

Sfil Group Social Bond allocation and impact reporting 2023

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Agenda

1. Allocation Reporting

Social bond transactions, external verification, volume of loans produced per year, outstanding and estimated amortization of the health loan portfolio, regional distribution

2. Impact Reporting

Key indicators, distribution of beds and places by speciality, regional distribution of hospital stays, beds and places, HAV distribution and comparison





Allocation Reporting

Social Bond transactions

Outstanding social bonds as of December 31st 2022 : EUR 3 260 m in total

Issuer	ISIN code	Issue date	Maturity date	Social Bond Principles category	Total amount outstanding (EUR m)	Final Terms
Caffil	FR0013403433	19/02/2019	19/02/2027	Healthcare Bond	1 000	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/
Caffil	FR0013511615	07/05/2020	07/05/2025	Healthcare Bond	1 000	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/
Caffil	FR00140033E4	27/04/2021	27/04/2029	Healthcare Bond	750	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/
Caffil	FR0014008C18	11/02/2022	11/02/2032	Healthcare Bond	10	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/
Caffil	FR001400AJT0	25/05/2022	25/05/2034	Healthcare Bond	500	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/

Outstanding loans to French public hospitals as of December 31st 2022

Portfolio name	Eligibility for social bond ¹	Allocated amount ²	Total amount outstanding (EUR m)	Number of loans in the eligible portfolio
Health Loan Portfolio ³	100%	100%	3 735	939

(1) This is the share of the total portfolio that is financed by SFIL Group

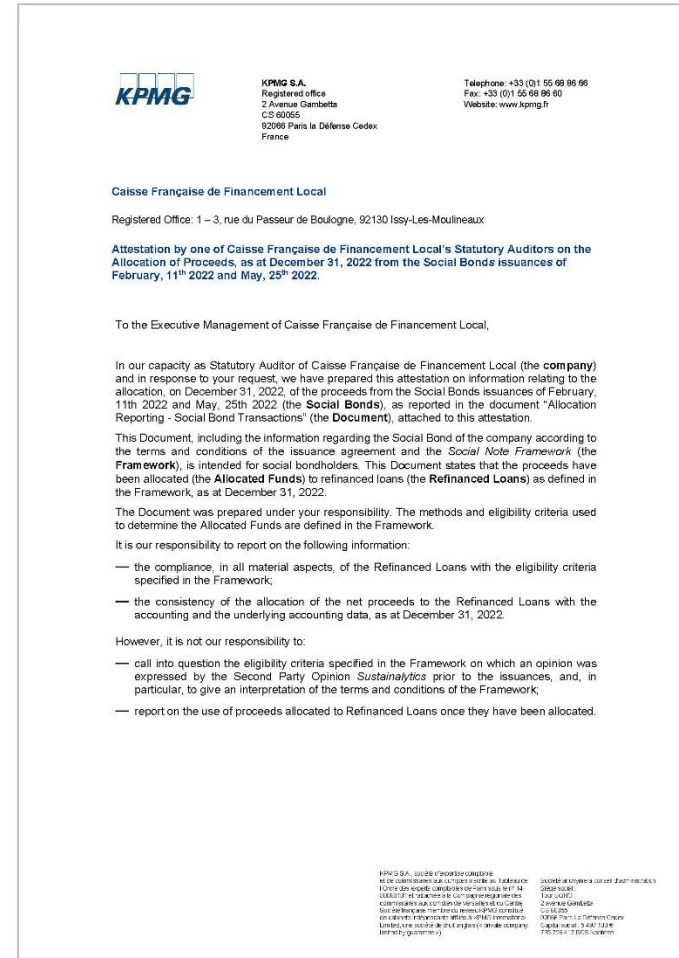
(2) This represents the amount of social bond proceeds that has been allocated to the portfolio

(3) The eligible health portfolio as defined in the Sfil Group Social Note Framework available on the website : <https://sfil.fr/investisseurs-du-groupe-sfil/>



