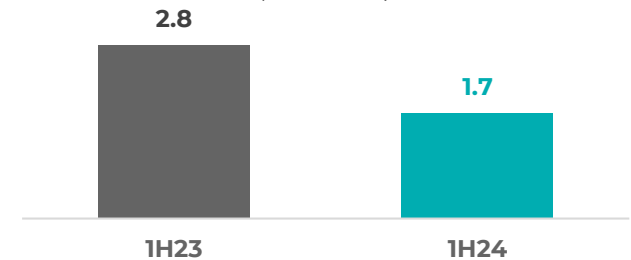
### A very robust financial structure

- **Consistently low credit risk metrics** with a residual level of past dues of EUR 2 million and **a non-performing exposure rate of 0.2% of assets**
- **CET1 ratio at 37.3 %** (37.5% in December 2023), more than 4 times higher than the minimum requirement
- **Strong liquidity position** with LCR at 270% and NSFR at 123.5%

Loans granted to the local public sector (EUR m)



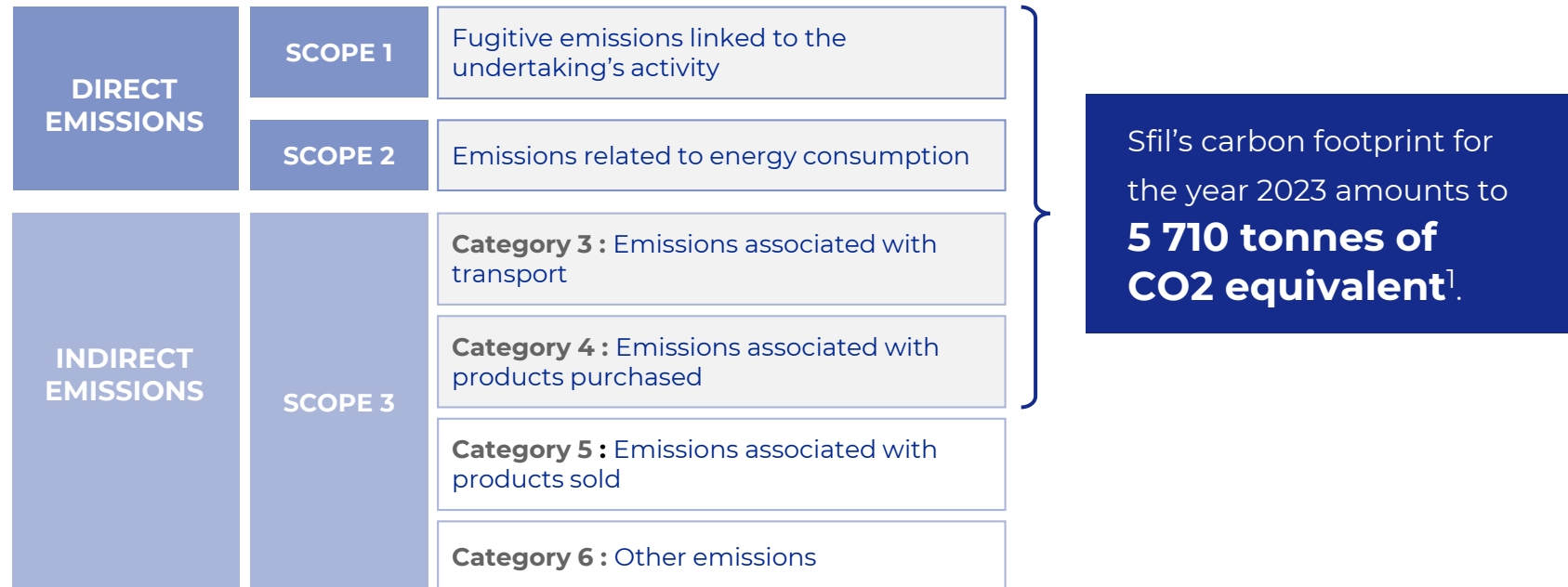
Export financing transactions signed (EUR billion)



# Annex – Commitment to sustainability

## Sfil's carbon footprint

For the third consecutive year, Sfil has assessed its **carbon footprint** in 2023, 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 – 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

[77% of total exposures\*]

- ▶ **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) - from 153 gCO<sub>2</sub>e/euro financed to **92 gCO<sub>2</sub>e/euro**



#### Export financing

- ▶ **Fossil energy** [0.4% of total exposures]: no financing of any new project related to **coal, oil and gas**
- ▶ **Power Generation** [0.2% of total exposures]: financing **limited to low-carbon energy projects** or gas-fired power plants that **improve the carbon intensity of the energy mix** in destination countries

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

\*Based on the gross carrying amount as of 31 December 2021, reference date for the calculation of GHG emissions



