

**THIRD SUPPLEMENT DATED 8 APRIL 2024
TO THE BASE PROSPECTUS DATED 12 JUNE 2023**



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

This third supplement (the “**Third 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**”), as supplemented by the first supplement dated 19 September 2023 which was approved by the AMF under number No. 23-401 on 19 September 2023 and the second supplement dated 23 February 2024 which was approved by the AMF under number No. 24-045 on 23 February 2024 (together, the “**Previous Supplements**”), 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 the Previous Supplements and this Third 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 Third Supplement to the AMF in its capacity as competent authority pursuant to the Prospectus Regulation. This Third Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation for the purpose of updating the Base Prospectus, as supplemented by the Previous Supplements, following the incorporation by reference therein of the *Rapport financier annuel 2023* 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 2023 and the related statutory auditors' report (the “**2023 Financial Report**”).

With this respect, the following sections of the Base Prospectus, as supplemented by the Previous Supplements, 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 Third 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, as supplemented by the Previous Supplements.

Unless the context otherwise requires, terms defined in the Base Prospectus, as supplemented by the Previous Supplements, shall have the same meaning when used in this Third Supplement.

To the extent that there is any inconsistency between (a) any statement in this Third Supplement or any statement incorporated by reference in the Base Prospectus, as supplemented by the Previous Supplements, by this Third Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, as supplemented by the Previous Supplements, 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 Third Supplement is published have the right to withdraw their acceptances within a time limit of minimum two (2) working days after publication of this Third Supplement. This right to withdraw shall expire by close of business on 10 April 2024, 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 Third 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, as supplemented by the Previous Supplements, is amended as follows:

- The table on pages 17 and 18 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

		<i>Likelihood</i>	<i>Impact</i>
1) Legal and tax risks			
	<i>1.1 Risks arising from implementation of Basel III Risk-Weighted Asset Framework</i>	<i>Likely</i>	<i>Moderate</i>
	<i>1.2 Risk arising from European and French laws and regulations</i>	<i>Likely</i>	<i>Moderate</i>
	<i>1.3 Risks relating to any litigation with a counterparty/borrower or tax authority</i>	<i>Unlikely</i>	<i>Moderate</i>
2) Credit and counterparty risks			
	<i>2.1 Risk of default</i>	<i>Likely</i>	<i>Moderate</i>
	<i>2.2 Risk of geographic concentration</i>	<i>Unlikely</i>	<i>Moderate</i>
	<i>2.3 Risk of default of bank counterparties</i>	<i>Unlikely</i>	<i>Moderate</i>
3) Financial risks			
	<i>3.1 Credit rating of Sfil will be affected by the evolution of the credit rating of the French State</i>	<i>Likely</i>	<i>Moderate</i>
	<i>3.2 Risk of a liquidity shortfall that may affect the Issuer's ability to settle its debt commitments in a timely fashion</i>	<i>Unlikely</i>	<i>Moderate</i>
	<i>3.3 Sfil may be exposed to losses due to changes in interest rate risk or changes in other market parameters</i>	<i>Unlikely</i>	<i>Moderate</i>
4) Operational and non-compliance risks			
	<i>4.1 Non-compliance risk</i>	<i>Unlikely</i>	<i>Moderate</i>
	<i>4.2 Operational risk</i>	<i>Unlikely</i>	<i>Moderate</i>
	<i>4.3 Cyber risk</i>	<i>Likely</i>	<i>Moderate</i>

5) <i>Business activity risks – Sfil may face a decrease in its activity and its margins in the local authority and municipal lending market or in the refinancing of export credit</i>	Unlikely	Significant
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- 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, as supplemented by the Previous Supplements, 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 31 December 2023, Sfil's capital level is high (CET1 capital ratio: 37.5%; total capital ratio: 37.5%) given its solvency minimum requirements set by the European Central Bank as per the Supervisory Review and Evaluation Process exercise (CET1 capital: 7.92%; total capital: 11.75%). As of 31 December 2023, Sfil's leverage ratio is 9.7% and exceeds the minimum 3% requirement.”

- The third 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, as supplemented by the Previous Supplements, is 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”).”

- The following sentence in the seventh 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 19 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted:

“As regards the LGD, this “floor” was initially proposed at 25% by the Commission, but could finally be set at 5% according to the last proposals of the European Parliament and Council. However, these proposals could potentially affect the current capital requirements of the Issuer.”

- The ninth, tenth and eleventh paragraphs 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 19 of the Base Prospectus, as supplemented by the Previous Supplements, are deleted and replaced as follows:

“An agreement between the European Commission, the European Parliament and the Council of the European Union was announced on 27 June 2023. On 6 December 2023, the Council approved the inter-institutional agreement on the banking package (CRR III/CRD VI). Following this agreement, the European Parliament adopted these texts (CRR III/CRD VI) which are expected to be published in the European Union's Official Journal by the second quarter of 2024.

With regard to the timetable for adoption, and according to information known at this stage, most of the amendments to the Capital Requirements Regulation would begin to apply from 1 January 2025, while the amendments to the Capital Requirements Directive will have to be transposed by Member States by around the third quarter of 2025. This indicative timetable does not prejudice any subsequent decisions on postponement.

