

# Annual financial report 2025

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This document is intended to describe the Company's activity in 2025, in accordance to the provisions of article L. 451-1-2 of the French Monetary and Financial Code, and article 222-3 of the General Regulation of the French Financial Markets Authority (Autorité des marchés financiers). It is filed with the AMF in accordance with the terms and conditions provided for the general regulation, and is available on the issuer's website.

This document is a free translation into English, which is provided solely for the convenience of English speaking readers, of the annual financial report issued in French and is available on the website [www.sfil.fr](http://www.sfil.fr)



## **A market leader in covered bonds**

Leading European issuer of covered bonds financing the public sector

A recognized issuer with an excellent signature

## **A subsidiary of the French public development bank, Sfil**

A fully public shareholding, within the Caisse des Dépôts group

A very low risk profile

High visibility in terms of business volume,  
financing conditions and results

## **The leading European issuer of covered bonds financing the public sector**

### **High-quality bonds**

Solid and very protective legal framework for *sociétés de crédit foncier*

Eligibility for European Central Bank (ECB) refinancing operations

"European Covered bond (premium)" label recipient

Preferential prudential treatment under Capital Requirements Regulation

Member of the Covered bond label created by the ECBC

## ◀ Balance sheet

**€67.2** bn  
Portfolio of assets  
(cover pool)

**€55.1** bn  
covered bonds

**120.8%**  
Over-collateralization ratio

## ◀ Business activity

**€5.4** bn  
Loans to the French  
public sector acquired

**€3.6** bn  
Export credits refinanced

**€6.7** bn  
Covered bonds issued

## ◀ Asset quality

**0.1%**  
Doubtful and litigious loans  
(% cover pool)

**66%**  
Assets eligible for Banque  
de France refinancing  
(% cover pool)

## ◀ Liquidity ratios

**100%**  
LCR Ratio

**114%**  
NSFR Ratio

## ◀ Financial ratings

Moody's

**Aaa**

DBRS

**AAA**

# 1. General business environment

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# 1.1 Nature and legal framework of the Company

## 1.1.1 Nature of the Company

Caisse Française de Financement Local (hereinafter referred to as Caffil), created on 29 December 1998 for a period of 99 years, is a credit institution whose business is the refinancing of loans to French public sector entities through the issue of covered bonds, also called *obligations foncières*.

This specialized credit institution was authorized to operate as a *société de crédit foncier* by the Comité des établissements de crédit et des entreprises d'investissement (now part of the Autorité de contrôle prudentiel et de résolution – ACPR) at its meeting of 23 July 1999. This approval became definitive on 1 October 1999. On 31 January 2013, the Company took the name

Caisse Française de Financement Local, replacing Dexia Municipal Agency, upon the sale of its sole shareholder, Sfil (formerly Société de Financement Local), to the French Republic, the Caisse des Dépôts Group and La Banque Postale.

As a credit institution, Caffil is subject to all legal and regulatory provisions that apply to credit institutions. It conducts banking transactions in its ordinary course of business.

Caffil is a French limited liability company (*société anonyme*) with an Executive Board and a Supervisory Board whose registered office is located at 112-114, avenue Émile Zola - 75105 Paris.

## 1.1.2 Applicable legal framework

As a *société de crédit foncier*, Caffil engages in specialized transactions that have an exclusive purpose, as defined in articles L.513-2 et seq. of the French Monetary and Financial Code. In the case of Caffil, this specialization is exclusively limited to transactions with public sector entities or entities they fully guarantee as specified in its 1 October 1999 authorization and its own by-laws.

*Sociétés de crédit foncier* issue covered bonds, known as *obligations foncières* and may contract other covered bonds that are or are not tradeable on regulated markets. These instruments are characterized by the legal privilege, which, as a priority, allocates the sums from the Company's assets (cover pool) to pay their interest and reimbursements. *Sociétés de crédit foncier* may also issue or contract non-covered debt.

The bonds that Caffil issues have the "European Covered Bond (Premium)" label.

### French legal and regulatory framework

*Sociétés de crédit foncier* are governed by the contents of articles L.513-2 to L.513-27 and R.513-1-A to R.513-18 of the French Monetary and Financial Code. These articles of the law are complemented by the following regulatory texts:

- Regulation No. 99-10 of the Comité de la réglementation bancaire et financière of 9 July 1999, as amended, relating to *sociétés de crédit foncier* and *sociétés de financement de l'habitat*;
- ACPR instructions 2022-I-03, 2022-I-04 and 2022-I-05.

In addition to the laws and regulations described below, Caffil is subject to the same reporting and liquidity ratio obligations *vis-à-vis* the regulator as any credit institution. Monitoring of solvency (solvency ratios, major risks and leverage) is carried out on a consolidated basis at the level of the parent company, Sfil.

The table below describes the main provisions of the French legal and regulatory framework, including the European provisions on covered bonds, for *sociétés de crédit foncier* and their application to Caffil.

#### Main provisions of the French legal and regulatory framework

#### Application to Caffil

##### Legal framework for the operation of *sociétés de crédit foncier*:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• article L.513-2 which describes in particular:             <ul style="list-style-type: none"> <li>• their exclusive purpose which is to finance guaranteed home loans, loans to the public sector and exposure to credit institutions, refinanced by <i>obligations foncières</i> and other resources which may or may not benefit from the legal privilege;</li> <li>• the possibility of obtaining financing by pledging certain assets;</li> <li>• the impossibility of owning subsidiaries or affiliates.</li> </ul> </li> </ul> | <ul style="list-style-type: none"> <li>• assets solely made up of exposures to the public sector and exposures to credit institutions;</li> <li>• large volume of available assets eligible for European Central Bank refinancing transactions, which provide additional access to financing that can be mobilized very quickly in the event of liquidity need;</li> <li>• no equity interest held.</li> </ul> |
|---|--|

## Main provisions of the French legal and regulatory framework

## Application to Caffil

### Definition of assets eligible to *sociétés de crédit foncier*:

- article L.513-3 (home loans);
- article L.513-4 (exposure on public sector entities);
- article L.513-5 (securitization shares);
- article L.513-6 (exposure to credit institutions).

- Caffil's major assets: exposure on public sector entities (article L.513-4), in other words, loans and/or bond issues representing a commitment on, or totally guaranteed by, these entities;
- Caffil's other assets: exposure to credit institutions (article L.513-6) with a credit quality step 1 (triple A or double A level) or step 2 (single A level) rating or, when their remaining maturity does not exceed 100 days, a credit quality step 3 rating. The amount of these exposures is limited, depending on their rating scale, in relation to the total covered bonds issued by Caffil. This asset category is used for Caffil's cash investments.

### Legal privilege:

- article L.513-2: possibility for *sociétés de crédit foncier* to issue debts which may or may not benefit from the privilege;
- article L.513-10: possibility of hedging the risks associated with the assets and liabilities that benefit from the privilege through derivative contracts. In that case, the derivative contract also benefits from the privilege;
- article L.513-11:
  - when a *société de crédit foncier* is subject to a safeguard, bankruptcy, resolution, liquidation, or conciliation procedure, the cash flows generated by the eligible assets after financial instrument hedges, if applicable, are allocated as a priority to service the *obligations foncières* and other resources benefiting from the privilege, also after any financial instrument hedges, if applicable,
  - the liquidation of a *société de crédit foncier* does not accelerate the reimbursement of *obligations foncières* and other debts benefiting from the privilege, which continue to be paid on their contractual due dates with priority over all other commitments;
- article L.513-20: the bankruptcy, safeguard or liquidation of the shareholder of a *société de crédit foncier* cannot be extended to the *société de crédit foncier*;
- article L.513-15: the *société de crédit foncier* entrusts the management of its transactions to another credit institution to which it is bound by a contract<sup>(1)</sup> which itself benefits from the legal privilege defined in article L.513-11;
- article L.613-55-1.I, transposing the BRRD directive: the *obligations foncières* cannot be used to absorb losses in the event of the resolution of the *société de crédit foncier* (bail-in).

- Caffil contracts that benefit from the legal privilege are:

- *obligations foncières*;
- registered covered bonds;
- derivative contracts that hedge the risks associated with the privileged assets and liabilities;
- the management agreement signed with Sfil in accordance with article L.513-15.

### Other provisions:

- articles L.513-12 and R.513-8: the over-collateralization (ratio between the assets covering the debts benefiting from the legal privilege and the debts benefiting from the legal privilege) must at all times be greater than 105%.
- Caffil shall at all times maintain an over-collateralization greater than 105%. In practice, for several years, it has been set at a much higher level, in order to comply with the minimum requirements required by external rating agencies to ensure Caffil's current financial rating levels (see section 2.1.3 Financial and extra-financial ratings in the "Management report" chapter).

<sup>(1)</sup> To maintain the privilege which benefits investors in *obligations foncières* and other covered resources, the *société de crédit foncier* must not have employees (who would benefit under French law from a first ranking privilege). This management agreement itself benefits from the privilege of article L.513-11, *pari passu* with holders of privileged debt.

The other articles of the French Monetary and Financial Code define management and control procedures for *sociétés de crédit foncier*. They can be accessed on the Company's website (<http://www.caffil.fr>) or on the official Légifrance website (<http://www.legifrance.gouv.fr>).

## European framework

At the European level, covered bonds are defined and governed by:

- directive (EU) 2019/2162 of 27 November 2019, known as the Covered Bonds Directive, aims to harmonize the European models of covered bonds and to regulate issues; it specifies the assets that may be incorporated into the portfolio financed by the covered bonds, the privilege that protects investors, as well as the required levels of over-collateralization, public oversight and transparency in terms of communication. This directive has been transposed into French law and has been applicable since 8 July 2022;
- article 129 of the Capital Requirements Regulation (CRR), combined with the Capital Requirements Directive (CRD) on regulatory capital requirements according to the version in force since 8 July 2022.

Covered bonds issued after 8 July 2022 that comply with the Covered Bonds Directive may be awarded the "European Covered Bond" label. If they also comply with article 129 of the CRR, then they can also apply for the "European Covered bond (Premium)" label.

Covered bonds issued before 8 July 2022, if they comply with article 52-4 of the UCITS (Undertakings for Collective Investment in Transferable Securities) Directive on the legislative, regulatory and administrative provisions concerning certain undertakings for collective investment securities, may continue to be classified as covered bonds. Investors holding these bonds can continue to enjoy the same financial and regulatory benefits as the labeled issues.

All covered bond issuances comply with the requirements of the new Covered Bonds Directive, article 129 of the CRR and article 52-4 of the UCITS directive. In this respect, *obligations foncières* issued after 8 July 2022, which are labeled "European Covered Bond (Premium)" and *obligations foncières* issued before that date, all benefit from the best possible financial and regulatory prudential treatment, and in particular from a preferential weighting of 10% for bank solvency calculations according to the standard method (given their current rating).

Current and future *obligations foncières* issued by Caffil comply with the eligibility criteria for refinancing by the European Central Bank.

Furthermore, all the *obligations foncières* issued on the basis of the Caffil cover pool benefit from the Covered Bond Label. The European Covered Bond Council (ECBC) created the label in 2012 to improve the quality of the financial information and the transparency of the European covered bonds market. To meet label requirements, Caffil is committed to complying with the above-mentioned directives and to ensuring a high level of transparency in its communication to investors. All detailed information on Caffil's issued covered bonds and cover pool is accessible *via* the Covered Bond Label website <sup>(1)</sup>. A harmonized standard quarterly reporting template (Harmonized Transparency Template - HTT) used by all beneficiaries of the label is presented.

## 1.2 Shareholding structure

Sfil wholly owns Caffil's share capital. Held at 99.99% by Caisse des Dépôts, its reference shareholder, since 30 September 2020, Sfil is a credit institution approved by the ACPR. The French Republic retained one ordinary share. Sfil's shareholders are therefore entirely public, reflecting the missions entrusted to it by the French government.

Sfil is also the institution managing Caffil, in accordance with article L.513-15 of the French Monetary and Financial Code.



(1) <https://www.coveredbondlabel.com/bonds>.

## 1.3 Business model

Caffil and its parent company Sfil are key components of the financing system set up by the French government in 2013 for French local authorities and public hospitals. At the end of 2024, this system was extended to include financing for French public entities and French public sector entities *sui generis*. This system is based on a commercial activity developed by La Banque Postale since 2013 and by Caisse des Dépôts *via* Banque des Territoires since the end of 2022, for which Caffil is responsible for refinancing.

Since 2015, the French government has entrusted Sfil and Caffil with a second mission, which is to refinance large export credits

(i.e. for a minimum amount of €70m) with the guarantee of the French government and extended since the end of 2024 to transactions of French interest benefiting from a guarantee issued by other export credit agencies of the European Union or multilateral lenders.

The objective is to provide the best financing conditions to French local authorities and public hospitals, as well as export credits, through a first rank rating and irrevocable risk management.

### 1.3.1 French local public sector lending

The Sfil Group, fully integrated into the Caisse des Dépôts Group, is at the heart of a system whose objective is to guarantee the French local public sector (local authorities, public hospitals, public institutions and public sector entities *sui generis*) sustainable and efficient access to long-term bank financing.

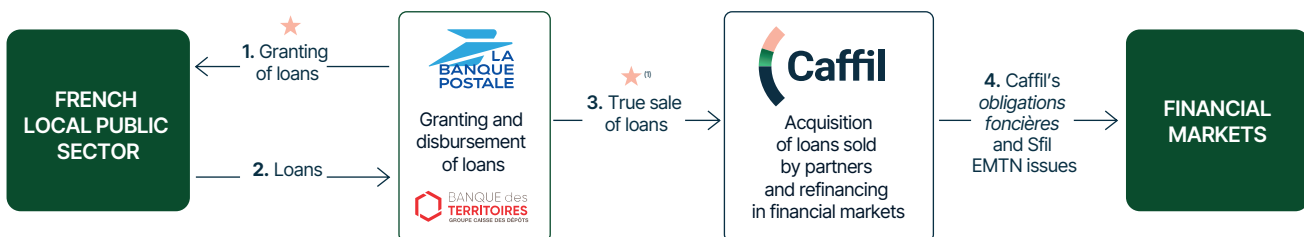
Within this framework, Caffil finances the investments of local authorities and public hospitals through two partnerships with La Banque Postale and Caisse des Dépôts, which are subject to assignment agreements. These schemes share the following characteristics:

- the partners originate loans to French local authorities and public hospitals and then sell them to Caffil;
- the loan offer is intended for all local authorities throughout France, from the smallest municipalities to the largest inter-municipal, departmental or regional structures;
- these amortizing loans, for a minimum amount of €40,000, are exclusively denominated in euros and bear a fixed interest rate or a single-indexed (EURIBOR + margin) or double-phased (fixed rate then variable rate) interest rate;

- Caffil acquires loans by using a transfer form (*bordereau de cession*) that is provided by law and specific to *sociétés de crédit foncier*;
- Caffil finances acquired loans by issuing *obligations foncières* (covered bonds). When these loans are thematic loans (i.e. green or social loans to local authorities or loans to public hospitals), they are financed by green, social or sustainable bonds (see section 1.3.3 Issuance of *obligations foncières*).

These partnerships enable Caffil to maintain control of its credit risk:

- before origination, the two entities involved carry out an initial analysis of the counterparty. The loans that do not meet the credit and eligibility criteria of Caffil cannot be transferred to its balance sheet. These eligibility criteria are strictly governed by law and internal management policies;
- in the case of the partnership with La Banque Postale, before each acquisition of loans by Caffil, a new analysis of loans is carried out. Caffil may then refuse any loan that no longer meets its criteria, before the transfer.



★ Caffil's credit decision-making process  
 (1) Only in the case of the partnership with La Banque Postale

More specifically, loans originated by La Banque Postale:

- have maturities between 10 and 30 years;
- since mid-2019, also consist of green loans whose purpose is to finance investments by local authorities that contribute to the environmental transition and sustainability in the fields of renewable energies, sustainable water management and sanitation, waste management and recovery, soft mobility and clean transport, and energy efficiency in construction and urban planning;
- include, since the end of 2022, social loans intended to finance the social investments of local authorities in the fields of health, education, sport, culture, development and regional cohesion.

For their part, the loans originated by Banque des Territoires:

- covers long periods of between 25 and 40 years;
- are for the large majority intended for the financing of sustainable investments on green use-of-proceeds identical to those developed with La Banque Postale or the financing of public hospitals. Since June 2024, the offer also covers three social themes (sport, culture and community life, health, social and family action as well as education and professional training).

### 1.3.2 Refinancing of export credits

Sfil's second mission is to ensure the refinancing of export contracts that are of French interest and that are covered by export credit agencies of the European Union or multilateral lenders. The objective of this mission is to improve the competitiveness of the financing linked to French exports, according to a public refinancing scheme that also exists in several OECD countries, and this by leveraging on the Group's excellent financing capacities on the international financial markets.

In this context, Sfil organizes its relations through bilateral agreements with almost all the banks that are active in the French export credit market. Sfil may acquire a portion of the interest of each of these banks in an export credit (maximum 95% of this interest depending on the size of the transactions and the number of lenders involved in the transaction).

Each of these acquisitions is refinanced by Caffil through the granting of refinancing loans to Sfil, as detailed below.

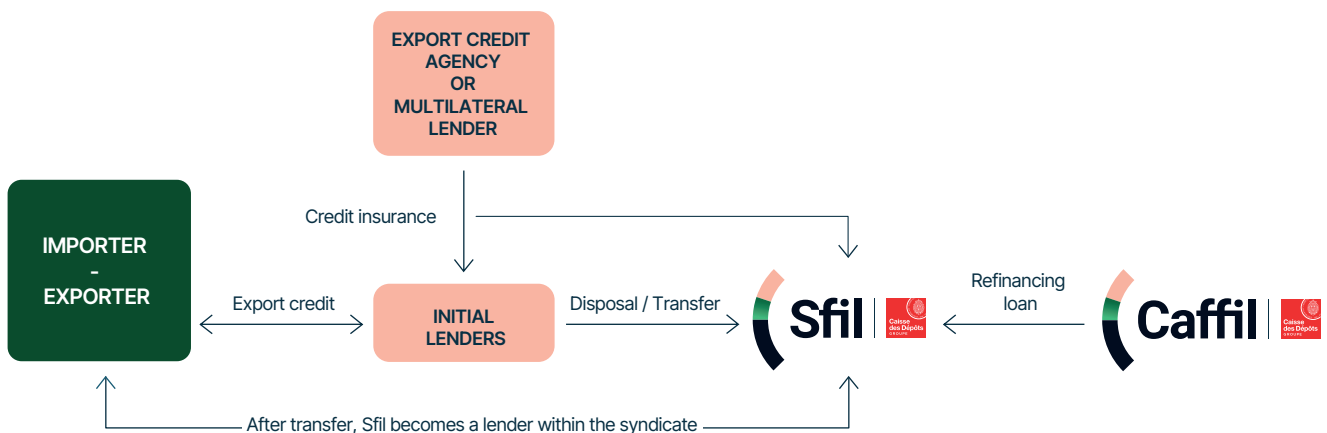
The scheme operates as follows:

- Sfil contributes to the financial proposal prepared by one or more banks of the banking syndicate granting the buyer credit covered by an export credit insurance granted by a Member State of the European Union or a multilateral lender;
- the export credit agencies, acting in the name, on behalf of, and under the control of their respective States or governing bodies,

issue insurance policies or guarantees. The guarantor State or multilateral lender bears the risks associated with these guarantees;

- after signing the export credit agreement, the partner banks sell to Sfil a share of the loan, the rights attached to it as well as those attached to the portion of the loan that they retain. They retain the portion of the loan that does not benefit from credit insurance;
- Caffil grants Sfil a refinancing loan which is backed by the acquired export credit. In this context, the portion of the export credit acquired by Sfil is pledged to Caffil. Sfil's rights to compensation under the Bpifrance Assurance Export credit insurance policy are also delegated by Sfil to Caffil;
- in addition to this mechanism, the refinancing loans granted by Caffil to Sfil, covered by export credit insurance granted by Bpifrance Assurance Export and concluded before September 2024, benefit from an unconditional guarantee on first demand issued by the French Republic, known as an enhanced guarantee.

Caffil finances these loans by issuing *obligations foncières*. When these export credit contracts are eligible for the Green, Social and Sustainability Bond Framework, they are refinanced by green, social or sustainable bonds (see section 1.3.3 Issuance of *obligations foncières*).



As of 31 December 2025, the transactions financed by the Sfil Group are fully covered by Bpifrance Assurance Export, the export credit agency acting in the name, on behalf of, and under the control of the French Republic, pursuant to article L.432-2 of the French Insurance Code.

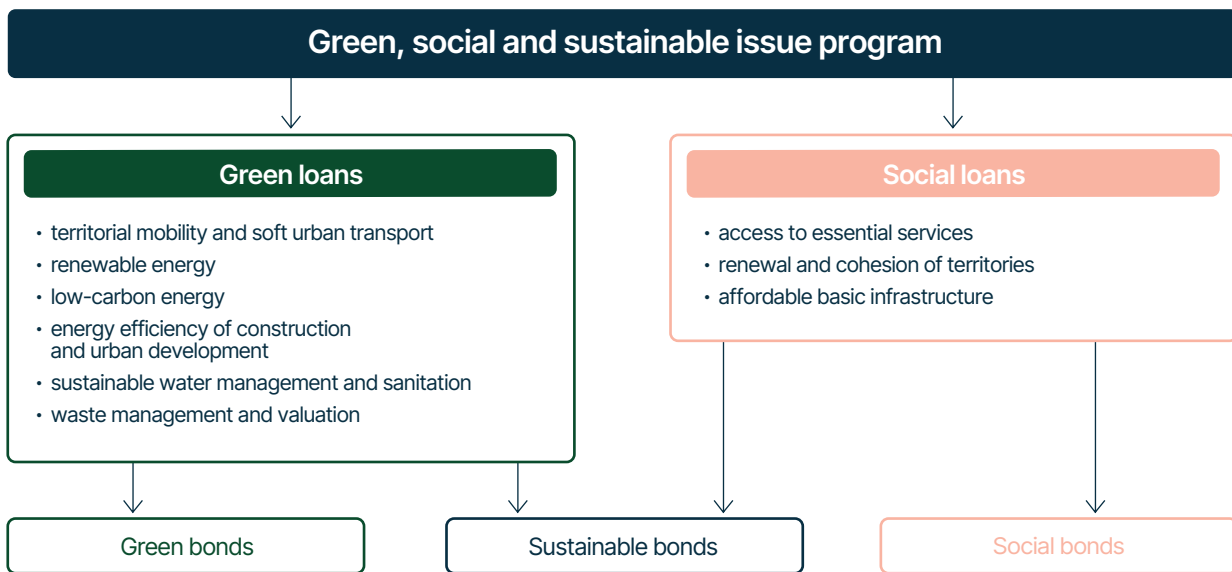
### 1.3.3 Refinancing on the markets

In order to refinance these two activities, Caffil issues covered bonds in the form of benchmark public issues and in the form of private placements, particularly in the registered covered bonds format, suitable for its very broad investor base. These instruments are characterized by the legal privilege, which, as a priority, allocates the sums from Caffil's cover pool to pay their interest and reimbursements.

The *obligations foncières* issued by Caffil benefit from the European Covered Bond (Premium) label.

*Obligations foncières* are the main source of financing for Caffil.

In addition, since 2019, Caffil has been issuing green and social *obligations foncières* to support its customers in their investments in favor of environmental transition and social cohesion. These issues are governed by the Sfil Group's Green, Social and Sustainability Bond Framework of October 2022. The updated November 2024 version of this program aims to include all key areas of green and social investments of French local authorities and public hospitals.



Caffil has already issued social bonds to finance the French public hospital sector in a separate program from Sfil, the Social Note Framework. This remains applicable to all bonds previously issued under this program and remains publicly available.

Caffil does not use the option of issuing securities with an extendable maturity date. All outstanding bonds have a fixed contractual maturity date; there are no plans to change this practice.

### 1.3.4 Servicing and financing by Sfil

Sfil's role *vis-à-vis* Caffil consists mainly of:

- operational management of all the Company's transactions in accordance with the regulations applicable to *sociétés de crédit foncier*, in particular within the meaning of article L.513-15 of the French Monetary and Financial Code. In this context, Sfil and Caffil signed a management agreement developed into a Service Level Agreement that precisely determines the tasks entrusted to Sfil and the indicators for monitoring the quality of the service provided. This agreement and its Service Level Agreement are regularly updated by both parties;
- provision of Caffil with the non-privileged funding and derivatives it needs to carry out its activities. Sfil obtains the resources necessary to finance Caffil's activity (financing of over-collateralization and derivatives) through the issuance on the financial markets of long-term bonds and, to a lesser extent, short-term debt (Neu CP).

In addition to the commitments made by Caisse des Dépôts as Sfil's reference shareholder, Sfil signed a statement of support for Caffil on 5 November 2020: "Since 31 January 2013, Sfil has been the reference shareholder of Caisse Française de Financement Local, a *société de crédit foncier* subject to the provisions of articles L.513-2 et seq. of the French Monetary and Financial Code, and holds 99.99% of its share capital. Sfil will continue to play the role of reference shareholder of Caisse Française de Financement Local and will hold more than 99.99% of the capital over the long term. Sfil, its reference shareholder, Caisse des Dépôts et Consignations and the French government will ensure, subject to the European Union rules on State aid, to protect the economic base of Caisse Française de Financement Local and to preserve its financial viability throughout its existence in accordance with the obligations imposed by the banking regulations in force."



# 2.

## Management report

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## 2.1 Highlights

### 2.1.1 Geopolitical and macroeconomic context

Global economic activity proved resilient in 2025 with growth close to 3%, despite persistent geopolitical and economic instability, particularly given the conflicts in Ukraine and the Middle East, and trade policies pursued by the United States.

The more accommodating monetary policy of the European Central Bank (ECB) continued in early 2025 and then stabilized during the year in light of the slowdown in inflation in the eurozone. The US Federal Reserve also adopted this supportive monetary policy.

In this context, economic activity in the eurozone is expected to grow by 1.4% in 2025, compared with 0.9% in 2024. The contribution of domestic demand, supported by a gradual recovery in investment, enabled this development. The US economy slowed in 2025, but is holding up with a growth forecast of 2% for the year, compared with 2.8% in 2024.

### 2.1.2 Business

#### French local public sector lending

In 2025, Caffil acquired €5.4bn (vs. €5.5bn in 2024) of loans originated by La Banque Postale and Banque des Territoires, partners of the Sfil group. Thematic loans represented 41% of loans acquired (i.e. a volume of €2.3bn) and broken down between:

- €0.8bn in green loans to local authorities (€1.2bn in 2024);
- €1.1bn in social loans to local authorities (€0.7bn in 2024);
- €0.4bn in loans to public hospitals (€0.5bn in 2024).

#### Refinancing of export credits

The activity increased significantly compared to 2024, with the signing of four contracts for a total amount transferred of €3.6bn (compared to five contracts for €2.4bn in 2024). These transactions, one in Asia and three in Europe, led to the conclusion of €10.3bn in export contracts over the course of 2025. Four of the nine exporters supported in 2025 benefited from the Sfil scheme for the first time.

These operations concerned the defense, shipping and nuclear sectors, with the emblematic Sizewell C transaction in the United Kingdom. They confirmed the Sfil group's decisive role in supporting key sectors for sovereignty issues.

#### Issuance of *obligations foncières*

In 2025, bond markets were marked first and foremost by the monetary policy easing cycles of the main central banks. On the one hand, the ECB continued to cut its key rates by 100 basis points over the first half of the year, and on the other hand, the US Federal Reserve relaunched the downward movement in its key rates from September for a cumulative amount of 75 basis points.

This supportive underlying environment for the bond issuance business in the covered bonds segment resulted in strong demand from investors for a wider range of maturities as well as a shift in the performance of spreads against swaps.

The degree of uncertainty in the geopolitical, economic and financial environment remained high throughout the year, with alternating phases of tension and appeasement, particularly in connection with the negotiations on customs tariffs introduced by the US administration. The volatility observed during these phases of tension did not, however, affect the proper functioning of the primary covered bonds market.

After a first half of the year marked by improved market sentiment on French sovereign risk, political instability combined with the challenges of the budget deficit and French public debt characterized the beginning of the second half of the year, leading to a consolidation shift of spreads against swaps for French issuers. The latest agreements and political developments within the French National Assembly as part of the vote on the national budget led to a notable easing of spreads against swaps on French issuers' bonds at the end of the year.

In this context, Caffil issued a total volume of €6.7bn with an average maturity of 9.4 years, including:

- €5.95bn on the public primary market, of which €1.2bn via matching transactions carried out on existing benchmark issues;
- €0.78bn in the private placements segment.

Caffil's issues carried out in 2025 made it possible to pre-finance the financing program for 2026 in the amount of nearly €0.7bn, via matching transactions and private placements. The average maturity of the pre-financing for 2026 is 13.1 years.

## 2.1.3 Financial and extra-financial ratings

The issuance program is rated by Moody's Ratings and Morningstar DBRS. The credit rating of the *obligations foncières* issued by Caffil, at the highest credit level, was confirmed during 2025.

	Moody's	Morningstar DBRS
Long-term rating	Aaa	AAA
Date of update	February 2026	October 2025

The ratings of the *obligations foncières* issued by Caffil provided by these agencies are at the highest level of credit quality. This requires that the quality of the cover pool and strict management rules be consistent with the criteria and approaches of these agencies. The principle by which each agency rates *obligations foncières* (and covered bonds in general) involves taking as a starting point the issuer's rating or that of the parent company if

the issuer is not rated, and enhancing this rating by one or more notches in function of existing safeguards (legal framework, quality of assets, balance sheet management, over-collateralization, etc.).

ISS also assesses Caffil on its environmental, social and governance dimensions. Its current rating is C Prime (last update in January 2026).

## 2.2 Change in assets

Caffil's asset portfolio consists mainly of assets held in the cover pool and a few non-eligible assets held outside the cover pool.

€bn	31 Dec 2025	31 Dec 2024
Assets held in the cover pool	67.2	64.7
Assets held outside the cover pool	0.3	0.3
<b>TOTAL OUTSTANDING</b>	<b>67.5</b>	<b>65.0</b>

### 2.2.1 Assets held in the cover pool

The cover pool is exclusively composed of exposures to public sector borrowers, or guaranteed by the same, and exposures to credit institutions (within the limits specified by current legislation).

€bn	31 Dec 2025	31 Dec 2024
Loans and bonds to the public sector	63.6	60.3
of which local public sector and export credit	61.7	59.3
of which treasury investment in public sector bonds	1.9	1.0
Banque de France cash deposit	0.3	1.3
Exposures to credit institutions	3.3	3.1
<b>ASSETS IN THE COVER POOL</b>	<b>67.2</b>	<b>64.7</b>
Financing commitments granted to refinance large export credits <sup>(1)</sup>	7.2	7.9
Financing commitments granted to other public sector loans	0.1	0.0
<b>TOTAL FINANCING COMMITMENTS GRANTED</b>	<b>7.3</b>	<b>7.9</b>

<sup>(1)</sup> The commitments granted in respect of large export credits correspond to contracts entered into in the course of payment and to firm refinancing offers from Caffil to Sfil valid as of 31 December.

In 2025, Caffil acquired or refinanced loans to French local public sector and to French public hospitals originated by its partners for an amount of €5.4bn. Drawdowns on loans to refinance large export credits granted to Sfil amounted to €2.4bn over the financial year.

At 31 December 2025, total outstanding loans to the French local public sector amounted to €47.0bn. Large export credits represented outstandings of €11.0bn at that date.

Cash surpluses are held at the Banque de France or invested in either European public sector bonds or exposures to credit institutions (banking sector securities or short-term loans to Sfil, its parent company). The total amount of cash surpluses increased to €5.5bn at the end of December 2025 compared to €5.4bn at the end of December 2024.

The amount of the liquid assets and assets eligible for refinancing by the Banque de France, before haircut, excluding cash deposited with banks, the French Treasury or the Banque de France, represented €44.6bn, i.e. 66% of the cover pool at the end of 2025 (compared to €42.1bn and 65% of the cover pool at the end of 2024). The high-quality liquid assets (levels 1, 2A and 2B) were composed of exposures to credit institutions amounting to €2.5bn and of other high-quality liquid assets (level 1, 2A and 2B) amounting to €3.7bn. In addition, the other assets eligible for refinancing by the Banque de France before haircut, excluding cash deposited with banks, the French Treasury or the Banque de France, totaled €38.4bn.

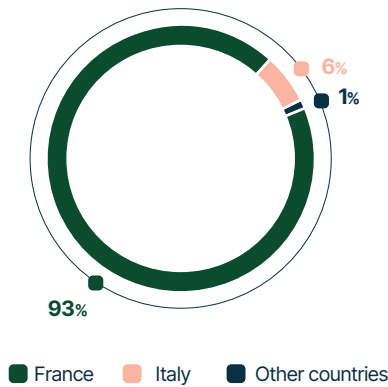
### Local public sector loans and securities

#### Geographical breakdown

At 31 December 2025, the exposures to the local public sector (excluding cash investments) were predominantly French (93%).

Outside France, exposures to Italy represent the largest share, with a volume of €2.8bn, or 6% of exposures to the local public sector: they correspond to granular and geographically diversified exposures throughout Italy. These assets are managed in run-off mode.

