Report on asset quality

of the cover pool and on outstanding covered bonds
as of December 31, 2025

Caisse Française de Financement Local (Caffil)

(Instruction n° 2022-I-04 of March 9, 2022)

C.I.B 14 388

In compliance with Instruction No. 2022-I-04 of March 9, 2022, the report on asset quality aims at presenting information on:

- all of the assets comprising the cover pool of Caffil, excluding accrued interest
- the outstanding *obligations foncières*
- the framework for managing interest rate, exchange, liquidity and credit risks.

As of December 31, 2025, Caffil's cover pool is made of:

- exposure on public sector entities amounting to EUR 63.9 billion including EUR 58.9 billion of loans (of which cash deposits with Banque de France amounting to 0.32 billion) and EUR 5 billion of bonds, and
- exposure on credit institutions (bonds and deposits) amounting to EUR 3.3 billion.

The detail of the cover pool is presented in the table below:

EUR thousands, as of 12/31/2025	Total Outstanding	Assets removed from the cover pool	Total cover pool
Exposures on public sector			
-Loans (except cash deposits with Banque de France)	58,820,881	283,306	58,537,575
-cash deposits with Banque de France	321,557	0	321,557
-Bonds	5,032,046	0	5,032,046
Other exposures: Exposures to credit institutions Bonds, exposures and deposits	3,285,942	0	3,285,942
Collective impairment	-22,179	0	-22,179
TOTAL	**67,438,247**	**283,306**	**67,154,941**

As a *société de crédit foncier*, Caffil can access the refinancing possibilities offered by the Banque de France to banks. Within the framework of the management of its cover pool and its cash, Caffil can thus remove some assets from its cover pool and pledge them to the central bank to obtain funding from tenders organized by the Banque de France. Caffil did not use this possibility over the course of the last three years (with the exception of operational access tests, regularly implemented) and no asset has been pledged to the Banque de France as of December 31, 2025.

Some assets held by Caffil may also be removed from the cover pool if they become non-eligible, before being sold or matured.

The *obligations foncières* issued by Caffil are in line with the eligibility criteria required by the European Central Bank for refinancing and also comply with the covered bond directive and the CRR/CRD IV regulation.

1. MORTGAGE LOANS

Caffil has no guaranteed nor mortgage loans in its cover pool.

2. EXPOSURE ON PUBLIC SECTOR

2.1 BREAKDOWN BY COUNTERPARTY

In the table below, direct exposures refer to exposures on public sector entities and indirect exposures to exposures fully guaranteed by public sector entities. Exposures in a foreign currency are converted into euro using the exchange rate of the hedging swap. Loans and bonds are presented after specific impairments and are off premium / discount. The total amount of these exposures is presented net of collective impairment.

Classification: [C1]:Usage interne

REPORT ON ASSET QUALITY
Caffil

EUR thousands, as of 12/31/2025		Direct Exposure	Direct Exposure	Indirect Exposure	Indirect Exposure					
COUNTRY		**Loans**	**Bonds**	**Loans**	**Bonds**	**Total**	**Of which non-performing loans (3)**	**Of which past due**	**Of which specific impairment**	**of witch provisions on placement securities**
France										
Central governments	Export refinancing	-		11,023,127	-	11,023,127	-	-	-	-
	Others	5,015	860,000	-	445,100	1,310,115	-	-	-	-
Central banks	Cash deposits with Banque de France (1)	321,557	-	-	-	321,557	-	-	-	-
Regional and local authorities	Regions	3,406,530	50,010	4,602	-	3,461,142	2,299	217	-7	-
	Departements	7,228,145	-	245,746	-	7,473,891	8,949	554	-369	-
	Municipalities	13,691,962	10,144	412,328	-	14,114,434	11,997	1,459	-36	-
	Overseas Territories	39,393	-	3,054	-	42,447	3,103	-	-49	-
	Groups of municipalities (2)	15,015,092	19,822	66,957	-	15,101,870	5,330	533	-433	-
Public sector entities	Health	5,816,786	-	-	-	5,816,786	7,790	-	-398	-
	Others	1,097,063	401,800	-	-	1,498,863	5,604	71	-45	-
Sub total		**46,621,542**	**1,341,776**	**11,755,814**	**445,100**	**60,164,232**	**45,073**	**2,834**	**-1,338**	**-**
Austria										
Regional and local authorities	Länder	137,225	-	-	-	137,225	-	-	-	0
Sous-total		**137,225**	**-**	**-**	**-**	**137,225**	**-**	**-**	**-**	**-**
Belgium										
Regional and local authorities	Regions	-	-	13,630	-	13,630	-	-	-	-
Sub total		**-**	**-**	**13,630**	**-**	**13,630**	**-**	**-**	**-**	**-**
Canada										
Regional and local authorities	Municipalities step 1 credit rating	100,287	-	21,471	-	121,757	-	-	-	-
Sub total		**100,287**	**-**	**21,471**	**-**	**121,757**	**-**	**-**	**-**	**-**
Spain										
Administration centrale	Others	-	153,000	-	74,500	227,500	-	-	-	-
Regional and local authorities	Regions	-	50,000	-	-	50,000	-	-	-	-
	Municipalities	22,044	-	-	-	22,044	-	-	-	-
Sub total		**22,044**	**203,000**	**-**	**74,500**	**299,544**	**-**	**-**	**-**	**-**
United States										
Administrations régionales et locales	Federated States step 1 credit rating	-	107,646	-	-	107,646	-	-	-	-297
Sub total		**-**	**107,646**	**-**	**-**	**107,646**	**-**	**-**	**-**	**-297**
Italy										
Administration centrale	Others	-	1,089,132	-	-	1,089,132	-	-	-	-5,868
Regional and local authorities	Regions	-	994,855	-	-	994,855	-	-	-	-
	Provinces	-	317,123	-	-	317,123	-	-	-	-
	Municipalities	2,874	428,288	-	-	431,162	-	-	-	-
	Groups of municipalities	-	5,626	-	-	5,626	-	-	-	-
Sub total		**2,874**	**2,835,025**	**-**	**-**	**2,837,899**	**-**	**-**	**-**	**-5,868**
Japan										
Regional and local authorities	Municipalities step 2 credit rating	-	25,000	-	-	25,000	-	-	-	-
Sub total		**-**	**25,000**	**-**	**-**	**25,000**	**-**	**-**	**-**	**-**
Portugal										
Regional and local authorities	Municipalities	2,905	-	-	-	2,905	-	-	-	-
Sub total		**2,905**	**-**	**-**	**-**	**2,905**	**-**	**-**	**-**	**-**
Sweden										
Regional and local authorities	Municipalities	18,490	-	-	-	18,490	-	-	-	-
Sub total		**18,490**	**-**	**-**	**-**	**18,490**	**-**	**-**	**-**	**-**
Switzerland										
Regional and local authorities	Cantons step 1 credit rating	-	-	30,175	-	30,175	-	-	-	-
	Municipalities step 1 credit rating	132,674	-	-	-	132,674	-	-	-	-
Sub total		**132,674**	**-**	**30,175**	**-**	**162,849**	**-**	**-**	**-**	**-**
GENERAL SUB TOTAL		**47,038,042**	**4,512,446**	**11,821,090**	**519,600**	**63,891,178**	**45,073**	**2,834**	**-1,338**	**-6,164**
Collective impairment						**-22,179**				
GENERAL TOTAL						**63,868,999**				

(1) Caisse Française de Financement Local's Banque de France account as of december 31, 2025
(2) Of which EUR 5,096 thousand on operations linked to partnership agreements.
(3)) of witch EUR 0 thousands of litigious claim

2.2 RATINGS

Caffil has exposure on public entities in Canada, United States, Japan and Switzerland that require a minimal rating from an external rating agency recognized by the *Autorité de contrôle prudentiel et de résolution* (ACPR).

