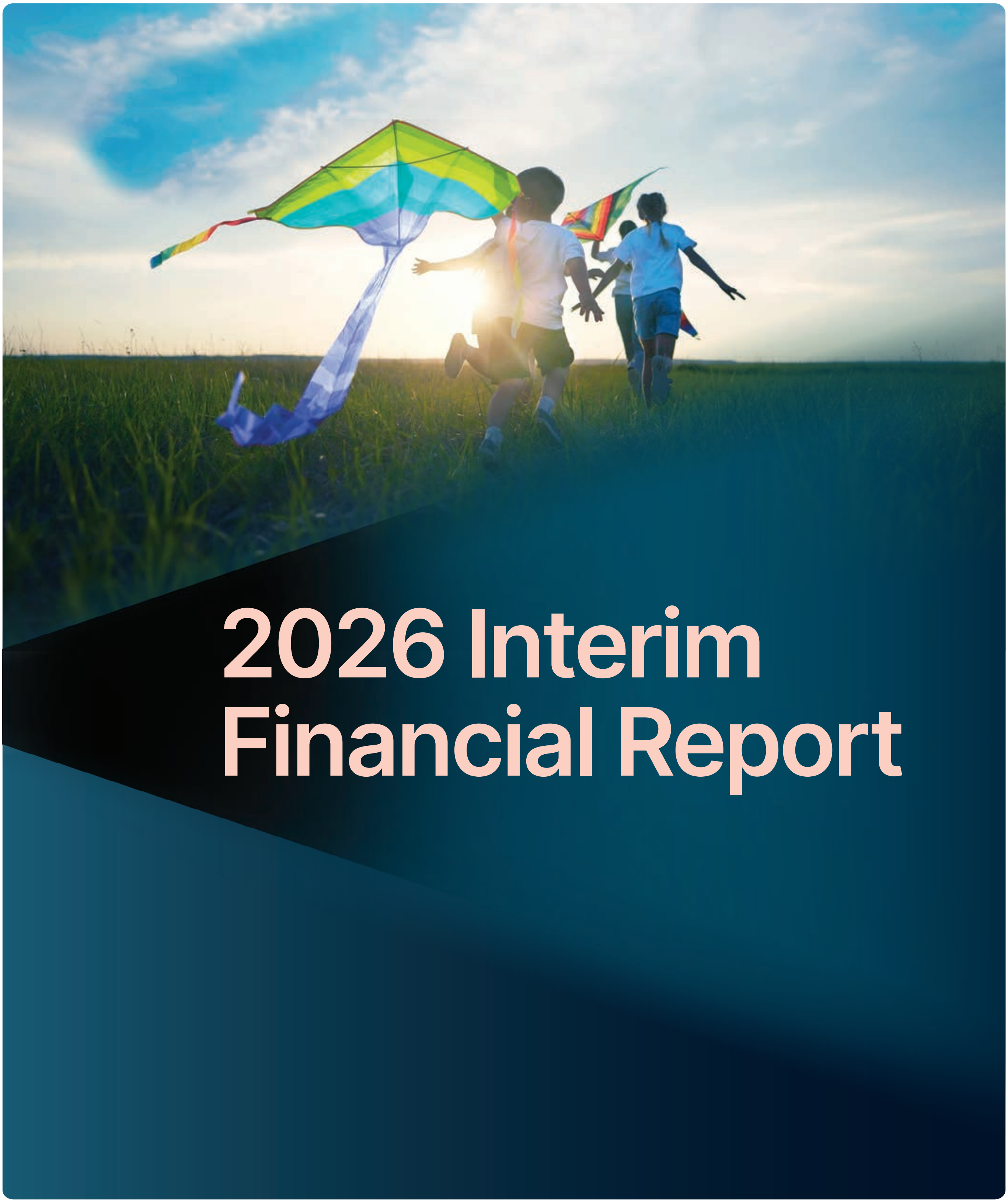
Sfil | Caisse des Dépôts GROUPE

We finance
what matters most



2026 Interim Financial Report

Business activity

€1.3 bn
Loans to the French public sector acquired

€6.8 bn
Long-term debt issues

Balance sheet and operating results

€76.1 bn
Balance sheet assets

€70.3 bn
Bond issues

€+103 m
Recurring NBI

€+26 m
Recurring net income

56.8%
Operating ratio

Financial structure

46.5%
CET1 ratio

2,014%
LCR Ratio
€47.8 bn
in mobilizable assets

130%
NSFR Ratio

Financial ratings

Aligned with those of the French sovereign debt

Moody's	S&P	DBRS
Aa3	A+	AA

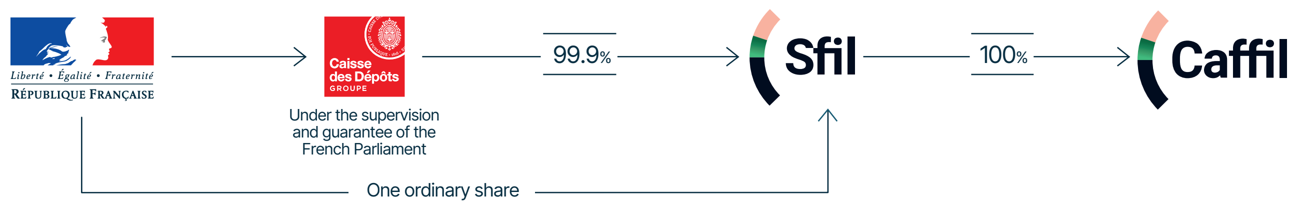
1. General business environment

The Autorité de Contrôle Prudentiel et de Résolution (ACPR) College, the French administrative authority responsible for the supervision of banking and insurance undertakings, authorized Sfil as a bank on 16 January 2013. On 30 September 2020, when the French Republic (retaining one share), hereafter referred to as "the French State", and La Banque Postale sold their stakes to Caisse des Dépôts, the latter became the reference shareholder of Sfil. The French government continues to be present on the Board of Directors through a non-voting board member, given the public policy missions entrusted to Sfil.

The fully public shareholding structure is one of the four characteristics of the public development bank model under which Sfil operates. The objective of public development banks is not to maximize their profit or market share, but to carry out public policy missions entrusted to them by the public authorities (central governments, regions or local authorities) in order to compensate for identified market failures while ensuring their own viability. Thus, Sfil is one of the key components of the financing scheme dedicated to local authorities and public hospitals set up in early 2013 following the European Commission decision of 28 December 2012. This scheme aims to provide a sustainable response to the scarcity of long-term financing for French local authorities and public hospitals. By its decision of 18 December 2024, the European Commission authorized the extension of the system to French public entities *sui generis* and to the exposures guaranteed by the latter.

From 2015, Sfil was also entrusted with another key mission, that of financing large export credit contracts (*i.e.* for a minimum amount of €70m) benefiting from a French sovereign guarantee. The objective is to strengthen the export competitiveness of French companies within the framework of a market system, in line with a public refinancing scheme that also exists in several OECD countries, and this by leveraging on the Sfil Group's excellent refinancing capacities on the international financial markets. Initially authorized by the European Commission for a period of five years, it was renewed in 2020 for a further seven years. The European Commission's decision of 18 December 2024, in addition, broadened the scope of the export credit contracts financing activity: Sfil can now intervene in transactions of French interest and benefiting from a guarantee issued by other export credit agencies of the European Union or by multilateral lenders.

As a reminder, since 31 January 2013, Sfil has held 100% of the capital of Caisse Française de Financement Local (Caffil), its sole subsidiary, with the status of *société de crédit foncier* governed by articles L.513-2 *et seq*. of the French Monetary and Financial Code (Code monétaire et financier). Sfil is the institution that supports the activities of Caffil, as specified by regulations concerning its status of *société de crédit foncier*, in particular in accordance with articles L.513-15 and L.513-2 of the French Monetary and Financial Code. In this context, Sfil is Caffil's servicer, and provides full operational management of its subsidiary within the framework of the management agreement it signed with Caffil.



1.1 Financing of the French local public sector

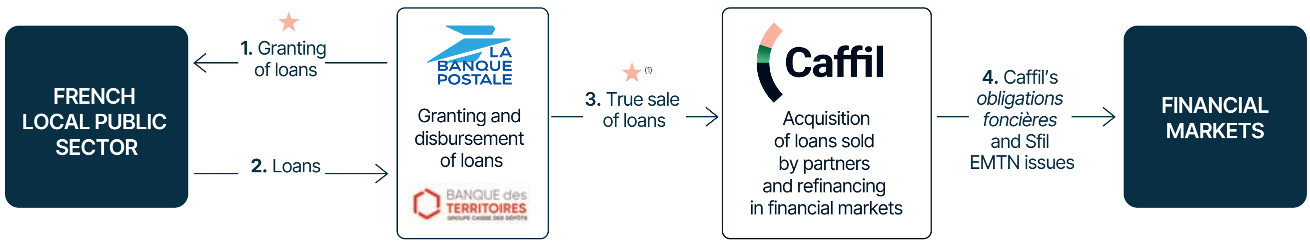
The Sfil group, integrated into the Caisse des Dépôts group, is at the heart of a system whose objective is to provide the French local public sector (local authorities, public hospitals, public institutions and public sector entities *sui generis*) with sustainable and efficient access to long-term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

In this context, Sfil finances the investments of French local authorities and public hospitals through two partnerships with La Banque Postale and Banque des Territoires. Each of these partnerships includes a transfer agreement. These schemes share the following characteristics:

- the partners originate loans to French local authorities and public hospitals, then sell them to Caffil, the Group's *société de crédit foncier*;
- the loan offer is intended for all types of local authorities throughout France, from the smallest municipalities to the largest inter-municipal, departmental or regional structures;
- deliberately simply designed, 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;
- Sfil Group finances the acquisition of these loans by issuing *obligations foncières* (covered bonds) and EMTNs. When these loans are thematic loans (*i.e.* green or social loans to local authorities or loans to public hospitals), they are mainly financed by green, social or sustainable bonds (see *1.3 Refinancing of the Sfil Group on the markets*).

These partnerships enable the Group 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 set by the Sfil Group 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. Any loan that no longer meets the criteria may be temporarily or permanently refused 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 mainly 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 sustainable development in the fields of renewable energies, 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.

The range of loans originated by Banque des Territoires:

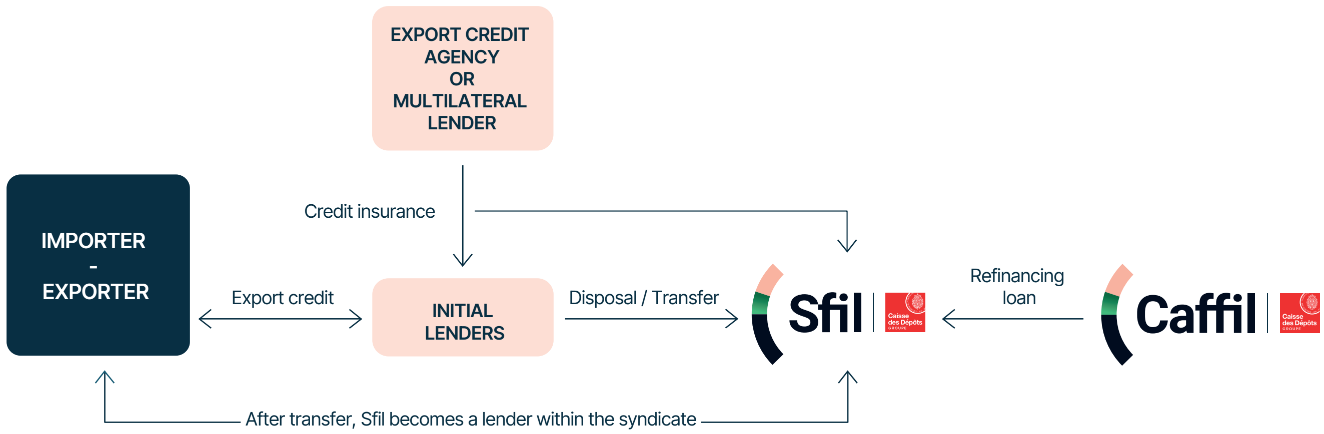
- covers long periods of from 25 and 40 years;
- is mainly intended for the financing of investments that contribute to the environmental transition, on green themes identical to those developed with La Banque Postale or the financing of public hospitals. Since June 2024, the offer also covers three social themes (sport, culture and community life; health, social and family action; as well as education and professional training).

1.2 Financing of export credits

The second mission of the Sfil Group is to ensure the financing of export contracts that are of French interest and that are covered by export credit agencies of the European Union or multilateral lenders. The scheme is open to all partner banks of French exporters for their loans insured by export credit agencies in the European Union or multilateral lenders. 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 transaction (maximum 95% of this interest depending on the size of the transaction and the number of lenders involved).

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 linked 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 credit insurance policy are also delegated by Sfil to Caffil;
- 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 *1.3 Issuance by the Sfil Group*).



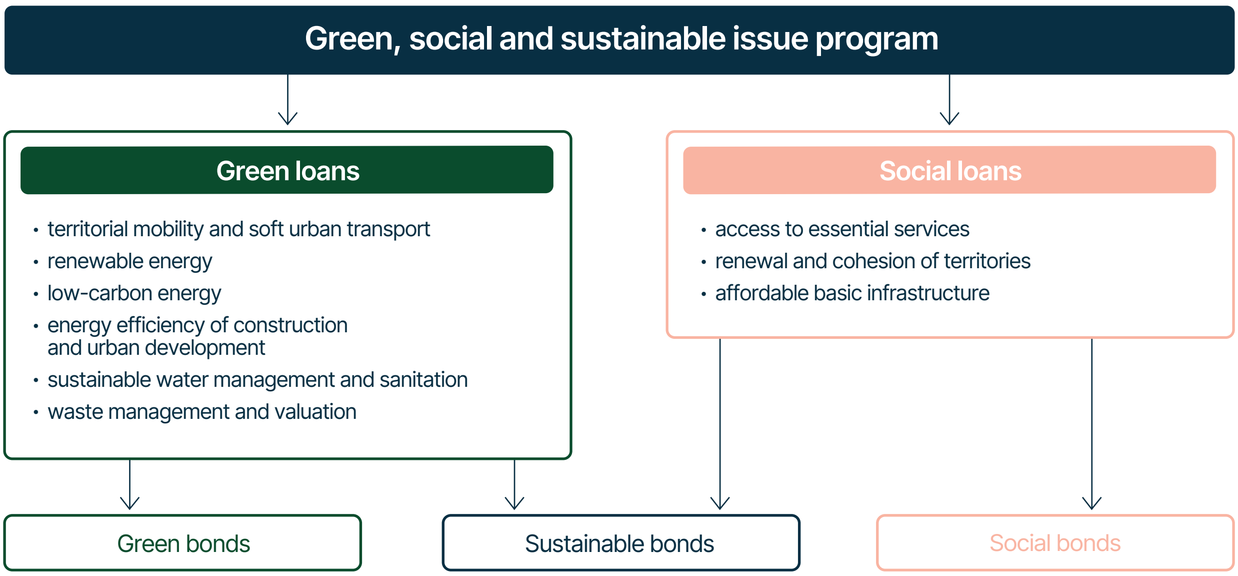
As of 30 June 2026, the transactions financed by the Sfil Group are fully covered by Bpifrance Assurance Export, the export credit agency acting in the name, on behalf of, and under the control of the French Republic.

1.3 Refinancing of the Sfil Group on the markets

In order to refinance its two activities, Sfil, *via* its subsidiary Caffil, issues covered bonds in the form of benchmark public issues but also in the form of private placements, particularly in the registered covered bonds format, adapted to its very large investor base. These instruments are characterized by the legal privilege, which, as a priority, allocates the sums from the cover pool of Caffil to pay their interest and reimbursements. They carry the European Covered Bond (Premium) label. This source of financing is the main source of liquidity for the Sfil Group.

In addition, and in order notably to diversify the Group's sources of financing and investor base, Sfil itself regularly issues medium-term debt securities in the form of bonds issues in euros and US dollars and short-term debt securities *via* its specific issuance program for debt securities of less than one year (NeuCP issuance program).

Lastly, in line with its sustainable development policy, in order to support its borrowers in their investments in favor of environmental transition and social cohesion, the Sfil Group has issued green and social bonds since 2019. These issues are governed by the Green, Social and Sustainability Bond Framework of October 2022. The updated November 2024 version of this program includes all key areas of green and social investments of French local authorities and public hospitals. The financing of French export contracts presenting significant environmental and/or social benefits has also been included in the objectives.



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

2. Interim activity report

2.1 Highlights

2.1.1 Geopolitical and macroeconomic context

The first half of the year was characterized by a high level of uncertainty, as conflicts in Ukraine and in the Middle East continued, although the latter entered a relative de-escalation phase at the end of the half-year. This context of geopolitical instability resulted in significant volatility on the financial markets.

Inflationary pressure, notably generated by the energy shock linked to the conflict in the Middle East, weighed on economic growth in the European Union. In addition, the successive shocks of recent years, such as the COVID-19 pandemic or the energy crisis following Russia's invasion of Ukraine in 2022, have constrained Member States' public finances and are now limiting their scope for action, although the situations differ from State to State. As a result, after stagnating in the first quarter of 2026, Eurozone GDP grew by 0.4% in the second quarter of 2026. This geopolitical context led the ECB to raise its key rates by 25 basis points in June 2026 for the first time in three years.

In this context, following a 0.1% contraction in France's GDP in the first quarter of 2026, French GDP grew by 0.2% in the second quarter due to higher domestic demand (household and general government consumption) and a positive contribution from foreign trade, particularly with a recovery in exports. Following an increase in inflation from February to May, inflation fell in June to 1.8% year-on-year, thanks, in particular, to a slowdown in energy prices between May and June (from +16.6% to +11.0% year-on-year).

Economic activity in the United States, despite inflation, increased by 0.4% in the second quarter. The US Federal Reserve kept its key rates unchanged over the period.

2.1.2 Interim activity

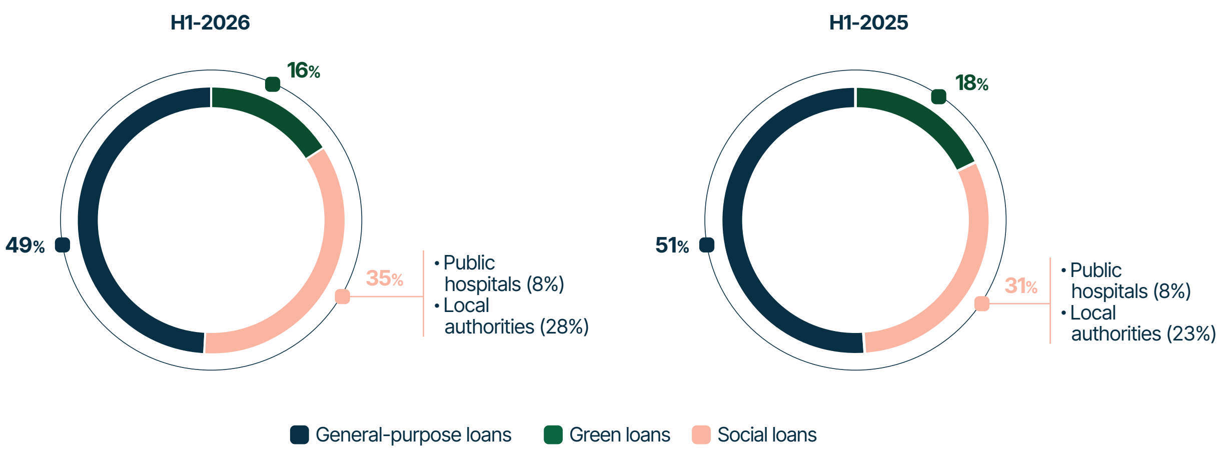
Financing of the French local public sector

In the first half of 2026, the financing of French local authorities and public hospitals reached €1.3bn in loans granted within the framework of its partnerships with La Banque Postale and Banque des Territoires. Marked by the municipal and inter-municipal elections, the activity in the first half of 2026 decreased by 37% compared to the first half of 2025 (€2.0bn in loans granted over the period) and by 17% compared to the first half of 2020 (the first year of the previous election cycle when loan production amounted to €1.5bn). The majority of French local public sector financing was provided in the form of loans indexed to the Livret A passbook savings accounts rates.

More specifically, financing for French local authorities reached €1.2bn, down by 37% compared to the first half of 2025, but stable compared to the first half of 2020. The activity accelerated at the end of the half-year, particularly in the inter-municipal authorities and regions. Inter-municipal authorities, particularly metropolitan areas, have made extensive use of borrowing to launch their mandate projects.

As part of the extension of the scope of intervention to French public entities, Sfil and La Banque Postale signed a first project financing operation relating to modernization work on an energy recovery unit benefiting from a public service delegation.

Thematic loans represented 47% of the financing granted to local authorities and French public entities. Thus, Sfil and its partners granted €201m in green loans and €354m in social loans to local authorities. The significant amount of thematic loans granted over the period confirms the strong appetite for these financing instruments, and in particular the departments and regions for social loans. 51% of loans to the local public sector are thematic loans.



The volume of loans granted to public hospitals amounted to €99m, down by 37% compared to the first half of 2025 and 72% compared to the first half of 2020. Although they faced difficulties due to a weakening of their financial balance and inflation in construction costs, public hospitals continued to implement their investments to a certain extent, in particular on structuring operations, supported by the allocations of the Ségur Plan.

Financing of export credits

Sfil did not sign any export credit transactions due, on the one hand, to the postponement of certain transactions initially planned for this period and, on the other hand, to long processing times for certain projects currently being studied by Sfil.

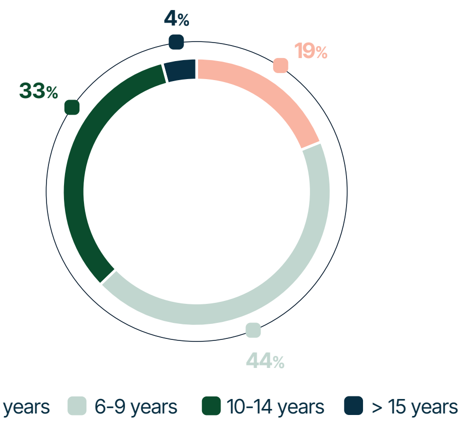
Thanks to its active role in the financing of the Sizewell C operation in the United Kingdom in 2025, Sfil participates in the international advisory committee FINABe (Financing and Investing in Nuclear – Advisory Board EDF) created by EDF in March 2026. This committee is dedicated to the financing and investment of new nuclear construction projects abroad.

Bond issuances

In the first half of 2026, the bond markets were marked by the gradual changes in the monetary policies of the main central banks (rate hike by the European Central Bank and expectation of a rate hike by the US Federal Reserve) in response to the inflationary risk induced by the geopolitical context. Volatility in French sovereign risk was mainly fueled by the conflict in the Middle East and its consequences on the inflation and interest rate outlook, as the latter became less sensitive to concerns related to the budget deficit and French public debt. This situation resulted in phases of tension on the spreads against swaps on French Treasury bonds, leading to occasional volatility of spreads against swaps of French agencies and French covered bonds over the period. This overall underlying context did not affect the smooth functioning of the bond markets in the sovereign, supranational and agency issuer and covered bond segments. The first half of the year saw sustained overall demand from investors.

In this context, the Sfil Group carried out €6.8bn in long-term issues with an average maturity of 8.2 years:

- €6.0bn on the public primary market;
- €0.55bn *via* four matching transactions carried out on existing Caffil and Sfil benchmark issues;
- €0.24bn in private placements.



In the first half of the year, the Sfil Group carried out six public issues in euros *via* its two issuers, Sfil and Caffil:

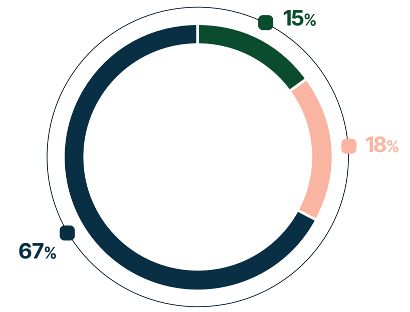
- a 10-year maturity *obligation foncière* issued by Caffil in January 2026 for €1.0bn;
- a 5-year maturity bond issued by Sfil in January 2026 for €1.0bn;
- an 8-year maturity social *obligation foncière* issued by Caffil in February 2026 for €1.0bn;
- a 7-year maturity *obligation foncière* issued by Caffil in April 2026 for €1.0bn;
- a 7-year maturity bond issued by Sfil in April 2026 for €1.0bn;
- a 10-year maturity green *obligation foncière* issued by Caffil in May 2026 for €0.75bn.

At the same time, the Sfil Group carried out its first two bond issues in Swiss francs during the first half of the year:

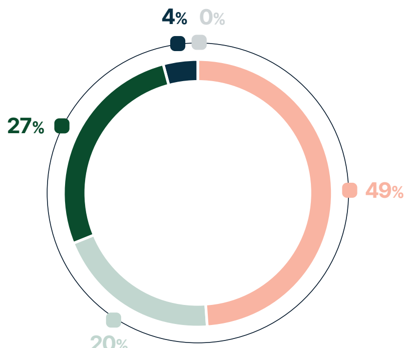
- a 10-year maturity green *obligation foncière* issued by Caffil in April 2026 for CHF130m, equivalent to €142m;
- a 12-year maturity green *obligation foncière* issued by Caffil in June 2026 for CHF100m, equivalent to €109m.

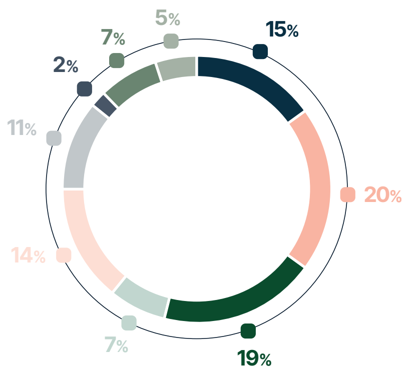
These two transactions, the first carried out in foreign currency by Caffil since 2013, are fully in line with the Sfil Group's strategy to diversify its sources of financing and broaden its investor base.

Overall, sustainable bonds accounted for 33% of the issues carried out in 2026, in line with the strategic objective of 33% for the 2024-2030 period.



The breakdown of benchmark public issues carried out during the first half of 2026 is presented below:





In addition, the Sfil Group had also issued €0.7bn at the end of 2025 as part of the pre-financing of its 2026 financing program, with an average maturity of 13.1 years. In total, the Sfil Group carried out €7.5bn in issues for the year 2026 with an average maturity of 8.6 years, *i.e.* a progress rate of 96%. Its execution took place under excellent financing conditions, comparable to those of the French sovereign.

Lastly, Sfil continued using its program for issuing debt securities with a maturity of less than one year. As of 30 June 2026, Sfil's outstanding debt securities of less than one year amounted to €0.6bn.

2.1.3 Financial structure

The Sfil Group has a very robust financial structure.

The Common Equity Tier 1 (CET1) capital ratio was 46.5% as at 30 June 2026 compared to 46.8% as of 31 December 2025.

The leverage ratio was 9.5% as of 30 June 2026, stable compared with the level at the end of 2025.

The short-term liquidity ratio (LCR) was 2,014% on a consolidated basis as at 30 June 2026. The assets that can be mobilized to meet a liquidity need amounted to €47.8bn.

The Net Stable Funding Ratio (NSFR), which compares with a one-year horizon, the proportion of available stable funding over required stable funding, reached 130% as of 30 June 2026, on a consolidated basis.

Credit ratings were all aligned with the sovereign rating of France.

	Moody's Ratings	Morningstar DBRS	S&P Global Ratings
Long-term rating	Aa3	AA	A+
Outlook	Negative	Stable	Stable
Short-term rating	P-1	R-1 (high)	A-1
Date of update	21 April 2026	15 December 2025	21 October 2025

2

2.2 Interim results

The consolidated net income of Sfil, prepared in accordance with IFRS, amounted to €24m as of 30 June 2026, a 45% decrease from 30 June 2025 (€43m). This change is due to both the decline in recurring income and changes in non-recurring items.

	30 June 2026					30 June 2025				
		Restated non-recurring items					Restated non-recurring items			
€m	**Reported income**	**Fair value adjustment of hedging**	**Fair value adjustment of non-SPPI loans**	**Linearization over the year of expenses recognized in the first half year**	**Recurring income**	Reported income	Fair value adjustment of hedging	Fair value adjustment of non-SPPI loans	Linearization over the year of expenses recognized in the first half year	Recurring income
Net banking income	**103**	**(3)**	**3**	**-**	**103**	**129**	**(5)**	**21**	**-**	**113**
General operating expenses	(62)	-	-	(4)	(58)	(64)	-	-	(4)	(60)
GROSS OPERATING INCOME	**41**	**(3)**	**3**	**(4)**	**44**	**65**	**(5)**	**21**	**(4)**	**53**
Cost of risk	1	-	-	-	1	2	-	-	-	2
NET INCOME BEFORE TAX	**42**	**(3)**	**3**	**(4)**	**45**	**67**	**(5)**	**21**	**(4)**	**55**
Income tax	(18)	1	(1)	1	(19)	(24)	1	(3)	1	(21)
NET INCOME	**24**	**(2)**	**2**	**(3)**	**26**	**43**	**(4)**	**15**	**(3)**	**34**

As of 30 June 2026, non-recurring items are more specifically related to (i) the volatility of the valuation of the portfolio of derivatives for -€2m net of tax, (ii) the impacts of the valuation of loans that do not meet the SPPI criterion in application of IFRS 9 for €2m net of tax and (iii) the restatement of non-linearized expenses for the year in accordance with IFRIC 21 for -€3m, net of tax.

Restated for these non-recurring items, recurring net income as of 30 June 2026 amounted to €26m. The exceptional corporate income tax contribution for large companies in France weighed €7m on the latter following the decision taken by the National Assembly to renew this contribution in 2026. Restated for this item, the recurring net income amounted to €34m, down by €7m compared to 30 June 2025. As a reminder, recurring income at 30 June 2025 (€34m) also included the €7m exceptional contribution to corporate income tax for large companies.

An item-by-item analysis of this change in recurring net income highlighted that:

- net banking income amounted to €103m for the first half of 2026 compared to €113m in the first half of 2025, a decrease of 9% reflecting the non-recurring nature of certain revenues in 2025 related to the context of falling short-term rates. Revenues from the lending activity increased by 5.5% and reflect the growth observed between 2023 and 2025;
- the Group's operating expenses and depreciation and amortization amounted to €58m, a decrease of 3% compared to the first half of 2025. This improvement is based on a strict control of Sfil's operating expenses and tax effects;
- the cost of risk was a reversal of €1m as of 30 June 2026. Compared to financial assets at amortized cost, it represented a reversal of 0.01 basis point. The low cost of risk reflects the quality of Sfil's exposures despite a continued deterioration in the financial position of French public hospitals.

2.3 Changes in the main balance sheet items

The assets on the Sfil Group's balance sheet mainly consist of:

- loans and securities;
- cash collateral paid in respect of the derivative portfolio;
- cash assets in the form of cash deposited at the Banque de France.

The liabilities on the Sfil Group's balance sheet mainly consist of:

- bond issues (*obligations foncières* and registered covered bonds issued by Caffil and bonds issued by Sfil under its EMTN program);
- the certificates of deposit issued by Sfil;
- cash collateral received;
- equity and other resources.