This agreement stipulates that, for IRBA credit models, an LGD input floor of 5% will be applied to local authorities not assimilated to their sovereign. The possibility to grant a 0% standard risk weight to the French RGLA is currently being discussed with the French authorities. Should this

risk weight be approved, Sfil would ask for the reversal to the standardised approach. ”

- 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, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“As an illustration, the amount of provisions for pending legal issues is EUR 0,7 million as of 31 December 2023.”

- The second sentence of the third paragraph of the risk factor entitled “*2.1 Risk of default*” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 20 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“Since the launch of this activity in 2015, total production reached EUR 16.3 billion at the end of 2023.”

- The fifth paragraph of the risk factor entitled “*2.1 Risk of default*” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 20 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“With regard to liquidity, the volatility of the financial markets did not affect the Sfil Group's issuance programme overall during the year 2023. This amounted to EUR 6.6 billion in 2023. The recovery of the economy and the continued support of central banks enabled the Sfil Group to achieve its annual financing plan in line with its budget.”

- The sixth 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, as supplemented by the Previous Supplements, are deleted and replaced as follows:

“As an illustration, exposures to credit risk, which is measured using the "Exposure at Default" (EAD) metric, amounted to EUR 73.4 billion as of 31 December 2023 (excluding non-current assets and accruals and other liabilities):

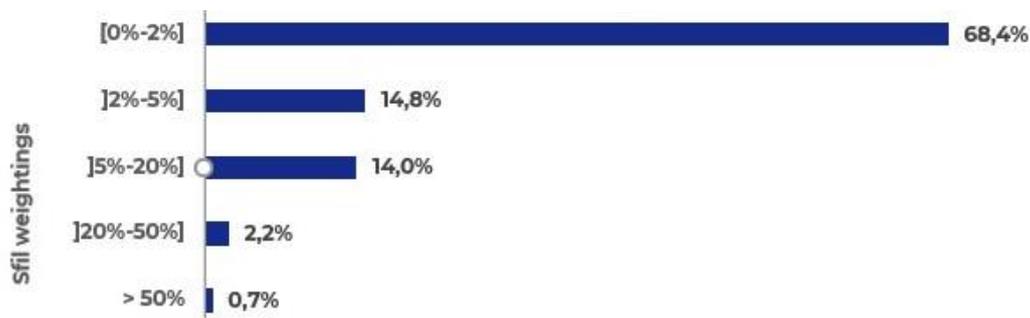
- more than 53% of this exposure is concentrated in French local public authorities (regions, departments, municipalities and groups of municipalities, etc.);
- nearly 28% of this exposure is included in "Sovereign" items including 81% as a result of the export credit activity;
- nearly 10% of this exposure 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 31 December 2023 is as follows:



83% of the portfolio has a weighting of less than 5% and 97% of the portfolio has a weighting that is less than or equal to 20%. In addition, from February 2022, the export credit exposure on the Republic of Ukraine had also been placed under supervision and classified as restructured (Forbearance) following the lifting of contractual provisions due to the consequences of the conflict. As a reminder, the effects of the war in Ukraine are very limited for the Sfil Group, which has no exposure in Russia or Belarus. Sfil has only one exposure in Ukraine which represented, at 31 December 2023, an outstanding amount of EUR 46 million. This export credit is 100% guaranteed by the French Republic and Sfil is not, therefore, directly exposed to credit risk on this issue.

As a reminder and more generally, the whole export credit portfolio is 100% guaranteed by the French Republic via Bpifrance Assurance Export credit insurance policies.

- 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, as supplemented by the Previous Supplements, 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 2.9 billion (4% of total EAD amount) as of 31 December 2023.”
- The title of the risk factor entitled “3.1 Credit rating of Sfil will be affected by the credit rating of the French State” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 22 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced by “3.1 Credit rating of Sfil will be affected by the evolution of the credit rating of the French State”
- The fourth paragraph of the risk factor entitled “3.1 Credit rating of Sfil will be affected by the evolution of the credit rating of the French State” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 22 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“As of 31 December 2023, the French State has been assigned a rating of Aa2 by Moody's France SAS (“**Moody's**”), AA by S&P and AA (high) by DBRS. CDC has been assigned a rating of Aa2 by Moody's and AA by S&P. Sfil's long term senior debt has been assigned a rating of Aa2 by Moody's, AA by S&P and AA (high) by DBRS.”
- The second paragraph 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, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“The Sfil Group's liquidity requirements are mainly of four types: (i) financing of assets, including those on Cafil's balance sheet (ii) financing the liquidity needs arising from the

repayment of the issues made by Sfil or by Caffil (iii) financing of liquidity needs linked to compliance with regulatory ratios including its subsidiary Caffil collateral ratio and (iv) financing of the cash collateral of hedging derivatives intermediated by Sfil. Liquidity needs may increase in case of adverse market conditions.

- 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, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“However, as an illustration, as of 31 December 2023, LCR ratio reached 301% on a consolidated basis and the amount of liquidity reserves amounted to EUR 42.9 billion on a consolidated basis.”

- The title of the risk factor entitled “3.3 Sfil may be exposed to interest rate risk or changes in other market parameters” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 23 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced by “3.3 Sfil may be exposed to losses due to changes in interest rate risk or changes in other market parameters”

- The third, fourth and fifth paragraphs of the risk factor entitled “3.3 Sfil may be exposed to interest rate risk or changes in other market parameters” of the section entitled “**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 23 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“The main risks identified and associated with the current interest rate environment, characterised by rate increases and high volatility, are the following ones:

- a greater uncertainty about new production volumes: quick changes in financing conditions and higher credit costs, as well as uncertainties about the macroeconomic environment, could lead some customers to reduce or postpone their investments; and
- an increased interest rate volatility could result in a greater variation of the interest margin, for the part of the production for which the interest rate is macro-hedged.

