

Sfil Group Social Bond allocation and impact reporting 2024

April 2024

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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, financing of French public hospitals - Case studies

3. Appendix





Allocation Reporting

Social Bond transactions

Allocated social bonds as of December 31st 2023 : EUR 3 770 m in total

Issuer	ISIN code	First settlement 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/
Caffil	FR001400HQE2	03/05/2023	03/05/2033	Healthcare Bond	10	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/
Caffil	FR001400M1S9	20/11/2023	20/03/2029	Healthcare Bond	500	https://caissefrancaisedefinancementlocal.fr/en/investor/issuances/

Outstanding loans to French public hospitals as of December 31st 2023

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%	3 868	1 004

Social bond to be allocated before March 19th 2025

Issuer	ISIN code	First settlement date	Maturity date	Social Bond Principles category	Total amount outstanding (EUR m)	Final Terms
Caffil	FR001400OOK0	19/03/2024	19/03/2036	Healthcare Bond	500	Reporting to be published in 2025

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

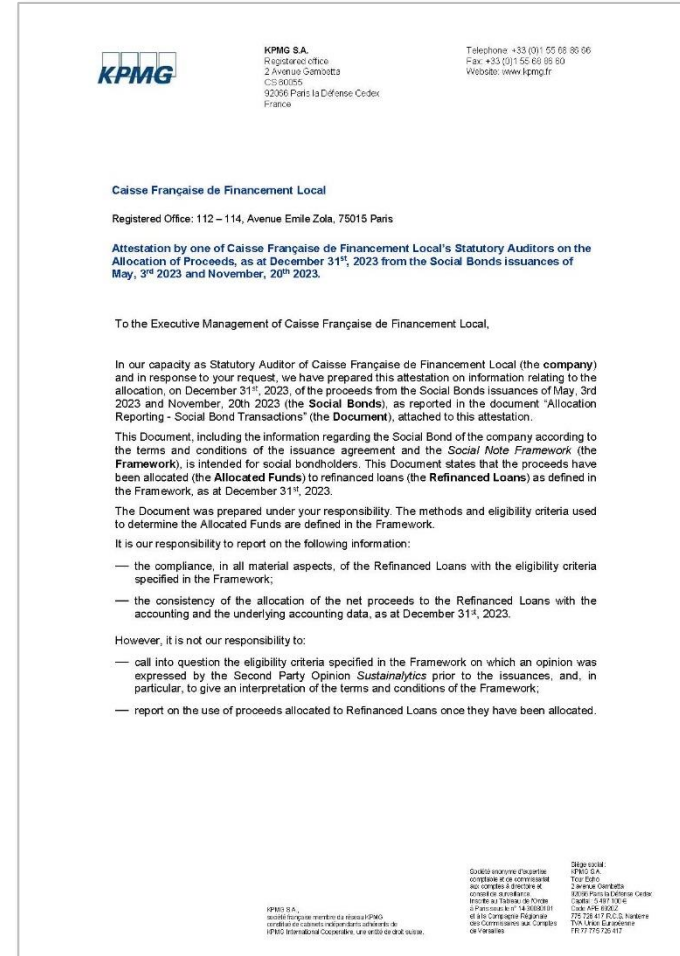
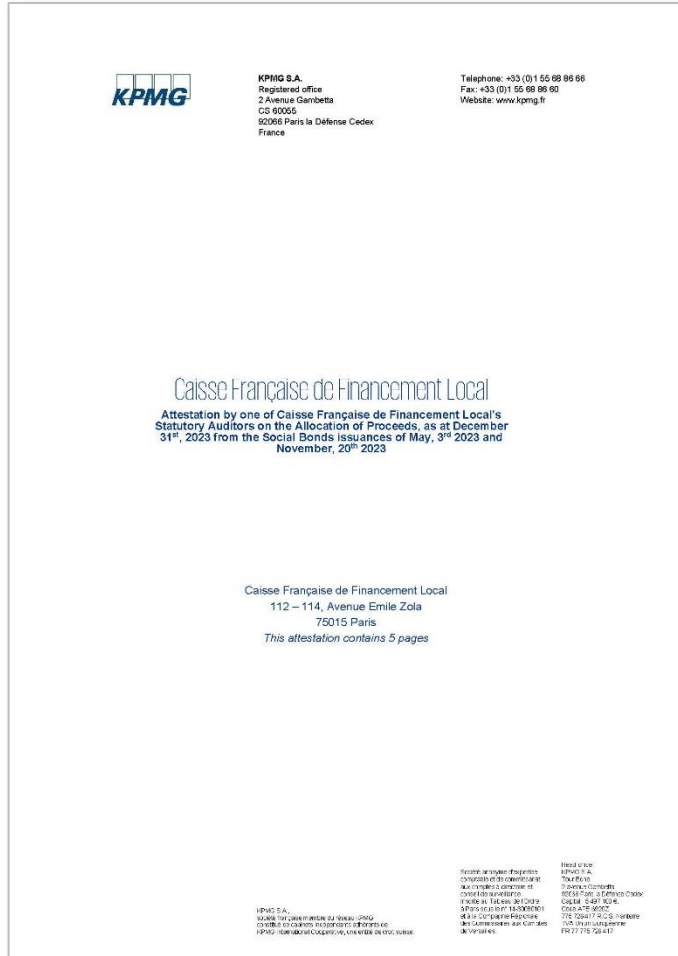
(2) This represents the amount of social bond proceeds that has been allocated to the portfolio