The main items on the Sfil Group's consolidated balance sheet (management data) [1] as of 30 June 2026 are presented below:

€bn, value after currency swaps

ASSETS	LIABILITIES
76.1	**76.1**
of which main balance sheet items in notional amount	of which main balance sheet items in notional amount
73.9	73.9
Cash assets 2.5	Bond issuances 70.3
Securities 9.2	Certificates of deposit 0.6
	Financing *via* securities sold under repurchase agreements 1.4
Loans 60.3	Cash collateral received 0.1
Cash collateral 1.8	Equity 1.6
	Others (0.1)

2.3.1 Assets

The net change in the Sfil Group's main assets in the first half of 2026 was +€2.0bn. This change can be analyzed as follows:

€bn, value after currency swaps	**1H26**
Beginning of the period	**71.9**
Acquisition and disbursement of loans to the local public sector and export credit	4.2
Amortization of loans and securities to the local public sector and export credit	(2.7)
Change in cash collateral	0.1
Change in cash investment securities	0.3
Change in cash assets	0.1
Others	(0.0)
End of the period	**73.9**

(1) *As regards the loans shown in the tables hereinafter, the notional balance sheet item concept, which is an alternative performance indicator, corresponds to outstanding principal for euro transactions and, for foreign currency transactions, the euro equivalent value after swap hedging. Notional balance sheet items notably exclude hedging relationships and accrued interest not yet due.*

In the first half of 2026, the Sfil Group acquired €3.3bn (compared to €2.7bn in the first half of 2025) of loans originated by La Banque Postale and Banque des Territoires, partners of the Sfil Group. Thematic loans represented 36% of loans acquired (*i.e.* a volume of €1.2bn) and broke down between:

- €0.5bn in green loans to local authorities (€0.4bn in the first half of 2025);
- €0.6bn in social loans to local authorities (€0.5bn in the first half of 2025);
- €0.2bn in loans to public hospitals (€0.1bn in the first half of 2025).

The export credit activity resulted in €0.9bn of drawdowns on off-balance sheet financing commitments.

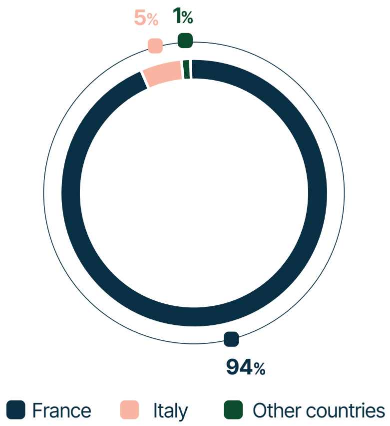
As of 30 June 2026, Sfil had paid €1.8bn in cash collateral, a limited increase of €0.1bn compared to the end of 2025.

Cash available from the balance of the Banque de France account and the portfolio of securities purchased to invest the surplus cash increased by €0.4bn over the year (*i.e.* +€0.1bn and +€0.3bn respectively). As of 30 June 2026, this portfolio, made up of securities from the banking sector (mainly covered bonds) and European public sector securities, represented €6.2bn in outstandings.

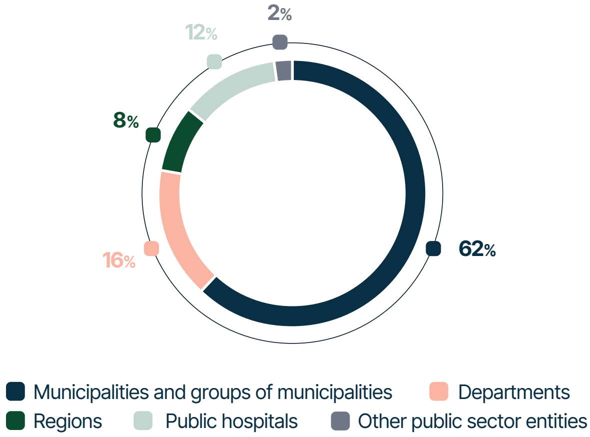
Breakdown of outstanding public sector loans and securities

The Sfil Group's outstanding loans and securities amounted to €69.6bn, of which €51.9bn to local public sector.

In this portfolio, new production is exclusively originated from the French local public sector or is entirely guaranteed by the latter. Thus, the share relating to France is stable compared to 2025. Outside France, the largest exposure concerns exposures to Italy which represent 5% of the portfolio. These loans and securities, now under run-off management, correspond to granular and geographically diversified exposures to local authorities.

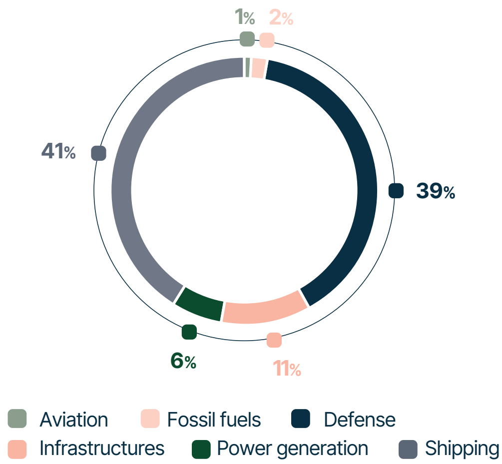


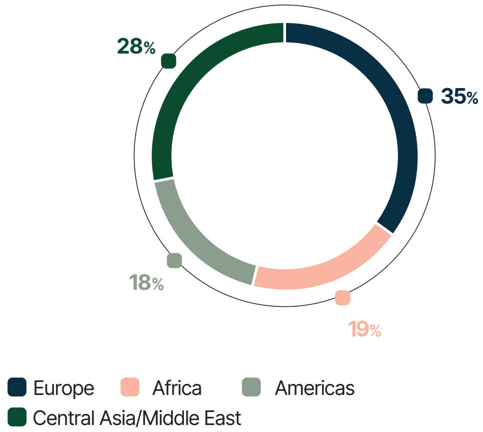
The French local public sector loan portfolio mainly consists of exposures to municipalities and their groups.



Breakdown of export credits outstandings

Loan outstandings granted under the export credit activity amounted to €11.5bn as of 30 June 2026. The sectors of intervention and the geographical distribution of loans granted by Sfil as part of its export credit financing business are detailed below.





Exposure to banks

Four types of exposures to banks were recognized on the consolidated balance sheet:

- the balance of cash assets deposited with the Banque de France, which totaled €2.5bn as of 30 June 2026;
- cash invested in bank securities (mainly covered bonds) amounting to €4.0bn as of 30 June 2026, compared with €3.8bn as of 31 December 2025;
- collateral payments made in the form of cash, in the total amount of €1.8bn as of 30 June 2026, to banking institutions or clearing houses to hedge the counterparty risk on the derivative portfolio;
- in a much more marginal proportion, deposits in current bank accounts opened with credit institutions.

2.3.2 Liabilities

The net change in the main liabilities of the Sfil Group in the first half of 2026 was +€2.0bn. This change is detailed below:

€bn, value after currency swaps	**1H26**
Beginning of the period	**71.9**
Bonds	0.7
of which new issues	*6.8*
of which amortization	*(6.1)*
Change in outstanding certificates of deposit	(0.0)
Change in financing outstandings obtained *via* securities sold under repurchase agreements	1.4
Change in cash collateral received	0.0
Equity and other items	(0.1)
End of the period	**73.9**

The change in outstanding bonds was +€0.4bn for Sfil and +€0.3bn for Caffil. More specifically, in the first half of 2026, Sfil made €2.3bn in new issues and amortizations of previous issues were €1.8bn. Over the same period, new issues of covered bonds by Caffil for €4.5bn offset the amortization of the stock of €4.3bn.

The cash collateral paid by derivative counterparties was stable with a balance of €0.1bn as of 30 June 2026.

In the first half of 2026, Sfil used financing through the delivery of repurchase agreements for €1.4bn.

2.4 Post-closing events

Sfil has extended the term of the financing agreement signed with La Banque Postale until the end of 2031. The amendment to this regulated agreement was signed on 3 July 2026. It constitutes a post-closing event that does not give rise to an adjustment to the financial statements or the associated notes. Following the signing of this amendment, the financing commitments received from La Banque Postale to Sfil went from €1bn to €250m.

In addition, during the first half of 2026, Sfil signed an amendment extending the financing agreement concluded with Caisse des Dépôts until 15 December 2033. Following this signature, the financing commitments received from Caisse des Dépôts went from €4bn to €3.75bn.

As a result of these two extensions, the financing commitments received from La Banque Postale and Caisse des Dépôts went from €5bn to €4bn. These emergency lines are not intended to be used.

2.5 Outlook for the second half of 2026

The macroeconomic outlook for the second half of 2026 remains uncertain, particularly given the conflict in the Middle East. Economic forecasts point to short-term inflation expectations that are higher than those seen before the start of the war in the Middle East, due in part to a possible increase in energy prices in the summer of 2026. Concerning France more specifically, GDP growth should be revised to 0.5% in 2026 according to the latest estimates from the Banque de France. Total inflation is expected to reach 2.5% in 2026, driven by higher energy prices and their indirect effects. After a significant improvement in 2025, the deficit is expected to increase slightly in the absence of adjustment measures, which is likely to put pressure on the French sovereign spread.

In this context, during the second half of the year, Sfil will continue to implement the objectives defined for 2026, in line with the "Objective 2026" strategic plan:

- executing the financing program under the best possible financial conditions;
- maintaining leadership in its two activities, while maintaining a very low risk profile;
- continuing to support its clients in their efforts to promote the environmental transition;
- strengthening its innovation and transformation strategy.

Despite a volatile geopolitical and macroeconomic context, with a 96% progress rate of the 2026 financing program, the Sfil Group will anticipate the execution of the 2027 program if market conditions are favorable.

Local authorities are a pole of stability, with satisfactory financial health and planned and ambitious investment programs. The financing activity of local authorities should be more dynamic in the second half of the year. This should notably be the case for thematic loans, with volumes that should continue to increase with the launch of the municipal block mandate proposals, alongside an increase in financing needs related notably to the challenges of combating the effects of climate change, in support of the renewal of the Green Fund, increased to €800m.

The financing activity of the local public sector will also depend on the difficulties encountered by the departments, despite the resumed decreases in real estate transfer duties and VAT, which could put a strain on their investment capacity. It will also depend on the possible impact of the discussions initiated to prepare the 2027 draft finance law, in which local authorities are expected to continue to contribute to the effort to restore public finances.

Sfil will also continue to support public hospitals in the realization of the investments despite the deterioration in their financial situation, by building notably on their positioning in terms of healthcare offerings (healthcare added value).

In addition, after the completion of an initial project financing operation, Sfil and its partner La Banque Postale will continue to examine new opportunities by the end of 2026 as part of the expansion of the financing activity of the French local public sector.

The outlook for export credit refinancing is very positive, with:

- in the short term, the probable signature of four to five transactions in the second half of 2026, including one transaction in July 2026 in the infrastructure sector;
- in the longer term, an overall volume of applications under review that has increased significantly compared to previous years (€82.3bn in the first half of 2026, compared with €64bn at the end of 2025 and €65bn at the end of 2024). This increase is mainly due to several transactions in the defense sector identified in the first half of the year, confirming the Sfil Group's strategic positioning in this sector.

As part of the expansion of its export credit activities benefiting from credit insurance provided by other European Union member states or multilateral institutions, discussions with a multilateral institution and four European export credit agencies made significant progress in the first half of 2026. They focused on setting up a bilateral working framework, a necessary prerequisite for Sfil's participation in the export credits insured or guaranteed by these institutions.

2.6 Additional information

2.6.1 Change in the composition of the Board of Directors

During the first half of 2026, several changes marked Sfil's governance, particularly within its Board of Directors:

- On 26 March 2026, the Board of Directors renewed the term of office of Philippe Mills, as Chief Executive Officer for a period of four years, with effect from 27 May 2026. On the same date, Othmane Drhimeur was appointed permanent representative of Caisse des Dépôts et Consignations, succeeding AlexandreThorel. The Board also co-opted François Marion as a director to replace Othmane Drhimeur;
- The Board of Directors, by written consultation from 22 to 27 April 2026, also co-opted Laure De Buyer as a director to replace Perrine Kaltwasser who resigned from her office on 19 April 2026.

The Shareholders' Meeting of 27 May 2026 ratified the appointments of François Marion and Laure De Buyer.

The new composition of the Board of Directors is as follows:

- Virginie Chapron-Du Jeu;
  Chairwoman of the Board of Directors;
- Philippe Mills;
  Chief Executive Officer;
- Caisse des Dépôts et Consignations;
  represented by Othmane Drhimeur;
- Dominique Aubernon;
  Independent director;
- Serge Bayard;
- Laure De Buyer;
- Frédéric Coutant;
  Independent director;
- Brigitte Daurelle;
  Independent director;
- Édouard Grimbert;
  director representing employees;
- Cécile Latil-Bouculat;
  director representing employees;
- Christophe Laurent;
- Pierre Laurent;
- François Marion;
- Véronique Ormezzano;
  Independent director;
- Prisca Sabarros;
  director representing employees.

The following attend Board of Directors' meetings without voting rights:

- Armel Castets, non-voting board member;
- Thomas Perdriau, Secretary of the Social and Economic Committee.

The composition of the Board of Directors' specialized committees has also been changed and is as follows:

Governance, Appointments and CSR Committee

- Dominique Aubernon, Chairwoman
- Brigitte Daurelle
- Othmane Drhimeur
- Cécile Latil-Bouculat

Compensation Committee

- Frédéric Coutant, Chairman
- Brigitte Daurelle
- Laure De Buyer
- Prisca Sabarros

Risks and Internal Control Committee

- Véronique Ormezzano, Chairwoman
- Frédéric Coutant
- Brigitte Daurelle
- Othmane Drhimeur
- Édouard Grimbert
- Pierre Laurent
- François Marion

Financial Statements Committee

- Brigitte Daurelle, Chairwoman
- Dominique Aubernon
- Othmane Drhimeur
- Cécile Latil-Bouculat
- Christophe Laurent
- François Marion
- Véronique Ormezzano

2.6.2 Rotation of the Statutory Auditors' signatory partners

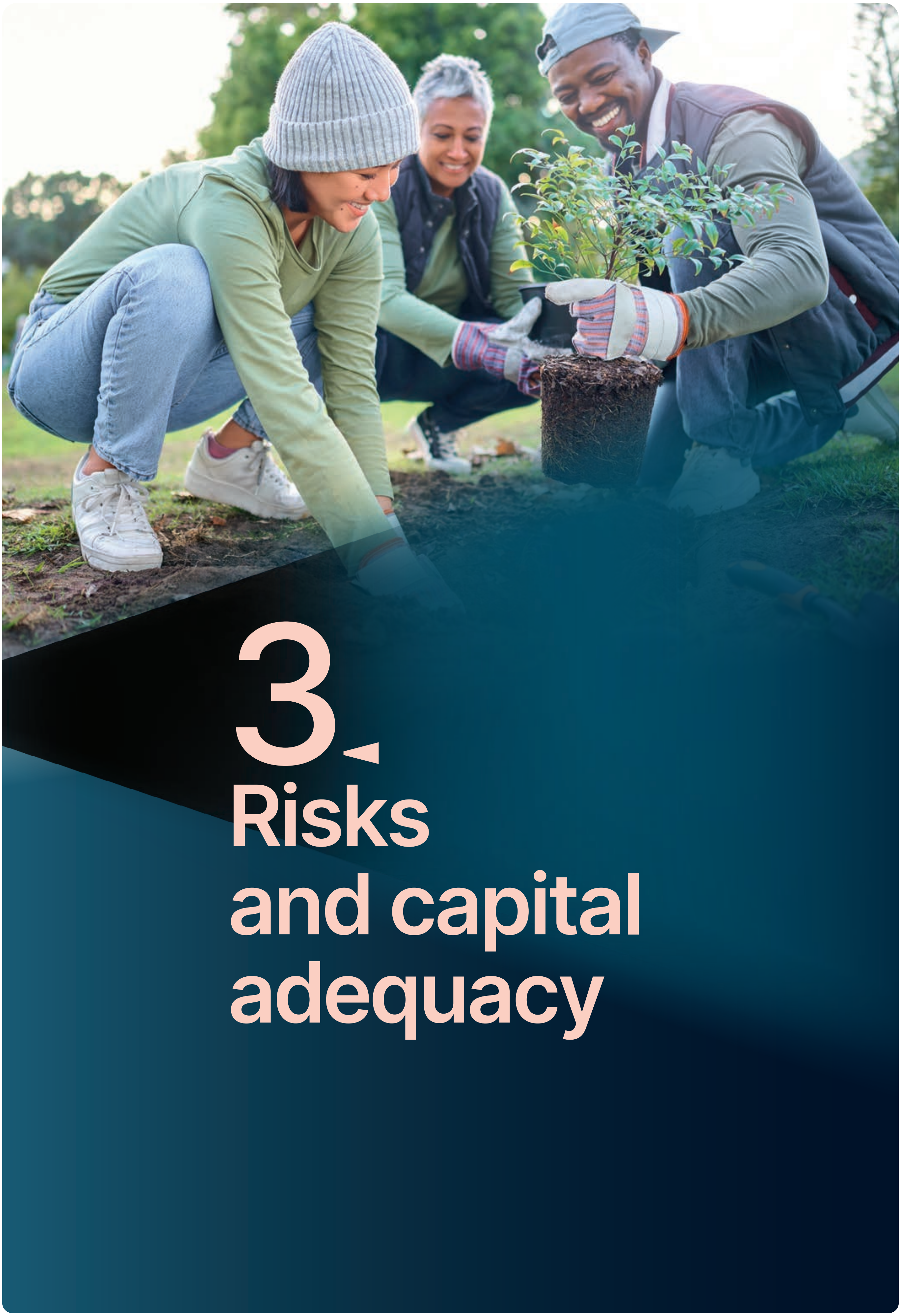
Sfil's panel of Statutory Auditors was appointed on 30 September 2020. On this occasion, Jean-François Dandé, representing KPMG SA, and Ridha Ben Chamek, representing PricewaterhouseCoopers Audit, were appointed signatory partners, each for their respective entity. Since then, they have certified the financial statements for the accounting years 2020 to 2025.

Article L.821-34 of the French Commercial Code stipulates that a signatory partner may not certify the financial statements of a public interest entity for more than six consecutive financial years.

Consequently, the panel of Statutory Auditors proposed to appoint:

- Xavier De Coninck, to replace Jean-François Dandé for KPMG SA;
- Antoine Priollaud, to replace Ridha Ben Chamek for PricewaterhouseCoopers Audit.

The Audit Committee meeting of 16 February 2026 and the Board of Directors meeting of 18 February 2026 recorded these changes in the signatory partners.



3. Risks and capital adequacy

Pillar 3, in the terminology of the Basel Committee, deals with market discipline. It complements Pillar 1 (minimum capital requirements) and Pillar 2 (prudential supervision process) with data that supplement financial communication.

Chapter 3 "Risks and capital adequacy" presents the information relating to the risks of the Sfil Group in order to satisfy:

- the requirements of Part eight of EU Regulation no. 2019/876 of 20 May 2019 on prudential requirements applicable to credit institutions and investment firms and more specifically to the information to be published. This regulation is applied in various technical standards published by the European Commission and the European Banking Authority (EBA) aimed at improving the comparability of information published by institutions. The format and references of the Pillar 3 tables are in line with the entry into force on 28 June 2021 of EU Implementing Regulation no. 2021/637;
- the requirements of accounting standards relating to the nature and extent of risks. Certain disclosures required by IFRS 7 and IAS 1 are included in this section;
- the requirements of transparency and publication of prudential information on the management of ESG risks, and more specifically the physical and transition risks related to climate change, pursuant to article 449 bis of EU Regulation no. 2019/876 (CRR 2) and in accordance with the content provided for by the EBA in the technical implementation standard (ITS) adopted on 30 November 2022.

The Basel 3 agreements, as approved in November 2010, are translated into European law by Directive no. 2013/36/EU (CRD 4) and EU Regulation no. 575/2013 of 26 June 2013 (CRR) supplemented:

- in June 2019 by EU Directive no. 2019/878 (CRD 5) and EU Regulation no. 2019/876 (CRR 2); then
- in May 2024 by Directive no. 2024/16/19 (CRD 6, applicable from 10 January 2026 subject to transposition into national law) and EU Regulation no. 2024/1623 (CRR 3, in force since 1 January 2025)

They transpose the finalization of Basel 3 into European law. The amendments relate in particular to a review of the credit risk, credit valuation adjustment risk and operational risk frameworks.

Sfil's Board of Directors examines chapter 3 "Risks and capital adequacy" and verifies that the controls have been carried out and that the regulatory requirements in terms of disclosure are complied with, including the provisions of article 432 of the EU Regulation No. 2019/876 (CRR 2) on non-material, sensitive and confidential information.

Certification

We, the undersigned, Virginie Chapron-Du Jeu and Philippe Mills, hereby certify the adequacy of the institution's risk management systems, including liquidity, and affirm that the risk management systems, including liquidity, put in place since the creation of Sfil in February 2013 are appropriate in view of the institution's profile and strategy.

Paris, 9 September 2026

3.1 Interim summary of risks

3.1.1 Key figures

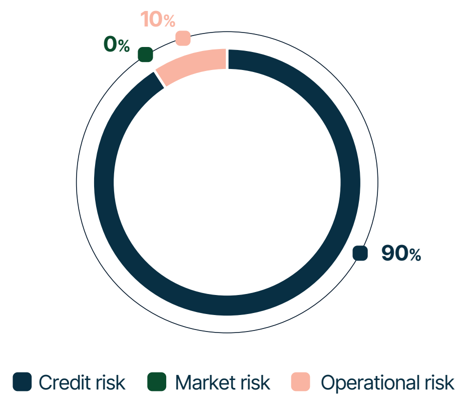
EU KM1 - KEY METRICS

€m		a 30 June 2026	b 31 Mar 2026	c 31 Dec 2025	d 30 Sept. 2025	e 30 June 2025
AVAILABLE OWN FUNDS *(amounts)*						
1	Common Equity Tier 1 (CET1) capital	1,508	1,475	1,490	1,463	1,457
2	Tier 1 capital	1,508	1,475	1,490	1,463	1,457
3	Total capital	1,508	1,475	1,490	1,463	1,457
RISK-WEIGHTED EXPOSURE AMOUNTS						
4	Total risk exposure amount	3,244	3,244	3,184	3,304	3,349
4a	Total pre-floor risk exposure amount	3,244	3,244	3,184	3,304	3,349
CAPITAL RATIOS *(as a percentage of risk-weighted exposure amount)*						
5	Common Equity Tier 1 ratio	46.49%	45.47%	46.80%	44.29%	43.52%
5b	Common Equity Tier 1 ratio (non-floored) TREA (%)	46.49%	45.47%	46.80%	44.29%	43.52%
6	Common Equity Tier 1 ratio	46.49%	45.47%	46.80%	44.29%	43.52%
6b	Capital ratio (non-floored) TREA (%)	46.49%	45.47%	46.80%	44.29%	43.52%
7	Total capital ratio	46.49%	45.47%	46.80%	44.29%	43.52%
7b	Total capital ratio (non-floored) TREA (%)	46.49%	45.47%	46.80%	44.29%	43.52%
ADDITIONAL OWN FUNDS REQUIREMENTS TO ADDRESS RISKS OTHER THAN THE RISK OF EXCESSIVE LEVERAGE *(as a percentage of risk-weighted exposure amount)*						
EU 7d	Additional own funds requirements to address risks other than the risk of excessive leverage	1.00%	1.00%	1.00%	1.00%	1.00%
EU 7e	of which: to be made up of CET1 capital *(percentage points)*	0.56%	0.56%	0.56%	0.56%	0.56%
EU 7f	of which: to be made up of Tier 1 capital *(percentage points)*	0.75%	0.75%	0.75%	0.75%	0.75%
EU 7g	Total SREP own funds requirements	9.00%	9.00%	9.00%	9.00%	9.00%
COMBINED BUFFER REQUIREMENT AND TOTAL OWN FUNDS REQUIREMENT *(as a percentage of the risk-weighted exposure amount)*						
8	Capital conservation buffer	2.50%	2.50%	2.50%	2.50%	2.50%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State	0.00%	0.00%	0.00%	0.00%	0.00%
9	Institution specific countercyclical capital buffer	0.83%	0.86%	0.86%	0.87%	0.92%
EU 9a	Systemic risk buffer	0.00%	0.00%	0.00%	0.00%	0.00%
10	Buffer for globally systemically important banks	0.00%	0.00%	0.00%	0.00%	0.00%
EU 10a	Other Systemically Important Institution buffer	0.00%	0.00%	0.00%	0.00%	0.00%
11	Overall buffer requirement	3.33%	3.36%	3.36%	3.37%	3.42%
EU 11a	Overall capital requirements	12.33%	12.36%	12.36%	12.37%	12.42%
12	CET1 available after meeting the total SREP own funds requirements	37.49%	36.47%	37.80%	35.29%	34.52%

€m		a	b	c	d	e
		30 June 2026	31 Mar 2026	31 Dec 2025	30 Sept. 2025	30 June 2025
LEVERAGE RATIO						
13	Total exposure measure	15,880	15,670	15,581	14,046	15,399
14	Leverage ratio	9.50%	9.41%	9.56%	10.42%	9.46%
ADDITIONAL OWN FUNDS REQUIREMENTS TO ADDRESS THE RISK OF EXCESSIVE LEVERAGE *(as a percentage of the total exposure measurement)*						
EU 14a	Additional own funds requirements to address the risk of excessive leverage	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14b	of which: to be made up of CET1 capital (percentage points)	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14c	Total SREP leverage ratio requirements	3.00%	3.00%	3.00%	3.00%	3.00%
LEVERAGE RATIO BUFFER REQUIREMENT AND OVERALL LEVERAGE RATIO REQUIREMENT *(as a percentage of total exposure measurement)*						
EU 14d	Leverage ratio buffer requirement	0.00%	0.00%	0.00%	0.00%	0.00%
EU 14e	Overall leverage ratio requirement	3.00%	3.00%	3.00%	3.00%	3.00%
LIQUIDITY COVERAGE RATIO						
15	Total high-quality liquid assets (HQLA) *(weighted average value)*	4,906	5,024	4,771	4,676	4,551
EU 16a	Cash outflows *(total weighted value)*	1,386	1,465	1,174	1,118	1,118
EU 16b	Cash inflows *(total weighted value)*	819	719	593	606	637
16	Total net cash outflows *(adjusted value)*	686	827	601	527	525
17	Liquidity coverage ratio	1,346.61%	1,327.57%	1,508.26%	1,515.17%	1,421.12%
NET STABLE FUNDING RATIO						
18	Total available stable funding	67,431	64,473	63,098	62,416	63,296
19	Total required stable funding	51,880	51,191	50,445	49,935	49,585
20	NSFR Ratio	129.97%	125.94%	125.08%	124.99%	127.65%

3.1.2 Risk profile

The Sfil Group's risk-weighted assets remained stable compared to 31 December 2025 at €3.2bn.



Solvency	Description and materiality
Credit and counterparty	• **Loans granted by the Sfil Group that constitute exposures solely to the public sector.** An extremely low historical default rate on loans to the French local public sector; financing of export credits with a French interest covered by export credit agencies from the European Economic Area or multilateral lenders, in respect of both political and commercial risks; • Cash invested in low-risk fixed-income assets; counterparty risk related to the derivatives portfolio is limited due to the quality of counterparties and the use of netting.
Market	• **No trading portfolio and therefore no market risks** in the regulatory sense thanks to the Sfil Group's model as a public development bank.
Climate and environmental risks	• **Relatively limited direct exposure to the sectors with the highest greenhouse gas emissions** (public borrowers and exclusion of fossil fuel-related sectors for export operations); • Exposure to physical risk reflecting that of the French territory.
Operational and non-compliance	• Granular mapping and monitoring with a **very low number of incidents of limited materiality.**

CET1 ratio	Total capital ratio	Leverage ratio
46.5%	**46.5%**	**9.5%**
(*versus* a regulatory requirement of 8.56%)	(*versus* a regulatory requirement of 12.5%)	(*versus* a regulatory requirement of 3.0%)

Balance sheet risk	Description and materiality
Rate	• **Systematic hedging** of the fixed-rate balance sheet items via a natural matching of assets and liabilities or the implementation of interest rate derivatives.
Foreign exchange	• **Foreign currency outstandings systematically hedged** from entry on the balance sheet to maturity.
Liquidity	• **Financing mainly raised on long** maturities (nearly 10 years on average); • Rigorous management of the illiquidity risk exposure **using internal and regulatory stress scenarios;** • Commercial pricing policy consisting in **passing on all financing costs in the loans granted.**

LCR Ratio	NSFR Ratio
2,014.0%	**130.0%**
(*versus* a regulatory requirement of 100%)	(*versus* a regulatory requirement of 100%)

In line with the risk appetite defined by the shareholders and approved by its Board of Directors, the risk profile of the Sfil Group is low as indicated in the above analysis.

A summary of the impacts of the geopolitical and macroeconomic context on the Sfil Group is presented in section *2.1.1 Geopolitical and macroeconomic context* in the "Interim activity report" chapter.

3.2 Risk management system

The risk management system is detailed on pages 78 to 91 in the 2025 Annual Financial report.

3.3 Capital management and capital adequacy

3.3.1 SREP

Under the Single Supervisory Mechanism, Sfil is subject to the direct supervision of the ECB. The results of the SREP (Supervisory Review and Evaluation Process) are notified annually by the ECB to the General Management to define capital requirements.

As of 30 June 2026, the Total Capital equity requirement was 12.50%, of which:

- 8.00% for Pillar 1 Total Capital, the level applicable to all entities;
- 1.00% in respect of the Pillar 2 requirement, of which 0.56% in Common Equity Tier 1 (CET1) capital and 0.75% in Tier 1 capital;
- 2.50% for the capital conservation buffer, the level applicable to all entities;
- 1.00% in respect of the counter-cyclical buffer on relevant exposures.

In addition, as of 30 June 2026, the CET1 Capital requirement was 8.56% and the T1 capital requirement was 10.25%.

The CET1 ratio reached 46.5% as of 30 June 2026 (compared to 46.8% as of 31 December 2025). It is, therefore, significantly higher than the minimum requirement of 8.56% set by the European supervisor as part of the supervisory review and evaluation process (SREP).

Sfil and its subsidiary Caffil benefit from an exemption from the application of capital requirements on an individual basis, as provided for in article 7 of the CRR.