## 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

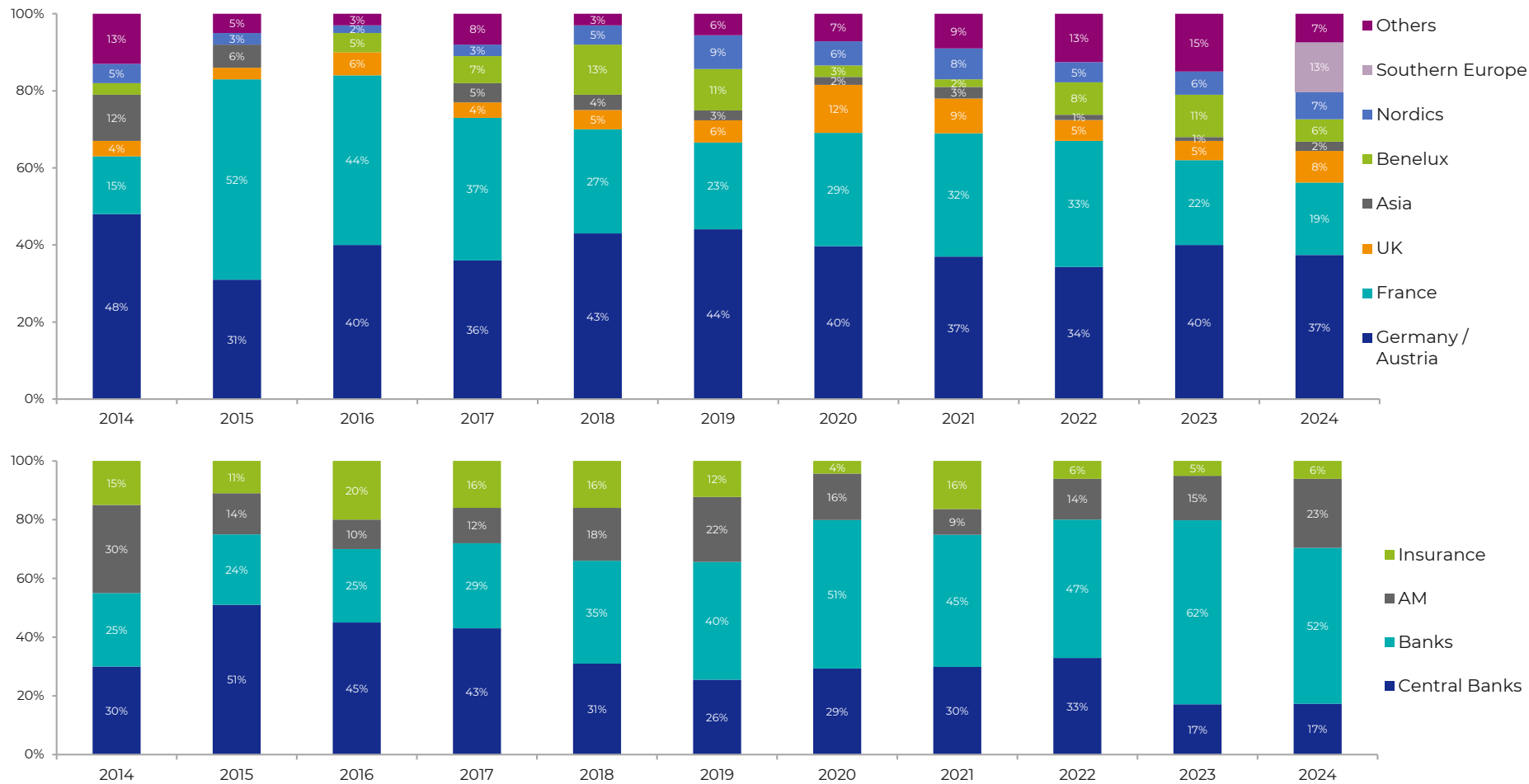
| Issue date     | Transaction              | Volume      | Spread vs MS | Spread vs OAT | Thematic |
|----------------|--------------------------|-------------|--------------|---------------|----------|
| November 2024  | 2.625% CAFFIL 29/11/2029 | EUR 1 bn    | + 57 bps     | + 14 bps      |          |
| September 2024 | 2.75% CAFFIL 03/10/2031  | EUR 1.25 bn | + 50 bps     | + 18.5 bps    | Social   |
| May 2024       | 3.125% CAFFIL 17/05/2039 | EUR 500 m   | + 45 bps     | + 2 bps       |          |
| 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 – 2024 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 |
|----------------|------------------------|-------------|--------------|---------------|----------|
| July 2024      | 3.125% SFIL 17/09/2029 | EUR 1.25 bn | + 39 bps     | + 29 bps      | Green    |
| 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      |          |