(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 31st, 2023 from the Social Bond Issuances of May, 3rd 2023 and November, 20th 2023. March, 27th, 2024

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 31st, 2023;
- 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 31st, 2023.
- 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 31st, 2023.
- verifying the amount of the Allocated Funds to Refinanced Loans is lower or equal to the outstanding amount of these loans as at December 31st, 2023.


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 31st, 2023.

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, March, 27th, 2024
 KPMG S.A.


 Jean-François Dandé
 Partner


 Brice Javaux
 ESG Expert
 ESG Center of Excellence

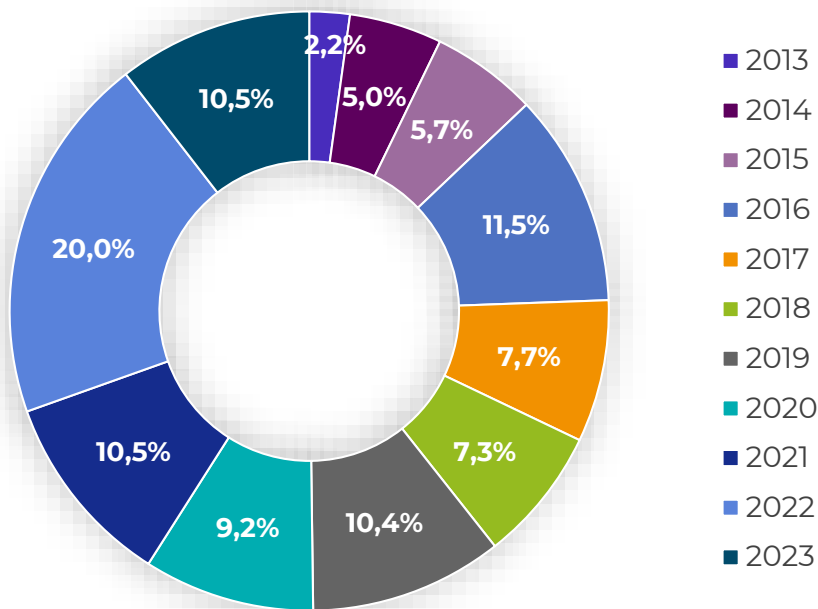
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Allocation Reporting

Overview of the Social Bond Portfolio as of December 31st 2023

Outstanding volume of loans to French public hospitals produced since 2013 as of December 31st 2023 by year of transfer