Allocation Reporting

External verification





Allocation Reporting

External verification



Caisse Française de Financement Local
Attestation by one of Caisse Française de Financement Local's Statutory Auditors on the Allocation of Proceeds, as at December 31, 2022 from the Social Bond issuances of February, 11th 2022 and May, 25th 2022.
May 16th, 2023

Our assignment, which constitutes neither an audit nor a review, was performed in accordance with the professional doctrine of the French national auditing body (Compagnie nationale des commissaires aux comptes). Our work consisted in:

- identifying the people responsible for the data collection disclosed in the Document within the company and, where appropriate, for the internal control and risk management procedures implemented;
- assessing the appropriateness of the data collection procedures in terms of their relevance, completeness, reliability, neutrality and understandability;
- verifying the existence of internal control and risk management procedures implemented by the company;
- verifying the concordance of the information disclosed in the Document, with the accounting and the underlying accounting data, as at December 31, 2022;
- examining the processes used for data collection, compilation, processing and control, particularly the procedures relating to the allocation of the Allocated Funds set out in the as at December 31, 2022;
- based on a representative sample of Refinanced Loans that are loans granted to public hospitals:
 - verifying the compliance, in all material respects, of the Refinanced Loans with the eligibility criteria, as specified in the Framework;
 - verifying the concordance of the allocation of the net proceeds to the Refinanced Loans with the accounting and the underlying accounting data, as at December 31, 2022;
- verifying the amount of the Allocated Funds to Refinanced Loans is lower or equal to the outstanding amount of these loans as at December 31, 2022.

Based on our work, we have no comments regarding:

- the compliance, in all material respects, of the Refinanced Loans with the eligibility criteria specified in the Framework; and
- the consistency of the allocation of the net proceeds to the Refinanced Loans with the accounting and the underlying accounting data, as at December 31, 2022.

This attestation has been prepared for you in connection with the context mentioned in the first paragraph and it may not be used, disclosed or referred to for any other purpose.

In our capacity as Statutory Auditor of Caisse Française de Financement Local, our responsibility towards the company is defined by French law and we do not accept any extension of our responsibility beyond that set out in French law. We do not owe or accept any duty of care to any third party, including social bondholders, in connection with the Social Bond final terms agreement (including the Social Note Framework) to which we are not party. In no event, we shall be liable neither for the execution of the Social Bond final terms agreement (including the Social Note Framework) nor for any resulting damage, loss, cost or expense.



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This attestation is governed by French law. The French courts shall have exclusive jurisdiction in relation to any claim, difference or dispute which may arise out of or in connection with our engagement letter or this attestation report. Each party irrevocably waives any right it may have to object to an action being brought in any of those Courts, to claim that the action has been brought in an illegitimate court or to claim that those Courts do not have jurisdiction.

Paris-La Défense, May 16th, 2023
KPMG S.A.