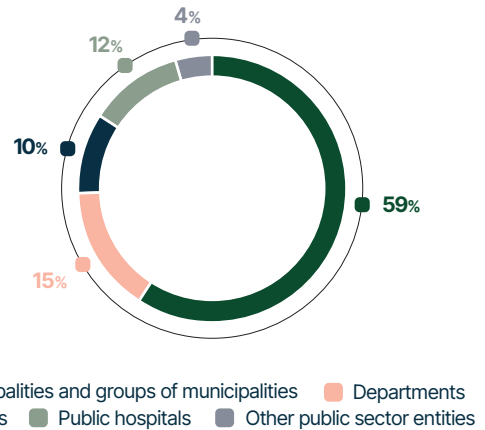
The geographical distribution of exposures to the local public sector (excluding cash investments) was as follows:



#### Breakdown by type of counterparty

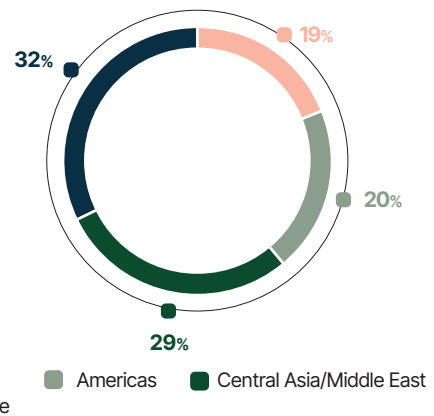
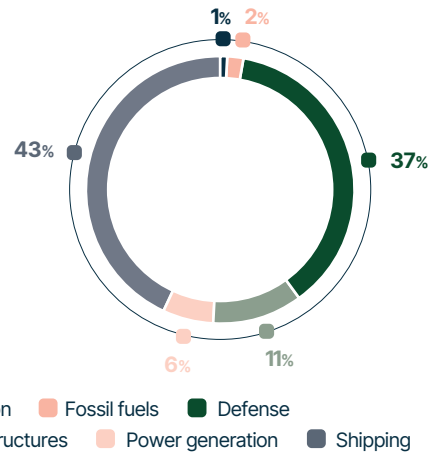
At 31 December 2025, exposures to the local public sector (excluding cash investments) were mainly composed of exposures to municipalities and their groups (60%).

The breakdown of local public sector exposures (excluding cash expenditures) by type of counterparty is as follows:



#### Refinancing of export credits

Loan outstandings granted to Sfil to refinance export credits it granted amounted to €11bn at the end of 2025. This represents 16% of the loan and securities outstandings on Caffil's balance sheet. The sectors of intervention and the geographical distribution of loans granted by Sfil as part of its export credit financing business are detailed below.



## Exposures to credit institutions

In accordance with article 129 of the CRR and with Directive (EU) 2019/2162, articles L.513-7 and R.513-6 of the French Monetary and Financial Code authorize Caffil to hold exposures to credit institutions in respect of replacement assets or liquid assets, in addition to exposures to the public sector, which are the main assets held in Caffil's cover pool. These exposures must benefit from credit quality step 1 or 2, or the credit quality step 3 when their duration does not exceed 100 days.

As of 31 December 2025, Caffil holds exposures to credit institutions as part of its management of surplus cash. In addition to deposits with the Banque de France and investments in European public sector bonds, its exposures to credit institutions correspond to:

- banking sector bonds;
- loans to its parent company, Sfil;
- the balance of its current bank accounts in various currencies.

These exposures considered as safe and liquid correspond to securities, exposures and deposits for which credit institutions are debtors. They are subject to the limits specified in the regulations <sup>(1)</sup>:

- exposure to credit institutions benefiting from the best credit quality step is limited to 15% of the nominal outstanding of *obligations foncières* and registered covered bonds. As of 31 December 2025, this amount represented 5.2%;

- exposure to credit institutions with the second-best credit quality step is limited to 10% of the nominal outstanding of *obligations foncières* and registered covered bonds. As of 31 December 2025, this amount represented 0.8%;
- exposure to credit institutions benefiting from the third-best credit quality step and taking the form of short-term deposits or derivative contracts is limited to 8% of the nominal outstanding of *obligations foncières* and registered covered bonds. In addition, the French regulator, the Autorité de contrôle prudentiel et de résolution, does not authorize the conclusion of derivatives with counterparties rated in credit quality step 3. As of 31 December 2025, no exposure to credit institutions was in credit quality step 3;
- exposure to credit institutions with the best, second-best or third-best credit quality step is limited to 15% of outstanding *obligations foncières* and registered covered bonds. As of 31 December 2025, this amount represented 6%;
- exposure to credit institutions benefiting from the second-best or the third-best credit quality step is limited to 10% of the nominal outstanding of *obligations foncières* and registered covered bonds. As of 31 December 2025, this amount represented 0.8%.

Exposures to credit institutions are broken down below according to the rating of the issuers:

€bn	Country	31 Dec 2025	31 Dec 2024
<b>CREDIT QUALITY STEP 1</b>			
Covered bonds	France	1.1	0.8
	Other countries	1.4	1.3
Other bank bonds	France	0.1	0.1
	Other countries	0.3	0.3
Loans to the parent company, Sfil	France	-	-
Bank accounts balances	France and other countries	0.0	0.0
<b>CREDIT QUALITY STEP 2</b>			
Covered bonds	France	-	-
	Other countries	-	0.1
Other bank bonds	France	0.3	0.2
	Other countries	0.1	0.3
Bank accounts balances	France and other countries	0.0	0.0
<b>CREDIT QUALITY STEP 3</b>			
Bank securities (maturity <100 days) and current account balances	France and other countries	-	-
<b>TOTAL</b>		<b>3.3</b>	<b>3.1</b>

(1) Securities, exposures and deposits that are sufficiently safe and liquid that contribute to a minimum over-collateralization of 5% are not subject to these limits and are not counted for the purposes of these limits.

## 2.2.2 Assets held outside the cover pool

### Assets temporarily excluded from the cover pool

Due to its status as a credit institution, Caffil has access to refinancing operations offered to banks by the Banque de France within the Eurosystem. To manage its cover pool and its over-collateralization or in order to meet the need for temporary liquidity, Caffil may thus convert a portion of its assets into cash. Loans or securities assigned in guarantee with the central bank in order to obtain financing on the occasion of tenders organized by the Banque de France are then taken out of the cover pool and replaced by the cash thus obtained. The same treatment would be applied to assets in the cover pool if they were mobilized in interbank repurchase agreements implemented in the event of a liquidity need.

During the last three years, Caffil has mobilized assets of very small amounts in the context of the regular tests of its operational procedures for accessing refinancing from the Banque de France or bank counterparties.

### Assets that have become ineligible

Assets held may also be removed from the cover pool if they are not eligible under article 129 of the CRR, pending their maturity or disposal.

As of 31 December 2025, the outstandings excluded from the cover pool consisted of €0.2bn in loans to French local public sector entities and €0.1bn in loans to Swiss municipalities outside the European Union that do not have a credit quality step 1 or 2 rating by a rating agency.

## 2.3 Description of debt

### 2.3.1 Debt benefiting from legal privilege

As of 31 December 2025, debt benefiting from the legal privilege was composed of *obligations foncières* and registered covered bonds issued by Caffil as well as cash collateral received from counterparties in derivative transactions.

€bn	31 Dec 2025	31 Dec 2024
Cash collateral received	0.1	0.1
<i>Obligations foncières</i> and registered covered bonds	55.1	53.5
<b>TOTAL</b>	<b>55.2</b>	<b>53.6</b>

### 2025 issues

As part of a recurring €5.5bn to €6.5bn annual program, Caffil's issuance policy aims first and foremost to build a coherent benchmark curve on the euro market while ensuring the strong performance of its issues on the secondary market. The diversification of its funding sources is necessary to achieve long maturities consistent with its needs. This involves an active presence in the private placements market as part of the EMTN program, or registered covered bonds issues, a format dedicated to German investors.

In October 2025, Caffil finalized its long-term issuance program for 2025. It issued €6.1bn over an average overall maturity of 9 years. This execution made it possible to enrich its benchmark curve by five new points while being active on existing issue matching transactions and on the private placement segment.

Caffil solicited the public primary market five times for a total amount of €4.75bn:

- an 8.5 year maturity issue in January in the amount of €1.25bn;
- a 10 year maturity green issue in April in the amount of €1bn;
- a 12 year maturity social issue in May in the amount of €0.5bn;
- a 7 year maturity social issue in September for €0.75bn;
- a 7.6 year maturity issue in October in the amount of €1.25bn.

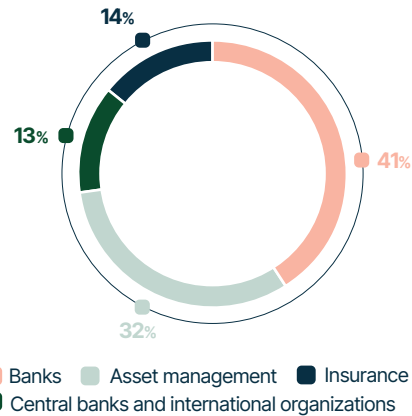
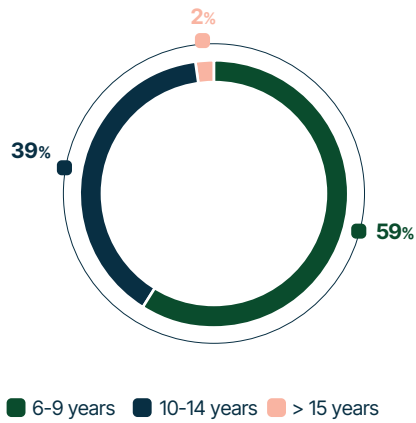
At the same time, Caffil provided additional liquidity to its benchmark issues with four matching operations of €0.7bn.

Caffil responded to specific requests from investors in the private placements segment, in the EMTN and RCB formats, for an amount of €0.6bn with long maturities and an average maturity of 10.8 years.

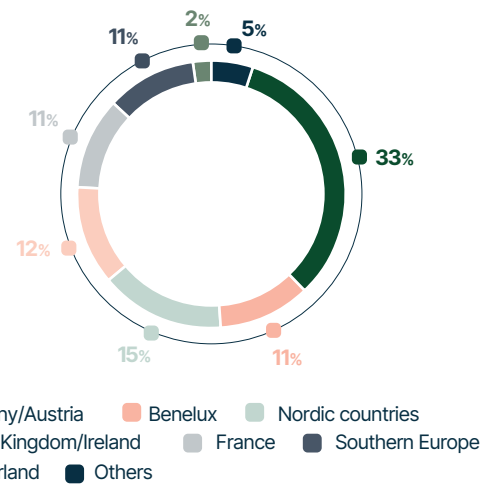
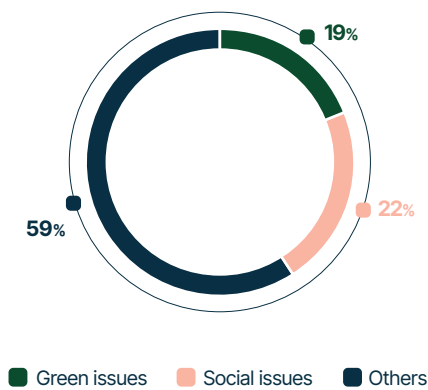
In addition to its 2025 program, Caffil also took advantage of the good market conditions between November and December to issue a total volume of nearly €0.7bn for 2026, with three matching transactions of existing issues for an amount of €0.5bn and private placements for an amount of €0.2bn. The average maturity of the issues carried out under the 2026 pre-financing is 13.1 years.

In 2025, Caffil issued a total volume of €6.7bn with an average maturity of 9.4 years.

The infographics below detail the breakdown by type of investor and by geographical area of public benchmark issues completed in 2025:



Green and social bonds accounted for 41% of issues in 2025.



## Outstandings as of 31 December 2025

The change in outstanding *obligations foncières* and registered covered bonds between 31 December 2024 and 31 December 2025, in swapped value, is as follows:

€bn, value after currency swaps	31 Dec 2025	31 Dec 2024
<b>BEGINNING OF THE PERIOD</b>	<b>53.5</b>	<b>53.2</b>
Issues	6.7	5.3
Amortizations	(5.1)	(5.0)
Buybacks	-	-
<b>END OF THE PERIOD</b>	<b>55.1</b>	<b>53.5</b>

In addition, since 2020, Sfil has carried out four green bond issues for a total amount of €3.25bn. Sfil lent the funds obtained from these issues to Caffil, with the obligation to use them to finance

green loans purchased from La Banque Postale, which originated them. These loans granted by Sfil do not benefit from the legal privilege of the *sociétés de crédit foncier*.

### 2.3.2 Debt not benefiting from the legal privilege

The cover pool asset surplus compared to *obligations foncières* and registered covered bonds (over-collateralization), the assets held outside the cover pool (where applicable) and miscellaneous needs are financed by equity and debt that does not benefit from the legal privilege on *sociétés de crédit foncier*. Such financing is obtained through the parent company, Sfil, under the financing agreement. As of 31 December 2025, they were made up of different loans with maturities that could run from one day to 10 years with a €STER or EURIBOR index.

Temporary financing may also be obtained from the Banque de France. These debts do not benefit from the privilege provided by the law on *sociétés de crédit foncier*. They are guaranteed by loans and/or securities deposited as collateral in the Caffil account opened with the Banque de France. Since the creation of Sfil, Caffil has not contracted any loans with the Banque de France, except for the purpose of testing the procedures for accessing this financing, which is regularly used for very small amounts. Neither has it obtained financing from credit institutions other than its parent company.

### Change in debt not covered by the legal privilege, excluding accrued interest not yet due

€bn	31 Dec 2025	31 Dec 2024
Sfil	10.9	10.0
Banque de France	-	-
<b>TOTAL</b>	<b>10.9</b>	<b>10.0</b>

## 2.4 Net income

### 2.4.1 Change in net income

The income statement according to French GAAP is presented below:

€m	31 Dec 2025	31 Dec 2024	Change 2025 vs. 2024
Interest margin	220	193	
Net commissions	(3)	(3)	
Net gains or losses on portfolio transactions	(2)	-	
Net gains or losses on placement portfolios	6	2	
Other income and expense	(0)	(0)	
<b>NET BANKING INCOME</b>	<b>221</b>	<b>192</b>	<b>15%</b>
General operating expenses	(97)	(95)	
Taxes	(3)	(3)	
<b>GROSS OPERATING INCOME</b>	<b>121</b>	<b>94</b>	<b>28%</b>
Cost of risk	(5)	(2)	
<b>OPERATING INCOME</b>	<b>116</b>	<b>92</b>	<b>27%</b>
Gains or losses on fixed assets	-	-	
Income tax	(32)	(21)	
<b>NET INCOME</b>	<b>84</b>	<b>71</b>	<b>20%</b>

The French GAAP financial statements are published in accordance with legal requirements and serve as a base to calculate income subject to corporate income tax.

The presentation and valuation methods used in accordance with French accounting standards are described in the notes to these financial statements. The accounting treatment adopted by Caffil for the recognition of early repayment indemnities for loans and compensation payments for hedging swap cancellations follows the treatment required by the tax authorities. This accounting treatment leads to recognition of the results earlier than would an amortization approach over the life of the transactions. These indemnities and compensation payments are generated by early repayments or renegotiation of the debt of certain borrowers (sensitivity reduction or active management of their debt), but also when liability swaps are terminated in order to match these liabilities with a portfolio of acquired loans, or when asset swaps are terminated in order to match a new bond issue with a portfolio of loans covered by these swaps.

Caffil's net income for 2025 reached €84m, up 20% compared to 2024.

This change was driven by the sharp increase in net banking income to €221m (+15% compared to 2024). The sustained level of activity, both for the financing of the French local public sector and for the refinancing of export credits, offset the increase in financing costs observed since the end of 2023.

General operating expenses were kept under control and posted a limited increase of 2%, mainly due to the increase in operating costs re-invoiced by Sfil.

The cost of risk remained limited at €5m, mainly due to an increase in provisions taking into account the difficult financial context of French public hospitals.

Income tax increased by €11m, mainly due to the exceptional contribution of large companies (impact of €+10m). This exceptional contribution was partially mitigated by an exceptional income of €5m received pursuant to the settlement agreement signed with Dexia SA following the French administration's decision, dated 10 July 2025, to close the mutual agreement procedure concerning the tax adjustment for the financial years 2012 and 2013 under the Franco-Irish agreement.

## 2.4.2 Proposed appropriation of net income

The Board will propose to the Ordinary Shareholders' Meeting of 26 May 2026 a distribution of dividend in the amount of €80,325,000, or €5.95 per share and an appropriation of net income for the financial year as follows:

€

<b>NET INCOME FOR THE YEAR</b>	<b>84,490,829.53</b>
Legal reserve (5%)	4,224,541.48
<b>BALANCE TO BE ALLOCATED</b>	<b>80,266,288.05</b>
Retained earnings	67,618.31
<b>INCOME AVAILABLE FOR DISTRIBUTION</b>	<b>80,333,906.36</b>
<b>PROPOSED DIVIDENDS (€5.95 per share)</b>	<b>80,325,000.00</b>
Retained earnings after allocation	8,906.36

In accordance with article 243 bis of the French General Tax Code, it should be noted that during the three previous financial years, Caffil distributed the following dividends:

Financial year of distribution	On the net income of the financial year	Amount distributed €	Amount per share €	Number of shares
2023	2022	83,565,000	6.19	13,500,000
2024	2023	63,045,000	4.67	13,500,000
2025	2024	66,960,000	4.96	13,500,000

## 2.5 Return on assets

Article R.511-16-1 of the French Monetary and Financial Code, introduced by Decree No. 2014-1315 of 3 November 2014, sets forth that in their Annual Financial Report, credit institutions shall publish the yield on their assets, defined as the ratio between the net income and the total of the balance sheet. For 2025, this ratio is equal to 0.12%.

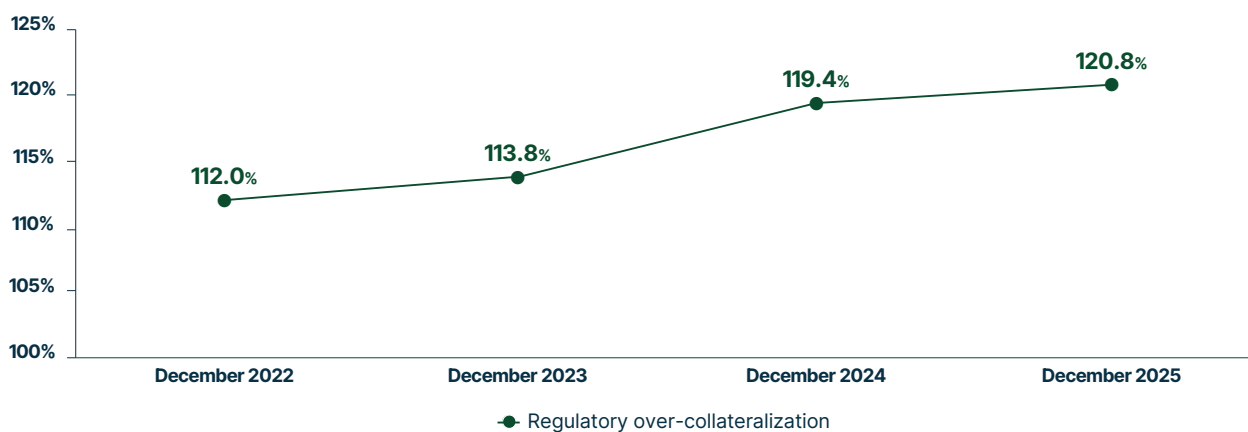
## 2.6 Over-collateralization ratio

The over-collateralization ratio, which is calculated on the basis of regulatory standards governing *sociétés de crédit foncier*, is the ratio between the assets of the cover pool (except for assets in default) and the debt benefiting from legal privilege. Its minimum level has been set by law at 105%, which corresponds to the minimum level that Caffil must comply with pursuant to articles L.513-8, L.513-11 and L.513-12 and article R. 513-8 of the French Monetary and Financial Code.

In practice, Caffil over-collateralization ratio is regularly higher than 105%. To maintain a sufficient rating, a level of over-collateralization of more than 5% may be required by the

rating agencies. This requirement depends on the methodology used by each rating agency and the new assets and liabilities recorded on the balance sheet of Caffil. It is also variable over time. Caffil takes these specific requirements into account in the steering of its business to ensure that they are always met.

The rules for calculating the regulatory over-collateralization ratio were modified as at 8 July 2022, when the European Covered Bonds Directive of November 2019 entered into force, without a material impact for Caffil.



Details of the assets and liabilities used to calculate the over-collateralization are presented below:

### Assets covering liabilities benefiting from the privilege

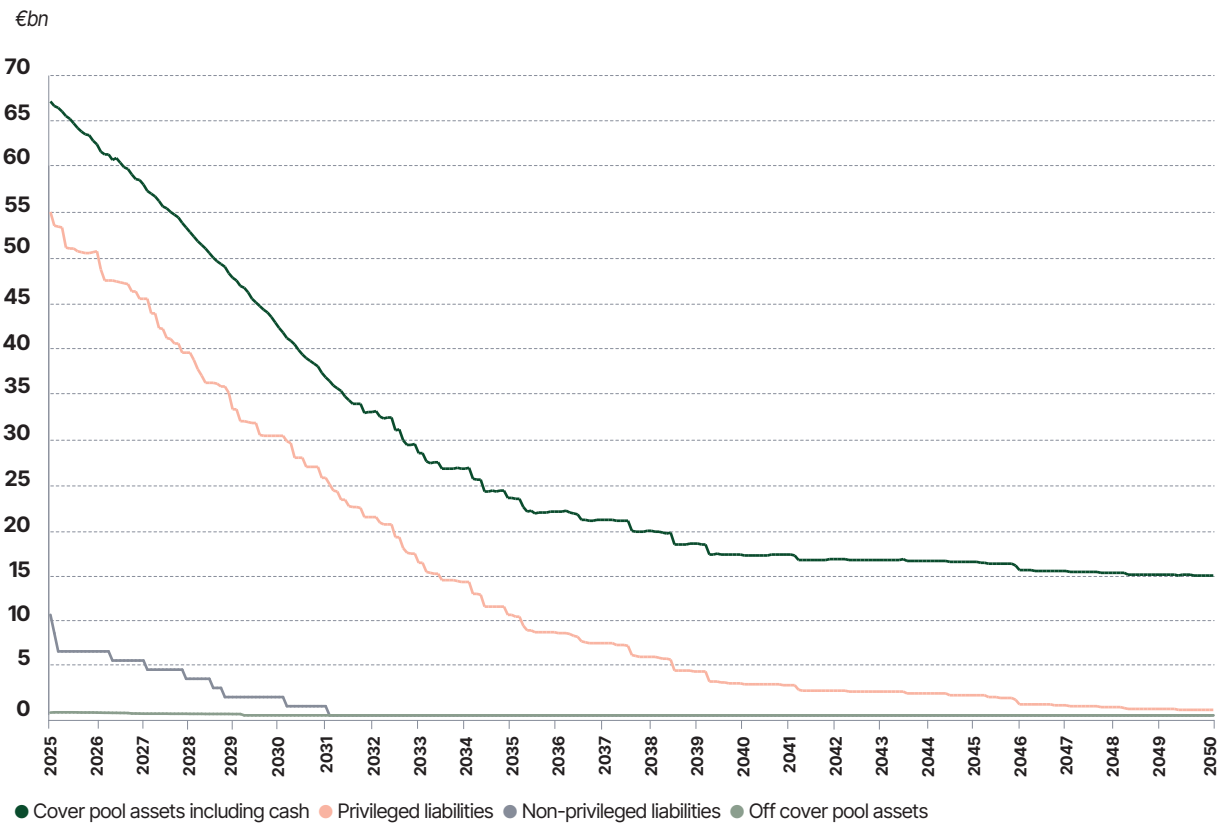
(weighted amounts in €m)

	31 Dec 2025
<b>Exposures to public sector entities</b>	<b>63,939</b>
Sufficiently safe and liquid securities, exposures and deposits covered by article R.513-6	3,325
Net accrued amounts in respect of forward financial instruments benefiting from the privilege defined in article L.513-11 of the French Monetary and Financial Code	899
Other assets	384
Operations deducted from the assets	-
<b>TOTAL ASSETS</b>	<b>68,547</b>

Resources benefiting from the legal privilege defined in article L.513-11 of the French Monetary and Financial Code (weighted amounts in €m)	31 Dec 2025
Obligations foncières	48,879
Other bonds benefiting from the privilege	6,124
Liabilities related to these securities	653
Expected maintenance and management costs to terminate the <i>obligations foncières</i> program	102
Amounts owed under the contract stipulated in article L.513-15 of the French Monetary and Financial Code	10
Net amounts owed for forward financial instruments benefiting from the privilege defined in article L.513-11 of the French Monetary and Financial Code	980
Debt attributable to miscellaneous expenses mentioned in the last section of article L.513-11 of the French Monetary and Financial Code	-
<b>TOTAL LIABILITIES</b>	<b>56,748</b>
<b>OVER-COLLATERALIZATION RATIO</b>	<b>120.8%</b>

The over-collateralization ratio increased from 119.4% to 120.8% between 31 December 2024 and 31 December 2025, notably due to the increase in funding obtained from Sfil.

Over-collateralization may also be illustrated by the gap between the amortization curves of the cover pool and privileged liabilities. The following graph presents the curves as of 31 December 2025.



This graph assumes that the cash surpluses generated over time are retained in the cover pool.

## 2.7 Post-closing events

The 2026 French Finance Law was enacted on 19 February 2026. It renews the exceptional contribution to corporate income tax for large companies in 2026. The methods for calculating this contribution remain unchanged overall compared to 2025, with the exception of the trigger threshold, which has been increased from revenue of €1bn to €1.5bn. In 2025, Caffil recorded revenue of €3bn, thus exceeding the add-on threshold. Consequently, Caffil owes an exceptional contribution of €5m in 2026 in respect

of the 2025 corporate income tax. This amount, not included in the 2025 financial statements due to the adoption of the law in January 2026, will be recognized in the 2026 financial year. The exceptional contribution due by Caffil in 2026 in respect of the 2026 corporate income tax will be calculated during the corresponding financial year and will also be recognized in that financial year.

## 2.8 Outlook

The outlook for 2026 is made in the context of a still complex geopolitical, economic and financial environment. Indeed, the beginning of 2026 is marked by a high level of uncertainty and geopolitical risks, in a context of lasting trade and political tensions between the major economic zones. These tensions generate risks for a smooth functioning of global supply chains. The military operations launched at the end of February 2026 by Israel and the United States against Iran led to a halt in maritime traffic in the Strait of Hormuz and an increase in oil and gas prices. The global economy could be significantly affected if this conflict were to be prolonged or extended to other countries in the region. The French political context remains marked by underlying political instability and the absence of a majority in the National Assembly, which weakens the fiscal adjustment trajectory and puts pressure on the French sovereign spreads.

In 2026, Caffil will continue to implement the strategic plan of its parent company, Sfil, with the following main priorities:

- implement the financing program on the best possible terms;
- maintain leadership in its two activities, while maintaining a very low risk profile;
- continue to support its clients in their efforts to promote the ecological transition.

More specifically, the uncertainties of the geopolitical and macroeconomic context are liable to cause volatility in the Sfil group's financing conditions. For 2026, Caffil is planning a financing program of between €6bn and €8bn in the form of public issues and private placements.

The financing activity of the local public sector is expected to slow down in 2026 due to the electoral calendar and the installation of the new executives in the municipalities. However, activity in 2026 should be driven by:

- continued structuring local investments led by large local authorities, departments and regions;
- the continued momentum of green and social loans in line with investments by local authorities in support of public policies for an environmental transition and social cohesion.

Following the European Commission's decision of 18 December 2024, which authorized the expansion of French local public sector financing activity, the Sfil group and its partner La Banque Postale worked in 2025 on its operational implementation, which should lead to initial achievements in 2026.

The direct effects of the geopolitical context in the Middle East on the Sfil group's export credit activity seem limited at this stage insofar as the exposures to this geographical area do not concern countries actively engaged in the conflict and that they benefit from credit insurance from Bpifrance Assurance Export. In addition, the business outlook is very positive: the stock of active files being studied at end-2025 remains very high, with 163 files for a total amount of €64bn (compared to 175 active files for an amount of €64.8bn at the end of 2024), of which about 39% concerns the defense sector in a global context of increased military spending. In a financial market environment where the sovereign rating has been downgraded, the Sfil group's ability to intervene is not altered in terms of the volumes of financing that can be made available.

In parallel and following the European Commission's agreement of 18 December 2024 authorizing the Sfil group to expand its activities to transactions covered by European Union export credit agencies other than Bpifrance Assurance Export, active preparatory discussions are underway, both with partner commercial banks for potential transactions, and with European export credit agencies that may take these future export credits as collateral.

## 2.9 Information on internal control

Caffil, which, as a *société de crédit foncier*, does not have its own staff, has delegated the exercise of its internal control functions to its parent company Sfil under the management agreement between the two companies under article L.513-15 of the French Monetary and Financial Code. Consequently, internal control at Sfil, as described below, also fulfills the regulatory obligations of Caffil in this regard.

### Fundamental principles

The internal control system was set up by the Sfil group in accordance with the principles set out in the amended *arrêté* of 3 November 2014, which relate to:

- the systems to control transactions and internal procedures;
- accounting organization and data processing;
- risk measurement systems and their results;

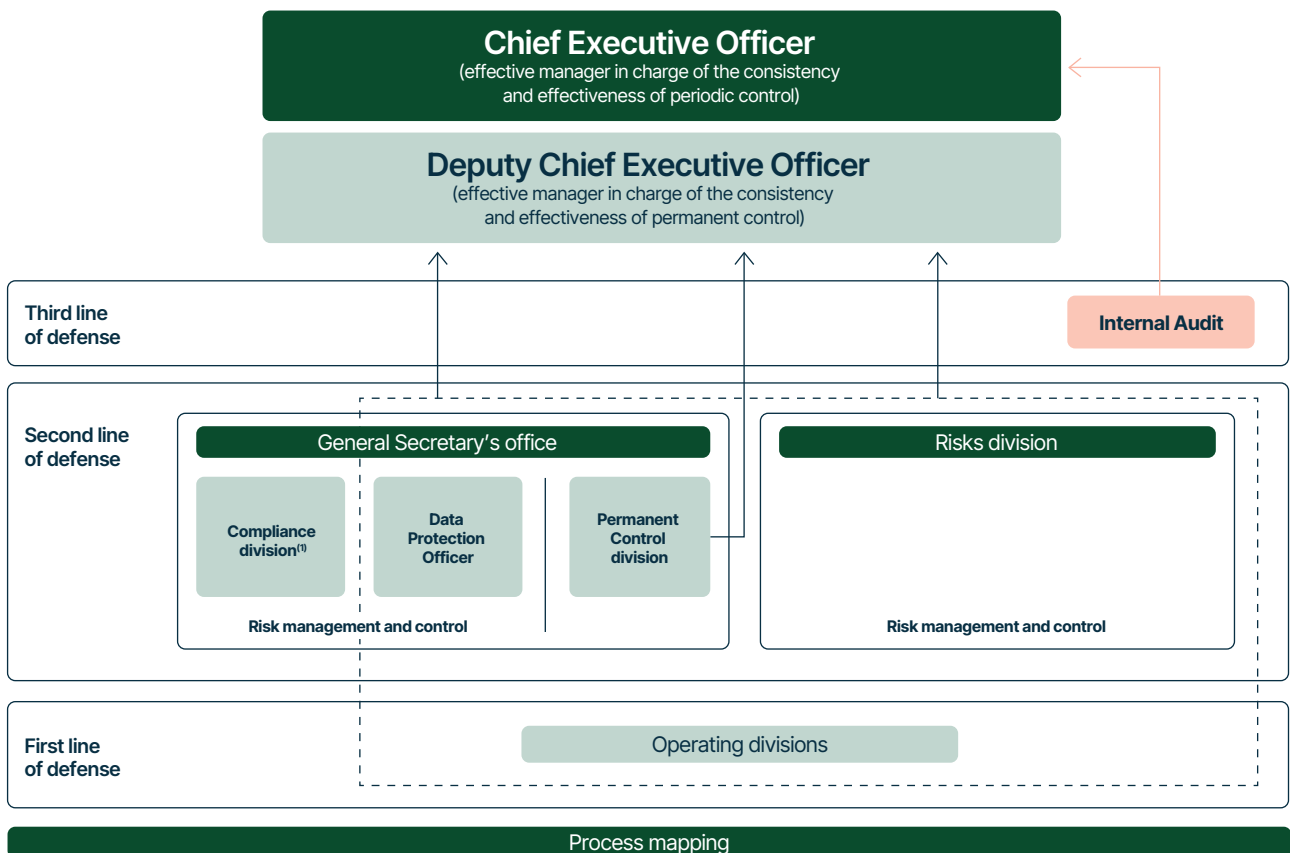
- risk monitoring and control systems;
- the verification of compliance;
- the documentation and information system on internal control.

The internal control system ensures a reasonable overall control of risks. More specifically, it aims to:

- verify the effectiveness of the risk control system to ensure that risks are in line with the risk appetite that its governance bodies have defined;
- ensure compliance with legal and regulatory provisions as well as internal policies;
- monitor the operational security of Sfil group processes to ensure that the transactions are conducted properly;
- verify the reliability and relevance of the accounting and financial information produced.

### General architecture

In accordance with the amended *arrêté* of 3 November 2014, the general architecture of the Sfil group's internal control system is based on three lines of defense, under the ultimate responsibility of the General Management and the supervision of the Board of Directors of Sfil:



<sup>(1)</sup> Article 18 of the *arrêté* of January 6, 2021: the person responsible for implementing the AML/CFT system cannot be responsible for the permanent control of the AML/CFT system.

The permanent control is provided by the first two lines of defense, which allow a continuous implementation of the internal control procedures. The periodic control, which provides the third line of defense, is a verification and assessment function of the first two lines of defense that intervenes according to its own multiannual audit cycle. The second and third levels of control exercise independent control and do not participate in any operational activities.

