

**THIRD SUPPLEMENT DATED 27 FEBRUARY 2025
TO THE BASE PROSPECTUS DATED 7 JUNE 2024**



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 7 June 2024 which was approved by the *Autorité des marchés financiers* (the "**AMF**") under number No. 24-205 on 7 June 2024 (the "**Base Prospectus**"), as supplemented by the first supplement dated 27 September 2024 which was approved by the AMF under number No. 24-416 on 27 September 2024 and the second supplement dated 26 December 2024 which was approved by the AMF under number No. 24-541 on 26 December 2024 (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 publication of the press release dated 13 February 2025 relating to the financial performance of Sfil.

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 "Recent Developments"; and
- ii. 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 and 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 three (3) working days after publication of this Third Supplement. This right to withdraw shall expire by close of business on 4 March 2025, 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) in accordance with applicable laws and regulation 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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RECENT DEVELOPMENTS

The section entitled "**Recent Developments**" on page 108 of the Base Prospectus, as supplemented by the Previous Supplements, is amended as follows:

- The paragraph entitled "**Debt securities amount**" of the section entitled "**Recent Developments**" 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 1,485 million between 30 June 2024 and 25 February 2025.

The amount of the debt securities (including the *Obligations Foncières* and the registered covered bonds) issued by Caffil increased by an amount of EUR 451 million between 30 June 2024 and 25 February 2025.

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 1,936 million between 30 June 2024 and 25 February 2025."

- The last paragraph of the section entitled "**Recent Developments**" is deleted and replaced as follows:
"In addition, following up the publication of the European Commission's decision on 20 February 2025, the Sfil Group is now authorized to broaden the type of public assets that it can finance in accordance with its mandates."
- The following press release dated 13 February 2025 relating to the financial performance of Sfil is included at the end of the section entitled "**Recent Developments**":

"PRESS RELEASE

Paris, 13 February 2025

EXCELLENT 2024 FINANCIAL PERFORMANCE REFLECTING A THRIVING DYNAMIC

Strong financial performance despite major uncertainties

- **Increase in recurring net banking income to EUR 217 million** (+9.6% vs 2023) driven by a very sustained activity level since 2023 despite the higher refinancing costs
- **Operating expenses under control** stable vs 2023, and an **improved cost to income ratio** at 54% (-6 points vs 2023)
- **Excellent quality of asset portfolio** illustrated by a **reversal in cost of risk**, a **non-performing exposures rate at 0.26%** and a **0% weighting** (standard approach) **for 84% of the asset portfolio**
- **Strong growth in recurring net result (+15% vs 2023)** illustrating the performance of our public development bank model
- **CET1 ratio at 42.2%** (vs 8.56% minimal requirement)
- **Robust liquidity** with LCR and NSFR ratios of 440% and 125% respectively, with a **good execution** of the **funding programme** attracting more than 300 investors

Key role in financing the French local public sector

- **Record level of EUR 6.3 billion** (+46 % vs 2023) driven by **local authorities** with **EUR 5.8 billion** of loans granted (+45% vs 2023)
- **More than EUR 2 billion of green and social loans to local authorities** for the first time since these offers were launched

- **EUR 518 million loans to public hospitals** (+61% vs 2023) with a moderated recovery in investment under a very tight budgetary context
- **Expected growth in local investment in 2025** with public initiatives to accelerate climate investments from local authorities and to **broaden the activity in the long-term**

Confirmed dynamism for export credit refinancing

- **5 transactions** for a total amount of **EUR 2.4 billion** of loans granted (vs EUR 5 billion in 2023)
- **“Deal of the year Central Asia 2023”** award at the TXF Global export forum in June 2024
- **Very positive business outlook** supported by 175 deals under assessment for nearly **EUR 65 billion**
- Refinancing of **Operations guaranteed by European export credit agencies and multilateral lenders** from 2025

Significant ESG realizations

- **EUR 1.8 billion in favour of ecological and energy transition**
- **EUR 1.4 billion of social loans** to public hospitals and French local authorities
- **1/3 of funding raised under green or social bonds**
- **Climate and environmental rating tools** for the assessment of the loan portfolio