2.3 BREAKDOWN BY MATURITY DATE

EUR thousands, as of 12/31/2025

Residual maturity

Maturity date in years	Number of deals(1)	Total outstanding
0	1,461	460,645
1	2,319	688,104
2	2,380	1,287,065
3	2,645	1,262,266
4	2,443	1,849,054
5	2,679	2,022,860
6	1,597	1,739,501
7	1,602	2,308,054
8	1,655	3,137,807
9	2,017	4,562,268
10	1,812	6,374,268
11	1,729	4,909,211
12	1,216	2,744,248
13	1,419	3,272,377
14	1,482	5,076,438
15	1,007	3,333,925
16	868	3,020,918
17	615	1,766,368
18	726	2,281,469
19	863	2,580,963
20	416	1,469,869
21	281	843,984
22	231	1,545,095
23	269	785,302
24	363	1,284,338
25	139	789,009
26	74	384,010
27	66	184,888
28	94	500,050
29	108	952,574
30	56	171,734
31	17	24,521
32	9	25,038
33	12	34,007
34	10	19,301
35	6	10,885
36	1	6,169
38	18	116,215
39	32	67,854
40	8	7,048
Total	**34,745**	**63,899,701**
Exchange rate difference		**-8,523**
Collectives unallocated impairment		**-22,179**
GENERAL TOTAL		**63,868,999**

(1) Number of loans and bonds maturing during the period.

The first period (maturity date in 0 year) includes the balance of Banque de France account.

2.4 EARLY REPAYMENTS

EUR thousands, as of 12/31/2025

	Early repayments during the year 2025	Rate of early repayments
Export refinancing	-	0.00%
Local public sector	70,057	0.12%
TOTAL Exposures on public sector	**70,057**	**0.11%**

The rate of early repayments for the year 2025 corresponds to the volume of early repayments occurred over the year divided by the average outstanding amount (equal to the arithmetic average amount of daily outstanding over the period).

In 2024, the rate of early repayments for this entire year was 0.05% for a total amount of repayments of EUR 32 million.

2.5 Accounting policies relating to the classification of exposures as non-performing loans

As long as loans are not classified as non-performing, they are classified as sound or stressed; they remain in their original position. A loan is considered as non-performing when it presents one of the following characteristics:

- A probable or certain risk that it will not be repaid (past-due for more than nine months for local government borrowers, and for more than three months for the other counterparties). A counterparty that is overdue by more than this amount may not be downgraded to non-performing if special circumstances demonstrate that the overdue amounts are due to causes unrelated to the debtor’s situation (technical overdue amounts).

- when the situation of a counterparty presents characteristics such that, independently of the existence of any outstanding payments, it can be concluded that a proven risk exists (worsening of the financial situation or alert procedures for example).

For the sake of operational simplicity and conservatism, Caffil has aligned the notion of non-performing loan with the prudential notion of actual default, i.e. a default due to arrears in payment and/or due to the risk of non-payment of the totality of outstanding due by the borrower (notion of “Unlikely To Pay (UTP”) with reference to the default policy of the Company. Counterparties on probation prior a potential reclassification out of the default category are also on the scope of non-performing loans from an accounting perspective.

Caffil records impairment losses corresponding, in present value terms, to all its expected losses on non performing or compromised non performing loans.

Forecast losses are equal to the difference between initial contractual cash flows, less cash already received, and forecast cash flows. The latter are determined by taking into account the counterparty’s financial situation, its economic outlook, the guarantees called or likely to be called, after deduction of the costs associated with their realization, and the status of ongoing proceedings.

Initial contractual cash flows, less cash already received, and forecast cash flows are discounted at the original effective rate of the corresponding outstanding for fixed rate loans, or at the most recent effective rate determined in accordance with the contractual terms for variable rate loans.

At the closing date, the carrying amount of a loan net of impairment must be equal to the lower of historical cost or the present value of expected cash flows from interest, repayment of principal and, where applicable, the net value of collateral. Interest on loans downgraded to non performing continues to be recognized after the downgrade. Impairment is at least equal to the amount of interest recorded on non performing loans and not collected. Impairment corresponding to unpaid interest is recognized in NBI, while the portion corresponding to principal is recognized in cost of risk. Litigious loans are provisioned on a case by case basis.

3. OTHER EXPOSURE: EXPOSURE ON CREDIT INSTITUTIONS

3.1. BREAKDOWN BY COUNTERPART

EUR thousands, as of 12/31/2025	Country	Amount	of witch placement securities	of witch provisions on placement securities	of witch investements securities	of witch provisions on investements securities
Step 1 credit rating						
Covered Bonds	France	1,123,500	-	-	1,123,500	-
	Other countries	1,365,782	-	-	1,365,782	-
Other Bank bonds	France	78,000	-	-	78,000	-
	Other countries	275,000	-	-	275,000	-
Bank accounts' balances	France and other countries	2,633				
Step 2 credit rating						
Covered Bonds	France	-	-	-	-	-
Other Bank bonds	Other countries	271,400	-	-	271,400	-
	Other countries	158,000	-	-	158,000	-
Bank accounts' balances	France and other countries	11,627				
Step 3 credit rating						
Bank accounts' balances	France and other countries					
TOTAL		**3,285,942**	**-**	**-**	**3,271,682**	**-**

Other exposure corresponds mainly to cash investments made of bonds, covered bonds or certificates of deposit issued by credit institutions. This section also includes bank accounts' balances in different currencies. It can also include loans that Caffil grant to Sfil, its parent company, in order to invest its surplus cash.

Derivative instruments included in the cover pool are recognized off-balance sheet and therefore do not appear in the table of exposures to credit institutions on the asset side of the balance sheet.

Bank bonds are presented after specific impairments and are off premium / discount.

No non-performing or litigious loans are included among these exposures.

3.2 RATINGS

In order to be eligible to the cover pool, exposure on credit institutions should benefit from ratings corresponding to a step 1 or step 2 credit rating, or, when their maturity is less than 100 days and when they are in the form of short-term deposits used to meet the cover pool liquidity buffer requirement, a step 3 credit rating.

Volume limits are applicable to these exposures depending on their rating. However, assets that contribute to the minimum level of over-collateralization of 105% are not subject to these limits.

As of December 31, 2025 all these conditions are completed.