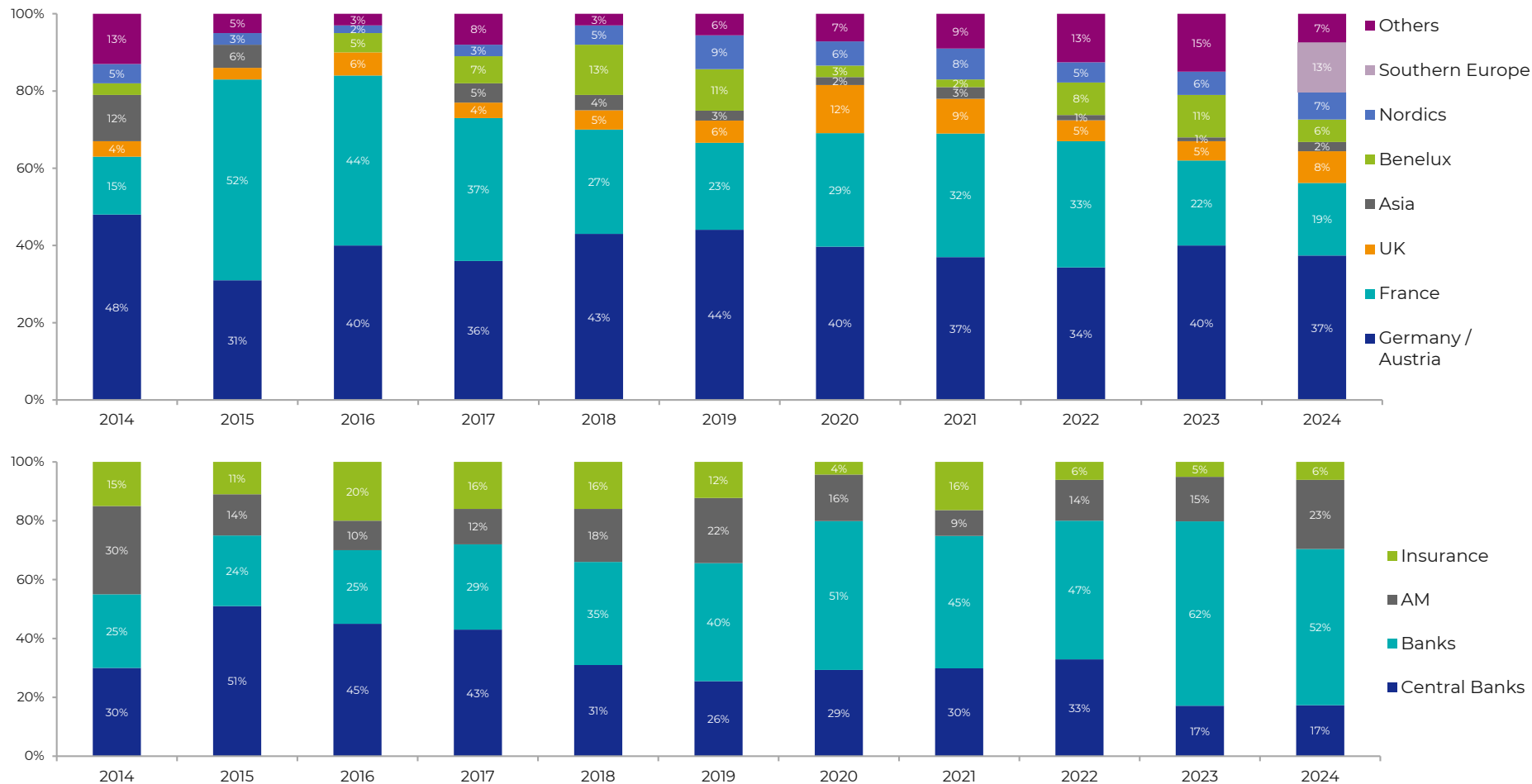
### USD benchmark issuance

| Issue date     | Transaction            | Volume      | Spread vs MS | Spread vs UST |
|----------------|------------------------|-------------|--------------|---------------|
| April 2024     | 5% SFIL 26/04/2027     | USD 1 bn    | + 40 bps     | + 25 bps      |
| 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

Caffil – Breakdown of 2014 – 2024 Benchmark issue





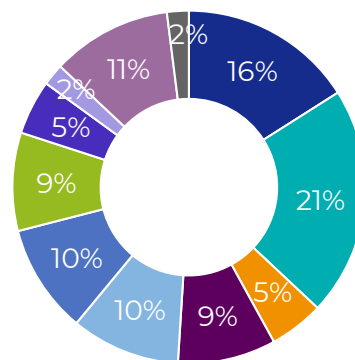
# Annex – Covered bond and SSA issuance

2023 issuance

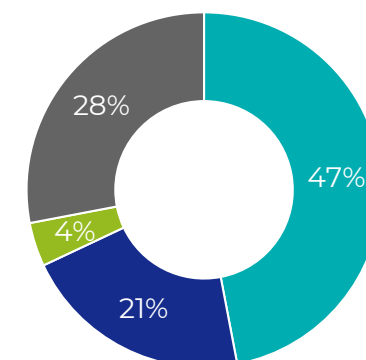
## EUR 1.5 billion SFIL 2023/2028

|                       |                           |
|-----------------------|---------------------------|
| <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<br>OAT +45 BP |

**Orderbook** Reached EUR 5 billion  
115 orders



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

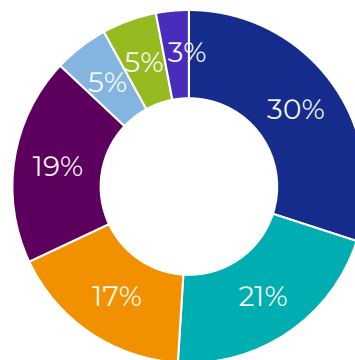


- Banks
- CB/OI
- Insurance
- AM

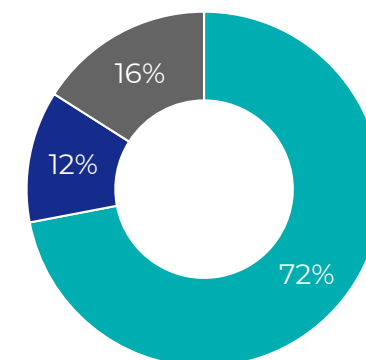
## EUR 750 m SFIL 2023/2030

|                       |                         |
|-----------------------|-------------------------|
| <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<br>OAT +42 BP |