These three functions report directly to the General Management of Sfil and to the Executive Board of Directors of Caffil. Pursuant to the *arrêté* of 25 February 2021 amending the *arrêté* of 3 November 2014, the Deputy Chief Executive Officer of Sfil has been appointed effective manager responsible for the consistency and effectiveness of permanent control (first two lines of defense). The Chief Executive Officer of Sfil has been appointed as the effective manager responsible for the consistency and effectiveness of periodic control (third line of defense). Three members of the Executive Board of Caffil have also been appointed, respectively, as head of the consistency and effectiveness of permanent control, head of the consistency and effectiveness of the internal audit function and head of the implementation of the AML/CFT system, for Caffil.

These functions also report on the performance of their duties to the Sfil Risks and Internal Control Committee, a specialized committee of the Board of Directors of Sfil, which also acts on behalf of Caffil. At their request, they can be heard by this committee and by the Board. They also have the right of initiative and may directly contact the Board of Directors, the Risks and Internal Control Committee of Sfil or the Executive Board of Caffil if they consider that an event that could have a significant impact must be submitted to it. They also present their activity reports, mappings, and control plans to the Executive Board of Caffil, which reports to the Supervisory Board.

Workforce in the second and third lines of defense	31 Dec 2025
Compliance	8
Permanent control	5
Risks	87
Periodic control	9
<b>TOTAL</b>	<b>109</b>

The players in the second and third lines of defense meet as needed in the Internal Control Coordination Committee, which coordinates the Sfil group's internal control system.

## Supervisory body and effective managers

### Sfil's Board of Directors

The internal control system is placed under the supervision of the Board of Directors of Sfil. The latter directly exercises key responsibilities in terms of internal control:

- firstly, it ensures that an adequate and effective framework with a clear organizational structure and independent and effective risk management, verification of compliance and audit functions exists;

- on the proposal of the effective managers, it determines the strategy and guidelines of the internal control activity and ensures their implementation;
- it reviews the activity and results of internal control at least twice a year;
- it regularly examines, assesses and controls the effectiveness of the governance system, including the clear definition of the responsibilities of internal control, including the procedures for declaring risks. It takes the appropriate measures to remedy any shortcomings that it observes;
- it validates the Risk Appetite Statement, approves and regularly reviews the strategies and policies governing the taking, management, monitoring and control of risks and approves their overall limits.

The heads of the internal control functions provide the Board of Directors of Sfil and the effective managers of Sfil with a reasoned opinion on the level of control of the proven or potential risks, in particular with regard to the defined Risk Appetite Statement. They propose any improvement action they deem necessary.

The heads of the Internal Audit division, the Risks division and the General Secretary may be heard by the Board of Directors of Sfil or one of its specialized committees, possibly without the presence of the effective managers of Sfil.

### Sfil's Risks and Internal Control Committee

For the purposes of carrying out its responsibilities, the Board of Directors of Sfil relies on the Risks and Internal Control Committee, of which it is an offshoot, which also acts on behalf of Caffil and is responsible for:

- advising the Board of Directors on risk appetite, management and monitoring of all types of risks in order to ensure their alignment with the bank's strategy and objectives;
- conducting a regular review of the strategies, policies, procedures, systems, tools and limits used to detect, measure, manage and monitor liquidity risk as well as the underlying assumptions. It communicates its conclusions to the Board of Directors of Sfil;
- examining different scenarios, including stress scenarios, to assess how the bank's risk profile would react to external and internal events;
- assessing the effectiveness of internal control, in particular the consistency of the systems for measuring, monitoring and controlling risks, particularly with regard to the Risk Appetite Statement approved by the Board of Directors of Sfil and the Supervisory Board of Caffil, and to propose, as necessary, additional actions in this respect;
- carrying out the monitoring of Sfil group's permanent control, compliance and periodic control system; to this end, it analyzes the reports on internal control and the measurement and monitoring of risks, the activity reports of the Internal Audit division, and any significant correspondence with supervisors and reports thereon to Sfil's Board of Directors;
- giving an opinion on the compensation policy and practices, in particular if they are compatible with the company's situation with regard to the risks to which it is exposed.

The reports of the internal control functions are presented and discussed within the Risks and Internal Control Committee.

### Sfil's effective managers

The effective managers of Sfil, namely the Chief Executive Officer and the Deputy Chief Executive Officer, are responsible for the overall internal control system. In this respect and without prejudice to the prerogatives of the Board of Directors, they:

- determine the essential policies and procedures governing this system;
- directly supervise the functions exercising independent control and provide them with the means enabling them to carry out their responsibilities effectively;
- set the Sfil group's risk-taking policies, validate the most important decisions in this area and, if necessary, make the final decisions as part of the escalation process;
- periodically assess and monitor the effectiveness of internal control policies, systems and procedures and take appropriate measures to remedy any shortcomings;
- receive reports on internal control;
- report to the Board of Directors of Sfil or its relevant committee on the operation of this system.

### Caffil's Executive Board

The Executive Board is the front-ranking guarantor of the efficient operation of Caffil's internal control procedures. Given the structure of Caffil and the management agreement which binds it to its parent company, the Executive Board of Caffil relies on the governance and organization of internal control in effect at Sfil and in particular on:

- the Risks and Internal Control Committee, attached to the Board of Directors of Sfil, the role of which, described in the French Commercial Code and in the amended *arrêté* of 3 November 2014, is described in detail above;
- the Chief Executive Officer and Deputy Chief Executive Officer of Sfil, effective managers within the meaning of the regulations, who are responsible for the efficient operation of Sfil group's internal control system, within their respective scope as defined above (see "General architecture").

The Chairman of Caffil's Executive Board reports on the content and decisions of Sfil's Risks and Internal Control Committee and Caffil's Executive Board to Caffil's Supervisory Board.

### Permanent control

#### Fundamental principles

In line with the fundamental principles of internal control described above, permanent control is defined as all the processes and resources implemented on an ongoing basis to obtain reasonable assurance that the following objectives have been achieved:

- compliance of the transactions carried out with the instructions and guidelines of the Chief Executive Officer, with the legislative and regulatory provisions covering banking and financial regulations, as well as with the rules of law and internal procedures;
- adequate control of the risks incurred;
- reliability and integrity of financial and management information <sup>(2)</sup>;
- protection of the Sfil group's reputation, ethical professional behavior, prevention of conflicts of interest;
- fight against money laundering, corruption and the financing of terrorism and compliance with financial sanctions and embargoes;
- protection of the interests of the Sfil group's investors and clients as well as the integrity of the markets;
- protection of personal data.

Permanent control is based on the body of standards and procedures governing all of Sfil group's activities and processes, and is an element of the overall system for managing financial and non-financial risks. It contributes to the reliability of existing processes and to the security of all activities.

The permanent control system covers all the activities of the departments of Sfil, its subsidiary Caffil, including the essential activities outsourced to a service provider. The system covers all financial (credit, market & ALM) and non-financial (strategic and business, operational, non-compliance, ESG) risks generated by these activities.

Permanent control is thus based on a control plan whose objective is to ensure reasonable coverage of the risks listed in the consolidated mapping of the Sfil group and covering the group's various divisions, activities and processes. Other sources are taken into account to develop the control plan: new activities or products, incidents, regulatory changes, audit and regulator recommendations and feedback from permanent control campaigns. The permanent control plan is formally reviewed annually after the consolidated risk mapping is updated.

Some risks may not be covered by permanent control due to their nature. They are clearly identified and are nevertheless accompanied by other mitigating factors within the risk management system.

Sfil group's permanent control system is adapted to the nature and scope of its activities and the risks arising from them, according to the principle of a risk-based approach. In particular, the frequency of the controls included in the control plan is proportionate to the level of risks of the activities examined and to the risk tolerance.

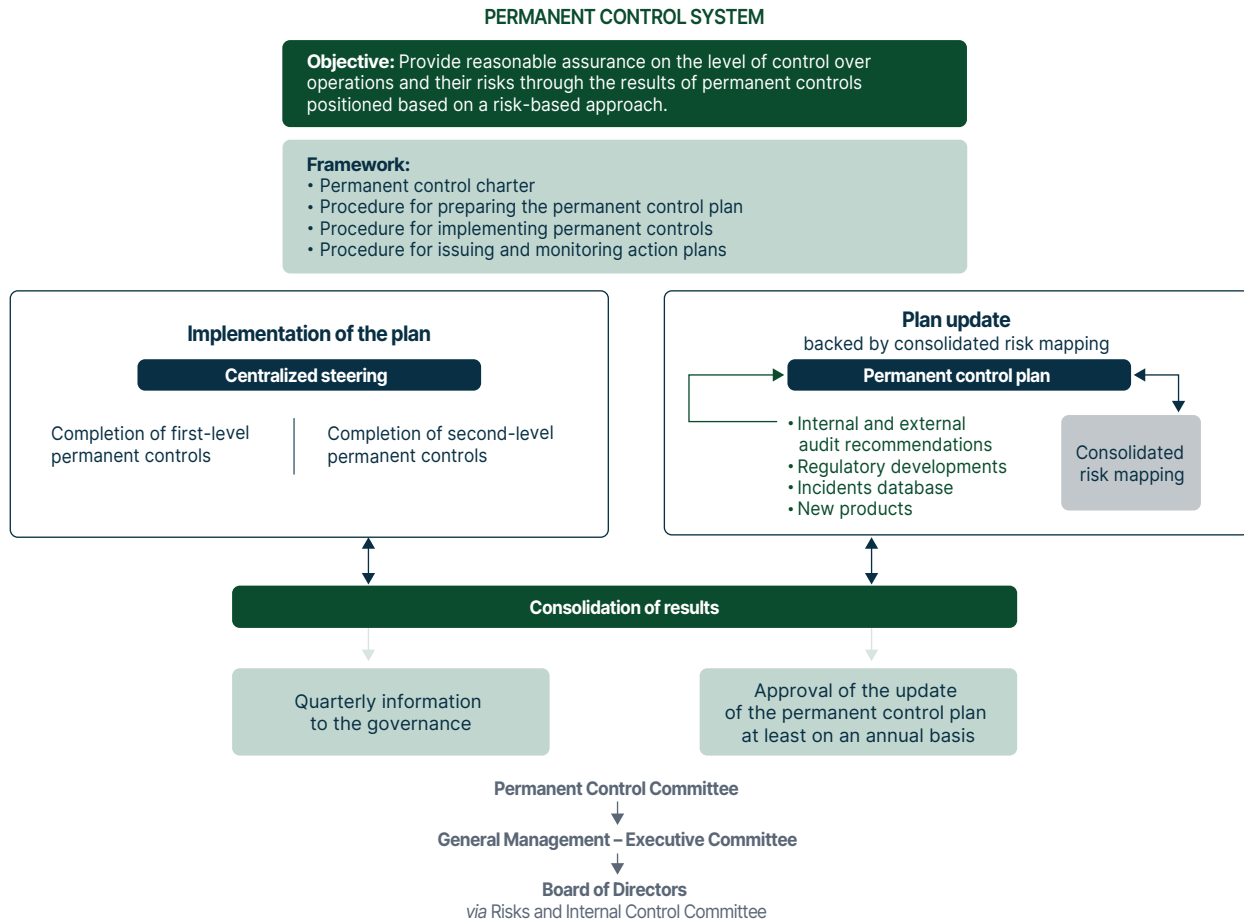
(2) See below Internal control procedures for accounting and financial information.

## Organization and governance

The permanent control charter, made available to all Sfil employees, defines the permanent control system and activities by specifying:

- the regulatory context and scope of application;

- the fundamental principles of permanent control;
- the principles governing the organization of permanent control;
- the main permanent control tools.



The permanent control system is based both on the first-level controls carried out by the first line of defense and on the work of employees dedicated solely to control functions (second line of defense).

## First line of defense

The first line of defense is provided within the operating divisions by employees and line managers. They are responsible for:

- analyzing the risks of each transaction they handle according to their respective field of activity;
- defining and describing, in the operational procedures, the first-level controls relating to these transactions;
- implementing them, verifying that these controls are effectively adapted to these risks and adapting them if necessary.

The internal control system is the responsibility of each employee, whatever his or her hierarchical level and his or her responsibilities.

To this end, these employees and responsible persons rely on a set of policies, limits and indicators with a clear separation between the launch of operations and their validation, control or settlement. These policies, limits and indicators are defined by several internal committees composed of employees from the operational, support and control functions and chaired by a member of the Executive Committee. These elements are included in the Risk Appetite Statement approved by Sfil's Board of Directors.

Employees are required to report to a higher level as soon as possible:

- any information necessary for the correct analysis of a situation likely to affect the risks or the reputation of Sfil with which they would be confronted;
- any issue that they cannot resolve on their own in the performance of their duties;
- any situation that they deem to be abnormal.

In addition, employees have the right to whistleblowing, provided for by the Sfil code of conduct, allowing them to make an alert within a framework placed under the responsibility of the Compliance division, providing a guarantee of enhanced confidentiality and protection against possible retaliation.

In addition, internal control objectives are taken into account in human resources management, particularly as part of the annual assessment process and the definition of training.

### Second line of defense

The second line of defense aims to verify that the risks have been identified and managed by the first line of defense according to the rules and procedures provided. It also ensures the proper functioning and effectiveness of the first-level permanent control.

The three integrated functions, independent of the operational divisions, which exercise second-level control are:

- the Risks division, in charge of the organization and deployment of the overall risk management system, excluding non-compliance risks, to which the Sfil group is exposed, and more specifically in terms of credit risk, interest rate risk, liquidity risk, market risk, foreign exchange risk, operational risk and climate and environmental risks; the Chief Risk Officer develops the risk management framework, taking into account the risk appetite defined by Sfil's Board of Directors, and implements it by measuring and monitoring risks. The Chief Risk Officer is a member of Sfil's Executive Committee;
- the Compliance division, in charge of setting up and coordinating non-compliance risk management systems that arise from non-compliance with provisions specific to banking and financial activities. The Compliance division, under the aegis of the General Secretary, who is also the Chief Compliance Officer, oversees the management of these risks by relying in particular on their mapping. In support of the latter, non-compliance risk monitoring indicators are defined in

conjunction with the Risks division as part of the risk appetite. Once a year, the mapping of non-compliance risks is reviewed for updating;

- the Permanent control division, in charge of managing and coordinating the Sfil group's overall first- and second-level permanent control system and ensuring the consistency and effectiveness of the permanent control plan (see "Organization and governance" above). The Director of Permanent Control is responsible for the second-level control system. He contributes to risk management. In his capacity as head of the compliance verification function, he has direct access to the Deputy Chief Executive Officer of Sfil with a whistleblowing right.

The Permanent Control and Compliance divisions report directly to the General Secretary, a member of Sfil's Executive Committee.

To carry out their duties, the permanent control division and the Risks division have full access to the business, risk and compliance tools necessary for the implementation of controls in complete independence as well as to any useful information from the operational departments.

### Network of internal control coordinators

Within each Sfil department, an internal control coordinator is appointed. His/her role is to ensure the link between his/her management and the control functions in charge of managing and coordinating internal control. The internal control coordinator may rely on internal control officers specialized in a theme (permanent control, process, incident or GDPR). This network encompasses all of Sfil's lines of defense and directions.

The control functions in charge of coordinating this network are the Operational Risks division, the Permanent control division, the Compliance division and the Internal audit division, with assistance from the Transformation division responsible for updating the process mapping.

The role of the internal control coordinator is to disseminate the risk and control culture within the division, update the operational processes for which he/she is responsible, participate in risk mapping and assessment exercises and risk management systems including controls, report operational incidents and non-compliances, assess and report permanent controls and key operational risk indicators, issue and monitor action plans in the event of malfunctions and participate in internal control bodies. Their role is the subject of an assignment sheet and an annual objective is defined and assessed during the annual reviews.

### Permanent controls

Second-level permanent controls are defined using a risk-based approach, based on their mappings. The frequency and depth of these controls are adjusted to the criticality of the risks and their volume.

They focus on:

- execution controls: recurring controls to verify that the first-level controls constituting the risk management system (RMS) are in place, relevant, and carried out in accordance with standards and procedures;
- assessment controls: additional specific controls carried out on the basis of criteria and sampling specific to second-level controls (defined on the basis of internal policies and procedures or regulatory texts).

### Risk mapping

The Sfil group monitors and manages its risks by means of risk mappings prepared by the Risks division and the Compliance division, in conjunction with the business lines, which makes it possible to:

- identify significant risks and associated risk management systems (RMS) intended to reduce their probability of occurrence and/or potential impact;
- take into account the incidents identified, in order to develop and update the first and second level control plans;
- update the list of feared events based on the results of the execution of these plans, the operational risk management system and the action plans.

The risk mappings are updated at least annually. The assessment of the RMS for year N takes into account the incidents reported for year N, as well as the results of controls carried out for year N.

The results of second-level permanent controls are shared with the relevant business lines, including any potential malfunctions identified, so that they can be corrected. If necessary, action plans may be implemented following the analysis of the cause of the malfunction to prevent it from recurring. These actions may lead to changes in the processes and procedures controlled or the redefinition of the first- and second-level permanent controls, in collaboration with the divisions concerned, in order to improve their effectiveness.

### Risks division

The permanent control system is based on the risk management system put in place by the Risks division to identify the main operational and non-compliance risks and to guide the controls in order to assess their degree of control, as part of a risk-based approach.

The risk management system developed and implemented by the Risks division complements the permanent control system described above.

Where appropriate, the Risks division supports the Permanent Control division through its experts (credit, market, internal models, IT system security) in the implementation of the unified permanent control plan.

### Permanent Control division

The second-level permanent control function is under the responsibility of a single division within the General Secretary's office. Its main objectives are to:

- ensure compliance with the reference body of documents, including the Permanent Control Charter;

- assess the permanent control system (financial and non-financial risks);
- support the operational departments and the Risks division in defining and reviewing permanent controls;
- consolidate the control plan while reporting the consolidated control results to Sfil and Caffil's governance bodies and monitor the action plans.

### Compliance division

The General Secretary, who is also the Chief Compliance Officer, is responsible for the compliance verification function in accordance with Article 28 of the *arrêté*. The Compliance division assists the General Secretary by defining the non-compliance risk management framework. As a second line of defense, this framework guarantees reasonable assurance of non-compliance risk control. The Compliance division steers the management of non-compliance risks by relying, among other things, on the non-compliance risk mapping that it carries out (see table above). Lastly, permanent compliance control is based on the annual control plan (see "Fundamental principles" above), updated taking into account the assessment of non-compliance risks.

To perform its duties, the Compliance division also relies on internal systems that enable the detection and reporting of reports, breaches, violations or malfunctions, *via*:

- a network of referents within the operating divisions;
- a professional or ethical whistleblowing procedure.

2025 permanent control activities

Missions	2025 Results
<b>Preparation of the permanent control plan</b>	<ul style="list-style-type: none"> <li>• 260 permanent controls in the 2025 permanent control plan, including 162 second-level permanent controls;</li> <li>• Approval by the Board of Directors in December 2025 of the backing of the control plan with the consolidated risk mapping.</li> </ul>
<b>Roll-out of the permanent control plan</b>	<ul style="list-style-type: none"> <li>• 99% completion rate of the 2025 permanent control plan;</li> <li>• Average compliance rate of 97% of permanent controls assessed in 2025.</li> </ul>

Periodic control

Organization and governance

The periodic control function, which represents the third line of defense, is performed by the Internal Audit division of Sfil. The scope of intervention of this division extends to all activities carried out by the Sfil group, operational processes and systems, without reservation or exception, including essential outsourced activities and techniques to fight against fraud.

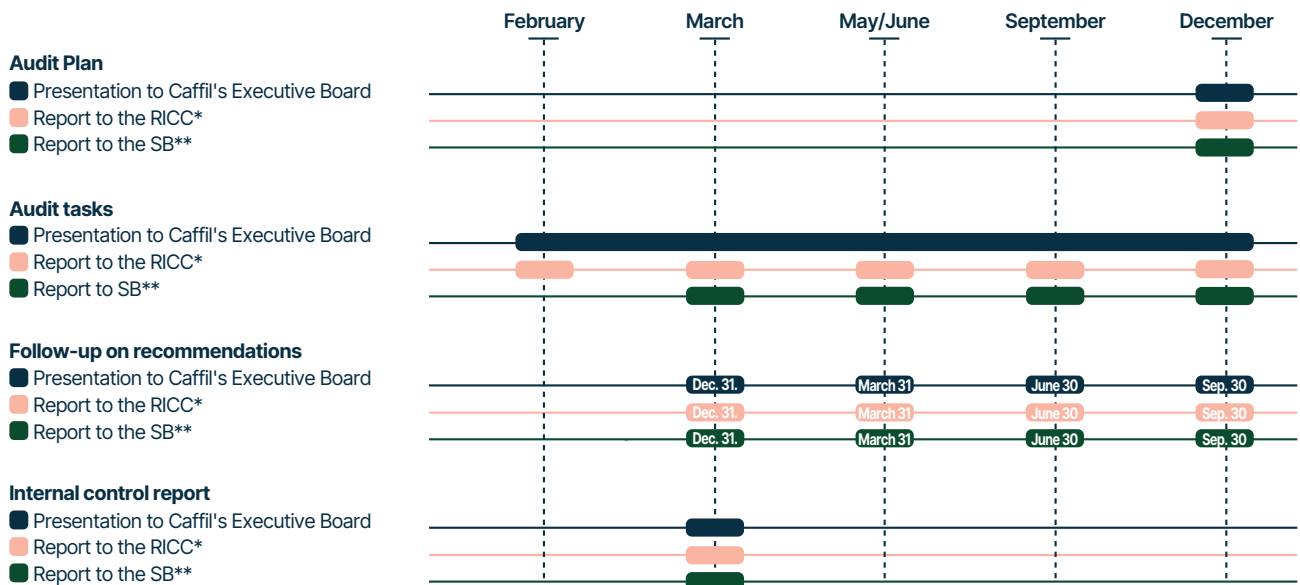
In addition to the direct reporting of the General Auditor to the Chief Executive Officer, the independence and efficiency of the Internal Audit division is assured by:

- the absence of involvement in the operational management of activities;
- unconditional and immediate access to all information, documents, premises, systems or persons its activities require;
- the resources supplied by the General Management to carry out these missions;
- compliance with the principles of integrity, objectivity, confidentiality and competence (in particular through a permanent training plan on audit techniques and regulatory developments) on the part of the staff of the division.

These principles are reflected in the internal audit charter and the inspection charter, approved by the Risks and Internal Control Committee of Sfil, and distributed to all Sfil employees to remind them of the rights and duties of the auditors and the auditees.

The General Auditor supervises all the division's audit activities and reports. He is assisted in his assignments by his deputy, who is also in charge of the audit team and supervises the performance of the audit missions. Furthermore, every auditor is responsible for a specific field, via the participation on some of governance committees of the Sfil group as an observer, risk monitoring and the following up of recommendations for implementation by operating divisions.

The supervision of the periodic control by Sfil's Board of Directors and Sfil's Risks and Internal Control Committee is based on a system of structured and recurrent reporting of all the Internal Audit division's activities. The effective managers, and in particular the Chief Executive Officer of Sfil, designated as responsible for the consistency and effectiveness of periodic control, are informed on a regular basis and as the results of the division's activities progress, through the reports prepared for Sfil's Executive Committee and Caffil's Executive Board, which then report to its Supervisory Board.



\* Risks and Internal Control Committee  
\*\* Caffil Supervisory Board

## 2025 activities

The division's activities are described in an internal audit manual that is based on the reference framework of the professional internal audit practices of the IFACI<sup>(3)</sup> and are mapped in a dedicated process.

Missions	2025 Achievements
<b>Preparation and roll-out of the multi-year audit plan</b>	<ul style="list-style-type: none"> <li>• preparation of the 2026 audit plan and approval in December 2025 by the governance bodies of the Sfil group, after favorable opinion from Sfil's Risks and Internal Control Committee. This plan, which concludes the 2023-2026 multi-year cycle, provides for the performance of 12 audit missions;</li> <li>• completion of 12 missions as at the end of January 2026 as part of the 2025 audit plan, <i>i.e.</i> a completion rate of 100%;</li> <li>• missions carried out in 2025 relating in particular to: <ul style="list-style-type: none"> <li>• key operational processes (management of credit events, management of local public sector transactions, Banque de France refinancing);</li> <li>• support processes (business continuity management, data quality management);</li> <li>• risk monitoring, including risk appetite, permanent control system, risks related to internal models, information system security and the audit of essential outsourced services.</li> </ul> </li> </ul>
<b>Preparation and roll-out of the inspection plan</b>	<ul style="list-style-type: none"> <li>• during Q4 2025, definition of the 2026 inspection plan providing for the completion of an inspection control;</li> <li>• completion of a mission under the 2025 plan.</li> </ul>
<b>Follow-up on recommendations</b>	<p>For all of the recommendations made following missions conducted by the Internal Audit and Inspection division or the supervisory authorities;</p> <ul style="list-style-type: none"> <li>• regular monitoring during the year 2025;</li> <li>• production of quarterly statements highlighting the main risk points remaining to be covered, including those subject to temporary acceptance of the risk given that their initial maturity date was more than six months past due, and those closed during the period review.</li> </ul>

## Specific Controller

In accordance with articles R.513-15 and R.513-16 of the French Monetary and Financial Code, Caffil has appointed a Specific Controller. The Specific Controller is responsible for ensuring that the Company respects its exclusive corporate purpose and prudential standards specific to *sociétés de crédit foncier*. The Specific Controller is a French professionally certified statutory auditor named by the Executive Board.

The Specific Controller performs controls provided for in articles L.513-23 and L.513-24 of the French Monetary and Financial Code, he verifies, in this context, the Company's compliance with articles L.513-2 to L.513-12 of the French Monetary and Financial Code, articles 5, 10 and 12 of the amended CRBF Regulation 99-10, the provisions of Autorité de contrôle prudentiel et de résolution Instruction No. 2022-I-03 and article 129 of the Regulation (EU) 575/2013 as amended. He conducts appropriate audits in cooperation with the Statutory Auditors and is completely independent *vis-à-vis* the Company's managers. He is also liable for the negative consequences of any error or negligence committed in the exercise of his functions. He has access to all information from management, internal control and internal audit operating divisions. These divisions are instructed to provide him with the agreed information that will enable him to carry out his controls.

The Specific Controller issues a quarterly certificate on compliance with the over-collateralization ratio, the coverage of liquidity requirements at 180 days, the coverage plan for privileged resources, the average asset/liability life gap, the management of overall interest rate risk and the "high quality covered bond" label.

Moreover, for every Caffil issuance or on the basis of a quarterly issuance program, he affirms compliance with legal and regulatory requirements concerning the over-collateralization of the privileged liabilities by the assets, once the issue has been settled.

He also verifies the existence of the transfer and recovery plan for receivables containing the elements provided for by the regulations on an annual basis.

The Specific Controller submits an annual report on his activity to the Supervisory Board of Caffil, and a copy is addressed to the Autorité de contrôle prudentiel et de résolution.

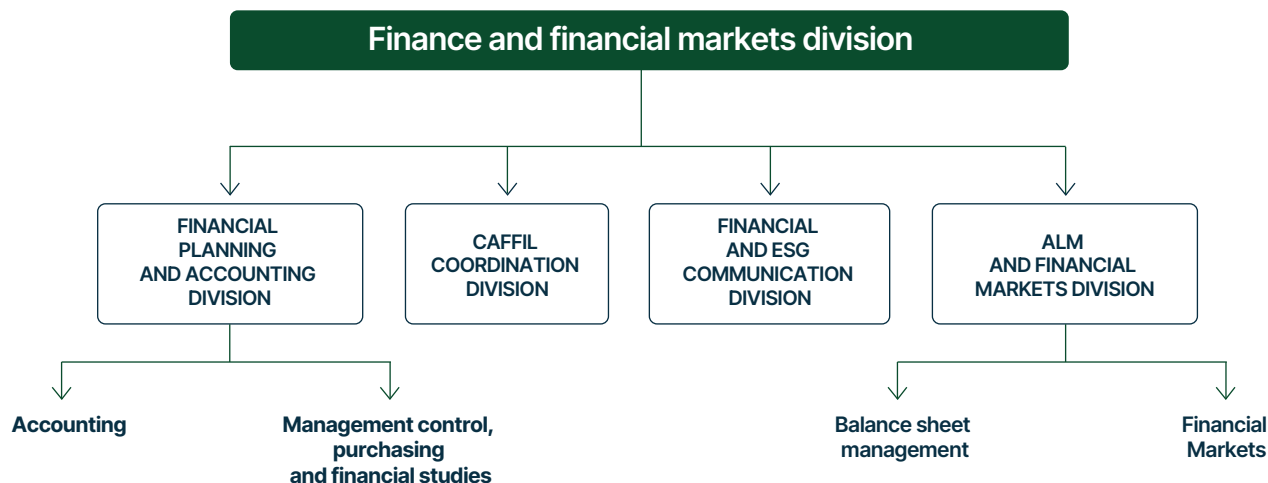
## Supervisors

Given its status as a *société de crédit foncier*, Caffil is subject to regular supervision and controls by the Autorité de contrôle prudentiel et de résolution (ACPR), the Banque de France and the French Financial Markets Authority (AMF - Autorité des marchés financiers).

(3) Institut français de l'audit et du contrôle interne (IFACI).

## Internal control procedures for accounting and financial information

The Finance and Financial Markets division is responsible for the Group's financial strategy, in conjunction with other Sfil divisions where applicable. It also determines the methods applicable in the Group with regard to accounting and financial information.



### Financial statements

The main aim of the Accounting company's annual financial statements, and all the financial data produced by the Accounting function is to give a true and fair view of its assets, financial position and results. The *arrêté* of 3 November 2014 highlights in its accounting chapter that the organization adopted should guarantee the existence of procedures called "audit tracks". They make it possible to establish a link between accounting data and the original supporting document, and vice versa.

All these items should make it possible to reconstitute, justify and explain any and all financial items produced for accounting or regulatory purposes. It is this principle that underpins the organization of the Sfil group's accounting function.

#### Mission and organization of the Accounting division

Accounting data for Caffil is produced by the Accounting division of Sfil, within the framework of the management agreement between the two companies.

Sfil's accounting division reports to Sfil's Financial Planning and Accounting division. It interacts with numerous divisions within Sfil, providing it with a cross-sectional overview of the Group's business activities.

The Accounting division is organized around four teams:

- the business line accounting team, which provides first-level control over transactions related to clients and market instruments;
- the overheads and payroll accounting team, which is responsible for paying supplier invoices. This team also provides first-level control over the accounting processing associated with supplier invoices and the payroll process;
- the statutory accounting and regulatory declarations team, which provides second-level control over the activities carried

out by the two previous teams. This team also prepares the consolidated and separate financial statements of the two Sfil group entities. It also produces financial statements for publication for Sfil and Caffil. Finally, this team performs tax and regulatory reporting;

- the standards and studies team, which is responsible for managing the accounting basis and monitoring accounting and prudential standards. It also validates the implementation of accounting procedures for activities and specifically reviews new, complex or unusual transactions.

The Accounting division is tasked with analyzing and verifying accounting data. It relies, in particular, on a process of reconciling this data in a contradictory approach with the other Sfil teams, notably the management control, in particular as regards to product control and balance sheet and off-balance sheet amounts of the entities managed. This approach is also applied to the accounting data which are reconciled with the data used to calculate the prudential indicators and reporting by the Risks division.

To carry out its mission, the Accounting division participates in the main committees that may affect its activity and has access to a very wide range of information. It participates actively in managing the technical development of IT systems, and relies on a cross-divisional team within the Technology and Organization division to improve, secure and ensure the sustainability of its IT system.

This organization makes it possible to ensure continuous improvement in terms of process quality and efficiency and reliability of financial information.

## Preparation of the separate financial statements

The Sfil group's accounting system enables the separate financial statements to be prepared and is in large measure automatically supplied by upstream management systems that manage transactions with clients and market counterparties as well as operating expenses. When a transaction is entered in one of the systems, one or more accounting entries are directly generated through automated accounting plans. These automatic functions may be supplemented by manual entries for certain specific transactions. The synthesis of this data is thus obtained automatically using parameterized publication tools.

The internal control system in the operating divisions guarantees the completeness and accuracy of accounting entries. When certain operations cannot be completely incorporated into the management tools available, the controls implemented within the accounting teams aim to translate the specific effects related to these specific transactions and correct their translation if required.

A first level of control is conducted by accounting teams that are specialized by products, in particular by analyzing accounting/management data reconciliation, bank reconciliation and technical suspense accounts. These teams also reconcile the accounting data from net banking income with management data produced by separate teams. This cross-referencing is done at least once a quarter and consistency from one period to the next is verified using analytical controls. The main changes must be explained. Moreover, these teams prepare a synthetic memorandum on the work done, which points out areas that need attention and improvement for the processes to be used in future financial statements. Lastly, management control performs consistency checks on net banking income and may, if necessary, conduct more in-depth analyzes in the event of significant discrepancies.

To monitor the application of its second-level control plan, the Accounting division has a monitoring tool at its disposal with which it can verify the execution of key controls. The validation of key controls is carried out by the line manager of the staff who carried out the control. This information and any comments made on discrepancies are subject to review by the Deputy Head of the Accounting division and the Head of Financial Planning and Accounting with the main heads of accounting teams.

The summary reports are carried out *via* an automated process based on settings administered by the standards and studies team. Consolidation transactions are included in a set of developments planned within the Sfil group's accounting information system. Notes to the separate financial statements and regulatory declarations are produced based on accounting data that may be enhanced by management information. Qualitative analyzes are then carried out through a cross-review of the summary data within the Finance and Financial Markets division. Cross-referenced controls are also conducted between the financial statements and the notes to the financial statements.