3.3 BREAKDOWN BY MATURITY DATE

EUR thousands, as of 12/31/2025

Residual maturity		
Maturity date in years	**Number of deals(1)**	**Total**
0	5	131,710
1	22	901,807
2	17	713,500
3	17	710,900
4	5	113,325
5	11	326,100
6	2	108,800
7	3	205,200
8	2	74,600
Total	**84**	**3,285,942**

(1) Numbers of loans and bonds maturing during the period

Balances of bank current accounts are presented as a unique matured deal with a maturity of less 1 year.

3.4 EARLY REPAYMENTS

No early repayment occurred neither during the year 2025, nor during the whole year 2024.

3.5 AMOUNT OF SECURITIES, SUMS AND VALUES RECEIVED AS COLLATERAL FOR HEDGING TRANSACTIONS

The amount received as collateral for hedging transactions consists solely of cash and is fungible with the rest of the company's cash. The debt for restitution of the cash collateral received as of December 31, 2025 amounts to EUR 88 million.

3.6 VALUATION METHOD OF INVESTISSEMENT AND PLACEMENT SECURITIES

Investment securities

Fixed income securities with a specified maturity are recognized as investment securities when there is the intention and the capacity to hold them to maturity. Securities in this category are subject to back-financing or interest rate hedging over their residual maturity.

Investment securities are recognized on the date of purchase at acquisition clean price, excluding fees.

They are presented excluding accrued interest and any discounts or premiums on acquisition.

At closing date, unrealized gains are not recognized and unrealized losses are generally not impaired. By way of exception, unrealized losses are impaired in the following cases:

- a doubt about the issuer's ability to meet its obligations;
- the probability that the Company will not hold these securities until maturity due to new circumstances.

Placement securities

Securities that do not fit into the category investment securities are recognized as placement securities.

Placement securities are recognized on the date of purchase at acquisition clean price, excluding fees

They are presented excluding accrued interest and any discounts or premiums on acquisition.

In application of the principle of prudence, placement securities are recognized on the balance sheet at their acquisition cost including if applicable the amortization of discount or premium or selling price at closing date, whichever is lower, after accounting, when relevant, for the value of the micro-hedge swap.

If the market for a financial instrument is not active, valuation techniques are used to calculate its selling price. The valuation model should take into account all the factors that market players would consider to valuate the asset. Within this framework, Caffil relies on its own valuation models, making every effort to take into account the market conditions at the date of the valuation as well as any changes in the credit quality of these financial instruments and market liquidity.

Placement securities transferred to investment securities are recognized at their acquisition cost and previously recognized impairment is reversed over the residual maturity of the securities concerned.

