

**FIRST SUPPLEMENT DATED 19 SEPTEMBER 2023
TO THE BASE PROSPECTUS DATED 12 JUNE 2023**



Sfil
€15,000,000,000
Euro Medium Term Note Programme

This first supplement (the “**First Supplement**”) is supplemental to, and should be read in conjunction with, the base prospectus dated 12 June 2023 which was approved by the *Autorité des marchés financiers* (the “**AMF**”) under number No. 23-211 on 12 June 2023 (the “**Base Prospectus**”), prepared in relation to the €15,000,000,000 Euro Medium Term Note Programme (the “**Programme**”) of Sfil (the “**Issuer**” or “**Sfil**”). The Base Prospectus as supplemented by this First Supplement constitutes a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the “**Prospectus Regulation**”).

Application has been made for approval of this First Supplement to the AMF in its capacity as competent authority pursuant to the Prospectus Regulation. This First Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation for the purpose of updating the Base Prospectus following the incorporation by reference in the Base Prospectus of the 2023 *Rapport financier semestriel* in the French language of the Issuer filed with the AMF (the “**2023 Half-Year Report**”).

With this respect, the following sections of the Base Prospectus shall be updated and amended:

- i. the section entitled “Risk Factors”;
- ii. the section entitled “Documents incorporated by reference”;
- iii. the section entitled “Description of the Issuer”;
- iv. the section entitled “Recent Developments”; and
- v. the section entitled “General Information”.

Save as disclosed in this First Supplement, no significant new factor, material mistake or material inaccuracy has arisen or has been noted which may affect the assessment of the Notes since the approval of the Base Prospectus.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this First Supplement.

To the extent that there is any inconsistency between (a) any statement in this First Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

In accordance with Article 23.2 of the Prospectus Regulation and to the extent applicable, investors who have already agreed to purchase or subscribe for Notes to be issued under the Programme before this First Supplement is published have the right to withdraw their acceptances within a time limit of minimum two (2) working days after publication of this First Supplement. This right to withdraw shall expire by close of business on 21 September 2023, provided that the Notes had not yet been delivered to the investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted. Investors may notify the Issuer should they wish to exercise the right of withdrawal.

Copies of this First Supplement shall be (a) published on the websites of the AMF (www.amf-france.org) and of the Issuer (www.sfil.fr) and (b) available for inspection and obtainable, upon request and free of charge, during usual business hours, on any weekday at the registered office of the Issuer (112-114 avenue Emile Zola, 75015 Paris, France).

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RISK FACTORS

The section entitled “**Risk factors**” on pages 17 to 35 of the Base Prospectus is amended as follows:

- The first paragraph of the risk factor entitled “**1.1 Risks arising from implementation of Basel III Risk-Weighted Asset Framework**” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 18 of the Base Prospectus is deleted and replaced as follows:

“Sfil is subject to prudential regulations applicable to credit institutions and has to comply with the current Capital Requirements Regulation and Capital Requirements Directive as described below. As of 30 June 2023, Sfil's capital level is high (CET1 capital ratio: 38.9%; total capital ratio: 38.9%) given its solvency minimum requirements set by the European Central Bank as per the Supervisory Review and Evaluation Process exercise (CET1 capital: 7.87%; total capital: 11.70%). As of 30 June 2023, Sfil's leverage ratio is 11.3% and exceeds the minimum 3% requirement.”

- The last sentence of the third paragraph of the risk factor entitled “**1.3 Risks relating to any litigation with a counterparty/borrower or tax authority**” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 20 of the Base Prospectus is deleted and replaced as follows:

“As an illustration, the amount of provisions for pending legal issues is EUR 1.4 million as of 30 June 2023.”

- The fifth paragraph and its sub-paragraphs of the risk factor entitled “**2.1 Risk of default**” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on pages 20 and 21 of the Base Prospectus are deleted and replaced as follows:

“The CRD V package came into force on 27 June 2019. The CRD V Directive has been implemented under French law by Ordinance n°2020-1635 dated 21 December 2020 and Decree n°2020-1637 dated 22 December 2020. The CRR II Regulation is directly applicable in all member states of the European Union (the “EU”).