**Orderbook** Reached EUR 1.1 billion  
40 orders



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



- Banks
- CB/OI
- AM

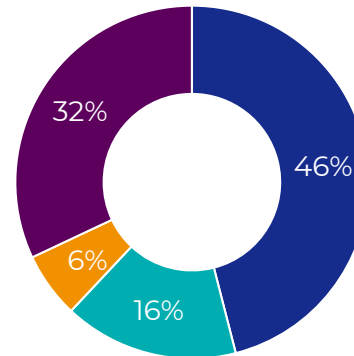


## Annex – Covered bond and SSA issuance

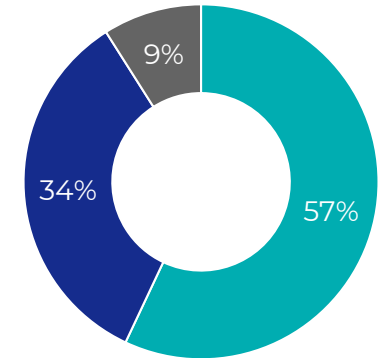
2023 issuance

**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<br>UST +32.8 BP |



■ Continental Europe    ■ UK/Ireland  
 ■ Middle-East / Africa    ■ Americas



■ Banks    ■ CB/OI    ■ AM



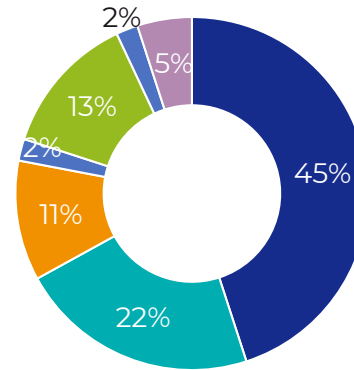
# Annex – Covered bond and SSA issuance

2023 issuance

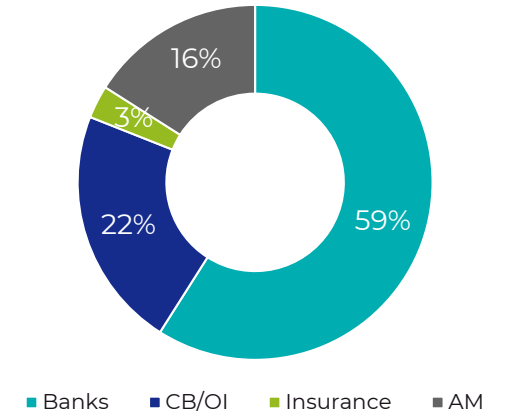
## EUR 1 billion CAFFIL 2023/2030

|                       |                           |
|-----------------------|---------------------------|
| <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<br>OAT +54.5 BP |

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



- Germany/ Austria
- UK/Ireland
- Benelux
- France
- Nordics
- Italy

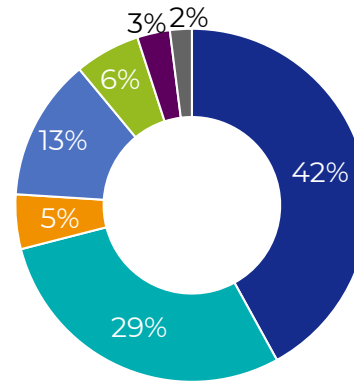


- Banks
- CB/OI
- Insurance
- AM

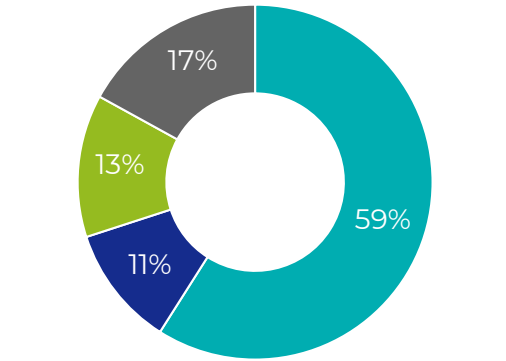
## EUR 750 m CAFFIL 2023/2032

|                       |                         |
|-----------------------|-------------------------|
| <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<br>OAT +37 BP |

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



- Germany/ Austria
- UK/Ireland
- Benelux
- Autres
- France
- Nordics
- Asie



- Banks
- CB/OI
- Insurance
- AM



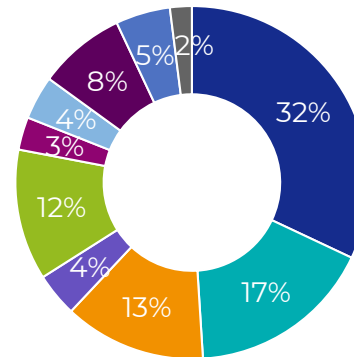
## Annex – Covered bond and SSA issuance

2023 ESG issuance

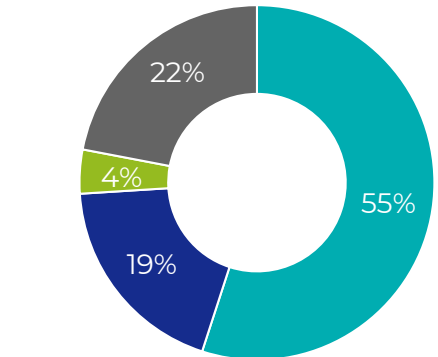
### EUR 750 m CAFFIL 2023/2029 – GREEN BOND

|                       |                         |
|-----------------------|-------------------------|
| <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<br>OAT +55 BP |

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



- Germany/ Austria
- UK
- Benelux
- Iberian Peninsula
- Nordics
- France
- Ireland
- Italy
- Middle East/Africa
- Others

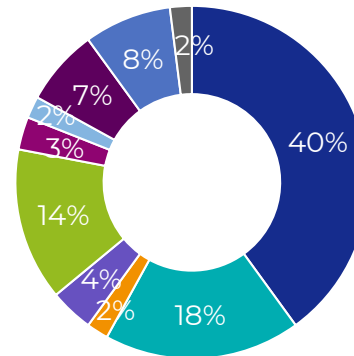


- Banks
- CB/OI
- Insurance
- AM

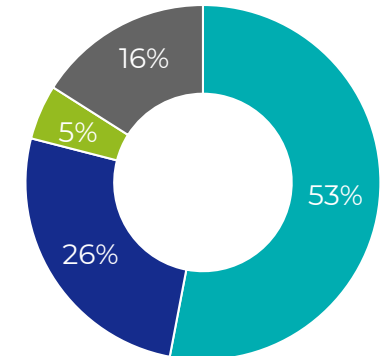
### EUR 500 m CAFFIL 2023/2029 – SOCIAL BOND

|                       |                         |
|-----------------------|-------------------------|
| <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<br>OAT +49 BP |

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



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



- Banks
- CB/OI
- Insurance
- AM



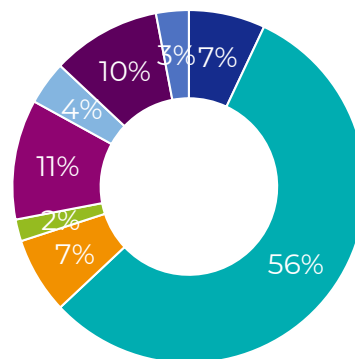
# Annex – Covered bond and SSA issuance

## 2024 SSA issuance

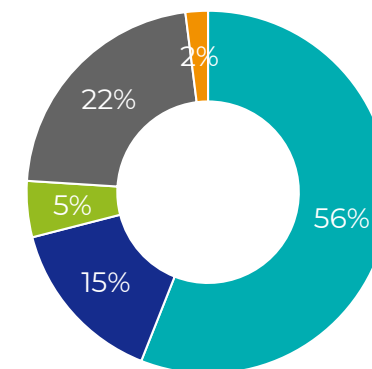
### EUR 1.25 billion SFIL 2024/2031

|                       |                         |
|-----------------------|-------------------------|
| <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<br>OAT +43 BP |