4. LIST OF INTERNATIONAL SECURITIES IDENTIFICATION NUMBERS (ISIN)

ISIN code / Internal Code	European Covered Bond Premium	ISIN code / Internal Code	European Covered Bond Premium	ISIN code / Internal Code	European Covered Bond Premium	ISIN code / Internal Code	European Covered Bond Premium	ISIN code / Internal Code	European Covered Bond Premium	ISIN code / Internal Code	European Covered Bond Premium	ISIN code / Internal Code	European Covered Bond Premium
FR0000486581	No	RCB 137	No	RCB 2013-2	No	RCB 2014-44	No	FR0013255866	No	FR00140049N1	No	RCB 2024-15	Yes
AU0000DXAHB0	No	RCB 138	No	RCB 2013-3	No	RCB 2014-45	No	FR0013256872	No	FR0014005MV4	No	RCB 2024-16	Yes
FR0010261529	No	RCB 140	No	RCB 2013-4	No	RCB 2014-46	No	RCB 2017-11	No	FR0014005N34	No	FR001400UCA3	Yes
FR0010279109	No	RCB 141	No	RCB 2013-5	No	FR0012169910	No	FR0013267374	No	FR0014005YZ0	No	RCB 2025-1	Yes
FR0010289322	No	RCB 142	No	RCB 2013-10	No	RCB 2015-1	No	FR0013267259	No	FR0014007PX9	No	FR001400WOJ5	Yes
FR0010289397	No	RCB 143	No	RCB 2013-11	No	FR0012467942	No	FR0013267754	No	FR0014007PY7	No	FR001400WN76	Yes
FR0010306506	No	RCB 144	No	RCB 2013-12	No	RCB 2015-2	No	RCB 2017-12	No	RCB 2022-1	No	FR001400WO83	Yes
FR0010306514	No	RCB 145	No	RCB 2013-13	No	RCB 2015-3	No	RCB 2017-13	No	FR0014008C18	No	RCB 2025-2	Yes
FR0010306522	No	RCB 147	No	RCB 2013-7	No	RCB 2015-4	No	FR0013284072	No	FR0014008E65	No	RCB 2025-3	Yes
FR0010318410	No	RCB 149	No	RCB 2013-8	No	RCB 2015-5	No	FR0013293578	No	RCB 2022-2	No	FR001400X7U9	Yes
FR0010322792	No	RCB 150	No	RCB 2013-9	No	RCB 2015-6	No	RCB 2017-14	No	FR0014009OM1	No	RCB 2025-4	Yes
RCB 10	No	RCB 151	No	RCB 2013-6	No	RCB 2015-7	No	RCB 2017-15	No	FR0014009QA1	No	FR001400XB20	Yes
RCB 11	No	RCB 152	No	FR0011580588	No	RCB 2015-8A	No	FR0013310018	No	FR001400ACQ1	No	RCB 2025-5	Yes
RCB 4	No	RCB 154	No	RCB 2014-1	No	RCB 2015-8B	No	FR0013310026	No	FR001400AJT0	No	FR001400Y7L7	Yes
RCB 5	No	RCB 155	No	RCB 2014-10	No	RCB 2015-9	No	FR0013311495	No	FR001400BAQ3	No	RCB 2025-6	Yes
RCB 21	No	RCB 156	No	RCB 2014-11	No	RCB 2015-10	No	RCB 2018-1	No	FR001400DAI6	Yes	RCB 2025-7	Yes
RCB 22	No	RCB 157	No	RCB 2014-12	No	RCB 2015-11	No	FR0013319399	No	FR001400DXR9	Yes	RCB 2025-8	Yes
RCB 26	No	RCB 162	No	RCB 2014-2	No	FR0012686111	No	RCB 2018-2	No	FR001400EI59	Yes	RCB 2025-9	Yes
RCB 27	No	RCB 163	No	RCB 2014-3	No	FR0012686145	No	FR0013330693	No	RCB 2022-3	Yes	FR001400YWV9	Yes
RCB 28	No	RCB 165	No	RCB 2014-4	No	RCB 2015-12	No	FR0013330156	No	FR001400FGK4	Yes	RCB 2025-10	Yes
RCB 29	No	RCB 166	No	RCB 2014-5	No	RCB 2015-13	No	RCB 2018-3	No	FR001400FFW1	Yes	FR001400ZR04	Yes
RCB 30	No	RCB 167	No	RCB 2014-6	No	RCB 2015-14	No	RCB 2018-4	No	FR001400FKH2	Yes	FR0014010203	Yes
FR0010443630	No	RCB 168	No	RCB 2014-7	No	RCB 2015-15	No	FR0013345485	Yes	FR001400GM85	Yes	RCB 2025-11	Yes
RCB 35	No	RCB 169	No	RCB 2014-8	No	FR0012968451	No	RCB 2018-5	No	RCB 2023-1	Yes	FR0014010LS2	Yes
RCB 39	No	RCB 170	No	RCB 2014-9	No	FR0013029220	No	FR0013347085	No	FR001400HMS1	Yes	FR0014010RV3	Yes
RCB 40	No	RCB 172	No	RCB 2014-13	No	RCB 2015-16	No	FR0013347143	No	FR001400HQE2	Yes	FR0014010TD7	Yes
RCB 44	No	RCB 173	No	RCB 2014-14	No	RCB 2015-17	No	RCB 2018-6	No	FR001400HS62	Yes	FR0014010PR5	Yes
RCB 45	No	RCB 174	No	FR0011701044	No	FR0013081049	No	FR0013348919	No	RCB 2023-2	Yes	RCB 2025-12	Yes
RCB 50	No	RCB 175	No	RCB 2014-15	No	RCB 2015-18	No	FR0013351848	No	RCB 2023-3	Yes	RCB 2025-12	Yes
FR0010504761	No	RCB 176	No	RCB 2014-16	No	RCB 2015-19	No	FR0013352499	No	RCB 2023-4	Yes	RCB 2025-13	Yes
RCB 51	No	RCB 177	No	RCB 2014-17	No	FR0013088432	No	FR0013385788	No	FR001400JD75	Yes	FR0014011KI3	Yes
FR0010526376	No	CH0111862063	No	FR0011737956	No	RCB 2016-1	No	FR0013387362	No	FR001400JIR7	Yes	RCB 2025-13	Yes
RCB 69	No	RCB 178	No	RCB 2014-18	No	RCB 2016-2	No	FR0013396363	Yes	RCB 2023-5	Yes	FR0014011KI3	Yes
RCB 97	No	RCB 179	No	RCB 2014-19	No	FR0013108248	No	FR0013397205	No	FR001400JWN7	Yes	FR0014012I73	Yes
RCB 98	No	FR0010925073	No	RCB 2014-20	No	RCB 2016-3	No	FR0013397361	No	RCB 2023-6	Yes	FR0014012I73	Yes
RCB 103	No	RCB 184	No	RCB 2014-25	No	FR0013119070	No	FR0013397676	No	FR001400KL72	Yes	RCB 2025-14	Yes
RCB 105	No	RCB 185	No	RCB 2014-21	No	RCB 2016-4	No	FR0013397767	No	FR001400LDK9	Yes	RCB 2025-14	Yes
RCB 107	No	RCB 187	No	RCB 2014-22	No	RCB 2016-5	No	RCB 2019-1	No	FR001400M1S9	Yes	FR0014013O90	Yes
RCB 108	No	RCB 188	No	RCB 2014-23	No	RCB 2016-6	No	FR0013400538	No	RCB 2023-7	Yes	RCB 2025-15	Yes
RCB 109	No	RCB 189	No	RCB 2014-24	No	FR0013150257	No	RCB 2019-2	No	FR001400NE03	Yes	FR0014014411	Yes
RCB 110	No	RCB 190	No	RCB 2014-26	No	FR0013198223	No	FR0013403433	No	RCB 2024-1	Yes	FR0014014DU7	Yes
FR0010766923	No	RCB 191	No	RCB 2014-27	No	RCB 2016-7	No	FR0013403516	No	FR001400NUE2	Yes	FR0014014RJ0	Yes
RCB 116	No	RCB 192	No	RCB 2014-28	No	RCB 2016-8	No	FR0013405560	No	RCB 2024-2	Yes	FR0014014TK4	Yes
RCB 117	No	RCB 193	No	RCB 2014-31	No	FR0013202850	No	RCB 2019-4	No	RCB 2024-3	Yes	RCB 2025-16	Yes
RCB 118	No	RCB 194	No	RCB 2014-32	No	FR0013203619	No	RCB 2019-3	No	RCB 2024-4	Yes		
RCB 119	No	RCB 195	No	RCB 2014-29	No	FR0013204609	No	RCB 2019-5	No	FR001400OGL4	Yes		
RCB 120	No	RCB 196	No	RCB 2014-30	No	FR0013219631	No	FR0013436623	No	RCB 2024-5	Yes		
RCB 121	No	RCB 197	No	RCB 2014-33	No	FR0013221389	No	FR0013456589	No	FR001400OOK0	Yes		
RCB 122	No	RCB 199	No	RCB 2014-34	No	FR0013230703	No	FR0013459757	No	FR001400PAP5	Yes		
FR0010781591	No	RCB 200	No	RCB 2014-35	No	RCB 2017-1	No	FR0013479052	No	RCB 2024-6	Yes		
RCB 125	No	RCB 202	No	RCB 2014-36	No	FR0013234952	No	FR0013482189	No	FR001400Q494	Yes		
RCB 126	No	RCB 203	No	RCB 2014-37	No	RCB 2017-2	No	FR0013519568	No	RCB 2024-8	Yes		
RCB 127	No	RCB 204	No	RCB 2014-38	No	RCB 2017-3	No	RCB 2020-1	No	RCB 2024-7	Yes		
RCB 128	No	RCB 205	No	RCB 2014-40	No	RCB 2017-4	No	FR0013535820	No	RCB 2024-9	Yes		
RCB 129	No	RCB 206	No	FR0011907963	No	RCB 2017-5	No	FR00140006K7	No	RCB 2024-10	Yes		
RCB 131	No	RCB 208	No	RCB 2014-39	No	RCB 2017-6	No	FR0014000N39	No	FR001400SXM8	Yes		
RCB 132	No	FR0011546886	No	RCB 2014-41	No	RCB 2017-7	No	FR0014001GV5	No	RCB 2024-11	Yes		
RCB 134	No	FR0011548866	No	RCB 2014-42	No	RCB 2017-8	No	FR0014001ZD3	No	RCB 2024-12	Yes		
RCB 135	No	FR0011549997	No	FR0011916220	No	RCB 2017-9	No	FR00140024W5	No	RCB 2024-13	Yes		
RCB 136	No	RCB 2013-1	No	RCB 2014-43	No	RCB 2017-10	No	FR00140033E4	No	RCB 2024-14	Yes		

The table above presents the list of International Securities Identification Numbers (ISIN) for all issues of *obligations foncières* to which an ISIN code has been assigned, and the contract number for private placements made in the form of registered covered bonds (RCB).

5. EXPOSURE TO MARKET, CREDIT AND LIQUIDITY RISKS

5.1 INTEREST RATE RISK

Among the various interest rate risks, the Sfil group is exposed to three types of risk, namely fixed rate risk, revisable rate risk (base and fixing) and optional risk linked to the existence of floors on commercial loans.

- Hedging policy :

The Sfil group has defined an appetite for interest rate risks which is broken down into a system of limits governing the sensitivity of the net present value (NPV) and the sensitivity of the Net Interest Margin (NIM).