As an illustration, exposures to credit risk, which is measured using the “Exposure at Default” (EAD) metric, amounted to EUR 69.4 billion as of 30 June 2023 (excluding non-current assets and accruals and other liabilities):

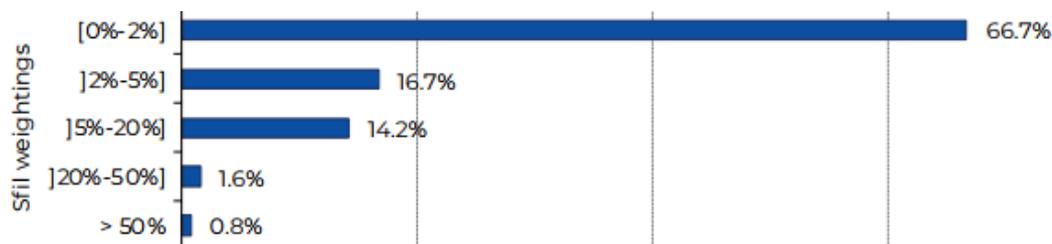
- nearly 57% of this exposure is concentrated in French local public authorities (regions, departments, municipalities and groups of municipalities, etc.);
- 24% of this exposure is included in “Sovereign” items including 81% as a result of the export credit activity;
- almost 10% of this exposure comes from public sector entities, including 85% from public stakeholders in the hospital sector.

The high quality of Sfil's and CAFFIL's portfolio can also be seen in the Risk-Weighted Asset (RWA) weightings assigned to their assets to calculate the Group's solvency ratio.

The Sfil Group has chosen the advanced method to calculate regulatory equity requirements for its main core business outstanding: the exposures on French local public administrations (regions, departments, municipalities, own tax groups and equivalent) are processed according to the A-IRB¹ method.

¹ A-IRB: Weightings calculated based on the probability of counterparty default and the loss incurred in the event of default.

The breakdown of the Sfil Group's exposures by risk weighting as of 30 June 2023 is as follows:



The average weighting on credit risk exposures stands at 4.7% with only 2.4% of the portfolio having a risk weighting exceeding 20%, this testifies to the very low level of credit risk of Sfil and CAFFIL's portfolio.

The expected impacts at this time related to the war in Ukraine are very limited for the Sfil Group: the Sfil Group has only one exposure in Ukraine, representing, as of 30 June 2023, an outstanding balance sheet amount of EUR 52 million. As this exposure is 100% guaranteed by the French State, Sfil is not directly exposed to credit risk on this issue."

- The last sentence of the first paragraph of the risk factor entitled “**2.3 Risk of default of bank counterparties**” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 21 of the Base Prospectus is deleted and replaced as follows:

“As an illustration, exposure to credit risk for financial institution, which is measured using the “Exposure at Default” (EAD) metric, amounted to EUR 1.3 billion (2% of total EAD amount) as of 30 June 2023.”

- The last sentence of the risk factor entitled “**3.2 Risk of a liquidity shortfall that may affect the Issuer's ability to settle its debt commitments in a timely fashion**” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 23 of the Base Prospectus is deleted and replaced as follows:

“As an illustration, as of 30 June 2023, LCR ratio reached 213% on a consolidated basis and the amount of liquidity reserves amounted to EUR 40.6 billion.”