Following the Board meeting on 12 February 2025, **Philippe Mills, Chief Executive Officer of Sfil**, stated, *“We achieved an outstanding performance in 2024 considering the disturbed environment. This year, along with 2023, marks a turning point, as from now we inject an average EUR 9 billion a year into the French economy. Extending our scope of intervention will enable us to strengthen our impact. I thank our clients and investors for their trust and constant support as well as our employees for their commitment to Sfil.”*

Second best recurring net income since 2013 driven by strong momentum of both activities and operational efficiency

Recurring net banking income¹ reached EUR 217 million in 2024 up +9.6% from 2023 despite rising financing costs and volatile financial markets. This performance reflects **a sustained level of activity of almost EUR 9 billion, up 28% from the average observed between 2019 and 2023.**

Recurring operating expenses stood at EUR 117 million and were nearly unchanged from 2023 (EUR 118 million). The end of the contribution to the Single Resolution Fund (impact of EUR 6.3 million in 2024) offset the rise in operating taxes (up by EUR 4.5 million from 2023). Furthermore, general and administrative costs remained stable (+0.2% from 2023), demonstrating strict cost control. The **cost to income ratio thus reached 54% with a significant 6-point improvement from 2023.**

EUR million	Recurring		Reported	
	2023	2024	2023	2024
Net banking income	198	217	178	209
Operating expenses	(118)	(117)	(118)	(117)
Gross operating income	80	100	60	92
Cost of risk	11	1	11	1
Income before tax	91	101	70	93
Income tax	(25)	(26)	(14)	(24)
Net income	65	75	56	69

Cost of risk was a EUR 1 million reversal (vs EUR 11 million in 2023). **It represented a 0.1 basis point reversal of total assets at amortized cost.** It mainly comprised a EUR 14.3 million reversal resulting from an improved financial position for the cruise sector and a 10.5 million charge after the reclassification of some exposures from stage 1 to stage 2.

Credit risk metrics (past dues, stage 3 assets and non-performing exposures) **remained at very low levels.** In particular, non-performing exposures represented EUR 196 million (2023: EUR 168 million), or 0.26% of total assets. **These metrics confirmed the excellent quality of the asset portfolio.**

Therefore, **recurring net income¹ was EUR 75 million, up by more 15% from 2023. This second best performance** since our creation **also reflects the relevance of our model of public development bank: the ability to continue supporting all clients through an unstable geopolitical and macro-economic environment in 2024, both at a global and domestic scale.**

Under the applicable IFRS standards, net banking income reached EUR 209 million (+17% from 2023), in line with the trend observed for the recurring income. Non-recurring elements remained relatively unchanged from 2023 (charges of EUR 6 million in 2024 against EUR 9 million in 2023). More specifically, following updated market parameters, hedge adjustments were up by EUR 4 million. On the contrary, the valuation of financial assets recognized at fair value generated a net loss of EUR 10 million in 2024.

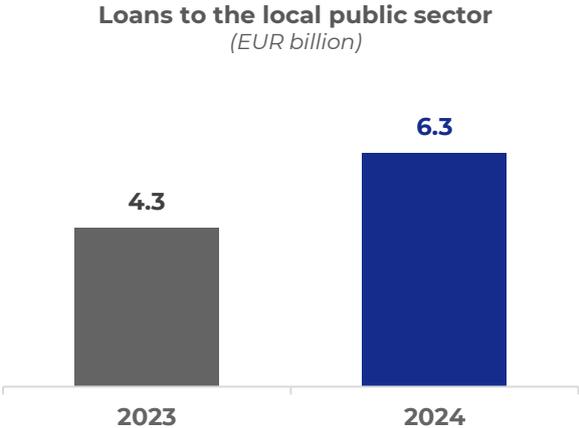
Reported net income increased to EUR 69 million from EUR 56 million in 2023 (up +23%).