In order to manage these sensitivities within the limits set, Caffil has implemented the following hedging strategy:

- micro-hedging of interest rate risk on balance sheet items denominated in a currency other than the euro or indexed to a complex rate structure. Certain vanilla transactions denominated in euros may also be subject to micro-hedging if their notional amount or duration risks exceeding a limit on the sensitivity of the NPV or the NIM. Micro-hedging is carried out by swap;

- macro-hedging of interest rate risk for all operations that are not micro-hedged. The operations concerned are essentially (i) loans to the local public sector and (ii) issues of covered bonds denominated in euros. This macro-hedging is obtained as much as possible by backing between assets and liabilities with the same risk profile or by setting up new swaps.

This fixed rate risk management is supplemented by monitoring the fixings of revisable rate transactions to ensure that these do not result in the short-term sensitivity limit being exceeded. Where appropriate, swaps against €STER may be entered into to cover the fixing risk.

These hedges can be entered into either directly on the market by Caffil, or through Sfil, which in turn hedges its resulting position in the market.

Non-privileged debts are not hedged. Indeed, the debts contracted by Caffil Local with its shareholder to finance the overcollateralization are borrowed either directly with a €STER index and do not need to be swapped, or with a EURIBOR index and then finance assets also indexed on EURIBOR. Where applicable, debts to the Banque de France, short-term and at a fixed rate, are not hedged, but finance assets at a fixed rate as well.

These different types of rate risk are analyzed and managed through:

- monitoring of fixed-rate, index and fixing gaps, calculated using a static approach:

EURIBOR gaps	For each index tenor, difference between assets and liabilities at adjustable rates. These gaps are calculated each month until the balance sheet is extinguished.
Floored EURIBOR gaps	For each index tenor, the difference between assets and liabilities at adjustable rates with floor on the index or coupon. These gaps are calculated each month until the balance sheet is extinguished.
Fixing gap	For each index tenor, the difference between adjustable rate balance sheet and off-balance sheet assets and liabilities, by fixing date.

- the monthly production of net present value sensitivity indicators;

The measurement of this risk is equal to the maximum loss in net present value observed in relation to eight different rate change scenarios. These eight scenarios correspond to the six scenarios for calculating the outlier regulatory ratio, to which are added two internal scenarios defined on the basis of historical rate changes. Unlike regulatory ratios, equity is taken into account in calculating these indicators. The maximum loss observed at the end of the year among the eight scenarios considered is presented below[1]:

EUR millions	Limit	12/31/2024	12/31/2025
Maximum loss observed in NPV	(80.0)	(10.4)	(19.2)

[1] Excluding sensitivity to optional risk

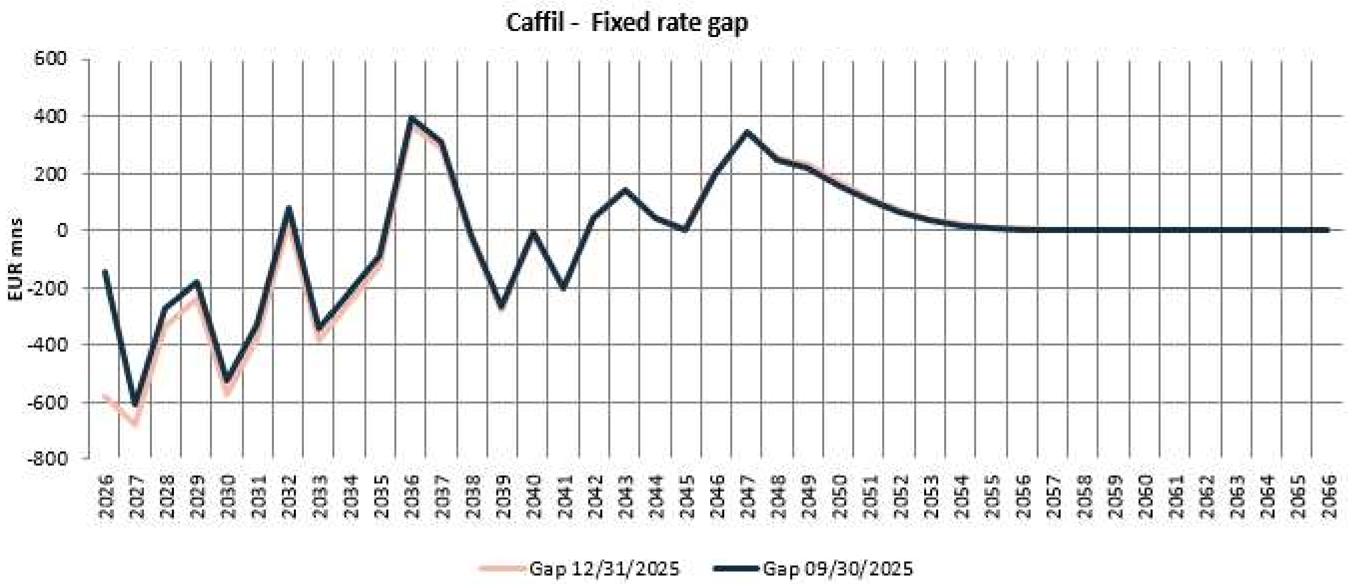
Complex asset portfolios, whose strategy is to be fully hedged, are not sensitive to interest rate changes and are therefore not included in the calculation of the overall sensitivity of Caffil's balance sheet

- Measurement of interest rate position:

The fixed interest rate position is measured by modelling a fixed rate gap based on the flow of balance sheet and off-balance sheet transactions at fixed rates. It is calculated for each time interval as being equal to the difference between the average outstanding fixed rate assets and the average outstanding fixed rate liabilities. To be noted:

- the current fixing of adjustable rate transactions is included in the fixed rate gap,
- the investment of equity, represented by internal contracts, is included in the fixed rate gap,
- premiums and discounts related to derivatives, which are amortized in the accounts, are also included in the fixed rate gap

Caffil Local's interest rate position as of December 31, 2025 is as follows:



5.2 EURO/CURRENCY BASE AND EXCHANGE RATE RISK

The reference currency of Caffil is the euro: the exchange rate risk reflects, therefore, a change in value of assets and liabilities denominated in a currency other than the euro due because of fluctuations of this same currency *vis-à-vis* the euro.

The euro/currency basis risk is defined as the risk of loss related to the difference in basis when matching uses and resources denominated in different currencies.

Caffil's foreign exchange risk management policy is to incur no foreign exchange risk: it enters into cross-currency swaps against the euro for its issues and assets denominated in foreign currency, on initial recognition at the latest and until their final maturity, thereby ensuring that these balance sheet items' principal and interest rates are hedged. Floating rate exposures in euros generated by this management policy are incorporated into interest rate risk management.

Foreign exchange risk is monitored using the net foreign exchange position in each currency, calculated on all foreign currency balance sheet receivables, debts (including accrued interest not yet due) and off-balance sheet commitments. The net foreign exchange position per currency must be zero, with the exception of USD, GBP and CHF, in which a marginal position is tolerated for operational reasons.