DOCUMENTS INCORPORATED BY REFERENCE

The section entitled “**Documents Incorporated by reference**” on pages 38 to 40 of the Base Prospectus is deleted and replaced for the purposes of adding the 2023 Half-Year Report of the Issuer:

“This Base Prospectus shall be read and construed in conjunction with the sections set out in the cross-reference tables below included in the following documents which have been previously or simultaneously filed with the *Autorité des marchés financiers* (the “**AMF**”) and shall be incorporated in, and form part of, this Base Prospectus:

- the *Rapport financier semestriel* 2023 in the French language of the Issuer for the period ended 30 June 2023 (the “**2023 Half-Year Report**”; <https://sfil.fr/wp-content/uploads/2023/09/Sfil-Rapport-financier-semestriel-juin-2023.pdf>);
- the *Rapport financier* 2022 in the French language of the Issuer filed with the AMF, which includes the audited consolidated and non consolidated annual financial statements of the Issuer for the year ended 31 December 2022 and the related statutory auditors' report (the “**2022 Financial Report**”; <https://sfil.fr/wp-content/uploads/2023/03/Sfil-Rapport-financier-annuel-2022.pdf>);
- the *Rapport financier* 2021 in the French language of the Issuer filed with the AMF, which includes the audited consolidated and non-consolidated annual financial statements of the Issuer for the year ended 31 December 2021 and the related statutory auditors' report (the “**2021 Financial Report**”; https://sfil.fr/wp-content/uploads/2022/03/SFIL_Rapport_financier_annuel-2021v.pdf);
- the terms and conditions of the Notes contained in pages 79 to 113 of the base prospectus of the Issuer dated 27 September 2016 which received visa no. 16-449 from the AMF (the “**2016 EMTN Conditions**”; <https://sfil.fr/wp-content/uploads/2014/03/20160927-SFIL-Base-Prospectus.pdf>), the terms and conditions of the Notes contained in pages 82 to 113 of the base prospectus of the Issuer dated 15 May 2018 which received visa no. 18-175 from the AMF (the “**2018 EMTN Conditions**”; <https://sfil.fr/wp-content/uploads/2019/03/BP-EMTN-SFIL-2018-1.pdf>), the terms and conditions of the Notes contained in pages 87 to 122 of the base prospectus of the Issuer dated 16 May 2019 which received visa no. 19-210 from the AMF (the “**2019 EMTN Conditions**”; <https://sfil.fr/wp-content/uploads/2019/05/BASE-PROSPECTUS-SFIL-16-05-2019-19-210.pdf>), the terms and conditions of the Notes contained in pages 39 to 88 of the base prospectus of the Issuer dated 19 May 2020 which received approval number no. 20-203 from the AMF (the “**2020 EMTN Conditions**”; <https://sfil.fr/wp-content/uploads/2020/05/BASE-PROSPECTUS-SFIL-19-05-2020-20-203.pdf>) and the terms and conditions of the Notes contained in pages 43 to 91 of the base prospectus of the Issuer dated 21 May 2021 which received approval number no. 21-169 from the AMF (the “**2021 EMTN Conditions**”; https://sfil.fr/wp-content/uploads/2021/05/SFIL-2021_BASE-PROSPECTUS.pdf) and the terms and conditions of the Notes contained in pages 42 to 93 of the base prospectus of the Issuer dated 7 June 2022 which received approval number no. 22-198 from the AMF (the “**2022 EMTN Conditions**”; https://sfil.fr/wp-content/uploads/2022/06/SFIL-2022_Base-Prospectus.pdf, and together with the 2016 EMTN Conditions, the 2018 EMTN Conditions, the 2019 EMTN Conditions, the 2020 EMTN Conditions and the 2021 EMTN Conditions, the “**EMTN Conditions**”).

Such information shall be deemed to be incorporated in, and form part of this Base Prospectus, save that any statement contained in the information which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

The free English translations of the 2022 Financial Report and the 2021 Financial Report are available without charge on the website of the Issuer (www.sfil.fr).

All documents incorporated by reference in this Base Prospectus may be obtained, without charge upon request, during usual business hours on any weekday, at the registered office of the Issuer (112-114 avenue Emile Zola, 75015 Paris, France) so long as any of the Notes are outstanding. Such documents will be published on the website of the Issuer (www.sfil.fr).