3.3.2 Countercyclical buffer

EU CCYB1 – GEOGRAPHICAL DISTRIBUTION OF CREDIT EXPOSURES RELEVANT FOR THE CALCULATION OF THE COUNTERCYCLICAL CAPITAL BUFFER

		a	b	c	d	e
		General credit exposures		Relevant credit exposures - market risk		
€m		Exposure value under the standardized approach	Exposure value under the IRB approach	Sum of long and short positions of trading book exposures for standardized approach	Value of trading book exposures for internal models	Securitization exposures - Exposure value for non-trading book
010	**BREAKDOWN BY COUNTRY:**					
	France	1,823	-	-	-	-
	Canada	654	-	-	-	-
	Sweden	142	-	-	-	-
	Finland	185	-	-	-	-
	Norway	196	-	-	-	-
	Ireland	61	-	-	-	-
	Denmark	38	-	-	-	-
	Netherlands	36	-	-	-	-
	Belgium	27	-	-	-	-
	Spain	1	-	-	-	-
	Others	27	-	-	-	-
020	**TOTAL**	**3,191**	**-**	**-**	**-**	**-**

f	g	h	i	j	k	l	m
	Own funds requirements						
Total exposure value	Relevant credit risk exposures - credit risk	Relevant credit exposures - market risk	Relevant credit exposures – securitization positions in the non-trading portfolio	Total	Risk-weighted exposure amounts	Own funds requirement weights (%)	Countercyclical buffer rate (%)
1,823	35	-	-	35	438	64.93%	1.00%
654	10	-	-	10	131	19.41%	0.00%
142	1	-	-	1	14	2.11%	2.00%
185	1	-	-	1	19	2.75%	0.00%
196	2	-	-	2	20	2.90%	2.50%
61	1	-	-	1	12	1.81%	1.50%
38	1	-	-	1	8	1.12%	2.50%
36	0	-	-	0	4	0.53%	2.00%
27	0	-	-	0	3	0.41%	1.00%
1	0	-	-	0	0	0.03%	0.50%
27	2	-	-	2	27	3.99%	0.00%
3,191	**54**	**-**	**-**	**54**	**674**	**100.00%**	

EU CCYB2 – AMOUNT OF INSTITUTION-SPECIFIC COUNTERCYCLICAL CAPITAL BUFFER

€m		a
1	**TOTAL RISK EXPOSURE AMOUNT**	**3,244**
2	Institution-specific counter-cyclical capital buffer rate	0.83%
3	Institution-specific counter-cyclical capital buffer requirement	27

3.3.3 Composition of capital

EU CC1 - COMPOSITION OF REGULATORY OWN FUNDS

		(a)	(b)
€m		Amounts	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
Common Equity Tier 1 (CET1): instruments and reserves			
1	Capital instruments and related share premium accounts	1,445	a
	of which: Instrument type 1	1,445	
	of which: Instrument type 2	-	
	of which: Instrument type 3	-	
2	Retained earnings	105	b
3	Accumulated other comprehensive income (and other reserves)	56	c + d
EU-3a	Funds for general banking risk	-	
4	Amount of qualifying items referred to in article 484 (3) of the CRR and the related share premium accounts subject to phase-out from CET1	-	
5	Minority interests (amount allowed in consolidated CET1)	-	
EU-5a	Independently reviewed interim profits, net of any foreseeable charge or dividend	-	
6	**COMMON EQUITY TIER 1 (CET1) CAPITAL: BEFORE REGULATORY ADJUSTMENTS**	**1,607**	
Common Equity Tier 1 (CET1) capital: regulatory adjustments			
7	Additional value adjustments (negative amount)	(1)	
8	Intangible assets (net of related tax liabilities) (negative amount)	(20)	f
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences (net of related tax liability where the conditions in article 38 (3) CRR are met) (negative amount)	(52)	g
11	Fair value reserves related to gains and losses on cash flow hedges of financial instruments that are not valued at fair value	-	e
12	Negative amounts resulting from the calculation of expected loss amounts	-	
13	Any increase in equity that results from securitized assets (negative amount)	-	
14	Gains or losses on liabilities valued at fair value resulting from changes in the institution’s credit standing	-	
15	Defined-benefit pension fund assets (negative amount)	-	
16	Direct, indirect and synthetic holdings by an institution of own CET1 instruments (negative amount)	-	
17	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where those entities have reciprocal cross-holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)	-	
18	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
19	Direct, indirect and synthetic holdings of the CET1 instruments of financial sector entities where the institution has a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
EU-20a	Exposure amount of the following items which qualify for a risk weighting of 1,250%, where the institution opts for the deduction	-	
EU-20b	*of which: qualifying holdings outside the financial sector (negative amount)*	-	
EU-20c	*of which: securitization positions (negative amount)*	-	e
EU-20d	*of which: unsettled trading positions (negative amount)*	-	
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability where the conditions in article 38 (3) CRR are met) (negative amount)	-	

€m		(a) Amounts	(b) Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
22	Amount exceeding the 17.65% threshold (negative amount)	-	
23	*of which: direct, indirect and synthetic holdings by the institution of the CET1 instruments of financial sector entities in which it has a significant investment*	-	
25	*of which: deferred tax assets arising from temporary differences*	-	
EU-25a	Losses for the current financial year (negative amount)	-	
EU-25b	Foreseeable tax charges relating to CET1 items, except where the institution suitably adjusts the amount of CET1 items insofar as such tax charges reduce the amount up to which those items may be used to cover risks or losses (negative amount)	-	
27	Qualifying AT1 deductions that exceed the AT1 items of the institution (negative amount)	-	
27a	Other regulatory adjustments	(25)	
28	**TOTAL REGULATORY ADJUSTMENTS TO COMMON EQUITY TIER 1 (CET1) CAPITAL**	**(99)**	
29	**COMMON EQUITY TIER 1 (CET1) CAPITAL**	**1,508**	
Additional Tier 1 capital (AT1): instruments			
30	Capital instruments and related share premium accounts	-	
31	*of which: classified as equity under applicable accounting standards*	-	
32	*of which: classified as liabilities under applicable accounting standards*	-	
33	Amount of qualifying items referred to in article 484 (4) of the CRR and related share premium accounts subject to phase-out from AT1	-	
EU-33a	Amount of qualifying items referred to in article 494a (1) of the CRR subject to phase-out from AT1	-	
EU-33b	Amount of qualifying items referred to in article 494b (1) of the CRR subject to phase-out from AT1	-	
34	Qualifying Tier 1 capital included in consolidated AT1 capital (including minority interests not included in row 5) issued by subsidiaries and held by third parties	-	
35	*of which: instruments issued by subsidiaries subject to phase-out*	-	
36	**ADDITIONAL TIER 1 (AT1) CAPITAL: BEFORE REGULATORY ADJUSTMENTS**	**-**	
Additional Tier 1 (AT1) capital: regulatory adjustments		**-**	
37	Direct, indirect and synthetic holdings by an institution of own AT1 instruments (negative amount)	-	
38	Direct, indirect and synthetic holdings of AT1 instruments of financial sector entities where those entities have reciprocal cross-holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)	-	
39	Direct, indirect and synthetic holdings of AT1 instruments of financial sector entities where the institution does not have a significant investment in those entities (amount above 10% threshold and net of eligible short positions) (negative amount)	-	
40	Direct, indirect and synthetic holdings of the AT1 instruments of financial sector entities in which the institution has a significant investment (net of eligible short positions) (negative amount)	-	
42	Qualifying AT2 deductions that exceed the AT2 items of the institution (negative amount)	-	
42a	Other regulatory adjustments to AT1 capital	-	
43	**TOTAL REGULATORY ADJUSTMENTS TO ADDITIONAL TIER 1 (AT1) CAPITAL**	**-**	
44	**ADDITIONAL TIER 1 (AT1) CAPITAL**	**-**	
45	**TIER 1 CAPITAL (T1 = CET1 + AT1)**	**1,508**	

€m		(a) Amounts	(b) Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
Tier 2 (T2) capital: instruments		**-**	
46	Capital instruments and related share premium accounts	-	
47	Amount of qualifying items referred to in article 484 (5) of the CRR and the related share premium accounts subject to phase-out from T2 as described in article 486 (4) of the CRR	-	
EU-47a	Amount of qualifying items referred to in article 494a (2) of the CRR subject to phase out from T2	-	
EU-47b	Amount of qualifying items referred to in article 494b (2) of the CRR subject to phase out from T2	-	
48	Qualifying own funds instruments included in consolidated T2 capital (including minority interests and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties	-	
49	*of which: instruments issued by subsidiaries subject to phase-out*	-	
50	Credit risk adjustments	-	
51	**TIER 2 (T2) CAPITAL BEFORE REGULATORY ADJUSTMENTS**	**-**	
Tier 2 (T2) capital: regulatory adjustments		**-**	
52	Direct, indirect and synthetic holdings by an institution of own T2 instruments and subordinated loans (negative amount)	-	
53	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities where those entities have reciprocal cross holdings with the institution designed to artificially inflate the own funds of the institution (negative amount)	-	
54	Direct, indirect and synthetic holdings of the T2 instruments and subordinated loans of financial sector entities in which the institution does not have a significant investment (amount above 10% threshold, net of eligible short positions) (negative amount)	-	
55	Direct, indirect and synthetic holdings by the institution of T2 instruments and subordinated loans of financial sector entities in which the institution has a significant investment (net of eligible short positions) (negative amount)	-	
EU-56a	Qualifying eligible liabilities deductions that exceed the eligible liabilities items of the institution (negative amount)	-	
EU-56b	Other regulatory adjustments to T2 capital	-	
57	**TOTAL REGULATORY ADJUSTMENTS TO TIER 2 (T2) CAPITAL**	**-**	
58	**TIER 2 (T2) CAPITAL**	**-**	
59	**TOTAL CAPITAL (TC = T1 + T2)**	**1,508**	
60	**TOTAL RISK EXPOSURE AMOUNT**	**3,244**	
Capital ratios and requirements, including buffers			
61	Common Equity Tier 1 (CET1) capital	46.49%	
62	Tier 1 capital	46.49%	
63	Total capital	46.49%	
64	Institution CET1 overall capital requirements	8.40%	
65	*of which: capital conservation buffer requirement*	2.50%	
66	*of which: counter-cyclical capital buffer requirement*	0.83%	
67	*of which: systemic risk buffer requirement*	0.00%	
EU-67a	*of which: Global Systemically Important Institution (G-SII) or Other Systemically Important Institution (O-SII) buffer requirement*	0.00%	
EU-67b	*of which: additional own funds requirements to address the risks other than the risk of excessive leverage*	0.56%	
68	**COMMON EQUITY TIER 1 CAPITAL (AS A PERCENTAGE OF THE RISK EXPOSURE AMOUNT) AVAILABLE AFTER MEETING THE MINIMUM CAPITAL REQUIREMENTS**	**37.49%**	

		(a)	(b)
€m		Amounts	Source based on reference numbers/ letters of the balance sheet under the regulatory scope of consolidation
Amounts below the thresholds for deduction (before risk weighting)		**-**	
72	Direct and indirect holdings of own funds and eligible liabilities of financial sector entities in which the institution does not have a significant investment (amount below 10% threshold, net of eligible short positions)	-	
73	Direct and indirect holdings by the institution of the CET1 instruments of financial sector entities in which the institution has a significant investment (amount below 17.65% threshold, net of eligible short positions)	-	
75	Deferred tax assets arising from temporary differences (amount below 17.65% threshold, net of related tax liabilities when the conditions in article 38 (3) of the CRR are met)	-	
Applicable caps on the inclusion of provisions in Tier 2 capital			
76	Credit risk adjustments included in T2 in respect of exposures subject to the standardized approach (prior to the application of the cap)	-	
77	Cap on inclusion of credit risk adjustments in T2 under the standardized approach	34	
78	Credit risk adjustments included in T2 for exposures subject to the internal ratings-based approach (prior to the application of the cap)	-	
79	Cap for inclusion of credit risk adjustments in T2 under the internal ratings-based approach	-	
Capital instruments subject to phase-out (only applicable between 1 Jan 2014 and 1 Jan 2022)			
80	Current cap on CET1 instruments subject to phase out arrangements	-	
81	Amount excluded from CET1 due to cap (excess over cap after redemption and maturities)	-	
82	Current cap on AT1 instruments subject to phase out arrangements	-	
83	Amount excluded from AT1 due to cap (excess over cap after repayments and maturities)	-	
84	Current cap on T2 instruments subject to phase out arrangements	-	
85	Amount excluded from T2 due to cap (excess over cap after repayments and maturities)	-	

EU CC2 - RECONCILIATION OF REGULATORY OWN FUNDS TO BALANCE SHEET IN THE FINANCIAL STATEMENTS

		a	b	c
		Balance sheet as in published financial statements	Within the scope of consolidation	
€m		30 June 2026	30 June 2026	Reference
Assets - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	Central banks	2,501	2,501	
2	Financial assets at fair value through profit or loss	1,373	1,373	
3	Hedging derivatives	1,977	1,977	
4	Financial assets at fair value through equity	-	-	
5	Loans and advances to banks at amortized cost	43	43	
6	Loans and advances to customers at amortized cost	58,870	58,870	
7	Securities at amortized cost	9,561	9,561	
8	Fair value revaluation of portfolio hedge	(101)	(101)	
9	Current tax assets	1	1	
10	Deferred tax assets	52	52	g
11	Tangible assets	27	27	
12	Intangible assets	20	20	f
13	Accruals and other assets	1,815	1,815	
14	**TOTAL ASSETS**	**76,139**	**76,139**	
Liabilities - Breakdown by asset classes according to the balance sheet in the published financial statements				
1	**Central banks**	**-**	**-**	
2	Financial liabilities at fair value through profit or loss	74	74	
3	Hedging derivatives	3,375	3,375	
5	Due to banks at amortized cost	1,401	1,401	
6	Customer borrowings and deposits at amortized cost	-	-	
7	Debt securities at amortized cost	69,419	69,419	
8	Fair value revaluation of portfolio hedge	13	13	
9	Current tax liabilities	4	4	
10	Deferred tax liabilities	-	-	
11	Accruals and other liabilities	210	210	
12	Provisions	13	13	
13	Subordinated debt	-	-	
14	**TOTAL LIABILITIES**	**74,508**	**74,508**	
Shareholders' Equity €m				
1	Capital	1,445	1,445	a
2	Reserves and retained earnings	196	196	
3	*of which retained earnings*	105	105	b
4	*of which other reserves*	91	91	c
5	*of which interim dividend on the profit for the 2024 financial year*	-	-	
6	Gains or losses recognized directly in equity	(34)	(34)	d
7	*of which unrealized or deferred gains and losses of cash flow hedges derivatives*	-	-	e
8	Net income for the period	24	24	
9	**TOTAL SHAREHOLDERS' EQUITY**	**1,630**	**1,630**	

3.3.4 Risk-weighted assets

EU OV1 - OVERVIEW OF TOTAL RISK EXPOSURE AMOUNTS

€m		Total risk exposure amount (TREA)		Total own funds requirements
		a	b	c
		30 June 2026	31 Mar 2026	30 June 2026
1	**CREDIT RISK (EXCLUDING CCR)**	**2,666**	**2,695**	**213**
2	Of which standardized approach	2,666	2,695	213
3	Of which foundation IRB (F-IRB) approach	-	-	-
4	Of which slotting approach	-	-	-
EU 4a	Of which equities under the simple risk weighted approach	-	-	-
5	Of which advanced IRB (A-IRB) approach	-	-	-
6	**COUNTERPARTY CREDIT RISK - CCR**	**56**	**52**	**5**
7	Of which standardized approach	49	42	4
8	Of which internal model method (IMM)	-	-	-
EU 8a	Of which exposures to a CCP	0	0	0
9	Of which other CCR	8	10	1
10	**CREDIT VALUATION ADJUSTMENTS RISK - CVA RISK**	**199**	**175**	**16**
10a	Of which standardized approach (SA)	-	-	-
10b	Of which basic approach (F-BA and R-BA)	199	175	16
10c	Of which simplified approach	-	-	-
15	**SETTLEMENT RISK**	**-**	**-**	**-**
16	**SECURITIZATION EXPOSURES IN THE NON-TRADING BOOK (AFTER THE CAP)**	**-**	**-**	**-**
17	Of which SEC-IRBA approach	-	-	-
18	Of which SEC-ERBA (including IAA)	-	-	-
19	Of which SEC-SA approach	-	-	-
EU 19a	Of which 1,250%/deduction	-	-	-
20	**POSITION, FOREIGN EXCHANGE AND COMMODITIES RISKS (MARKET RISK)**	**-**	**-**	**-**
21	Of which alternative standardized approach (A-SA)		-	-
21a	Of which simplified standardized approach (S-SA)	-	-	-
22	Of which internal models approach (A-IMA)		-	-
EU 22A	**LARGE EXPOSURES**	**-**	**-**	**-**
23	**RECLASSIFICATIONS BETWEEN TRADING PORTFOLIO AND BANKING BOOK**	**-**	**-**	**-**
24	**OPERATIONAL RISK**	**322**	**322**	**26**
EU 24A	**EXPOSURE TO CRYPTO-ASSETS**	-	-	-
25	**AMOUNTS BELOW THE THRESHOLDS FOR DEDUCTION (SUBJECT TO 250% RISK WEIGHT)**	**N/A**	**N/A**	**N/A**
26	**OUTPUT FLOOR APPLIED (%)**	**N/A**	**N/A**	**N/A**
27	**FLOOR ADJUSTMENT (PRIOR TO THE APPLICATION OF THE TRANSITIONAL CAP)**	**N/A**	**N/A**	**N/A**
28	**FLOOR ADJUSTMENT (AFTER APPLICATION OF THE TRANSITIONAL CAP)**	**N/A**	**N/A**	**N/A**
29	**TOTAL**	**3,244**	**3,244**	**259**

3.3.5 Leverage ratio

As of 30 June 2026, the leverage ratio stood at 9.5%, stable compared to 31 December 2025.

EU LR1 – LRSUM: SUMMARY RECONCILIATION OF ACCOUNTING ASSETS AND LEVERAGE RATIO EXPOSURES

		a
€m		Applicable amount
1	Total assets as per published financial statements	76,139
2	Adjustment for entities which are consolidated for accounting purposes but are outside the scope of prudential consolidation	-
3	(Adjustment for securitized exposures that meet the operational requirements for the recognition of risk transference)	-
4	(Adjustment for temporary exemption of exposures to central banks (if applicable))	-
5	(Adjustment for fiduciary assets recognized on the balance sheet pursuant to the applicable accounting framework but excluded from the total exposure measure in accordance with article 429a (1) (i) of the CRR)	-
6	Adjustment for regular-way purchases and sales of financial assets subject to trade date accounting	-
7	Adjustment for eligible cash pooling transactions	-
8	Adjustment for derivative financial instruments	(668)
9	Adjustment for securities financing transactions (SFTs)	1
10	Adjustment for off-balance sheet items (*i.e.* conversion to credit equivalent amounts of off-balance sheet exposures)	6,541
11	(Adjustment for prudent valuation adjustments and specific and general provisions which have reduced Tier 1 capital)	(4)
EU-11a	(Adjustment for exposures excluded from the total exposure measure in accordance with article 429a (1) (c) of the CRR)	-
EU-11b	(Adjustment for exposures excluded from the total exposure measure in accordance with article 429a (1) (j) of the CRR)	-
12	Other adjustments	(66,128)
13	**TOTAL EXPOSURE MEASURE**	**15,880**

EU LR2 - LRCOM: LEVERAGE RATIO - COMMON DISCLOSURE

		Exposures to the leverage ratio under CRR	
		a	b
€m		30 June 2026	31 Mar 2026
ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES AND SFTS)			
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	74,151	73,834
2	Gross-up for derivatives collateral provided, where deducted from the balance sheet assets pursuant to the applicable accounting framework	-	-
3	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	(1,487)	(1,630)
4	(Adjustment for securities received under securities financing transactions that are recognized as an asset)	-	-
5	(General credit risk adjustments to on-balance sheet items)	-	-
6	(Asset amounts deducted in determining Tier 1 capital)	(86)	(90)
7	**Total on-balance sheet exposures (excluding derivatives and SFTs)**	**72,578**	**72,114**
DERIVATIVES EXPOSURES			
8	Replacement cost associated with SA-CCR derivatives transactions (*i.e.* net of eligible cash variation margin)	755	819
EU-8a	Derogation for derivatives: replacement costs contribution under the simplified standardized approach	-	-
9	Add-on amounts for potential future exposure associated with SA-CCR derivatives transactions	565	541
EU-9a	Derogation for derivatives: Potential future exposure contribution under the simplified standardized approach	-	-
EU-9b	Exposure determined under original exposure method	-	-
10	(Exempted CCP leg of client-cleared trade exposures) (SA-CCR)	-	-
EU-10a	(Exempted CCP leg of client-cleared trade exposures) (simplified standardized approach)	-	-
EU-10b	(Exempted CCP leg of client-cleared trade exposures) (original exposure method)	-	-
11	Adjusted effective notional amount of written credit derivatives	-	-
12	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-	-
13	**Total derivatives exposures**	**1,319**	**1,360**
SECURITIES FINANCING TRANSACTION (SFT) EXPOSURES			
14	Gross SFT assets (with no recognition of netting), after adjustment for sales accounting transactions	-	-
15	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-	-
16	Counterparty credit risk exposure for SFT assets	1	-
EU-16a	Derogation for SFTs: Counterparty credit risk exposure in accordance with articles 429e (5) and 222 of the CRR	-	-
17	Agent transaction exposures	-	-
EU-17a	(Exempted CCP leg of client-cleared SFT exposure)	-	-
18	**Total securities financing transaction exposures**	**1**	**-**

		Exposures to the leverage ratio under CRR	
		a	b
€m		30 June 2026	31 Mar 2026
OTHER OFF-BALANCE SHEET EXPOSURES			
19	Off-balance sheet exposures at gross notional amount	6,541	6,654
20	(Adjustments for conversion to credit equivalent amounts)	-	-
21	(General provisions deducted in determining Tier 1 capital and specific provisions associated with off-balance sheet exposures)	(4)	(4)
22	**Off-balance sheet exposures**	**6,538**	**6,649**
EXCLUDED EXPOSURES			
EU-22a	(Exposures excluded from the total exposure measure in accordance with article 429a (1) (c) of the CRR)	-	-
EU-22b	(Exposures exempted in accordance with article 429a (1) (j) of the CRR (on and off-balance sheet))	-	-
EU-22c	(Excluded exposures of public development banks (or units) - Public sector investments)	-	-
EU-22d	(Excluded exposures of public development banks (or units) - Promotional loans)	(47,054)	(46,833)
EU-22e	(Excluded passing-through promotional loan exposures by non-public development banks (or units))	-	-
EU-22f	(Excluded guaranteed parts of exposures arising from export credits)	(17,501)	(17,621)
EU-22g	(Excluded excess collateral deposited at triparty agents)	-	-
EU-22h	(Excluded CSD related services of CSD/institutions in accordance with article 429a (1) (o) of the CRR)	-	-
EU-22i	(Excluded CSD related services of designated institutions in accordance with article 429a (1) (p) of the CRR)	-	-
EU-22j	(Reduction of the exposure value of pre-financing or intermediate loans)	-	-
EU-22k	**(Exclusions of shareholder exposures pursuant to article 429a (1) (da) of the CRR)**	**-**	**-**
EU-22l	**(Exposures deducted pursuant to article 429a (1) (q) of the CRR)**	**-**	**-**
EU-22m	**(Total exempted exposures)**	**(64,555)**	**(64,454)**
CAPITAL AND TOTAL EXPOSURE MEASURE			
23	Tier 1 capital	1,508	1,475
24	**Total exposure measure**	**15,880**	**15,670**
LEVERAGE RATIO			
25	Leverage ratio	9.50%	9.41%
EU-25	Leverage ratio (excluding the impact of the exemption of public sector investments and promotional loans)	2.40%	2.36%
25a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves)	9.50%	9.41%
26	Regulatory minimum leverage ratio requirement	3.00%	3.00%
EU-26a	Additional own funds requirements to address the risk of excessive leverage	0.00%	0.00%
EU-26b	of which: to be made up of CET1 capital	0.00%	0.00%
27	Leverage ratio buffer requirement	0.00%	0.00%
EU-27a	Overall leverage ratio requirement	3.00%	3.00%
CHOICE ON TRANSITIONAL ARRANGEMENTS AND RELEVANT EXPOSURES			
EU-27b	Choice on transitional arrangements for the definition of the capital measure	*Fully phased in*	*Fully phased in*

€m		Exposures to the leverage ratio under CRR	
		a	b
		30 June 2026	31 Mar 2026
DISCLOSURE OF MEAN VALUES			
28	Mean of daily values of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivable	-	-
29	Quarter-end value of gross SFT assets, after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables	-	-
30	Total exposure measure (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	15,880	15,670
30a	Total exposure measure (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	15,880	15,670
31	Leverage ratio (including the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.50%	9.41%
31a	Leverage ratio (excluding the impact of any applicable temporary exemption of central bank reserves) incorporating mean values from row 28 of gross SFT assets (after adjustment for sale accounting transactions and netted of amounts of associated cash payables and cash receivables)	9.50%	9.41%

EU LR3 – LRSPL: BREAKDOWN OF ON-BALANCE SHEET EXPOSURES (EXCLUDING DERIVATIVES, SFTS AND EXEMPTED EXPOSURES)

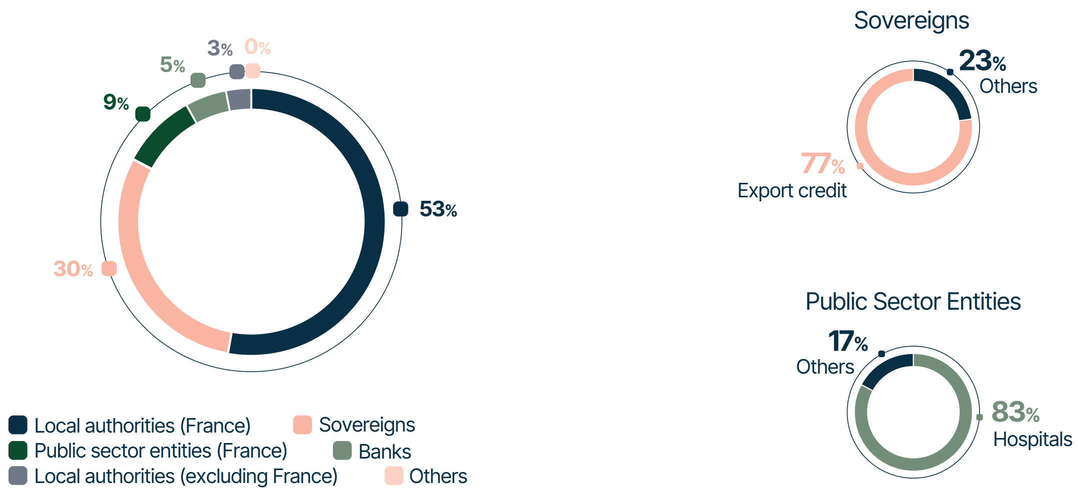
€m		a
CRR LEVERAGE RATIO EXPOSURES		
EU-1	**Total on-balance sheet exposures (excluding derivatives, SFTs, and exempted exposures), of which:**	**14,593**
EU-2	Trading book exposures	-
EU-3	Banking book exposures, of which:	14,593
EU-4	Covered bonds	2,622
EU-5	Exposures treated as sovereigns	6,236
EU-6	Exposures to regional governments, multilateral development banks, international organizations and public sector entities not treated as sovereigns	3,107
EU-7	Institutions	1,369
EU-8	Exposures secured by mortgages on immovable property	-
EU-9	Retail exposures	-
EU-10	Corporates	878
EU-11	Exposures in default	19
EU-12	Other exposures (*e.g.* equity, securitizations, and other non-credit obligation assets)	361

3.4 Main risks of the Sfil Group

Definitions of the different risk types, as well as information on the organization, governance and risk monitoring system, are detailed on pages 109 to 162 in the 2025 Annual financial report.

3.4.1 Credit risk

Credit risk exposures amounted to €80.0bn as of 30 June 2026 and broke down by borrower category as follows:



The quality of the Sfil Group's asset portfolio is illustrated by the risk weighting assigned to its assets for the calculation of the solvency ratio. Weighted exposure with respect to credit risk amounted to €2.7bn as at 30 June 2026.

Concentration limits [Not audited]

In order to control the Sfil Group’s overall credit risk profile and limit risk concentrations, concentration limits have been defined by group of related customers, by type of counterparty, by internal rating level and by region, as well as sectorial or geographical limits on export credit. Limits by rating apply to both credit ratings and ratings reflecting exposure to climate risks. Limits on bank counterparties are defined both at the level of the Sfil group and at the level of Sfil or Caffil considered individually. These limits are monitored proactively by the Risks division, and may be adjusted (or even frozen) at any time according to the evolution of the associated risks.

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. Unfavorable developments in financial, economic and fiscal conditions in France could have consequences for French public sector borrowers. Nevertheless, the local public sector has very low sensitivity to variations in the economic environment.

Exposure to credit risks, includes:

- for assets other than derivatives: the amount shown on the balance sheet;
- for derivatives: the standardized approach to measure the credit risk of a counterparty (SA-CCR methodology) was applied, in accordance with the recommendations of the Basel Committee;
- for off-balance sheet commitments: the undrawn amount of financing commitments, which is shown in the notes to the condensed consolidated financial statements in chapter 4.

Exposure to credit risk is broken down by geographic region and by counterparty and instrument category, taking into account the guarantees received. When the credit risk is guaranteed by a third party whose weighted risk (within the meaning of Basel regulations) is less than that of the direct borrower, the exposure is included in the guarantor’s region and business sector.

The following tables present exposures in the event of default broken down by geographic area, counterparty and instrument category.