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



- Germany/ Austria
- UK/Ireland
- Italy
- Middle East/Africa
- France
- Benelux
- Iberian Peninsula
- Nordics

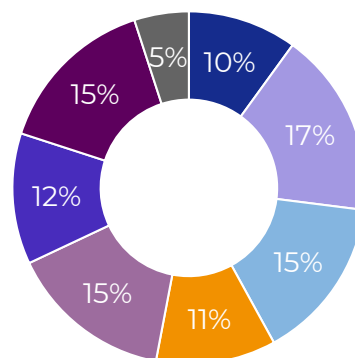


- Banks
- AM
- CB/OI
- Insurance
- Corporate

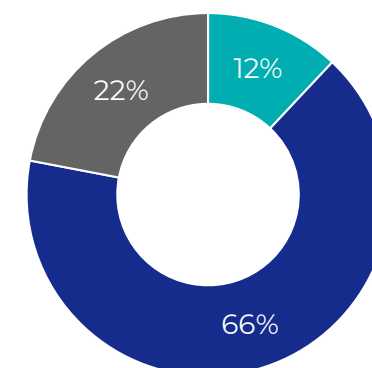
### USD 1 billion SFIL 2024/2027

|                       |                           |
|-----------------------|---------------------------|
| <b>Coupon</b>         | 5%                        |
| <b>Trade date</b>     | 17/04/2024                |
| <b>Maturity date</b>  | 26/04/2027                |
| <b>Reoffer Spread</b> | SOFR +40 BP<br>UST +25 BP |

**Orderbook** **EUR 3.4 billion**  
60 orders



- Germany/ Austria
- Latin America
- Switzerland
- Middle East/Africa
- North America
- UK
- Asia
- Other



- Banks
- CB/OI
- AM





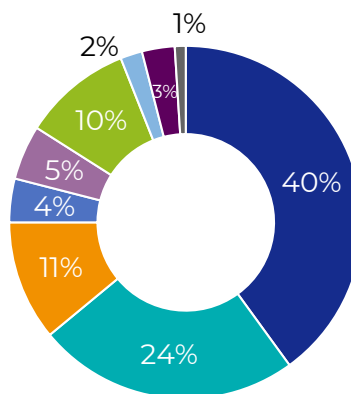
# Annex – Covered bond and SSA issuance

## 2024 Covered bond issuance

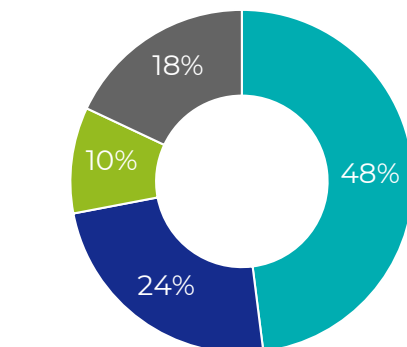
### EUR 1 billion CAFFIL 2024/2033

|                       |                         |
|-----------------------|-------------------------|
| <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<br>OAT +34 BP |

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



- Germany/ Austria
- UK/Ireland
- Switzerland
- Asia
- Others
- France
- Nordics
- Benelux
- Italy

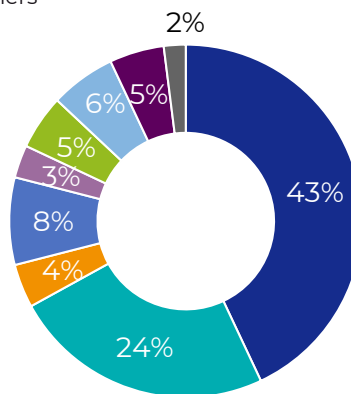


- Banks
- CB/OI
- Insurance
- AM

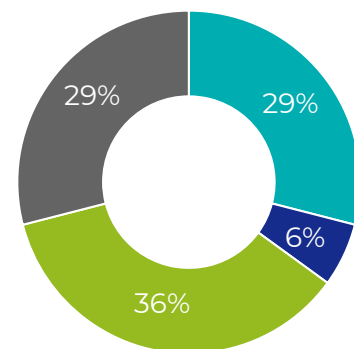
### EUR 500 m CAFFIL 2024/2039

|                       |                        |
|-----------------------|------------------------|
| <b>Coupon</b>         | 3.125%                 |
| <b>Trade date</b>     | 07/05/2024             |
| <b>Maturity date</b>  | 17/05/2039             |
| <b>Reoffer Spread</b> | MS +45 BP<br>OAT +2 BP |

**Orderbook** **EUR 7.4 billion**  
160 orders



- Germany/ Austria
- UK
- Switzerland
- Iberian Peninsula
- Others
- France
- Nordics
- Benelux
- Italy



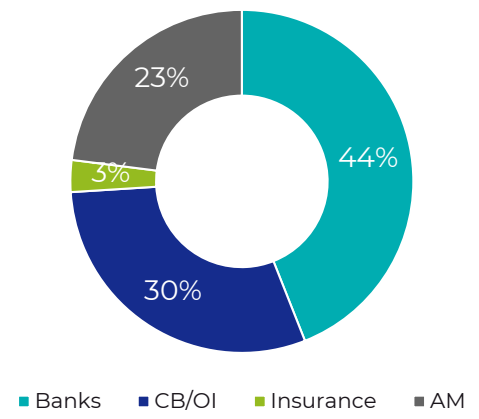
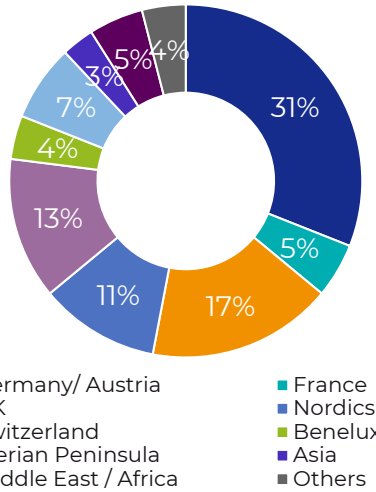
- Banks
- CB/OI
- Insurance
- AM