Brice Javaux
ESG Expert
ESG Center of Excellence

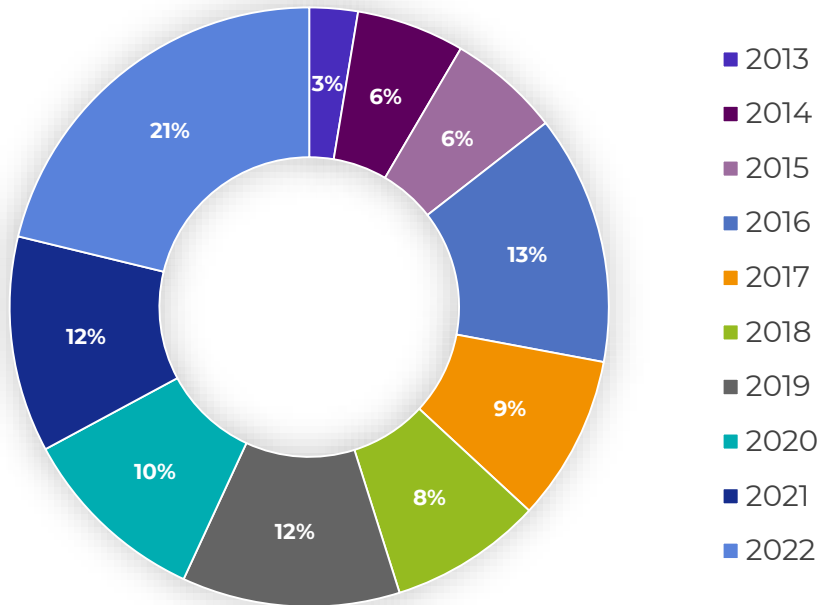
Jean-François Dandé
Partner



Allocation Reporting

Overview of the Social Bond Portfolio as of December 31st 2022

Outstanding volume of loans to French public hospitals produced since 2013 as of December 31st 2022 by year of transfer



Loans to public hospitals originated since 2013 are included in the health care portfolio.

Loans to public hospitals are originated by La Banque Postale and purchased by Sfil Group* once the loans are fully drawn, creating a time lag between the granting of the loans and transfer to the healthcare portfolio.

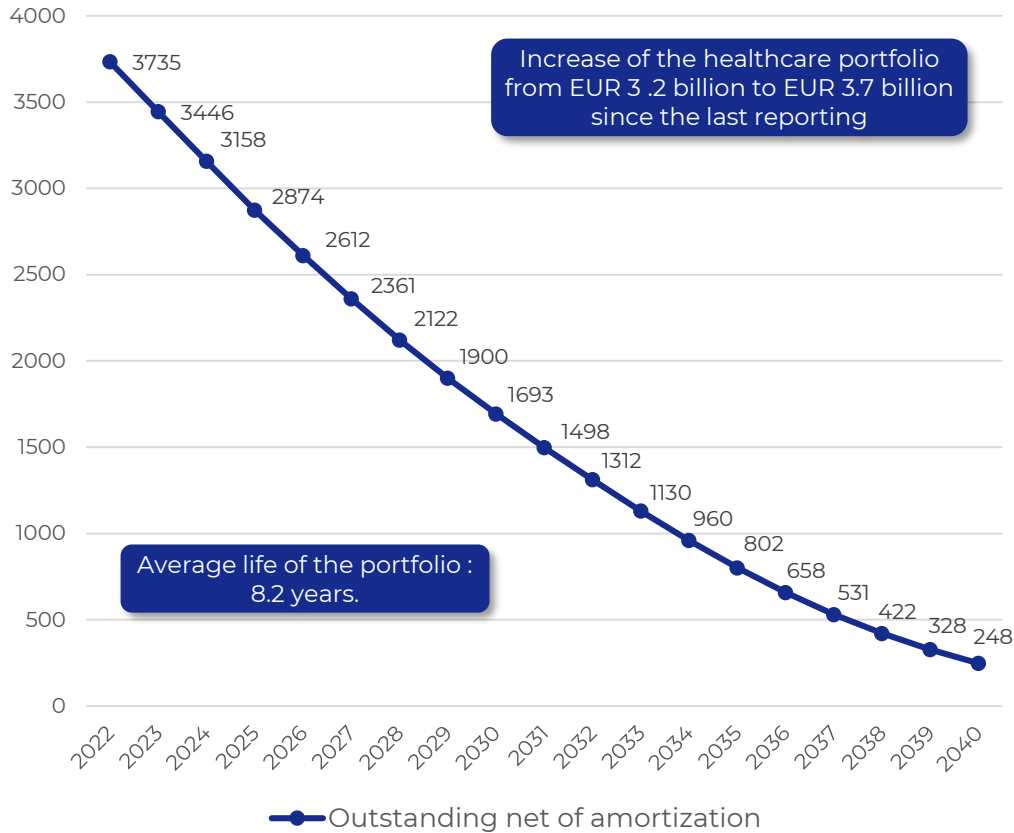
* In some specific cases loans may also have been originated directly by Sfil Group.