€m	**30 June 2026**	31 Dec 2025
France	73,699	72,490
Germany	262	350
Belgium	120	124
Italy	3,089	3,175
Spain	304	309
Other European Union countries	911	864
Switzerland	397	396
Norway	196	204
United Kingdom	5	6
United States and Canada	939	915
Japan	29	29
TOTAL EXPOSURE	**79,950**	**78,861**

€m	**30 June 2026**	31 Dec 2025
Sovereigns	23,850	24,127
French local public sector	51,734	50,693
Other assets guaranteed by public sector entities	115	119
Financial institutions	4,202	3,873
Other exposures	50	48
TOTAL EXPOSURE	**79,950**	**78,861**

€m	**30 June 2026**	31 Dec 2025
Central banks	2,501	2,380
Loans and advances at fair value through profit or loss	1,360	1,438
Hedging derivatives	1,078	1,081
Bonds at fair value through equity	-	-
Loans to banks at amortized cost	44	38
Loans to customers at amortized cost	58,803	57,164
Securities at amortized cost	9,582	9,395
Accruals and other assets	73	81
Loan commitments	6,509	7,284
TOTAL EXPOSURE	**79,950**	**78,861**

Accounting measurement of risk

The following table shows the performing and non-performing accounting exposures (in the prudential sense) on demand accounts, loans, securities and off-balance sheet commitments broken down by accounting stage with the associated accounting provisions:

EU CR1: PERFORMING AND NON-PERFORMING EXPOSURES AND RELATED PROVISIONS

		a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
		Gross carrying amount / Nominal amount						Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions							Collateral and financial guarantees received	
		Performing exposures			Non-performing exposures			Performing exposures – Accumulated impairment and provisions			Non-performing exposures – Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions					
€m			Of which Stage 1	Of which Stage 2		Of which Stage 1	Of which Stage 2		Of which Stage 1	Of which Stage 2		Of which Stage 1	Of which Stage 2	Accumulated partial write-offs	On performing exposures	On non-performing exposures
005	**Cash balances at central banks and other demand deposits**	2,539	2,539	-	-	-	-	-	-	-	-	-	-	-	-	-
010	**Loans and advances**	60,215	54,796	4,060	61	-	56	(37)	(4)	(32)	(3)	-	(2)	-	11,922	31
020	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
030	General governments	53,449	49,088	3,157	58	-	53	(31)	(3)	(28)	(3)	-	(1)	-	5,254	28
040	Credit institutions	5	5	-	-	-	-	(0)	(0)	-	-	-	-	-	5	-
050	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
060	Non-financial instruments	6,762	5,704	903	3	-	3	(5)	(1)	(4)	(0)	-	(0)	-	6,663	3
070	Of which SMEs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
080	Households	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
090	**Debt securities**	9,564	9,185	379	-	-	-	(3)	(1)	(2)	-	-	-	-	-	-
100	Central banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
110	General governments	5,529	5,150	379	-	-	-	(3)	(1)	(2)	-	-	-	-	-	-
120	Credit institutions	4,036	4,036	-	-	-	-	(0)	(0)	-	-	-	-	-	-	-
130	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
140	Non-financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
150	**Off-balance sheet exposures**	7,963	7,545	418	-	-	-	4	1	3	-	-	-		6,541	-
160	Central banks	-	-	-	-	-	-	-	-	-	-	-	-		-	-
170	General governments	3,728	3,347	382	-	-	-	3	0	3	-	-	-		3,574	-
180	Credit institutions	1,409	1,409	-	-	-	-	-	-	-	-	-	-		-	-
190	Other financial corporations	-	-	-	-	-	-	-	-	-	-	-	-		-	-
200	Non-financial instruments	2,826	2,790	36	-	-	-	1	0	0	-	-	-		2,966	-
210	Households	-	-	-	-	-	-	-	-	-	-	-	-		-	-
220	**TOTAL**	**80,281**	**74,066**	**4,857**	**61**	**-**	**56**	**(44)**	**(6)**	**(38)**	**(3)**	**-**	**(2)**	**-**	**18,462**	**31**

The breakdown of exposures to non-financial corporations by industry and by quality, and the related accounting impairments, is detailed below:

EU CQ5: CREDIT QUALITY OF LOANS AND ADVANCES TO NON-FINANCIAL CORPORATIONS BY INDUSTRY

		a	b	c	d	e	f
		Total gross carrying amount					
			Of which non-performing		Of which loans and advances subject to impairment	Accumulated impairment	Accumulated negative changes in fair value due to credit risk on non-performing exposures
€m				Of which defaulted			
010	Agriculture, forestry and fishing	-	-	-	-	-	-
020	Mining and quarrying	92	-	-	92	(0)	-
030	Manufacturing	-	-	-	-	-	-
040	Electricity, gas, steam and air conditioning supply	866	-	-	866	(2)	-
050	Water supply	-	-	-	-	-	-
060	Construction	22	3	3	22	(0)	-
070	Wholesale and retail trade	-	-	-	-	-	-
080	Transport and storage	4,951	-	-	4,951	(3)	-
090	Accommodation and food service activities	-	-	-	-	-	-
100	Information and communication	64	-	-	64	(0)	-
110	Financial and insurance activities	10	-	-	10	(0)	-
120	Real estate activities	670	-	-	516	(0)	-
130	Professional, scientific and technical activities	-	-	-	-	-	-
140	Administrative and support service activities	84	-	-	84	(0)	-
150	Public administration and defense, compulsory social security	-	-	-	-	-	-
160	Education	-	-	-	-	-	-
170	Human health and social action	6	-	-	6	(0)	-
180	Arts, entertainment and recreation	-	-	-	-	-	-
190	Other services	-	-	-	-	-	-
200	**TOTAL**	**6,765**	**3**	**3**	**6,610**	**(6)**	**-**

3

Prudential risk measurement - Calculation of own funds requirement

The following table presents the performing and non-performing accounting exposures (in the prudential sense) on loans, securities and off-balance sheet commitments with the associated accounting provisions:

EU CQ4: QUALITY OF NON-PERFORMING EXPOSURES BY GEOGRAPHY

		a	b	c	d	e	f	g
		Gross carrying amount / nominal amount						
			Of which non-performing					
€m				Of which defaulted	Of which subject to impairment	Accumulated impairment	Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
010	**On balance sheet exposures**	**72,380**	**61**	**61**	**71,016**	**(42)**		**(2)**
020	AE	156	-	-	156	(0)		-
030	AR	38	-	-	38	(0)		-
040	AT	120	-	-	120	(0)		-
050	AU	0	-	-	0	-		-
060	BE	116	-	-	116	(0)		-
070	BJ	183	-	-	183	(0)		-
080	CA	758	-	-	758	(0)		-
090	CH	513	-	-	513	(0)		-
100	CI	563	-	-	563	(0)		-
110	DE	227	-	-	227	(0)		-
120	DK	38	-	-	38	(0)		-
130	EG	1,120	-	-	1,120	(9)		-
140	ES	301	-	-	301	(0)		-
150	FI	274	-	-	274	(0)		-
160	FR	55,124	43	43	53,763	(24)		(2)
170	GB	751	-	-	751	(1)		-
180	ID	2,356	-	-	2,356	(0)		-
190	IE	61	-	-	61	(0)		-
200	IT	3,093	-	-	3,093	(3)		-
210	JP	29	-	-	29	(0)		-
220	KY	395	-	-	395	(0)		-
230	KZ	479	-	-	479	(0)		-
240	LU	5	-	-	5	-		-
250	MT	386	-	-	386	(2)		-
260	NC	7	3	3	7	(0)		-
270	NL	115	-	-	115	(0)		-
280	NO	196	-	-	196	(0)		-
290	PA	1,763	-	-	1,763	(1)		-
300	PF	32	-	-	32	(0)		-
310	PT	3	-	-	0	-		-
320	QA	315	-	-	315	(0)		-
330	RS	501	-	-	501	(0)		-
340	SE	285	-	-	285	(0)		-
350	SN	66	-	-	66	(1)		-
360	TN	16	-	-	16	(0)		-
370	UA	15	15	15	15	(0)		-
380	US	1,975	-	-	1,975	(0)		-
390	UZ	5	-	-	5	(0)		-

		a	b	c	d	e	f	g
		Gross carrying amount / nominal amount						
			Of which non-performing				Provisions on off-balance sheet commitments and financial guarantees given	Accumulated negative changes in fair value due to credit risk on non-performing exposures
€m				Of which defaulted	Of which subject to impairment	Accumulated impairment		
400	**Off-balance sheet exposures**	**7,963**	**-**	**-**			**4**	
410	BJ	28	-	-	-	-	0	
420	CI	148	-	-	-	-	0	
430	EG	313	-	-	-	-	2	
440	ES	27	-	-	-	-	-	
450	FR	1,651	-	-	-	-	0	
460	GB	864	-	-	-	-	0	
470	ID	2,284	-	-	-	-	0	
480	KY	1,136	-	-	-	-	0	
490	KZ	322	-	-	-	-	0	
500	MT	200	-	-	-	-	0	
510	RS	901	-	-	-	-	0	
520	SN	90	-	-	-	-	1	
530	**TOTAL**	**80,343**	**61**	**61**	**71,016**	**(42)**	**4**	**(2)**

EU CQ1: CREDIT QUALITY OF FORBORNE EXPOSURES

		a	b	c	d	e	f	g	h
		Gross carrying amount / nominal amount of exposures with forbearance measures				Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		Collateral received and financial guarantees received on forborne exposures	
			Non-performing forborne						
€m		Performing forborne	Total	Of which defaulted	Of which impaired	On performing forborne exposures	On non performing forborne exposures	Total	of which: collateral and financial guarantees received on non-performing exposures with forbearance measures
005	Cash balances at central banks and other demand deposits	-	-	-	-	-	-	-	-
010	Loans and advances	471	38	38	36	(2)	(1)	428	27
020	*Central banks*	-	-	-	-	-	-	-	-
030	*General governments*	69	38	38	36	(0)	(1)	29	27
040	*Credit institutions*	-	-	-	-	-	-	-	-
050	*Other financial corporations*	-	-	-	-	-	-	-	-
060	*Non-financial instruments*	402	-	-	-	(2)	-	400	-
070	*Households*	-	-	-	-	-	-	-	-
080	Debt securities	-	-	-	-	-	-	-	-
090	Loan commitments given	-	-	-	-	-	-	-	-
100	**TOTAL**	**471**	**38**	**38**	**36**	**(2)**	**(1)**	**428**	**27**

EVALUATION OF ASSET QUALITY [NOT AUDITED]

The following table presents a breakdown of credit risk exposures by risk weight, as used for the calculation of own funds requirements for credit risk. This analysis confirms the excellent quality of the portfolio assets. 85% of the portfolio has a weighting of 0% and 98% of the portfolio has a weighting that is less than or equal to 20%.

€m	0%	]0%-20%]	More than 20%	**Total**
Central banks	2,501	-	-	2,501
Financial assets at fair value through profit or loss	1,174	148	38	1,360
Derivatives	906	17	154	1,078
Loans and advances to banks at amortized cost	6	0	38	44
Loans and advances to customers at amortized cost	52,875	5,367	561	58,803
Securities at amortized cost	3,682	5,178	722	9,582
Accruals and other assets	19	-	54	73
Loan commitments	6,463	46	-	6,509
TOTAL EXPOSURE	**67,626**	**10,755**	**1,569**	**79,950**
SHARE OF TOTAL EXPOSURE	**85%**	**13%**	**2%**	**100%**

The following table presents the exposures in the event of default broken down by risk weighting:

EU CR5 - STANDARDIZED APPROACH

		Risk weight										
Exposure classes		0%	2%	4%	10%	20%	30%	35%	40%	45%	50%	60%
€m		a	b	c	d	e	f	g	h	i	j	k
1	Central governments or central banks	22,944	-	-	-	-	-	-	-	-	-	-
2	Non-central governments and public sector entities	43,776	-	-	-	7,467	-	-	-	-	371	-
EU 2a	Regional governments or local authorities	37,496	-	-	-	6,713	-	-	-	-	-	-
EU 2b	Public sector entities	6,280	-	-	-	754	-	-	-	-	371	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-
EU 3a	International organizations	-	-	-	-	-	-	-	-	-	-	-
4	Institutions	-	-	-	-	429	657	-	0	-	-	-
5	Covered bonds	-	-	-	1,930	692	-	-	-	-	-	-
6	Corporates	-	-	-	-	6	-	-	-	-	8	-
6.1	Of which specialized lending	-	-	-	-	-	-	-	-	-	-	-
7	Subordinated debt and equities	-	-	-	-	-	-	-	-	-	-	-
EU 7a	Subordinated debt	-	-	-	-	-	-	-	-	-	-	-
EU 7b	Equities	-	-	-	-	-	-	-	-	-	-	-
8	Retail customers	-	-	-	-	-	-	-	-	-	-	-
9	Exposures secured by mortgages on immovable property and ADC exposures	-	-	-	-	-	-	-	-	-	-	-
9.1	Secured by mortgages on residential property - non-IPRE	-	-	-	-	-	-	-	-	-	-	-
9.1.1	Without split treatment	-	-	-	-	-	-	-	-	-	-	-
9.1.2	With split treatment (guaranteed)	-	-	-	-	-	-	-	-	-	-	-
9.1.3	With split treatment (not guaranteed)	-	-	-	-	-	-	-	-	-	-	-
9.2	Secured by mortgages on residential property - IPRE	-	-	-	-	-	-	-	-	-	-	-
9.3	Secured by mortgages on commercial property - non-IPRE	-	-	-	-	-	-	-	-	-	-	-
9.3.1	Without split treatment	-	-	-	-	-	-	-	-	-	-	-
9.3.2	With split treatment (guaranteed)	-	-	-	-	-	-	-	-	-	-	-
9.3.3	With split treatment (not guaranteed)	-	-	-	-	-	-	-	-	-	-	-
9.4	Secured by mortgages on commercial property - IPRE	-	-	-	-	-	-	-	-	-	-	-
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	-	-	-	-	-	-
10	Exposures in default	-	-	-	-	-	-	-	-	-	-	-
EU 10a	Institutions and corporates with a short-term credit assessment	-	-	-	-	189	-	-	-	-	102	-
EU 10b	Collective investment undertakings	-	-	-	-	-	-	-	-	-	-	-
EU 10c	Other items	-	-	-	-	-	-	-	-	-	-	-
EU 11C	**TOTAL**	**66,720**	**-**	**-**	**1,930**	**8,783**	**657**	**-**	**0**	**-**	**480**	**-**

70%	75%	80%	90%	100%	105%	110%	130%	150%	250%	370%	400%	1,250%	1,250%	Total	Of which unrated
l	m	n	o	p	q	r	s	t	u	v	w	x	y	z	aa
-	-	-	-	-	-	-	-	-	-	-	-	-	-	22,944	
-	-	-	-	39	-	-	-	-	-	-	-	-	-	51,652	
-	-	-	-	39	-	-	-	-	-	-	-	-	-	44,248	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	7,405	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,086	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,622	
-	-	-	-	163	-	-	-	-	-	-	-	-	-	177	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
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-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	0	-	-	-	18	-	-	-	-	-	19	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	291	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	-	50	-	-	-	-	-	-	-	-	-	50	
-	**-**	**-**	**-**	**252**	**-**	**-**	**-**	**18**	**-**	**-**	**-**	**-**	**-**	**78,841**	

The following table presents the credit risk exposures before and after the application of credit risk mitigation techniques (CRM), with the risk weights (RWA) associated with these exposures:

EU CR4 – STANDARDIZED APPROACH – CREDIT RISK EXPOSURE AND CRM EFFECTS

		Exposures before CCF and before CRM		Exposures post CCF and post CRM		RWA and RWA density	
Exposure classes		On balance sheet exposures	Off-balance sheet exposures	On balance sheet exposures	Off-balance sheet exposures	RWA	RWA density *(%)*
€m		a	b	c	d	e	f
1	Central governments or central banks	9,935	3,683	16,488	6,456	-	0.00%
2	Non-central governments and public sector entities	51,367	1	51,599	53	1,717	3.32%
EU 2a	Regional governments or local authorities	43,372	0	44,195	53	1,381	3.12%
EU 2b	Public sector entities	7,996	0	7,404	0	336	4.54%
3	Multilateral development banks	-	-	-	-	-	100.00%
EU 3a	International organizations	-	-	-	-	-	100.00%
4	Institutions	1,086	-	1,086	-	283	26.05%
5	Covered bonds	2,622	-	2,622	-	331	12.64%
6	Corporates	6,932	2,825	177	-	168	94.94%
6.1	Of which specialized lending	518	270	-	-	-	100.00%
7	Subordinated debt and equities	-	-	-	-	-	100.00%
EU 7a	Subordinated debt	-	-	-	-	-	100.00%
EU 7b	Stocks	-	-	-	-	-	100.00%
8	Retail customers	-	-	-	-	-	100.00%
9	Exposures secured by mortgages on immovable property and Acquisition, Development and Construction (ADC) exposures	-	-	-	-	-	100.00%
9.1	Secured by mortgages on residential property - non-IPRE (Income-Producing Real Estate)	-	-	-	-	-	100.00%
9.2	Secured by mortgages on residential property - non-IPRE	-	-	-	-	-	100.00%
9.3	Secured by mortgages on commercial property - non-IPRE	-	-	-	-	-	100.00%
9.4	Secured by mortgages on commercial property - IPRE	-	-	-	-	-	100.00%
9.5	Acquisition, Development and Construction (ADC)	-	-	-	-	-	100.00%
10	Exposures in default	49	-	19	-	28	148.82%
EU 10a	Institutions and corporates with a short-term credit assessment	291	-	291	-	89	30.48%
EU 10b	Collective investment undertakings	-	-	-	-	-	100.00%
EU 10c	Other items	50	-	50	-	50	100.00%
12	**TOTAL**	**72,332**	**6,509**	**72,332**	**6,509**	**2,666**	**3.38%**

Credit risk mitigation (CRM) techniques

The main providers of personal collateral (guarantees) are sovereigns or local authorities. The following table provides an overview of the use of CRM techniques:

EU CR3 – OVERVIEW OF CRM TECHNIQUES: DISCLOSURE OF THE USE OF CRM TECHNIQUES

			Secured carrying amount			
		Unsecured carrying amount		Of which secured by collateral	Of which secured by financial guarantees	Of which secured by credit derivatives
€m		a	b	c	d	e
1	Loans and advances	50,823	11,952	-	11,952	-
2	Debt securities	9,561	-	-	-	
3	**TOTAL**	**60,384**	**11,952**	**-**	**11,952**	**-**
4	Of which non-performing exposures	27	31	-	31	-
EU-5	Of which defaulted	27	31	-	31	-

Other information

EU CR1-A: MATURITY OF EXPOSURES

		a	b	c	d	e	f
		Net risk exposure value *€m*					
		Sight accounts	≤ 1 year	> 1 year ≤ 5 years	> 5 years	No stated maturity	Total
1	Loans and advances	6	328	4,444	55,459	-	60,236
2	Debt securities	-	1,560	3,849	4,151	-	9,561
3	**TOTAL**	**6**	**1,888**	**8,293**	**59,611**	**-**	**69,797**

3

3.4.2 Counterparty risk

EU CCR1 - ANALYSIS OF CCR EXPOSURE BY APPROACH

		a	b	c	d	e	f	g	h
€m		Replacement cost (RC)	Potential future exposure (PFE)	Expected post-maturity exposure (EPEE)	Alpha factor used for calculating regulatory exposure value	Exposure value pre-CRM	Exposure value post-CRM	Exposure value	Risk-weighted exposure amount (RWEA)
EU-1	EU - original exposure method (for derivatives)	-	-		1.4	-	-	-	-
EU-2	EU – simplified SA-CCR (for derivatives)	-	-		1.4	-	-	-	-
1	SA-CCR (for derivatives)	542	223		1.4	1,594	1,070	1,069	49
2	IMM (for derivatives and SFTs)			-	-	-	-	-	-
2a	Of which securities financing transactions netting sets			-		-	-	-	-
2b	Of which derivative and long settlement transactions netting sets			-		-	-	-	-
2c	Of which from contractual cross-product netting sets			-		-	-	-	-
3	Financial collateral simple method (for SFTs)					-	-	-	-
4	Financial collateral comprehensive method (for SFTs)					1,438	30	30	8
5	VaR for SFTs					-	-	-	-
6	**TOTAL**					**3,033**	**1,101**	**1,100**	**56**

EU CCR3 – STANDARDIZED APPROACH – CCR EXPOSURES BY REGULATORY EXPOSURE CLASS AND RISK WEIGHTS

	Risk weight											
	a	b	c	d	e	f	g	h	i	j	k	l
Exposure classes *€m*	0%	2%	4%	10%	20%	50%	70%	75%	100%	150%	Others	**Total exposure value**
1 Central governments or central banks	906	-	-	-	-	-	-	-	-	-	-	906
2 Regional governments or local authorities	-	-	-	-	-	-	-	-	-	-	-	-
3 Public sector entities	-	-	-	-	-	-	-	-	-	-	-	-
4 Multilateral development banks	-	-	-	-	-	-	-	-	-	-	-	-
5 International organizations	-	-	-	-	-	-	-	-	-	-	-	-
6 Institutions	-	10	-	-	7	1	-	-	-	-	154	171
7 Corporates	-	-	-	-	-	-	-	-	-	-	-	-
8 Retail customers	-	-	-	-	-	-	-	-	-	-	-	-
9 Institutions and corporates with a short-term credit assessment	-	-	-	-	26	6	-	-	-	-	-	32
10 Other items	-	-	-	-	-	-	-	-	-	-	-	-
11 TOTAL EXPOSURE VALUE	**906**	**10**	**-**	**-**	**32**	**7**	**-**	**-**	**-**	**-**	**154**	**1,109**

EU CCR5 - COMPOSITION OF COLLATERAL FOR CCR EXPOSURES

	a	b	c	d	e	f	g	h
	Collateral used in derivative transactions				Collateral used in SFTs			
	Fair value of collateral received		Fair value of posted collateral		Fair value of collateral received		Fair value of posted collateral	
Collateral type *€m*	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated	Segregated	Unsegregated
1 Cash - domestic currency	-	112	-	308	-	7	-	-
2 Cash - other currencies	-	-	-	-	-	-	-	-
3 Domestic sovereign debt	-	-	-	-	-	-	-	864
4 Other sovereign debt	-	-	-	-	-	-	-	-
5 Government agency debt	-	-	-	-	-	-	-	-
6 Corporate bonds	-	-	-	-	-	-	-	-
7 Stocks	-	-	-	-	-	-	-	-
8 Other collateral	-	-	-	-	-	-	-	545
9 TOTAL	**-**	**112**	**-**	**308**	**-**	**7**	**-**	**1,409**

EU CCR8 - EXPOSURES TO CLEARING HOUSES WITH CENTRAL COUNTERPARTIES

€m		a Exposure value	b Risk-weighted exposure amount (RWEA)
1	**Exposures to qualifying central counterparties (total)**		**0**
2	Exposures for trades at qualifying CCPs (excluding initial margin and default fund contributions); of which	10	0
3	i) OTC derivatives	10	0
4	ii) Exchange-traded derivatives	-	-
5	iii) Securities financing transactions	-	-
6	iv) Netting sets where cross-product netting has been approved	-	-
7	Segregated initial margin	-	
8	Non-segregated initial margin	-	-
9	Prefunded default fund contributions	-	-
10	Unfunded default fund contributions	-	-
11	**Exposures to non-qualifying central counterparties (total)**		**-**
12	Exposures for trades at non-qualifying CCPs (excluding initial margin and default fund contributions); of which	-	-
13	i) OTC derivatives	-	-
14	ii) Exchange-traded derivatives	-	-
15	iii) Securities financing transactions	-	-
16	iv) Netting sets where cross-product netting has been approved	-	-
17	Segregated initial margin	-	
18	Non-segregated initial margin	-	-
19	Prefunded default fund contributions	-	-
20	Unfunded default fund contributions	-	-

3.4.3 Liquidity risk

In June 2026, the reserves amounted to €47.8bn. Their composition is detailed in the following table:

MOBILIZABLE ASSETS AS OF 30 JUNE 2026

€m	
Central bank deposits	2,501
High Quality Liquid Assets (HQLA) - exposures to credit institutions	2,666
High Quality Liquid Assets (HQLA) - excluding exposures to credit institutions	2,426
Other eligible securities available at the central bank	1,095
Eligible private loans with central banks	39,101
TOTAL LIQUIDITY RESERVES	**47,789**

Regulatory risk is governed by the following limits:

Ratio	Base	Regulatory limit	Ratio at 30 Jun 2026
Liquidity Coverage Ratio (LCR)	Consolidated	100%	2,014%
	Individual	100%	Infinite ratio
Net Stable Funding Ratio (NSFR)	Consolidated	100%	130.0%
	Individual	100%	122.0%

The following table presents details of the average values of the LCR ratio over 12 months:

EU LIQ1 – QUANTITATIVE INFORMATION ON THE LIQUIDITY COVERAGE RATIO (LCR)

Scope of consolidation: on a consolidated basis *€m*		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending:	30 June 2026	31 Mar 2026	31 Dec 2025	30 Sept. 2025	30 June 2026	31 Mar 2026	31 Dec 2025	30 Sept. 2025
EU 1b	Number of data points used in the calculation of averages	12	12	12	12	12	12	12	12
HIGH QUALITY LIQUID ASSETS (HQLA)									
1	**TOTAL HIGH QUALITY LIQUID ASSETS (HQLA)**					**4,906**	**5,024**	**4,771**	**4,676**
Cash outflows									
2	Retail deposits and deposits from small business customers, of which:	-	-	-	-	-	-	-	-
3	Stable deposits	-	-	-	-	-	-	-	-
4	Less stable deposits	-	-	-	-	-	-	-	-
5	Unsecured wholesale funding	849	771	468	377	849	771	468	377
6	Operational deposits (all counterparties) and deposits in networks of cooperative banks	-	-	-	-	-	-	-	-
7	Non-operational deposits (all counterparties)	-	-	-	-	-	-	-	-
8	Unsecured debt	849	771	468	377	849	771	468	377
9	Secured wholesale funding					25	13	0	-
10	Additional requirements	645	829	973	1,030	512	682	698	734
11	Outflows related to derivative exposures and other collateral requirements	310	281	271	277	310	281	271	277
12	Outflows related to loss of funding on debt products	187	384	397	424	187	384	397	424
13	Credit and liquidity facilities	149	164	305	329	15	16	31	33
14	Other contractual funding obligations	5	5	12	12	0	0	7	7
15	Other contingent funding obligations	-	-	-	-	-	-	-	-
16	Total cash outflows					1,386	1,465	1,174	1,118

Scope of consolidation: on a consolidated basis *€m*		a	b	c	d	e	f	g	h
		Total unweighted value (average)				Total weighted value (average)			
EU 1a	Quarter ending:	30 June 2026	31 Mar 2026	31 Dec 2025	30 Sept. 2025	30 June 2026	31 Mar 2026	31 Dec 2025	30 Sept. 2025
CASH INFLOWS									
17	Secured lending transactions (*e.g.* reverse repurchase agreements)	-	-	-	-	-	-	-	-
18	Inflows from fully performing exposures	633	636	597	593	400	400	375	373
19	Other cash inflows	422	320	220	233	420	319	218	233
EU-19a	(Difference between total weighted inflows and total weighted outflows arising from transactions in third countries where there are transfer restrictions or which are denominated in non-convertible currencies)					-	-	-	-
EU-19b	(Excess inflows from a related specialized credit institution)					-	-	-	-
20	Total cash inflows	1,055	956	817	826	819	719	593	606
EU-20a	Fully exempt inflows	-	-	-	-	-	-	-	-
EU-20b	Cash inflows subject to 90% cap	-	-	-	-	-	-	-	-
EU-20c	Cash inflows subject to 75% cap	1,055	956	817	826	819	719	593	606
TOTAL ADJUSTED VALUE									
EU-21	Liquidity buffer					4,906	5,024	4,771	4,676
22	**TOTAL NET CASH OUTFLOWS**					**686**	**827**	**601**	**527**
23	Liquidity coverage ratio					1,346.61%	1,327.57%	1,508.26%	1,515.17%

It should be noted that following the rejection of Q&A EBA 2022_6443, the classification of flows related to covered bonds has been modified compared to the Pillar 3 reports of 31 December 2024, 31 March 2025, 30 June 2025 and 30 September 2025. This change has no impact on the weighting of flows related to covered bonds and therefore on the value of the LCR.

Changes in the LCR are closely linked to the maturity of Sfil and Caffil's long-term financing within 30 days of the reference date. Outside the maturity periods of long-term issues, the LCR is high because disbursements are low and largely covered by the liquidity reserve.

The consolidated LCR at the end of June 2026 was 2,014%, and therefore remains well above the regulatory requirement, for each observation period.

EU LIQ2: NET STABLE FUNDING RATIO

As of 30 June 2026

		a	b	c	d	e
		Unweighted value by residual maturity				
(currency amount)		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
AVAILABLE STABLE FUNDING ITEMS						
1	**Capital items and instruments**	**1,508**	**-**	**-**	**-**	**1,508**
2	Equity	1,508	-	-	-	1,508
3	Other capital instruments	-	-	-	-	-
4	**Retail deposits**	**-**	**-**	**-**	**-**	**-**
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	-	-	-	-
7	**Wholesale funding:**	**-**	**2,716**	**4,594**	**63,523**	**65,819**
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	2,716	4,594	63,523	65,819
10	**Interdependent liabilities**	**-**	**-**	**-**	**-**	**-**
11	**Other liabilities:**	**103**	**-**	**-**	**104**	**104**
12	NSFR derivative liabilities	103				
13	All other liabilities and capital instruments not included in the above categories.	-	-	-	104	104
14	Total available stable funding	-				67,431
REQUIRED STABLE FUNDING ITEMS						
15	**Total High Quality Liquid Assets (HQLA)**	**-**				**404**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**	**-**	**-**	**606**	**53,393**	**45,899**
16	**Deposits held at other financial institutions for operational purposes**	**-**	**-**	**-**	**-**	**-**
17	**Performing loans and securities:**	**-**	**3,254**	**2,036**	**3,008**	**4,683**
18	Performing securities financing transactions with financial customers collateralized by Level 1 HQLA subject to 0% haircut.	-	-	-	-	-
19	Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions	-	0	-	44	44
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	2,786	1,703	2,776	4,078
21	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	2,749	1,677	2,628	3,921
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	-	-
24	Other loans and securities that are not in default and do not qualify as high quality liquid assets, including exchange-traded equities and trade finance on-balance sheet products	-	468	333	1,388	1,580
25	**Interdependent assets**	**-**	**-**	**-**	**-**	**-**
26	**Other assets:**	**-**	**4,594**	**3**	**506**	**567**
27	Physical traded commodities	-	-	-	-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	333	283
29	NSFR derivative assets	-	-	-	-	-
30	NSFR derivative liabilities before deduction of variation margin posted	-	2,090	-	-	104
31	All other assets not included in the above categories	-	2,505	3	173	180
32	**Off-balance sheet items**	**-**	**0**	**0**	**6,543**	**327**
33	**Total required stable funding**	**1,508**				**51,880**
34	**NET STABLE FUNDING RATIO**	**1,508**				**129.97%**

As of 31 March 2026

		a	b	c	d	e
		Unweighted value by residual maturity				
(currency amount)		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
AVAILABLE STABLE FUNDING ITEMS						
1	**Capital items and instruments**	**1,475**	**-**	**-**	**-**	**1,475**
2	Equity	1,475	-	-	-	1,475
3	Other capital instruments	-	-	-	-	-
4	**Retail deposits**	**-**	**-**	**-**	**-**	**-**
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	-	-	-	-
7	**Wholesale funding:**	**-**	**5,679**	**3,362**	**61,194**	**62,875**
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	5,679	3,362	61,194	62,875
10	**Interdependent liabilities**	**-**	**-**	**-**	**-**	**-**
11	**Other liabilities:**	**170**	**-**	**-**	**123**	**123**
12	NSFR derivative liabilities	170				
13	All other liabilities and capital instruments not included in the above categories.	-	-	-	123	123
14	Total available stable funding	-				64,473
REQUIRED STABLE FUNDING ITEMS						
15	**Total High Quality Liquid Assets (HQLA)**	**-**				**408**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**	**-**	**-**	**-**	**52,036**	**44,230**
16	**Deposits held at other financial institutions for operational purposes**	**-**	**-**	**-**	**-**	**-**
17	**Performing loans and securities:**	**-**	**2,877**	**2,954**	**4,398**	**5,869**
18	Performing securities financing transactions with financial customers collateralized by Level 1 HQLA subject to 0% haircut.	-	-	-	-	-
19	Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions	-	0	-	22	22
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	2,554	2,515	4,091	5,224
21	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	2,518	2,490	3,940	5,065
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	-	-
24	Other loans and securities that are not in default and do not qualify as high quality liquid assets, including exchange-traded equities and trade finance on-balance sheet products	-	323	438	1,564	1,710
25	**Interdependent assets**	**-**	**-**	**-**	**-**	**-**
26	**Other assets:**	**-**	**4,672**	**2**	**235**	**351**
27	Physical traded commodities	-			-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	51	43
29	NSFR derivative assets	-	-			-
30	NSFR derivative liabilities before deduction of variation margin posted	-	2,366			118
31	All other assets not included in the above categories	-	2,306	2	184	190
32	**Off-balance sheet items**	**-**	**-**	**0**	**6,654**	**333**
33	**Total required stable funding**	**1,475**				**51,191**
34	**NET STABLE FUNDING RATIO**	**1,475**				**125.94%**