The EMTN Conditions are incorporated by reference in this Base Prospectus for the purposes only of further issues of Notes to be assimilated (*assimilées* for the purpose of French law) and form a single Series with Notes already issued under the relevant EMTN Conditions. To the extent that only the EMTN Conditions are specified to be incorporated by reference therein, the non-incorporated parts of the base prospectuses of the Issuer dated 27 September 2016, 15 May 2018, 16 May 2019, 19 May 2020, 21 May 2021 and 7 June 2022 are not relevant for investors or are covered elsewhere in the Base Prospectus.

For the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**"), the documents incorporated by reference in this Base Prospectus shall be read in connection with the following cross-reference tables below. For the avoidance of doubt, any information not listed in the cross-reference list below entitled "*Cross-reference list in respect of the financial information of the Issuer*" but included in the documents incorporated by reference is either contained in the relevant sections of this Base Prospectus or is not relevant to the Issuer.

DOCUMENTS INCORPORATED BY REFERENCE (ANNEX 6 OF THE COMMISSION DELEGATED REGULATION (EU) 2019/980 OF 14 MARCH 2019 SUPPLEMENTING THE PROSPECTUS REGULATION, AS AMENDED)	Pages of the 2021 Financial Report	Pages of the 2022 Financial Report	Pages of the 2023 Half Year Report
<u>11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</u>			
<u>11.1. Historical Financial Information</u>			
11.1.1. Audited historical financial information covering the latest two financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year			
Audited historical financial information for the latest two financial years	p.113 to p.167	p.109 to p.167	N/A
Audit reports for the latest two financial years	p.168 to p.172	p.168 to p.172	N/A

11.1.3. Accounting standards	p.119	p.115	N/A
11.1.5. Audited financial information prepared according to national accounting standards			
– Balance sheet	p.176	p.176	N/A
– Income statement	p.178	p.178	N/A
– Statement of changes in consolidated equity	p.179	p.179	N/A
– Accounting policies and explanatory notes	p.180 to p.199	p.180 to p.199	N/A
11.1.6. Consolidated financial statements			
If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document	p.113 to p.167	p. 109 to p.167	N/A
11.1.7. Age of financial information			
The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document.	p.113 to p.167	p.109 to p.167	N/A
<u>11.2. Interim and other financial information</u>	N/A	N/A	p. 29 to 79
<u>11.3. Auditing of historical annual financial information</u>			
11.3.1. The historical financial information must be independently audited	IFRS Auditors' report p.168 to p.172 French GAAP Auditors' report p.200 to p.203	IFRS Auditors' report p.168 to p.172 French GAAP Auditors' report p.200 to p.203	IFRS Auditors' report (limited review) p. 82
11.3.2. Indication of other information in the registration document which has been audited by the auditors	N/A	N/A	N/A
11.3.3 Where financial data in the registration document is not extracted from the issuer's audited financial statements state the source of the data and state that the data is unaudited	N/A	N/A	N/A

Cross-reference list in respect of EMTN Conditions

EMTN Conditions	Information from previous base prospectuses incorporated by reference
2016 EMTN Conditions	Pages 79 to 113
2018 EMTN Conditions	Pages 82 to 113
2019 EMTN Conditions	Pages 87 to 122
2020 EMTN Conditions	Pages 39 to 88
2021 EMTN Conditions	Pages 43 to 91
2022 EMTN Conditions	Pages 42 to 93

DESCRIPTION OF THE ISSUER

The section entitled “**Description of the Issuer**” on pages 97 to 114 of the Base Prospectus is amended as follows:

- The second paragraph of the section entitled “**1. HISTORY AND DEVELOPMENT OF THE ISSUER**” on page 97 of the Base Prospectus is deleted and replaced as follows:

“The Issuer is registered under number 428 782 585 with the *Registre du commerce et des sociétés* of Paris.”