¹ Reported financial information restated for fair value adjustments of hedges or related to the credit spread of financial assets at fair value through profit and loss

Key role in financing the French local public sector

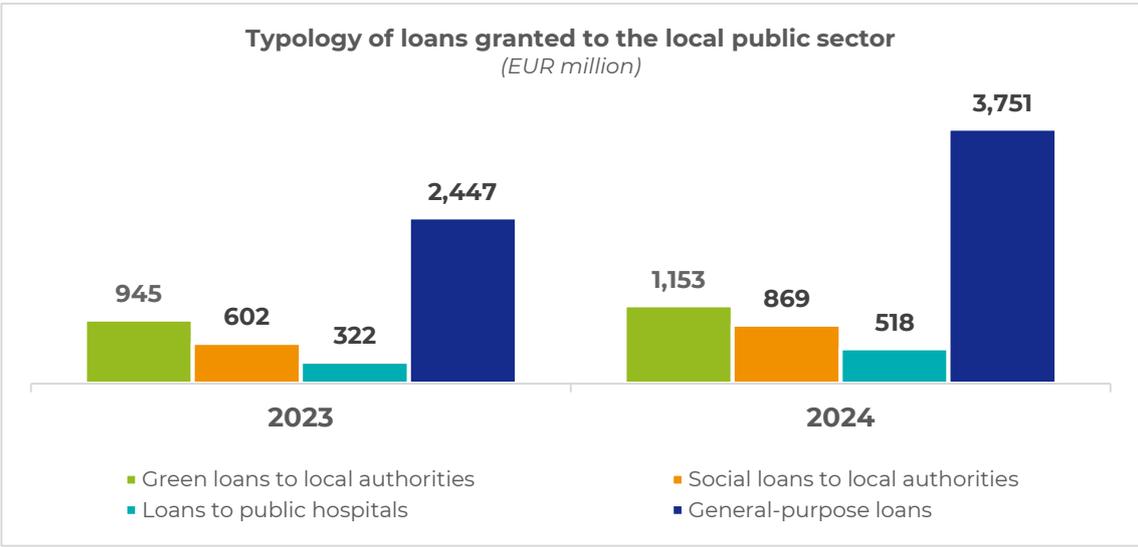
In association with our partners La Banque Postale and Banque des Territoires, we granted **EUR 6.3 billion in 2024 (+46% from 2023)** to the French local public sector, a **record activity since 2013**.

Lending to local authorities mainly drove this record activity **with a EUR 5.8 billion volume granted in 2024 (+45% from 2023)**. These have stepped up their **investments significantly** despite a French context characterized by an unsteady political environment.



The French local public sector financed these investments through a greater recourse to borrowing. The investment acceleration, supported by decreasing interest rates during the period, is correlated with the end of the electoral cycle for municipalities and a tighter self-financing capacity, especially for departments. Considering the influence of these factors altogether, **the volume of loans granted increased for all categories of borrowers**, and especially **for the largest ones** (departments, regions and groups of municipalities) for which lending rose by **+58% from 2023**.

Use-of-proceeds loans granted to local authorities rose by 31% compared to 2023. This significant increase for **green loans (EUR 1.2 billion, +22% from 2023)** and **social loans (EUR 869 million, +44% from 2023)** confirms their strong interest for these financing instruments dedicated to investment efforts undertaken to serve the ecological and energy transition and territorial cohesion.



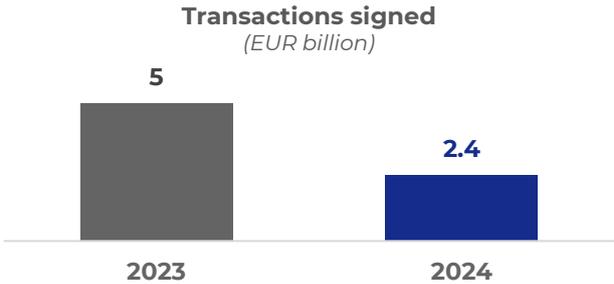
Loans to public hospitals rose to **EUR 518 million (+61% from 2023)** following a moderated recovery of their investments. Despite a highly constrained budgetary context for public hospitals, we continued to deploy our financing solution, based on a long-term assessment of their financial position as well as considering provided healthcare ("*added health value*").