As of 31 December 2025

		a	b	c	d	e
		Unweighted value by residual maturity				
(currency amount)		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
AVAILABLE STABLE FUNDING ITEMS						
1	**Capital items and instruments**	**1,490**	**-**	**-**	**-**	**1,490**
2	Equity	1,490	-	-	-	1,490
3	Other capital instruments	-	-	-	-	-
4	**Retail deposits**	**-**	**-**	**-**	**-**	**-**
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	-	-	-	-
7	**Wholesale funding:**	**-**	**7,035**	**498**	**61,240**	**61,490**
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	7,035	498	61,240	61,490
10	**Interdependent liabilities**	**-**	**-**	**-**	**-**	**-**
11	**Other liabilities:**	**109**	**-**	**-**	**118**	**118**
12	NSFR derivative liabilities	109				
13	All other liabilities and capital instruments not included in the above categories.	-	-	-	118	118
14	Total available stable funding	-				63,098
REQUIRED STABLE FUNDING ITEMS						
15	**Total High Quality Liquid Assets (HQLA)**	**-**				**401**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**	**-**	**-**	**-**	**53,096**	**45,132**
16	**Deposits held at other financial institutions for operational purposes**	**-**	**-**	**-**	**-**	**-**
17	**Performing loans and securities:**	**-**	**2,778**	**2,903**	**1,981**	**4,210**
18	Performing securities financing transactions with financial customers collateralized by Level 1 HQLA subject to 0% haircut.	-	-	-	-	-
19	Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions	-	0	0	38	38
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	2,571	2,433	1,757	3,675
21	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	2,547	2,400	1,602	3,514
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	-	-
24	Other loans and securities that are not in default and do not qualify as high quality liquid assets, including exchange-traded equities and trade finance on-balance sheet products	-	207	470	1,552	1,657
25	**Interdependent assets**	**-**	**-**	**-**	**-**	**-**
26	**Other assets:**	**-**	**4,487**	**1**	**232**	**335**
27	Physical traded commodities	-			-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	51	43
29	NSFR derivative assets	-	-			-
30	NSFR derivative liabilities before deduction of variation margin posted	-	2,102			105
31	All other assets not included in the above categories	-	2,385	1	181	187
32	**Off-balance sheet items**	**-**	**0**	**0**	**7,345**	**367**
33	**Total required stable funding**	**1,490**				**50,445**
34	**NET STABLE FUNDING RATIO**	**1,490**				**125.08%**

3

As of 30 September 2025

		a	b	c	d	e
		Unweighted value by residual maturity				
(currency amount)		No maturity	< 6 months	6 months to < 1 year	≥ 1 year	Weighted value
AVAILABLE STABLE FUNDING ITEMS						
1	**Capital items and instruments**	**1,463**	**-**	**-**	**-**	**1,463**
2	Equity	1,463	-	-	-	1,463
3	Other capital instruments	-	-	-	-	-
4	**Retail deposits**	**-**	**-**	**-**	**-**	**-**
5	Stable deposits	-	-	-	-	-
6	Less stable deposits	-	-	-	-	-
7	**Wholesale funding:**	**-**	**4,881**	**2,734**	**59,465**	**60,832**
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	4,881	2,734	59,465	60,832
10	**Interdependent liabilities**	**-**	**-**	**-**	**-**	**-**
11	**Other liabilities:**	**109**	**-**	**-**	**121**	**121**
12	NSFR derivative liabilities	109				
13	All other liabilities and capital instruments not included in the above categories.	-	-	-	121	121
14	Total available stable funding	-				62,416
REQUIRED STABLE FUNDING ITEMS						
15	**Total High Quality Liquid Assets (HQLA)**	**-**				**406**
EU-15a	**Assets encumbered for a residual maturity of one year or more in a cover pool**	**-**	**-**	**-**	**51,082**	**43,419**
16	**Deposits held at other financial institutions for operational purposes**	**-**	**-**	**-**	**-**	**-**
17	**Performing loans and securities:**	**-**	**2,926**	**2,503**	**3,773**	**5,239**
18	Performing securities financing transactions with financial customers collateralized by Level 1 HQLA subject to 0% haircut.	-	-	-	-	-
19	Performing securities financing transactions with financial customer collateralized by other assets and loans and advances to financial institutions	-	0	0	28	28
20	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, and PSEs, of which:	-	2,709	2,193	3,599	4,823
21	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	2,681	2,160	3,434	4,653
22	Performing residential mortgages, of which:	-	-	-	-	-
23	With a risk weight of less than or equal to 35% under the Basel II Standardized Approach for credit risk	-	-	-	-	-
24	Other loans and securities that are not in default and do not qualify as high quality liquid assets, including exchange-traded equities and trade finance on-balance sheet products	-	217	310	1,511	1,548
25	**Interdependent assets**	**-**	**-**	**-**	**-**	**-**
26	**Other assets:**	**-**	**3,087**	**7**	**350**	**464**
27	Physical traded commodities	-			-	-
28	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	51	43
29	NSFR derivative assets	-	-			-
30	NSFR derivative liabilities before deduction of variation margin posted	-	2,095			105
31	All other assets not included in the above categories	-	992	7	299	316
32	**Off-balance sheet items**	**-**	**-**	**-**	**8,134**	**407**
33	**Total required stable funding**	**1,463**				**49,935**
34	**NET STABLE FUNDING RATIO**	**1,463**				**124.99%**

3.4.4 Interest rate risk

As Sfil has no trading activity, interest rate risk is limited to "banking book" activities (IRRBB - Interest Rate Risk of the Banking Book). The following table presents the sensitivity indicators of economic value and net interest margin:

EU IRRBB1 – QUANTITATIVE INFORMATION ON INTEREST RATE RISK IN THE BANKING BOOK

	Sensitivity of the economic value of equity *€m*		Sensitivity of the net interest margin *€m*	
Regulatory scenarios	30 June 2026	31 Dec 2025	30 June 2026	31 Dec 2025
+200 basis points	(125)	(75)	6	7
-200 basis points	262	200	(8)	(10)
Steepening	(30)	(8)		
Flattening	62	45		
Short-term increase	7	7		
Short-term decrease	45	42		

3.4.5 Environmental, social and governance risks

Sfil has opted to apply the transitional provisions that the EBA proposed in its May 2025 consultation and reaffirmed in its no-action letter of August 2025, which make it possible to suspend the Green Asset Ratio (GAR) disclosure requirements until the amended Implementing Technical Standards (ITS) come into force.

ESG 1: BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK : CREDIT QUALITY OF EXPOSURES BY SECTOR, EMISSIONS AND RESIDUAL MATURITY

In accordance with Sfil's application of the transitional provisions provided for by the EBA and specified above, the information concerning the group's sustainable exposures from an environmental point of view (column c) has not been published.

The methodology for calculating financed emissions is detailed in section 5.2.1 *Climate change* in the chapter "Sustainability information" of the 2025 Annual Financial report.

		a	b	c	d	e
		Total gross carrying amount *€m*				
	Sector/sub-sector		Of which exposures to companies excluded from the EU Paris-aligned benchmarks in accordance with article 12, para. 1 (d) to (g) and article 12 para. 2 of Delegated Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures
1	Exposures to sectors that highly contribute to climate change [1]	6,601	-	-	897	3
2	**A – Agriculture, forestry and fishing**	**-**	**-**	**-**	**-**	**-**
3	**B – Mining and quarrying**	**92**	**-**	**-**	**-**	**-**
4	*B.05 – Mining of coal and lignite*	*-*	*-*	*-*	*-*	*-*
5	*B.06 - Extraction of crude petroleum and natural gas*	*92*	*-*	*-*	*-*	*-*
6	*B.07 – Mining of metal ores*	*-*	*-*	*-*	*-*	*-*
7	*B.08 – Other mining and quarrying*	*-*	*-*	*-*	*-*	*-*
8	*B.09 – Mining support services activities*	*-*	*-*	*-*	*-*	*-*
9	**C – Manufacturing**	**-**	**-**	**-**	**-**	**-**
10	*C.10 – Manufacture of food products*	*-*	*-*	*-*	*-*	*-*
11	*C.11 – Manufacture of beverages*	*-*	*-*	*-*	*-*	*-*
12	*C.12 – Manufacture of tobacco products*	*-*	*-*	*-*	*-*	*-*
13	*C.13 – Manufacture of textiles*	*-*	*-*	*-*	*-*	*-*
14	*C.14 – Manufacture of wearing apparel*	*-*	*-*	*-*	*-*	*-*
15	*C.15 – Manufacture of leather and related products*	*-*	*-*	*-*	*-*	*-*
16	*C.16 – Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials*	*-*	*-*	*-*	*-*	*-*
17	*C.17 – Manufacture of pulp, paper and paperboard*	*-*	*-*	*-*	*-*	*-*
18	*C.18 – Printing and service activities related to printing*	*-*	*-*	*-*	*-*	*-*
19	*C.19 – Manufacture of coke oven products*	*-*	*-*	*-*	*-*	*-*
20	*C.20 – Production of chemicals*	*-*	*-*	*-*	*-*	*-*
21	*C.21 – Manufacture of pharmaceutical preparations*	*-*	*-*	*-*	*-*	*-*
22	*C.22 – Manufacture of rubber products*	*-*	*-*	*-*	*-*	*-*
23	*C.23 – Manufacture of other non-metallic minerals products*	*-*	*-*	*-*	*-*	*-*

f	g	h	i	j	k	l	m	n	o	p
Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *€m*			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) *(in tonnes of CO_2 equivalent)*							
	Of which stage 2 exposures	Of which non-performing exposures		Of which stage 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
(5)	(4)	(0)	1	326,880	99%	266	3,697	2,144	493	14
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(0)	**-**	**-**	**0**	**101,276**	**100%**	**-**	**92**	**-**	**-**	**7**
-	-	-	-	-	-	-	-	-	-	-
(0)	*-*	*-*	*0*	*101,276*	*100%*	*-*	*92*	*-*	*-*	*7*
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-

		a	b	c	d	e
		Total gross carrying amount *€m*				
Sector/sub-sector			Of which exposures to companies excluded from the EU Paris-aligned benchmarks in accordance with article 12, para. 1 (d) to (g) and article 12 para. 2 of Delegated Regulation (EU) 2020/1818	Of which environmentally sustainable (CCM)	Of which stage 2 exposures	Of which non-performing exposures
24	*C.24 – Manufacture of basic metals*	-	-	-	-	-
25	*C.25 – Manufacture of fabricated metal products, except machinery and equipment*	-	-	-	-	-
26	*C.26 – Manufacture of computer, electronic and optical products*	-	-	-	-	-
27	*C.27 – Manufacture of electrical equipment*	-	-	-	-	-
28	*C.28 – Manufacture of machinery and equipment n.e.c.*	-	-	-	-	-
29	*C.29 – Manufacture of motor vehicles, trailers and semi-trailers*	-	-	-	-	-
30	*C.30 – Manufacture of other transport equipment*	-	-	-	-	-
31	*C.31 – Manufacture of furniture*	-	-	-	-	-
32	*C.32 – Other manufacturing*	-	-	-	-	-
33	*C.33 – Repair and installation of machinery and equipment*	-	-	-	-	-
34	**D – Electricity, gas, steam and air conditioning production and supply**	**866**	**-**	**-**	**435**	**-**
35	*D35.1 – Electric power generation, transmission and distribution*	*866*	-	-	*435*	-
36	*D35.11 – Production of electricity*	*758*	-	-	*327*	-
37	*D35.2 – Manufacture of gas; distribution of gaseous fuels through mains*	-	-	-	-	-
38	*D35.3 – Steam and air conditioning production and supply*	-	-	-	-	-
39	**E – Water supply; sewerage, waste management and remediation activities**	**-**	**-**	**-**	**-**	**-**
40	**F – Construction**	**22**	**-**	**-**	**-**	**3**
41	*F.41 – Construction of buildings*	*17*	-	-	-	*3*
42	*F.42 – Civil engineering*	-	-	-	-	-
43	*F.43 – Specialized construction activities*	*5*	-	-	-	-
44	**G – Wholesale and retail trade; repair of motor vehicles and motorcycles**	**-**	**-**	**-**	**-**	**-**
45	**H – Transportation and storage**	**4,951**	**-**	**-**	**386**	**-**
46	*H.49 – Land transport and transport via pipelines*	*596*	-	-	-	-
47	*H.50 – Water transport*	*4,311*	-	-	*386*	-
48	*H.51 – Air transport*	*45*	-	-	-	-
49	*H.52 – Warehousing and support activities for transportation*	-	-	-	-	-
50	*H.53 – Postal and courier activities*	-	-	-	-	-
51	**I – Accommodation and food service activities**	**-**	**-**	**-**	**-**	**-**
52	**L – Real estate activities**	**670**	**-**	**-**	**77**	**-**
53	Exposures to sectors other than those that highly contribute to climate change [(1)]	164	-	-	6	-
54	**K – Financial and insurance activities**	**10**	**-**	**-**	**-**	**-**
55	**Exposures to other sectors (NACE codes J, M - U)**	**154**	**-**	**-**	**6**	**-**
56	**TOTAL**	**6,765**	**-**	**-**	**903**	**3**

(1) In accordance with the Commission delegated regulation EU) 2020/1818 supplementing regulation (EU) 2016/1011 as regards minimum standards for EU Climate Transition Benchmarks and EU Paris-aligned Benchmarks - Climate Benchmark Standards Regulation - Recital 6: Sectors listed in Sections A to H and Section L of Annex I to Regulation (EC) 1893/2006

f	g	h	i	j	k	l	m	n	o	p
Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions *€m*			GHG financed emissions (scope 1, scope 2 and scope 3 emissions of the counterparty) *(in tonnes of CO_2 equivalent)*							
	Of which stage 2 exposures	Of which non-performing exposures		Of which stage 3 financed emissions	GHG emissions (column i): gross carrying amount percentage of the portfolio derived from company-specific reporting	≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
(2)	**(2)**	**-**	**0**	**0**	**100%**	**59**	**-**	**376**	**431**	**21**
(2)	*(2)*	*-*	*0*	*0*	*100%*	*59*	*-*	*376*	*431*	*21*
(1)	*(1)*	*-*	*0*	*0*	*100%*	*16*	*-*	*311*	*431*	*22*
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(0)	**-**	**(0)**	**-**	**-**	**-**	**7**	**13**	**2**	**-**	**7**
(0)	*-*	*(0)*	*-*	*-*	*-*	*2*	*13*	*2*	*-*	*8*
-	-	-	-	-	-	-	-	-	-	-
(0)	*-*	*-*	*-*	*-*	*-*	*5*	*-*	*-*	*-*	*2*
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(3)	**(2)**	**-**	**1**	**0**	**99%**	**102**	**3,365**	**1,484**	**-**	**9**
(0)	*-*	*-*	*0*	*0*	*95%*	*-*	*243*	*353*	*-*	*11*
(3)	*(2)*	*-*	*1*	*0*	*100%*	*102*	*3,078*	*1,131*	*-*	*9*
(0)	*-*	*-*	*0*	*0*	*100%*	*-*	*45*	*-*	*-*	*6*
-	-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-	-
-	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
(0)	**(0)**	**-**	**0**	**-**	**100%**	**98**	**227**	**283**	**63**	**11**
(0)	(0)	-	-	-	-	10	64	90	-	8
(0)	**-**	**-**	**-**	**-**	**-**	**10**	**-**	**-**	**-**	**2**
(0)	**(0)**	**-**	**-**	**-**	**-**	**-**	**64**	**90**	**-**	**9**
(6)	**(4)**	**(0)**	**1**	**0**	**99%**	**276**	**3,762**	**2,234**	**493**	**11**

ESG 2: BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK: LOANS COLLATERALIZED BY IMMOVABLE PROPERTY – ENERGY EFFICIENCY OF THE COLLATERAL

The real estate loans in Sfil's portfolio are not collateralized by underlying immovable property. These are loans granted to social housing organizations that have been guaranteed by French local authorities.

	a	b	c	d	e	f	g	h	i	j	k	l	m	n	o		p
	Total gross carrying amount *€m*																
	Level of energy efficiency (EP score in kWh/m² of collateral)							Level of energy efficiency (EPC label of collateral)							Without energy performance certificate label of collateral		
Counterparty sector		0; ≤ 100	> 100; ≤ 200	> 200; ≤ 300	> 300; ≤ 400	> 400; ≤ 500	> 500	A	B	C	D	E	F	G			Of which level of energy efficiency (energy performance score in kWh/m² of collateral) estimated
1 TOTAL EU	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2 Of which loans collateralized by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3 Of which loans collateralized by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 Of which collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5 Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 TOTAL NON-EU	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
7 Of which loans collateralized by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 Of which loans collateralized by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9 Of which collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

ESG 3: BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK ALIGNMENT METRICS

Sfil's exposures to non-financial counterparties in the maritime transport and electricity grid sectors are not included in the table below in the absence of a relevant sectorial trajectory for the International Energy Agency (IEA). They represented outstandings of €4.4bn as of 30 June 2026. Moreover, it should be noted that:

- Sfil has set targets for reducing the greenhouse gas emissions of its financing portfolios. Concerning the non-financial counterparties to which financing is granted as part of the export credit activity: Sfil excludes the financing of new projects in the coal, oil and gas sectors. The exposures currently in the portfolio will be extinguished by 2034;
- in terms of electricity production, Sfil is committed to refinancing only low-carbon energy projects (renewable or nuclear), and more selectively gas-fired power plants if they contribute to improving the carbon intensity of the energy mix in the destination country;
- Sfil aims to support the transition efforts of the shipping sector and in particular the cruise sub-sector, by financing the construction of less polluting and more low-carbon vessels. Within this framework, in 2025, the Group signed the Poseidon Principles, which provide a common framework for assessing and disclosing the climate alignment of shipping finance portfolios. In addition, the Poseidon Principles are in line with the policies and ambition of the International Maritime Organization (IMO), *i.e.* net zero by 2050 or around that date (with intermediate objectives in 2030 and in 2040).

Furthermore, with regard to French local authorities and public hospitals, which represent the bulk of Sfil's exposures (€45bn as of 30 June 2026), Sfil aims to reduce the carbon intensity of its portfolio to 76 gCo_2/€ by 2030, consistent with the SNBC, as detailed in section *5.2.1 Climate change* of the "Sustainability information" chapter in the 2025 Annual Financial Report.

	a	b	c	d	e	f
	Sector	NACE sectors	Gross carrying amount of the portfolio *€m*	Alignment metric	Year of reference	Distance to IEA NZE 2050 scenario
1	Power	Electricity, gas, steam and air conditioning supply	758	81 gCO_2e/kWh	2026	-59%
2	Fossil fuel combustion	Extraction of hydrocarbons	89	184 gCO_2e/kWh	2026	4%
3	Fossil fuel combustion	Distribution of gaseous fuels through mains	114	187 gCO_2e/kWh	2026	5%
4	Air transport	Passenger air transport	44	150 tCO_2e/million p.km	2026	77%

ESG 4 – BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE TRANSITION RISK

Sfil relied on the information published by the Climate Accountability Institute to identify any exposure to the 20 highest-emitting entities in the world. Sfil has no exposure to these counterparties.

	a	b	c	d	e
	Gross carrying amount (aggregate)	Gross carrying amount of the exposure to counterparties compared to total gross carrying amount (aggregate) (1)	Of which environmentally sustainable (CCM)	Weighted average maturity	Number of top 20 polluting firms included
1	-	-	-	-	-

(1) *For counterparties among the top 20 carbon emitting companies in the world.*

ESG 5 – BANKING BOOK – INDICATORS OF POTENTIAL CLIMATE CHANGE PHYSICAL RISK: EXPOSURES SUBJECT TO PHYSICAL RISK

Sfil has developed a dedicated methodology to rate climate-related physical risks on its French local public sector and export credit portfolios. This approach resulted in a rating assessing acute and chronic risks. The risk factors analyzed vary depending on the portfolio and data availability:

- French local public sector:
  - acute risks: forest fires, floods, earthquakes, cyclonic events, drought, heat waves;
  - chronic risks: loss of snow, clay shrinkage and swelling, coastal erosion, sea level rise.
- export credit:
  - acute risks: floods, drought, storms, extreme temperatures, heat and cold waves, forest fires;
  - chronic risks: rising temperatures.

The RCP 8.5 scenario (the most pessimistic) was used where possible. Exposures in the defense sector and portfolios in run-off mode are excluded from the scope of these tools. The table below shows the exposures to non-financial counterparties whose physical risk is deemed "high" or "very high".

a	b	c	d	e	f	g	h	i	j	k	l	m	n	o
	Total gross carrying amount *€m*													
	Of which exposures sensitive to impact from climate change physical events													
		Breakdown by maturity bucket										Accumulated impairment, accumulated negative changes in fair value due to credit risk and provisions		
Variable: Geographical area subject to climate change physical risk - acute and chronic events		≤ 5 years	> 5 years ≤ 10 years	> 10 years ≤ 20 years	> 20 years	Weighted average maturity	Of which exposures sensitive to impact from chronic climate change events	Of which exposures sensitive to impact from acute climate change events	Of which exposures sensitive to impact from both chronic and acute climate change events	Of which stage 2 exposures	Of which non-performing exposures		Of which stage 2 exposures	Of which non-performing exposures
1 A – Agriculture, forestry and fishing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2 B – Mining and quarrying	92	-	92	-	-	7	-	-	92	-	-	(0)	-	-
3 C – Manufacturing	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4 D – Electricity, gas, steam and air conditioning production and supply	866	-	-	-	-	-	-	-	-	-	-	-	-	-
5 E – Water supply; sewerage, waste management and remediation activities	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6 F – Construction	22	-	-	-	-	-	-	-	-	-	-	-	-	-
7 G – Wholesale and retail trade; repair of motor vehicles and motorcycles	-	-	-	-	-	-	-	-	-	-	-	-	-	-
8 H – Transportation and storage	4,951	-	161	-	-	8	-	-	161	-	-	(0)	-	-
9 L – Real estate activities	670	-	-	-	-	-	-	-	-	-	-	-	-	-
10 Loans collateralized by residential immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
11 Loans collateralized by commercial immovable property	-	-	-	-	-	-	-	-	-	-	-	-	-	-
12 Repossessed collaterals	-	-	-	-	-	-	-	-	-	-	-	-	-	-
13 Other exposures to non-financial counterparties	164	-	-	84	-	-	-	-	84	-	-	(0)	-	-
14 General governments	39,601	681	1,986	4,100	1,589	-	-	-	8,356	57	1	(0)	(0)	(0)

3.5 Cross-reference table of Pillar 3 requirements

CRR art.	Topic	Report section	Pages
447 and 438	Key metrics	3.1.1 Key figures	23 - 24
437, 438, 440, 451	Equity	3.3 Capital management and capital adequacy	26 - 37
442, 435, 444	Credit risk	3.4.1 Credit risk	38 - 49
439, 431, 453	Counterparty risk	3.4.2 Counterparty risk	50 - 52
451a, 435	Liquidity risk	3.4.3 Liquidity risk	52 - 58
448(1)	Interest rate risk	3.4.4 Interest rate risk	59
449 a	ESG risks	3.4.5 ESG risks	60 - 66

4. Consolidated financial statements

4.1 Financial statements

4.1.1 Assets

€m	*Note*	**30 Jun 2026**	31 Dec 2025
Central banks		2,501	2,380
Financial Assets at fair value through profit or loss	4.1	1,373	1,448
Hedging derivatives		1,977	2,172
Financial Assets at fair value through equity	4.3	-	-
Financial Assets at amortized cost			
Loans and advances to banks at amortized cost	4.5	43	38
Loans and advances to customers at amortized cost	4.5	58,870	57,177
Securities at amortized cost	4.5	9,561	9,402
Fair value revaluation of portfolio hedge		(101)	(91)
Current tax assets		1	9
Deferred tax assets		52	51
Tangible assets		27	28
Intangible assets		20	19
Accruals and other assets		1,815	1,710
TOTAL ASSETS		**76,139**	**74,344**

4.1.2 Liabilities

€m	*Note*	**30 Jun 2026**	31 Dec 2025
Central banks		-	-
Financial liabilities at fair value through profit or loss	4.1	74	79
Hedging derivatives		3,375	3,570
Financial liabilities at amortized cost			
Due to banks at amortized cost	4.5	1,401	-
Customer borrowings and deposits at amortized cost	4.5	-	-
Debt securities at amortized cost	4.5	69,419	68,753
Fair value revaluation of portfolio hedge		13	20
Current tax liabilities		4	2
Deferred tax liabilities		0	-
Accruals and other liabilities		210	221
Provisions	8.1	13	13
Subordinated debt		-	-
Equity		**1,630**	**1,685**
Capital		1,445	1,445
Reserves and retained earnings		196	172
Net result through equity		(34)	(29)
Net income		24	96
TOTAL LIABILITIES		**76,139**	**74,344**

4.1.3 Income Statement

€m	*Note*	**1H26**	2025	1H25
Interest income	4.6	2,458	4,602	2,338
Interest expense	4.6	(2,360)	(4,404)	(2,239)
Fee and commission income	5	2	5	2
Fee and commission expense	5	(2)	(4)	(2)
Net result of financial instruments at fair value though profit or loss	4.2	4	51	26
Net result of financial instruments at fair value though equity	4.3	-	-	-
Gains or losses resulting from derecognition of financial instruments at amortized cost	4.9	2	5	2
Gains or losses resulting from reclassification of financial assets at amortized cost to fair value through profit or loss		-	-	-
Gains or losses resulting from reclassification of financial assets at fair value through equity to fair value through profit or loss		-	-	-
Other income		0	0	0
Other expense		(0)	(0)	(0)
Net banking income		**103**	**254**	**129**
Operating expenses	6.2	(55)	(107)	(57)
Depreciation and amortization of property and equipment and intangible assets	8.2	(7)	(13)	(6)
Gross operating income		**41**	**133**	**65**
Cost of risk	4.7.3	1	4	2
Operating income		**42**	**137**	**67**
Net gains (losses) on other assets		-	-	-
Income before tax		**42**	**137**	**67**
Income tax	7.1	(18)	(41)	(24)
NET INCOME		**24**	**96**	**43**
EARNINGS PER SHARE €				
• basic		2.55	10.37	4.63
• diluted		2.55	10.37	4.63

4.1.4 Net income and unrealized or deferred gains and losses through equity

€m	1H26	2025	1H25
NET INCOME	**24**	**96**	**43**
Items that may subsequently be reclassified through profit or loss	**(6)**	**37**	**21**
Unrealized or deferred gains and losses of financial assets at fair value through equity	-	-	-
Unrealized or deferred gains and losses of cash flow hedges derivatives	(0)	(0)	(0)
Unrealized or deferred gains and losses of cost of hedging derivatives	(8)	51	28
Tax on items that may subsequently be reclassified through profit or loss	2	(13)	(7)
Items that may not be reclassified through profit or loss	**-**	**0**	**-**
Actuarial gains and losses on defined-benefit plans	-	0	-
Tax on items that may not subsequently be reclassified through profit or loss	-	(0)	-
TOTAL UNREALIZED GAINS OR LOSSES THROUGH EQUITY	**(6)**	**38**	**21**
NET INCOME AND GAINS OR LOSSES THROUGH EQUITY	**18**	**134**	**64**

4.1.5 Equity

	Capital and reserves			Unrealized or deferred gains and losses					
€m	Share capital, additional paid-in capital	Retained earnings and net income for the period	Total	Remeasurement gains (losses) related to post-employment benefit plans, after tax	Net change in fair value of financial assets at fair value through equity, after tax	Net change in fair value of cash flow hedging derivatives, after tax	Net change in fair value of cost of hedging derivatives, after tax	**Total**	**Total equity**
EQUITY AS OF 1 JAN 2025	**1,445**	**224**	**1,669**	**0**	**-**	**0**	**(67)**	**(67)**	**1,602**
Stocks issued	-	-	-	-	-	-	-	-	-
Dividends	-	(52)	(52)	-	-	-	-	-	(52)
Changes in fair value of financial assets through equity	-	-	-	-	-	-	-	-	-
Changes in fair value of derivatives through equity	-	-	-	-	-	(0)	37	37	37
Net income for the period	-	96	96	-	-	-	-	-	96
Other movements	-	-	-	0	-	-	-	0	0
EQUITY AS OF 31 DEC 2025	**1,445**	**268**	**1,713**	**1**	**-**	**0**	**(29)**	**(29)**	**1,685**
Stocks issued	-	-	-	-	-	-	-	-	-
Dividends	-	(72)	(72)	-	-	-	-	-	(72)
Changes in fair value of financial assets through equity	-	-	-	-	-	-	-	-	-
Changes in fair value of derivatives through equity	-	-	-	-	-	(0)	(6)	(6)	(6)
Net income for the period	-	24	24	-	-	-	-	-	24
Other movements	-	-	-	-	-	-	-	-	-
EQUITY AS OF 30 JUN 2026	**1,445**	**220**	**1,665**	**1**	**-**	**-**	**(35)**	**(34)**	**1,630**

4.1.6 Cash flow statement

€m	**1H26**	1H25
NET INCOME BEFORE TAX	**42**	**67**
+/- Net depreciation and amortization of tangible and intangible fixed assets	7	6
+/- Depreciation and write-downs	(1)	(3)
+/- Expense/income from investing activities	-	-
+/- Expense/income from financing activities	-	-
+/- Other non-cash items	(148)	(241)
= Non-monetary items included in net income before tax and other adjustments	**(142)**	**(238)**
+/- Cash from interbank operations	75	(350)
+/- Cash from customer operations	(1,601)	(1,065)
+/- Cash from financing assets and liabilities	(285)	(533)
+/- Cash from not financing assets and liabilities	(10)	(10)
- Income tax paid	(25)	(76)
= Decrease/(increase) in cash from operating activities	**(1,847)**	**(2,034)**
CASH FLOW FROM OPERATING ACTIVITIES (A)	**(1,947)**	**(2,205)**
CASH FLOW FROM INVESTING ACTIVITIES (B)	**(6)**	**(7)**
+/- Cash from or for shareholders	(72)	(52)
+/- Other cash from financing activities	2,152	2,575
CASH FLOW FROM FINANCING ACTIVITIES (C)	**2,080**	**2,523**
EFFECT OF CHANGES IN EXCHANGE RATES ON CASH (D)	**-**	**-**
INCREASE/(DECREASE) IN CASH EQUIVALENTS (A + B + C + D)	**126**	**311**
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	**2,418**	**2,063**
Cash and balances with central banks (assets & liabilities)	2,380	2,016
Interbank accounts (assets & liabilities) and loans/sight deposits	38	47
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	**2,544**	**2,374**
Cash and balances with central banks (assets & liabilities)	2,500	2,343
Interbank accounts (assets & liabilities) and loans/sight deposits	44	31
CHANGE IN NET CASH	**126**	**311**

4.2 Notes to the financial statements

Note 1 Accounting and valuation policies

1.1 Introduction

This report presents the financial statements of Sfil, a public limited company with a board of directors, registered in France and headquartered at 112-114, avenue Émile Zola, 75015 Paris.

Sfil is a credit institution whose shares, with the exception of one (held by the French Republic), are owned by the Caisse des Dépôts et Consignations, located at 56 Rue de Lille, 75007 Paris.