# Annex – Covered bond and SSA issuance

## 2024 Covered bond issuance

|                                       |                                     |
|---------------------------------------|-------------------------------------|
| <b>EUR 1 billion CAFFIL 2024/2029</b> |                                     |
| <b>Coupon</b>                         | 2.625%                              |
| <b>Trade date</b>                     | 25/11/2024                          |
| <b>Maturity date</b>                  | 29/11/2029                          |
| <b>Reoffer Spread</b>                 | MS +57 BP<br>OAT +14 BP             |
| <b>Orderbook</b>                      | <b>EUR 1.4 billion</b><br>60 orders |



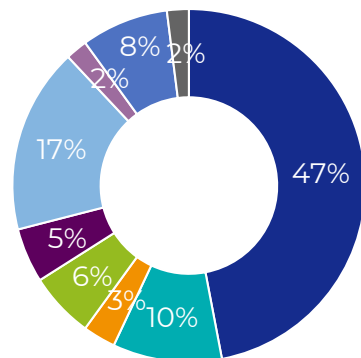


# Annex – Covered bond and SSA issuance

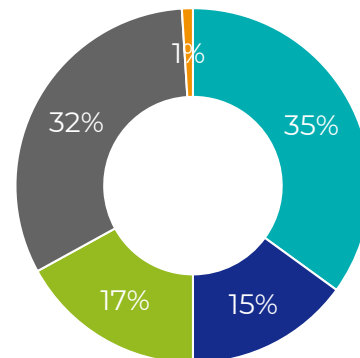
2024 ESG issuance

## 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<br>OAT +16.5 BP           |
| <b>Orderbook</b>      | <b>EUR 2.9 billion</b><br>89 orders |



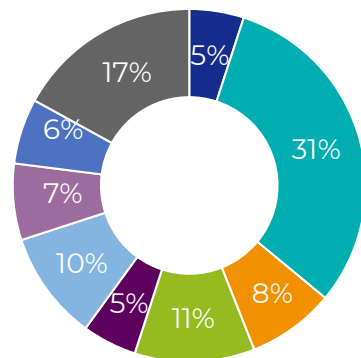
- Germany/Austria
- UK
- Italy
- Switzerland
- Others
- France
- Benelux
- Spain/Portugal
- Nordics



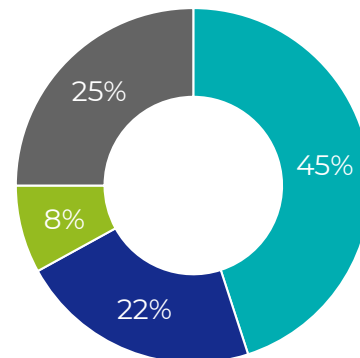
- Banks
- CB/OI
- AM
- Insurance
- Corporate

## EUR 1.25 billion SFIL 2024/2029 – GREEN BOND

|                       |                                      |
|-----------------------|--------------------------------------|
| <b>Coupon</b>         | 3.125%                               |
| <b>Trade date</b>     | 10/07/2024                           |
| <b>Maturity date</b>  | 19/09/2029                           |
| <b>Reoffer Spread</b> | MS +39 BP<br>OAT +29 BP              |
| <b>Orderbook</b>      | <b>EUR 4.3 billion</b><br>110 orders |



- Germany/Austria
- UK
- Italy
- Switzerland
- Asia
- France
- Benelux
- Spain/Portugal
- Nordics



- Banks
- CB/OI
- AM
- Insurance

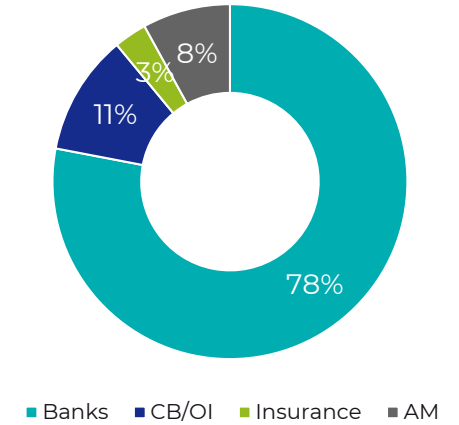
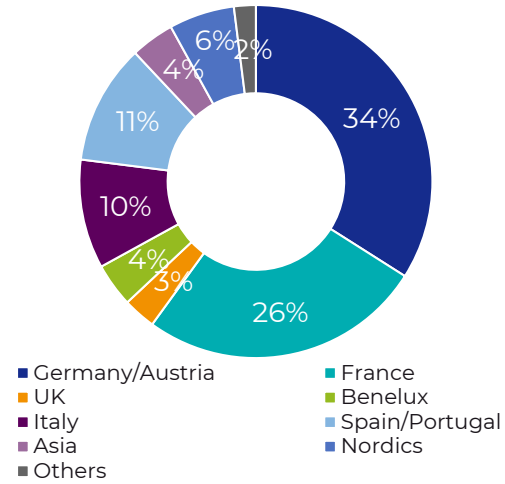


## Annex – Covered bond and SSA issuance

2024 ESG issuance

### EUR 1.25 billion CAFFIL 2024/2031 – SOCIAL BOND

|                       |                                     |
|-----------------------|-------------------------------------|
| <b>Coupon</b>         | 2.75%                               |
| <b>Trade date</b>     | 25/09/2024                          |
| <b>Maturity date</b>  | 03/10/2031                          |
| <b>Reoffer Spread</b> | MS +50 BP<br>OAT +18.5 BP           |
| <b>Orderbook</b>      | <b>EUR 1.5 billion</b><br>70 orders |