Allocation Reporting

Estimated amortization of the portfolio

Estimated amortization of the Health Loan Portfolio as of December 31st 2022 (EUR m)



The graph on the left hand side presents the expected amortizations of the healthcare portfolio.

New loans to public hospitals will regularly be added to the portfolio and will replace amortizations.

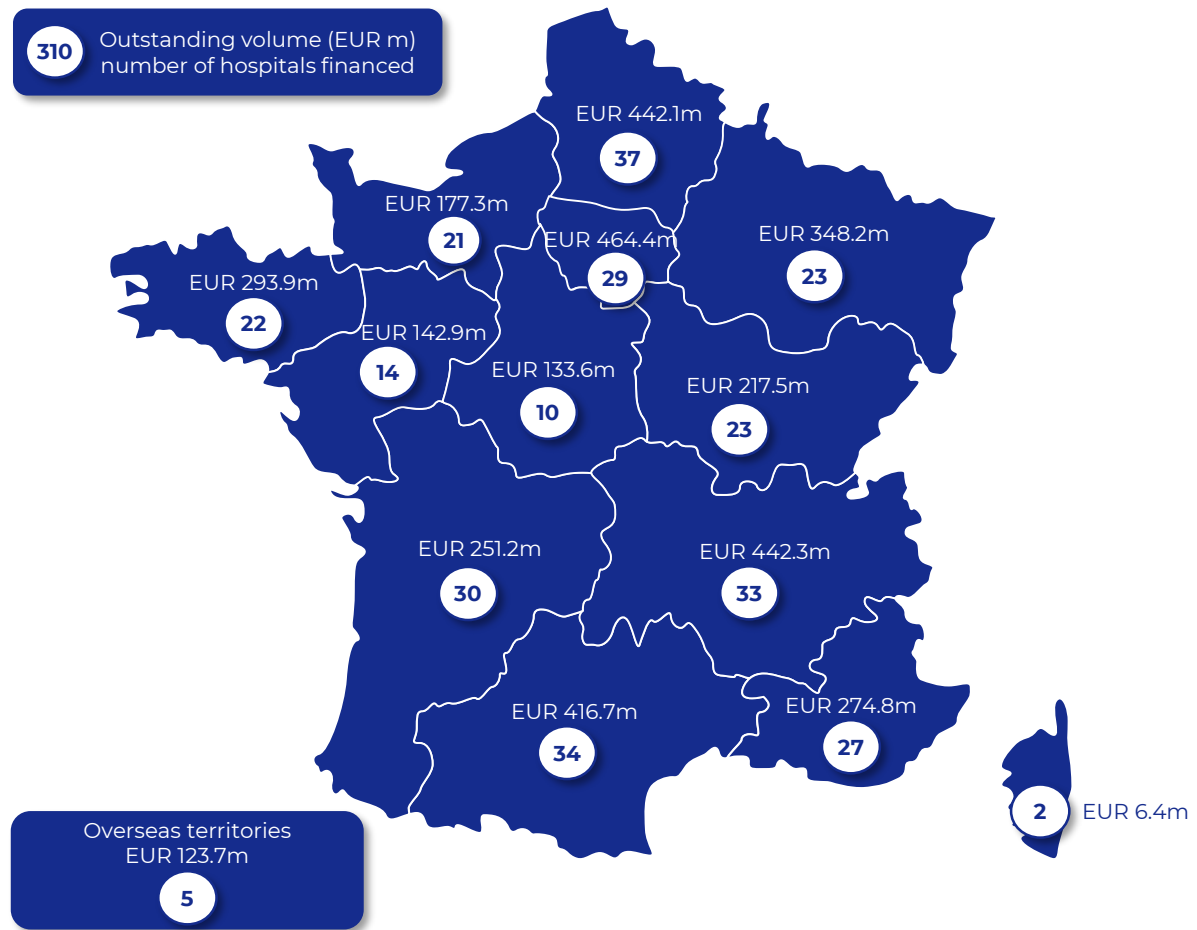
Over recent years, new lending volumes to public hospitals have by far exceeded amortizations.