Nonetheless, certain loans to refinance large export credits denominated in foreign currency may cause a very limited temporary foreign exchange risk during their drawing phase in case of a shift between effective drawing dates and those initially scheduled and hedged. This residual risk is controlled by a very low sensitivity limit on the euro/currency basis, calculated over the life of the loans

5.3 MARKET RISK

Caffil, as a société de crédit foncier, is not authorized to hold a trading or stocks investment portfolio and is therefore not exposed to regulatory market risks. Certain positions or activities in the banking portfolio of Caffil, even if they do not carry any market risk in the regulatory sense of the term, are nevertheless sensitive to the volatility of market parameters and pose a risk to the accounting result or on equity; they are monitored for non-regulatory market risks. In French Gaap, this also concerns "placement" securities, the losses in value at the balance sheet date of which are provisioned

The assessment and continuous monitoring of non-regulatory market risks are carried out by the market and balance sheet risk department through:

- daily control of margin calls on derivatives via monitoring of sensitivities to market parameters;
- calculation of the impact of spread risk on the securities portfolio

5.4 LIQUIDITY RISK

Caffil's management makes it possible to provide a structural coverage of its liquidity needs by assets eligible for refinancing by the Banque de France, until the full amortization of the privileged liabilities.

Caffil has its own resources and can by order of priority:

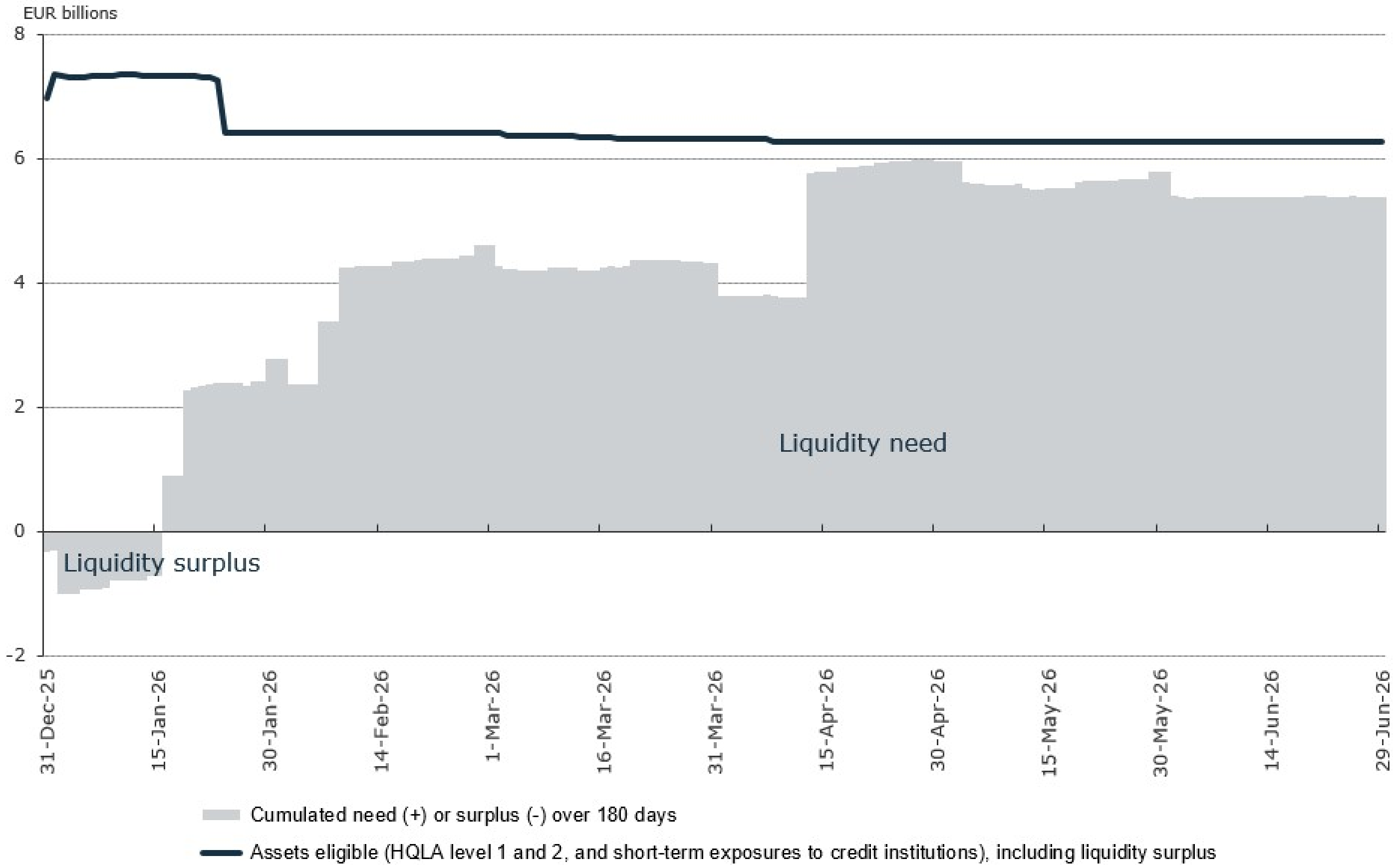
- Use the excess cash available. As of December 31, 2025, they amount to EUR 340.83 million (deposits at the Bank of France, the Treasury and commercial banks);
- Carry out a covered bond issue;
- Have additional drawings from its parent company within the framework of the financing agreement;
- Assign, obtain reimbursement or give as a guarantee to the Banque de France, to obtain financing during calls for tenders, the following assets:
    - Exposures to credit institutions (excluding bank current accounts). As of December 31, 2025, these amount to EUR 3,271.68 million, including EUR 2,489.28 million of high quality liquid assets (level 1, 2A, or 2B);
    - High quality liquid public sector securities (level 1, 2A or 2B), excluding bank securities. As of December 31, 2025, these amount to EUR 3,695.05 million.
    - Other assets which are directly eligible for refinancing from the Banque de France. As of December 31, 2025, these amount to EUR 37,592.58 million, before haircut.

As of December 31, 2025, Caffil thus had approximately EUR 44,900.14 million in liquid assets or assets eligible for refinancing by the Banque de France, including its cash deposited with the bank or the Treasury or the Banque de France.

There are no legal obstacles likely to prevent the use of a part of these assets in compliance with Articles L. 513-12 and R. 513-8 of the Monetary and Financial Code.

Moreover, Caffil monitors that, at any time, its liquidity need over a 180-day period, calculated in a run-off situation, is covered firstly by high quality liquid assets (level 1, 2A or 2B) and, secondly, by short-term exposures on credit institutions benefiting from the best or the second best step of credit quality, or the third best credit quality step for short-term deposits. Unsecured receivables deemed to be in default, in accordance with Article 178 of Regulation (EU) No. 575/2013 of June 26, 2013, cannot participate in covering cash requirements.

Cash needs are defined as repayments of obligations foncières and registered covered bonds (RCB), of debts that do not benefit from the legal privilege and forecasts of repayment of the cash collateral received, after deduction of amortization cash flows from assets, taking into account cash flows from hedging derivatives. As of December 31, 2025, the liquidity situation at 180 days shows a cash requirement of EUR 5.97 billion at the end of June 2026. Over the period, liquidity needs are covered at all times by high-quality liquid assets (level 1, 2A or 2 B) or by short-term exposures to credit institutions. (see chart below). In addition, specific management measures may be taken to cover needs (for example, the completion of a new bond issue or the use of central bank financing).



The movements observed correspond to cash flows from amortization of *obligations foncières*, cash collateral, non-privileged liabilities, derivatives and assets.