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

Loans to public hospitals are originated by La Banque Postale and Banque des Territoires 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

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

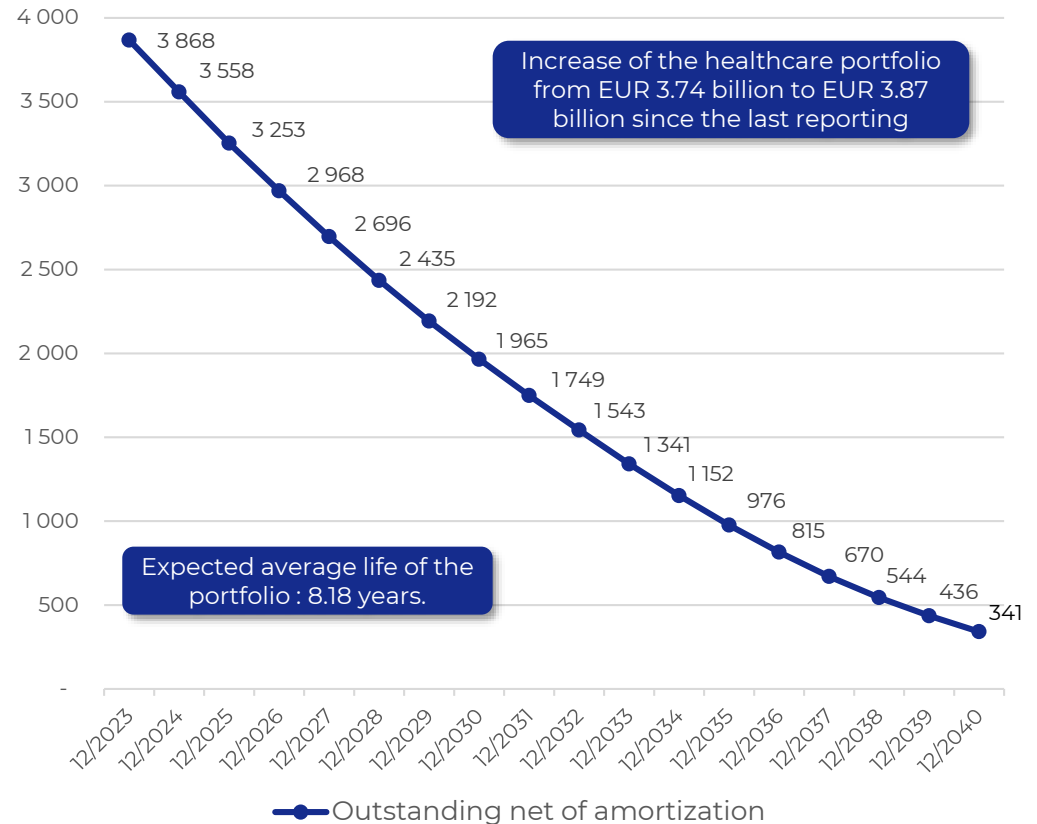
New loans to public hospitals will regularly be added to the portfolio and will replace amortizations.

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 3.74 billion as of December 31st 2022 to EUR 3.87 billion as of December 31st 2023.

In 2023, new loans to 55 different healthcare institutions with a volume of EUR 406m have been added to the healthcare portfolio.

Estimated amortization of the Health Loan Portfolio as of December 31st 2023 (EUR m)



New loans to 55 public hospitals have been transferred to the healthcare portfolio in 2023.