Based on a constant balance sheet (renewal of operations on the basis of the outstanding amount at the closing date) on 31 December 2023, the sensitivity of the net interest rate margin over 12 months is:

- for a parallel increase in rates of 200 basis points: a decrease of EUR 3.8 million; and
- for a parallel decrease in rates of 200 basis points: an increase of EUR 2.0 million.

With regard to market risk, Sfil does not carry out trading operations and is therefore not subject to market risk in the regulatory sense of the term.

Certain positions in the Sfil Group's banking portfolio, although not representing a regulatory market risk, are nevertheless sensitive to the volatility of market parameters, and may consequently impact the accounting result or the shareholders' equity; they are monitored as non-regulatory market risks. These are mainly:

- risks arising from fluctuations in the valuation of financial assets recognised at fair value through profit or loss: the sensitivity of the value of the portfolio to a change in credit spread of one basis point is 1.3 million on 31 December 2023;
- risks arising from the securities portfolio accounted at fair value through other comprehensive income: this risk is very limited, as the average life of these securities is below 1 year;
- derivatives classified as hedges under IFRS, for which there may be a difference between the valuation of the hedged risk and the valuation of the hedging item (derivative), due to the use of different yield curves;

- changes in accounting value adjustments on derivatives such as CVA (Credit Valuation Adjustment) and DVA (Debit Valuation Adjustment), recognised in profit or loss under IFRS;
 - the provision for placement securities under French accounting standards; and
 - risks that may materialise in Sfil's accounts, on an individual basis, in the context of its derivatives intermediation activity carried out on behalf of Caffil, if the derivatives carried out by Sfil with external counterparties are not perfectly replicated at Caffil.”
- The second sentence of the first paragraph of the risk factor entitled “4.2 Operational Risks” of the section entitled “**I. RISK RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 24 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“As of 31 December 2023, Risks Weighted Assets (RWA) affected to operational risk (reported in the Pillar III report and calculated on standard approach) amounted to EUR 410 million (10% of total RWA).”

- The following sentence of the second paragraph of the risk factor entitled “4.2 Operational Risks” of the section entitled “**I. RISK RELATING TO THE ISSUER AND ITS OPERATIONS**” on page 24 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted:
 - “- risk of internal or external fraud: from an employee or a third party, especially in case of cyber-attack;”
- The following risk factor is added after the risk factor entitled “4.2 Operational Risks” in section entitled “**I. RISK RELATING TO THE ISSUER AND ITS OPERATIONS**”:

“4.3 Cyber Risks

Cyber risk is a risk of intentionally or unintentionally exploiting one or more information system vulnerabilities, resulting in a loss of confidentiality, integrity or availability of data. The consequences of this risk are mainly operational.

In 2023, espionage remained at a high level with a significant increase in the targeting of individuals and non-governmental structures that create, host or transmit sensitive data. Among the new trends in espionage, the *Agence nationale de la sécurité des systèmes d'information* (ANSSI) has seen an increase in attacks against professional and personal mobile phones targeting targeted individuals, and an upsurge in those carried out by means of operating procedures publicly associated with the Russian government against organizations located in France.

Cyber-extortion attacks also remained high in 2023, as evidenced by the total number of ransomware attacks reported to ANSSI, 30% higher than the same period in 2022. An upsurge that breaks with the decline observed by the agency in the previous Panorama of the cyber threat.

Moreover, in a tense geopolitical context, the agency has seen new destabilization operations aimed mainly at promoting political discourse, hindering access to online content or damaging the image of an organization. While distributed denial-of-service (DDoS) attacks by pro-Russian hacktivists, with often limited impacts, have been the most common, prepositioning activities targeting several critical infrastructures located in Europe, North America and Asia were also detected. The latter, more discreet, may nevertheless aim to conduct larger operations led by state actors waiting for the right time to act.

This risk is further enhanced in 2024 not only by the international context but also by the national context with the Olympic Games in France.”

- The risk factor entitled “5. Business activity risk - Sfil may face a decrease in its activity and its margins in the local authority and municipal lending market or in the refinancing of export credit” of the section entitled “**I. RISK RELATING TO THE ISSUER AND ITS**

OPERATIONS” on page 25 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“Sfil may face increasing competition in the local government lending market or in the refinancing of export credit. In France, where it will source its new assets, competition may increase from French universal banks. As an illustration, in 2023, Sfil with its partners La Banque Postale and Banque des Territoires granted EUR 4.3 billion to the French local public sector.

Certain Sfil's and LBP's competitors may be larger and better capitalized than Sfil, or benefit from other funding sources at a different cost than market funding used by the Sfil Group. Depending on the interest rate of the Livret A and the liquidity position of banks funded by deposits, pressure on margins could be stronger. Consequently, Sfil may face pricing pressure in certain areas of its operations in the future as competitors seek to increase market share by reducing prices or offering new services at low prices. The municipal market competition could intensify, which may result in narrower lending spreads. This could make it more difficult for Sfil to purchase or refinance eligible loans and credit exposures with a sufficient margin to be refinanced by the Notes. Existing or increased competition in French public local sector lending or in the refinancing of export credit may lead to a reduction of margins for new commitments and ultimately to a strong reduction of new assets lending for Sfil, or otherwise materially affect Sfil's business, financial condition, cash flows and results of operations.