The projection of the cash balance at 180 days is calculated on the basis of the contractual schedule of interest flows and nominal amounts of the assets and liabilities present in the balance sheet of Caffil at December 31, 2025. Furthermore, this projection takes into account flows related to certain operations but beginning after the closing date.

Caffil does not hold any financial assets that include maturity extension triggers. It has not issued any *obligations foncières* that include maturity extension triggers. Certain *obligations foncières* include call options that can only be exercised by Caffil.

The assumptions used for the calculation are as follows:

- No voluntary early repayment on commercial loans in accordance with the assumptions used in ALM management, nor exercise of options on securities held by Caffil. From a liquidity point of view, this is therefore the worst-case scenario.

- Modelling of liabilities with an early redemption clause in hand with Caffil: case-by-case analysis of options exercisable over 180 days. It should be noted that there are no liabilities on Caffil's balance sheet that include an early repayment clause in the hands of the investor.

- Cash guarantees received from counterparties for hedging derivatives (cash collateral or variation margin) are presented on the basis of future cash flows and by projecting the market value of the underlying transactions at unchanged market conditions. In concrete terms, for each framework agreement, a projection of the valuation of the swaps is made taking into account the flows of interest and capital remaining to be received and paid until the maturity of the swaps. The amount of cash collateral to be paid or received over the next 180 days is determined on the basis of this valuation.

- Projection of variable rate interest flows based on the last known fixing for the first payment of interest and the projected rate for the following flows.

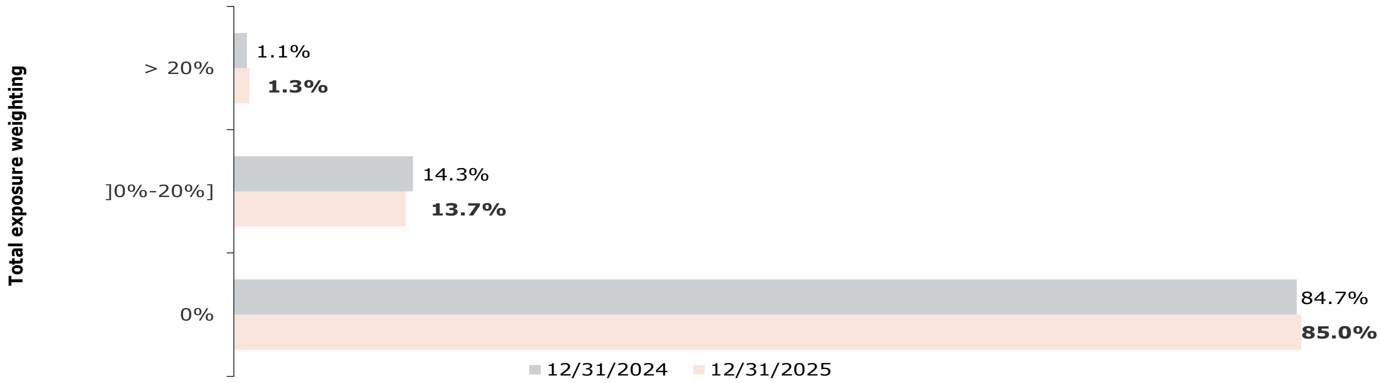
- Estimate of the non-performance of assets based on the highest variation in the amount of outstanding payments over a period of 180 days observed over the period December 31, 2011 – December 31, 2025 (currently EUR 34.9 million positioned on the first day).

5.5 CREDIT RISK

- <u>Breakdown of the total of assets according to risk weightings</u>:

The quality of the portfolio is illustrated by the risk weightings assigned to its assets. Since September 30, 2024, the risk weights are determined according to the standardized approach for the entire portfolio. This approach is mainly based on flat-rate weighting rates, which for certain categories of counterparties may depend on the external assessment provided by external assessment bodies.

Risk Weighting of Caffil's portfolio as of December 31, 2025:



This analysis confirms the excellent quality of the assets in Caffil Local's portfolio. As of December 31, 2025: 85% of the portfolio has a risk weighting equal to 0%.

The average asset weighting is 3.2% as of December 31, 2025. It was 3.5% as of December 31, 2024.

- Bank counterparty risk

Caffil holds two types of exposure to banks:

- exposures on credit institution in the amount of EUR 3.3 billion;
- derivative contracts, entered into within the framework of its management of interest rate and foreign exchange risks.

All of Caffil's derivative operations are conducted within the framework of standard ISDA or FBF (Fédération Bancaire Française) contracts with major international banks. These contracts have particular characteristics, since they must meet the standards set by rating agencies for sociétés de crédit foncier (and other issuers of covered bonds). Over the last few years, Caffil amended these contracts to take into account recent EMIR regulatory changes (signing of variation margin amendments). Caffil's derivatives are not subject to the clearing obligation nor the payment of initial margin These interest rate and currency swaps all benefit from the same legal privilege as obligations foncières. For this reason, Caffil does not pay its derivative counterparties any collateral (or variation margin), whereas they have to pay Caffil except for some which benefit from the agencies highest short-term rating. At the end of June 2022, a new derivatives agreement was concluded with Sfil to which is attached only the derivatives that cover the few assets that are excluded from the cover pool from July 8, 2022 as part of the implementation of the covered bonds directive. Since these derivatives do not benefit from the privilege of the law, the agreement provides for the possibility of exchanging collateral in both directions. The collateral claim paid under this agreement is classified outside the cover pool, like the corresponding derivatives and their covered assets.

All derivative exposures as of December 31, 2025 are listed below.

EUR billions	Total of notional amounts	% of total notional amounts	Mark to Market -	Mark to Market +	Collateral received	Collateral paid
Cover pool - external counterparties	84.8	79%	(0.6)	0.1	(0.1)	-
cover pool - SFIL	22.9	21%	(1.0)	-	-	-
Outside cover pool - SFIL	0.1	0%	(0.1)	-	-	0.1
Total	**107.9**	**100%**	**(1.7)**	**0.1**	**(0.1)**	**0.1**