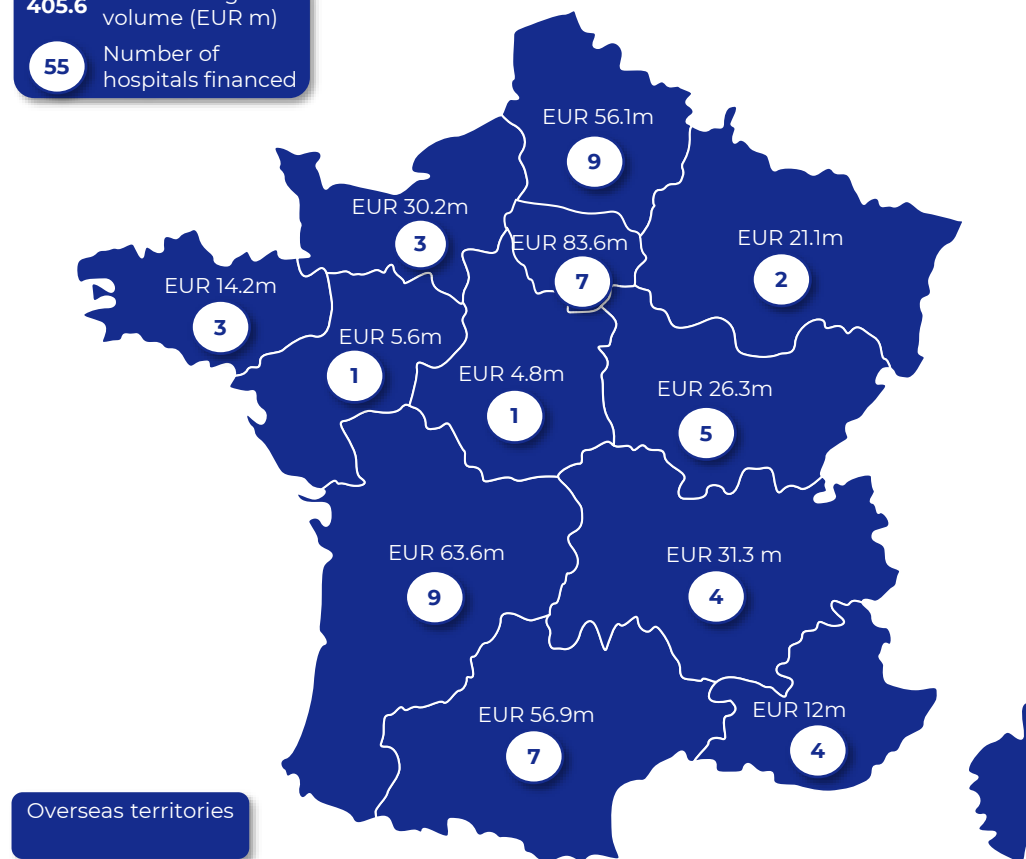
Loans added to the portfolio in 2023 represented a total volume of EUR 405.6 m.

New loans to public hospitals have been provided across the entire French territory with the exception of Corsica and the French overseas territories.