- All sub-paragraphs under the graph of the section entitled “**1. HISTORY AND DEVELOPMENT OF THE ISSUER**” on page 98 are deleted and replaced as follows:

“The first half of 2023 was marked by very significant volumes of primary issues in the covered bonds segment and the gradual withdrawal of purchases made by the European Central Bank with no major impact on CAFFIL’s primary market access conditions.

During the first six months of 2023, CAFFIL raised EUR 1.97 billion through the issuance of debt benefiting from the legal privilege. CAFFIL solicited the public primary market two times for a total amount of EUR 1.75 billion by enriching its benchmark curve on maturities of seven (EUR 1 billion) and nine years (EUR 750 million). In addition to these public transactions, CAFFIL strengthened its presence in the private placements segment in the EMTN and registered covered bonds formats, thus making it possible to meet the specific requests of investors by raising EUR 221 million compared to EUR 315 million in the first half of 2022. The outstanding *obligations foncières* amounted to EUR 52.0 billion as at 30 June 2023.

In addition, the primary market of French agencies saw a stable supply with favourable primary market access conditions in both euros and dollars in the first half of 2023.

Sfil maintained its presence in the French agency market segment by issuing two new euro issues. Sfil thus solicited the public primary market twice for a total amount of EUR 2.25 billion with two euro issues, one at five years (EUR 1.5 billion) and one at seven and a half years (EUR 500 million), in January and May 2023. These two transactions strengthened Sfil’s reputation in the French agency category and extended its benchmark curve in euros. Sfil’s total bond outstanding came to EUR 9.6 billion as of 30 June 2023.

Excluding a private placement for EUR 10 million carried out during the first half of 2023 under the framework dedicated to French public hospitals, the Sfil Group has not yet activated its thematic issuance programs. The Sfil Group’s thematic issues programs have been rewarded 11 times since their launch. The CAFFIL “green” issue of November 2022 for an amount of EUR 750 million was distinguished in April 2023 by the publication “Environmental Finance” in the “asset-backed/asset-based/covered social bond of the year” category.

Sfil continued to use its debt securities issuance program of less than one year (NeuCP issuance program), which gives it additional flexibility in the management of its treasury. At 30 June 2023, Sfil’s total discounted bonds outstanding amounted to EUR 0.8 billion.

During the second half of the year, the Sfil Group will remain active on the primary market in order to complete, via its two issuers Sfil and CAFFIL, its issuance program for an amount comprised between EUR 7 to 8 billion for 2023. More specifically, Sfil could return to the dollar issues market in the second half of the year if conditions are favourable.

In line with the strategic objective of 25% of green, social and/or sustainable issues per year by 2024, the second half of 2023 will be an opportunity for the Sfil Group to step up its sustainable refinancing by mobilizing its two thematic bond frameworks:

- its framework of social issues aimed at providing financing to French public hospitals;

- its recent green, social and sustainable issuance framework set up in October 2022 intended to refinance green and/or social loans to French local authorities as well as green or social export credits."
- The paragraph entitled "**The Covid-19 pandemic and the war in Ukraine**" on page 99 of the Base Prospectus is deleted and replaced as follows:

"The war in Ukraine

The foreseeable impacts to date related to the war situation in Ukraine are limited for Sfil. As a reminder, Sfil does not have any operations outside France. Moreover, the Group does not have any exposure in Russia or Belarus and has only one exposure in Ukraine, which as of 30 June 2023 represented balance sheet outstanding of EUR 52 million. This exposure was granted as part of the export credit activity and is 100% guaranteed by the French Republic. Sfil is not, therefore, directly exposed to credit risk on this file. Sfil nevertheless decided, as of 24 February 2022, to place this asset on the watchlist and consequently to classify it in Stage 2. The increase in Expected Credit Losses (ECL) associated with this downgrade is very limited and represents approximately EUR 0.3 million.

The consequences of the war in Ukraine on the forward-looking macroeconomic scenarios used to calculate the ECLs associated with local authorities in France were also adjusted without significant impact on the level of impairment."