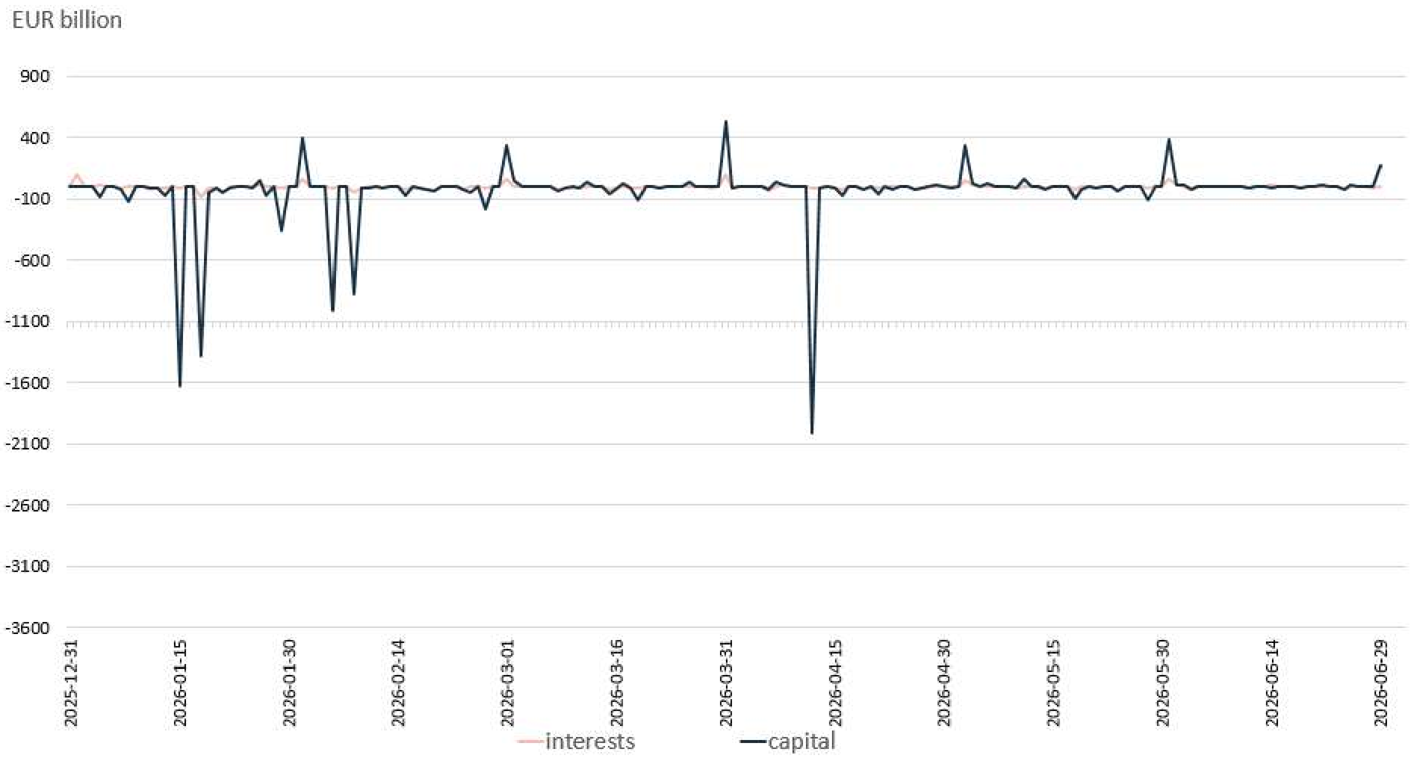
As of December 31, 2025, Caffil was exposed (positive fair value of swaps) to seven bank counterparties, all of these paid cash collateral totalling EUR 0.1 billion, offsetting the total exposure.

Swaps entered into with the top five external counterparties represent a total of 52% of the notional amounts.

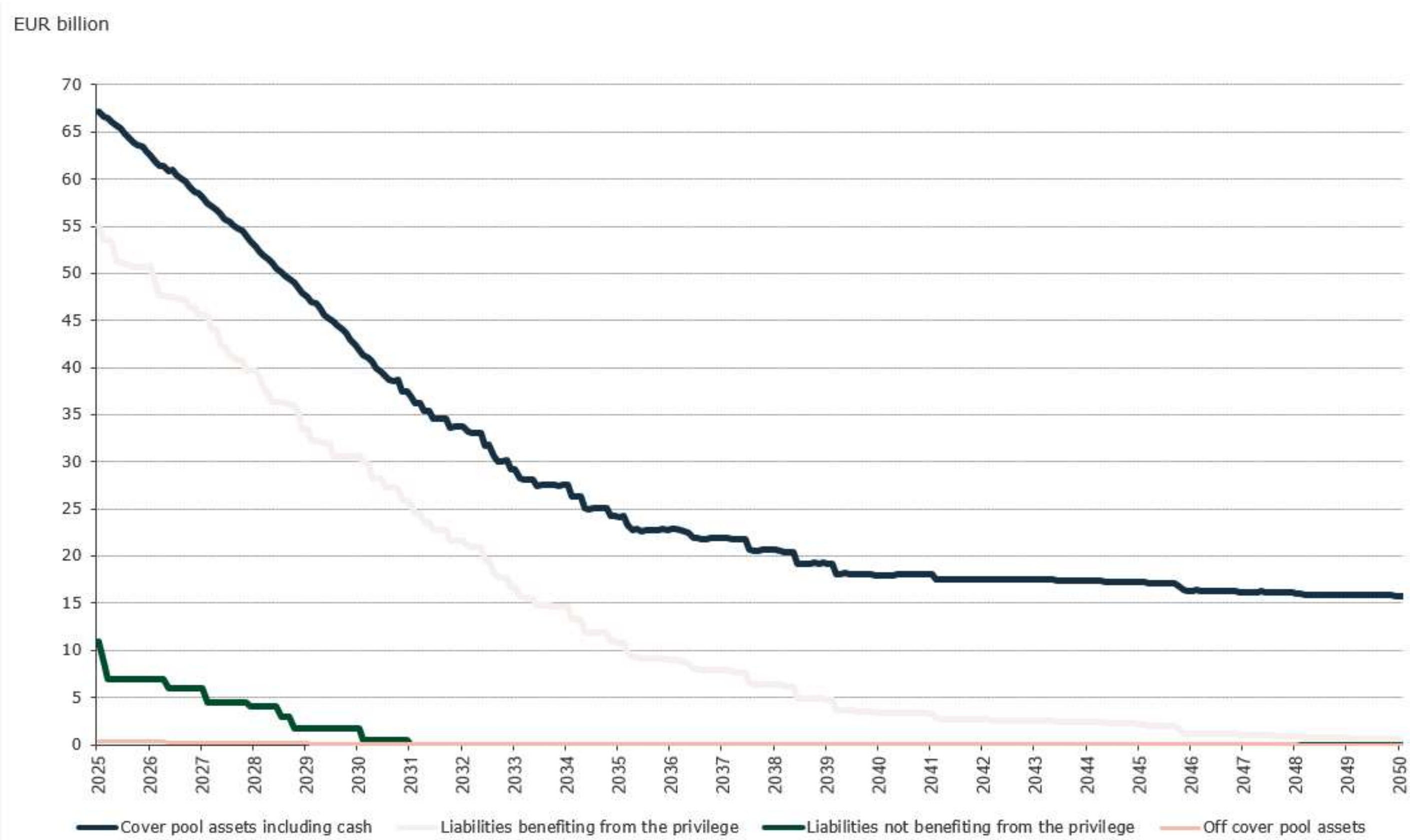
6. Coverage of liquidity needs

Information on the 180-day cash requirement and the hedging methods are presented in paragraph 5.4.

The graph below shows the distinction between capital flows and interest flows which constitute the 180-day liquidity requirement:



7. Maturity structure



Caffil does not hold any financial assets that include maturity extension triggers. It has not issued any *obligations foncières* that include maturity extension triggers. Certain *obligations foncières* include call options that can only be exercised by Caffil.

8. Level of coverage of privileged resources

The certified regulatory coverage ratio, corresponding to the situation as of September 30, 2025, amounts to 124.3%.

Herdile Guérin
Chairwoman of the Executive Board