As a consequence the eligible healthcare portfolio has grown from EUR 3.2 billion as of December 31st 2021 to EUR 3.7 billion as of December 31st 2022.

In 2022, new loans to 109 different health care institutions with a volume of EUR 787m have been added to the healthcare portfolio.

Allocation Reporting

Regional distribution of outstanding amounts and hospitals financed



The total outstanding amount as of December 31st 2022 is EUR 3 735 m.

Loans to 310 public hospitals are included in the healthcare portfolio. The number of public hospitals in the healthcare portfolio has increased since the last reporting with 302 included in the healthcare portfolio as of December 31st 2021.

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

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Impact Reporting

Key indicators

Number of public hospitals

- One legal entity may operate several different hospital sites
- The figures provided in this document will refer to the number of legal entities, for instance Assistance Publique – Hôpitaux de Paris (AP-HP), which operates several units, accounts for one hospital

Capacity of hospitals

- For full hospitalization (more than 1 day), the measure is the number of beds
- For partial hospitalization (day hospitalization, overnight hospitalization, outpatient care) the measure is expressed in number of places (total number of patients that can be handled)

Healthcare Added Value

- HAV is a scoring model that aims to **measure the importance of each public hospital within the overall healthcare offer** (a more detailed description is provided on page 14)
- The **final scores** are sorted as follow: High+, High, High-, Medium+, Medium, Medium-, Low+, Low, or Low-

Activity of hospitals

- It is measured via the number of stays, i.e. the number of hospital admissions
- A stay can be related to full hospitalization (if the length is more than 1 day), or partial hospitalization

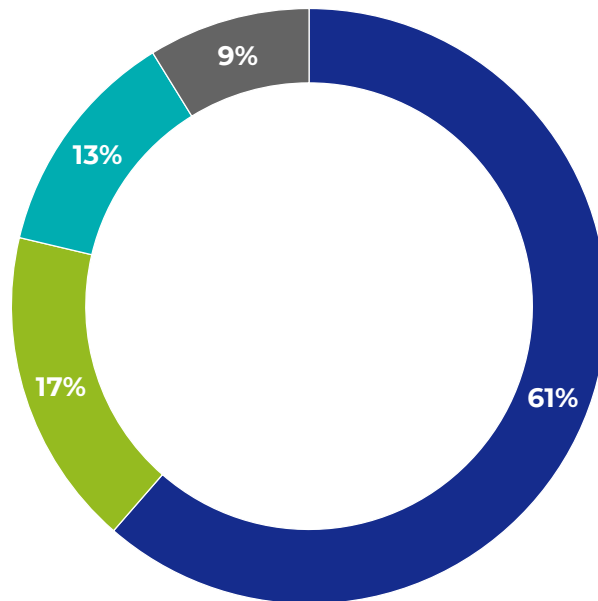




Impact Reporting

Distribution of beds and places by speciality

Breakdown of beds and places by speciality*



- Medicine, Surgery, Obstetrics
- Psychiatry
- Follow-up and Rehabilitation Care
- Other activities / elderly care

Overall, establishments in the health loan portfolio provided 198 234 beds and places, broken down as shown in the graph.

In the health loan portfolio, beds and places are available for each of the four specialties.