- The paragraph entitled "**Outlook**" on page 100 of the Base Prospectus is deleted and replaced as follows:

"Outlook

The export credit activity is expected to continue to grow throughout the year with very positive prospects for the coming years.

With regard to the local public sector, after a wait-and-see period, an acceleration in financing demand in the second half of the year is likely. Sfil will continue to develop its range of green and social loans and will begin updating work in connection with the delegated act on the other four environmental objectives of the European green taxonomy.

Sfil will also finalize the measurement of the footprint of its local public sector and export loan portfolios and will be able to communicate at the end of 2023 information on a decarbonization trajectory compatible with the objectives of the Paris Agreement.

To finance its activities, the Sfil Group forecasts a volume of issues on the primary market of an amount comprised between EUR 7 and 8 billion for 2023 with a continued ramp-up of its green and social thematic issues.

Sfil's business outlook for the second half of the year therefore remains solid, with a higher degree of uncertainty related in particular to changes in interest rates and in particular the impacts on financing conditions.

Lastly, as part of the "Group Vision" project and its purpose, Sfil, whose employees took part in the consultation launched throughout the CDC Group in order to identify new initiatives to continue the implementation of the Group's purpose, will actively cooperate in thematic communities and cross functional business lines."

- The section entitled "**2. BUSINESS OVERVIEW**" on pages 101 to 106 of the Base Prospectus is amended as follows:
 - The last five sub-paragraphs of the paragraph entitled "**(i) Financing of local public sector loans**" on pages 103 and 104 of the Base Prospectus are deleted and replaced as follows:

"In the first half of 2023, CAFFIL acquired EUR 2.2 billion in loans and loan commitments from the partners of La Banque Postale and Banque des Territoires. The decline compared to the first half of 2022 (EUR 3.3 billion) is mainly due to a production in 2022 strongly constrained by the methods for setting the wear rate. As of 30 June 2023, the total volume acquired since Sfil's creation came to EUR 35.9 billion. In the first half of 2023, Sfil, with its two partners, granted EUR 1.1 billion in loans to the local public sector, a decrease compared to the first half of 2022 (EUR 1.4 billion). This period was marked by a certain wait-and-see attitude on the part of the local public sector linked to interest rate levels that remained at a persistently high level and sustained inflation. The slowdown in production is also probably the result of higher energy prices and, more generally, the effects of inflation on local authorities' operating costs. This situation is more pronounced in the public hospitals sector, to which Sfil contributed EUR 147 million, a volume that was down sharply compared to the first half of 2022 (-47%), than in the local authorities sector to which Sfil granted EUR 954 million in financing (-13.5% compared to 30 June 2022). In this context, the new Sfil / Banque des Territoires system got off to a gradual start during this period with a peak in activity in June 2023 reaching an amount of approximately EUR 130 million over the half-year. The partnership was particularly active with the municipal block and public hospitals over long periods. Thematic loans represented nearly 60% of production in the first half of 2023 compared to 42% in the first half of 2022. In addition to loans to public hospitals, Sfil and its partners also granted EUR 328 million in green loans and EUR 182 million in social loans to local authorities. The strong ramp-up of the thematic range, in particular green and social loans to local authorities, highlights the latter's strong appetite for these financing instruments for their projects and confirms the relevance of Sfil's model and its commitments in favour of the environmental transition and social cohesion. In order to take into account the environmental and social challenges of the local public sector, Sfil continued its work to adapt part of its range of green loans to the delegated act on climate (climate change adaptation and mitigation objectives).