Allocation Reporting

Focus on new loans transferred in 2023

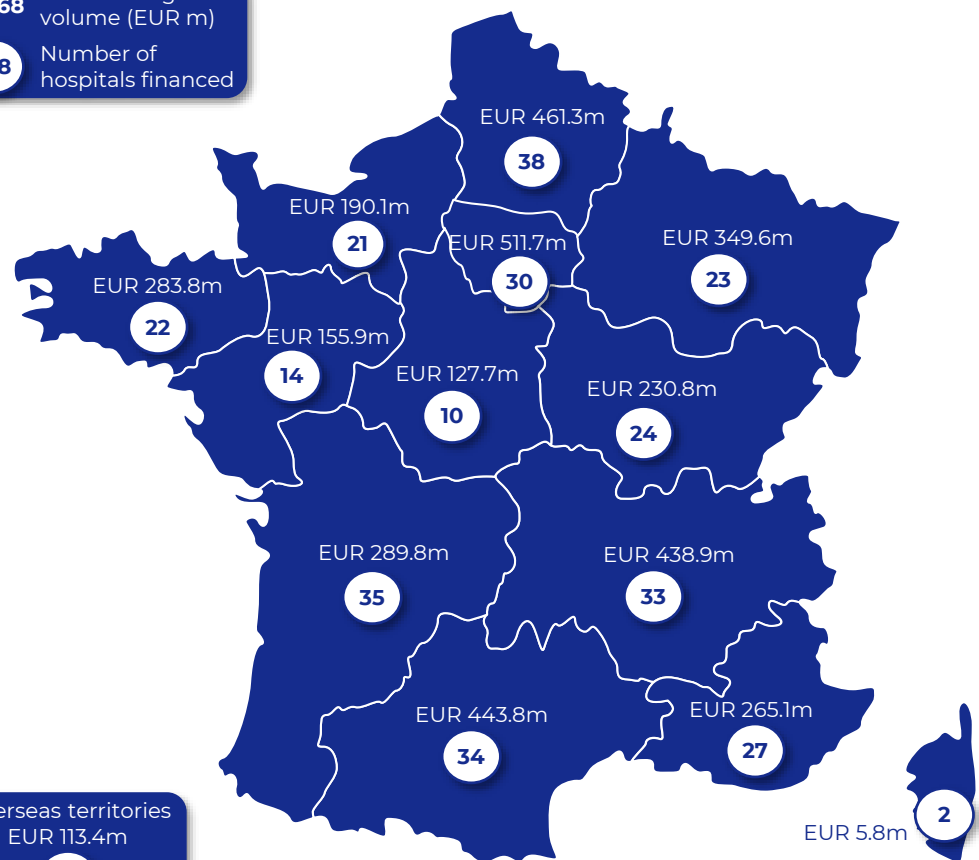
405.6 Outstanding volume (EUR m)
55 Number of hospitals financed



Allocation Reporting

Regional distribution of outstanding amounts and hospitals financed – Healthcare portfolio

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



Overseas territories
 EUR 113.4m
5

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

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

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)

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

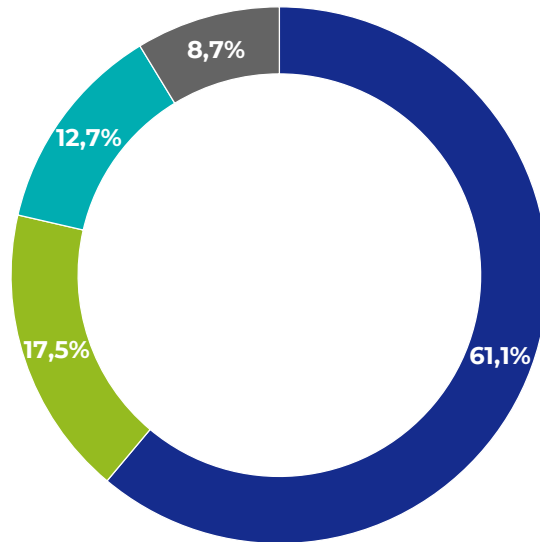
All the above indicators are **output indicators** according to **ICMA recommendations** in the *Harmonised Framework for Impact Reporting for Social Bonds* (June 2023 version).



Impact Reporting

Distribution of beds and places by speciality
Output indicator

Breakdown of beds and places by speciality*



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

*Impact analysis based on 2021 public hospital data

Overall, establishments in the health loan portfolio provided more than 200 000 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.