## Annex – ESG issuance program

Green issuance since 2019

| Characteristics  | Green bonds   |  |                |   |              |                 |
|--|---|--|----------------|---|--------------|-----------------|
|  | Sfil 5Y 2025  | Caffil 5Y 2023   | Caffil 5Y 2022 | Sfil 10Y 2021                               | Sfil 8Y 2020 | Caffil 10Y 2019 |
| Issued volume  | EUR 1 250 m   | EUR 750 m  | EUR 750 m      | EUR 500 m                                   | EUR 500 m    | EUR 750 m       |
| Trade date   | 10/07/24  | 10/10/23   | 08/11/22       | 23/11/21                                    | 13/11/20     | 05/11/19        |
| Maturity date  | 19/07/29  | 19/01/29   | 16/11/27       | 01/12/31                                    | 13/11/28     | 13/11/29        |
| Coupon   | 3.125%  | 3.625%   | 3.125%         | 0.25%                                       | 0%           | 0.1%            |
| Number of investors  | 110   | 115  | 57             | 40  | 100          | 100             |
| Orderbook  | EUR 4.3 bn  | EUR 3.5 bn   | EUR 1.6 bn     | EUR 750 m                                   | EUR 2.5 bn   | EUR 2.5 bn      |
| Over-subscription rate   | X3.4  | x4.7   | x2.1           | x1.5  | x5           | x3.3            |
| Framework used   | <a href="#">GSS* Bond Framework (2022)</a>                                      |  |                | <a href="#">Green Bond Framework (2019)</a> |              |                 |
| Use of Proceeds  | Green investments by French local authorities and green French export contracts | Eligible green investments by French local authorities |                |   |              |                 |
| <i>Territorial mobility &amp; soft urban transport</i>           | To be published in 2025   | 35%  | 20%            | 25%   | 47%          | 44%             |
| <i>Sustainable water &amp; sanitation</i>                        |   | 42%  | 45%            | 27%   | 31%          | 32%             |
| <i>Waste management &amp; valuation</i>                          |   | 10%  | 18%            | 7%  | 9%           | 21%             |
| <i>Energy efficiency of construction &amp; urban development</i> |   | 12%  | 17%            | 38%   | 12%          | 2%              |
| <i>Renewable energy</i>  |   | 1%   | 0%             | 3%  | 1%           | 1%              |



## Annex – ESG issuance program

Social issuance since 2019 under the Social Note Framework

| Characteristics        | Social bonds dedicated to the financing of French public hospitals |                            |                 |                |                |                |
|------------------------|--|----------------------------|-----------------|----------------|----------------|----------------|
|                        | Caffil 12Y 2024  | Caffil 5Y 2023             | Caffil 12Y 2022 | Caffil 8Y 2021 | Caffil 5Y 2020 | Caffil 8Y 2019 |
| Issued volume          | EUR 500 m  | EUR 500 m                  | EUR 500 m       | EUR 750 m      | EUR 1 000 m    | EUR 1 000 m    |
| Trade date             | 11/03/2024   | 13/11/2023                 | 18/05/2022      | 19/04/2021     | 28/04/2020     | 12/02/2019     |
| Maturity date          | 19/03/2036   | 20/03/29                   | 25/05/2034      | 27/04/2029     | 07/05/2025     | 19/02/2027     |
| Coupon                 | 3%   | 3.5%                       | 1.875%          | 0.01%          | 0.01%          | 0.5%           |
| Number of investors    | 89   | 60                         | 29              | 60             | 130            | 110            |
| Orderbook              | EUR 2.9 bn   | EUR 1.3 bn                 | EUR 720 m       | EUR 1.5 bn     | EUR 4.5 bn     | EUR 2.6 bn     |
| Over-subscription rate | x5.8   | x2.6                       | x1.4            | x2             | x4.5           | x2.6           |
| Framework used         | <a href="#">Social Note Framework</a>                              |                            |                 |                |                |                |
| Last available report  | To be published in 2025  | <a href="#">April 2024</a> |                 |                |                |                |