2024 represented also a new milestone for us: **for the first time since we launched our green loans offer in 2019, we granted along with our partners more than EUR 2.5 billion of use-of-proceeds loans (green and social loans to local authorities and loans to public hospitals).**

In 2024, **we acquired** from our partners **EUR 5.5 billion of loans to the French local public sector** (2023: EUR 3.4 billion, up +64%). This unequalled position since 2013 highlighted the acceleration in activity since 4Q2023.

Confirmed dynamism for export credit refinancing

We concluded **5 transactions for a total amount of EUR 2.4 billion**. The operations completed in Africa, Europe, America and Asia **resulted in EUR 4.1 billion export contracts**. The operations **involved six exporting companies, including one accompanied for the first time**.



2 of the refinanced operations related to the transport infrastructure and equipment sector. They directly contribute to Sustainable Development Goals n° 7 *Affordable and clean energy* and n° 9 *Industry, innovation and infrastructure*.

Furthermore, at the TXF forum in June 2024, we received the **“Deal of the year Central Asia 2023”** award for financing locomotives for sustainable freight and passenger transport in Kazakhstan.

Very strong financial structure

Funding and liquidity

We issued EUR 9 billion in long-term debt (EUR 3.6 billion for Sfil and EUR 5.3 billion for Caffil) **attracting more than 330 investors, unprecedented since 2013**.

In the first half of the year, we benefited from a dynamic activity on the primary market. The high demand from investors supported it on a large maturities spectrum, especially on long-term maturities. Following a first 10-year bond issue in January 2024 and a 12-year issue in March 2024, Caffil issued a 15-year covered bond amounted at EUR 500 million in May 2024. This first bond issue on this maturity on the covered bond market since 2 years was a resounding success, attracting 160 investors with an order book of EUR 7.4 billion. We issued in total EUR 4.9 billion in this period.

The second half of the year was more volatile within a disturbed political and macroeconomic context. We issued a total amount of EUR 4.1 billion.

All covered bonds that Caffil issue benefit from the European Covered Bond (Premium) label.

Our liquidity position is strong: LCR and NSFR ratios respectively reached 440% and 125%, well above the minimum requirement of 100%. Liquidity reserves amounted to EUR 44 billion at year-end 2024.

Capital adequacy

The CET1 ratio was 42.2% at year-end 2024 (vs. 37.5% at year-end 2023). This was well above the 8.56% minimum requirement set by the European supervisor as part of the

Supervisory Review and Evaluation Process (SREP). The ratio rise came mainly from lower risk-weighted assets. Indeed, since September 2024, we use the standard approach for calculating the weighted risks. This change follows the ACPR²'s College decision to consider exposures on most of the French local authorities as exposures to the French sovereign. **Henceforth, 84% of our assets portfolio was weighted at 0% at year-end 2024, once again illustrating the low risk profile of our group.**

At end-2024, the leverage ratio reached 9.6%, unchanged from the previous year (2023: 9.7%).

Credit ratings

Our credit ratings, all aligned with France's sovereign rating, reflect our financial strength.

	Moody's Ratings	Morningstar DBRS	S&P Global Ratings
Long-term	Aa3	AA (high)	AA-
Outlook	Stable	Stable	Stable
Short-term	P-1	R-1 (high)	A-1+
Last update	17 December 2024	28 January 2025	4 June 2024

On 4 June 2024, S&P Global Ratings downgraded our credit rating from AA (negative outlook) to AA- (stable outlook) similarly to all other French public agencies. This development resulted from a mechanical adjustment linked to our public ownership following the downgrade of France's sovereign rating, which occurred on 31 May 2024. S&P Global Ratings downgraded the French sovereign rating from AA (negative outlook) to AA- (stable outlook) on that occasion.

Similarly, Moody's Ratings downgraded our rating to Aa3 (stable outlook), following the downgrade of France's sovereign rating on 13 December 2024 and the government censure. It went from Aa2 (negative outlook) to Aa3 (stable outlook).

Morningstar DBRS did not change its (AA high) rating in 2024.