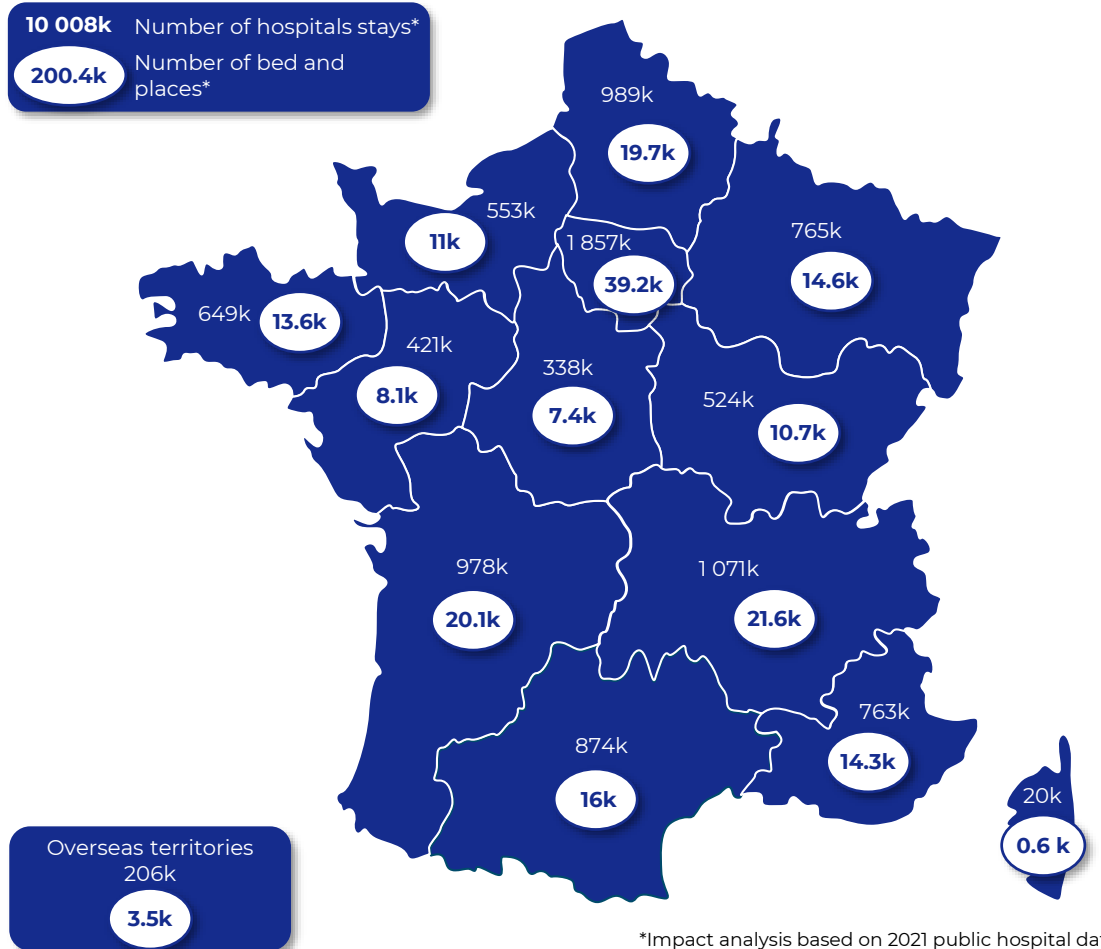
More than 60% of beds and places in the health loan portfolio are dedicated to the main specialty: Medicine, Surgery, Obstetrics.

More than 10 million stays per year recorded in the establishments financed by the health loan portfolio.

Sfil Group 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 Reporting

Regional distribution of hospitals stays, beds and places
Output indicator



*Impact analysis based on 2021 public hospital data



Impact Reporting

Financing of French public hospitals - Case study

Case study : Modernization of the hospital in Le Puy en Velay

Project description

Located in the heart of the Haute Loire Département, the 'Centre Hospitalier du Puy en Velay - Emile Roux' plays an important role in this rural area.

In 2023, it will have invested EUR 16 m in major real estate projects as well as in biomedical, hotel and IT equipment, including:

- the renovation of a laboratory and an accommodation for interns
- the reconstruction of follow-up and rehabilitation care services,
- an MRI located in Yssingeaux and a particle accelerator

These projects, supported by the "Plan Ségur", benefit all the medical specialties provided by the hospital, including Medicine, Surgery, Obstetrics and Follow-up and Rehabilitation Care.

Territorial stakes

With 561 beds and nearly 2,000 employees, the 'Centre Hospitalier du Puy en Velay' contributes to guaranteeing a local healthcare offer within the Territory Hospital Group ('Groupement Hospitalier de Territoire – GHT') of the Haute-Loire Département.