As the borrowing by local authorities takes place mainly in the second half of the year or even in the last quarter, for each fiscal year, an acceleration in the financing needs to meet the investments of local authorities remains probable. In particular, the volume of investments for the energy and environmental transition are expected to increase significantly. The French Institute for Climate Economics (*Institut de l'Économie pour le Climat - I4CE*) believes that local authorities must double their "green" investments to comply with the objectives of the French National Low Carbon Strategy (*Stratégie Nationale Bas Carbone - SNBC*). Concerning the health sector, which has experienced the same reasons for adopting a wait-and-see attitude as local authorities, there is also the uncertainty of the termination of the revenue financing guarantee granted by the French State to hospitals during the Covid years. However, the capital expenditure of public hospitals and their use of loans is expected to grow under the Ségur Plan."

- The fifth and sixth sub-paragraphs of the paragraph entitled "**(ii) Partnership with LBP and Banque des Territoires**" on page 105 of the Base Prospectus are deleted and the last sentence of the seventh paragraph is deleted and replaced as follows:

"The performance indicators in place to measure the quality of the services that Sfil provided for the first half of 2023 were satisfied at 97%."

- The eighth and ninth sub-paragraphs of the paragraph entitled "**(ii) Export credit refinancing**" on page 107 of the Base Prospectus are deleted and replaced as follows:

"Within this framework, Sfil organized its relationship with almost all banks active in the French export credit market through bilateral agreements. Sfil may acquire up to 95% of the investment of each of these banks in an export credit. At the end of June 2023, the system had 27 partner banks. Sfil's operating procedure is as follows:

- in accordance with the principle of equal treatment, Sfil offers to take the place of commercial banks as lender of part (maximum 95%) of the insured portion of export credits, thus allowing them to improve their own offers in terms of volume, term, and price;
- the export bank retains the risk on the uninsured portion and maintains the entire commercial relationship over the life of the transaction;
- the export loans acquired by Sfil are refinanced through a loan from its subsidiary CAFFIL, which benefits from the enhanced guarantee mechanism of Bpifrance Assurance Export introduced by the 2012 finance law.

As part of a simplification approach, Sfil plans to change the terms of its intervention in the context of the refinancing of export credits during the second half of 2023: in line with the practices of other *sociétés de crédit foncier*, its subsidiary CAFFIL would no longer use the enhanced guarantee mechanism for transactions concluded after 1st January 2024. It is specified that the proposed change is not intended to call into question the principle of exposures to public entities or those guaranteed by them in line with the regulations applicable to *sociétés de crédit foncier*.

To ensure the effectiveness of the refinancing system, Sfil maintains an ongoing relationship with the main French exporters, providing assistance with these early stages. On their request, Sfil issues letters of interest in their commercial offers to accompany Bpifrance Assurance Export's letters of interest. As of 30 June 2023, they numbered 32 for 15 exporters."

- The paragraph “**2.3 Recent evolutions**” on pages 108 and 109 of the Base Prospectus is deleted and replaced as follows:

“**2.3 Recent Evolutions**

We present below three key figures of Sfil as of 30 June 2023:

- Sfil had EUR 66.9 billion consolidated balance sheet assets;
- Sfil had a CET1 Ratio of 38.9%; and
- 335 employees were working for Sfil.

The European Central Bank notified the level of additional requirement in respect of P2R (Pillar 2 Requirement) for Sfil's Group, which apply from 1st January 2021. These requirements are maintained and stand at 0.75% for Sfil. Taking into account the regulatory buffers, the minimum requirements applicable to Sfil on a consolidated basis are respectively 7.87% for the CET1 ratio, 9.51% for the Tier 1 ratio and 11.70% for the total capital ratio.

The Capital Requirements Regulation No. 575/2013 dated 26 June 2013 has introduced a leverage ratio, which corresponds to the amount of Tier 1 capital as a proportion of the total exposure of the entity concerned. Data collection in accordance with the regulatory format began in 2014 and entities have published their leverage ratio since the fiscal year starting 1 January 2015, without this ratio being subject to a specific quantitative requirement.

Based on the methodological principles of currently applicable regulations, the Sfil Group's leverage ratio was 11.3% as of 30 June 2023.”