## Financial statements reporting process

The financial statements are prepared by Sfil's divisions, in particular the Finance and Financial Markets division, the Risks division and the General Secretary's office.

The financial statements are subject to a special review during production and in their final version by one of the members of the Executive Board of Caffil, responsible for overseeing this process.

The Executive Board of Caffil approves the annual and half-yearly financial statements at a meeting attended by the two Statutory Auditors and the Accounting division. The principal issues in the period's management report are examined during another meeting. The annual and interim financial statements are subject to an audit and a limited review by the Statutory Auditors.

The annual and interim financial reports are presented to the Sfil group Financial Statements Committee. They are also presented by the Executive Board to the Supervisory Board and then to the Shareholders' Meeting.

## Financial information

The Financial and Extra-Financial Communication division ensures the consistency of all messages circulated relating to the Sfil group's financial information. It is responsible for the information published through the press releases and presentations of the Sfil group's results and the annual and interim financial reports made available to the public on the Group's website. They are also filed with the French Financial Markets Authority (AMF - Autorité des marchés financiers). In this context, the Financial Communication division, under the responsibility of General Management and the Director of Finance and Financial Markets, prepares the presentation of the results and the financial structure of the Sfil group, making it possible to base the opinion of third parties on its performance, financial strength and outlook.

## Role of the Statutory Auditors

Caffil's Statutory Auditors comprise a panel of two Statutory Auditors, who are common with Sfil.

The Statutory Auditors regularly participate in the entire process of preparation of the financial statements in order to ensure efficiency and transparency.

As part of their due diligence, they analyze accounting procedures and evaluate current internal control systems to determine the nature of their controls following an assessment of the principal areas of risk. Following these analyses, they may make recommendations to the Company's management on internal control procedures and systems that could improve the quality or security of financial and accounting information produced.

They are also provided with the documents that enable them to carry out their due diligence. These include, in particular, the Internal Audit division's mission reports, the minutes of the meetings of the Executive Board and the Supervisory Board of Caffil, and the accounting treatment notes or closing summary prepared by the Accounting division.

Their work also includes a review of all the agreements that are regulated. They provide an exhaustive and accurate summary of regulated agreements in the special report they submit at the end of their legal mission.

They employ due diligence to obtain reasonable assurance that the financial statements of Caffil are free from any material misstatement.

## Management reporting

The interim and annual financial statements that Caffil provides to its shareholder and the public are supplemented by a management report. This management information includes items relating to the acquisition of loans originated by the two partners or the refinancing of large export credits. This management information is mainly prepared by the Accounting and Financial planning division on the basis of management data reconciled

with the accounts. The outlook and risk assessments included in the financial reports are prepared by the operating divisions or the Risks division. Their accuracy is therefore guaranteed by the internal control system of the divisions concerned. The Statutory Auditors also verify the consistency of this information during their review or audit of the "Management report" section of the half-yearly and annual financial reports.

## 2.10 Additional information

### 2.10.1 Payment terms

Pursuant to articles L.441-14 and D.441-6 of the French Commercial Code, Caffil publishes an annual breakdown of the balance of its trade payables by due date.

Caffil has a very limited number of direct suppliers, since its management is contractually entrusted to its parent company, in accordance with article L.513-15 of the French Monetary and Financial Code.

Caffil usually settles its bills as soon as they are recorded, and the balance of amounts owed to suppliers is theoretically always zero. The breakdown of arrears on invoices due at the end of 2025 is as follows:

#### Invoices received and not settled on the reporting date that are past due

	0 days (indicative)	1 to 30 days	31 to 60 days	61 to 90 days	91 days and more	Total
<b>(A) OVERDUE PAYMENT CLASSES</b>						
Number of invoices concerned	-	-	-	-	-	-
Total amount of invoices concerned excl. VAT €k	-	-	-	-	-	-
Percentage of the total amount of purchases excl. VAT of the financial year	-	-	-	-	-	-
<b>(B) INVOICES EXCLUDED FROM (A) CONCERNING LITIGIOUS PAYABLES AND LOANS OR NOT RECOGNIZED IN THE ACCOUNTS</b>						
Number of invoices excluded	-	-	-	-	-	-
Amount of invoices excluded	-	-	-	-	-	-

Reference payment period: legal or contractual, generally 45 days.

Bank and related transactions are not included in the information on payment terms.

### 2.10.2 Research and development

Pursuant to the provisions of article L.232-1 of the French Commercial Code, it is specified that Caffil does not carry out any research and development activities.

### 2.10.3 Non-tax deductible charges and expenses

In accordance with article 223 (4) of the French General Tax Code, no non-deductible expense or charge referred to in article 39-4 of the French General Tax Code was made by the Company during the financial year.

The general operating expenses considered non-deductible following a final tax assessment (article 223 (5), articles 39-5 and 54 (4) of the French General Tax Code) are zero.

## 2.10.4 Social, environmental and societal information

Caffil is not subject to the obligations to publish sustainability information. Sfil, the parent company of Caffil, publishes sustainability information in its Annual Financial report, which also covers Caffil's activities.

The Sfil group's sustainable development policies, which can be found on Sfil's website, are also applicable to Caffil.

## 2.10.5 Table of results during the last five financial years

Financial position	2021	2022	2023	2024	2025
Share capital €m	1,350	1,350	1,350	1,350	1,350
Number of shares	13,500,000	13,500,000	13,500,000	13,500,000	13,500,000
<b>COMPREHENSIVE INCOME €m</b>					
Revenue <sup>(1)</sup>	371	676	1,912	2,262	1,769
Net income before income tax, amortization, depreciation and contingencies net of reversals	80	101	68	93	112
Income tax	(28)	(24)	(11)	(21)	(32)
Income after income tax expense, amortization, depreciation and contingencies net of reversals	81	88	66	71	84
Exceptional distribution	-	-	-	-	-
Dividend <sup>(2)</sup>	85	84	63	67	80
<b>PER SHARE DATA €m</b>					
Revenue <sup>(1)</sup>	27.47	50.09	141.65	167.54	131.06
Net income before income tax, amortization, depreciation and contingencies net of reversals	7.98	9.24	5.85	6.88	8.32
Income tax	(2.04)	(1.75)	(0.80)	(1.59)	(2.37)
Income after income tax expense, amortization, depreciation and contingencies net of reversals	6.02	6.52	4.91	5.22	6.26
Exceptional distribution	-	-	-	-	-
Dividend <sup>(2)</sup>	6.32	6.19	4.67	4.96	5.95

(1) Revenue comprises the following items:

- interest income, net of macro-hedging expenses;
- commissions received;
- net income from foreign exchange transactions;
- other operating income.

(2) Proposed dividend distribution in 2026 for the 2025 financial year.

# 3.

## Report on corporate governance

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This report of the Supervisory Board on corporate governance, presented in accordance with articles L.225-68, L.225-37-4, L.22-10-10 and L.22-10-11 of the French Commercial Code, aims to report to shareholders on the Board's activity in 2025, its composition, the conditions for the preparation and organization of its work. It also includes the list of all terms of office and functions held in any company by each corporate officer during the financial year, information on the compensation of corporate officers, the diversity policy applied to the members of the Supervisory Board and information on the elements likely to have an impact in the event of a takeover bid or public offer.

For the preparation of this report, Caffil refers to:

- the French Commercial Code, as a commercial company;
- the French Monetary and Financial Code, as a credit institution;
- the relevant European regulations for credit institutions;
- the governance provisions adopted by its parent company Sfil, which opted to refer to the Afep-Medef Code of governance as a reference for the Sfil group.

## 3.1 Governance

Caffil is a limited liability company with an Executive Board and a Supervisory Board (*société anonyme à directoire et conseil de surveillance*), governed by the provisions of articles L.210-1 et seq. and L.22-10-1 et seq. of the French Commercial Code. Its activity is governed by articles L.511-1 et seq. (credit institutions) and L.513-2 et seq. (*sociétés de crédit foncier*) of the French Monetary and Financial Code.

As the French Monetary and Financial Code authorizes an entity to refer to the Governance, Appointments and CSR Committee and the Compensation Committee of its parent company for the definition of its appointment and compensation policy, the

This report was drawn up by the Supervisory Board of Caffil which gathered the appropriate information from its Executive Board and the General Secretariat of Sfil.

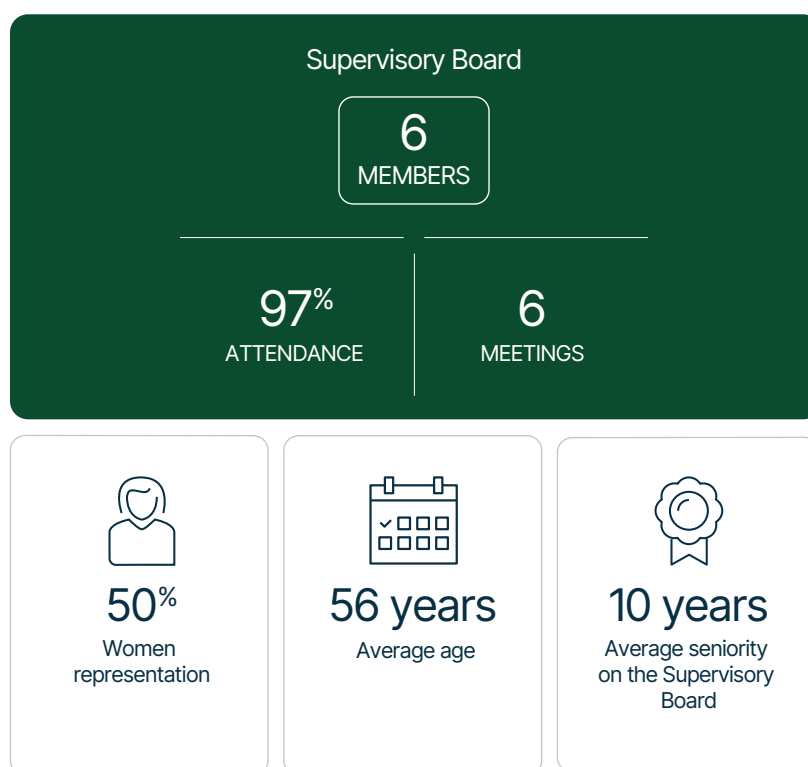
Caffil's operational structure and organization are controlled by its status as a *société de crédit foncier*. It is a legally independent company with its own Supervisory Board and Executive Board. However, in order to preserve the privilege granted to the holders of *obligations foncières* and other privileged debt securities, the law stipulates that a *société de crédit foncier* is not allowed to employ staff directly and must entrust the management of all its operations to a credit institution with which it signs an agreement (article L.513-15 of the French Monetary and Financial Code). This is because employees would have a priority that would supersede any other claim in the event of bankruptcy or liquidation, whereas the management agreement benefits from the legal privilege on *sociétés de crédit foncier* with the holders of *obligations foncières* and other privileged debt securities. Caffil has entrusted the management of its operations to Sfil, since 31 January 2013.

All items presented are as of 31 December 2025, unless indicated otherwise.

Supervisory Board of Caffil has decided not to create specialized committees and to rely on those of Sfil. Similarly, Sfil's Financial Statements Committee, on the one hand, and Sfil's Risks and Internal Control Committee, on the other hand, deal with issues concerning Caffil. The documents presenting these issues are included in the files presented to the Supervisory Board, which is also informed on these committees' discussions when they are related to the Company.

A more detailed description of the composition, role and functioning of the specialized committees is presented in the report on corporate governance of Sfil's Annual Financial Report.

### 3.1.1 Supervisory Board



#### Summary information on the members of the Supervisory Board

	Age	Gender	Nationality	Position on the Board	Seniority	Attendance rate
<b>Philippe MILLS</b>	60 years	♂		Chairman	13 years	100%
<b>François LAUGIER</b>	61 years	♂		Vice Chairman	13 years	83%
<b>Nathalie ARGOURD</b>	54 years	♀		Member	9 years	100%
<b>Anne CRÉPIN</b>	56 years	♀		Member	9 years	100%
<b>Cécile DEGOVE</b>	49 years	♀		Member	2 years	100%
<b>Florent LECINQ</b>	50 years	♂		Member	13 years	100%

#### Role and functioning of the Supervisory Board

The Supervisory Board exercises permanent control over the Executive Board's management of the Company. The Shareholders' Meeting appoints the Supervisory Board's members for four-year terms, on the basis of their qualifications and potential contribution to the Company. Internal rules set out the rules governing the operation of the Supervisory Board; its main duties are set out in the table below.

The Supervisory Board meets at least once a quarter, with both Statutory Auditors and the Company's Specific Controller in attendance. The Chairman of the Supervisory Board or of the Executive Board informs the Board's members of meeting

agendas, within a reasonable time-frame to review the items for discussion, and provides a file containing the memos or documents relating to said items. The files containing the information and documents sent to the Board enable it to form a clear, reliable and comprehensive view of the Company's situation, profitability and development. At the Supervisory Board Meetings, the Executive Board reviews and comments on the agenda items, using summary presentations where appropriate. The Supervisory Board issues opinions on strategic choices, makes recommendations and, where appropriate, commissions ad hoc studies, which are reviewed during subsequent meetings.

**The main tasks of the Supervisory Board**

- appoint the members of the Executive Board and co-opt the members of the Supervisory Board after a favorable opinion from the Sfil's Governance, Appointments and CSR Committee;
- establish a succession plan to prepare and organize changes to the corporate officers;
- examine the system of governance;
- prepare the governance report;
- ensure that effective policies to prevent and manage conflicts of interest exist;
- propose the appointment of the Statutory Auditors to the Shareholders' Meeting, after a favorable opinion from the Sfil's Financial Statements Committee.

- authorize the Company's agreements.

- monitor the compliance with internal control obligations;
- examine the results and activity of internal control;
- ensure the existence of an adequate organizational framework for the management of AML/CFT and IT security risks.

- define risk appetite;
- regularly examine the Company's opportunities and risks especially in the financial, legal, social and environmental sectors and the measures taken as a result;
- define the terms and frequency for communicating information on compliance with risk limits to it;
- approve the overall risk limits which are fixed and reviewed at least once a year by the Executive Board;
- regularly examine the Company's policies;
- ensure the implementation of compliance policies.

- perform the controls and verifications it considers appropriate.

**Specific work carried out in 2025**

- proposal for the renewal of members of the Supervisory Board;
- renewal of the terms of office of Chairman and Vice-Chairman of the Supervisory Board;
- update of the internal rules of the Executive Board and Supervisory Board;
- update of the Sfil group's internal governance policy;
- annual review on the operation of the Supervisory Board;
- review of the training plan for corporate officers and update of the training plan;
- approval of the annual report on corporate governance.

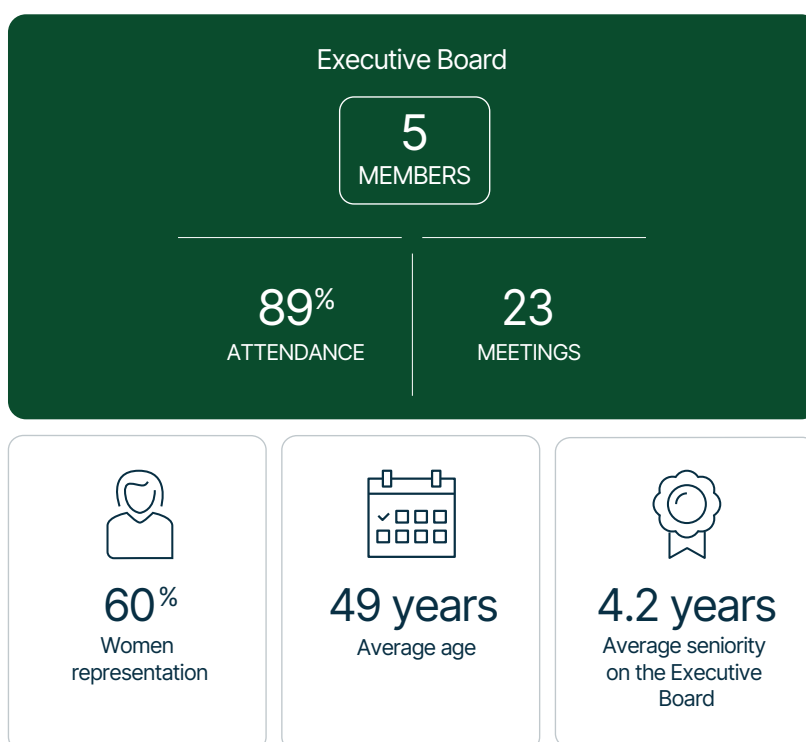
- review of related-party agreements for 2024;
- update of the receivables assignment agreement between Caffil and the Caisse des Dépôts.

- approval of the internal control report, including the AML/CFT control report;
- followed-up the quarterly Internal Audit, Compliance and Permanent control reports;
- follow-up of inspections by supervisors and the responses to their recommendations.

- review of the expansion and approval of the continued implementation of the expansion of activities;
- approval of the change in the credit granting policy;
- updates to the plan for the change of manager at Caffil;
- approval of policies on the fight against corruption, personal data protection and information system security;
- approval of the annual plan for the hedging of Caffil's privileged resources;
- approval of the ICAAP and ILAAP reports;
- approval of the update of the consolidated risk mapping;
- approval of the update of the non-compliance risks mapping;
- monitoring of quarterly reports on Sfil group's risk monitoring;
- annual approval of all the Caffil management policies;
- monitoring of the quality of Sfil's services for Caffil.

- approval of the bond issue program;
- strategic review of the local public sector and hospitals;
- monitoring of activity comprising (i) the monitoring of the conditions for the execution of the issuance program, notably the social and green issues, (ii) asset acquisitions from La Banque Postale and the Banque des Territoires and (iii) new loans to refinance signed export credits;
- review of the financial statements;
- review of Caffil's contribution to Caisse des Dépôts medium-term strategic plan;
- approval of the 2026 budget;
- approval of the financial reports (annual 2024 and half-yearly 2025).

## 3.1.2 Executive Board



### Summary information on the members of the Executive Board

	Age	Gender	Nationality	Position within the Executive Board	Seniority	Attendance rate
<b>Herdile GUÉRIN</b>	52 years	♀		Chairwoman	6 years	100%
<b>Olivier EUDES</b>	57 years	♂		Chief Executive Officer	11 years	91%
<b>Émilie BOISSIER</b>	46 years	♀		Member	3 years	87%
<b>Céline GOUY</b>	44 years	♀		Member	2 years	83%
<b>François-Xavier TURNAU</b>	44 years	♂		Member	1 year	83%

Ms. Lan-Anh PHAM was replaced by Mr. François-Xavier TURNAU on 31 January 2025. No other changes occurred in the composition of the Executive Board during the 2025 financial year.

### Role and functioning of the Executive Board

The Executive Board is in charge of the management and administration of Caffil. It represents and binds it. As such, its role is to take all decisions impacting the Company's activity and results. Moreover, the Executive Board is the first guarantor of the proper functioning of all of Caffil's internal control procedures (see section 2.9. Information on internal control in the "Management report" chapter). The internal rules set out the rules governing the operation of the Executive Board: its main duties are set out in the table below.

The Executive Board meets on average every three weeks. In particular, a quarterly meeting is dedicated to preparing for the

next Supervisory Board. One-off meetings may also be held, possibly by electronic means, depending on the issues to be addressed.

The Statutory Auditors are invited to Executive Board Meetings if their attendance is mandatory, in particular during the review of the annual and half-yearly financial statements. Depending on the agenda items, the Chairwoman of the Executive Board may decide, in particular on the proposal of another Executive Board member, to invite any person that she deems useful to present a subject or assist with preparatory discussions for decisions.

**The main tasks of the Executive Board**

- convene Shareholders' Meetings;
- decide, by delegation from the Extraordinary Shareholders' Meeting, to increase the share capital and/or determine the terms of this increase, and if necessary carry out a capital reduction;
- modify the share capital following the conversion of convertible bonds, subscriptions using rights detached from hybrid securities containing share subscription options, and the exercise of share subscription options;
- appoint and reappoint the Statutory Auditors and the Specific Controller.

- decide to issue *obligations foncières* or registered covered bonds;
- decide to acquire assets as part of the two missions entrusted to Caffil;
- decide to sell assets;
- monitor the Company's outstandings management and balance sheet and off-balance sheet operations.

- validate the Company's risk appetite and its application in the risk analysis and measurement oversight systems and procedures;
- monitor the Company's level of risk and take the necessary measures to reduce it if necessary.

- define Sfil's servicing conditions, notably by (i) approving and monitoring the management agreement and amendments thereto, the Service Level Agreement and the associated quality indicators, and (ii) approving Caffil's operational management policies.

- preparation of the annual and half-yearly financial reports for presentation to the Supervisory Board.

- closure of the financial statements in accordance with French Gaap standards.

**Specific work carried out in 2025**

- convene an Ordinary and Extraordinary Shareholders' Meeting held on 27 May 2025. The purpose of this meeting was to:
  - approve the 2024 financial statements and the appropriation of net income,
  - approve the Company's regulated agreements and commitments,
  - discharge to corporate officers,
  - reappoint members of the Supervisory Board whose terms of office were expiring.

- update on an annual basis, and as necessary, of the EMTN covered bonds issuance program;
- decision on blackout periods for issues;
- approval of the annual and quarterly issuance program and monitoring of its implementation;
- approval of quarterly asset acquisitions from La Banque Postale;
- monitoring of asset acquisitions from Banque des Territoires;
- signature of four refinancing loans granted to Sfil as part of the export credit refinancing activity.

- review of changes specific to Caffil relating to risk appetite, ICAAP and ILAAP;
- quarterly monitoring of the system and activities of Sfil's internal control functions, with regard to Caffil (permanent control, internal audit);
- review of litigation;
- monitoring of credit, operational, ALM and non-compliance risks for Caffil.

- approval of the update of the Service Level Agreement with Sfil in April and November 2025;
- approval of all the Caffil management policies;
- presentation of Caffil's plan for a change of manager.

- preparation and coordination of six Supervisory Board Meetings;
- preparation of the 2024 Annual Financial report and the 2025 half-year financial report.

- approval of the 2024 annual financial statements in accordance with French Gaap standards at the Executive Board meeting of 10 February 2025;
- approval of the 2025 half-year financial statements in accordance with French Gaap standards at the Executive Board meeting of 2 September 2025;
- note taken of the closure of the mutual agreement procedure with the French tax authorities concerning the treatment of DMA Dublin's double taxation;
- approval of the 2025 budget landing and the 2026 budget.

## 3.2 Mandates and skills of corporate officers

In application of article L.225-37-4 1° of the French Commercial Code, the following list presents the mandates and functions held in 2025 financial year by every corporate officer of Caffil who served during the financial year. Furthermore, the notion of Group used below in the context of the biographies refers to the Sfil group, including Caffil and its parent company, Sfil.

### 3.2.1 Supervisory Board

The members of the Supervisory Board of Caffil are all employees of Sfil, except for the Chairman of the Supervisory Board, who is a corporate officer of Sfil. They are members of the Executive Committee or directors of Sfil. In addition, the Chairman of the Supervisory Board of Caffil is also a director and Chief Executive Officer of Sfil.

## Chairman



### Philippe MILLS

#### Chief Executive Officer of Sfil

Born on 4 November 1965 - French nationality

#### Date term of office begins and ends:

27 May 2025 - 2029

**Date of the first mandate:** 31 January 2013

#### Business address:

Sfil  
112-114, avenue Émile Zola  
75015 Paris

### BIOGRAPHY

- Graduate of the Institut d'études politiques de Paris
- Former student of the École nationale d'administration
- 1990-1994: assigned to the French Ministry of the Economy as Deputy Head of the Public Administrations Office and then Head of the Ensemble Macroeconomic Forecasting Office of the Forecasting directorate
- 1994-1996: seconded to the European Bank for Construction and Development
- 1996-1997: Head of the "Economic Situation" Office at the Forecasting directorate of the French Ministry of the Economy
- 1997-2000: Head of the Ensemble Economic Forecasting Office at the Forecasting Directorate of the French Ministry of the Economy
- 2000-2003: Economic Advisor to the Chief Executive Officer of the Directorate-General for Economic and Financial Affairs at the European Commission
- 2003: General Secretary of the Forecasting directorate at the French Ministry for the Economy
- 2004-2006: Deputy Director in charge of Public Finances at the Forecasting directorate, then at the General Directorate of the Treasury and Economic Policy
- 2006-2008: Deputy Commissioner for Planning then Deputy Chief Executive Officer of the Centre for Strategic Analysis in charge of economic, financial and European issues
- 2008-2013: Chief Executive Officer of Agence France Trésor
- 2013-2017: Chairman of the Board of Directors, effective manager and Chief Executive Officer of Sfil
- 2016-2024: Chairman (until June 2022) and Director (until May 2024) of the EAPB
- Since 2017: Chief Executive Officer of Sfil

### OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR

- **Offices and positions within the Group**
  - Sfil, Director, Chief Executive Officer and Chairman of the Executive Committee
  - Caisse Française de Financement Local, member and Chairman of the Supervisory Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - Euroclear Holding SA/NV (unlisted limited liability company), director and member of the Governance and Appointments Committee
  - Euroclear SA/NV (unlisted limited liability company), director and member of the Governance and Appointments Committee
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - Fondation du Collège de France, permanent representative of Sfil, member of the Board of Directors

### OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS

- 2022:
  - European Association of Public Banks – EAPB, Chairman
- 2024:
  - European Association of Public Banks – EAPB, director

## Vice-Chairman



**François LAUGIER**

**Deputy Chief Executive Officer of Sfil**

Born on 24 October 1964 - French nationality

**Date term of office begins and ends:**

27 May 2025 - 2029

**Date of the first mandate:** 31 January 2013

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

### BIOGRAPHY

- École polytechnique
- École nationale des ponts et chaussées
- 1988-1992: Consulting Engineer at Coopers & Lybrand Consultants
- 1992-1999: Crédit Local de France: Head of Research in the Risks division, then Regional Director successively in Toulouse, Clermont-Ferrand and Lyon
- 1999-2004: Member of the Management Committee, Director of Business Development for the Italian Public Sector at Crediop, Rome
- 2004-2008: Founder and Director of the "Capital Markets" department, then Director of Financial Markets, member of the Management Committee of Dexia Crédit Local
- 2008-2011: Dexia Crédit local, Chief Financial Officer, Member of the Management Committee: implementation of the Dexia resolution plan
- 2011-2013: Responsible for the project to create Société de Financement Local, which became Sfil, in coordination with the French State, Caisse des Dépôts and La Banque Postale
- Since 31 January 2013: Deputy Chief Executive Officer of Sfil

### OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR

- **Offices and positions within the Group**
  - Sfil, Deputy Chief Executive Officer
  - Caffil, member and Vice-Chairman of the Supervisory Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - None

### OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS

- None

## Members



### Nathalie ARGOURD

Director of local public sector development, coordination of the sustainable development business lines of Sfil

Born on 28 February 1971 - French nationality

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**Date term of office begins and ends:**

27 May 2025 - 2029

**Date of the first mandate:** 30 May 2017

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**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

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**BIOGRAPHY**

- BTS Accounting and Management
- 2022: Ecolean certification: the fundamentals of a sustainable company
- 2020: Lean Six Sigma Green Belt certification
- 1993-2012: Dexia Crédit Local
  - Management of the back-office activity (1993-2003)
  - Head of the PMO organization (2003-2012)
- Since 2013: Sfil
  - 2013-2022: Director of middle-office, applications, reporting and partnerships at La Banque Postale in the local public sector division
  - Since 2022: Director of Local Public Sector Development and Sustainable Development business line coordination

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**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, Director of Local Public Sector Development and Sustainable Development business line coordination
  - Caffil, member of the Supervisory Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - None

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**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

- None



**Anne CRÉPIN**

**Export Credit Director of Sfil**

Born on 2 March 1969 - French nationality

**Date term of office begins and ends:**

27 May 2025 - 2029

**Date of the first mandate:** 30 May 2017

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

**BIOGRAPHY**

- IFAG specialization in finance
- Harvard Business School (as part of AREVA group's "High Potentials" program)
- 1993-1998: Export commercial and financial attaché at Deleplanque & Cie
- 1998-2015: AREVA group
  - Export Finance Manager at Framatome (1998-2000)
  - Head of Europe Geographic Area - CIS (2000-2003)
  - Deputy Director then Director of Project Financing and Export (2003-2015)
- Since August 2015: Sfil
  - 2015-2023: Deputy Director of Export Credit
  - Since 2023: Director of Export Credit

**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, Director of Export Credit
  - Caffil, member of the Supervisory Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - French National Committee of Foreign Trade Advisors, French Foreign Trade Advisor, Chairwoman of the Export Finance Expertise Group

**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

- None



## Cécile DEGOVE

**General Secretary - Legal and Compliance Director of Sfil**

Born on 30 April 1976 - French nationality

### Date term of office begins and ends:

29 May 2024 - 2028

**Date of the first mandate:** 15 February 2024

### Business address:

Sfil  
112-114, avenue Émile Zola  
75015 Paris

## BIOGRAPHY

- London School of Economics (LLM)
- Certificate of Aptitude for the Profession of Lawyer
- Magisterium DJCE
- Certificate in Asset-Liability Management (ENSAE)
- 2000-2005: Lawyer at Landwell & Associés – PwC
- 2005-2008: Head of the Financial Services & Regulatory Affairs Department in the Natixis Legal Department
- 2008-February 2024: Caisse des Dépôts
  - Banking and Finance Legal Officer (2008-2011)
  - Head of Legal Affairs for Banking and Finance (2011-2013)
  - Legal Officer in the Banking, Finance, Regulation and Capital Markets Department (2013-2017)
  - Head of Group Financial Planning and Special Operations Loans (2017-2019)
  - Head of Group Strategic, Financial and Extra-Financial Planning (2019-2024)
- Since February 2024: General Secretary, Legal and Compliance Director of Sfil

## OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR

- **Offices and positions within the Group**
  - Sfil, General Secretary, Legal and Compliance Director
  - Caffil, member of the Supervisory Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - Logivolt Territoires, member of the Strategic Committee

## OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS

- 2024:
  - Sfil, Director and member of the Audit Committee



**Florent LECINQ**

**Director of Finance and Financial Markets of Sfil**

Born on 21 October 1975 - French nationality

**Date term of office begins and ends:**

27 May 2025 - 2029

**Date of the first mandate:** 25 February 2013

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

**BIOGRAPHY**

- École normale de Cachan (economics and management section)
- Aggregation in Economics and Management
- DEA Economics of Institutions
- 2004-2009: expert during technical assistance missions to central banks for the International Monetary Fund
- 2002-2009: Banque de France
  - Market economist (2002-2005)
  - Operator Analyst (2005-2009)
- 2009-2012: Head of Market Operations at Agence France Trésor
- Since 2013: Sfil
  - Chief Financial Officer (2013-2015)
  - Chief Financial and Operations Officer (2015-2021)
  - Since 2021: Director of Finance and Financial Markets

**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, Director of Finance and Financial Markets
  - Caffil, member of the Supervisory Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - None

**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

- None

## 3.2.2 Executive Board

### Chairwoman



#### **Herdile GUÉRIN**

**Director of Caffil coordination at Sfil**

Born on 16 July 1973 - French nationality

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**Date term of office begins and ends:**

31 January 2025 - 2029

**Date of the first mandate:** 18 March 2020

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**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

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**BIOGRAPHY**

- Paris School of Business (accounting and finance)
- 1996-2001: Senior auditor at PricewaterhouseCoopers Luxembourg
- 2001-2007: Senior Audit Manager at PricewaterhouseCoopers Brussels
- 2007-2008: Finance Manager at Fortis Investment Management Brussels
- 2008-2013: Head of Internal Audit at Dexia
- Since 2013: Sfil
  - Assistant to the General Auditor (2013-2015)
  - Director of Operational Risks and Permanent Control (2015-2020)
  - Head of the Caffil Coordination Department (2020-2023)
  - since 2023: Director of Caffil Coordination

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**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, Director of Caffil Coordination
  - Caffil, Chairwoman and member of the Executive Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - Association française des sociétés financières, director

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**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

- 2023:
  - Caffil, Chief Executive Officer and member of the Executive Board

## Member and Chief Executive Officer



### Olivier EUDES

**ALM and Financial Markets Director of Sfil**

Born on 3 September 1968 - French nationality

#### Date term of office begins and ends:

31 January 2025 - 2029

**Date of the first mandate:** 27 May 2015

#### Business address:

Sfil  
112-114, avenue Émile Zola  
75015 Paris

#### BIOGRAPHY

- Postgraduate Degree (DESS) in Financial Operations Law and Economics, Financial Engineering
- 1994-2000: Primary bond market at the Union de Garantie et de Placement (UGP)
- 2000-2002: Head of the primary bond business at OFVM
- 2002-2013: Dexia Crédit Local
  - Operator within the Long-Term Funding team (2002-2008)
  - Head of Long-Term Finance (2008-2013)
- Since 2013: Sfil
  - Long-term Treasury Manager (2013-2015)
  - Head of Capital Markets (2015-2021)
  - since 2021: Director of ALM and Financial Markets

#### OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR

- **Offices and positions within the Group**
  - Sfil, Director of ALM and Financial Markets
  - Caffil, member of the Executive Board and Chief Executive Officer
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - Phoenix, Manager

#### OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS

- None

## Members



### Émilie BOISSIER

Director of Middle-office and Export Credit Portfolio of Sfil

Born on 10 December 1979 - French nationality

**Date term of office begins and ends:**

31 January 2025 - 2029

**Date of the first mandate:** 8 September 2022

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

### BIOGRAPHY

- ENSIMAG (applied mathematics, financial engineering option)
- Imperial College London (Master of Science MSc)
- 2003-2013: Dexia Crédit Local
  - quant IT (2003-2007)
  - Quantitative Analyst (2007-2009)
  - Originator-Structurer Infrastructure and Utilities (2009-2013)
- Since 2013: Sfil
  - Front Office Project Coordinator (2013-2015)
  - Head of Methodology and Export Credit Management (2015-2022)
  - Since 2022: Director of Middle Office and Export Credit Portfolio

### OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR

- **Offices and positions within the Group**
  - Sfil, Director of Middle Office and Export Credit Portfolio
  - Caffil, member of the Executive Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - None

### OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS

- None



**Céline GOUY**

**Director of Corporate Risk Center of Sfil**

Born on 8 May 1981 - French nationality

**Date term of office begins and ends:**

31 January 2025 - 2029

**Date of the first mandate:** 1 November 2023

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

**BIOGRAPHY**

- EDHEC Business School
- 2003-2013: Dexia
  - Internal Auditor (2003-2004)
  - Country manager China, United Kingdom, Sweden and Switzerland (2005-2012)
  - Project Manager (2012-2013)
- Since 2013: Sfil
  - Caffil Coordination Manager (2013-2018)
  - Audit Manager (2018-2023)
  - Since 2023: Director of Corporate Center Risks

**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, Director of Corporate Center Risks
  - Caffil, member of the Executive Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - None

**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

- None



**Thi Lan Anh PHAM (until 31 January 2025)**

**ALM liquidity and foreign exchange manager of Sfil**

Born on 23 January 1984 - French nationality

**Date term of office begins and ends:**

31 January 2021 – 31 January 2025

**Date of the first mandate:** 31 January 2021

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

**BIOGRAPHY**

- Bachelor 3 and Master 1 Applied Economics (Paris Dauphine University)
- Master 2 in Economic and Financial Engineering (Paris Dauphine University)
- 2008: Market risk control at EDF's Upstream/Downstream & Trading Optimization Department
- 2009: Middle office credit manager at the Natixis group's 1818 Private Banking
- 2010: Cash flow control consultant at SGCIB
- 2012: ALM Liquidity Manager at Dexia
- Since 2013: Sfil
  - ALM Manager (2013-2018)
  - Head of Financial Control (2018-2022)
  - since 2022: ALM Liquidity and Foreign Exchange Pilot Manager

**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, ALM liquidity and foreign exchange manager
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - MAI KIM, Co-Manager

**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

- 2025:
  - Caffil, member of the Executive Board



**François-Xavier TURNAU (since January 31, 2025)**

**Director of Local Public Sector Operations of Sfil**

Born on 8 April 1981 - French nationality

**Date term of office begins and ends:**

31 January 2025 - 2029

**Date of the first mandate:** 31 January 2025

**Business address:**

Sfil  
112-114, avenue Émile Zola  
75015 Paris

**BIOGRAPHY**

- AgroParis Tech
- 2005-2006: SAP project manager at Saint-Louis Sucre
- 2006-2013: Operational risk analyst in the Dexia Group's Risks division
- Since 2013: Sfil
  - Application and Reporting Manager (2013-2015)
  - Head of the Applications and Reporting division (2015-2022)
  - Middle Office, Applications-Partnerships Director (2022-2024)
  - Since 2024: Director of Local Public Sector Operations

**OFFICES AND POSITIONS HELD DURING THE FINANCIAL YEAR**

- **Offices and positions within the Group**
  - Sfil, Director of Local Public Sector Operations
  - Caffil, member of the Executive Board
- **Offices and positions held outside the Group in French and/or foreign public limited companies (listed or unlisted)**
  - None
- **Offices and positions held outside the Group in other types of companies and groups (French and foreign)**
  - None

**OFFICES THAT EXPIRED DURING THE PAST FIVE YEARS**

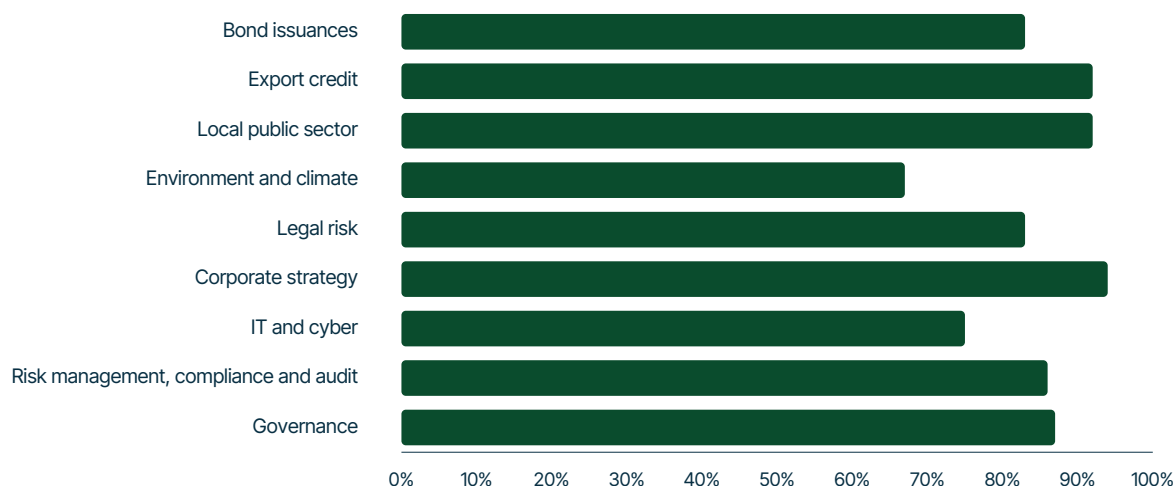
- None

### 3.2.3 Assessment of the skills and training of corporate officers

The Supervisory Board and the Executive Board ensure that their members, individually and collectively, have sufficient knowledge, skills and experience to perform their duties. To do this, they rely on Sfil's Governance, Appointments and CSR Committee. Sfil's Governance, Appointments and CSR Committee conducts an analysis every time a Caffil corporate officer is appointed, based on a file and an analysis grid listing the main areas of expertise

that the Supervisory Board or the Executive Board wishes to bring together. Although this is an individual assessment, it also considers the Board or Executive Board's collective expertise. The appointments are approved by the European supervisor or the ACPR through the Fit & Proper analysis.

The collective skills of the members of the Supervisory Board are detailed below:



A multi-year training plan has been set up for all the directors of the Sfil group. Caffil's corporate officers also benefit from this training. The training provided in 2025 covered risk management, climate and cyber risks, sustainable development, compliance,

anti-corruption and market abuse as well as artificial intelligence. In addition, all directors have regularly updated documentation on the platform reserved for them.

### 3.2.4 Application of the Governance Code

In terms of governance, Caffil implements the recommendations of the Afep-Medef Code, with certain differences given the specificities related to its status and shareholding. The main differences between the Company's governance and the provisions of the Afep-Medef Code are as follows:

Code recommendations	Comments
<b>Recommendation 10.3 - Presence of at least one-third of independent members on the Supervisory Board</b>	The absence of independent members on the Supervisory Board is the result of a choice by Sfil, shareholder of Caffil, Caisse des Dépôts and the French Republic, shareholders of Sfil, given the status and role assigned to Caffil within the Sfil group. However, the specialized committees (Risks and Internal Control Committee, Financial Statements Committee, Governance, Appointments and CSR Committee and Compensation Committee) of the Board of Directors of Sfil, which also act on behalf of Caffil and inform the Supervisory Board of Caffil, include independent members.
<b>Recommendation 12.3 - Meetings of a Supervisory Board at least once a year without the presence of executive corporate officers</b>	The possibility of holding an annual executive session at the end of one of the Supervisory Board meetings is included in the Supervisory Board's internal rules and remains optional (not used in 2025).
<b>Recommendation 15.2 - Staggering of terms of office</b>	The renewal of the Supervisory Board as a whole (except for one member) results from the Company's history and the stability of the number of members.
<b>Recommendation 24 - Number of shares held by Supervisory Board members</b>	This provision is not applicable for Caffil, whose shareholding structure is described above (100% owned and controlled by Sfil, its parent company) and whose shares are not listed.

## 3.3 Compensation of corporate officers

In the 2025 financial year, Caffil paid no compensation to the corporate officers who are employees of Sfil and who exercise their terms of office with no specific compensation, except for the Chairman of the Supervisory Board, who is also a corporate officer of the parent company and only in this role receives any

compensation. Readers are reminded that Caffil has no Compensation Committee and that reference is made to the Governance, Appointments and CSR Committee and the Compensation Committee that exist at the level of its parent company, Sfil.

## 3.4 Statutory Auditors

Caffil's Statutory Auditors are:

### PricewaterhouseCoopers Audit

63, rue de Villiers - 92200 Neuilly-sur-Seine (France)

Company represented by Ridha Ben Chamek, partner

Reappointed by the Ordinary and Extraordinary Shareholders' Meeting of 24 May 2023 up to the end of the Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2028.

### KPMG SA

Eqho Tower – 2, avenue Gambetta - 92066 Paris-La Défense Cedex (France)

Company represented by Jean-François Dandé, partner

Reappointed by the Ordinary and Extraordinary Shareholders' Meeting of 24 May 2023 up to the end of the Shareholders' Meeting called to approve the financial statements for the financial year ended 31 December 2028.

## 3.5 Specific Controller

### RSM Paris

5-7, rue des Italiens – 75009 Paris

Reappointed by the Executive Board on 5 December 2022 for a period of four years from 1 January 2023.

Represented by Martine Leconte

Alternate: Ratana Lyvong

## 3.6 Information on items likely to have an impact in the event of a public takeover bid or public offer

Given that the Company's shares are not listed and that the securities (*obligations foncières*) it issues do not give access to its capital, there is no requirement to give specific information in relation to the provisions of article L.22-10-11 of the French Commercial Code. The composition of the share capital is specified below.

### 3.6.1 Information about the capital and shares

#### Amount of capital, number and nature of shares making up the capital

The share capital currently stands at €1,350,000,000 represented by 13,500,000 nominative shares with a face value of €100. There are no other securities giving access to Caffil's share capital.

#### Breakdown of capital

Caffil's share capital is fully owned by Sfil with the exception of one share which was lent to an individual (*prêt de consommation d'action*), a member of the Supervisory Board.

### 3.6.2 Information on voting rights

The voting rights attached to the shares are proportional to the percentage of capital the shares represent, according to the provisions of article 31 of the by-laws. Each share conveys one voting right. At Shareholders' Meetings, the number of votes that may be cast by each shareholder corresponds to the number of shares held plus the number of shares for which the shareholder holds proxy.

### 3.6.3 Information concerning transactions by managers in the Company's shares

No transactions were brought to the attention of Caffil (*see article 223-26 of the AMF General Regulation*).

### 3.6.4 Agreements referred to in article L.225-37-4 2° of the French Commercial Code

No convention subject to article L.225-37-4 2° of the French Commercial Code requires mention.

## 3.7 Observations of the Supervisory Board on the Executive Board report and the financial statements for the 2025 financial year

Pursuant to the provisions of article L.225-68 of the French Commercial Code and the by-laws, the Supervisory Board carried out the checks and controls that it deemed necessary in the context of its oversight of the management of Caffil by the Executive Board.

In this respect, the Board notably examined the annual financial statements for the 2025 financial year presented to it by the Executive Board, in accordance with the law.

It also reviewed the Executive Board's management report on Caffil's business during the financial year.

The Executive Board's management report and the financial statements for the financial year ended 31 December 2025 do not call for any particular observations on its part. The Supervisory Board wishes to thank the Executive Board for the initiatives taken and the results achieved during the financial year ended 31 December 2025.



# 4. Risk management

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## 4.1 Global risk management system

Because the Company is an issuer of covered bonds, the risks authorized for Caffil are strictly limited. A distinction has been made between risks that are compatible and not compatible with the legal and regulatory framework of *sociétés de crédit foncier* and with the specificities of Caffil's by-laws and official approval.

The general approach decided by the Executive Board of Caffil and applied in every Sfil division in charge of the operations concerned involves monitoring that:

- risks not compatible with the activity of Caffil are not taken by the Company or are eliminated from the start;
- risks compatible with the activity are maintained strictly within authorized limits;
- controls are carried out by Sfil's internal control three lines of defense on Sfil's front and middle office activities, that they are communicated to the Caffil Executive Board and that any anomalies detected during these controls are presented to the Supervisory Board. The results of these controls are communicated to the Specific Controller and the underlying information is available for his/her due diligence.

The Sfil group has set up a comprehensive risk management system:

- to identify, monitor, manage and measure risks using specific methods;
- to decide on limits to be implemented;
- to decide on delegations to assign to the front office teams;
- to decide on the amount of the provisions that are required;
- to inform the relevant committees regarding changes in these risks, proactively warning them that a limit or threshold has been exceeded.

Sfil group's risk appetite is defined by Sfil's General Management and Risks Committee. It is approved by the Risks and Internal Control Committee of Sfil, which also acts on behalf of Caffil, and ultimately approved by the Board of Directors of Sfil and the Supervisory Board of Caffil.

The risk appetite framework is formalized by indicators that are monitored quarterly by the Risks and Internal Control Committee of Sfil, defined for each risk area. Levels to be monitored or respected have been set for most of these indicators. In the event of non-compliance with the limits, a system for reporting and correcting information is provided.

### 4.1.1 Risk review

The Chief Risk Officer presents the quarterly risk review to Sfil's Risks and Internal Control Committee. This presents a summary of the main risks of the Sfil group and their evolution during the past quarter as well as the regulatory changes during the quarter. Information specific to Caffil is presented by the Executive Board to the Supervisory Board.

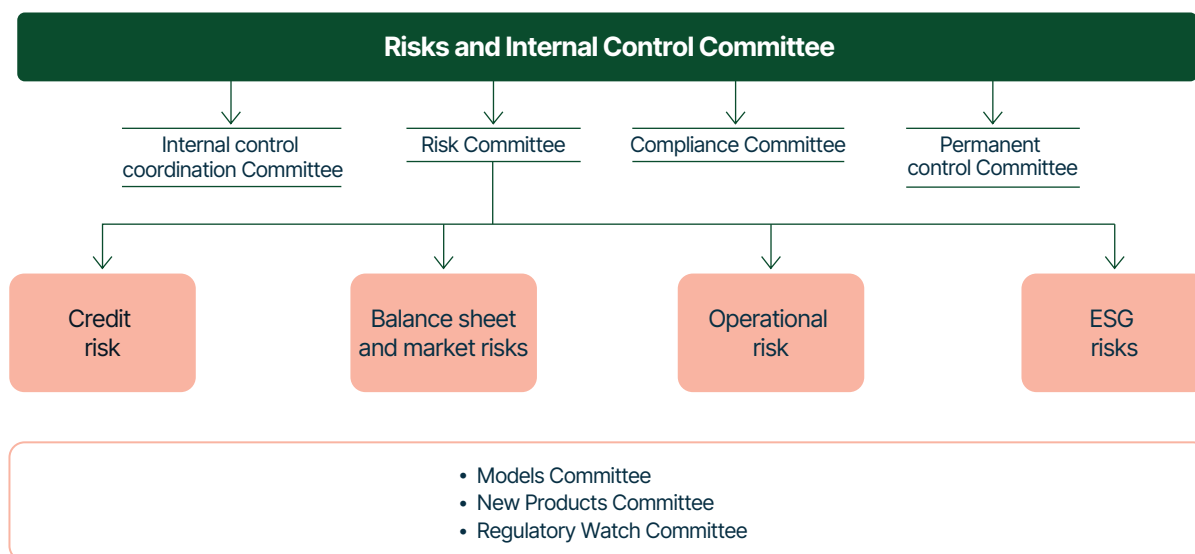
Details on risk assessment methods are provided in the sections detailing the various risks.

### 4.1.2 Governance

The governance of Caffil is detailed in the chapter "Report on corporate governance".

The Risks division, which manages risks on behalf of the Sfil group, is supported by internal cross-functional committees:

- the Risks Committee: chaired by the Deputy Chief Executive Officer, it defines the risk profile of the Sfil group, validates the risk management systems and ensures their compliance;
- the Internal Control Coordination Committee: chaired by the Chief Executive Officer, its purpose is to contribute to the consistency and operational efficiency of the internal control system within Sfil;
- Validation of Methods and Models Committee: chaired by the Chief Risk Officer, it is the decision-maker for all methodological changes to models, for the validation of back-test and stress-test exercises, as well as their respective implementation;
- the New Products Committee: chaired by the Chief Risk Officer, it is responsible for examining any new product or management process or any transformation of a pre-existing product or process (insofar as it substantially changes the risk profile or internal processes);
- the Regulatory Watch Committee: chaired by the Chief Risk Officer, it is responsible for identifying regulatory texts in the areas falling within the remit of the Risks division and the Finance and Financial Markets division likely to affect the Sfil group, and, where applicable, to mobilize expert employees for an in-depth analysis.



Specialized committees exist for credit, climate, balance sheet and market risks, and operational risks. They are detailed in the dedicated sections. The Chairman of the Executive Board of Caffil is a member of the Risks Committee and of the main committees mentioned above.

## 4.2 Main risks of Caffil

### 4.2.1 Credit risk

Credit risk is the risk incurred in the event of default by a counterparty or counterparties considered to be a same group of customers. Caffil is exposed to credit risk related to its portfolio of loans and securities, including its cash portfolio, and derivatives. Caffil's portfolio is mainly composed of exposures to public borrowers. The vast majority of assets (over 90%) are concentrated in France, either through direct exposure or through the benefit of the guarantee granted on loans financing large export contracts. The ability of these borrowers to meet their payment obligations may be influenced by their level of debt, social spending obligations, interest rates, the collection of their tax revenues, as well as by subsidy transfers from central governments; some of these items may be affected by a deterioration in the general economic conditions. Unfavorable developments in financial, economic and fiscal conditions in France could also have consequences for French public sector borrowers. Nevertheless, the local public sector has very low sensitivity to variations in the economic environment.

Counterparty risk related to market transactions is discussed in the section 4.2.2 Counterparty risk.

### Organization and governance

The Credit Risks division is tasked with the following missions within the scope of its function to monitor credit risks:

- in line with the risk appetite of Sfil group, definition of the credit risk policies and directives, the various concentration limits and the delegations to be granted;
- management of the process of granting loans (new commitments and restructurings) through credit analysis and giving ratings;
- monitoring of existing portfolios by carrying out annual reviews, annual re-rating of portfolios, identification of assets whose risk has deteriorated (watchlist, defaulting or non-performing exposures, contract in forbearance), estimation of provisions to be implemented, proactive monitoring of limits and the performance of stress tests;
- development of expert models and contribution to the development of quantitative models.

The governance of credit risk management is based on the following specialized committees:

- **Credit Committee:** each week, it approves new commitments and restructuring of loans not delegated to the first and second lines of defense. It monitors concentration limits (see below) and validates exceedances of limits beyond certain predefined thresholds. Each file presented to the Credit Committee contains an independent analysis carried out by the Risks division;
- **Watchlist Committee:** it is in charge of monitoring assets for which the risk has deteriorated;
- **Defaults, non-performing exposures and forbearance Committee:** it validates each quarter the qualifications of borrowers in arrears and thus decides to add or withdraw borrowers from default. Each quarter, it also validates the list of counterparties whose exposures are non-performing, as well as the list of counterparties in financial difficulty for which concessions have been granted;
- **Provisions Committee:** every quarter, it determines the amount of expected credit losses and determines the cost of risk;
- **Ratings Committee:** it ensures that the Internal rating systems and processes are correctly and appropriately applied. This committee is organized and managed by the Director of the Credit Validation and Quality Control team, who reports directly to the Chief Risk Officer in order to guarantee the independence of the control process.

## Monitoring system

Credit risk measurements are mainly based on approved internal rating systems. The internal rating corresponds to an assessment of the counterparty's risk of default, expressed on an internal rating scale, and is a key element in the credit granting process. Counterparty ratings are reviewed at least once a year.

In the context of loans acquired by Caffil or refinancing loans granted to Sfil, checks on credit risks and the eligibility of these assets for a *société de crédit foncier* are carried out before origination: a prior analysis of the counterparty is carried out by Sfil's Credit Risks division. The loans that do not meet the credit and eligibility criteria of Caffil cannot be transferred to its balance sheet. These eligibility criteria are strictly governed by law and internal management policies.

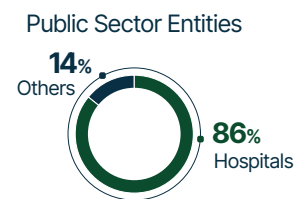
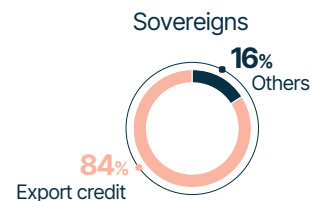
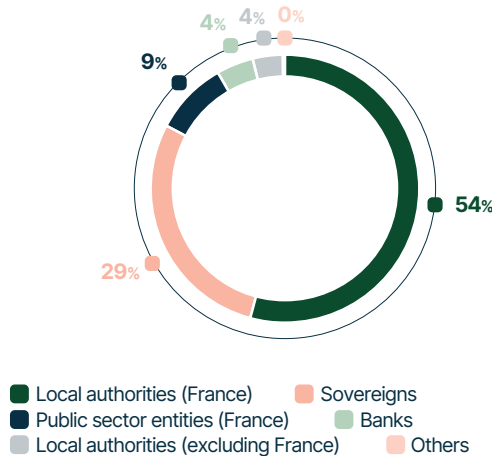
In addition, in the case of the partnership with La Banque Postale, before each acquisition of loans by Caffil, a new analysis of loans is carried out. Caffil may then refuse any loan that no longer meets its criteria, before the transfer.

Sfil's back office carries out permanent daily checks on the eligibility of outstandings.

These controls are standardized by procedures.

The Specific Controller also carries out regular, detailed backtesting on the eligibility of Caffil's assets.

## Exposure to credit risk



This breakdown represents exposure in the event of default, which takes into account the undrawn portion of loans granted. It therefore differs from that presented in section 2.2 Changes in assets in the chapter "Management report", which only presents the outstanding principal of loans in the balance sheet. It may be noted here that:

- 54% of these exposures were concentrated on French local authorities (regions, departments, municipalities, groups of municipalities, etc.);
- 24% of the exposures resulted from the export refinancing activity;
- 8% of the exposures concerned the public hospital sector.

## Breakdown of exposures by risk weighting

The quality of the portfolio is illustrated by the risk weightings assigned to its assets. It is specified that Caffil is not subject on an individual basis to equity requirements under the provisions of the Regulation (EU) 575/2013 (the CRR regulation). Since September 2024, weighted risks are determined according to the

standardized approach for the entire portfolio. This approach is essentially based on fixed weighting rates, which for certain categories of counterparties may depend on the external valuation provided by external assessment bodies.



This analysis confirmed the excellent quality of the assets in Caffil's portfolio: 85% of the portfolio had a risk weighting of 0%. The average asset weighting is 3.2% (compared to 3.5% in 2024).

Weighted exposure with respect to credit risk amounted to €2,441m. Including other risks, total weighted risks came to €2,844m.

## Arrears, doubtful loans and provisions

Financial year	Non-technical arrears	Doubtful loans
31 Dec. 2025	€1m i.e. 0.00% of the assets	€46m (€26m of which for loans with no arrears)
31 Dec. 2024	€2m i.e. 0.00% of the assets	€155m (€147m of which for loans with no arrears)

As at 31 December 2025, the non-technical arrears amounted to €1m and concerned only 11 clients in France. The non-technical arrears decreased in 2025. They reached their lowest level ever and represented less than 0.01% of Caffil's assets.

The total amount of the provisions associated with balance sheet assets (loans or securities) or financing commitments amounted to €26m as of 31 December 2025, up by €2m compared to 31 December 2024.

As at 31 December 2025, the doubtful loans amounted to €46m, or 0.06% of Caffil's total assets. They were down sharply by €109m compared to 31 December 2024. The doubtful loans at the end of December 2025 only concerned French clients.

€m	31 Dec 2025	31 Dec 2024
Specific impairments	2	7
Collective impairments	24	17
<b>TOTAL</b>	<b>26</b>	<b>24</b>

As of 31 December 2025, the stock of specific provisions amounted to €2m. They were down by €5m compared to 31 December 2024, mainly due to the decrease in doubtful loans.

In addition, collective provisions are calculated on the various portfolios of assets and financing commitments. They amounted to €24m as at 31 December 2025 compared to €17m as of 31 December 2024. This change was mainly due to entry/exit decisions taken during the year from the scope of clients monitored on the watchlist.

## 4.2.2 Counterparty risk

Counterparty risk is the credit risk associated with market transactions. It may be exacerbated by the risk of individual, geographic or sectoral concentration.

Caffil enters into derivative transactions with banking counterparties within the framework of foreign exchange and interest rate risk management. These derivatives are governed by master agreements with a large number of banking counterparties, which provide for asymmetric collateralization mechanisms (counterparties unilaterally deposit collateral with Caffil). Although the implementation of these derivatives and guarantee agreements with counterparties is intended to mitigate risk, Caffil nevertheless remains exposed to the risk of default by its counterparties on derivatives.

### Organization and governance

A review of flows relating to the cleared derivatives activity (Initial Margin and Variation Margin) is presented weekly to the Financial Markets Committee.

The ALM team of the Finance and Financial Markets division has the Initial Margin limit validated annually by the Asset and Liability Management Committee.

The Credit Risks division presents counterparty credit limit reviews to the Credit Committee, as well as a quarterly report on credit risk monitoring for market activities.

### Monitoring system

Caffil holds two types of banking exposures:

- cash investments in the form of bonds (including covered bonds), current account deposits and occasionally loans to its parent company Sfil (see section 2.2.1 Assets held in the cover pool in the "Management report" section);
- derivative contracts, entered into within the framework of its management of interest rate and foreign exchange risks.

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

€bn	Total notional	% of total notional	Mark to Market		Collateral received	Collateral paid	Number of counterparties
			-	+			
Cover pool - external counterparties	84.8	79%	(0.6)	0.1	(0.1)	-	24
Cover pool - Sfil	22.9	21%	(1.0)	-	-	-	1
Outside of cover pool - Sfil	0.2	0%	(0.1)	-	-	0.1	
<b>TOTAL</b>	<b>107.9</b>	<b>100%</b>	<b>(1.7)</b>	<b>0.1</b>	<b>(0.1)</b>	<b>0.1</b>	<b>25</b>

As of 31 December 2025, Caffil is exposed to seven bank counterparties, all of which pay cash collateral for a total amount of €0.1bn, which neutralizes the fair value of the derivatives entered into with Caffil.

### Offsetting policy

Caffil uses derivatives to hedge its balance sheet for interest rates, bases and foreign exchange rates. These derivatives can be exchanged for:

- Variation Margin, in order to offset the daily change in the market value of the swap portfolio entered into with each counterparty;
- Initial Margin, equivalent to a guarantee deposit to cover the risk of market loss between the date of default of a counterparty and the date of liquidation of its position.

As a *société de crédit foncier* and for its derivatives, which benefit from the same legal privilege as *obligations foncières*, Caffil is exempt from clearing its derivatives with a clearing house. To this end, Caffil, on these swaps:

- receives Variation Margin in cash from its counterparties, but does not pay any (so-called one-way contracts);
- does not pay any Initial Margin to its counterparties and does not require to receive any in return.

By way of derogation from this principle, at the end of June 2022, a derivatives agreement was concluded with Sfil to which was attached only the derivatives that cover the few assets that will be excluded from the cover pool on 8 July 2022 as part of the implementation of the Covered Bonds Directive. Since these derivatives will not benefit from the legal privilege, exchanging collateral in both directions may be completed under this agreement.

In accordance with the risk policy for master agreements, the conclusion of derivatives transactions is governed by master agreements and collateralization annexes (Master Agreement of the Fédération Bancaire Française (FBF) or Master Agreement of the International Swaps and Derivatives Association (ISDA). Each counterparty covered by a framework agreement must be approved by the Credit Committee, which also sets the amount of the credit limits against which derivative transactions will be charged.

The swaps signed with the five largest external counterparties represented a total of 52% of the notional amounts.

### 4.2.3 Liquidity risk

Liquidity risk is defined as the risk of not being able to meet its commitments or not being able to unwind or offset a position, within a given time and at a reasonable cost, due to unfavorable market conditions or idiosyncratic factors.

At the level of Caffil, liquidity risk breaks down as follows:

- refinancing risk of not being able to honor its financial commitments in all circumstances. For Caffil, this means not being able to meet the repayment of its debts on time;
- regulatory risk, of not complying with the limits associated with regulatory liquidity ratios;
- spread risk, of realizing a loss generated by an unfavorable change in its financing costs.

Prolonged market disruption, uncertainty or volatility may limit Caffil's ability to access financing, in particular its ability to issue long-term covered bonds on international capital markets. These market conditions may limit Caffil's ability to replace its maturing liabilities in a timely manner. Caffil may also be forced to delay the use of long-term financing, rely on shorter-term financing than it would like, or pay higher interest rates.

The deterioration of economic conditions could lead to a downgrade of the ratings of the French State, CDC and Sfil. A downgrade in the rating of Sfil or the French State would not systematically lead to a deterioration in the rating of Caffil's *obligations foncières*, but could require a greater level of over-collateralization for Caffil. In addition, if a deterioration in the rating of Caffil's *obligations foncières* were to materialize, this would result in an increase in Caffil's borrowing cost and would adversely affect its ability to issue new *obligations foncières*.

#### Organization and governance

A monitoring system for indicators and limits associated with liquidity risk is defined annually by the Market and ALM Risk division, which aims to manage liquidity risk under its various types.

Liquidity risk is managed by the ALM team of the Finance and Financial Markets division. As such, ALM produces monitoring indicators, carries out first-level controls and proposes management measures to comply with the limits.

This management is controlled by the Market and ALM Risk division through the implementation of second-level controls on the most significant indicators and the verification of compliance with the associated limits.

This activity is structured around two committees:

- the Asset & Liability Management Committee, which decides on the strategy and monitors its proper implementation through the review of management indicators;
- the "Liquidity ALM" committee prepares information for the ALM Committee and is responsible for implementing its decisions.

#### Monitoring system

##### Funding requirements and sources

Caffil's liquidity risk lies mainly in its inability to repay its privileged debts by the due date when there is too great a gap between the repayment rate of its assets and that of its privileged liabilities.

Liquidity needs are mainly threefold:

- the financing of the assets that cover the *obligations foncières* issued and the few assets held outside the cover pool;
- repayment of debts as they fall due;
- financing of the liquidity requirements related to compliance with regulatory ratios, specific *sociétés de crédit foncier* ratios and the constraints associated with compliance with rating agency methodologies used to meet a rating target.

The sources of funding used to meet these requirements, other than the entity's equity, are:

- debt benefiting from the legal privilege, i.e. *obligations foncières*, registered covered bonds and cash collateral received;
- refinancing arising from the financing agreement entered into with Sfil to cover the funding requirements related to Caffil's over-collateralization. It relates to the fact that Sfil is responsible for most of the funding requirement associated with Caffil's over-collateralization (the remainder being total equity).

In addition, Caffil owns:

- liquid assets in the form of liquid level 1, 2A or 2B securities and short-term exposures to credit institutions (including short-term deposits);
- a very large stock of assets eligible for European Central Bank refinancing via the Banque de France. Caffil can easily access the central bank refinancing in its own name, if necessary, to cover its cash flow requirements. This access is regularly tested for small amounts to ensure the proper functioning of tools and procedures and to maintain the appropriate level of knowledge.