Applicable benchmark

The Group produces its consolidated condensed financial statements in compliance with IAS 34 Interim financial reporting; they were subject to a limited review by the Statutory Auditors. The accompanying notes relate to the interim significant items and should be read in conjunction with the consolidated financial statements as of 31 December 2025. They have been prepared in compliance with International Financial Reporting Standards (IFRS), as endorsed by and applicable within the European Union; they were audited by the Statutory Auditors. The Group's activities do not show any seasonal, cyclical or occasional aspects.

The consolidated condensed financial statements are furthermore in accordance with ANC Recommendation 2022-01 of 8 April 2022 regarding disclosure of consolidated financial statements for banking reporting entities under IFRS. The financial statements are prepared on a going concern basis. The financial statements are presented in millions of euros, unless otherwise stated.

Information about closing

The consolidated condensed financial statements for the period from 1 January 2026 to 30 June 2026 were approved by the Board of directors on 9 September 2026.

1.2 IASB and IFRIC texts endorsed by the European Union and effective as of 1 January 2026

The amendments to IFRS 7 and IFRS 9 "Classification and Measurement of Financial Instruments" were published by the IASB in May 2024 and endorsed by the European Union on 27 May 2025 (EU regulation no. 2025/1047). They are mandatory for annual periods beginning on or after 1 January 2026, and specify three topics:

- they specify the classification of financial assets, particularly those with contingent characteristics (whether ESG-related or not). When the nature of the contingent event is not directly linked to a change in the risks or cost base of the loan, an additional SPPI test must be performed to determine whether or not the contingent contractual flows differ significantly from those of an identical asset without a clause;
- they clarify the derecognition of a financial liability settled by electronic transfer, notably by allowing an entity to consider a financial liability that will be settled by means of an electronic payment system to be discharged before the settlement date if the following criteria are met: there is no possibility of withdrawing, interrupting or cancelling the payment instruction, no possibility of accessing the amount used for settlement following the payment instruction, and if the settlement risk associated with the electronic payment system is insignificant;
- lastly, they specify the disclosures to be made concerning investments made in equity instruments designated at fair value through other comprehensive income, as well as on contractual conditions likely to modify the timing or amount of contractual cash flows.

The amendments to IFRS 9 and IFRS 7 Standards « Contracts Referencing Electricity Generated from Natural Sources » (Regulation EU No. 2025/1266 of 30 June 2025) and which are mandatory for annual periods beginning on or after 1 January 2026 apply exclusively to contracts referencing electricity generated from natural sources and exposing the entity to variability in the underlying quantity of electricity. These contracts include both purchase or sale agreements for electricity generated from natural sources and financial instruments referencing this type of electricity. The affected contracts can be settled:

- through physical delivery of the purchased or sold electricity: « power purchase agreement » (« PPA »);
- through net cash settlement for the difference between the contract price and the market price: « virtual power purchase agreement » (« VPPA »).

These amendments clarify the conditions for applying the « own use » exemption, allowing « PPA » contracts to be excluded from the scope of IFRS 9. They also specify the application methods for hedge accounting for « VPPA » contracts. Finally, they introduce disclosure requirements regarding these two types of contracts to provide an understanding of their effects on the entity's financial performance and future cash flows.

The Group is not affected by this amendment.

1.3 IASB and IFRIC texts endorsed by the European Union or in the process of being endorsed but not yet applicable as of 1 January 2026

The IFRS 18 "Presentation and Disclosures in Financial Statements" standard was published by the IASB in April 2024 and endorsed by the European Union on 13 February 2026. It is mandatory for annual periods beginning on or after 1 January 2027, with the option of earlier application. This standard introduces three new types of requirements aimed at improving the presentation of financial performance information provided by companies, so that investors have a better basis for analysis and comparison of companies. These requirements primarily include:

- a new structure for the income statement and mandatory subtotals, with the classification of income and expenses into three categories: "operating," "investing," and "financing" within the income statement;
- disclosures in the notes of performance measures defined by management and used in communication outside of the IFRS financial statements.

The Group is currently working to determine the impact of this standard on its financial statements.

1.4 Use of estimates and judgments

The preparation of financial information requires management to make estimates and assumptions that affect the amounts reported. In order to make these assumptions and estimates, management uses the information available at the date of financial statement preparation and exercises its judgment. While management believes it has considered all available information when making these assumptions, actual results may differ from such estimates and differences may have a significant impact on the financial statements.

Judgments were principally made in the following areas:

- classification of financial instruments;
- determination of the occurrence of a significant increase in credit risk since initial recognition;
- determination of whether or not there is an active market for financial instruments measured at fair value;
- hedge accounting;
- existence of a present obligation with probable outflows in the event of litigation.

These judgments are detailed in the following chapters.

Estimates were principally made in the following areas:

- determination of fair value for financial instruments measured at fair value;
- assessment of the amount of expected credit losses, in particular in the framework of the definition of macroeconomic scenarios used;
- estimates of future taxable profits for the recognition and measurement of deferred tax assets.

Estimates and judgement are also used to estimate climate and environmental risks. Governance and commitments on these risks are outlined in the chapter 5 "Sustainabilty information" of the 2025 Annual Financial Report. Information on the effect and consideration of climate risks on credit risk management is presented in paragraph 4.7 Impairment of financial assets. The accounting treatment of major financial instruments with margin clauses indexed to ESG (Sustainability-linked loans) criteria is presented in paragraph 4.5 Loans, receivables, and securities at amortized cost.

Note 2 Consolidation

The consolidated financial statements of the Group include all entities under its control. Controlled entities are fully consolidated.

The Group controls a subsidiary when the following conditions are all met:

- it has the power over the relevant activities of the entity, through voting rights or other rights;
- it is exposed to or has rights to variable returns from its involvement with the entity;
- it has the ability to use its power over the entity to affect the amount of those returns.

The analysis of the level of control is reviewed when a change occurs in one of these criteria. Subsidiaries are consolidated on the date the Group gains control. All intra-group transactions and balances, including unrealized gains or losses resulting from intra-group transactions, are eliminated on consolidation.

The scope of consolidation as of 30 June 2026 is the same as that as of 31 December 2025 and includes only the Caisse Française de Financement Local (Caffil), which is 100% owned by Sfil.

Note 3 Foreign currency transactions

Foreign currency transactions are accounted for using the exchange rate prevailing on the transaction date.

Financial assets denominated in a foreign currency and measured at fair value through other comprehensive income are accounted for as monetary items under IFRS 9: the exchange difference resulting from the adjustment of the amortized cost of these assets is recognized in profit or loss, while further adjustments of the carrying amount (except the loss allowance for expected credit losses: see below) are recognized in equity.

The Group holds no non-monetary asset or liability denominated in a foreign currency as of 30 June 2026.

Note 4 Financial instruments

Trade date and settlement date accounting

All purchases and sales of financial assets are recognized on settlement date, which is the date that a financial asset is received or delivered by one company of the Group. Derivative instruments are recognized at fair value on the transaction date.

Financial assets

When the Group becomes party to the contractual provisions of a financial asset, the latter is classified under one of the three categories instituted by IFRS 9 (amortized cost, fair value through profit or loss, and fair value through other comprehensive income), depending on the business model it is held within on the one hand and the characteristics of its contractual cash flows on the other hand.

Business model

The inclusion of Group's financial assets within business models is assessed at a level that reflects how groups of financial assets are managed together to achieve Group's business objectives, which are:

- financing the French local public sector (local authorities, public hospitals, public institutions, and *sui generis* public entities or exposures guaranteed by them) through the acquisition of medium/long-run loans granted by La Banque Postale or Banque des Territoires;
- financing export credit contracts covered by export credit agencies of the European Union or multilateral lenders;
- in run-off, reducing the sensitivity of remaining sensitive structured loans held by the Group.

This assessment implies most of the time the use of judgment and relies on facts, circumstances and, generally speaking, all relevant evidence that is available for the Group at the date of the assessment. These relevant evidences can be broken down into two categories:

- qualitative evidence: how the performance of the business model and the financial assets held within that business model are evaluated and reported to the Group's key management personnel, the risks that affect the performance of the business model and the financial assets held within that business model and, in particular, the way in which those risks are managed, how managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected);
- quantitative evidence: the frequency, value and timing of sales in prior reporting periods, the reasons for those sales and expectations about future sales activity.

It can be inferred from this assessment that the Group only uses the collect model and, marginally, the collect and sell model for certain securities acquired by the Group to invest surplus cash. The Group does not hold any financial assets for trading purposes, i.e. the Group does not acquire, incur or hold financial assets for the purpose of realizing a net gain through selling or repurchasing them iin the near future.

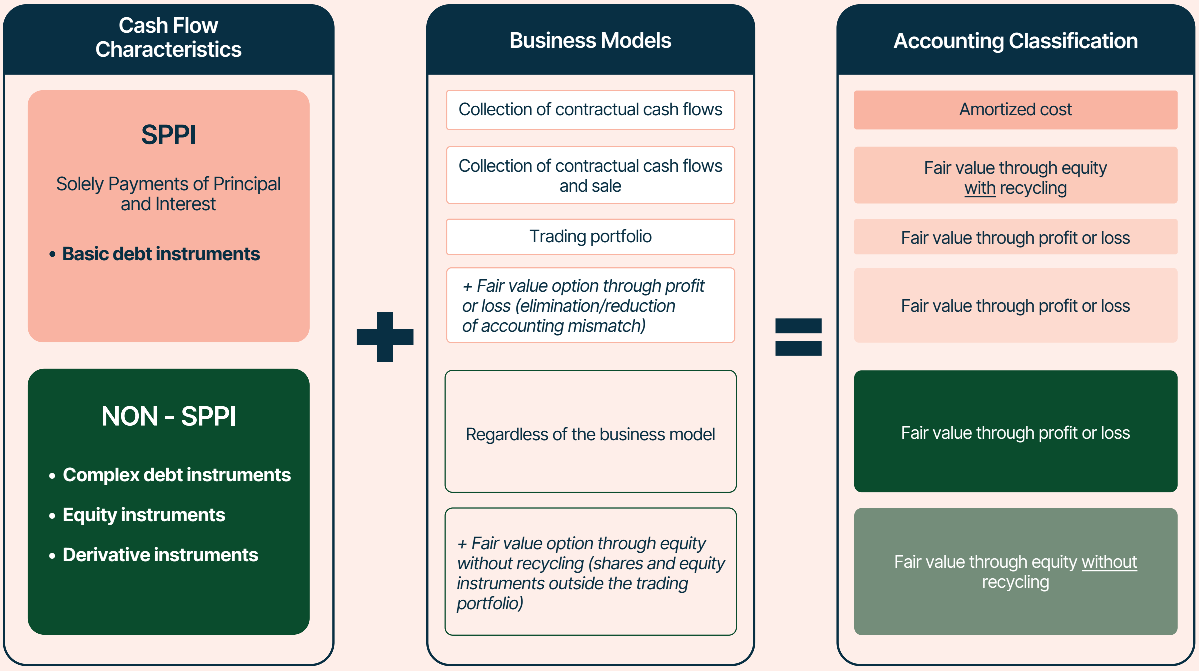
Characteristics of contractual cash flows (SPPI criterion)

The SPPI (Solely Payments of Principal and Interests) criterion test is intended to assess whether the contractual cash flows of a financial asset are consistent with the ones of a basic lending agreement, i.e. payment of principal and interest on that outstanding principal. Separately from the legal form of the asset and the nature of its rate (fixed or variable), this is the case when the contractual cash flows comprise only a compensation for the time value of money, a compensation for the credit risk derived from the outstanding principal for a given time period, if applicable a compensation for other basic lending risks (e.g. liquidity risk) and costs (e.g. administrative costs) associated with holding the asset for a given period of time, plus if applicable a margin.

Most of the time a qualitative analysis is sufficient to determine whether the asset is SPPI compliant or not. Sometimes, an additional quantitative analysis is necessary: it intends to compare the contractual cash flows of the financial asset considered with the ones of a benchmark asset. If the gap assessed through this comparison is not material, the asset is assimilated to a basic lending agreement.

4

SUMMARY OF FINANCIAL ASSET CLASSIFICATION



Fair value through profit or loss option

A financial asset meeting the SPPI criterion that is not held for trading purposes can be designated, upon initial recognition, to be measured at fair value through profit or loss if this designation eliminates or significantly reduces accounting mismatches between the respective accounting treatments of related financial assets and liabilities (accounting mismatch).

The Group does not make use of this option.

Fair value through other comprehensive income option

Financial instruments classified at fair value through other comprehensive income on option represent a specific category of financial assets for which the entity chooses, at the time of initial recognition, to record changes in fair value directly in equity. This option, provided by IFRS 9, primarily applies to equity instruments not held for trading purposes. This category is considered "non-recyclable," meaning that unrealized gains or losses recognized in other comprehensive income are never reclassified to net income, even upon disposal of the instrument.

Financial liabilities

Financial liabilities are classified into one of the following two categories:

- financial liabilities at fair value through profit or loss, which are either held for trading purposes or voluntarily classified in this category upon initial recognition under the option provided by IFRS 9. By default, this category also includes derivative instruments that are not designated as part of a hedging relationship;
- debts, which encompass other non-derivative financial liabilities and are measured at amortized cost.

Derivatives instruments

The Group has decided to apply the provisions of IFRS 9 for hedge accounting from 1 January 2022. In accordance with paragraph 6.1.3 of IFRS 9, IFRS 9 applies prospectively from that date to all the Group's micro-hedging relationships. Macro-hedging relationships continue to be recognized in accordance with the provisions of IAS 39, in compliance with the provisions of European Commission regulation 2086/2004 amending IAS 39 (IAS 39 "carve out"). Moreover, the Group discloses the financial information on hedge accounting that is required under IFRS 7 as amended by IFRS 9.

All derivatives are initially recognized on the balance sheet at fair value and then are revalued at their fair value. The fair value of derivatives is calculated either on the basis of prices observed in listed markets or by using internal valuation models.

The amount registered on the balance sheet includes the premium paid or received after amortization, the amount of changes in fair value and accrued interest, which together make up the fair value of the derivative. Derivative instruments are recognized as assets if their fair value is positive and as liabilities if it is negative.

Derivatives not documented in a hedging relationship

The Group enters into derivative contracts for the unique purpose of hedging its exposures to interest rate or foreign exchange positions. However, some derivatives must be measured at fair value through profit or loss at closing date. They are:

- the ones which failed hedge effectiveness tests at closing date;
- the ones which hedge financial assets that are measured at fair value through profit or loss. It comprises mainly the financial assets that are not compliant with the SPPI criterion. In this case, the revaluation of the derivative hedges natively the revaluation of the hedged risk of the hedged item.

Both realized and unrealized gains and losses on these derivatives, measured at fair value through profit or loss at closing date, are recognized in profit or loss within the net banking income.

Derivatives documented in a hedging relationship

Hedging derivatives can be classified as either:

- hedges of the fair value of a recognized asset or liability or a firm commitment (fair value hedge); or
- hedges of a future cash flows that might eventually impact the future profit or loss and that is attributable to a recognized asset or liability or a forecast and highly probable future transaction (cash flow hedge).

Hedge accounting may be used for such derivatives, provided certain criteria are met:

- the hedging relationship only includes qualifying hedging instruments and qualifying hedged items;
- the hedging relationship is formally designated at inception and documented in a structured manner that describes: the hedging strategy, the entity's risk management objective, the hedging instrument, the item being hedged, the nature of the risk being hedged, and how the entity assesses the effectiveness of the hedge;
- the hedging relationship meets all of the following hedge effectiveness constraints that together constitute the prospective effectiveness test:
  - there is an economic relationship between the hedged item and the hedging instrument,
  - the effect of the credit risk is not predominant over the changes in value that result from the economic link,
  - there is no lack of balance in the used hedge ratio that would create hedge ineffectiveness;
- concerning cash-flow hedges, the forecast transaction that constitutes the hedged item must be highly probable and involve exposure to a variability in cash flows that could ultimately affect net income.

Changes in the fair value of derivatives that are designated and documented in a fair value hedging relationship, and that respect the criteria set out above, are recognized in profit or loss, along with the corresponding change in fair value of the hedged items that are attributable to that specific hedged risk.

Regarding notably structured financial instruments, the existence of a perfect hedge with a derivative, and the documentation of the associated hedging relationship, have the effect of reevaluating the hedged risk of the financial instrument, in parallel with the revaluation of the hedging derivative.

The effective portion of the changes in the fair value of derivatives that are designated and documented in a cash flow hedging relationship and that respect the criteria set out above, is recognized in equity. The non-efficient portion of the changes in the fair value of the derivatives is recognized in profit or loss. Considering that hedged items are financial instruments or futures transactions, amounts deferred in equity are recycled to profit or loss and classified as income or expense when the hedged items affect the profit or loss.

In addition, the component of the change in fair value for hedging derivatives corresponding to the basis spread (if any) is, in accordance with the option offered by IFRS 9, initially recognized in other comprehensive income. As the basis spread of the hedged items is linked to a series of future transactions, the amounts recorded in equity are reclassified in net income and classified as income or expense when the hedged items affect net income.

If at any time the hedge no longer meets the criteria for hedge accounting, one of the following accounting treatments shall be applied:

- in the case of a fair value hedge, the portion attributable to the hedged risk of the adjustment to the carrying amount of a hedged interest-bearing financial instrument is amortized to profit or loss over the residual maturity of the hedged item by adjusting the effective interest rate on the hedged item;
- in the case of a cash flow hedge, the amounts deferred in equity during the previous reporting periods, i.e. the effective portion of the changes in the fair value of derivatives, are maintained in equity until the derecognition or the extinguishment of the hedged item. They are recycled to profit or loss when or as the item formerly hedged impacts profit or loss.

Hedging of the interest rate risk of a portfolio

The Group uses the provisions of IAS 39 as adopted by the European Union (IAS 39 carve out) because it better reflects the way the Group manages its financial instruments.

The objective of hedging relationships is to reduce the interest rate risk exposure stemming from certain categories of assets or liabilities designated as the hedged items.

The Group performs a comprehensive analysis of its interest rate risk exposure. It consists in assessing fixed-rate exposure generated by all fixed-rate balance sheet items. The Group selects financial assets and liabilities to be included in the hedge of the portfolio's interest rate risk exposure. The same methodology is constantly applied to select financial assets and liabilities that are included in the portfolio. Financial assets and liabilities are classified by time-buckets. Hence, when they are removed from the portfolio, they must be removed from all time-buckets on which they have an impact.

The Group chose to put together homogeneous portfolios of loans and portfolios of bonds. Based on this gap analysis, which is realized on a net basis, the Group defines at inception of the contract the risk exposure to be hedged, the length of time-buckets and the testing method and frequency.

Most of macro-hedging instruments used by the Group are plain-vanilla interest rate swaps designated at inception within a fair value hedge of fixed-rate resources or expenses. Hedge effectiveness is assessed through the use of target schedules. Prospective (realized at inception then monthly) and retrospective (realized monthly) effectiveness tests are intended to ensure there is no "over" hedging: they are successful if, for each time-bucket of the target schedule, the nominal amount of hedged items is superior to the notional amount of hedging derivatives.

Hedging instruments are made up of a portfolio of derivatives, in which positions may be offset. Hedging items are recognized at fair value (including accrued interest expense or income) with fair value adjustments recognized in profit or loss.

Revaluation related to the hedged risk is recognized on the balance sheet (respectively in asset or liability depending on whether the groups of hedged items are assets or liabilities) as fair value revaluation of portfolio hedge with fair value adjustments recognized in profit or loss.

4.1 Financial assets and liabilities measured at fair value through profit or loss

4.1.1 Financial assets measured at fair value through profit or loss

A financial asset which does not belong to any of the two categories "Amortized cost" or "Fair value through other comprehensive income" and is classified and subsequently measured at fair value through profit or loss. This category is mainly composed of financial assets that are not SPPI compliant.

At initial recognition, the Group recognizes a financial asset belonging to this category at fair value, including, if applicable, any premium/discount and excluding transaction costs. Subsequently, the unrealized gains or losses stemming from the variation of the fair value of this asset are recognized in profit or loss as net banking income within the line item "Net gains or losses on financial instruments at fair value through profit or loss".

In accordance with the principles stated under ANC Recommendation 2022-01 issued on 8 April 2022, the Group decided to recognize separately:

- the fair value variations excluding accrued interest within the "Net gains or losses on financial instruments at fair value through profit or loss" line of net banking income;
- due and accrued interest in the net interest margin.

ANALYSIS BY NATURE

€m	**30 Jun 2026**	31 Dec 2025
Loans and advances to customers	1,362	1,440
Non-hedging derivatives[(1)]	11	9
TOTAL	**1,373**	**1,448**

(1) *The Sfil Group is only authorized to enter into derivative transactions for hedging purposes. However, as certain hedging derivatives do not meet all the conditions required by IFRS to be classified as hedging instruments for accounting purposes, they are classified as derivative instruments at fair value through profit or loss.*

Furthermore, as from 1 January 2018 and the entry into force of IFRS 9, derivatives used to hedge assets reclassified as assets measured at fair value through profit or loss can no longer be classified as hedging instruments for accounting purposes. They are therefore now allocated to this category.

ANALYSIS OF LOANS AND ADVANCES TO CUSTOMERS ANALYSIS BY COUNTERPARTY

€m	**30 Jun 2026**	31 Dec 2025
Public sector	1,207	1,280
Other – guaranteed by a State or local government	155	159
TOTAL	**1,362**	**1,440**

4.1.2 Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss are measured at their fair value both at initial recognition and at the reporting date. Changes in fair value during the period, calculated excluding accrued interest, are recorded under the line item "Net gains or losses on financial instruments at fair value through profit or loss".

€m	**30 Jun 2026**	31 Dec 2025
Non-hedging derivatives[1]	74	79
TOTAL	**74**	**79**

(1) The Sfil Group is only authorized to enter into derivative transactions for hedging purposes. However, as certain hedging derivatives do not meet all the conditions required by IFRS to be classified as hedging instruments for accounting purposes, they are classified as derivative instruments at fair value through profit or loss.
Furthermore, as from 1 January 2018 and the entry into force of IFRS 9, derivatives used to hedge assets reclassified as assets measured at fair value through profit or loss can no longer be classified as hedging instruments for accounting purposes. They are therefore now allocated to this category.

4.2 Derivative financial instruments

All interest received and paid on the assets, liabilities and derivatives is recognized as net interest income, as required under IFRS. Consequently, the net gains or losses on hedging operations merely include the change in the clean value of the derivatives and the re-valuation of the assets and liabilities registered in relation to the hedge.

€m	**1H26**	1H25
Net result on financial assets or liabilities at fair value through profit or loss[1]	6	29
Net result of hedge accounting	(2)	(3)
Net result of foreign exchange transactions	(0)	1
TOTAL	**4**	**26**

(1) The net result on financial instruments at fair value through profit or loss primarily corresponds to the credit valuation adjustment of loans not meeting the SPPI criteria in accordance with IFRS 9. Thus, the change in credit valuation is linked both to the progressive amortization of the portfolio and to the evolution of the index used as a reference, in line with the internal valuation methodology.

The net result of hedge accounting is detailed below by type of hedge.

€m	**1H26**	1H25
FAIR VALUE HEDGES	**1**	**(6)**
Fair value changes in the hedged item attributable to the hedged risk	(6)	(56)
Fair value changes in the hedging derivatives	7	50
CASH FLOW HEDGES	**-**	**-**
Fair value changes in the hedging derivatives – ineffective portion	-	-
Discontinuation of cash flow hedge accounting (Cash flows no longer expected to occur)	-	-
PORTFOLIO HEDGE	**(1)**	**5**
Fair value changes in the hedged item	22	(163)
Fair value changes in the hedging derivatives	(23)	169
CVA/DVA IMPACT	**(2)**	**(3)**
TOTAL	**(2)**	**(3)**

4.3 Financial Instruments at fair value through other comprehensive income

A financial asset is classified and subsequently measured at fair value through other comprehensive income if it is compliant with both of the two following conditions:

- this financial asset is held within a business model, whose objective is both to collect the contractual cash flows and to sell financial assets (collect and sale model);
- contractual provisions of this asset result, at specified dates, in cash flows which embed only the repayment of principal and interest on the outstanding principal (SPPI criterion).

At initial recognition, the Group recognizes a financial asset belonging to this category at fair value, including, if applicable, any premium/discount and transaction costs. Subsequently, the unrealized gains or losses stemming from the variation of the fair value of this asset are recognized as other comprehensive income in equity, except an amount corresponding to the loss allowance for expected credit losses, which is recognized in profit or loss as cost of risk.

Due and accrued interest on loans and fixed income securities belonging to this category as well as the amortization of premium/discount and transaction costs, calculated using the effective interest rate method (see above), are recognized in the net interest margin.

As of 30 June 2026, Sfil does not hold any assets recognized at fair value through other comprehensive income.

4.4 Fair value of financial instruments at fair value through profit or loss or comprehensive income

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal market, or in its absence, the most advantageous market the Group has access to on that date. The fair value of a liability reflects its non-performance risk, which includes in particular the Group's own credit risk.

Market prices are used to determine fair value where an active market exists. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on a going concern basis. Active market prices are not, however, available for a significant number of the financial assets and liabilities held or issued by the Group.

If a financial instrument is not listed on an active market, valuation techniques are used. Valuation techniques include the use of market data from recent arm's length transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same if any, and valuation models.

A valuation model reflects what the transaction price would have been on the measurement date in current market conditions. The valuation model incorporates all the factors that market participants would consider when pricing the instrument; for example modifications in the credit risk quality of the underlying financial instruments as well as instrument and market liquidity. Within this framework, the Group uses its own valuation models and market assumptions, i.e. present value of cash flows or any other techniques based on market conditions existing at closing date.

Non-derivative financial assets measured at fair value, either through other comprehensive income or through profit or loss, and derivative instruments are measured at fair value by reference to listed market prices when available. When listed market prices are not available, fair value is estimated on the basis of valuation models or discounted cash flows method, using as much as possible observable, and if necessary non-observable market data.

For non-derivative financial assets measured at fair value and for derivative instruments, when listed prices are not available, the pricing model attempts to reflect as accurately as possible the market conditions on the valuation date as well as any changes in the credit quality of these financial instruments and the market liquidity.

To determine the fair value of its derivatives, the Group uses different discount curves depending on whether collateral was actually exchanged. Future cash flows from collateralized derivatives are discounted using an OIS-based curve or an €STER curve for centrally cleared derivatives for which the discounting index has transitioned in the year 2020. In contrast, future cash flows from uncollateralized derivatives are discounted using an Euribor-based curve. This differential treatment reflects the different financing costs associated with the derivatives used (FVA – funding valuation adjustment). As a reminder, Caisse Française de Financement Local does not pay any collateral to its derivative counterparties if they benefit from the legal privilege on assets, on an equal footing with legal holders of covered bonds.

In addition, a value adjustment is included in the fair value of derivatives to reflect the impact of counterparty's credit risk (CVA – credit valuation adjustment) or the Group's own credit risk (DVA – debit valuation adjustment). Value adjustment allows switching from a fair value based on cash flows discounted at risk-free rate, *i.e.* without considering credit risk, into a fair value including this risk. Its calculation is based on the risk exposures combined with loss rates including market parameters.

4.4.1 Methods used to determine the fair value of financial instruments

The fair value of a financial instrument is determined on the basis of prices that can be observed in the market for the instrument itself or for a comparable instrument, or with the help of a technical evaluation utilizing observable market data. A hierarchy of the methods used to establish fair value has been drawn up. It is composed of the following three levels:

- level 1 corresponds to the instruments considered to be liquid, i.e. that their valuation is based on the price observed in a liquid market, for which Sfil assured itself of the existence of a large number of contributors. Level 1 securities include in particular certain government bonds;
- level 2 uses another method to determine the value of instruments for which Sfil cannot observe market prices, but observes such for similar instruments by the same issuer or guarantor listed in the market. In this case, observable prices and other data observable in the market are used and an adjustment is made to account for the degree of the security's illiquidity;
- in level 3, when there is no active market or observable market data, the fair value of instruments is determined by using a valuation spread developed from an internal model. Level 3 Hedging derivatives are valued using these internal models.

The measurement of derivatives is based on an analysis combining the observability of the market data used in the assessment and the robustness of the valuation models measured in terms of efficiency to provide a valuation in market consensus. The result of this application is that the derivatives used by Sfil group in hedging its activities are primarily of level 2.

For the derivatives in level 3, this classification mainly involves hybrid, structured products (interest rate – foreign exchange), spread (correlation) products and options on interest rates. This classification is mainly due to the fact that these products present complex payoffs which require an advanced statistical model with variable parameters which are sometimes unable to be seen in the market.

ANALYSIS BY LEVELS

	30 Jun 2026			
Fair value of financial assets *€m*	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets at fair value through profit or loss	-	10	1,363	1,373
Hedging derivatives	-	1,977	-	1,977
Financial assets at fair value through equity	-	-	-	-
TOTAL	**-**	**1,987**	**1,363**	**3,350**

	31 Dec 2025			
Fair value of financial assets *€m*	Level 1	Level 2	Level 3	Total
Financial assets at fair value through profit or loss	-	8	1,441	1,448
Hedging derivatives	-	2,172	0	2,172
Financial assets at fair value through equity	-	-	-	-
TOTAL	**-**	**2,180**	**1,441**	**3,621**

	30 Jun 2026			
Fair value of financial liabilities *€m*	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial liabilities at fair value through profit or loss	-	67	7	74
Hedging derivatives	-	3,350	26	3,375
TOTAL	**-**	**3,416**	**33**	**3,449**

	31 Dec 2025			
Fair value of financial liabilities *€m*	Level 1	Level 2	Level 3	Total
Financial liabilities at fair value through profit or loss	-	70	9	79
Hedging derivatives	-	3,538	32	3,570
TOTAL	**-**	**3,608**	**41**	**3,649**

4.4.2 Sensitivity of the market value of level 3 financial instruments to changes in reasonably possible hypotheses

The following table gives a synthetic view of financial instruments in level 3 for which changes in hypotheses concerning one or more non-observable parameters would cause a significant change in market value. These amounts illustrate the interval of uncertainty inherent in the recourse to judgment in estimating parameters of level 3 or in the choice of valuation techniques and models. They reflect the uncertainty of valuation which is effective at the date of valuation. Although this uncertainty essentially results from the sensitivity of the portfolio at the date of valuation, it does not make it possible to foresee or to deduct future variations in the market value any more than they represent the effect of extreme market conditions on the value of the portfolio. To estimate sensitivity, Sfil either values financial instruments using reasonably possible parameters or applies hypotheses based on its policy of additional valuation adjustments.

€m	**30 Jun 2026**	31 Dec 2025
Uncertainty inherent in level 3 market parameters	1	0
Uncertainty inherent in level 3 derivatives valuation models	2	2
SENSITIVITY OF THE MARKET VALUE OF LEVEL 3 FINANCIAL INSTRUMENTS	**2**	**2**

TRANSFER BETWEEN LEVEL 1 AND 2

€m	**30 Jun 2026**	31 Dec 2026
Level 1 to level 2	-	-
Level 2 to level 1	-	-

4.5 Loans, receivables, and securities at amortized cost

Financial assets measured at amortized cost

A financial asset is classified and subsequently measured at amortized cost if it is compliant with both of the two following conditions:

- this financial asset is held within a business model whose objective is to hold financial assets in the purpose of collecting contractual cash flows (collect model);
- contractual provisions of this asset result, at specified dates, in cash flows which embed only the repayment of principal and interest on the outstanding principal (SPPI criterion).