RECENT DEVELOPMENTS

The section entitled “**Recent Developments**” on page 115 of the Base Prospectus is deleted and replaced as follows:

Debt securities amount

The amount of the debt securities issued by Sfil under its Programme increased by an amount of EUR 271 million between 30 June 2023 and 15 September 2023.

The amount of the debt securities (including the *Obligations Foncières* and the registered covered bonds) issued by CAFFIL increased by an amount of EUR 90 million between 30 June 2023 and 15 September 2023.

The amount of the Sfil Group's debt securities (including (i) the debt securities issued by Sfil under its Programme and (ii) the *Obligations Foncières* and the registered covered bonds issued by CAFFIL) increased by an amount of EUR 361 million between 30 June 2023 and 15 September 2023."

GENERAL INFORMATION

The section entitled “**General Information**” on pages 163 to 166 of the Base Prospectus is amended as follows:

- The paragraph entitled “**2. Corporate authorisations**” on page 163 of the Base Prospectus is deleted and replaced as follows:

“The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the update of the Programme.

Under French law, any drawdown of Notes under the Programme, to the extent that such Notes constitute obligations, requires the prior authorisation of the Board of Directors (*conseil d'administration*) of the Issuer which may delegate its powers to an authorised officer.

For this purpose, on 2 June 2023, the Board of Directors (*Conseil d'administration*) of the Issuer (i) authorised for a period of one year from 2 June 2023 the issue of notes and assimilated debt securities (*obligations et titres assimilés*) up to €4,500,000,000 per financial year and (ii) delegated, the power to issue such notes and assimilated debt securities (*obligations et titres assimilés*) (x) to Mr. Philippe Mills, *Directeur Général* of the Issuer, to Mr. Francois Laugier, *Directeur Général Adjoint* of the Issuer and to Mr. Florent Lecinq, *Directeur finance et marchés financiers* of the Issuer and (y) up to €1,000,000,000 per issue, to Mr. Olivier Eudes, *Directeur ALM et marchés financiers* of the Issuer, each with the capacity to act separately.”

- The paragraph entitled “**5. Significant change in the Issuer's financial position or financial performance**” on page 164 of the Base Prospectus is deleted and replaced as follows:

“There has been no significant change in the financial position or financial performance of the Issuer since 30 June 2023 (being the date of its last financial period for which financial information has been published).”

- The paragraph entitled “**11. Auditors**” on page 165 of the Base Prospectus is deleted and replaced as follows:

“KPMG S.A. (Tour Eqho, 2, avenue Gambetta, 92066 Paris-La-Défense Cedex, France) and PricewaterhouseCoopers Audit (63, rue de Villiers, 92200 Neuilly sur Seine, France) have audited and rendered unqualified audit opinions in their reports on the annual financial statements of the Issuer for the financial years ended 31 December 2021 and 31 December 2022 and issued a limited review report on the interim financial information of the Issuer for the period ended 30 June 2023.

The French auditors carry out their duties in accordance with the principles of Compagnie Nationale des Commissaires aux Comptes (CNCC).”

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE FIRST SUPPLEMENT

I declare, to the best of my knowledge, that the information contained in this First Supplement is in accordance with the facts and that this First Supplement makes no omission likely to affect its import.

Sfil
112-114, avenue Emile Zola
75015 Paris
France

Duly represented by:
Florent Lecinq
Directeur Finance et marchés financiers
Duly authorised
on 19 September 2023



This First Supplement to the Base Prospectus has been approved on 19 September 2023 by the *Autorité des marchés financiers* (the "AMF"), in its capacity as competent authority under Regulation (EU) 2017/1129, as amended.

The AMF has approved this First Supplement after having verified that the information in the Base Prospectus, as supplemented, is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129, as amended.

This approval should not be considered as a favourable opinion on the Issuer and on the quality of the Notes described in this First Supplement. Investors should make their own assessment of the opportunity to invest in such Notes.

This First Supplement to the Base Prospectus obtained the following approval number: n°23-401.