Significant ESG realisations

We announced at the end of 2023 mobilizing EUR 17.5 billion by 2030 to support the ecological and energy transition and EUR 12 billion in social loans.

In 2024, we financed EUR 1.8 billion in favour of ecological and energy transition through both our activities (EUR 1.2 billion to French local authorities and EUR 0.6 billion of export credit refinancing).

In the meantime, **we mobilized EUR 1.4 billion for the French public hospitals and for social investments from the French local authorities** (public safety and sanitation, education and training, culture and sport, health and social action...).

Moreover, **33% of the funding we raised in 2024 was under a sustainable format (green, social and sustainable bonds), well above the 25% goal set for 2024.** Our goal is now to issue 33% of sustainable bonds over the period 2024-2030.

We pursued furthermore our efforts to measure our financed emissions. We improved the quality of the data used for the French local public sector. The 2021 reference basis changed:

² French banking supervisor

it is now 129 gCO₂e/euro against 153 gCO₂e/euro previously³. However, the reduction target for the French local public sector remains unchanged: we still aim at a 40% decrease in monetary intensity by 2030 to reach 76 gCO₂e/euro.

Initially scheduled for 2024, the process of adhering to the Poseidon Principles that frames the efforts to decarbonise maritime sector will start in 2025.

We also finalized the development of our rating tool that measure the climate and environmental for the French local public sector. This tool assesses the exposure to the transition risk as well as the physical risks. We tested it among a borrowers panel in 2024. Starting from 2025, we will integrate this rating through the granting process to finance the French local public sector.

We also deployed a rating tool for export credit, in order to develop a detailed view of the exposure to climate hazards from the projects and their vulnerability due to their geographical location and business sector.

We updated our Green, Social and Sustainability Bond Framework in November 2024.

Beyond the financings deployed, the ESG ratings enhance our commitment on the underlying themes: AA by MSCI, 8.3 Negligible Risk by Sustainalytics and C Prime + by ISS.

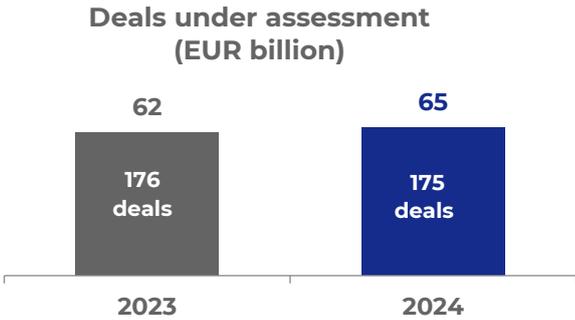
Positive outlook in 2025 despite a highly disturbed environment

The geopolitical, economic and financial outlook remain highly uncertain for 2025, as the French political context continues to experience latent instability. We will pursue the delivery of our strategic plan, with our main priorities being to achieve our financing programme with the best possible financial conditions and to maintain our leadership on both our activities.

We expect the French local public sector lending activity to remain at a high level as local investments are to remain significant for the last electoral cycle year for municipalities as well as due to the significant financial needs rise to meet the climate challenges and to support regional cohesion public policies.

The outlook for the export credit activity remain positive for 2025. The deals under assessment volume at end-2024 remained at a high level (175 deals representing potentially EUR 65 billion of export credit refinancing).

Considering the downgraded sovereign rating in 2024, our capacity to intervene remains unaltered in terms of financing volumes.



2025 also marks a new phase of our development. The European Commission authorized through its decision on 18 December 2024 the extension of our activities within our current mandates. Therefore, we should be able, by the end of 2025, to broaden export credit refinancing to operations benefiting from an insurance from other European export-credit agencies or multilateral lenders. We will therefore be able to intervene on operations presenting a French interest and benefiting from another guarantee than the

³ The reference scenario is the French National Low Carbon Strategy (SNBC 2 - revised version 2018-2019). We will revise our commitment when the new version of SNBC 3 is published

one granted by Bpifrance Assurance Export. Moreover, we may extend lending to the French local public sector (limited up to now to local authorities and French public hospitals) to other French public entities (i.e. public organisations and public entities *sui generis*) or to the exposures guaranteed by them.