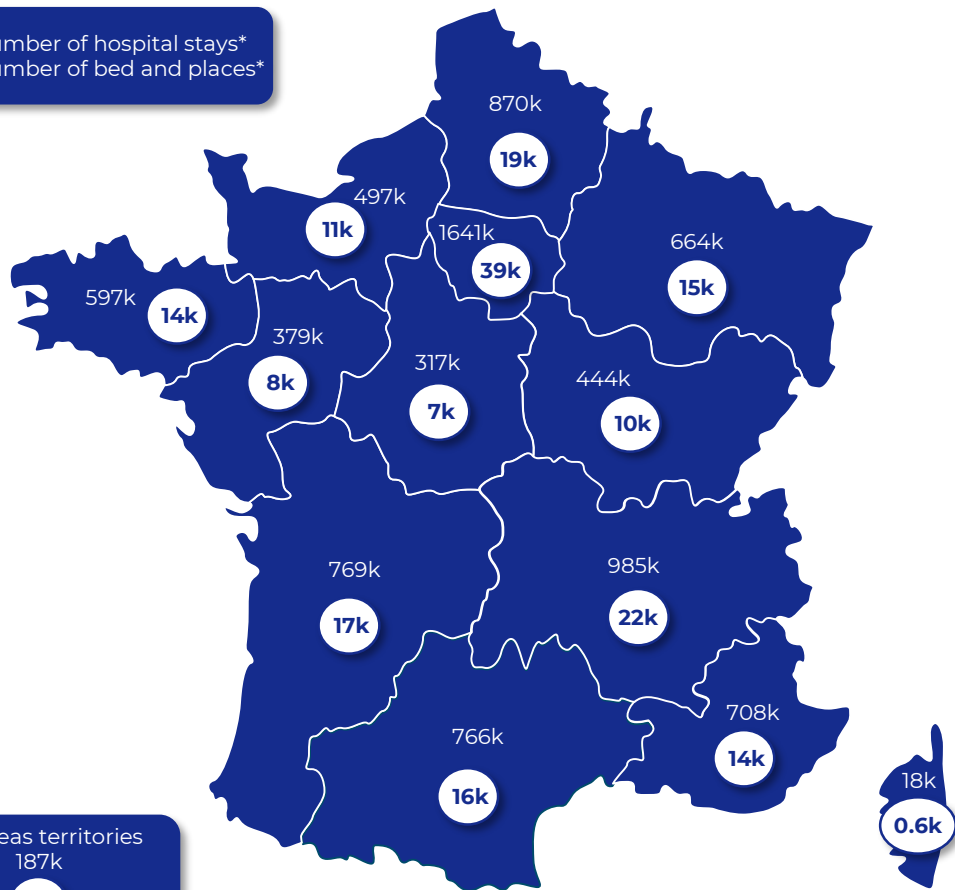
More than 60% of beds and places in the health loan portfolio are dedicated to the main specialty: Medicine, Surgery, Obstetrics.

*Impact analysis based on 2020 public hospital data

Impact Reporting

Regional distribution of hospitals stays, beds and places

201k Number of hospital stays*
Number of bed and places*



Over 8 844 306 stays per year recorded in the establishments financed by the health loan portfolio.

SFIL finances establishments across all the French territory - it allows for a balanced distribution of beds, places and stays, as all metropolitan regions are covered.