For export credit refinancing, 2023 was a record year with 6 operations concluded for a total of EUR 5.0 billion. Export credit volume per year is volatile, but an increasing trend could be expected in line with the need for investments notably in infrastructure in the frame of climate transition. Since the launch of this mission mid-2015, the Sfil Group refinanced a total of 28 operations for EUR 16.1 billion.

DOCUMENTS INCORPORATED BY REFERENCE

The section entitled “**Documents Incorporated by reference**” on pages 38 to 40 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced for the purposes of adding the 2023 Financial Report (as defined below):

“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 annuel* 2023 in the French language of the Issuer with the AMF, which includes the audited consolidated and non consolidated annual financial statements of the Issuer for the year ended 31 December 2023 and the related statutory auditors' report (the “**2023 Financial Report**”; <https://sfil.fr/wp-content/uploads/2024/03/Rapport-financier-annuel-2023.pdf>);
- the *Rapport financier annuel* 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 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 translation of the 2023 Financial Report will be available without charge on the website of the Issuer (www.sfil.fr) and the free English translation of 2022 Financial Report is 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.

Cross-reference list in respect of the financial information of 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 2022 Financial Report	Pages of the 2023 Financial 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.109 to p.167	p.117 to p.169
Audit reports for the latest two financial years	p.168 to p.172	p.170 to p.174
11.1.3. Accounting standards	p.115	p.123

11.1.5. Audited financial information prepared according to national accounting standards		
– Balance sheet	p.176	p.178
– Income statement	p.178	p.179
– Statement of changes in consolidated equity	p.179	p.180
– Accounting policies and explanatory notes	p.180 to p.199	p.181 to p.199
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.109 to p.167	p.117 to p.169
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.109 to p.167	p.117 to p.169
<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.170 to p.174 French GAAP Auditors' report p.200 to p.203

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, as supplemented by the Previous Supplements, is amended as follows:

- 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:

“In 2023, the bond market was marked by the rapid normalization of the monetary policies of the main central banks (Federal Reserve and European Central Bank) in response to inflation, combined with a significant increase in the volumes of bond issues on the sovereign, agency and covered bond segments. This context resulted in an adaptation of the maturities requested by issuers on the primary market and a generalized movement towards the consolidation of spreads against swaps, thus maintaining a good overall level of investor demand.

In 2023, the Sfil Group achieved a total volume of long-term issues of EUR 6.6 billion with:

- EUR 5.7 billion on the public primary market;
- EUR 0.4 billion via two matching transactions carried out on Sfil's and Caffil's existing reference lines; and
- EUR 0.474 billion in the private placements segment.

The average maturity recorded for issues and private placements carried out during 2023 is seven years.

The Sfil Group carried out seven public issues via its two issuers, Sfil and Caffil:

- a Sfil bond with a maturity of five years in January 2023 in the amount of EUR 1.5 billion;
- a Caffil *obligation foncière* with a maturity of seven years in January 2023 in the amount of EUR 1 billion;
- a Caffil *obligation foncière* with a maturity of nine years in March 2023 in the amount of EUR 0.75 billion;
- a Sfil bond with a maturity of seven years in April 2023 for EUR 0.75 billion;
- a Sfil dollar-denominated bond with a maturity of five years in September 2023 for USD 0.5 billion;
- a Caffil "green" thematic *obligation foncière* with a maturity of five years in October 2023 in the amount of EUR 0.75 billion; and
- a Caffil "social" thematic *obligation foncière* with a maturity of five years in November 2023 in the amount of EUR 0.5 billion.

Sustainable bonds thus represent 19% of the financing raised in 2023 by Sfil Group and is in line with the strategic objective of reaching 25% by 2024.

In addition, Sfil continued to use its programme for issuing debt securities at less than one year (NeuCP issuance programme). As of 31 December 2023, Sfil's outstanding debt securities of less than one year amounted to EUR 833 million.”

- The paragraph entitled “**The Covid-19 pandemic and the war in Ukraine**” on page 99 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“**The war in Ukraine**

The foreseeable impacts of the war in Ukraine are very limited for the Sfil group. As a reminder, the Sfil Group has no operations outside France. In addition, the Group has no exposure to Russia or Belarus, and only one exposure to Ukraine, which represented EUR 46 million on the balance sheet at 31 December 2023. This exposure was granted as part of Sfil's export credit business and is 100% guaranteed by the French Republic. Sfil is therefore not directly exposed to credit risk on this issue. Nevertheless, as of 24 February 2022, Sfil had decided to place this asset on the

watchlist and consequently to classify it as Stage 2. The Expected Credit Losses (ECL) associated with this downgrade are very limited, representing around EUR 0.2 million at 31 December 2023.

The consequences of the war in Ukraine on the forward-looking macro-economic scenarios used to calculate the expected credit losses associated with local authorities in France have also been taken into account, without any significant impact on the level of impairment.”

- The paragraph entitled “**Outlook**” on pages 99 and 100 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“Outlook

In 2024, the Sfil Group will continue to implement its "*Objectif 2026*" strategic plan, with the following main priorities:

- maintain leadership in its two activities;
- maintain a low risk profile and improve economic performance;
- continue to support its customers in their efforts to promote the transition; and
- strengthen its innovation and transformation approach.

