Anti-money laundering and terrorist financing policy

Sfil Group is a French public development bank whose purpose is to guarantee the stability of local public sector financing in France. Sfil Group also refinances large export credit agreements. Sfil Group is not an account holder, PSI or PSP. It has no subsidiaries, branches, establishments or holdings abroad.

As part of its activities, Sfil Group is subject to anti-money laundering and counter-terrorist financing (AML/CTF) requirements and is supervised by the French Prudential Supervision and Resolution Authority (ACPR). Furthermore, Sfil Group undertakes to comply strictly with AML/CFT regulations by equipping itself with the resources and means necessary to ensure the implementation and effectiveness of its AML/CTF systems and, as a member of the Caisse des Dépôts Group ('CDC Group'), undertakes to comply with the CDC Group's AML/CTF policy.

This policy, which is binding on Sfil and Caffil, has been adopted pursuant to the French government decree of 6 January 2021 on anti-money laundering and counter-terrorist financing measures and internal controls, the freezing of assets and the prohibition on making funds or economic resources available or using them.

Regularly updated, this policy defines the general principles applicable to the Sfil Group, thereby formalising the absence of appetite for non-compliance risk in relation to AML/CTF and the main terms and conditions for their operational implementation.

I. Lack of Risk appetite with regard to anti-money laundering non-compliance risk

In line with the CDC Group's AML-CFT Policy and as part of its commitments, Sfil Group undertakes to comply with the strictest standards in the fight against money laundering and terrorist financing.

In accordance with the CDC Group's guidelines, Sfil:

- **prohibits any business relationship involving a natural or legal person subject to international financial sanctions** (French, European or international);
- **similarly, Sfil prohibits any business relationship/transaction involving a country subject to international financial sanctions** (French, European or international) if any of the underlying assets (goods or services) of said business relationship are likely to be affected by the restrictions in force;
- prohibits relationships with other entities that offer banking services to unlicensed banks, money transfer services or shell banks. Sfil also prohibits relationships involving the following sectors of activity: gambling, virtual currency, marijuana trade, precious metals and adult entertainment.
- **prohibits any financing in a country on the Financial Action Task Force ('FATF') blacklist;**
- implements **enhanced due diligence requirements** for business relationships presenting a **high AML/Terrorist Financing risk** and for transactions and business relationships domiciled, registered or established in a country or territory included in the lists published by the Financial Action Task Force whose legislation or practices hinder the fight against money laundering and terrorist financing **('black list' and 'grey list')** or by the European Commission **(High-Risk Third Countries 'HRTC'); and**
- implements **specific due diligence measures** for transactions involving **complex schemes of financing** or **promoting anonymity,** and prohibits any business relationship in cases where **the beneficial owner cannot be identified with certainty**.

Regarding international economic sanctions, Sfil ensures both at the outset of a relationship and throughout its duration, that the transactions carried out by its clients and stakeholders do not originate from or are not intended for persons (natural or legal persons subject to sanctions (OFAC, embargoes, freezing of European and French assets). To achieve this, Sfil has implemented a system for detecting and implementing asset freezing measures.

II The AML/CTF framework at Sfil

In accordance with Section I of Article L. 561-32 of the *Code Monetaire et Financier*, Sfil and Caffil have appointed an AML/CTF officer within the General Secretariat. The officer appointed for AML/CTF matters is the Sfil Deputy Chief Executive Officer.

In order to comply with AML/CTF rules and regulations, Sfil has adopted a prevention framework based on the following elements:

- **a classification of money laundering and terrorist financing risks:** the purpose of this classification is **to identify, assess and classify these risks** according to their category (customer, country, distribution channel, products/services and transaction conditions). It should be mentioned that Sfil has no business relationships with individuals;
- the adoption of a set of procedures relating to AML/CTF: This set of procedures enables the obligations relating to AML/CTF to be implemented within Sfil's processes.

An **internal control composed of three levels** for AML/CTF (being the three lines of defense):

- each Sfil employee contributes to the effectiveness of the AML/CTF system through the first-level of control;
- the second-level of control is ensured by the Compliance Department and the Permanent Control department; and
- a third periodic level of control is in place with a multi-year audit plan fully dedicated to AML/CTF.

Additionally, the Sfil Group runs a regular training program for its employees: the aim of which is to raise awareness among Sfil employees of AML/CTF obligations and any new AML/CTF issues. Furthermore, Sfil has a recruitment policy that prioritises expertise and experience for compliance-related roles.

Sfil Group's AML/CTF organization and operational framework enables it to comply with its AML/CTF obligations, in particular through a set of policies and procedures adapted to the Sfil Group's activities. This framework is highly detailled in order to enable Sfil Group to properly meet all applicable regulatory obligations particularly with regard to:

- knowing and identifying customers, business partners and, where applicable, their beneficial owners;
- monitoring the business relationship throughout its duration;
- monitoring operations and detection of suspicious transactions;
- compliance with international sanctions measures, in particular through the implementation of a screening system;
- reporting of any suspicious transactions or activities to Tracfin; and
- providing CDC with information necessary for CDC's relationship with the supervisory authorities (ACPR, etc.), in particular of any investigation or inspection carried out by a supervisory authority or requests for interviews or information issued by these authorities on its AML-CTF systems; and communicating reports or reporting related to AML-CFT that CDC submits to a supervisory authority (such as anti-money laundering questionnaires and annual reports on AML-CTF internal controls that are sent to the ACPR).

In order to confirm its commitments, Sfil publishes its AML/CTF documentation on its website, for example its AML/CTF questionnaires (including the Wolfsberg FCCQ) and its Code of Ethics.

This anti-money laundering and counter-terrorist financing policy was duly approved by the Risk and Internal Control Committee on the December 3, 2024.