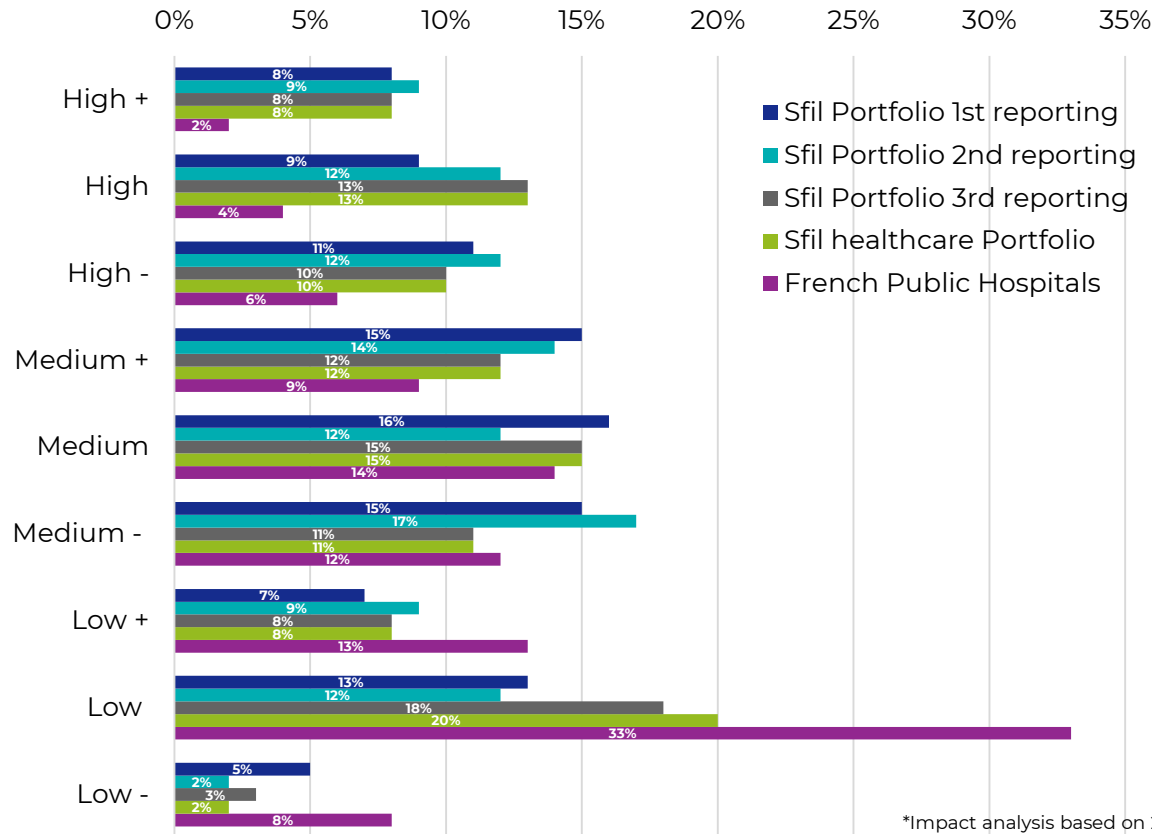
*Impact analysis based on 2020 public hospital data



Impact Reporting

HAV distribution and comparison

Comparison of the French public hospitals in the health loan portfolio vs. Estimated French public hospitals*



*Impact analysis based on 2020 public hospital data

Sfil analyses the HAV for the whole French public hospitals sector.

HAV is an important factor in the credit decision by Sfil.

As a consequence, the HAV scores of the healthcare portfolio are above the HAV scores for the public hospital sector in France as a whole.

Loans may still be granted to hospitals with low HAV scores for a variety of reasons - for example specific investment projects may be of high importance, even though the overall HAV score of the hospital may be low.

Compared to the first and second reporting, the percentage of public hospitals in the portfolio of Sfil with high HAV scores has increased slightly.



Impact Reporting

Financing of French public hospitals

Case study : Construction of a new hospital on the Ile de Nantes

Project description

Planned for 2027, this new hospital will bring together the short-stay care activities (Medicine, Surgery, Obstetrics - MCO) of the Nantes University Hospital on the Ile de Nantes site. With a total surface area of 220,000 m², it will be able to accommodate 158,000 MCO stays and will include 54 operating rooms. This large-scale real estate operation, worth a total of EUR 1.25 billion, has the support of the national authorities (EUR 400 m in aid, including EUR 175 m under the Ségur investment scheme). It will help to modernize the healthcare offer, increase its quality and strengthen the position of the CHU within the Loire Atlantique Hospital Groupement Hospitalier du Territoire (GHT).

Territorial stakes

More broadly, this new hospital is part of a structuring project for the Nantes metropolitan area and its 656 000 inhabitants, with the creation of a university hospital district bringing together a teaching (7 000 students trained by the CHU), research and economic development center linked to health.

Beneficiary

Centre Hospitalier Universitaire (CHU) of Nantes

Region

Pays de la Loire

Products

30-year loans

Amount granted

EUR 40 m subscribed in 2022

Amount of the project

EUR 1.25 billion



1 436 beds and places created