These priorities will take place in an uncertain geopolitical and economic environment that could adversely affect the evolution of interest rates and funding conditions for the Sfil Group, which plans a programme of issues on the primary market for between EUR 7.5 and EUR 10 billion in 2024, including 25% of green and social thematic issues.

Lending to the French public local sector is expected to grow in 2024 due to:

- an increase in local investments in the last phase of the electoral cycle with a corresponding increase in financing requirements related in particular to the challenges of combating global warming and adaptation;
- more favorable financial conditions that should encourage borrowing;
- an acceleration in loan volumes from the partnership between Sfil and Banque des Territoires; and
- increased investment in hospitals to achieve the objectives of *Séjour de la Santé*.

The volume of thematic loans, particularly green loans, should increase further, driven by several factors:

- the strengthening of the Green Fund in 2024 (EUR 2.5 billion or +20%), extended until 2027. This increase should encourage "climate investments";
- the new greenhouse gas reduction targets by 2030 (-55%) provided for by the National Low Carbon Strategy in its version 3 and expected in early 2024. These should call for an upward reassessment of the investment effort of local authorities as initially estimated in the Institute of the Climate Economy (I4CE) study of 14 October 2022² and which already provided for the necessary doubling of "climate investments" to EUR 12 billion per year;
- the obligation for local authorities with more than 3,500 inhabitants to implement a "green budget" approach, particularly for capital expenditure. This transparency measure should make it possible to better identify investments favorable to the transition and to make the efforts undertaken more objective;
- the increase in the share of loans marketed by Banque des Territoires, the vast majority of which are for green themes identical to those developed with La Banque Postale; and
- an increase in social loans in line with investments by local authorities in support of public policies for social and regional cohesion.

² I4CE study of 14 October 2022: "Local authorities: investment and engineering needs in carbon neutrality".

The export credit outlook for export financing is also very positive. Indeed, the number of consultations and projects under review posted an all-time high of 195 consultations for indicative offers for 2023, the previous reference dating back to 2016 with 178 requests. 59% of requests received during the last quarter of 2023 were for repayment maturities beyond 14 years in accordance with the latest Organization for Economic Co-operation and Development (OECD) arrangement adopted in July 2023. The Sfil refinancing scheme should therefore be in great demand for future transactions on this type of maturity. In addition, 176 cases at different stages of negotiation were active at 31 December 2023 for a total amount of EUR 62.4 billion, which bodes well for a particularly active financial year in 2024.

In addition, discussions are underway with the European authorities in order to expand the typology of public assets that could be financed in line with the Sfil Group's current mandates.”

- The section entitled “**2. BUSINESS OVERVIEW**” on pages 101 to 106 of the Base Prospectus, as supplemented by the Previous Supplements, 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, as supplemented by the Previous Supplements, are deleted and replaced as follows:

“In 2023, loans to French local authorities and public hospitals, granted through its partners La Banque Postale and Banque des Territoires, increased by 4.9% to EUR 4.3 billion.

With regard to local authorities and their groups, the year was marked, particularly in the first half of the year, by a complex macroeconomic context that has persisted since 2022 with interest rates that have remained at a persistently high level compared to the previous period of low interest rates as well as sustained inflation. This situation had an impact on operating and capital expenditure and caused some uncertainty on the evolution of income (decrease in the income from Transfer Fees [*droits de mutation à titre onéreux*] and slowdown in VAT revenue in particular). Despite this unfavorable context, Sfil and its partners granted EUR 4 billion in loans to French local authorities in 2023. Activity was mainly marked by:

- loan production strongly driven by regions (+180%) and departments (+35%) and to a lesser extent by inter-municipal grouping with own-source tax revenue (+4%) compared to 2022. These categories of local authorities had a greater need for financing than municipalities for which the financing needs remained stable; and
- a gradual start of the partnership between Sfil and Banque des Territoires with EUR 195 million granted over this first full year of marketing.

A significant decline in the use of borrowing by public hospitals characterized 2023. This change is due, in particular, to the delay in major hospital projects given the sharp increase in the cost of construction, making it necessary to redefine the planned financial budgets, a situation exacerbated by the recruitment difficulties in this sector, which did not allow hospitals to return to a full level of activity. In this context, the amount of financing granted to this type of customer decreased to EUR 322 million compared to EUR 622 million in 2022. According to the report of the *Cour des Comptes* published in October 2023³, the financial situation of public health institutions deteriorated overall in 2022 at the end of the health crisis. The restoration of their financial capacities initiated by the Ségur Plan has not yet fully produced its effects, which may explain the difficulties in reviving the investment momentum of these players.

³ Public thematic report of the *Cour des Comptes* (October 2023): "The financial situation of public hospitals after the health crisis".

Supporting the ecological and energy transition and supporting regional cohesion

The context of inflation and uncertainty continues to constrain local authorities in their search for financing to accelerate climate action, while the I4CE has estimated that "Climate financing" to be conducted within metropolitan local authorities needs to double each year to meet France's intermediate commitments by 2030 to achieve carbon neutrality by 2050. To finance these very significant investments, the use of borrowing seems to be an essential lever, as detailed in the new I4CE study on the various financing scenarios⁴.