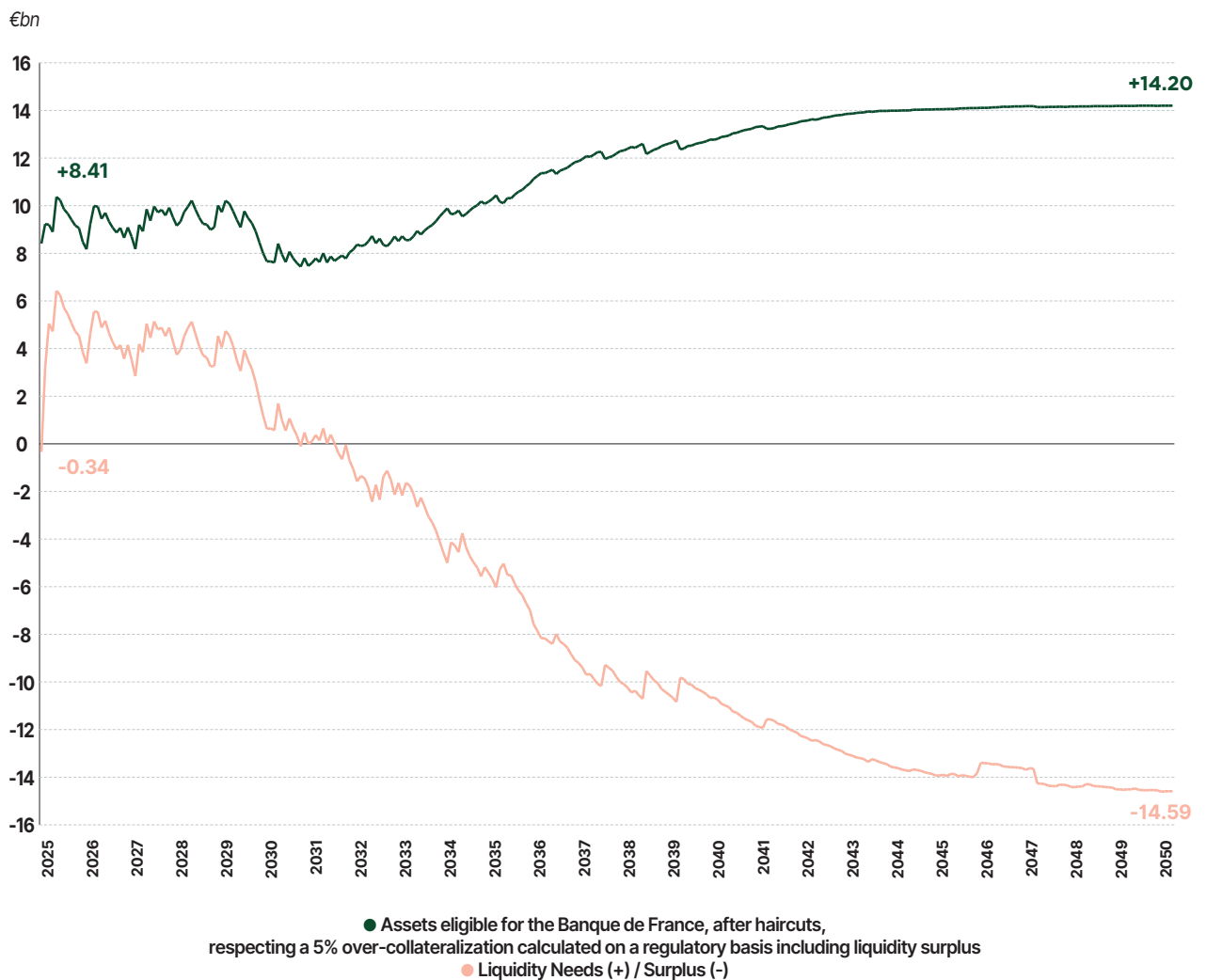
Mobilizable assets as of 31 December 2025 €m	(nominal value)
Central bank deposits	322
High Quality Liquid Assets (HQLA) - exposures to credit institutions	2,489
High Quality Liquid Assets (HQLA) - excluding exposures to credit institutions	3,695
Other eligible securities available at the central bank	676
Eligible private loans in central banks	37,298
<b>TOTAL LIQUIDITY RESERVES</b>	<b>44,480</b>

### Liquidity risk management principles implemented by Caffil

In order to ensure a sufficient level of resilience for the Group, short- and long-term dynamic liquidity projections are supplemented by stressed projections including the end of market financing. These stress tests must make it possible to verify that, even in the event of a prolonged market closure, the Group is able to cover its liquidity needs by mobilizing available cash, then by requesting secured financing from the ECB or the market and, in extreme situations, by drawing on credit lines with Caisse des Dépôts and La Banque Postale. The survival horizon is set at one year. In December 2025, Caffil's reserves amounted to €44.5bn.

The aggregate maximum liquidity requirement that Caffil could face in the future in a run-off situation in which it would be unable to issue new *obligations foncières* is lower than the maximum funding already occasionally obtained on a one-off basis from the central bank in the past. It is also lower than its refinancing potential with the Banque de France, measured by the amount of eligible assets after haircut that would be available while complying with the minimum over-collateralization required by the regulations.

The chart below shows the forecast aggregate liquidity requirement and the assets needed to cover this requirement.



Caffil has thus its own autonomous, safe resources that enable it to cover its temporary liquidity needs, even in the event of the default of its parent company, since any legal proceedings engaged for the safeguard, bankruptcy or liquidation of its parent company cannot be extended to Caffil (article L.513-20 of the French Monetary and Financial Code).

In addition, Caffil manages its liquidity risk using the following indicators:

- the regulatory indicators specific to *sociétés de crédit foncier* (SCF):
- the regulatory over-collateralization ratio: this represents the ratio between assets in the cover pool and debts benefiting

from the legal privilege, and must be at least 105% (see section 2.6 Over-collateralization ratio in the "Management report");

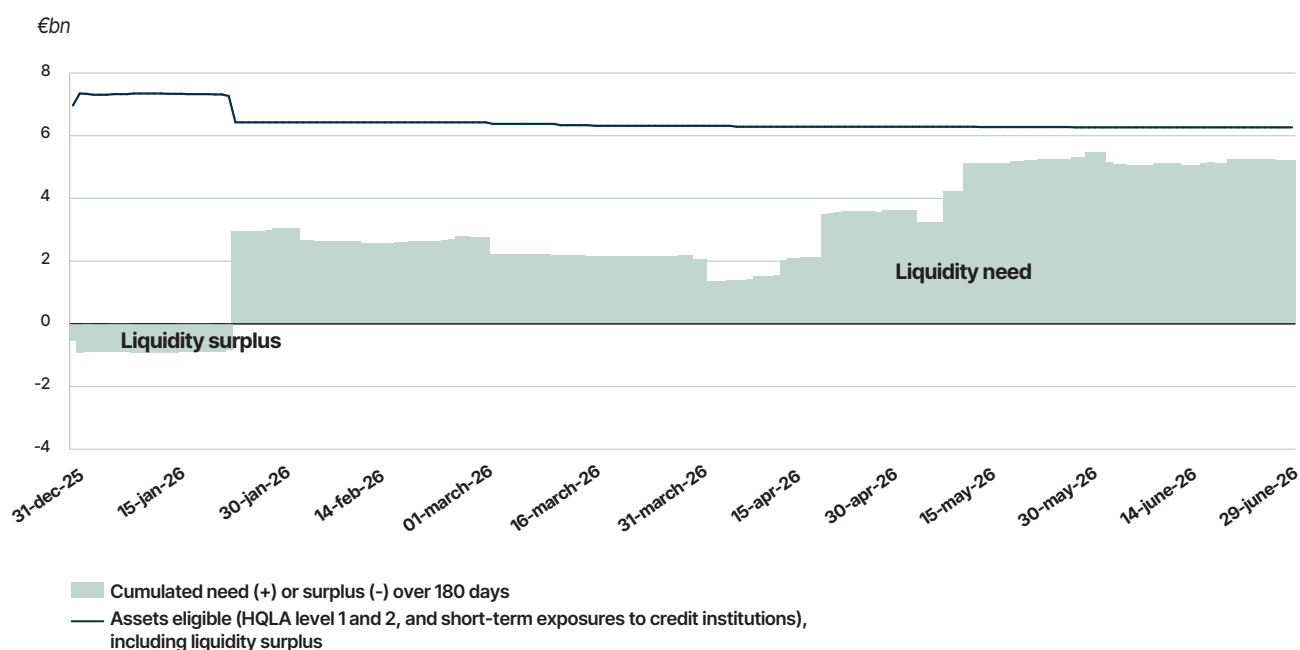
- the maximum difference of 1.5 year between the average maturity of the privileged liabilities and that of the assets considered as pledged up to the minimum amount necessary to meet the regulatory over-collateralization.

In practice and in order to manage transformation risk, Caffil limits the gap between the average maturity of all its assets and that of its privileged liabilities to 18 months. This difference amounted to 0.73 year as of 31 December 2025;

Weighted average life (in years)	31 Dec 2025	31 Dec 2024
Total assets	6.87	6.79
Privileged liabilities	6.15	6.06
<b>AVERAGE LIFE GAP BETWEEN TOTAL ASSETS AND PRIVILEGED LIABILITIES</b>	<b>0.73</b>	<b>0.73</b>
Weighted average life gap	1.5	1.5

- projection of cash requirements over 180 days: Caffil ensures at all times that its net cash requirements over a period of 180 days, calculated in a situation of run-off management, are hedged by high-quality liquid assets (level 1, 2A or 2B) and by short-term exposures to credit institutions (including short-term deposits) in the cover pool. Unsecured receivables deemed to be in default, in accordance with article 178 of the CRR, cannot be used to cover cash requirements. Cash needs include repayments of *obligations foncières* and registered covered bonds, non-privileged debt and forecast repayments of cash collateral received, after deduction of received assets repayments. This projection is published quarterly in the report on asset quality.

At 31 December 2025, the liquidity position at 180 days shows a cash surplus up to the beginning of January 2026 (with a maximum of €1.0bn) and a cash requirement over the rest of the period (with a maximum of €6bn at the end of April 2026). Over the period, the liquidity needs were covered at all times by high-quality liquid assets (level 1, 2A or 2B) or by short-term exposures to credit institutions (see chart below). In addition, specific management measures (for example, the completion of a new bond issue or the use of central bank financing) may be taken to cover the needs.



- the regulatory liquidity indicators applicable to credit institutions pursuant to the CRR, relating to:
  - the short term Liquidity Coverage Ratio (LCR): as of 31 December 2025, Caffil's LCR was 100%. A European delegated act modified the methods for calculating the LCR provided for in the CRR regulation for issuers of covered bonds, in order to bring them into line with the new Covered Bonds Directive. As a result, since 8 July 2022, the LCR of issuers of covered bonds must continue to respect the minimum level of 100% but may no longer exceed it;
  - the Net Stable Funding Ratio (NSFR), a transformation ratio which compares with a one-year horizon, the proportion of available stable funding over required stable funding: as of 31 December 2025, Caffil's NSFR was 114.0%.
- the internal liquidity indicators:
  - the permanent steering of the over-collateralization ratio, which targets an over-collateralization level consistent with Caffil's target rating;
  - monitoring of the duration gap between privileged assets and liabilities (limited to three years). This difference is sensitive to interest rates (discount effect) and to significant changes in assets and liabilities. It stood at 0.47 year at 31 December 2025.

Duration (in years)	31 Dec 2025	31 Dec 2024
Assets	5.99	6.13
Privileged liabilities	5.52	5.57
<b>DURATION GAP BETWEEN PRIVILEGED ASSETS AND LIABILITIES</b>	<b>0.47</b>	<b>0.56</b>
Duration gap limit	3	3

## 4.2.4 Interest rate risk

As Caffil has no trading activity, interest rate risk is limited to so-called "banking book" activities (IRRBB - Interest Rate risk of the Banking Book). According to the Basel Committee, it refers to the current or future risk to which the bank's equity and profits are exposed due to unfavorable movements in interest rates that affect the positions of the banking book.

Among the various interest rate risks, Caffil is exposed to three types of risk, namely fixed rate risk, floating rate risk (basis and fixing) and option risk related to the existence of floors on commercial loans.

Caffil's interest rate risk arises from the mismatch in volume and maturity between assets and liabilities with a fixed rate (or for which a floating rate has been set). It may or may not result from parallel or non-parallel movements in the interest rate curve. Basis risk arises from the mismatch that may exist in the matching of floating-rate assets and liabilities indexed to indices of the same currency, but at different intervals. Fixing risk reflects, for each index, the gap between the fixing dates applied to all balance sheet and off-balance sheet items with floating rates on that index. Finally, option risk arises mainly from the existence of floors on commercial loans. There is also a risk of early repayment on Caffil's loans; however, this is extremely low for loans to the local public sector, because early repayment indemnity clauses are present on almost all loan contracts and limit the interest for the customer to make early repayments.

## Organization and governance

Interest rate risk is managed by the ALM team of the Finance and Financial Markets division, which:

- produces monitoring indicators;
- performs first-level controls;
- proposes management measures.

This management is controlled and supervised by the Market and ALM Risk division, which:

- defines monitoring indicators in conjunction with ALM;
- determines, for the most important management indicators, limits consistent with the risk appetite defined by the Board of Directors and with the regulatory framework;
- carries out second-level controls on management indicators subject to limits.

This activity is structured around two committees:

- the Asset & Liability Management Committee (Alco), which decides on the strategy and monitors its proper implementation through the review of management indicators;
- the "Rate ALM" Committee which prepares the files presented to Alco and the operational implementation of Alco's decisions.

## Hedging Strategy

The Sfil group has defined an interest rate risk appetite, 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 interest rate structure. Certain euro-denominated vanilla transactions may also be micro-hedged if their notional value or duration could lead to a sensitivity limit of the NPV or NIM being exceeded. Micro-hedging is carried out by swaps;
- macro-hedging of interest rate risk for all transactions that are not micro-hedged. The transactions concerned are mainly loans to the local public sector and issues of *obligations foncières* denominated in euros. This macro-hedging is obtained as far as possible by matching assets and liabilities with the same risk profile or by setting up new swaps.

This fixed-rate risk management is supplemented by monitoring of the fixings of transactions at adjustable rates in order to ensure that they do not lead to the short-term sensitivity limit being exceeded. Where appropriate, swaps against €STER may be entered into to hedge the fixing risk.

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

Non-privileged debt is not hedged. The debts contracted by Caffil with its shareholder to finance the over-collateralization 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 to EURIBOR. Where applicable, short-term, fixed rate debts to the Banque de France are not hedged, but also finance fixed rate assets.

The different kinds of interest rate risks are analyzed and managed through:

- the floating interest rate gaps used by index tenors to monitor basis, floor and fixing risks. These gaps are calculated using a static vision, on a consolidated basis:

<b>EURIBOR gaps</b>	For each index tenor, difference between assets and liabilities at floating rates. These gaps are calculated every month until balance sheet run-off.
<b>Floored EURIBOR gaps</b>	For each index tenor, difference between assets and liabilities at floating rates with floor on index or coupon. These gaps are calculated every month until balance sheet run-off.
<b>Fixing gap</b>	For each index tenor, the difference between balance sheet and off-balance sheet floating rate assets and liabilities, by fixing date.

- the net present value (NPV) sensitivity, calculated for eight stress scenarios. These eight scenarios correspond to the six scenarios used for calculating the regulatory NPV sensitivity ratio, to which are added two additional internal scenarios, defined on the basis of historical variations in rates. The maximum loss observed among the eight scenarios must not exceed the limit defined in the context of the Sfil group's risk appetite. These calculations are carried out on a consolidated basis, using a static vision and taking into account the investment of equity. The calculation of the sensitivity of the NPV also includes transactions with floors on EURIBOR.

The maximum loss observed at the end of the year for Caffil among the eight scenarios considered is presented below <sup>(1)</sup>:

€m	Limit	31 Dec 2025	31 Dec 2024
Maximum loss observed in NPV	(80) <sup>(1)</sup>	(19.2)	(10.4)

<sup>(1)</sup> This limit is monitored at the consolidated level of the Sfil group.

Complex assets portfolios for which the strategy is to be entirely hedged are not sensitive to interest rates changes and thus are not integrated in the calculation of the global sensitivity of Caffil's balance sheet.

- the sensitivity of the net interest margin (NIM), calculated at the level of the Sfil group.

<sup>(1)</sup> Excluding sensitivity to option risk.

## 4.2.5 Foreign exchange and euro/currency basis risk

The foreign exchange risk is defined as the risk of loss, linked to a change in the exchange rate of currencies against a reference currency.

For Caffil, the reference currency is the euro: the foreign exchange risk reflects, therefore, a change in the value of assets and liabilities denominated in a currency other than the euro 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.

### Organization and governance

Foreign exchange risk is managed by the ALM team of the Finance and Financial Markets division, which:

- produces monitoring indicators;
- performs first-level controls;
- proposes management measures.

This management is controlled and supervised by the Market and ALM Risk division, which:

- defines monitoring indicators in conjunction with ALM;
- sets limits for the most material currencies that are consistent with the risk appetite;
- carries out second-level controls on management indicators subject to limits.

This activity is structured around two committees:

- the Asset & Liability Management Committee (Alco), which decides on the strategy and monitors its proper implementation through the review of management indicators;

- the "Liquidity ALM" Committee which prepares the files presented to Alco and the operational implementation of Alco's decisions.

### Hedging Strategy

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 the US dollar, GB pound sterling and Swiss franc, 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.

## 4.2.6 Market risk

Market risk is defined as the potential risk of loss (through the income statement or directly through equity) resulting from fluctuations in the prices of financial instruments that make up a particular portfolio.

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.

However, certain positions or activities in the banking portfolio are sensitive to volatility in market parameters; they are monitored for non-regulatory market risks. This is the provision for placement securities as defined by French accounting standards.

### Monitoring system

The assessment and continuous monitoring of non-regulatory market risks are carried out by the Market and ALM Risk division through:

- daily control of margin calls on derivatives *via* the monitoring of sensitivities to the market parameters <sup>(2)</sup>;
- the calculation of the impact of the spread risk on the securities portfolio.

(2) They correspond to a change in the fair value of the instruments for a standardized movement (or shock) of the market's parameters.

## 4.2.7 Operational risk

In accordance with the latest version of Regulation (EU) 575/2013 (CRR3), operational risk is defined as “the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events, including but not limited to legal risk, model risk or information and communication technology risk, but excluding strategic risk and reputation risk”. The control of operational risks aims in particular to preserve the Sfil group and prevent/reduce losses related to system, personnel and process failures. It contributes to the quality of services provided to customers and to the fulfillment of the commitments made to them.

Legal risk and non-compliance risk are detailed further in the dedicated sections.

### Organization and governance

The Sfil group has set up an organization, procedures and a management tool to monitor and control its operational risks. This system is managed by the Operational, Cyber and Resilience Risks division (DROCR) and relies on a network of internal control coordinators from the first line of defense (see section 2.9 Information on internal control in the chapter "Management report") who notably have the role of identifying the operational risks related to their scope.

Internal control coordinators are responsible for updating their operational processes, participating in risk mapping exercises, reporting operational incidents, and reporting permanent controls and key operational risk indicators. Their role is the subject of an assignment sheet and an annual objective is defined and assessed during the annual reviews.

The second line of defense is provided by the internal control functions of the DROCR as well as by the Permanent control division, which carries out second-level permanent controls (see Section 2.9 Information on internal control in the chapter "Management report").

Operational risk management governance is structured around three committees:

- the Operational Risks Committee, whose role is to validate the mapping of operational risks and monitor key risk indicators and incidents. It monitors the implementation of the recovery and business continuity plan;

- the Information Systems Security Committee, whose role is to monitor the implementation of IT system security policy;
- the Outsourced Essential Services (PSEE) Committee, which validates the classification of new services as outsourced essential services, if applicable.

### Monitoring system

The Sfil group's policy for measuring and managing operational risks consists of regularly identifying and assessing its risk exposure and the existing mitigation and control systems to establish whether or not the level of residual risk is acceptable. The monitoring system is based on three main processes:

- Collection and reporting of operational incidents, action plans

Sfil group has defined an operational incident and loss collection process governed by guidelines and procedures. This process allows the Sfil group to comply with regulatory requirements and also to gather key data to improve the quality of its internal control system. The threshold of mandatory declaration for financial impacts is €10,000.

The internal control coordinators define the action plans to correct the significant incidents or major operational risks identified. The DROCR regularly monitors these action plans.

The activities of the Sfil group in 2025 generated only one incident above the collection thresholds.

- Operational risk mapping

Operational risk mapping makes it possible to identify and assess operational risks. It is established and regularly updated for each Sfil group process.

- Key indicators

The monitoring of key operational risk indicators associated with alert thresholds makes it possible to continuously and dynamically monitor changes in operational risks. This system is complemented by an IT system security policy, a Recovery and Business Continuity Plan and, where necessary, insurance policies subscribed by the Sfil group to cover specific risks.

## Risks related to Information and Communication Technologies

This system is complemented by an IT system security management policy, a Recovery and Business Continuity Plan and, where necessary, insurance policies to cover specific risks.

More specifically, the monitoring of information and communication technology risks is currently based on two areas:

- IT system security management

The DROCR has put in place a set of provisions, governed by a policy and directives, based on the requirements of the ISO 27001 standard, applicable to all of Sfil's operating divisions.

These provisions are intended to protect information against any threat that could affect its confidentiality, integrity or availability. They are broken down into operational processes determined in collaboration with the operating divisions, including the Technology and Organization division, and are subject to regular controls.

In addition, with a view to continuous improvement, a three-year plan to strengthen IT security has been defined and is regularly monitored. A plan to comply with DORA regulations has also been defined and is being implemented.

- Business continuity and crisis management

The Sfil group has developed a Recovery and Business Continuity Plan. This includes all the measures aimed at ensuring, under various operational crisis scenarios, the temporary maintenance of essential operational tasks in degraded mode, then the planned resumption of its activities, in order to limit its losses.



## Outsourced Essential Services

Sfil has an outsourcing policy that specifies the Group's outsourcing strategies as well as the monitoring and control system associated with outsourcing. The Operational Risk Committee monitors outsourcing and, more specifically, outsourced essential service providers.

## Secure payment methods

The security of payment methods is monitored by a series of procedures and mechanisms. In addition, in this context, Sfil responds annually to requests for SWIFT and Target 2 certification.

## 4.2.8 Non-compliance risk

Non-compliance risk is defined by article 10p) of the *arrêté* of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sector subject to the control of the Autorité de contrôle prudentiel et de résolution amended by the *arrêté* of 25 February 2021. It corresponds to the risk of legal, administrative or disciplinary sanction, significant financial loss or damage to reputation resulting from failure to respect the provisions directly applicable to banking and financial activities, irrespective of whether they are legislative or regulatory, national or European and irrespective of whether it concerns professional and ethical standards or instructions from effective managers taken pursuant to guidelines from the supervisory body.

Reputational risk is the risk of damage to the trust in the Sfil group by its clients, counterparties, suppliers, employees, shareholders, supervisors or any other third party whose trust, in any capacity

whatsoever, is a necessary condition for the normal continuation of activity. Reputational risk is essentially a risk contingent on all the other risks incurred and in particular the potential materialization of a credit risk, a market risk, an operational risk or non-compliance risk, as well as a violation of the Ethics and Professional Conduct Code of Sfil.

The risks of non-compliance are broken down into the following four categories:

- financial security risk (including the fight against money laundering and the financing of terrorism - AML-FT, sanctions, export rules and embargoes);
- ethics and corruption risks (including conflicts of interest);
- risks relating to the protection of customers' interests and compliance with other banking and financial regulations;
- risks related to the protection of personal data.

Regulatory non-compliance					Financial security			
Ethics and business conduct, prevention of conflicts of interest	Protection of customer interests	Fight against corruption	Preservation of market integrity	Protection of personal data	Anti-Money Laundering and Counter Financing of Terrorism	Sanctions, asset freezes and embargoes	Export rules	Ethics and business conduct, prevention of conflicts of interest

## Organization and governance

Adherence to the rules and compliance system concerns all Sfil employees, who must act in compliance and with integrity in their daily work. The Compliance division ensures compliance with the laws, regulations and ethical principles specific to the banking activities carried out by the Sfil group, with non-compliance liable to affect the systems for which it is responsible.

In accordance with applicable legal and regulatory requirements, professional standards, the internal control framework policy and the permanent control charter, the organization of functions aimed at managing non-compliance risk is part of the internal control system of the Sfil group.

The Sfil group has defined a scheme to guarantee reasonable assurance of non-compliance risk control. The framework of these systems is submitted to the Compliance Committee and proposed to the Board of Directors for approval on the proposal of the Risks and Internal Control Committee.

The non-compliance risk management processes apply to all the Sfil group's departments, activities and processes. For each of these categories, the Compliance division has defined systems adapted to the risks previously assessed.

The General Secretary is the Chief Compliance Officer. As such, she is responsible for the compliance verification function in accordance with Article 28 of the *arrêté*. The Compliance division, in its role as the second line of defense, ensures compliance with the compliance systems entrusted to the various business lines. It implements actions to control the non-compliance risks listed in the above table.

In this context, Sfil's Compliance division:

- defines the non-compliance risk management systems taking into account the risk appetite approved by the Board of Directors;
- prepares internal reports for the Board of Directors;
- contributes to the training of employees on non-compliance risks.

To support the business lines and ensure the supervision of the system, the Compliance division relies on employees identified as internal control officers (see Section 2.9 Information on internal control in the chapter "Management report") within the operating divisions as a point of contact with the business lines.

## Implementation of the compliance systems

In compliance with risk appetite, compliance policies and procedures have been defined for all of Sfil group's activities. The Compliance division verifies compliance with these policies and procedures and, if necessary, proposes actions to the divisions concerned to ensure their compliance.

The Sfil group has no risk appetite for banking and financial non-compliance risk and has a zero tolerance policy for corruption, influence peddling and all breaches of probity.

Sfil's policy for measuring and managing non-compliance risk, consists of regularly identifying and assessing its risk exposure and the existing mitigation and control systems to establish whether or not the level of residual risk is acceptable. This policy is divided into four main processes:

- the mapping of non-compliance risks (see Section 2.9 Information on internal control in the chapter "Management report");
- the collection and reporting of compliance incidents;
- the performance of permanent compliance controls (see Section 2.9 Information on internal control in the chapter "Management report");
- monitoring key non-compliance risk indicators.

## Ethics and professional conduct

Since its creation, Sfil has defined its Code of Ethics and Professional Conduct as a set of values and principles shared by all managers and employees in order to carry out its duties on a daily basis with complete integrity, in compliance with the provisions specific to its activities.

The Code of Ethics and Professional Conduct, appended to the internal regulations, establishes the rules of conduct applicable both within the Sfil group and *vis-à-vis* the outside world (customers, suppliers, service providers, investors and financial markets, etc.). The Compliance division has set out the rules applicable to each employee in terms of managing and declaring conflicts of interest, gifts and invitations and secondary activities within an additional set of procedures.

In order to strengthen its system, the Sfil group has appointed a Professional Conduct Officer who relies on the Professional conduct section within the Compliance division to exercise their duties. The Professional Conduct Officer, who has a comprehensive view of the bank's activities, can thus be consulted on any ethical or professional conduct issue, including the prevention of conflicts of interest.

The compliance training system rolled out to Sfil group employees makes it possible to maintain an up-to-date knowledge of compliance systems within the workforce. The aim is to promote a culture of risk and compliance. The obligation to attend training

sessions is specified in the Code of Ethics and Professional Conduct. The Sfil group's employees follow a basic compliance training program supplemented by expert training for the staff most exposed to some of the risks of non-compliance.

## Fight against corruption

The governance of the corruption prevention system at the highest level of Sfil is a guarantee of the credibility of the approach and the proactive behavior of the governing body. Through its clear and unequivocal commitment, it promotes a culture of compliance and transparency essential to the assessment of corruption risks.

In this respect, General Management is responsible for defining the anti-corruption system, formally validates the risk management strategy implemented on the basis of the corruption risk mapping and ensures the implementation of the selected action plan. General Management has entrusted the deployment of the system and its coordination to the Compliance division. In this context, the Compliance division is responsible for:

- designing and defining the methods for implementing the policy to prevent and fight against corruption, which are then rolled out within the corresponding operational business line processes and/or procedures;
- conducting the anti-corruption analyzes required when entering into a business relationship with third parties (particularly in the context of export refinancing);
- defining awareness-raising and training programs in the prevention and fight against corruption in order to disseminate the anti-corruption culture;
- assisting, where applicable, in internal investigations carried out following the revelation of suspicions or facts of corruption;
- monitoring best practices and changes in regulatory requirements, reporting on the implementation and effectiveness of the system to General Management and the supervisory body;
- advising, supporting and issuing recommendations to employees on how to apply the anti-corruption system;
- ensuring compliance by means of controls. The Compliance division is the preferred contact for all theoretical and practical questions that employees may have about situations potentially constituting acts of corruption, both in a preventive and corrective manner.

General Management also ensures that the resources allocated to the challenges of preventing and detecting acts of corruption are adequate, in particular by ensuring that the Compliance division has sufficient human and financial resources to fight against corruption.

## Protection of customer interests

Respect for the integrity and loyalty of third parties is essential. The Sfil group expects all its employees to act ethically at all times in their relationships with third parties, as stated in the Code of Ethics and Professional Conduct.

The Compliance division has implemented procedures to comply with regulatory requirements related to the protection of customer interests and in consideration of the specific scope of activities of the Sfil group. The operational divisions working with customers implement these requirements in their operational procedures; regular training is provided to them in order to maintain an appropriate culture of compliance.

## Integrity of markets

The Sfil group has deployed a system to combat and prevent market abuse tailored to its size, organization and specific activities, in particular with regard to the types and potential indicators of market abuse.

In compliance with the amended Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and the various associated implementing regulations, the Compliance division has deployed a set of procedures describing the principles, measures, systems and processes implemented by Sfil and Caffil to prevent, monitor, detect and report suspicious transactions in terms of market abuse. This procedural corpus is rolled out in the operational procedures within the most concerned divisions.

The prevention of market abuse also relies on effective dissemination to employees of the regulatory requirements in this area. In this context, the Compliance division deploys training and awareness-raising programs in terms of preventing market abuse adapted to the roles and responsibilities of employees, managers and corporate officers.

## Financial security

The Sfil group implements all the provisions set out in the fifth European directive on combating money laundering and the financing of terrorism (AML/CFT).

As a banking institution covered by article L.561-2 of the French Monetary and Financial Code, the Sfil group is subject to the AML/CFT regulations, which impose obligations on it to strengthen its role in the prevention of money laundering and the financing of terrorism. The system put in place also meets the requirements of the *arrêté* of 3 November 2014 on the internal control of companies in the banking, payment services and investment services sector, as amended by the *arrêté* of 25 February 2021, with regard to the implementation and internal control of the AML/CFT system.

- A structured framework for financial security

The Compliance division has a comprehensive and structured financial security procedure corpus, which forms the basis of the

internal practices. This corpus, regularly updated to include legislative, regulatory, and case law changes, includes a general AML/CFT policy, which defines the Sfil group's commitments and guiding principles for the prevention of money laundering and the financing of terrorism. This policy is supplemented by operational procedures detailing the implementation methods and the procedures to be carried out to ensure compliance with regulatory obligations.

- A culture of compliance and an adapted training system

The prevention of financial security risks is based on a strong culture of compliance within the Sfil group. In order to meet regulatory requirements in this area, the Compliance division deploys AML/CFT training and awareness programs adapted to the roles and responsibilities of employees, directors and corporate officers. This system makes it possible to maintain a high level of vigilance proportionate to the challenges of financial security, while guaranteeing employees' adherence to compliance requirements and observance of internal procedures.

- A robust system for detecting and treating non-compliance risks

To ensure the detection and treatment of non-compliance risks in terms of financial security, the Compliance division relies on human, technological and organizational resources.

The vigilance system is based on the KYC (Know Your Customer) process. Sfil implements strict procedures to identify and verify its customers and their beneficial owners, including the collection and analysis of identification information, the assessment of the purpose and nature of the business relationships, as well as the review of the origin of the customer's funds and activities. A risk classification is carried out in order to segment customers according to their level of risk, with the implementation of enhanced vigilance measures for high-risk profiles.

A screening tool ensures daily screening of the business relationships database and third parties with which Sfil interacts, by comparing them with the official lists of sanctions, asset freezes and politically exposed persons. These lists are updated regularly. The centralized processing of alerts generated by this tool is based on an in-depth, documented, and traced analysis of each alert.

In addition, enhanced monitoring of transactions is put in place to detect any atypical transactions. Transactions deemed sensitive are subject to an in-depth review to identify any unusual patterns. The analysis carried out feed into the decision-making process, which may lead, if necessary, to the filing of a suspicious transaction report with the competent authorities.

This structured system enables the Sfil group to meet regulatory requirements and ensure the effective management of financial security risks.

## Protection of personal data

The Sfil group, which is particularly sensitive to the protection of personal data, has appointed a data protection officer (DPO), who reports to the Chief Compliance Officer. The governance and procedural framework in place provide the necessary framework to meet the regulatory requirements of the European regulation on the protection of personal data and the legitimate expectations of its employees, customers and more broadly any third parties interacting with it.

As part of their mission, the DPO monitors risk indicators including personal data leaks, registry compliance and employee training rates. A personal data charter as well as a corpus of operational policies and procedures set out the principles that must be respected in order to comply with the European regulation on the protection of personal data. More specifically, for external third parties interacting with the Sfil group, a confidentiality policy is made available on the website.

The Sfil group, as data controller, has a register of personal data processing activities in accordance with article 30 of the General Data Protection Regulation (GDPR); it also includes a reporting module for incidents and violations. Lastly, the DPO, in conjunction with the Permanent Control division, ensures compliance with the rules set out in the policies and procedures relating to the protection of personal data.

All employees are trained in compliance with the GDPR via an e-learning module. The internal contacts or intermediaries within the divisions are trained, firstly, on personal data protection regulations and also on compliance with the GDPR compliance systems in place within the Sfil group. This training is provided in a face-to-face format. The objective is to provide the knowledge and skills they need as part of their missions to maintain the Sfil group's compliance with the GDPR. The DPO, for their part, follows training courses and joins professional groups in order to keep their knowledge up to date.

## 4.2.9 Legal and tax risk

The *arrêté* of 3 November 2014 as amended defines legal risk as the risk of any dispute with a counterparty resulting from any inaccuracy, lack or insufficiency that may be attributed to the Company in the exercise of its activities.

Tax risk corresponds to the possible non-compliance with the applicable tax regulations.

Although the Sfil group has no appetite for legal and tax risks, this does not mean that it is fully protected against these risks, especially since it is subject to significant and evolving regulations, in particular the introduction of new rules to improve the transparency, efficiency and integrity of financial markets and the strengthening of tax transparency requirements. In the event of non-compliance with applicable laws and regulations, Sfil could be exposed to significant fines and administrative sanctions and could suffer losses as a result of private litigation.

### Organization and governance

The control and management of legal and tax risk (excluding declarations) is handled within the General Secretary's office by:

- the Financing Legal division, which covers the financing of the local public sector and the financing of export credit;
- the Financial Markets Legal division;
- the Legal Affairs and Governance division, dedicated to the social life of Sfil and its subsidiary Caffil and their governance.

These three divisions report to the General Secretary, who validates the legal strategies implemented. They may issue opinions intended for the decision-making process of the following committees:

- Regulatory Watch Committee;
- New Products Committee;
- Credit Committee;
- the weekly Financial Markets Committee;
- Asset Management Committee.