Beneficiary

Centre Hospitalier du Puy en Velay - Emile Roux

Region

Auvergne-Rhône-Alpes

Products

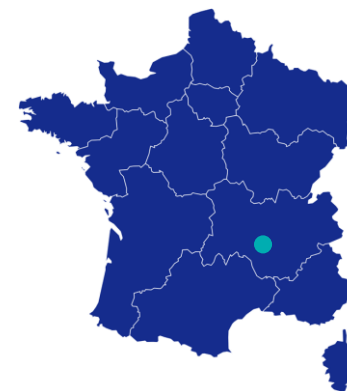
Loans from 7 to 20 years

Financing provided by Sfil

EUR 8 m subscribed in 2023

Total cost of the project

EUR 16 m



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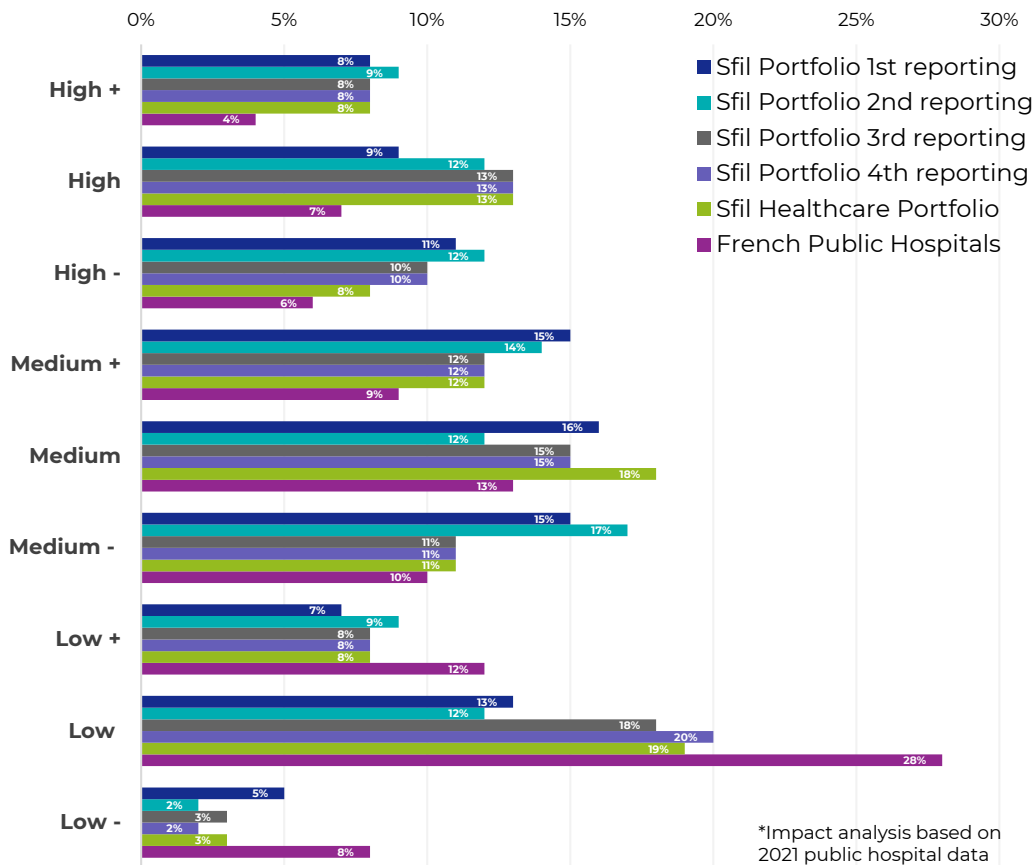




Appendix

Healthcare Added Value (HAV) distribution and comparison

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



*Impact analysis based on 2021 public hospital data

The **Healthcare Added Value** (HAV) is a scoring model that aims to **measure the importance of each public hospital within the overall healthcare offer**, with a scale ranging from *High +* to *Low -*.

The HAV is an important factor in Sfil Group's **credit decisions**.

Sfil Group analyses the HAV for the whole French public hospital sector. This graph demonstrates that 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.