Appendix 1: Consolidated financial statements prepared under IFRS as adopted by the European Union⁴

Assets

<i>(EUR million)</i>	2023	2024
Central banks	2,980	2,016
Financial assets at fair value through profit or loss	2,251	1,690
Hedging derivatives	2,189	2,142
Financial Assets at fair value through equity	80	-
Financial Assets at amortized cost	59,446	63,578
Fair value revaluation of portfolio hedge	405	380
Current tax assets	13	1
Deferred tax assets	67	74
Tangible assets	32	28
Intangible assets	21	19
Accruals and other assets	2,165	1,940
TOTAL ASSET	69,648	71,869

Liabilities

<i>(EUR million)</i>	2023	2024
Central banks	-	-
Financial liabilities at fair value through profit or loss	431	335
Hedging derivatives	4,318	3,886
Financial liabilities at amortized cost	62,894	65,640
Fair value revaluation of portfolio hedge	53	39
Current tax liabilities	2	1
Deferred tax liabilities	-	0
Accruals and other liabilities	227	349
Provisions	13	15
Subordinated debt	-	-
Equity	1,709	1,602
<i>Capital</i>	<i>1,445</i>	<i>1,445</i>
<i>Reserves and retained earnings</i>	<i>256</i>	<i>155</i>
<i>Net result through equity</i>	<i>(49)</i>	<i>(67)</i>
<i>Net income</i>	<i>56</i>	<i>69</i>
TOTAL LIABILITIES	69,648	71,869

⁴ The Board of Directors approved the consolidated financial statements on 12 February 2025. The audit procedures performed by the Statutory Auditors are in progress.

Income Statement

<i>(EUR million)</i>	2023	2024
Interest income	4,740	5,070
Interest expense	(4,576)	(4,884)
Fee and commission income	8	5
Fee and commission expense	(4)	(4)
Net result of financial instruments at fair value through profit or loss	1	19
Net result of financial instruments at fair value through equity	-	-
Gains or losses resulting from derecognition of financial instruments at amortized cost	9	3
Gains or losses resulting from reclassification of financial assets at amortized cost to fair value through profit or loss	-	-
Gains or losses resulting from reclassification of financial assets at fair value through equity to fair value through profit or loss	-	-
Other income	0	0
Other expense	(0)	(0)
NET BANKING INCOME	178	209
Operating expenses	(103)	(103)
Depreciation and amortization of property and equipment and intangible assets	(16)	(14)
GROSS OPERATING INCOME	60	92
Cost of risk	11	1
OPERATING INCOME	70	93
Net gains (losses) on other assets	(0)	(0)
INCOME BEFORE TAX	70	93
Income tax	(14)	(24)
NET INCOME	56	69
EARNINGS PER SHARE (in EUR)		
- Basic	6,08	7,44
- Diluted	6,08	7,44

Contacts

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"

- The following paragraph is included after the press release dated 13 February 2025 relating to the financial performance of Sfil in the section entitled "**Recent Developments**":

"Figures and financial information provided in the Third Supplement are based on the consolidated financial statements of Sfil prepared under IFRS (as adopted by the European Union) for the fiscal year ended on 31 December 2024 and approved by Sfil's Board of Directors on 12 February 2025. Such figures and financial information are both (a) comparable with the historical financial information of the Issuer included in the Base Prospectus, as supplemented by the Previous Supplements, and (b) consistent with the Issuer's accounting policies."

GENERAL INFORMATION

The paragraph entitled "**5. Significant change in the Issuer's financial position or financial performance**" of the section entitled "**General Information**" on pages 155 to 156 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 2024 (being the date of its last financial period for which financial information has been published through the press release dated 13 February 2025 included in the Third Supplement)."

**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*

on 27 February 2025



This Third Supplement to the Base Prospectus, as supplemented by the Previous Supplements, has been approved on 27 February 2025 by 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. The approval does not imply that the AMF has verified the accuracy of such information.

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: 25-052.