At the same time, to accelerate the ecological and energy transition in the regions and, in particular, to achieve its greenhouse gas reduction targets, in 2023, the French State created the "Green Fund" focusing specifically on three areas: environmental performance, adapting the region to climate change and improving the living environment. Like "France Relance", this new support mechanism is intended to be a catalyst for "climate investments".

In this context, Sfil continued to support French local authorities in investments in favour of the ecological and energy transition. As a result, EUR 946 million in green loans were granted in 2023, up 22% compared to 2022.

In addition, the range of social loans for local authorities has found its place since its launch in October 2022. In 2023, the volume of social loans represented EUR 602 million, or 14% of production.

These trends reflect the growing proportion of thematic loans (green and social loans to local authorities, loans to public hospitals) in the activity. They represented 43% of the production of loans to the local public sector in 2023 compared to 37% in 2022.

As stated in December 2023 when announcing its 2030 targets to reduce financed emissions, Sfil will continue to support the efforts of its customers in favor of the energy and environmental transition and social cohesion by an even stronger mobilization of thematic loans over the 2024-2030 period.

Consolidation of the customer relationship

In 2023, Sfil continued its institutional actions to promote its role in the financing of the local public sector and its thematic loan offer to its borrowers:

- a presentation on 4 July 2023 at a web conference organized by idealCO with I4CE for local decision-makers on the theme "The investment needs of local authorities in the ecological transition: how to meet the challenge?";
- the launch of the "Territorial Transition Observatory" on 23 November 2023 with the completion of a study by OpinionWay for Sfil, on a representative sample of the French population, presenting an overview of the expectations of French people in terms of the ecological transition and their level of satisfaction with the actions undertaken by the public authorities;
- the completion of a new study by I4CE⁵ and the research department of La Banque Postale in partnership with Sfil continuing to reflect on the necessary doubling of the "climate investments" that local authorities will have to make to achieve France's climate objectives⁶. This new publication aims to identify the financing levers to be activated in order to achieve this;

⁴ I4CE study of 7 November 2023: "Local authorities: How to finance the acceleration of climate investments?".

⁵ I4CE study of 7 November 2023: "Local authorities: How to finance the acceleration of climate investments?".

⁶ I4CE study of 14 October 2022: "Local authorities: investment and engineering needs in carbon neutrality".

- Sfil's first participation in the National Convention of Intercommunalities in October 2023 and participation in the *Salon des Maires et des Collectivités Locales* in November 2023 during which two conferences were organized (presentation of the new I4CE study mentioned above and the results of OpinionWay Observatory).

Alongside these actions, Sfil continued to roll out DIGISfil and support its borrowers in the digitization of exchanges (nearly 2,500 borrowers covering 69% of outstandings compared to 58% in 2022)."

- All paragraphs below the diagram of the paragraph entitled “**(iii) Export credit refinancing**” on pages 107 and 108 of the Base Prospectus, as supplemented by the Previous Supplements, are deleted and replaced as follows:

“The mechanism operates as follows:

- Sfil contributes to the financial proposal prepared by one or more banks of the banking syndicate granting buyer credit covered by export credit insurance granted by the French Republic (hereinafter referred to as the "State");
- once the export contract is signed, partner banks sell a part of the loans (and the attached rights) to Sfil and keep at least the share of the export credit not covered by the insurance (usually 5%);
- Caffil grants a refinancing loan to Sfil. This loan enables Sfil to match the export credit acquired to the refinancing loan granted by Caffil. This refinancing loan can benefit from an unconditional guarantee and on first demand issued by the French Republic, called an enhanced guarantee;
- Caffil finances these loans by issuing *obligations foncières* (covered bonds). When these export credit contracts are eligible, they are refinanced by green, social or sustainable bonds.

As a part of a simplification process, the Sfil Group plans to change Caffil's terms of intervention during 2024: in line with the practices of other *sociétés de crédit foncier*, Caffil would no longer use the enhanced guarantee mechanism for newly concluded transactions. The proposed change would not 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*.

The global export credit market covered by ECAs (export credit agencies) experienced very strong growth in both volume and number of transactions in 2023 (respectively +67% and +36% compared to 2022). This growth is mainly due to the transport sector, the leading sector worldwide with 18% of volume and 23% of transactions (compared to 15% in volume and 19% in number of transactions in 2022). Infrastructure, the leading sector in 2022 with 17% of volume, declined in 2023 with only 7% of the total volume. Renewable energy represented around 12% of the total as in 2022, but the amounts financed in absolute value doubled from USD 11.5 billion in 2022 to USD 24 billion in 2023.

In this fast-growing environment, the average amount of transactions increased from USD 232 million to USD 320 million, while transactions above USD 500 million saw their share increase by 9% compared to 2022.

In this context, 2023 was a record year in terms of contracts signed, amounts committed and the number of exporters supported since the activity started. Six contracts were signed for EUR 5.0 billion compared to EUR 652 million in 2022 and EUR 2.2 billion in 2021, the year of the previous record. These transactions - three in Africa and three others in Asia - resulted in the conclusion of EUR 7.3 billion in export contracts involving ten exporters, five of which benefited from the Sfil scheme for the first time.