The Group has granted its first impact loans on a limited basis to support companies in their sustainability efforts through an incentive mechanism to revise the margin based on ESG criteria specific to the borrower or to its achievement of sustainable objectives (Sustainability-linked loans). The analysis of these loans basic lending arrangements since they met this *de minimis* character as well as the other SPPI criteria.

At initial recognition, the Group recognizes a financial asset belonging to this category at fair value, including, if applicable, any premium/discount and transaction costs. Subsequently, the financial asset is measured at amortized cost, which corresponds to its carrying amount at initial recognition minus repaid principal, plus or minus as appropriate the amortization of the premium/discount and transaction costs calculated using the effective interest rate method and taking into account any loss allowance for expected credit losses. The latter reduces the carrying amount of the financial asset with an offsetting entry to the profit or loss as cost of risk.

Due and accrued interest on loans and fixed income securities belonging to this category as well as the amortization of premium/discount and transaction costs, calculated using the effective interest rate method, are recognized in the net interest margin.

The effective interest rate is the rate that accurately discounts the expected future cash flows over the expected life of the financial instrument or, where more appropriate, a shorter period, to obtain the gross carrying amount of the financial instrument or, if the underlying instrument is a purchased or originated credit-impaired financial asset or has been subsequently impaired (see below), its net carrying amount (which takes into account in particular the loss allowance for expected credit losses). The calculation of this rate takes into account the commissions received or paid by the parties which, because of their nature, form an integral part of the effective rate of the contract, possible premiums and discounts and transaction costs. Transaction costs are incremental costs that are directly attributable to the acquisition of a financial instrument and are used for the calculation of the effective interest rate. An incremental cost is one that would not have been incurred if the entity had not acquired the financial instrument.

Financial liabilities measured at amortized cost

Financial liabilities at amortized cost are mainly *obligations foncières* and other resources that benefit from the privilege defined in article L.513-11 of the Monetary and Financial Code. Financial liabilities at amortized cost also include long-term unsecured issues and certificates of deposit issued by Sfil.

At initial recognition, the Group recognizes a financial liability belonging to this category at fair value, which is its nominal value including, if applicable, any reimbursement and issue premiums and transaction costs (mainly fees and commissions on bond issues). Subsequently, the financial liability is measured at amortized cost, which corresponds to its carrying amount at initial recognition plus or minus as appropriate the amortization of premiums and transaction costs calculated using the effective interest rate method.

Due and accrued interest on financial liabilities belonging to this category as well as the amortization of premiums and transaction costs calculated using the effective interest rate method, 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 *Note 3, "Currency translation of transactions denominated in foreign currency"*).

4.5.1 Financial assets at amortized cost

	30 Jun 2026	31 Dec 2025
€m	**Net carrying amount**	Net carrying amount
Sight accounts	38	33
Securities received under repurchase agreements	-	-
Credit institutions	5	5
Loans and advances to banks at amortized cost	**43**	**38**
Public sector	52,265	50,638
Non-financial institutions	6,605	6,539
Loans and advances to customers at amortized cost	**58,870**	**57,177**
Public sector	5,526	5,539
Credit institutions	4,035	3,863
Non-financial institutions	-	-
Bonds at amortized cost	**9,561**	**9,402**
TOTAL	**68,474**	**66,617**

4.5.2 Financial liabilities at amortized cost

€m	**30 Jun 2026**	31 Dec 2025
Sight accounts	-	-
Securities sold under repurchase agreements	1,401	-
Term deposits	-	-
Sub-total due to credit institutions at amortized cost	**1,401**	**-**
Certificates of deposit[1]	548	581
Euro medium term notes[1]	14,656	14,282
Obligations foncières	48,361	47,737
Registered covered bonds	5,854	6,153
Sub-total debt securities at amortized cost	**69,419**	**68,753**
TOTAL	**70,819**	**68,753**

(1) *Unlike obligations foncières and registered covered bonds, these bonds do not benefit from the legal privilege.*

4.6 Interest income and expense

Sfil group presents interest calculated using the effective interest rate method on financial instruments measured at amortized cost or at market value through equity under the headings "Interest income" and "Interest expense".

These headings also include interest income and expense on financial instruments recognized at fair value through profit or loss because they do not meet the SPPI criterion due to the fact that the cash flows received do not consist solely of principal and interest payments. However, the change in value calculated excluding accrued interest on these financial instruments at fair value through profit or loss is recorded under the line item "Net result on financial instruments at fair value through profit or loss" (see *Note 4.2.2, "Net result on financial instruments at fair value through profit or loss"*).

Interest income and expense on hedging derivatives are included with the revenue generated by the associated hedged items. Meanwhile, certain derivatives not classified as hedging instruments for accounting purposes are held as economic hedges of financial instruments carried at fair value through profit or loss; the interest income and expense on these hedging derivatives are included in the headings recording the interest on these financial instruments.

For all interest-bearing instruments, interest income and expense are recognized in profit or loss using the effective interest rate method (see above).

Accrued interest is recognized on the balance sheet under the same item as the related financial assets or liabilities.

	1H26			1H25		
€m	**Income**	**Expense**	**Net**	Income	Expense	Net
Loans/loans with credit institutions	-	-	-	-	-	-
Loans/loans with customers	27	-	27	29	-	29
Derivatives outside the hedging relationship	18	(26)	(8)	27	(31)	(4)
FINANCIAL ASSETS AND LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS	**45**	**(26)**	**19**	**56**	**(31)**	**25**
Hedging derivatives	1,531	(1,574)	(43)	1,434	(1,565)	(131)
HEDGING DERIVATIVES	**1,531**	**(1,574)**	**(43)**	**1,434**	**(1,565)**	**(131)**
Securities	-	-	-	-	-	-
FINANCIAL ASSETS AT FAIR VALUE THROUGH EQUITY	**-**	**-**	**-**	**-**	**-**	**-**
Central bank accounts	23	(0)	23	40	(0)	40
Accounts and loans with credit institutions[(1)]	30	(30)	-	36	(25)	10
Accounts and loans with customers[(1)]	684	(0)	684	635	-	635
Securities	145	(730)	(585)	138	(617)	(480)
Other	-	-	-	-	-	-
FINANCIAL ASSETS AND LIABILITIES AT AMORTIZED COST	**881**	**(760)**	**122**	**848**	**(642)**	**206**
TOTAL	**2,458**	**(2,360)**	**97**	**2,338**	**(2,239)**	**100**

(1) *Interest income and interest expense measured using the effective interest rate method amounted to €881m and -€760m, respectively, as of 30 June 2026, and €848m and -€642m as of 30 June 2025.*

As of 30 June 2025 and 30 June 2026, negative interest paid on financial instruments recognized as assets and received on financial instruments recognized as liabilities was zero.

4.7 Impairment of financial assets

Defining the impairment base

A loss allowance for expected credit losses is calculated for all financial assets measured at amortized cost or at fair value through the item Other comprehensive income. At each closing date, they are broken down into three stages:

- stage 1: credit risk on the financial asset has not increased significantly since its initial recognition;
- stage 2: credit risk on the financial asset has increased significantly since its initial recognition;
- stage 3: the asset has defaulted.

At each closing date, the loss allowance for expected credit losses of a financial asset is measured as:

- the amount corresponding to the expected credit losses during the next 12 months for stage 1 assets;
- the amount corresponding to the expected credit losses to maturity for stage 2 and stage 3 assets.

No loss allowance is recognized at initial recognition for purchased or originated credit-impaired financial assets. Interest income generated by these assets is determined using an effective interest rate that embeds expected credit losses. Subsequently, the loss allowance recognized on these assets corresponds to the accumulated variations of lifetime expected credit losses from initial recognition. The Group does not primarily intend to purchase or originate purchased or originated credit-impaired financial assets.

Assessing whether credit risk has significantly increased

The assessment of credit risk increase is performed on an individual basis: the Group does not use the collective basis approach. The objective of the assessment is to compare the default risk at closing date with its default risk at the date of initial recognition. This assessment takes into consideration all reasonable and supportable information that is relevant and that is available for the Group without incurring undue cost or making undue effort, in particular qualitative and quantitative information on past events (use of historic metrics), on current economic environment and on expectations on future economic environment (forward-looking information). In practice, the assessment of credit risk increase is realized at counterparty level:

- either through the comparison of the probability of default (PD) at maturity (weighted average PD of the forward-looking scenarios) with the PD at initial recognition;
- or through the characterization of risk levels (ratings coming from internal rating systems) year-to-year migrations towards risk levels regarded as risky (higher historic default rates).

The contracts of a counterparty are classified in stage 3 when the counterparty is in one or other of the following situations:

- it is in "default" within the meaning of the CRR because it is unlikely to pay (UTP): it is probable that the counterparty will not repay all or part of its debt, without taking any guarantees into account, if applicable;
- it presents an arrear in payment past due of more than 90 days, irrespective of whether this counterparty is or is not in "default" within the meaning of the CRR.

The contracts of a counterparty in one or the other of the situations previously described are also considered as non-performing exposures from a prudential perspective. On the perimeter being broken down into stages, the accounting base of stage 3 is therefore larger than the one of the "defaults" within the meaning of the CRR and is broadly in line with the one of non-performing exposures, with just one significant difference: counterparties already in forbearance and to which a new forbearance has been granted and/or an incident of payment past due of between 31 and 90 days has occurred.

The contracts of a counterparty in this situation are considered as non-performing exposures from a prudential perspective but remain classified in stage 2 from an accounting perspective (see below). The contracts of a counterparty are classified in stage 2 when, without however being in one or the other of the situations in stage 3 (see above), the counterparty is in one or the other of the following situations characterizing a significant increase in credit risk:

- it is followed by the Watchlist Committee, due to an increase in its credit risk, or it is in forbearance, which means that the Group has refrained the enforcement of its rights towards counterparty facing financial difficulties;
- it presents arrears in payment past due of strictly between 31 and 90 days;
- its rating presents one of the following characteristics: it has become non-investment grade (internal rating inferior or equal to BB+), it has no internal rating, it has experimented or is to experiment a rating migration regarded as risky in the forward-looking scenarios. The rating migrations regarded as risky have been assessed on the basis of a statistical analysis using historical data and complemented by the use of expert judgment.

If none of the situations detailed above has occurred, the significant increase in credit risk is not characterized and the contracts of the counterparty remain classified in stage 1.

Stages transitions must be compliant with the following rules:

- for the contracts of a counterparty in "default", exiting from stage 3 and "default" (and getting back to stage 2 or stage 1) can only occur after a cure period. It ensures that no default triggers remain (qualifying arrears or UTP characteristics) and that payments have resumed on a regular basis in accordance with the contract. This period represents a minimum duration of three months. During the probation period, the counterparty is still considered as being in "default" within the meaning of the CRR and the contracts of this counterparty remain classified in stage 3. Exit must in addition be formally decided in Default Committee. It shall be noted that this cure period is not applicable to the contracts of a counterparty that was in stage 3 without simultaneously being in "default" in the meaning of the CRR;
- for the contracts in forbearance, exiting from stage 2 or as appropriate stage 3 (and getting back to stage 1) can only occur after a cure period of at least two years which starts from the date when the forbearance had been granted if the counterparty was not in "default" within the meaning of the CRR or from the date of exit from "default" if it was.

Measuring of amount of the expected credit loss

The loss allowance recognized on the contract is equal to the average of expected credit losses of each of the scenarios weighted by their respective probability of occurrence. For the material portfolios, the definition of scenarios integrates a forward-looking dimension, which consists in projecting macroeconomic and financial variables and assessing their impacts. These scenarios are built upon either projections realized by the credit risk direction, or quantitative studies.

For the Group's various portfolios (excluding French public hospitals), the main hypothesis as well as the scenarios and their weighting are presented below. The hypothesis of these scenarios are updated annually. Forecasts for 2026–2028 are based on three scenarios derived from the macroeconomic projections of the central scenario developed by the economists of the Caisse des Dépôts Group, updated in October 2025, and supplemented, for the segment related to the local public sector, with estimates from the research department of La Banque Postale published in September 2025.

The most significant variables used in determining credit losses (inflation rate, GDP growth, 10-year OAT rates) for each scenario are detailed below:

Baseline scenario *(data in %)*	**2026**	**2027**	**2028**
Inflation	1.5	1.8	1.9
Growth in GDP World	3.2	3.1	3.1
Growth in GDP France	0.8	0.9	1.0
OAT 10 years	3.6	3.5	3.4

Favorable scenario *(data in %)*	**2026**	**2027**	**2028**
Inflation	1.4	1.6	1.7
Growth in GDP World	3.4	3.5	3.4
Growth in GDP France	1.2	1.5	1.4
OAT 10 years	3.4	3.3	3.2

Adverse scenario *(data in %)*	**2026**	**2027**	**2028**
Inflation	5.5	4.0	3.5
Growth in GDP World	0.9	1.5	1.5
Growth in GDP France	-1.5	0.0	0.5
OAT 10 years	6.0	5.5	5.5

The three macroeconomic scenarios are defined with a three-year projection horizon. They correspond to:

- a central scenario (weighted at 60%), which is based on persistent political uncertainty in France and a fragmented international context marked by geopolitical risks and ecological transition. In France, the lack of political coalitions and challenges in managing the deficit weigh on household and business confidence, slowing growth. Internationally, U.S. monetary policy remains restrictive, leading to higher interest rates, which also affect financing conditions in Europe. Disinflation is stronger than expected, but the medium-term risk of inflation persists. The labor market remains uncertain, consumption is cautious, and financial and real estate markets are impacted by this climate of uncertainty. This scenario is adopted as a prudent basis for the Group's projections.

  For local authorities, general assumptions for indexing the main operating and investment revenue and expenditure aggregates are applied based on La Banque Postale's forecasts. In terms of investments, the effects of the electoral cycle of the municipal sector are taken into account (increased investments at the end of the cycle and reduced investments at the beginning of the cycle). Developed prior to the vote on the 2026 Finance Act, the central scenario notably incorporates the increase in employer contribution rates to the National Pension Fund for Local Government Employees. It also assumes a freeze on operating grants and tax compensations paid by the State to local authorities.

  Regarding investments, the scenario weakly integrates the climate challenges faced by local authorities in terms of transitioning to a decarbonized economy and physical risks. The amount of additional investments (€1bn per year starting in 2025) is significantly lower than the €11bn estimated by I4CE in its study "Local Authorities: Investment and Engineering Needs for Carbon Neutrality." The decline in climate-related investments is also partly attributed to the reduction in funds allocated to the Green Fund, foreseen in the 2025 Finance Act which was confirmed by the 2026 Finance Act. Lastly, the reduction in gross savings would also limit investment amounts or postpone them, particularly in 2026;

- a favorable scenario (weighted at 15%), which assumes a relative dissipation of uncertainty in France and a more favorable international environment. Increased economic confidence supports activity recovery, while internationally, tensions over U.S. tariffs remain contained. U.S. inflation continues to slow, allowing the Fed to lower its policy rates, leading to a drop in long-term interest rates in the U.S. and Europe. This monetary easing, coupled with dynamic U.S. oil production, limits inflationary pressures in France. In China, supportive policies further bolster global demand. Overall, French growth benefits from this favorable context, employment improves, and unemployment declines.

  For local authorities, this scenario is based on more favorable macroeconomic data, with some budgetary components indexed: indexing State grants at 50% of inflation (instead of a freeze in the central scenario), slightly milder growth in personnel costs, and less stringent investment expenditure efforts compared to the central scenario.

  For local authorities, this scenario is based on more favorable macroeconomic data. It includes the indexation of certain budgetary components: indexation of state grants at 50% of inflation (instead of a freeze as in the central scenario); slightly more moderate growth in personnel expenses; and a reduced effort on investment expenditures compared to the central scenario.

- an unfavorable scenario (weighted at 25%), which forecasts a deterioration in GDP compared to the central scenario due to health, geopolitical, financial, or cyclical issues, with a sharp decline in equity markets and interest rates in the first year. Financial market recovery remains moderate, unemployment rises, and demand stays weak. This scenario is designed to test the resilience of the Group's financial activities in an adverse context.

  For local authorities, operating revenues are impacted by the continuation of deductions from local authority revenues, as outlined in the Finance Bill. An assumption of frozen investment in nominal terms is also adopted, considering the contraction in savings. Additionally, the electoral cycle effect leads to reduced investment starting in 2026.

The impact of a change in the weighting between the three scenarios on the amount of expected credit losses can be considered very limited, as is the consideration of investment and adaptation expenditures related to the climate transition by local authorities. As an illustration, as of 30 June 2026, the table below presents the amount of expected credit losses recognized (€45.2m), as well as the unweighted expected credit loss for each of the three scenarios. The relative weights of each scenario used are also specified.

Scenarios	Weight[1]	Unweighted expected credit loss *€m*	Weighted expected credit loss *€m*
Baseline	60%	**44.4**	
Adverse	25%	**47.8**	**45.2**
Favorable	15%	**44.0**	

(1) The weightings vary slightly for portfolios other than local authorities.

4

For the contracts classified in stage 1 or stage 2, the expected credit losses equal the present value of the product of three parameters discounted at the original effective interest rate of the contract: the probability of default (PD), the exposure at default (EAD) and the loss given default (LGD), respectively on a one-year horizon for the contracts classified in stage 1 and on the residual lifetime horizon for the contracts classified in stage 2. The three parameters depend on the scenario and the year considered. The Group has capitalized on the framework of calculation of these parameters under Basel regulation and has introduced adjustments to comply with specific provisions of IFRS 9. This approach has resulted in the definition of IFRS 9 specific models for each material portfolio. More precisely, specific models have been developed to calculate PD and LGD for local authorities and inter-municipal grouping with own-source tax revenue, given that this portfolio is the most material for the Group. These calculations have been performed by taking the following steps:

- a migration through-the-cycle matrix is built upon available historical data;
- it is then distorted to derive point in time PD as well as migration point in time matrix;
- the latter is used in the scenarios, taking into account forward-looking information.

For the contracts classified in stage 3, the expected credit losses are computed according to two different methodologies depending on the type of counterparty:

- as regards local authorities and inter-municipal grouping with own-source tax revenue, the methodology is the same as for stages 1 and 2. PD is set at 100% (recognized default) and a "Default" LGD model has been developed;
- as regards other counterparties, the expected credit losses equal the loss at maturity, *i.e.* the difference between the sequence of cash flows contractually due to the Group and the sequence of cash flows that the Group expects to recover, both discounted at the original effective interest rate. Depending on the materiality of the contract, the cash flows that the Group expects to recover are calculated either through individual simulations performed by the credit risk division or through standard recovery scenarios using predefined management rules. These flows are, if applicable, net of any flows derived from realizing securities which form an integral part of contractual provisions.

At each closing date, the classification in stages and the loss allowances for expected credit losses are subject to analysis and are validated by the impairment committee prior to their accounting. Besides, back testing procedures have been set up to annually monitor the efficiency of the framework of expected credit losses calculation under IFRS 9; they encompass data quality, portfolio structure and expectations quality.

Recognizing the impairment

Positive and negative variations of the amount of the loss allowance for expected credit losses are recognized in cost of risk.

When an asset is determined by management as being irrecoverable, it is derecognized (see below): the loss allowance for expected credit losses is reversed and the net loss is recognized in profit or loss as cost of risk. Subsequent recoveries, if any, are also recognized in cost of risk.

Regarding loan commitments, the followings must be distinguished:

- loan commitments measured at fair value through profit or loss: they are fully in the scope of IFRS 9. Therefore, they are not impaired for expected credit losses but valued and their valuation is recognized on the asset side;
- other loan commitments: they are in the scope of the provisions of IFRS 9 related to derecognition and impairment only. Therefore, loss allowances for expected credit losses related to these commitments are measured and recognized the same way as the ones related to financial assets measured at amortized cost or fair value through other comprehensive income. The assessment of whether credit risk has significantly increased since initial recognition is performed from the date on which the Group is irrevocably and legally committed, i.e. from the issuing of a letter of loan offer. Besides, related loss allowances are recognized as liabilities through net income under "Cost of risk" line item (see Note 8.1 Provisions).

Write-offs

A write-off involves reducing the gross carrying amount of a financial asset when there is no longer a reasonable expectation of recovering all or part of the asset, or when it has been fully or partially abandoned. Write-offs occur once all recovery options available to Sfil have been exhausted and typically depend on the specific circumstances of each case.

If the amount of the loss at write-off exceeds the cumulative impairment allowance, the difference is recorded as an additional impairment loss under "Cost of Risk." For any recovery after the derecognition of the financial asset (or a portion thereof) from the balance sheet, the amount recovered is recognized as a gain under "Cost of risk."

4.7.1 Amortized cost asset: classification by stage and impairments

€m	30 Jun 2026								
	Gross amount				Impairment				Net carrying amount
	Stage 1	*Stage 2*	*Stage 3*	Total	*Stage 1*	*Stage 2*	*Stage 3*	Total	
Sight accounts	38	-	-	38	-	-	-	-	38
Securities received under repurchase agreements	-	-	-	-	-	-	-	-	-
Credit institutions	5	-	-	5	(0)	-	-	(0)	5
Loans and advances to banks at amortized cost	**43**	**-**	**-**	**43**	**(0)**	**-**	**-**	**(0)**	**43**
Public sector	49,088	3,157	53	52,298	(3)	(28)	(1)	(33)	52,265
Non-financial institutions	5,704	903	3	6,610	(1)	(4)	(0)	(6)	6,605
Loans and advances to customers at amortized cost	**54,792**	**4,060**	**56**	**58,908**	**(4)**	**(32)**	**(2)**	**(38)**	**58,870**
Public sector	5,150	379	-	5,529	(1)	(2)	-	(3)	5,526
Credit institutions	4,036	-	-	4,036	(0)	-	-	(0)	4,035
Non-financial institutions	-	-	-	-	-	-	-	-	-
Bonds at amortized cost	**9,185**	**379**	**-**	**9,564**	**(1)**	**(2)**	**-**	**(3)**	**9,561**
TOTAL	**64,020**	**4,439**	**56**	**68,515**	**(5)**	**(35)**	**(2)**	**(42)**	**68,474**

€m	31 Dec 2025								
	Gross amount				Impairment				Net carrying amount
	Stage 1	*Stage 2*	*Stage 3*	Total	*Stage 1*	*Stage 2*	*Stage 3*	Total	
Sight accounts	33	-	-	33	-	-	-	-	33
Securities Received Under Reverse Repurchase Agreements	-	-	-	-	-	-	-	-	-
Credit institutions	5	-	-	5	(0)	-	-	(0)	5
Loans and advances to banks at amortized cost	**38**	**-**	**-**	**38**	**(0)**	**-**	**-**	**(0)**	**38**
Public sector	47,388	3,227	56	50,671	(3)	(29)	(1)	(33)	50,638
Non-financial institutions	5,952	588	3	6,543	(1)	(3)	(0)	(4)	6,539
Loans and advances to customers at amortized cost	**53,340**	**3,815**	**59**	**57,214**	**(4)**	**(32)**	**(2)**	**(37)**	**57,177**
Public sector	5,131	412	-	5,543	(1)	(3)	-	(4)	5,539
Credit institutions	3,863	-	-	3,863	(0)	-	-	(0)	3,863
Non-financial instruments	-	-	-	-	-	-	-	-	-
Bonds at amortized cost	**8,994**	**412**	**-**	**9,406**	**(1)**	**(3)**	**-**	**(4)**	**9,402**
TOTAL	**62,373**	**4,227**	**59**	**66,659**	**(6)**	**(34)**	**(2)**	**(42)**	**66,617**

The "Loans and receivables from customers at amortized cost" line item reflects a gross amount of €351m as of 31 December 2025, and €386m as of 30 June 2026, corresponding to loans granted by the Group to support customers in their sustainability efforts through an incentive mechanism for margin adjustments based on ESG criteria. These exposures were transferred to stage 2 during FY 2025 following their inclusion on the watchlist, decided after a concession had been granted.

Gross amounts increased by approximately €1.9bn in the first half of 2026, driven in particular by strong lending activity to French local authorities and public hospitals, as well as by drawdowns made in connection with the refinancing of major export finance contracts. The €0.2bn increase in debt securities measured at amortized cost mainly reflects purchases made to invest surplus cash.

Gross amounts by stage show a marked increase of €1.6bn in stage 1, while gross amounts in stage 2 rose by €0.2bn and those in stage 3 remained stable.

The increase in gross amounts in stage 2 is primarily attributable to a deterioration in credit risk observed on certain export finance contracts. The related expected credit losses increased by €1m over the half-year.

Stage 3 gross amounts remain immaterial and represent only €56m, i.e., less than 0.1% of total assets before taking expected credit losses into account. Expected credit losses remain stable compared with year-end 2025.

Sfil Group forborne exposures correspond to exposures for which renegotiation measures have been implemented in a context of a borrower's financial difficulty (actual or expected). Such measures involve concessions, which may include, for example, payment deferrals, interest rate reductions, rescheduling of installments, debt forgiveness, or changes to contractual terms.

The number of forborne contracts therefore stood at 60 as of 30 June 2026, involving 38 borrowers, for a total exposure at risk of €507m.

4.7.2 Impairments on financing commitments and other commitments granted

	Financing commitments and financial guarantees under IFRS 9 as of 30 Jun 2026								
	Gross amount				**Impairment**				**Net carrying amount**
€m	***Stage 1***	***Stage 2***	***Stage 3***	**Total**	***Stage 1***	***Stage 2***	***Stage 3***	**Total**	
Granted to credit institutions	-	-	-	-	-	-	-	-	-
Granted to customers	6,124	418	-	6,541	(1)	(3)	-	(4)	6,538
TOTAL	**6,124**	**418**	**-**	**6,541**	**(1)**	**(3)**	**-**	**(4)**	**6,538**

	Financing commitments and financial guarantees under IFRS 9 as of 31 Dec 2025								
	Gross amount				Impairment				Net carrying amount
€m	*Stage 1*	*Stage 2*	*Stage 3*	Total	*Stage 1*	*Stage 2*	*Stage 3*	Total	
Granted to credit institutions	-	-	-	-	-	-	-	-	-
Granted to customers	6,828	515	-	7,343	(1)	(3)	-	(4)	7,339
TOTAL	**6,828**	**515**	**-**	**7,343**	**(1)**	**(3)**	**-**	**(4)**	**7,339**

Loan commitments decreased by €0.8bn in the first half of FY 2026, notably following drawdowns made in connection with the refinancing of major export finance contracts. Expected credit losses were broadly stable.

Impairments on loan commitments provided to customers are recognized under "Cost of risk" (see below).

4.7.3 Cost of risk

€m	1H26					
	Stock at 1 January	**Transfers between stages and foreign exchange effect**	**Provisions**	**Reversals**	**Write-Offs**	**Stock at 31 December**
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
Financial assets at fair value through equity	**-**	**-**	**-**	**-**	**-**	**-**
Stage 1	(0)	-	0	0	-	(0)
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
Loans and advances to banks at amortized cost	**(0)**	**-**	**0**	**0**	**-**	**(0)**
Stage 1	(4)	(1)	(1)	1	-	(4)
Stage 2	(32)	1	(3)	1	-	(32)
Stage 3	(2)	0	(0)	0	-	(2)
Loans and advances to customers at amortized cost	**(37)**	**(0)**	**(4)**	**3**	**-**	**(38)**
Stage 1	(1)	(0)	(0)	1	-	(1)
Stage 2	(3)	0	(0)	0	-	(2)
Stage 3	-	-	-	-	-	-
Bonds at amortized cost	**(4)**	**(0)**	**(0)**	**1**	**-**	**(3)**
Stage 1	(1)	0	(0)	0	-	(1)
Stage 2	(3)	(0)	(0)	1	-	(3)
Stage 3	-	-	-	-	-	-
Loan Commitments	**(4)**	**(0)**	**(0)**	**1**	**-**	**(4)**
Expected Credit Losses	**(46)**	**(0)**	**(4)**	**5**	**-**	**(45)**
Other Items Included in the Cost of Risk			**-**	**-**	**-**	
TOTAL			**(4)**	**5**	**-**	
COST OF RISK				**1**		

€m	1H25					
	Stock at 1 January	Transfers between stages and foreign exchange effect	Provisions	Reversals	Write-Offs	Stock at 31 December
Stage 1	-	-	-	-	-	-
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
Financial assets at fair value through equity	**-**	**-**	**-**	**-**	**-**	**-**
Stage 1	(0)	-	-	0	-	(0)
Stage 2	-	-	-	-	-	-
Stage 3	-	-	-	-	-	-
Loans and advances to banks at amortized cost	**(0)**	**-**	**-**	**0**	**-**	**(0)**
Stage 1	(5)	(0)	(1)	2	-	(4)
Stage 2	(23)	1	(8)	2	-	(29)
Stage 3	(6)	0	(1)	5	-	(2)
Loans and advances to customers at amortized cost	**(34)**	**0**	**(9)**	**8**	**-**	**(35)**
Stage 1	(7)	0	(0)	3	-	(4)
Stage 2	(4)	(0)	(0)	1	-	(3)
Stage 3	(0)	-	(0)	-	-	(0)
Bonds at amortized cost	**(10)**	**0**	**(0)**	**4**	**-**	**(7)**
Stage 1	(1)	0	(0)	0	-	(0)
Stage 2	(5)	(0)	(0)	1	-	(4)
Stage 3	-	(0)	(0)	-	-	(0)
Loan Commitments	**(6)**	**0**	**(0)**	**1**	**-**	**(5)**
Expected Credit Losses	**(50)**	**0**	**(10)**	**13**	**-**	**(47)**
Other Items Included in the Cost of Risk			**(0)**	**0**	**(1)**	
TOTAL			**(10)**	**13**	**(1)**	
COST OF RISK				**2**		

4.8 Off-balance sheet items

4.8.1 Regular way trade

€m	30 Jun 2026	31 Dec 2025
Assets and currencies to be delivered	-	-
Liabilities and currencies to be received	-	-

4.8.2 Guarantees

€m	**30 Jun 2026**	31 Dec 2025
Guarantees received from credit institutions	-	-
Guarantees received on export credits (1)	17,519	17,712
Loan guarantee commitments received	-	-
Guarantees received from customers(2)	974	1,066

(1) Export financing and financing commitments granted by the Sfil group benefit a 100% guarantee from the French Republic, unconditional and irrevocable, referred to as an enhanced guarantee, or by export credit insurance provided by BPI AE since 2024.

(2) Guarantees received from customers are generally granted by local governments.

4.8.3 Financing commitments

€m	**30 Jun 2026**	31 Dec 2025
Loan commitments granted to credit institutions	-	-
Loan commitments granted to customers(1)	6,541	7,343
Loan commitments received from credit institutions(2)	5,023	5,000
Loan commitments received from customers	-	-

(1) Financing commitments on loans and lines of credit related to contract issued but not paid out. These amounts mainly relate to commintments on operations in export credit business line.

(2) Commitments on this line correspond to financing commitments received from Caisse des Dépôts and La Banque Postale, amounting to €3.750bn and €1.0bn, respectively, as of 30 June 2026, compared with €4.0bn and €1.0bn, respectively, as of 31 December 2025. In the first half of 2026, this amount also includes three bonds issued with a forward settlement date, for €273m.