Legal and tax risk is managed by:

- advising and assisting the Bank's General Management and operating divisions in order to prevent, detect, measure and control the legal and tax risks inherent in their activity;
- participation in the organization of governance and the implementation of best practices in this area (policies, procedures and internal regulations) in order to promote the management and control of risks by the management bodies;
- monitoring regulatory changes via a legal watch initiated by the three divisions in their areas of expertise;
- the review and negotiation of contracts as well as the adaptation of all contracts to regulatory changes having an impact on the business;
- insurance management (excluding social protection insurance);
- brand protection;
- management of pre-litigation and litigation.

## Litigation information

The Financing Legal division monitors litigation cases and the progress of proceedings.

As of 31 December 2025, to the best of Caffil's knowledge, there were no disputes or litigation between Caffil and its borrowers, nor any other governmental, legal or arbitration proceedings that could have a material impact on its financial position.

## Information on tax risk

The Finance division prepares tax declarations and can contact the General Secretary for tax advice.

Regarding the case relating to the taxation in Ireland of the results of the former branch of Dexia Municipal Agency (former company name of Caffil) in Dublin, which closed in 2013, on 10 July 2025, the French tax authorities announced their decision to close the mutual agreement procedure under the Franco-Irish treaty. As a result of the settlement agreement between Caffil and Dexia SA, income of €5m was recognized in the 2025 financial statements.

In the absence of new cases or litigation with the administration, the risk is currently considered not significant.

## 4.2.10 Business and regulatory risks

Caffil could encounter difficulties due to increased competition in the public sector market as well as in the export credit market. Caffil could thus see its activity and margins decrease in the local government financing market in France, particularly due to competition from French full-service banks, often of larger size, intensifying competition for new assets. In addition, changes in the interest rate of the Livret A savings account and the liquidity positions of banks financed by deposits could accentuate this pressure, thus impacting margins and prices in the public sector. In the refinancing of export credits, Caffil could also face

increased competition, particularly for projects with a strong environmental component or denominated in currencies other than the euro. This situation could limit its ability to acquire new loans or reduce their margin.

Caffil's activities are governed by European and French laws and regulations and are subject to supervision by the Autorité de contrôle prudentiel et de résolution (ACPR), the French prudential supervisory authority for the banking and insurance sector. Any significant changes to the current legislation could have an impact on Caffil's business, financial position and results.

# 5.

## **French GAAP Financial Statements**

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## 5.1 Financial statements

### 5.1.1 Assets

€m	Notes	31 Dec 2025	31 Dec 2024
Central banks		322	1,295
Government and public securities	2.1.1	3,985	3,075
Loans and advances to banks	2.2.1	10,977	9,814
Loans and advances to customers	2.2.2	48,316	47,465
Bonds and other fixed income securities	2.1.2	4,449	4,422
Equities and other variable income securities		-	-
Investments in non-consolidated companies and other long-term investments		-	-
Investments in consolidated companies		-	-
Intangible assets		-	-
Property and equipment		-	-
Unpaid capital		-	-
Uncalled subscribed capital		-	-
Treasury stock		-	-
Other assets	3.1	89	86
Accruals and other assets	3.4	2,296	2,459
<b>TOTAL ASSETS</b>	<b>7.1</b>	<b>70,433</b>	<b>68,617</b>

### 5.1.2 Liabilities

€m	Notes	31 Dec 2025	31 Dec 2024
Central banks		-	-
Due to banks	2.4.1	11,063	10,216
Customer borrowings and deposits		-	-
Debt securities	2.4.2	55,555	53,978
Other liabilities	3.2	146	168
Accruals and other liabilities	3.5	2,132	2,736
Provisions	3.3	30	29
Subordinated debt		-	-
<b>Equity</b>	<b>6</b>	<b>1,508</b>	<b>1,490</b>
Share capital		1,350	1,350
Additional paid-in capital		-	-
Reserves and retained earnings		73	70
Net income		84	71
<b>TOTAL LIABILITIES</b>	<b>7.1</b>	<b>70,433</b>	<b>68,617</b>

### 5.1.3 Off-balance sheet items

€m	Notes	31 Dec 2025	31 Dec 2024
<b>COMMITMENTS GRANTED</b>	<b>2.3</b>	<b>7,350</b>	<b>7,928</b>
Financing commitments		7,343	7,921
Guarantees granted		-	-
Commitments on securities		-	-
Other commitments granted		7	7
<b>COMMITMENTS RECEIVED</b>	<b>2.4.3</b>	<b>19,336</b>	<b>18,870</b>
Financing commitments		50	50
Guarantees received		19,267	18,709
Commitments on securities		-	-
Forward commitments received		-	-
Other commitments received		18	111
<b>OTHER COMMITMENTS</b>		<b>113,799</b>	<b>99,444</b>
Foreign currency transactions	2.5.2	10,553	13,212
Commitments on forward financial instruments	2.5.1	103,246	86,232

### 5.1.4 Income statement

€m	Notes	2025	2024
Interest income	2.6	2,860	3,354
Interest expense	2.6	(2,640)	(3,161)
Income from variable income securities		-	-
Commission income	3.6	-	0
Commission expense	3.6	(3)	(3)
Net gains (losses) on held for trading portfolio		(2)	0
Net gains (losses) on placement portfolio	2.1.3	6	2
Other banking income		0	0
Other banking expense		(0)	(0)
<b>Net banking income</b>		<b>221</b>	<b>192</b>
General operating expenses	4	(100)	(98)
Depreciation and amortization		-	-
<b>Gross operating income</b>		<b>121</b>	<b>94</b>
Cost of risk	2.7	(5)	(2)
<b>Income from operations</b>		<b>116</b>	<b>92</b>
Gains or losses on fixed assets		-	(0)
<b>Income before non-recurring items and taxes</b>		<b>116</b>	<b>92</b>
Non-recurring items		-	-
Income tax	5	(32)	(21)
<b>NET INCOME</b>		<b>84</b>	<b>71</b>
Basic earnings per share		6.26	5.22
Diluted earnings per share		6.26	5.22

## 5.1.5 Equity

€m

<b>AS OF 31 DEC 2024</b>	
Share capital	1,350
Additional paid-in capital	-
Commitments to increase share capital and additional paid-in capital	-
Reserves and retained earnings	70
Net income for the year	71
Interim dividends	-
<b>EQUITY AS OF 31 DEC 2024</b>	<b>1,490</b>
<b>MOVEMENTS FOR THE PERIOD</b>	
Changes in share capital	-
Changes in additional paid-in capital	-
Changes in commitments to increase share capital and additional paid-in capital	-
Changes in reserves and retained earnings	71
Dividends paid	(67)
Changes in net income for the period	14
Other movements	-
<b>SITUATION AS OF 31 DEC 2025</b>	
Share capital	1,350
Additional paid-in capital	-
Commitments to increase share capital and additional paid-in capital	-
Reserves and retained earnings	73
Net income for the period	84
<b>EQUITY AS OF 31 DEC 2025</b>	<b>1,508</b>

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## Note 1 Accounting and valuation policies

### 1.1 Applicable accounting standards: rules adopted by the French Accounting Standards Board (Autorité des Normes Comptables – ANC)

The financial statements as of 31 December 2025, were approved by the Management Board on 13 February 2026, and presented to the Supervisory Board on 17 February 2026.

Caffil prepares its financial statements in compliance with ANC Regulation No. 2014-07 issued on 26 November 2014 and related to the financial statements for the reporting entities of the banking sector, and in particular credit institutions. As stated in its article 3 and subject to the provisions of the latter regulation, these reporting entities prepare their financial statements in compliance with ANC Regulation No. 2014-03 issued on 5 June 2014 and related to general accounting plan. The financial statements are furthermore in accordance with the indications of Directive 86/635/EEC of the Council of European Communities.

The financial statements as of 31 December 2025, were prepared using the same accounting policies as those used in the financial statements as of 31 December 2024.

The annual financial statements of Caffil have been prepared and are presented in accordance with the provisions of Regulation No. 2014-07 of the Autorité des Normes Comptables (ANC) relating to the accounts of companies in the banking sector. ANC Regulation 2023-03 aligned Regulation ANC 2014-07 with ANC Regulation 2022-06, "Modernization of Financial Statements".

Furthermore, it is noted that companies in the banking sector must refer to the provisions of ANC Regulation No. 2014-03, relating to the General Accounting Plan (which was amended by the "Modernization of Financial Statements" regulation), for operations not covered by ANC Regulation No. 2014-07.

These modifications constitute a change in accounting method. This change had no impact on Caffil's financial statements.

Caffil also applies ANC Regulation No. 2025-02 of 4 April 2025, regarding the accounting treatment of the exceptional contribution and taxes introduced by the 2025 Finance Act.

### 1.2 Accounting principles applied to the financial statements

The general accounting principles outlined below apply to the main items in the financial statements. Specific accounting principles are detailed in the respective accompanying notes to which they relate.

The financial statements have been prepared in accordance with French generally accepted accounting principles, respecting the principles of prudence, sincerity and true and faithful image, on the basis of the following assumptions:

- going concern principle;
- segregation of accounting periods;
- consistency of methods;
- historical costs;
- no netting principle;
- intangibility of the opening balance sheet.

## Note 2 Financial instruments

### 2.1 Securities

#### Securities Portfolio

Securities held by Caffil are recognized on the asset side of the balance sheet under the item Government and public securities or bonds and other fixed income securities.

The item Government and public securities includes securities issued by public sector entities that may be refinanced through the European system of central banks.

- securities issued by public sector entities that are not eligible for refinancing by central banks;
- securities guaranteed by public sector.

Securities held by Caffil are recognized as either investment securities or 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. Accrued interest at the date of acquisition and subsequently accrued interest at each closing date is recognized on the balance sheet in the same categories as the corresponding security. Interest on these securities is recognized as Interest income.

The difference between the redemption value and the acquisition clean cost (discount or premium) is amortized according to a quasi-actuarial method over the residual maturity of the security.

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. Accrued interest at the date of acquisition and subsequently accrued interest at each closing date is recognized on the balance sheet in the same categories as the corresponding security. Interest on these securities is recognized as Interest income.

The difference between the redemption value and the acquisition clean cost (discount or premium) is amortized according to a quasi-actuarial method over the residual maturity of the security.

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 valuating 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.

When the decrease in the value of the security exceeds the unrealized gain on the micro-hedge, the decrease in net value is recognized as asset impairment in Net gains (losses) on placement portfolio transactions, as well as subsequent impairment reversals and capital gains and losses on sales.

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.

## 2.1.1 Government and public entity securities eligible for central bank refinancing

Accrued interest reported under this item amounts to €56m.

### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
	-	54	258	1,175	2,442	-	3,929

### ANALYSIS BY LISTED SECURITIES AND OTHER SECURITIES EXCLUDING ACCRUED INTEREST

€m	Gross amount as of 31 Dec 2025	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Unrealized capital gain or loss as of 31 Dec 2025 <sup>(2)</sup>	Net amount as of 31 Dec 2024
Listed securities <sup>(1)</sup>	3,872	-	3,872	(315)	3,031
Other securities	57	-	57	(6)	-
<b>TOTAL</b>	<b>3,929</b>	<b>-</b>	<b>3,929</b>	<b>(322)</b>	<b>3,031</b>

(1) Listed securities are registered for trading on a stock exchange.

(2) The unrealized capital gain or loss is calculated as the difference between the book value and the market value, taking derivatives into account.

### ANALYSIS BY TYPE OF PORTFOLIO EXCLUDING ACCRUED INTEREST AND CHANGES DURING THE YEAR

Portfolio	Net amount as of 31 Dec 2024	Gross amount as of 31 Dec 2024	Acquisitions, increase	Amortization, redemption or disposals	Others	Foreign exchange variation	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Unrealized capital gain or loss as of 31 Dec 2025 <sup>(1)</sup>
Trading	-	-	-	-	-	-	-	-	-
Placement	115	115	-	(1)	-	-	-	115	(6)
Investment	2,915	2,915	936	(100)	63	-	-	3,815	(316)
<b>TOTAL</b>	<b>3,031</b>	<b>3,031</b>	<b>936</b>	<b>(100)</b>	<b>63</b>	<b>-</b>	<b>-</b>	<b>3,929</b>	<b>(322)</b>

(1) The unrealized capital gain or loss is after swapping and corresponds to the difference between accounting value and market value.

### BREAKDOWN OF DEPRECIATIONS BY COUNTRY

See paragraph 2.1.4 "breakdown of depreciation by country"

## 2.1.2 Bonds and other fixed income securities

Accrued interest reported under this item amounts to €57m.

### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
	8	74	659	2,511	1,140	-	4,392

### ANALYSIS BY THE ISSUER'S ECONOMIC SECTOR EXCLUDING ACCRUED INTEREST

€m	31 Dec 2025	31 Dec 2024
Public sector	1,119	1,316
Credit institutions	3,273	3,057
<b>TOTAL</b>	<b>4,392</b>	<b>4,373</b>

#### ANALYSIS BY LISTED SECURITIES AND OTHER SECURITIES EXCLUDING ACCRUED INTEREST

€m	Gross amount as of 31 Dec 2025	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Unrealized capital gain or loss as of 31 Dec 2025 <sup>(2)</sup>	Net amount as of 31 Dec 2024
Listed securities <sup>(1)</sup>	3,709	-	3,709	(76)	3,508
Other securities	683	-	683	(25)	865
<b>TOTAL</b>	<b>4,392</b>	<b>-</b>	<b>4,392</b>	<b>(101)</b>	<b>4,373</b>

(1) Listed securities are registered for trading on a stock exchange.

(2) The unrealized capital gain or loss is calculated as the difference between the book value and the market value, taking derivatives into account.

#### ANALYSIS BY TYPE OF PORTFOLIO EXCLUDING ACCRUED INTEREST AND CHANGES DURING THE YEAR

Portfolio €m	Net amount as of 31 Dec 2024	Gross amount as of 31 Dec 2024	Acquisitions, increases	Amortization, redemption or disposals	Others	Foreign exchange variation	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Unrealized capital gain or loss as of 31 Dec 2025 <sup>(1)</sup>
Trading	-	-	-	-	-	-	-	-	-
Placement	166	-	-	-	-	(19)	-	147	3
Investment	4,206	4,206	785	(726)	(21)	(0)	-	4,245	(103)
<b>TOTAL</b>	<b>4,373</b>	<b>4,373</b>	<b>785</b>	<b>(726)</b>	<b>(21)</b>	<b>(20)</b>	<b>-</b>	<b>4,392</b>	<b>(101)</b>

(1) The unrealized capital gain or loss is calculated as the difference between the book value and the market value, taking derivatives into account.

#### INCOME FROM BONDS AND OTHER FIXED-INCOME SECURITIES

Income from bonds and other fixed-income securities amounts to €223m and is recorded under "Interest and related income" (see section 2.6 Interest income and expense).

#### 2.1.3 Gains or losses on portfolio transactions

€m	31 Dec 2025	31 Dec 2024
Gains or losses on early redemptions and sales of investment securities	-	-
Change in provisions for unrealized losses <sup>(1)</sup>	6	1
<b>TOTAL</b>	<b>6</b>	<b>1</b>

(1) This line includes allowances and reversals of provisions on investment securities after hedging swaps.

#### 2.1.4 Breakdown of depreciation by country

Securities classified as public bills and similar securities, as well as those classified as bonds and other fixed-income securities, have not been subject to specific impairments due to their credit quality.

## 2.2 Loans and advances

### Loans and advances to banks and to customers

Loans and advances to banks include all loans connected to banking transactions with credit institutions, except securities. They are broken down into sight accounts and term loans. They include in particular over-collateralized loans granted to Caffil.

Loans and advances to customers comprise mainly loans granted in the form of export credits.

Loans and advances to customers are recognized in the balance sheet net of impairment for possible losses. Commissions received and marginal transaction costs related to the granting or the acquisition of a loan, if they are significant, are amortized over the maturity of the loan. Other commissions received are immediately recognized in the income statement.

Interest on loans is recognized as Interest income, prorata temporis for accrued amounts due and not yet due, as is interest on past-dues.

Prepayment indemnities are recognized in the income statement at the date they occur.

The undrawn portion of signed loan contracts is recognized as an off-balance sheet item.

### Sound loans, 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.

### Compromised non-performing loans

Compromised non-performing loans are loans to borrowers whose recovery outlook is so downgraded that they might be ultimately written off. Loans accounted for as non-performing for more than one year are transferred to this category.

### Restructured loans

Restructured loans for financial difficulties are loans for which the entity has modified the original contractual terms (interest rate, maturity, etc.) for economic reasons linked to the borrower's financial difficulties, in a way that would not have been envisaged in other circumstances.

The definition of restructured loans for financial difficulties meets two cumulative criteria:

- contract modifications or debt refinancing (concessions);
- customers in financial difficulty (debtors experiencing, or about to experience, difficulties in meeting their financial commitments).

Restructured loans do not include loans whose terms have been commercially renegotiated with counterparties who are not insolvent or in a deteriorated financial situation.

This notion of restructuring must be assessed at contract level and not at customer level (there is no contagion). It concerns both non-performing and performing loans, at the time of restructuring.

Depending on the terms of the restructuring, the restructured receivable may be considered as "in default", resulting in its classification in doubtful debts. The return to performing loans follows the same procedure as for a return to "non-default". Information on these loans is provided in the notes to the financial statements.

### Accounting treatment of credit risk

As soon as a loan is non-performing (see non-performing loans section), the probable loss must be taken into account by recording an impairment loss against the loan.

The Group 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 (see section 2.7 *Cost of risk*).

Litigious loans are provisioned on a case-by-case basis.

## 2.2.1 Loans and advances to banks:

Accrued interest reported under this item amounts to €60m.

### SIGHT ACCOUNTS AND ADVANCES TO BANKS

€m	31 Dec 2025	31 Dec 2024
Sight accounts	14	25
Unallocated sum	-	-
<b>TOTAL</b>	<b>14</b>	<b>25</b>

### Term loans and advances to banks

#### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
	41	78	896	3,971	5,917	-	10,903

#### ANALYSIS BY INITIAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Gross amount as of 31 Dec 2025	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Net amount as of 31 Dec 2024
Loans of less than 1 year	-	-	-	-
Loans of more than 1 year	10,903	-	10,903	9,718
<b>TOTAL</b>	<b>10,903</b>	<b>-</b>	<b>10,903</b>	<b>9,718</b>

#### BREAKDOWN BY COUNTERPARTY

€m	31 Dec 2025	31 Dec 2024
Sfil – Export credits refinancing loans guaranteed by the French State <sup>(1)</sup>	10,885	9,618
Cash advances granted to Caisse des Dépôts et Consignations <sup>(2)</sup>	18	100
Banks guaranteed by a local government, crédits municipaux	0	0
<b>TOTAL</b>	<b>10,903</b>	<b>9,718</b>

(1) Caffil grants loans to its parent company, Sfil, to refinance large export credits granted by Sfil. These loans benefit from an irrevocable and unconditional 100% guarantee by the French Republic, referred to as enhanced guarantee. It is important to note that Caffil no longer uses this mechanism for transactions concluded since September 2024, but still benefits from the export credit insurance provided by BPI AE. This change is part of the Sfil group's effort to simplify its operations. However, it does not undermine the principle of exposure to public entities or those fully guaranteed by them, in accordance with the regulations applicable to sociétés de crédit foncier.

(2) At the end of 2022, Caffil signed a partnership with Caisse des Dépôts to offer a new long-term and very long-term fixed-rate offer to local authorities and public hospitals in France. In this context, Caffil makes cash advances with Caisse des Dépôts corresponding to the amounts of loans granted by the latter. This cash advance enables Caffil to finance the acquisition of the loans that it has committed to acquire. In return, Caisse des Dépôts also undertakes to sell the loans to Caffil at the end of the drawdown phase of the loan.

#### 2.2.2 Loans and advances to customers

Accrued interest reported under this item amounts to €386m.

#### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
	616	594	3,388	15,829	27,504	(2)	47,929

#### ANALYSIS OF COMMITMENTS BY COUNTERPARTY'S ECONOMIC SECTOR EXCLUDING ACCRUED INTEREST

Economic sector €m	31 Dec 2025	31 Dec 2024
Public sector	47,180	46,205
Other sectors	749	851
<b>TOTAL</b>	<b>47,929</b>	<b>47,056</b>

#### ANALYSIS BY INITIAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Gross amount as of 31 Dec 2025	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Net amount as of 31 Dec 2024
Loans of less than 1 year	5	-	5	5
Loans of more than 1 year	47,926	(2)	47,924	47,051
<b>TOTAL</b>	<b>47,931</b>	<b>(2)</b>	<b>47,929</b>	<b>47,056</b>

#### ANALYSIS OF LOANS BY CATEGORY OF OUTSTANDING LOANS EXCLUDING ACCRUED INTEREST

€m	Gross amount as of 31 Dec 2025	Impairment as of 31 Dec 2025	Net amount as of 31 Dec 2025	Net amount as of 31 Dec 2024
Performing commitments <sup>(1)</sup>	47,886	-	47,886	46,909
Non-performing loans <sup>(2)</sup>	14	(1)	13	13
Compromised non-performing loans <sup>(3)</sup>	32	(1)	30	133
<b>TOTAL</b>	<b>47,931</b>	<b>(2)</b>	<b>47,929</b>	<b>47,056</b>

(1) Of which loans restructured in the past and now classified as performing for €308m as of 31 December 2025.

(2) Of which restructured loans for €4m as of 31 December 2025.

(3) Of which restructured loans for €19m as of 31 December 2025.

The clients subject to restructuring are predominantly French local authorities or public hospitals.

### 2.2.3 Depreciation for non-performing loans – changes during the year

€m	Net amount as of 31 Dec 2024	Allocations	Reversals	Transfers	Amount as of 31 Dec 2025
<b>For non-performing loans</b>					
On loans	(0)	(0)	0	0	(0)
On interest	(0)	(0)	0	0	(0)
<b>For compromised non-performing</b>					
On loans	(4)	(0)	4	(0)	(0)
On interest	(3)	(0)	2	(1)	(1)
<b>TOTAL</b>	<b>(7)</b>	<b>(1)</b>	<b>6</b>	<b>-</b>	<b>(2)</b>

Provisions on interest are recorded in Net banking income and provisions on nominal are recorded in Cost of risk.

### 2.2.4 Impairment breakdown by country

All impairments associated with customer operations pertain to French clients.

## 2.3 Commitments granted

€m	31 Dec 2025	31 Dec 2024
Financing commitments granted to credit institutions <sup>(1)</sup>	7,250	7,920
Financing commitments granted to customers <sup>(2)</sup>	93	1
Other guarantees given to banks	-	-
Other commitments given; assets assigned in guarantee	7	7
<b>TOTAL</b>	<b>7,350</b>	<b>7,928</b>

(1) Within the framework of the export credit business, this amount corresponds to a commitment by Caffil to refinance its parent company, Sfil.

(2) Financing commitments granted to customers correspond to contracts signed for loans not yet paid out to customers at year-end.

The Group's annual contribution to the Single Resolution Fund (SRF) may be partially settled in the form of irrevocable payment commitments (IPCs) secured by a cash deposit of an equivalent amount, recorded under other commitments given, assets pledged as collateral for €7m.

In the event the SRF is mobilized as part of a resolution measure, the Single Resolution Board (SRB) is authorized to call upon all or part of the IPCs received. Furthermore, in accordance with the ruling issued on 13 November 2025, by the Court of Justice of the European Union in the BNP Paribas Public Sector case, a credit institution is required to pay an amount equivalent to its IPCs to the SRF when these commitments are canceled following the withdrawal of its banking license and its exit from the Single Resolution Mechanism; the amounts thus paid are definitively acquired by the SRF.

This decision has no impact on the accounting treatment adopted by Caffil, as the financial statements are prepared on a going concern basis, and Caffil does not foresee the withdrawal of its banking license. Based on the analyses carried out, Caffil does not anticipate the occurrence of events likely to trigger the call of the IPC by the CRU, whether in the context of a bank resolution or a license withdrawal. As a result, the IPC continue to be recorded as off-balance sheet commitments, while the related collateral deposits, remunerated at normal market conditions, are recognized as assets under financial assets, with no change to their accounting treatment.

## 2.4 Debt

### 2.4.1 Debt due to banks

Debt due to banks is broken down according to the type of debt (sight accounts, current accounts, long-term loans or non-allocated receivables) and the initial maturity (sight or term debt).

Interest accrued on this debt is recognized in liabilities, offsetting income statement.

The financing obtained from Sfil, under the financing agreement, consists of various loans with maturities ranging from 1 day to 10 years, indexed to EURIBOR or €STER.

Accrued interest reported under this item amounts to €143m.

#### DUE TO BANKS

€m	31 Dec 2025	31 Dec 2024
Sight accounts	-	-
Current account - parent company	-	-
Term borrowing - parent company	10,920	10,020
Unallocated sums	-	-
<b>TOTAL</b>	<b>10,920</b>	<b>10,020</b>

#### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

€m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
Sight	-	-	-	-	-	-	-
Term	2,150	1,830	-	5,190	1,750	-	10,920
<b>TOTAL</b>	<b>2,150</b>	<b>1,830</b>	<b>-</b>	<b>5,190</b>	<b>1,750</b>	<b>-</b>	<b>10,920</b>

## 2.4.2 Debt securities

These debts consist of *obligations foncières* and other resources benefiting from the privilege defined in article L.513-11 of the French Monetary and Financial Code (registered covered bonds).

Debt securities are recognized at nominal value.

Redemption and issue premiums are amortized according to a quasi-actuarial method over the maturity of the securities concerned *prorata temporis*. They are recognized on the balance sheet in the same categories as the corresponding debt. Amortization of these premiums is recognized in the income statement as Interest expense. If securities are issued above par, amortization of issue premiums is deducted from Interest expense.

Interest is recognized in the net interest margin for accrued amounts calculated *prorata temporis*.

Issuance costs and commissions related to issued securities are amortized according to a quasi-actuarial method over the maturity of the related debts and are recognized in the net interest margin.

Bonds issued which are denominated in foreign currencies are accounted for using the same method as foreign currency transactions (see below).

### Debt securities

Accrued interest reported under this item amounts to €509m.

#### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

Type of securities €m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
<i>Obligations foncières</i>	1,361	161	2,218	18,377	26,636	-	48,753
<i>of which net issue premiums</i>	0	(0)	0	9	(135)	-	(126)

#### CHANGES DURING THE FINANCIAL YEAR EXCLUDING ACCRUED INTEREST

Type of securities	Amount as of 31 Dec 2024	Increases	Decreases	Other movements	Amount as of 31 Dec 2025
<i>Obligations foncières</i>	47,198	6,406	(4,829)	(23)	48,753

### Other bonds (registered covered bonds)

Accrued interest reported under this item amounts to €144m.

#### ANALYSIS BY RESIDUAL MATURITY EXCLUDING ACCRUED INTEREST

Type of securities €m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Total
Registered covered bonds	120	-	373	1,848	3,807	-	6,148
<i>of which net issue premiums</i>	-	-	(0)	(0)	25	-	24

#### CHANGES DURING THE FINANCIAL YEAR EXCLUDING ACCRUED INTEREST

Type of securities €m	Amount as of 31 Dec 2024	Increases	Decreases	Other movements	Amount as of 31 Dec 2025
Registered covered bonds	6,203	360	(415)	-	6,148

### 2.4.3 Commitments received

€m	31 Dec 2025	31 Dec 2024
Financing commitments received from credit institutions <sup>(1)</sup>	50	50
Currencies borrowed	-	-
Guarantees received from credit institutions	-	-
Enhanced guarantees <sup>(2)</sup>	18,193	17,593
Guarantees received from local governments and asset transfers as guarantees of commitments on local governments	1,075	1,115
Commitments on securities – securities to be received	-	-
Other commitments received <sup>(3)</sup>	18	111
<b>TOTAL</b>	<b>19,336</b>	<b>18,870</b>

(1) This item corresponded to the amount of the overdraft, authorized in the current account agreement set up with Sfil, totaling €50m.

(2) Caisse Française de Financement Local grants loans to its parent company, Sfil, to refinance large export credits granted by Sfil. These loans benefit from an irrevocable and unconditional 100% guarantee by the French Republic, referred to as enhanced guarantee. It is important to note that Caffil no longer uses this mechanism for transactions concluded since September 2024, but still benefits from the export credit insurance provided by BPI AE. This change is part of the Sfil group's effort to simplify its operations. However, it does not undermine the principle of exposure to public entities or those fully guaranteed by them, in accordance with the regulations applicable to sociétés de crédit foncier.

(3) At the end of 2022, Caffil signed a partnership with Caisse des Dépôts to offer a new long-term and very long-term fixed-rate offer to local authorities and public hospitals in France. In this context, Caffil makes cash advances with Caisse des Dépôts corresponding to the amounts of loans granted by the latter. This cash advance enables Caffil to finance the acquisition of the loans that it has committed to acquire. In return, Caisse des Dépôts also undertakes to sell the loans to Caffil at the end of the drawdown phase of the loan.

## 2.5 Derivative financial instruments

### Derivative transactions

Caffil engages in derivative transactions only to hedge the interest rate and foreign exchange risks to which it is exposed in its activity. Depending on their purpose, these transactions are assigned to micro-hedge or macro-hedge portfolios. The valuation and accounting treatments of these financial instruments depends on the chosen category.

The notional amount of these transactions is recognized off-balance sheet over the maturity of the instruments, i.e. from the date the contract is signed (including forward contracts) up to maturity. The amount recognized is adjusted to reflect any changes in notional amounts so as to represent the current or future maximum commitment.

Payments made at the inception of financial instruments are amortized over their maturity for the time remaining according to a quasi-actuarial method.

#### Micro-hedge transactions

Derivatives are booked as micro-hedges when they are designed to hedge against the interest rate risk or the foreign exchange risk related to an item or a set of homogeneous items identified from the outset.

Expense and income on these transactions are recognized in the income statement the same way as income and expense on the hedged item or set of homogeneous items.

Termination fees received or paid because of the early interruption of the hedging instrument are generally recognized in the income statement at the termination date. In the framework of a restructuring, they are by way of exception amortized when they constitute an expense in compliance with the tax rule.

#### Macro-hedge transactions

This category includes transactions designed to hedge and manage the Company's overall exposure to interest rate risk on assets, liabilities and off-balance sheet items, excluding micro-hedge transactions. They were authorized on 1 December 1999, by a specific decision of the Executive Board of Caffil.

Expense and income on these transactions are recognized in the income statement prorata temporis, respectively as Interest expense and Interest income. The counterpart is recognized in accruals until the payment date.

Termination fees received or paid because of the early interruption of the hedging instrument are recognized in the income statement at the termination date.

## 2.5.1 Interest rate derivatives

Commitments on forward interest rate financial instruments are recorded in accordance with the provisions of regulations No. 88-02 and No. 90-15: amounts relating to firm transactions are recorded for the nominal value of the contracts.

### ANALYSIS OF OVER-THE-COUNTER INTEREST RATE TRANSACTIONS BY RESIDUAL MATURITY

€m	Less than 1 month	1 to 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Indeterminate	Amount as of 31 Dec 2025
Notional amount	10,454	2,487	19,723	26,488	44,094	-	103,246
<i>of which deferred start</i>	-	-	2,750	150	1,001	-	3,901

*These hedging transactions include micro-hedge and macro-hedge transactions.*

### ANALYSIS OF INTEREST RATE TRANSACTIONS BY PRODUCT TYPE

€m	31 Dec 2025	31 Dec 2024
Interest rate swaps	103,246	86,232
Term contracts	-	-
Interest rate options	-	-
<b>TOTAL</b>	<b>103,246</b>	<b>86,232</b>

### ANALYSIS OF INTEREST RATE SWAP TRANSACTIONS

€m	31 Dec 2025	Fair value as of 31 Dec 2025	31 Dec 2024
Micro-hedge	45,711	(1,749)	46,054
Macro-hedge	57,535	256	40,178
<b>TOTAL</b>	<b>103,246</b>	<b>(1,493)</b>	<b>86,232</b>

### ANALYSIS OF INTEREST RATE TRANSACTIONS BY COUNTERPARTY

€m	31 Dec 2025	31 Dec 2024
Related parties	22,315	17,019
Other counterparties	80,931	69,213
<b>TOTAL</b>	<b>103,246</b>	<b>86,232</b>

## 2.5.2 Foreign exchange transactions

In the course of systematic hedging of its foreign exchange risk, Caffil enters into currency swaps. These currency swaps are initiated to eliminate the risk of foreign exchange rate fluctuations that might affect an asset or liability as soon as such a risk is identified. They are mainly used to hedge certain liabilities, debt securities and customer loans.

Results of foreign exchange hedging transactions are accounted for by recognizing the difference between the hedging rate and the spot rate – contango or backwardation – prorata temporis.

Spot and forward foreign exchange transactions are presented at their value in foreign currencies, converted based on the exchange rate at the fiscal year-end.

The "Currencies to receive" and "Currencies to deliver" items consist of long currency swaps with interim payment flows

corresponding to hedging transactions. The "Foreign exchange transactions" item also includes, in the primary financial statements, the foreign currency adjustment accounts for off-balance-sheet items, which are not presented in the table below.