2023 also demonstrated the continued commitment of Sfil in terms of sustainability: four of the six projects financed are in the transport infrastructure and equipment sector. They thus contributed to SDG 7 "Affordable and Clean Energy", SDG 9 "Industry, Innovation and Infrastructure" and SDG 11 "Sustainable Cities and Communities". In particular, the "Abidjan metro" operation, aimed at increasing the quantity and quality of public transport in the Ivorian capital, received the "Deal of the year Africa" award at the TXF Global export forum in June 2023. The other operations were carried out in the defence sector.

As stated in December 2023 when announcing its 2030 targets to reduce financed emissions, Sfil will continue to support the efforts of its clients in favor of the energy and environmental transition in the countries of destination by an even stronger mobilization of thematic loans over the 2024-2030 period.”

- The last paragraph of the paragraph entitled “(iv) **Sensitivity reduction**” on page 108 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted
- The paragraph “**2.3 Recent evolutions**” on pages 108 and 109 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“We present below three key figures of Sfil as of 31 December 2023:

- Sfil had EUR 69.6 billion consolidated balance sheet assets;
- Sfil had a CET1 Ratio of 37.5%; and

The European Central Bank notified the level of additional requirement in respect of P2R (Pillar 2 Requirement) for Sfil's Group, which apply from 1 January 2021. These requirements are maintained and stand at 1% for Sfil. Taking into account the regulatory buffers, as from 1 January 2024, the minimum requirements applicable to Sfil on a consolidated basis are respectively 8.56% for the CET1 ratio, 10.25% for the Tier 1 ratio and 12.5% for the total capital ratio.

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms 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 9.7% as of 31 December 2023.”

- The section entitled “**4. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES**” on pages 110 to 112 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“The Issuer is organized around a Board of Directors, an Executive Committee, a Governance, Appointments and CSR Committee, a Compensation Committee, a Financial Statements Committee and a Risks and Internal Control Committee.

Board of Directors

The Board of Directors is composed of 15 members:

- Virginie Chapron du Jeu (Chairman of the Board of Directors)
- Philippe Mills (Chief Executive Officer)
- Caisse des Dépôts et Consignations represented by Alexandre Thorel

- Serge Bayard
- Brigitte Daurelle
- Othmane Drhimeur
- Laetitia Dordain
- Eckhard Forst
- Perrine Kaltwasser
- Cathy Kopp
- Christophe Laurent
- Pierre Laurent
- three elected employee representatives: Sandrine Barbosa, Jean-Baptiste Héricher and Cécile Latil-Bouculat

Non-voting member: Arnel Castets

Representative of the social and economic committee: Thomas Perdriau.

The main functions of the board members outside of the Issuer are the following:

Virginie Chapron du Jeu (Chairman of the Board of Directors of Sfil)	Chief Risk Officer - member of the Executive Committee and member of the Management Committee, Caisse des Dépôts et Consignations Group
Philippe Mills (Chief Executive Officer)	Chairman of the Supervisory Board of Caffil; Member of the Board of Directors of EAPB
Alexandre Thorel (CDC representative)	Strategic Holdings Manager Caisse des Dépôts et Consignations – Strategic Investments
Serge Bayard	Deputy Chief Executive Officer and Head of Customer Development in the Corporate and Investment Banking division of La Banque Postale
Brigitte Daurelle	Independent member of the Board of Directors, Sfil
Othmane Drhimeur	Head of bank-insurance holdings within the strategic holdings management department, Caisse des Dépôts et Consignations Group
Laetitia Dordain	Director of the Consignments and Specialized Deposits Department, Caisse des Dépôts et Consignations
Eckhard Forst	Chairman of the Managing Board of NRW Bank
Cathy Kopp	Independent member of the Board of Directors, Sfil
Perrine Kaltwasser	Risk, Compliance and General Secretary Executive Officer, member of the Executive Board of the financial conglomerate, La Banque Postale

Christophe Laurent	Deputy Director, Finance and Sustainable Finance, Caisse des Dépôts et Consignations Group
Pierre Laurent	Director of the Development Department "Banque des territoires" Caisse des Dépôts et Consignations

Their business addresses are c/o Sfil, 112-114, avenue Emile Zola, 75015 Paris, France.

The management team

The management team is composed of Executive Management and 7 other members in charge of divisions or central functions who make up the Management Committee. This committee meets at least once per week.

The members of the Executive Management are Philippe Mills (Chief Executive Officer) and François Laugier (Deputy Chief Executive Officer).

The members of the Executive Committee are Philippe Mills (Chief Executive Officer), François Laugier (Deputy Chief Executive Officer), Stéphane Costa de Beauregard (Local Public Sector, CSR and Operating Officer), Emmanuel Dupuy (Chief Risk Officer), Cécile Degove (Corporate secretary, Chief Compliance and Legal Officer), Florent Lecinq (Chief Financial and Financial Markets Officer), Anne Crépin (Export Credit Officer), Donia Mansouri (Transformation Officer) and Frédéric Meyer (Communication and Human Resources Officer).

Financial Statements Committee and Risks and Internal Control Committee

The Financial Statements Committee examines in particular the financial statements of Sfil and Caffil, as well as the corresponding statutory auditors' reports, the strategy of Sfil and the budget.

The Risks and Internal Control Committee is in charge of studying the procedures employed in internal control activities at Sfil and Caffil, the reports on compliance and audit activities, the reports on risk surveillance, etc.