4.8.4 Other commitments

€m	**30 Jun 2026**	31 Dec 2025
Financial instruments pledged as collateral under repurchase (repo) transactions	1,409	-
Other commitments given, assets pledged as collateral(1)	13	13
Engagements received from Caisse des Dépôts et Consignations(2)	-	18
Commitments received(3)	10	17

(1) This line item includes irrevocable payment commitments granted to the Single Resolution Fund, amounting to €13m.

(2) At the end of 2022, Caffil signed a partnership agreement with Caisse des Dépôts to offer local authorities and public hospitals in France a new long-term fixed-rate product. Under this agreement, Caffil makes cash advances to Caisse des Dépôts corresponding to the amounts of loans granted by the latter. In return, Caisse des Dépôts undertakes to sell the loan to Caffil at the end of the drawdown phase.

(3) Mainly loans guaranteed by public authorities.

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 the payment of a cash deposit of an equivalent amount, recorded under commitments given for €13m.

In the event that the SRF is called upon as part of a resolution measure, the Single Resolution Board (SRB) is empowered to call all or part of the IPCs received. The judgment of the Court of Justice of the European Union of 13 November 2025 (BNP Paribas Public Sector case) did not change the accounting treatment.

As a result, the IPCs remain recorded as off-balance sheet commitments, while the corresponding collateral deposits, remunerated at normal market conditions, are recorded as financial assets under assets, with no modification to their accounting treatment.

4.9 Derecognition

Derecognition of financial assets

A financial asset is derecognized when and only when the contractual rights to the cash flows from this asset expire or if this asset is transferred and the transfer meets one of the following conditions:

- substantially all the risks and rewards of ownership of this asset have been transferred; or
- substantially all the risks and rewards of ownership of this asset have been neither transferred nor retained and the control on this asset has not been retained. If the control on this asset has been retained, the underlying asset continues to be recognized to the extent of Group's continuing involvement in it.

The gain or loss realized when derecognizing a financial asset equals the difference between on the one hand the consideration received (net of transaction costs and including any new asset obtained less any new liability assumed) and on the other hand the carrying amount of this asset measured at the date of derecognition. It is recognized in profit or loss of the reporting period considered as net banking income.

Case of disposals

Financial assets are derecognized on disposal. The gain or loss realized on disposal takes into account the followings:

- for financial assets measured at amortized cost, the carrying amount of the disposed asset is systematically determined based on the "first in, first out" approach (FIFO method) on a portfolio basis;
- for financial assets measured at fair value through other comprehensive income, cumulative gains or losses previously recognized in equity are, applying FIFO method, reversed in profit or loss on disposal, under the item of the net banking income used for recognizing the net gains and losses of this category.

Case of repos and reverse repos operations

Sold securities that are subject to a commitment to repurchase them at a predetermined price (repos) are not derecognized and remain on the balance sheet in their original category. The corresponding liability is recognized as financial liabilities at amortized cost. The asset is reported as pledged in the notes.

Securities purchased under commitment to sell at a predetermined price (reverse repos) are recognized off-balance sheet and the corresponding loans are recognized on the balance sheet as financial assets at amortized cost.

The difference between the sale and the repurchase price is recognized as interest income or expense and is capitalized and amortized over the term of the maturity of the contract using the effective interest rate method.

Case of prepayments

The prepayment of a loan results in general in the payment of a penalty which is included within the gain or the loss realized on derecognition.

In the case of a prepayment without refinancing, the loan does not exist any loner and is derecognized.

In the case of a prepayment with refinancing, the accounting treatment differs depending on whether the restructured terms are substantially different from the original terms; it is in particular the case in one of the following situations:

- the restructured loan is not classified in the same accounting category as the original loan, either because its contractual cash flows are from now compliant with the SPPI criterion (while they were not originally) or because they are not any longer (while they were originally);
- the net present value of the cash flows under the new conditions, including any fees paid net of any fees received, is more than 10% different from the net present value of the cash flows remaining from the original loan, both of these present values being discounted at the original effective interest rate.

If restructured terms are not substantially different from original terms, the original loan is not derecognized. Its gross carrying amount is adjusted so as to reflect the post-restructuring terms, including costs and fees incurred; it corresponds to the present value of the cash flows of the restructured loan discounted at the original effective interest rate (or, in the case of purchased or originated credit-impaired assets, at this rate adjusted so as to reflect credit quality). Such an adjustment, called "catch-up" effect, constitutes the excess of the restructured margin of the loan over its original margin: it is immediately recognized in profit or loss of the reporting period, within the net interest margin. Furthermore, for financial assets measured at amortized cost or at fair value through other comprehensive income, the Group assesses whether, due to the modifications in the terms, a significant increase in credit risk since initial recognition has occurred: if so, an adjustment of the loss allowance for expected credit losses is recognized (see above).

If restructured terms are substantially different from original terms, the original loan is derecognized and the loan under restructured terms is recognized as a new financial asset. Its gross carrying amount is adjusted to reflect market conditions; it corresponds to the present value of the restructured cash flows discounted at the effective interest rate of a loan granted under normal market conditions at the date when the loan is restructured. Such an adjustment constitutes the excess of the restructured margin of the loan over normal market conditions at the date when the loan is restructured: it is immediately recognized in profit or loss of the reporting period, under the item of the net banking income used for recognizing the net gains and losses of the category of the derecognized financial asset.

Derecognition of financial liabilities

A financial liability is derecognized when and only when it is extinguished, i.e. when the obligation specified in the contract is discharged, cancelled or expires.

The restructuring of a financial liability results in the derecognition of this financial liability when the restructured terms are substantially different from the original terms (see above).

4.9.1 Gains and losses resulting from derecognition of financial instruments at amortized costs

€m	**1H26**	1H25
Net result on disposal or prepayment of bonds at amortized cost	-	-
Net result on disposal or prepayment of loans and advances to banks at amortized cost	-	-
Net result on disposal or prepayment of loans and advances to customers at amortized cost	2	2
Net result on disposal or prepayment of due to banks at amortized cost	-	-
Net result on disposal or prepayment of debt securities at amortized cost	-	-
TOTAL	**2**	**2**

4.9.2 Detail on derecognition of assets and liabilities at amortized cost

	1H26		1H25	
€m	**Notional amount**	**Impact on result**	Notional amount	Impact on result
Net result on disposal, prepayment or restructuring of bonds at amortized cost	**-**	**-**	**-**	**-**
Prepayment of securities at amortized cost	-	-	-	-
Net result on disposal, prepayment or restructuring of loans and advance to credit institutions at amortized cost	**-**	**-**	**-**	**-**
Prepayment of loans and advances to credit institutions at amortized cost	-	-	-	-
Restructuring of loans and advances to credit institutions at amortized cost	-	-	-	-
Net result on disposal, prepayment or restructuring of loans and advances to customers at amortized cost	**521**	**2**	**76**	**2**
Prepayment of loans and advances to customers	3	0	25	2
Restructuring of loans and advances to customers(1)	518	2	51	0
Sub-total Assets	**521**	**2**	**76**	**2**
Net result of prepayments of debt to banks at amortized cost	**-**	**-**	**-**	**-**
Prepayments of debt to banks	-	-	-	-
Net result of prepayments of debt securities at amortized cost	**-**	**-**	**-**	**-**
Prepayment of debt securities at amortized cost	-	-		
Sub-total liabilities	**-**	**-**	**-**	**-**
TOTAL	**521**	**2**	**76**	**2**

(1) Gains and losses arising from the derecognition of financial assets or liabilities at amortized cost are mainly associated with the business of restructuring loans to local public sector customers, which leads to the upfront recognition of income in accordance with IFRS principles. In 2026, note in particular the restructuring of two export credits with a notional amount of €421m.

4.10 Offsetting financial assets and liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to set off the recognized amounts and there is an intention for both parties to settle expected future cash flows on a net basis or to simultaneously realize the asset and settle the liability.

4.10.1 Financial assets subject to off-setting, enforceable master netting arrangements and similar agreements

€m	30 Jun 2026					
				Other amounts in the application scope but not offset		
	Gross amounts before off-setting	Gross amounts off-set according to IAS 32	Net Amounts presented in the balance sheet	Effect of master netting arrangements	Financial Instruments received as collateral	Net Amounts according to IFRS 7 and 13
Derivatives (including hedging instruments)	1,988	-	1,988	(1,227)	(95)	666
Loans and advances at fair value through profit or loss	1,362	-	1,362	-	-	1,362
Loans and advances to banks at amortized cost	43	-	43	-	-	43
Loans and advances to customers at amortized cost	58,870	-	58,870	-	-	58,870
TOTAL	**62,263**	**-**	**62,263**	**(1,227)**	**(95)**	**60,941**

€m	31 Dec 2025					
				Other amounts in the application scope but not offset		
	Gross amounts before off-setting	Gross amounts off-set according to IAS 32	Net Amounts presented in the balance sheet	Effect of master netting arrangements	Financial Instruments received as collateral	Net Amounts according to IFRS 7 and 13
Derivatives (including hedging instruments)	2,181	-	2,181	(1,397)	(90)	694
Loans and advances at fair value through profit or loss	1,440	-	1,440	-	-	1,440
Loans and advances to banks at amortized cost	38	-	38	-	-	38
Loans and advances to customers at amortized cost	57,177	-	57,177	-	-	57,177
TOTAL	**60,835**	**-**	**60,835**	**(1,397)**	**(90)**	**59,349**

4.10.2 Financial liabilities subject to off-setting, enforceable master netting arrangements and similar agreements

€m	30 Jun 2026					
				Other amounts in the application scope but not offset		
	Gross amounts before off-setting	Gross amounts off-set according to IAS 32	Net Amounts presented in the balance sheet	Effect of master netting arrangements	Financial Instruments received as collateral	Net Amounts according to IFRS 7 and 13
Derivatives (including hedging instruments)	3,449	-	3,449	(1,227)	(1,481)	742
Due to banks at amortized cost	1,401	-	1,401	-	-	1,401
Customer borrowings and deposits at amortized cost	-	-	-	-	-	-
TOTAL	**4,850**	**-**	**4,850**	**(1,227)**	**(1,481)**	**2,143**

€m	31 Dec 2025					
				Other amounts in the application scope but not offset		
	Gross amounts before off-setting	Gross amounts off-set according to IAS 32	Net Amounts presented in the balance sheet	Effect of master netting arrangements	Financial Instruments received as collateral	Net Amounts according to IFRS 7 and 13
Derivatives (including hedging instruments)	3,649	-	3,649	(1,397)	(1,481)	771
Due to banks at amortized cost	-	-	-	-	-	-
Customer borrowings and deposits at amortized cost	-	-	-	-	-	-
TOTAL	**3,649**	**-**	**3,649**	**(1,397)**	**(1,481)**	**771**

4.11 Management of risks associated with financial instruments

IFRS 7 requires two main categories of information:

- information on the significance of financial instruments in relation to the company's financial position and results (presentation by classes of instruments);
- qualitative and quantitative information regarding the nature and extent of financial risks and how the entity manages these risks (sensitivity analysis to market risks and information on liquidity and credit risks).

Regarding the positioning of the information required by IFRS 7, the standard allows for this information to be disclosed outside of the financialc statements, within the management report or, for example, a risk management report. In line with this provision, the Sfil group now presents qualitative and quantitative information on the nature and extent of financial risks in Chapter "Risks and Capital Adequacy".

4.11.1 Exposure to credit risk, climate risk, liquidity risk, foreign exchange risk and interest rate risk

The information on the management of credit risk, climate risk, liquidity risk, foreign exchange risk and interest rate risk required by IFRS 7 is presented in the chapter Risks and capital adequacy. The information related to the management of climate risks is presented in the chapter "Sustainability information" of the 2025 annual report.

4.11.2 Fair value of financial instruments measured at amortized cost

To determine the fair value of financial instruments measured at amortized cost:

- the fair value of fixed-rate loans is estimated by comparing market interest rates when the loans were granted with current market interest rates offered on similar loans;
- caps, floors and prepayment penalties are included in determining the fair value these instruments.

This note presents the fair value adjustments that are not recognized, in income or in equity, because they correspond to assets or liabilities valued at amortized cost in the IFRS accounts.

These fair value adjustments take into account the features of the relevant assets and liabilities (maturity, hedging of interest rate risk, amortization profile, and, for assets, their rating); they also take into account current market conditions in terms of price or spread of these same operations, or operations to which they could be assimilated. The breakdown of assets and liabilities as a function of the method used to determine their fair value is shown in paragraph *4.4.1, Methods used to determine the fair value of financial instruments*; it can be seen that most assets are valued according to a technique that takes into account the fact that significant parameters are not observable for the assets since the exposure primarily consists of loans, a form of debt that is not listed on liquid markets. For the valuation of liabilities, certain observable parameters have been used.

These fair values provide interesting information but are not relevant for drawing conclusions on the value of the company or on the income generated in the future. The assets and liabilities stand out for being consistent in rates and maturity and moreover are intended to be maintained on the balance sheet until their maturity, given the specialized activity of the company.

COMPOSITION OF THE FAIR VALUE OF THE ASSETS

	30 Jun 2026		
€m	**Book value**	**Fair value**	**Unrecognized fair value adjustment**
Loans and advances to banks at amortized cost	43	43	0
Loans and advances to customers at amortized cost	58,870	56,606	(2,264)
Bonds at amortized cost	9,561	9,246	(315)
Fair value revaluation of portfolio hedge	(104)		104
Total assets at amortized cost	**68,369**	**65,895**	**(2,474)**
Total assets at fair value through profit or loss	**3,350**	**3,350**	**-**
TOTAL ASSETS	**71,719**	**69,245**	**(2,474)**

	31 Dec 2025		
€m	Book value	Fair value	Unrecognized fair value adjustment
Loans and advances to banks at amortized cost	38	38	0
Loans and advances to customers at amortized cost	57,177	54,652	(2,524)
Bonds at amortized cost	9,402	9,087	(315)
Fair value revaluation of portfolio hedge	(91)		91
Total assets at amortized cost	**68,906**	**66,158**	**(2,748)**
Total assets at fair value through profit or loss	**3,621**	**3,621**	**-**
TOTAL ASSETS	**72,527**	**69,778**	**(2,748)**

Fair value of financial assets *€m*	**30 Jun 2026**			
	Level 1	**Level 2**	**Level 3**	**Total**
Loans and advances to banks at amortized cost	38	5	0	43
Loans and advances to customers at amortized cost	-	-	56,606	56,606
Bonds at amortized cost	6,464	2,049	733	9,246
Total assets at amortized cost	**6,503**	**2,053**	**57,339**	**65,895**
Total assets at fair value through profit or loss	**-**	**1,987**	**1,363**	**3,350**
TOTAL ASSETS	**6,503**	**4,040**	**58,702**	**69,245**

Fair value of financial assets *€m*	31 Dec 2025			
	Level 1	Level 2	Level 3	Total
Loans and advances to banks at amortized cost	33	5	0	38
Loans and advances to customers at amortized cost	-	-	54,652	54,652
Bonds at amortized cost	6,247	2,054	786	9,087
Total assets at amortized cost	**6,281**	**2,059**	**55,438**	**63,778**
Total assets at fair value through profit or loss	**-**	**2,180**	**1,441**	**3,621**
TOTAL ASSETS	**6,281**	**4,239**	**56,879**	**67,398**

COMPOSITION OF THE FAIR VALUE OF THE LIABILITIES, EXCLUDING EQUITY

	30 Jun 2026		
€m	**Book value**	**Fair value**	**Unrecognized fair value adjustment**
Due to banks at amortized cost	1,401	1,397	(4)
Debt securities at amortized cost	69,419	66,762	(2,657)
Fair value revaluation of portfolio hedge	13		(13)
Total liabilities at amortized cost	**70,832**	**68,159**	**(2,673)**
Total liabilities at fair value through profit or loss	**3,449**	**3,449**	**-**
TOTAL LIABILITIES	**74,281**	**71,608**	**(2,673)**

	31 Dec 2025		
€m	Book value	Fair value	Unrecognized fair value adjustment
Due to banks at amortized cost	-	-	-
Debt securities at amortized cost	68,753	65,700	(3,053)
Fair value revaluation of portfolio hedge	20		(20)
Total liabilities at amortized cost	**68,774**	**65,700**	**(3,073)**
Total liabilities at fair value through profit or loss	**3,649**	**3,649**	**-**
TOTAL LIABILITIES	**72,423**	**69,350**	**(3,073)**

Fair value of financial liabilities *€m*	30 Jun 2026			
	Level 1	**Level 2**	**Level 3**	**Total**
Due to banks at amortized cost	-	1,397	-	1,397
Debt securities at amortized cost	56,916	4,462	5,384	66,762
Total liabilities at amortized cost	**56,916**	**5,859**	**5,384**	**68,159**
Total liabilities at fair value through profit or loss	**-**	**3,416**	**33**	**3,449**
TOTAL LIABILITIES	**56,916**	**9,275**	**5,417**	**71,608**

Fair value of financial liabilities *€m*	31 Dec 2025			
	Level 1	Level 2	Level 3	Total
Due to banks at amortized cost	-	-	-	-
Debt securities at amortized cost	55,505	4,561	5,634	65,700
Total liabilities at amortized cost	**55,505**	**4,561**	**5,634**	**65,700**
Total liabilities at fair value through profit or loss	**-**	**3,608**	**41**	**3,649**
TOTAL LIABILITIES	**55,505**	**8,169**	**5,675**	**69,350**

Note 5 Commissions

Most of the commissions arising from the Group's activities are recognized on an accrual basis over the life of the underlying transaction.

Loan commitment commissions are recognized as an adjustment to the effective interest rate and recognized in net interest margin if the loan is withdrawn.

€m	**1H26**	1H25
Servicing commission received from La Banque Postale	2	2
Other commission	(2)	(2)
TOTAL	**0**	**1**

Note 6 Other operating expenses

6.1 Staff expenses and advances

Staff expenses include all costs related to employees, particularly expenses of the reporting period related to profit-sharing and incentive plans. Employee benefits are classified in four categories:

Short-term benefits

Short-term benefits are those expected to be settled wholly in 12 months after the end of the annual reporting period during which employee services are rendered; they are not discounted and are recognized as an expense of the reporting period. Annual leave is recognized when the benefits are granted to the employee. To this purpose, a provision is recognized based on rights vested by employees at the closing date.

Long-term benefits

These benefits, generally related to seniority, are paid to current employees. Their payment is deferred for more than twelve months after the end of the reporting period during which the employees rendered the related service. They represent, especially, long service awards. The actuarial gains and losses related to these benefits and all service costs are recognized immediately in profit or loss.

Termination benefits

Employee termination benefits result either from the decision by Sfil to terminate an employment contract before the legal retirement age or by a decision of voluntary redundancy in exchange for termination benefits. A charge for termination benefits at the end of the employment contract is recognized only when Sfil is no longer able to withdraw its offer.

Post-employment benefits

Post-employment benefits are only made of defined contribution plans. The assets of these plans are generally held by insurance companies or pension funds. The pension plans are generally funded by payments from both Sfil and its employees.

Under defined benefit plans, Sfil has a formal or constructive obligation to provide the agreed benefits to current and former employees. Actuarial and investment risks fall on Sfil; as a result, this obligation is measured and recognized as a liability under the item Provisions.

Post-employment benefit obligations are measured using an actuarial valuation technique that includes demographic and financial assumptions and the Projected Unit Credit Method, under which each period of service gives rise to an additional unit of benefit entitlement and each unit is measured separately to build up the final obligation.

The defined benefit net liability recognized in the balance sheet is valued by independent actuaries and represents the present value of defined benefit obligations reduced by the fair value of plan assets (if any).

When the fair value of assets exceeds the amount of the obligation, an asset is recognized if it represents a future economic benefit for Sfil in form of a reduction in future contributions to the plan or a future partial refund.

Remeasurements of defined benefit net liability (or asset) and the fair value of its covering assets is subject to adjustments due to changes in actuarial assumptions, which results in revaluating the liability (or asset) recognized under defined contribution plans. Actuarial gains and losses resulting from these adjustments are recognized as other comprehensive income at the closing date.

Under defined benefit plans, the expense recognized as staff expenses represents in particular the acquired rights during the reporting period by each employee and comprises the current service cost and past service cost arising from plan amendments, curtailments or settlements.

6.2 General operating expenses

€m	**1H26**	1H25
Payroll costs[1]	(31)	(32)
Other general and administrative expenses	(17)	(18)
Taxes	(7)	(7)
TOTAL	**(55)**	**(57)**

(1) Sfil has taken into account the decisions handed down by the social chamber of the Cour de Cassation on 13 September 2023 concerning employees' entitlement to paid leave, and has booked a provision representing a non-material amount. In addition, in accordance with IAS19, personnel costs include the impact of the pension reform which came into effect in April 2023, for a non-material amount in respect of past service costs. For the record, discounting gains and losses arising from changes in assumptions relating to post-employment benefit obligations are recognized directly in net income and unrealized or deferred gains or losses recognized directly in equity.

Note 7 Corporate income tax

7.1 Corporate income tax

Deferred Taxes

Deferred taxes are recognized using the liability method to account for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. The tax rates enacted or substantively enacted at closing date are used to determine deferred taxes.

Deferred tax assets are recognized to the extent that it is probable that sufficient future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax liabilities are recognized to account for temporary differences arising from investments in subsidiaries, jointly controlled companies and associates, except where the timing of the reversal of the temporary difference cannot be controlled and it is probable that the difference will not reverse in the foreseeable future.

Deferred taxes relating to fair value remeasurements of financial assets measured at fair value through other comprehensive income and cash flow hedges, and other operations which are charged or credited directly to other comprehensive income, are also charged or credited to other comprehensive income.

€m	**1H26**	1H25
Current taxes	(10)	(10)
Exceptional contribution of large companies[(1)]	(7)	(7)
Deferred taxes	(1)	(8)
Deferred tax on previous year	-	-
Other income taxes on previous exercise	0	0
TOTAL	**(18)**	**(24)**

(1) The 2025 Finance Act introduced an exceptional corporate tax surcharge for large companies. This surcharge 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%.

The 2026 Finance Act renewed this exceptional corporate tax surcharge for large companies. Overall, the calculation methodology remains unchanged compared with 2025, except for the trigger threshold, which increased from €1.0bn to €1.5bn in revenue. In 2025, the Sfil Group reported revenue in excess of €3bn. As a result, the rate applicable to the Sfil Group remains 41.2%.

7.2 Tax integration

Since 1 January 2014, Caffil has been a member of the Sfil tax group.

Note 8 Other information

8.1 Provisions

Provisions mainly include provisions for litigations, restructuring, and loan commitments.

Regarding mainly litigations and restructuring, under IAS 37, a provision is recognized when and only when:

- the Group has a present legal or constructive obligation as a result of past events;
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- a reliable estimate of the amount of the obligation can be made.

A provision is measured at the present value of the expenditures expected to be required to settle the obligation. The discount rate used is the pre-tax rate that reflects current market assessments of the time value of money.

€m	31 Dec 2025	Additions, including increases in existing provisions	Used amount	Unused amounts reversed during the period	Increase in the discounted amount due to the passage of time and effect of any change in the discount rate	Other movements	**30 Jun 2026**
Commitments and guarantees given	6	0	-	(1)	-	-	5
Provisions on pension	8	0	-	(1)	-	-	7
Other provisions	-	-	-	-	-	-	-
TOTAL	**13**	**1**	**-**	**(1)**	**-**	**-**	**13**

8.2 Tangible and intangible assets

Fixed assets consist exclusively of operating tangible and intangible assets. These assets are held for production or administrative purposes. Fixed assets are recognized as assets if:

- it is probable that the associated future economic benefits will flow to the entity; and
- their cost can be measured reliably.

Fixed assets are recognized at acquisition cost plus any directly attributable expenses.

Software developed internally, when it meets the criteria for recognition, is recognized at its development cost, which includes external expenditures on hardware and services and staff expenses that can be directly attributed to its production and preparation for use.

After initial recognition, fixed assets are carried at cost less accumulated depreciation and impairment. When they are ready to be used, fixed assets are depreciated linearly over their expected useful life. Depreciation is recognized in profit or loss under the item Depreciation and amortization property and equipment and intangible assets.

The component approach is applied to all fixed assets. The depreciation periods are as follows:

Components	Depreciation period
Technical Installations	10 years
Fixtures and fittings	10 years
IT equipment	3 years
Software developed or acquired(1)	3 or 5 years
Office equipment	10 years

(1) Purchased licenses and equipment are depreciated over 3 years. The depreciation period of internally developed softwares depends on whether they are strategic. Those which are considered strategic are amortized over 5 years; those which are not are amortized over 3 years.

Fixed assets are tested for impairment when impairment indicators are identified. When the carrying amount of a fixed asset is greater than its estimated recoverable amount, an impairment charge is recognized and the carrying amount of the fixed asset is written down to the estimated recoverable amount. Impairment charges are recognized in profit or loss under the item Depreciation and amortization property and equipment and intangible assets.

Gains or losses on disposal of fixed assets are charged to "Net gains (losses) on other assets".

8.2.1 Depreciation and Impairment of fixed assets

€m	1H26	1H25
Depreciation and Impairment on tangible assets	(1)	(1)
Depreciation and Impairment on intangible assets	(4)	(4)
IFRS 16 impact	(1)	(1)
TOTAL	**(7)**	**(6)**

8.2.2 Leases

The Group acts as a lessee in its lease agreements, primarily commercial leases under "3/6/9 lease" arrangements. In accordance with IFRS 16, a lease agreement grants the right to control the use of an identified asset in exchange for payment and may include both lease and non-lease components. Short-term contracts or contracts involving low-value assets are excluded.

At the commencement date, the Group recognizes a right-of-use asset and a lease liability, both measured at the present value of the lease payments to be made. The asset is amortized over the shorter of the lease term or the useful life of the asset. The lease liability is adjusted over time based on payments, interest, and any contractual modifications. Information related to these agreements is presented within the appropriate line items of the financial statements: right-of-use assets under intangible assets and lease liabilities under accrual accounts.

8.3 Related-party transactions

Two parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party when making financial or operational decisions. The Group is owned by the Caisse des Dépôts Group, company registered in France, and by French State.

Within this framework, related-party transactions are those with companies owned directly or indirectly by the same final shareholders, in particular the subsidiaries of Caisse des Dépôts group, and with directors.

ANALYSIS BY NATURE

€m	Parent Company[(1)]		Other related parties[(2)]	
	30 Jun 2026	31 Dec 2025	**30 Jun 2026**	31 Dec 2025
ASSETS				
Financial assets at fair value through profit or loss	-	-	-	-
Hedging derivatives	-	-	6	2
Financial assets at fair value through equity	-	-	-	-
Loans and advances to banks at amortized cost	-	0	-	-
Securities at amortized cost	-	-	183	165
Accruals and other assets	0	1	1	1
LIABILITIES				
Hedging derivatives	-	-	6	4
Due to banks	-	-	1,375	-
Debt securities at amortized cost	-	-	488	496
Accruals and other liabilities	-	-	7	0
INCOME STATEMENT				
Interest income	0	0	29	9
Interest expense	(1)	(2)	(39)	(17)
Fee and commission income	-	-	2	5
Fee and commission expense	-	-	(0)	(0)
Net result of financial assets ar fair value through profit or loss	-	-	0	(0)
Net result of financial assets ar fair value through equity	-	-	-	-
Gains or losses resulting from derecognition of financial instruments at amortized cost	-	-	-	-
Other income	-	-	-	-
Other expense	-	-	-	-
Operating expenses	(0)	(0)	0	(0)
Cost of risk	-	-	(0)	0
OFF BALANCE SHEET				
Foreign exchange derivatives	-	-	-	-
Interest rate derivatives	-	-	7,740	369
Financing commitments received	3,750	4,000	1,000	1,000
Other commitments received[(3)]	(0)	18	-	-

(1) This item includes transactions with Caisse des Dépôts, the parent company of Sfil.

(2) This item includes transactions primarily with La Banque Postale and Bpifrance, and to a lesser extent with other subsidiaries of the Caisse des Dépôts Group.

(3) At the end of 2022, Sfil group signed a partnership agreement with Caisse des Dépôts to offer local authorities and public hospitals in France a new long-and very long-term fixed-rate product. Within this framework, Sfil Group will make cash advances to Caisse des Dépôts corresponding to the amounts of loans granted by the latter. In return, Caisse des Dépôts undertakes to sell the loan to the Sfil Group at the end of the drawdown phase.

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Note 9 Segment reporting

The Group's unique activity involves the financing or refinancing of loans to public sector entities and exporters. The Group conducts its business solely from France. It has no direct activity in other countries and is unable to present a relevant geographic breakdown of its results.

Note 10 Post-closing events

Sfil extended the term of the financing agreement entered into with La Banque Postale until year-end 2031. The amendment to this related-party agreement was signed on 3 July 2026. It constitutes a non-adjusting post-closing event and therefore does not give rise to any adjustment to the financial statements or the related notes. Following the execution of this amendment, the financing commitments granted by La Banque Postale to Sfil were reduced from €1.0bn to €250m.

In addition, during the first half of 2026, Sfil also signed an amendment extending until 15 December 2033 the financing agreement entered into with Caisse des Dépôts. Following this signature, the financing commitments received from Caisse des Dépôts decreased from €4.0bn to €3.75bn (see note 4.8.3).

As a result of these two extensions, the financing commitments received from La Banque Postale and Caisse des Dépôts will decrease from €5.0bn to €4.0bn. These back-up facilities are not intended to be drawn.

4.3 Statutory auditors' report on the interim financial information

For the period from 1 January to 30 June 2026

Sfil S.A.
112-114 avenue Émile Zola
75015 Paris

To the Shareholders,

In compliance with the assignment entrusted to us by your annual general meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code ("Code monétaire et financier"), we hereby report to you on:

- the limited review of the accompanying half-yearly consolidated financial statements of Sfil S.A., for the period from 1 January to 30 June 2026;
- the verification of the information presented in the half-yearly management report.

These half-yearly consolidated financial statements are the responsibility of the Board of Directors. Our role is to express a conclusion on these financial statements based on our review.

Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying half-yearly consolidated financial statements do not give a true and fair view of the assets and liabilities and of the financial position of the Group as at 30 June 2026 and of the results of its operations for the period then ended in accordance with IFRS as adopted by the European Union.

Specific verification

We have also verified the information presented in the half-yearly management report on the half-yearly consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the half-yearly consolidated financial statements.

Done at Paris La Défense and Neuilly-sur-Seine, 10 September 2026

KPMG S.A.
Xavier De Coninck

PricewaterhouseCoopers Audit
Antoine Priollaud

The statutory auditors

French original signed by Xavier De Coninck and Antoine Priollaud

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5.
Statement by the person responsible

Statement by the person responsible

I, the undersigned, Philippe Mills, Chief Executive Officer of Sfil, hereby affirm that, to the best of my knowledge, these interim consolidated financial statements for the past six months have been prepared in conformity with the applicable accounting standards and provide an accurate and fair view of the assets and liabilities, financial position and earnings of the issuer, as well as of the companies included in the consolidation, and that the attached interim activity report presents a fair image of the significant events that have taken place during the first six months of the financial year and their impact on the interim financial statements, the main transactions between related parties, and a description of all the major risks and uncertainties concerning the remaining six months of the financial year.

Paris, 10 September 2026

Philippe Mills

Chief Executive Officer

Designed & published by Labrador Transparency +33 (0)1 53 06 30 80

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what matters most

More information on sfil.fr

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