€m	31 Dec 2025	Fair value as of 31 Dec 2025	31 Dec 2024
Currencies to receive	5,197	(333)	6,136
Currencies to deliver	5,277	292	6,606
<b>TOTAL</b>	<b>10,473</b>	<b>(40)</b>	<b>12,743</b>

### 2.5.3 Net gains or losses on trading portfolio

€m	2025	2024
Gains or losses on financial instruments	(1)	(0)
<b>TOTAL</b>	<b>(1)</b>	<b>(0)</b>

## 2.6 Interest income and expenses

€m	2025	2024
<b>Income</b>	<b>2,860</b>	<b>3,354</b>
Due from banks	335	430
Due from customers	1,223	1,444
Bonds and other fixed income securities	223	279
Macro-hedge transactions	1,078	1,200
Other commitments	-	-
<b>Expense</b>	<b>(2,640)</b>	<b>(3,161)</b>
Due to banks	(301)	(381)
Due to customers	(36)	(81)
Bonds and other fixed income securities	(1,213)	(1,606)
Macro-hedge transactions	(1,090)	(1,093)
Other commitments	-	-
<b>INTEREST MARGIN</b>	<b>220</b>	<b>193</b>

As part of the activity of refinancing large export loans, Caffil benefits from a 100% irrevocable and unconditional guarantee from the State, referred to as an enhanced guarantee, for operations implemented up to 30 September 2024. The costs associated with these guarantees are recorded on a pro-rata basis under net interest margin.

## 2.7 Cost of risk

The accounting principles related to specific provisions on loans and receivables are described in section 2.2 Loans and receivables.

The accounting principles related to collective provisions are described in section 3.3 "Provisions for risks and charges".

€m	2025	2024
Collective impairments <sup>(1)</sup>	(7)	(2)
Specific impairments	2	(0)
<b>TOTAL</b>	<b>(5)</b>	<b>(2)</b>

(1) The cost of risk associated with collective provisions is primarily linked to the consideration of the challenging financial context of French public hospitals.

## Note 3 Other activities

### 3.1 Other assets

€m	31 Dec 2025	31 Dec 2024
Taxes	28	20
Other receivables	7	7
Collateral cash paid to Sfil <sup>(1)</sup>	54	59
<b>TOTAL</b>	<b>89</b>	<b>86</b>

(1) It should be noted that Caffil has set up a new ISDA framework agreement with Sfil. This new framework agreement enables the implementation of interest rate and exchange rate risk hedging derivatives associated with a very limited number of Caffil's assets that do not meet the requirements of article 129 of the CRR as amended as part of the new covered bonds directive that came into force at the beginning of July 2022. Caffil has complied with this new framework in order to obtain the "European High Quality Covered Bond" label for its obligations foncières. As the new texts are more restrictive as regards the eligibility of certain assets, the derivatives used to hedge the associated risks no longer benefit from the legal privilege. A symmetrical exchange of cash collateral between the parties is carried out in line with market practices.

It should be noted that all of Sfil's other derivative counterparties benefit from the legal privilege and therefore do not receive any cash collateral paid by Caffil.

The Single Resolution Fund (SRF) is an emergency fund designed to be mobilized in the event of a banking crisis. It is managed by the Single Resolution Board (SRB) and contributes to financial stability within the Banking Union. In accordance with the resolution principle, shareholders and creditors bear losses as a priority; however, the SRF may intervene as a complement to finance certain resolution measures or compensate parties whose losses exceed those resulting from judicial liquidation.

Established by Regulation (EU) No. 806/2014 (SRMR), the SRF is part of the Single Resolution Mechanism (SRM). It is funded through annual contributions paid by institutions subject to the

Banking Union, a portion of which may take the form of irrevocable payment commitments (IPCs) secured by a collateral deposit remunerated at the European Central Bank's reference rate.

The SRF's target amount, corresponding to at least 1% of covered deposits, was reached as of 31 December 2023. Consequently, no contribution calls were made for the 2024 and 2025 fiscal years.

As of 31 December 2025, the collateral deposit paid to the SRF in respect of irrevocable payment commitments amounts to €7m, recorded under Other Debtors. This amount remains unchanged compared to 2024.

### 3.2 Other liabilities

€m	31 Dec 2025	31 Dec 2024
Cash collateral received	88	106
Accrued interest not yet due on cash collateral received	0	0
Taxes	28	22
Balances to pay on unwound hedging contracts	-	-
Contribution to the support fund <sup>(1)</sup>	30	40
Other creditors	-	-
<b>TOTAL</b>	<b>146</b>	<b>168</b>

(1) This item includes the residual balance of the commitments made in 2013 by Caffil to contribute €10m per year over 15 years to the multi-year local government entity support funds, for a total of €150m.

### 3.3 Provisions for risks and charges

Provisions are recognized based on their discounted value when the following three conditions are met:

- Caffil has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources representing economic benefits will be required to settle the obligation;
- a reliable estimate of the amount of the obligation can be made.

Collective provision covers the risk of loss in value among the loans, bonds and loan commitments not yet covered by any specific loss allowance at closing date. Among this group,

counterparties that are reviewed in Watchlist Committee or might be reviewed in a foreseeable future are identified through the use of automatic criteria (based in particular on internal ratings and warning indicators for rating migration determined to be risky) and *ad-hoc* analysis based on the use of professional judgment and expert opinion. Outstanding on these counterparties form the base of the collective provision. Losses on these counterparties are estimated on the basis of past events (use of historical patterns), current economic environment and expectations on future economic environment. For this purpose, Caffil uses a credit risk model based on an approach derived from Basel approach; this model is subject to regular back-testing.

€m	Amount as of 31 Dec 2024	Increases	Decreases	Other movements	Amount as of 31 Dec 2025
Loans and commitments <sup>(1)</sup>	17	9	(2)	-	24
Financial instruments <sup>(2)</sup>	12	0	(6)	(0)	6
<b>TOTAL</b>	<b>29</b>	<b>9</b>	<b>(8)</b>	<b>(0)</b>	<b>30</b>

(1) The changes in provisions for loans and commitments are primarily related to the additions and removals of clients to/from the credit watchlist during the fiscal year. The increase observed in 2025 is notably linked to the consideration of the challenging financial context of French public hospitals.

(2) The change in provisions for risks and charges on financial instruments relates to the change in the market value of the hedged placement securities concerned.

### 3.4 Accruals and other assets

€m	31 Dec 2025	31 Dec 2024
Deferred losses on hedging transactions	606	703
Deferred charges on bond issues	61	59
Prepaid charges on hedging transactions	150	145
Premiums on acquisition of loans	577	601
Other prepaid charges	0	0
Accrued interest not yet due on hedging transactions	900	949
Translation adjustments	-	-
Other deferred income	2	1
Other accruals	-	-
<b>TOTAL</b>	<b>2,296</b>	<b>2,459</b>

### 3.5 Accruals and other liabilities

€m	31 Dec 2025	31 Dec 2024
Deferred gains on hedging transactions	3	-
Deferred income on hedging transactions	573	580
Deferred income on loans	608	651
Accrued interest not yet due on hedging transactions	857	1,014
Other accrued charges	11	21
Translation adjustments	80	470
Other accruals – liabilities	0	0
<b>TOTAL</b>	<b>2,132</b>	<b>2,736</b>

### 3.6 Commissions received and paid

€m	2025	2024
<b>Commissions (income)</b>	<b>-</b>	<b>0</b>
Commissions on securities	-	-
Commissions on forward financial instruments	-	-
Commissions on financial services	-	-
Other commissions	-	0
<b>Commissions (expenses)</b>	<b>(3)</b>	<b>(3)</b>
Commissions on securities	(3)	(2)
Commissions on forward financial instruments	-	-
Commissions on financial services	(0)	(1)
Other commissions	(0)	(0)
<b>TOTAL</b>	<b>(3)</b>	<b>(3)</b>

## Note 4 General operating expenses

Caffil has no salaried employees in accordance with article L.513-15 of the French Monetary and Financial Code. The general management of the operations of Caffil has been entrusted by way of an agreement to its parent company, Sfil, a credit institution.

€m	2025	2024
Payroll costs	-	-
Other general and administrative operating expenses	(97)	(95)
Taxes	(3)	(3)
<b>TOTAL</b>	<b>(100)</b>	<b>(98)</b>
<i>of which fees charged back by Sfil</i>	<i>(96)</i>	<i>(94)</i>

## Note 5 Taxes

### 5.1 Tax consolidation

Since 1 January 2014, Caffil belongs to the tax group that is headed up by Sfil. This entity pays the total income tax and lump-sum annual tax owed by the Group. Caffil recognizes in its accounts the tax expense for which it would be liable if it were not a member of the tax group.

Tax savings realized by the tax group are recognized in the accounts of Sfil.

€m	2025	2024
Current tax for the year	(27)	(21)
Exceptional contribution on corporate income tax for large companies <sup>(1)</sup>	(10)	-
Tax on previous fiscal years <sup>(2)</sup>	5	-
<b>TOTAL</b>	<b>(32)</b>	<b>(21)</b>

(1) The 2025 Finance Act introduced an exceptional contribution on corporate income tax for large companies in France. This contribution is based on the average corporate income tax owed for the 2024 and 2025 fiscal years. The applicable rate for the Sfil group is 41.2%.

(2) On 10 July 2025, the French tax authority informed Caffil of its unilateral decision to close the mutual agreement procedure provided under article 24 of the Franco-Irish Convention dated 21 March 1968. This procedure had been initiated by Caffil following a tax audit covering the 2012 and 2013 fiscal years concerning its former Irish branch. As part of this decision, the French competent authority also chose to fully abandon the adjustment relating to the 2012 fiscal year. This abandonment resulted in the recognition of €5m in income in the financial statements for the second half of 2025.

## Note 6 Equity

€m	Amount as of 31 Dec 2025	Amount as of 31 Dec 2024
Share capital	1,350	1,350
Legal reserve	73	70
Retained earnings (+/-)	0	0
Net income (+/-)	84	71
<b>TOTAL</b>	<b>1,508</b>	<b>1,490</b>

On 27 May 2025, the general meeting resolved to allocate the 2024 fiscal year's profit, amounting to a balance of €67m after appropriation of retained earnings and deduction of the legal reserve, for the payment of a dividend to Sfil, its parent company.

It will be proposed at the ordinary general meeting on 26 May 2026, to allocate the 2025 fiscal year's profit, amounting to a balance of €80m after appropriation of retained earnings and deduction of the legal reserve, for the payment of a dividend to Sfil, its parent company.

Caffil's share capital totaled €1,350m, comprising 13,500,000 shares.

## Note 7 Other information

### 7.1 Foreign currency transactions

Caffil recognizes foreign currency transactions in accounts opened and denominated in each of the currencies used.

Specific foreign exchange position accounts and foreign exchange position equivalent accounts are opened in each currency.

At each closing date, differences between on the one hand the amounts resulting from a market price valuation at closing date of the foreign exchange position accounts and on the other hand the amounts recognized in the foreign exchange position equivalent accounts are recognized in the income statement.

#### BREAKDOWN OF ASSETS BY CURRENCY

€m	Amount in original currency as of 31 Dec 2025	Amount in euros as of 31 Dec 2025	Amount in original currency as of 31 Dec 2024	Amount in euro as of 31 Dec 2024
EUR	66,757	66,757	64,637	64,637
CHF	366	394	472	503
GBP	574	657	256	310
PLN	-	-	2	0
SEK	170	16	170	15
USD	2,934	2,501	3,145	3,034
AUD	0	0	0	0
CAD	175	109	175	118
JPY	0	0	0	0
<b>TOTAL</b>		<b>70,433</b>		<b>68,617</b>

#### BREAKDOWN OF LIABILITIES BY CURRENCY

€m	Amount in original currency as of 31 Dec 2025	Amount in euros as of 31 Dec 2025	Amount in original currency as of 31 Dec 2024	Amount in euro as of 31 Dec 2024
EUR	69,918	69,918	68,054	68,054
CHF	126	135	128	136
GBP	131	150	129	156
PLN	-	-	59	14
SEK	0	0	0	0
USD	34	29	41	40
AUD	20	11	20	12
CAD	306	190	306	205
<b>TOTAL</b>		<b>70,433</b>		<b>68,617</b>

These amounts are stated before accounting for the hedges implemented to cover foreign exchange risk. After taking these into account, the foreign exchange result is negligible.

## 7.2 Transactions with related parties

€m	Parent company <sup>(1)</sup>		Other related parties <sup>(2)</sup>	
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
<b>ASSETS</b>				
Loans and advances to banks	10,944	9,689	18	100
Bonds and other fixed income securities	-	-	165	40
Other assets	81	79	-	-
Accruals and other assets	266	235	6	1
<b>LIABILITIES</b>				
Due to banks	11,063	10,216	-	-
Debt securities	-	-	330	273
Other liabilities	28	22	-	-
Accruals and other liabilities	463	392	5	-
<b>INCOME STATEMENT</b>				
Interest income	545	651	5	4
Interest expense	(596)	(725)	(9)	(9)
Commission income	-	0	-	-
Commission expense	-	-	(0)	(0)
Net gains (losses) on held for trading portfolio	-	-	(0)	-
Net gains (losses) on placement portfolio	-	-	-	-
Other banking income	-	-	-	-
Other banking expense -	-	-	-	-
General operating expenses	(96)	(94)	-	-
<b>OFF-BALANCE SHEET</b>				
Interest rate derivatives	21,946	17,019	369	-
Foreign exchange derivatives	1,134	955	-	-
Financing commitments received	50	50	-	-
Other commitments received <sup>(3)</sup>	-	-	18	111
Financing commitments given <sup>(3)</sup>	7,250	7,908	-	12

(1) This item includes transactions with Sfil, the parent company of Caffil.

(2) This item includes transactions with Caisse des Dépôts, shareholder of Sfil and La Banque Postale and Bpifrance, subsidiaries of Caisse des Dépôts group.

(3) At the end of 2022, Caffil signed a partnership with Caisse des Dépôts to offer a new long-term and very long-term fixed-rate offer to local authorities and public hospitals in France. In this context, Caffil makes cash advances with Caisse des Dépôts corresponding to the amounts of loans granted by the latter. This cash advance enables Caffil to finance the acquisition of the loans that it has committed to acquire. In return, Caisse des Dépôts also undertakes to sell the loans to Caffil at the end of the drawdown phase of the loan.

### 7.3 Offices and activities in uncooperative States and territories

In application of article L.511-45 of the French Monetary and Financial Code, it should be noted that Caffil has no offices in countries that have not signed an administrative assistance agreement with France (subsidiaries, branches, including ad hoc entities, and equity interest in other entities over which the Company has exclusive or joint (or de facto control).

### 7.4 Identity of the parent company consolidating the accounts of Caffil as of 31 December 2025

Sfil  
112-114, avenue Émile Zola  
75015 Paris

## Note 8 Cash flow statement

€m	2025	2024
<b>NET INCOME BEFORE TAX</b>	<b>116</b>	<b>92</b>
+/- Net depreciation and amortization of tangible and intangible fixed assets	-	-
+/- Depreciation and write-downs	3	2
+/- Expense/income from investing activities	-	-
+/- Expense/income from financing activities	-	-
+/- Other non-cash items	(82)	85
<b>Non-monetary items included in net income before tax and other adjustments</b>	<b>(79)</b>	<b>87</b>
+/- Cash from interbank operations	(1,619)	(1,619)
+/- Cash from customer operations	(837)	(1,301)
+/- Cash from financing assets and liabilities	(870)	(324)
+/- Cash from not financing assets and liabilities	(10)	(10)
- Income tax paid	(41)	(23)
<b>Decrease/(increase) in cash from operating activities</b>	<b>(3,377)</b>	<b>(3,278)</b>
<b>CASH FLOW FROM OPERATING ACTIVITIES (A)</b>	<b>(3,340)</b>	<b>(3,098)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES (B)</b>	<b>-</b>	<b>-</b>
+/- Cash from or for shareholders	(67)	(63)
+/- Other cash from financing activities	2,423	3,417
<b>CASH FLOW FROM FINANCING ACTIVITIES (C)</b>	<b>2,356</b>	<b>3,354</b>
<b>EFFECT OF CHANGES IN EXCHANGE RATES ON CASH (D)</b>	<b>-</b>	<b>-</b>
<b>INCREASE/(DECREASE) IN CASH EQUIVALENTS (A + B + C + D)</b>	<b>(984)</b>	<b>255</b>
<b>CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD</b>	<b>1,325</b>	<b>1,070</b>
Cash and balances with central banks (assets & liabilities)	1,295	1,053
Interbank accounts (assets & liabilities) and loans/sight deposits	30	17
<b>CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD</b>	<b>341</b>	<b>1,325</b>
Cash and balances with central banks (assets & liabilities)	322	1,295
Interbank accounts (assets & liabilities) and loans/sight deposits	19	30
<b>CHANGE IN NET CASH</b>	<b>(984)</b>	<b>255</b>

## Note 9 Statutory auditor's fees

€k	KMPG SA				PricewaterhouseCoopers Audit			
	Amount including VAT		%		Amount including VAT		%	
	2025	2024	2025	2024	2025	2024	2025	2024
<b>AUDIT</b>								
Audit, certification, examination of company financial statements	308	303	88%	82%	334	328	89%	88%
Other audit tasks	42	66	12%	18%	42	45	11%	12%
<b>TOTAL</b>	<b>350</b>	<b>369</b>	<b>100%</b>	<b>100%</b>	<b>376</b>	<b>373</b>	<b>100%</b>	<b>100%</b>

Services other than the certification of accounts mainly include the issuance of comfort letters for the updating of EMTN issue programs or the completion of syndicated public issues, as well as reports on asset allocations associated with the Sfil group's thematic issues.

## Note 10 Post-closing events

The 2026 Finance Act was enacted on 19 February 2026. It extends the exceptional corporate tax contribution for large companies in 2026. The calculation methods for this contribution remain largely unchanged compared to 2025, except for the triggering threshold, which increases from a turnover of €1bn to €1.5bn. In 2025, Caffil recorded a turnover of €3bn, thus exceeding the threshold for the surcharge. As a result, Caffil is

liable for an exceptional contribution of €5m in 2026 under the corporate tax for 2025. This amount, not included in the 2025 financial statements due to the law's adoption in January 2026, will be accounted for in the 2026 fiscal year. The exceptional contribution owed by Caffil in 2026 for the corporate tax of 2026 will be calculated during the corresponding fiscal year and will also be recorded in that fiscal year.

## 5.3 Statutory Auditors' report on the financial statements

Year ended 31 December 2025

At the General Assembly

CAISSE FRANCAISE DE FINANCEMENT LOCAL  
112-114 avenue Emile Zola  
75740 PARIS CEDEX 15

### Opinion

In execution of the mission entrusted to us by Your General Assembly, we audited the company's annual accounts Caisse Française de Financement Local for the year ended 31 December 2025, as attached to this report.

We certify that the annual accounts are, in accordance with French accounting rules and principles, regular and fair and give a true and fair view of the result of operations for the past financial year as well as the financial situation and assets of the company at the end of that financial year.

The opinion expressed above is consistent with the content of our report to the Audit Committee.

### Basis for the opinion

#### *Audit Repository*

We conducted our audit in accordance with the standards of professional practice applicable in France. We believe that the evidence we have gathered is sufficient and appropriate to base our opinion.

Our responsibilities under these standards are set out in the "Responsibilities" section of the Commissioners to the accounts relating to the audit of the annual accounts" of this report.

### Independence

We carried out our audit mission in compliance with the rules of independence provided for by the Commercial Code and by the Code of Ethics of the Statutory Auditor profession over the period of 1 January 2025 as of the date of issuance of our report, and in particular we have not provided any services prohibited by Article 5(1) of Regulation (EU) No 537/2014.

### Rationale for Assessments – Key Audit Matters

In accordance with the provisions of Articles L.821-53 and R.821-180 of the French Commercial Code relating to the justification of our assessments, we bring to your attention the key points of the audit relating to the risks of material misstatement which, in our professional judgment, were the most important for the audit of the annual financial statements for the year, as well as the responses we have provided to these risks.

The assessments thus made are part of the context of the audit of the annual accounts taken as a whole and the formation of our opinion expressed above. We do not express an opinion on individual elements of these annual accounts.

### Risk identified

As part of its activities, Caffil is exposed to credit risk in the context of its credit operations, particularly with local authorities and the hospital sector. As of 31 December 2025, customer transactions amounted to €48.3bn, in addition to financing commitments of €93m that are shown off-balance sheet.

For credit risk, Caffil recognises a collective provision whose objective is to cover the risk of probable impairment loss on the population of loans and loan commitments not already covered by specific (individual) impairments. This collective provision is assessed according to a credit risk model based on an approach derived from the Baloise approach.

Given the importance of management's judgment in determining the parameters and methods of calculating collective provisions, we considered the estimate of collective provisions as at 31 December 2025 to be a key point of our audit.

Transactions with customers, financing commitments given, collective provisions and the cost of risk are presented respectively in notes 2.2, 2.3 and 2.7 of the notes to Caffil's individual accounts.

### Audit Approach

Our work has mainly consisted of:

- check existence governance reviewing at an appropriate frequency the adequacy of the provision models, the parameters used to calculate provisions, and analysing changes in collective provisions;
- test the controls deemed key in the process of determining provisions;
- analyze the assumptions leading to the identification of a deterioration in credit risk;
- examine the main parameters used to estimate collective provisions;
- estimate the main assumptions constituting macroeconomic scenarios;
- carry out, in conjunction with our experts, a counter-calculation of collective provisions;
- carry out checks on the IT system, including a review of general IT controls, interfaces and on-board controls for specific data to define collective provisions.

We assessed the adequacy of the level of coverage, the credit risks and the overall level of the associated cost of risk, and in particular its adaptation to the context of the crisis.

We also examined the qualitative and quantitative information described in 2.2, 2.3, 2.7 of the notes to Caffil's individual accounts.

## Specific checks

We have also carried out, in accordance with the standards of professional practice applicable in France, the specific verifications provided for by the legal and regulatory texts.

### *Information in the annual report and other documents on the financial position and the financial statements sent to shareholders*

We have no comments to make on the fairness and consistency with the annual accounts of the information given in the annual report of the Executive Board and in the other documents on the financial situation and the annual accounts sent to shareholders except for the point below.

The sincerity and consistency with the annual accounts of the information relating to payment terms mentioned in Article D.441-6 of the French Commercial Code calls for the following observation on our part: as indicated in the management report, this information does not include banking and related transactions, as your company considers that they do not fall within the scope of the information to be produced.

### *Corporate Governance Report*

We attest to the existence, in the report of the Supervisory Board on corporate governance, the information required by Articles L.225-37-4 and L.22-10-10

## Other verifications or information provided for by legal and regulatory texts

### *Format for the presentation of the annual accounts to be included in the annual financial report*

In accordance with the standard of professional practice on the due diligence of the statutory auditor relating to annual and consolidated financial statements presented in accordance with the single European electronic reporting format, we have also verified compliance with this format defined by European Delegated Regulation No. 2019/815 of 17 December 2018 in the presentation of the annual accounts intended to be included in the annual financial report referred to in I of Article L.451-1-2 of the Code established under the responsibility of the Chairman of the Management Board.

On the basis of our work, we conclude that the presentation of the annual accounts for inclusion in the annual financial report complies in all material respects the European single electronic reporting format.

It is not up to us to verify that the annual accounts that will actually be included by your company in the annual financial report filed with the AMF correspond to those on which we carried out our work.

## *Appointment of statutory auditors*

We, PricewaterhouseCoopers Audit and KMPG S.A., have been appointed Statutory Auditors of Caisse Francaise De Financement Local by your General Meeting of 30 September 2020.

As of 31 December 2025, we were in the 6th year of our uninterrupted mission.

## Responsibilities of management and corporate governance in relation to the annual financial statements

It is the responsibility of the management to draw up annual financial statements presenting a true and fair view in accordance with French accounting rules and principles and to put in place the internal control that it deems necessary for the preparation of annual financial statements that do not contain material misstatement, whether due to fraud or error.

When preparing the annual financial statements, it is the responsibility of management to assess the company's ability to continue as a going concern, to present in these accounts, where appropriate, the necessary information relating to going concern and to apply the going concern accounting policy, unless it is planned to liquidate the company or cease operations.

The Audit Committee is responsible for monitoring the process of preparing financial information and monitoring the effectiveness of the internal control and risk management systems, as well as where appropriate internal audit, with regard to the procedures relating to the preparation and processing of accounting and financial information.

The annual accounts were approved by the Executive Board.

## Responsibilities of the Statutory Auditors relating to the audit of the annual accounts

### *Audit objective and approach*

It is up to us to draw up a report on the annual accounts. Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with the standards of professional practice will consistently detect material misstatement. Misstatements may result from fraud or error and are considered material where they can reasonably be expected to influence, individually or in aggregate, the economic decisions that users of the accounts make based on the accounts.

As specified by Article L.821-55 of the French Commercial Code, our mission of certifying the accounts does not consist in guaranteeing the viability or quality of the management of your company.

In the context of an audit carried out in accordance with the standards of professional practice applicable in France, the statutory auditor exercises his professional judgment throughout this audit. In addition:

- it identifies and assesses the risks of material misstatement of the annual accounts, whether due to fraud or error, defines and implements audit procedures to address those risks, and collects such information as it considers sufficient and appropriate to form the basis of its opinion. The risk of non-detection of a material misstatement resulting from fraud is higher than that of a material misstatement resulting from an error, as fraud may involve collusion, falsification, wilful omissions, misrepresentation, or circumvention of internal control;
- it is aware of the internal control relevant to the audit in order to define audit procedures that are appropriate in the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control;
- it assesses the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by management, as well as the related information provided in the annual financial statements;
- it assesses the appropriateness of management's application of the going concern accounting policy and, depending on the information collected, the existence or absence of a material uncertainty related to events or circumstances that may affect the Company's ability to continue as a going concern. This assessment is based on the information collected up to the date of its report, bearing in mind, however, that subsequent circumstances or events could jeopardise going concern. If it concludes that there is a material uncertainty, it draws the

attention of the readers of its report to the information provided in the annual accounts about this uncertainty or, if this information is not provided or is not relevant, it makes a qualified certification or a refusal to certify;

- it assesses the overall presentation of the annual financial statements and assesses whether the annual financial statements reflect the underlying transactions and events in such a way as to give a true and fair view.

### Report to the Audit Committee

We submit a report to the Audit Committee, including the scope of the audit work and the work programme implemented, as well as the conclusions of our work. We also bring to its attention, where applicable, any significant weaknesses in internal control that we have identified with regard to the procedures relating to the preparation and processing of accounting and financial information.

The elements disclosed in the report to the Audit Committee include the risks of material misstatement, which we consider to have been the most material for the audit of the annual financial statements for the year and which are therefore the key aspects of the audit, which it is for us to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537-2014 confirming our independence, within the meaning of the rules applicable in France as set out in particular by Articles L.821-27 to L.821-34 of the French Commercial Code and in the Code of Ethics of the Statutory Auditor profession. Where appropriate, we discuss with the Accounts Committee the risks to our independence and the safeguards applied.

Done at Neuilly sur Seine and Paris, on 30 March 2026

The Statutory Auditors

**PricewaterhouseCoopers Audit**

Ridha Ben Chamek

**KPMG S.A.**

Jean-François DANDE



# 6.

## General information

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## 6.1 Legal and administrative information

### 6.1.1 Corporate name

Caisse Française de Financement Local

### 6.1.2 Acronym

Caffil

### 6.1.3 Registered office

112-114, avenue Émile Zola 75015 Paris France.

### 6.1.4 Legal structure

A limited liability company with an Executive Board and a Supervisory Board (*société anonyme à directoire et conseil de surveillance*)

### 6.1.5 Licensing

The Company was approved by the Comité des établissements de crédit et des entreprises d'investissement (CECEI) on 23 July 1999, as a *société financière – société de crédit foncier*. This approval became definitive on 1 October 1999. Ordonnance 2013-544 of 27 June 2013, modified the legal status of *sociétés de crédit foncier* (article L.513-2 of the French Monetary and Financial Code). Since 1 January 2014, *sociétés de crédit foncier* are no longer financial companies (*sociétés financières*), but specialized credit institutions (*établissements de crédit spécialisés*).

### 6.1.6 Applicable legislation

A limited liability company (*société anonyme*) under the provisions of articles L.210-1 et seq. and L.22-10-1 et seq. of the French Commercial Code, and by articles L.511-1 et seq. and L.513-2 et seq. of the French Monetary and Financial Code.

### 6.1.7 Date of incorporation and term of the Company

The Company was founded on 29 December 1998, for a period of 99 years.

### 6.1.8 Corporate purpose

In accordance with article 2 of the by-laws, the exclusive purpose of the Company is:

- to grant or acquire exposures to public entities as defined in article L. 513-4 and article L. 513-6 paragraph 2 of the French Monetary and Financial Code ;
- to hold securities, exposures or deposits under the conditions set by decree ;
- to finance the aforementioned exposures, to issue *obligations foncières* benefiting from the privilege defined in article L. 513-11 of the French Monetary and Financial Code and to collect other resources benefiting from said privilege.

The Company may also fund the above-mentioned activities by issuing loans or other sources of financing that do not benefit from the privilege defined in article L.513-11 of the French Monetary and Financial Code.

It may carry out temporary sales of its securities under the conditions set out in articles L. 211-22 to L. 211-34, use the pledge of a securities account defined in article L. 211-20 and mobilize any or part of the receivables it holds in accordance with articles L. 211-36 to L. 211-40 or in accordance with articles L. 313-23 to L.313-35, whether or not these receivables are of a professional nature.

Within the framework of the achievement of the exclusive purpose mentioned above, the Company may conduct all related operations directly or indirectly associated with its activity or contributing to this exclusive purpose, as long as these operations are carried out in accordance with the terms of articles L.513-2 et seq. and R.513-1-A et seq. of the French Monetary and Financial Code related to *sociétés de crédit foncier*.

### 6.1.9 Company registration, APE business identification code, LEI

Caisse Française de Financement Local is registered as a corporate entity under the designation Paris 421 318 064 (*Registre du Commerce et des Sociétés*).

Its APE code is 6492Z.

Its LEI code is 549300E6W08778I4OW85.

### 6.1.10 Availability of legal documents concerning the company

Legal documents concerning Caffil may be consulted at the Company's registered office at the following address: 112-114, avenue Émile Zola - 75015 Paris, France. The Company's by-laws and the Supervisory Board's internal rules are available on the Company's website.

### 6.1.11 Financial year

The Company's financial year begins on 1 January and ends on 31 December according to the provisions of article 38 of the by-laws.

### 6.1.12 Exceptional events and lawsuits

Refer to the text in section 4.2.9 Legal and tax risk of the "Risk management" chapter of this Annual Financial Report.

### 6.1.13 Distribution of profits under the by-laws

Pursuant to article 39 of the by-laws, income available for distribution comprises net profit (loss) for the financial year minus any prior year losses and any allocations to reserves pursuant to current legislation, plus any retained earnings carried forward from previous years.

From the available surplus, the Ordinary Shareholders' Meeting, voting on a recommendation of the Executive Board, may allocate all or a part of the remaining income to retained earnings.

There are no priority shares or Preferred Dividends.

## 6.1.14 Shareholders' Meetings

### Notice of meeting

Article 27 of the by-laws stipulates that Shareholders' Meetings are convened under the conditions set by law. They are held at the Company's registered office or any other location specified in the notice of meeting. All shareholders have the right to obtain copies of the documents required to make an informed decision concerning the overall management and control of the Company. The types of documents concerned and the terms of their availability and dispatch are determined by applicable legislation and regulations.

### Right to attend Shareholders' Meetings

Article 28 of the by-laws states that any shareholder is entitled to attend Shareholders' Meetings upon providing proof of identity, provided however that all payments due for such shares have been paid up and have been registered in their name at least two days before the meeting.

Shareholders may be represented by another shareholder.

Proxies must be received at the registered office at least two days before the date of the meeting.

### Voting rights

Article 31 of the by-laws specifies that the voting rights attached to the shares are proportional to the percentage of capital the shares represent. Each share conveys one voting right. At Shareholders' Meetings, the number of votes that may be cast by each shareholder corresponds to the number of shares held plus the number of shares for which the shareholder holds proxy.

## 6.1.15 Information concerning the capital

### Amount of the capital

The share capital currently stands at €1,350,000,000 divided into 13,500,000 nominative shares with a face value of €100. There are no other securities giving access to Caffil's share capital.

### Breakdown of capital in the last five years

Date of the Shareholders' Meeting	Date of the increase in capital	Amount of the increase in capital €	Accumulated capital €
27.05.2021	-	-	1,350,000,000
24.05.2022	-	-	1,350,000,000
24.05.2023	-	-	1,350,000,000
29.05.2024	-	-	1,350,000,000
<b>27.05.2025</b>	-	-	<b>1,350,000,000</b>

Breakdown of capital	2021	2022	2023	2024	2025
Sfil	99.99%	99.99%	99.99%	99.99%	99.99%
Individual investors	0.01%	0.01%	0.01%	0.01%	0.01%

The share capital of Caffil is 99.99% owned by Sfil and 0.01% by a single individual, member of the Supervisory Board (*prêt de consommation d'actions* granted by Sfil). The amount of capital has not changed over the last five years.

## 6.2 Statement by the person responsible

I, Herdile GUÉRIN, Chairwoman of the Executive Board of Caisse Française de Financement Local, hereby affirm that to the best of my knowledge, the annual financial statements have been prepared in accordance with the applicable set of accounting standards and give a true and fair view of the assets and liabilities,

financial position and profit and loss of Caisse Française de Financement Local, and that the management report presents a fair image of trends in the Company's business, results and financial position, as well as a description of the main risks and uncertainties it faces.

Paris, 30 March 2026

**Herdile GUÉRIN**  
Chairwoman of the Executive Board





More information on [Sfil.fr](https://www.sfil.fr)



**Registered office**  
112-114 avenue Emile Zola  
75015 Paris

A limited liability company with an Executive Board  
and a Supervisory Board (société anonyme  
à directoire et conseil de surveillance)  
Capital of €1,350,000,000  
Trade and Companies Register (RCS) 421 318 064 PARIS