The Financial Statements Committee and the Risks and Internal Control Committee are made up of a maximum of seven members who are Board of Directors members but are not involved in Sfil's executive management. Members are chosen on the basis of their skills and their potential contribution to the work of the committee in question. These committees are chaired by an independent member of the Board of Directors with proven skills in finance, accounting and risk. These committees meet at least four times per year.

The members of the Financial Statements Committee are Brigitte Daurelle (Chair of the Committee), Othmane Drhimeur, Eckhard Forst, Jean-Baptiste Hélicher, Christophe Laurent and Alexandre Thorel.

The members of the Risks and Internal Control Committee are: Eckhard Forst (Chairman of the Committee), Brigitte Daurelle, Othmane Drhimeur, Cécile Latil-Bouculat, Pierre Laurent and Alexandre Thorel.

Conflicts of interest or declaration of no-conflict of interest

The Issuer certifies that, to the best of its knowledge, there are no potential conflicts of interest between the duties of its corporate officers towards the Issuer and their private interests and other duties.”

- The section entitled “**6. LEGAL AND ARBITRATION PROCEEDINGS**” on pages 112 and 113 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“Litigation related to structured loans

Caffil has, in its portfolio, some structured loans considered as sensitive which had been granted to French clients by Dexia Crédit Local before the acquisition of Caffil by Sfil. Certain of these customers initiated legal proceedings against Dexia Crédit Local, Caffil and/or Sfil.

As of 31 December 2023, the number of borrowers in lawsuits for sensitive structured loans was 1, compared with 2 as of 30 June 2022 and 3 as of 31 December 2021, this number having fallen continuously since 2014 (210 as of 31 December 2014). Since Sfil's creation, 222 borrowers have ended lawsuits they had brought.

As of 31 December 2023, there were no other significant disputes between Sfil or Caffil and their borrowers. The processing of the most sensitive structured loans can be considered as completed.

Significant decrease in the number of lawsuits

Since the entry into force on 30 July 2014 of the law on the securitization of structured loan contracts taken out by public legal entities and in accordance with a now established case law of the *Cour de cassation* (cf. judgments rendered on 28 March 2018, 26 June 2019, 20 May 2020 and 12 November 2020), more than 60 judicial decisions have dismissed claims by borrowers to invalidate the structured loans recorded on Caffil's balance sheet.

However, two partially unfavorable rulings were issued by the *Cour de cassation* during the year 2021, which have been transferred back to the *Cour d'appel*: both procedures have been denied by the *Cour d'appel*, only one has been appealed against before the *Cour de cassation*. The borrower plea was definitively rejected in 2021.

A new trial was initiated in 2022 by a borrower based on a misinterpretation of a judgment of the *Cour d'appel*. Nonetheless, structured loans' validity has already been secured in 2021 before the *Cour of Cassation*.

Other litigations

There was no change during 2023 concerning the file linked to the treatment of the taxation in Ireland of the income of the former Dexia Municipal Agency (Caffil's former name) branch in Dublin, which closed in 2013. Caffil and Dexia SA are still awaiting a decision from the French and Irish tax authorities.

However, at the end of 2023, Caffil and Dexia SA signed a memorandum of understanding to set the amount of sums due between the entities while including provisions to take into account the finalization of discussions between the competent authorities. As a result of this agreement, a tax income of EUR 6 million, corresponding to the difference between the amount provisioned and the amount paid, is recognized in Sfil's consolidated income for 2023 at 31 December 2023.”

RECENT DEVELOPMENTS

The section entitled “**Recent Developments**” on page 115 of the Base Prospectus, as supplemented by the Previous Supplements, 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 1.274 million between 31 December 2023 and 4 April 2024.

The amount of the debt securities (including the *Obligations Foncières* and the registered covered bonds) issued by Caffil increased by an amount of EUR 713 million between 31 December 2023 and 4 April 2024.

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 1.987 million between 31 December 2023 and 4 April 2024.”

GENERAL INFORMATION

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

- The paragraph entitled “**2. Corporate authorisations**” on page 163 of the Base Prospectus, as supplemented by the Previous Supplements, 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 22 March 2024, the Board of Directors (*Conseil d'administration*) of the Issuer (i) authorised for a period of one year from 22 March 2024 the issue of notes and assimilated debt securities (*obligations et titres assimilés*) up to €5,000,000,000 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, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“There has been no significant change in the financial position or financial performance of the Issuer since 31 December 2023 (being the date of its last financial period for which financial information has been published).”

- The paragraph entitled “**6. No material adverse change**” on page 164 of the Base Prospectus, as supplemented by the Previous Supplements, is deleted and replaced as follows:

“There has been no material adverse change in the prospects of the Issuer since 31 December 2023 (being the date of its last financial period for which financial information has been published and audited).”

- The paragraph entitled “**11. Auditors**” on page 165 of the Base Prospectus, as supplemented by the Previous Supplements, 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 2022 and 31 December 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 THIRD SUPPLEMENT

I declare, to the best of my knowledge, that the information contained in this Third Supplement is in accordance with the facts and that this Third 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 8 April 2024



This Third Supplement to the Base Prospectus, as supplemented by the Previous Supplements, has been approved on 8 April 2024 by the *Autorité des marchés financiers* (the "AMF"), in its capacity as competent authority under Regulation (EU) 2017/1129.

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

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

This Third Supplement to the Base Prospectus, as supplemented by the Previous Supplements, obtained the following approval number: n°24-098.