# Annex – ESG issuance program

## Social issuance

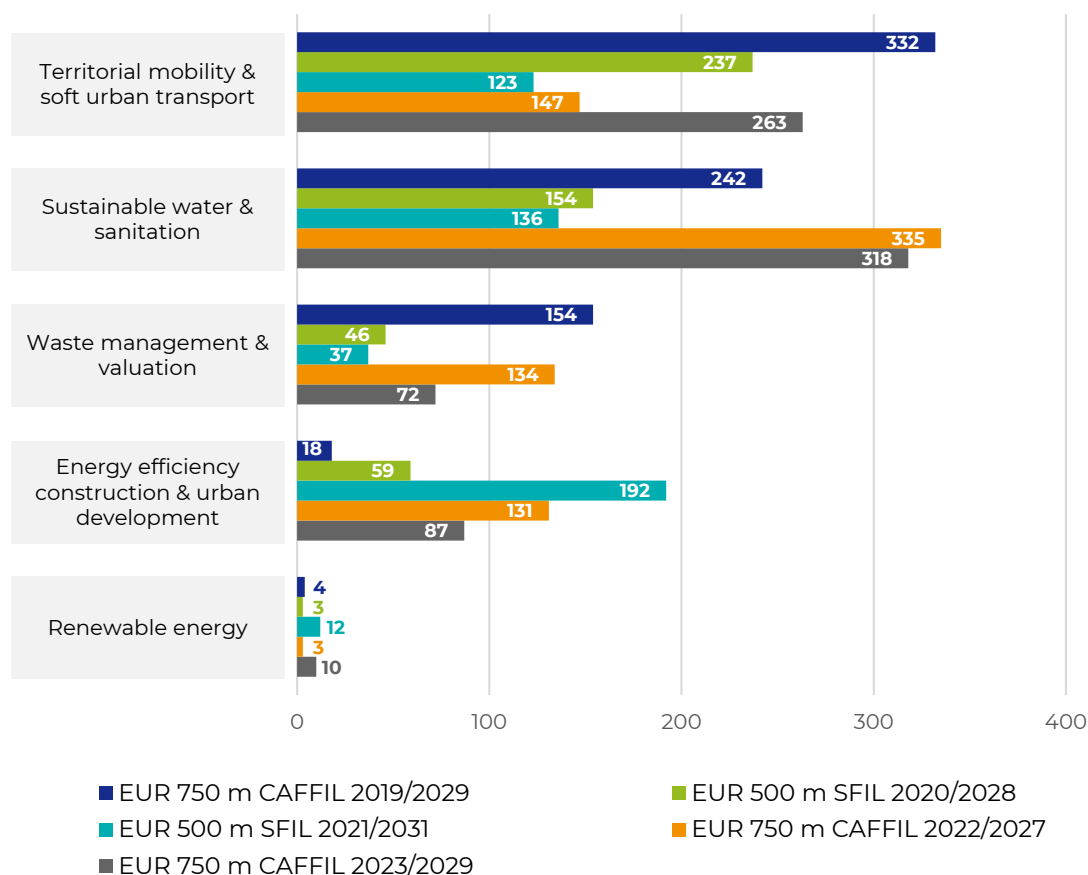
| Characteristics        | Social bonds                               |
|------------------------|--|
|                        | Caffil 7Y 2024                             |
| Issued volume          | EUR 1 250 m                                |
| Trade date             | 25/09/2024                                 |
| Maturity date          | 03/10/2031                                 |
| Coupon                 | 2.75%                                      |
| Number of investors    | 70   |
| Orderbook              | EUR 1.5 bn                                 |
| Over-subscription rate | x1.2                                       |
| Framework used         | <a href="#">GSS* Bond Framework (2022)</a> |
| Last available report  | To be published in 2025                    |



## Annex – ESG issuance program

### Green Bond Reporting Summary

Volume by category (EUR m)



Overall Green Loans with a total volume of **EUR 3.25 billion** have been allocated to the five **Green Bond transactions**.

In total, the five Green Bond transactions have contributed to the financing of closed to **900 different green investment projects** by French local authorities.

The financing provided by the five Green Bond transactions will lead to **estimated annual reductions in CO<sub>2</sub> emissions of 90 494 t**.

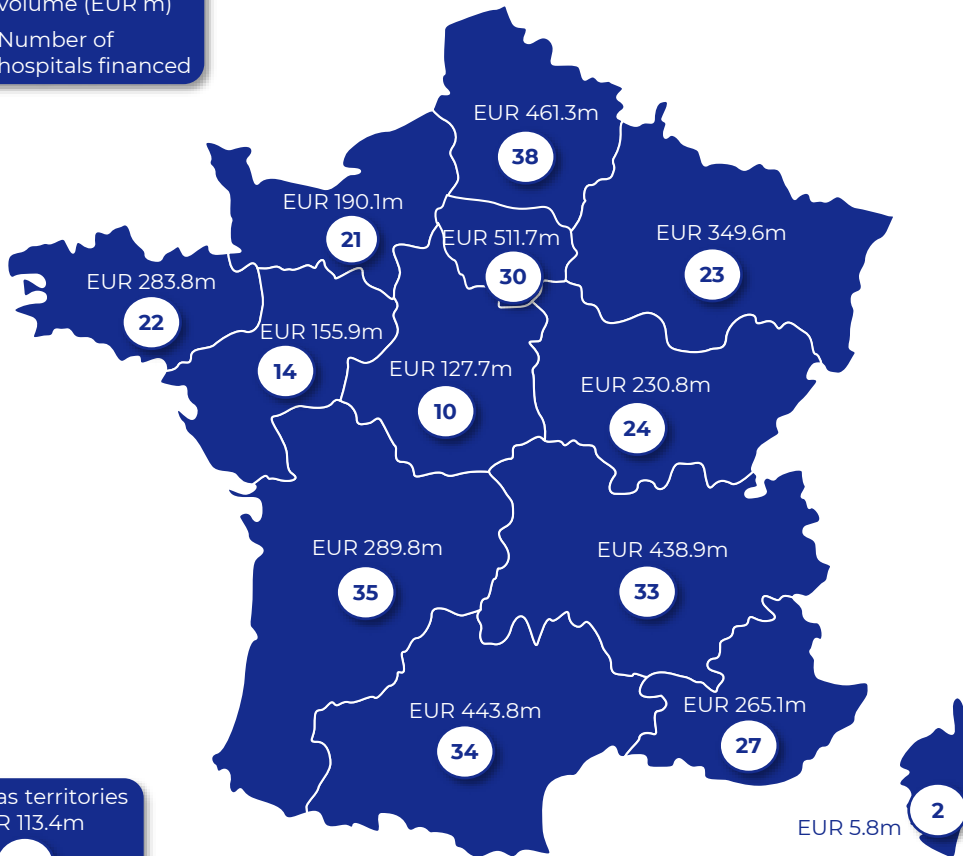
Our green loan program aims to provide smaller local authorities with an access to green financing with a minimum amount for green loans lowered to EUR 300 k.



# Annex – ESG issuance program

## Social Bond Reporting Summary

**3 868** Outstanding volume (EUR m)  
**318** Number of hospitals financed



The total outstanding amount as of December 31<sup>st</sup> 2023 is EUR 3 868 m.

Loans to 318 public hospitals are included in the healthcare portfolio. The number of public hospitals in the healthcare portfolio has increased since the last reporting with 310 included in the healthcare portfolio as of December 31<sup>st</sup> 2022.

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

# Contacts

## Investor Relations & Sustainability



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