

**FIRST SUPPLEMENT DATED 27 SEPTEMBER 2024
TO THE BASE PROSPECTUS DATED 7 JUNE 2024**



**Sfil
€15,000,000,000
Euro Medium Term Note Programme**

This first supplement (the "**First Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 7 June 2024 which was approved by the *Autorité des marchés financiers* (the "**AMF**") under number No. 24-205 on 7 June 2024 (the "**Base Prospectus**"), prepared in relation to the €15,000,000,000 Euro Medium Term Note Programme (the "**Programme**") of Sfil (the "**Issuer**" or "**Sfil**"). The Base Prospectus as supplemented by this First Supplement constitutes a base prospectus for the purpose of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council dated 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**").

Application has been made for approval of this First Supplement to the AMF in its capacity as competent authority pursuant to the Prospectus Regulation. This First Supplement has been prepared pursuant to Article 23 of the Prospectus Regulation for the purpose of updating the Base Prospectus following (i) the incorporation by reference in the Base Prospectus of the information contained in the 2024 *Rapport financier semestriel* in the French language of the Issuer for the period ended 30 June 2024 (the "**2024 Half-Year Report**") and (ii) the entry into force of French law No. 2024-537 of 13 June 2024 aimed at increasing the financing of French companies and the attractiveness of France (known as the *Loi Attractivité*).

With this respect, the following sections of the Base Prospectus shall be updated and amended:

- i. the section entitled "Risk Factors";
- ii. the section entitled "Documents Incorporated by Reference";
- iii. the section entitled "Terms and conditions of the Notes";
- iv. the section entitled "Description of the Issuer";
- v. the section entitled "Recent Developments"; and
- vi. the section entitled "General Information".

Save as disclosed in this First Supplement, no significant new factor, material mistake or material inaccuracy has arisen or has been noted which may affect the assessment of the Notes since the approval of the Base Prospectus.

Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this First Supplement.

To the extent that there is any inconsistency between (a) any statement in this First Supplement or any statement incorporated by reference in the Base Prospectus by this First Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

In accordance with Article 23.2 of the Prospectus Regulation and to the extent applicable, investors who have already agreed to purchase or subscribe for Notes to be issued under the Programme before this First Supplement is published have the right to withdraw their acceptances within a time limit of minimum two (2) working days after publication of this First Supplement. This right to withdraw shall expire by close of business on 1 October 2024, provided that the Notes had not yet been delivered to the

investors at the time when the significant new factor, material mistake or material inaccuracy arose or was noted. Investors may notify the Issuer should they wish to exercise the right of withdrawal.

Copies of this First Supplement shall be (a) published on the websites of the AMF (www.amf-france.org) and of the Issuer (www.sfil.fr) in accordance with applicable laws and regulation and (b) available for inspection and obtainable, upon request and free of charge, during usual business hours, on any weekday at the registered office of the Issuer (112-114 avenue Emile Zola, 75015 Paris, France).

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RISK FACTORS

The section entitled "**Risk factors**" on pages 17 to 35 of the Base Prospectus is amended as follows:

- The first paragraph of the risk factor entitled "*1.2.2 Risks arising from implementation of Basel III Risk-Weighted Asset Framework*" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 19 of the Base Prospectus is deleted and replaced as follows:

"Sfil is subject to prudential regulations applicable to credit institutions and has to comply with the current Capital Requirements Regulation and Directive 2013/36/EU dated 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, as amended (the "Capital Requirements Directive"). As of 30 June 2024, Sfil Group's capital level is high (CET1 capital ratio: 37.3%; total capital ratio: 37.3%) given its solvency minimum requirements set by the European Central Bank as per the Supervisory Review and Evaluation Process exercise (CET1 capital: 8.56%; total capital: 12.5%). As of 30 June 2024, Sfil's leverage ratio is 9.9% and exceeds the minimum 3% requirement."

- The last paragraph of the risk factor entitled "*1.2.2 Risks arising from implementation of Basel III Risk-Weighted Asset Framework*" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 19 of the Base Prospectus is deleted and replaced as follows:

"This agreement stipulates that, for internal rating-based approach ("**IRBA**") credit models, a loss given default ("**LGD**") input floor of 5% will be applied to local authorities not assimilated to their sovereign. On 21 June 21 2024 ACPR *Collège* decided to assimilate most of the French Regional governments and local authorities (RGLAs) to sovereign risk, leading to a risk factor of 0% in a standardised approach. Following this decision, Sfil will compute its risk weight through a standardised approach instead of IRBA model from the end of the third quarter 2024."

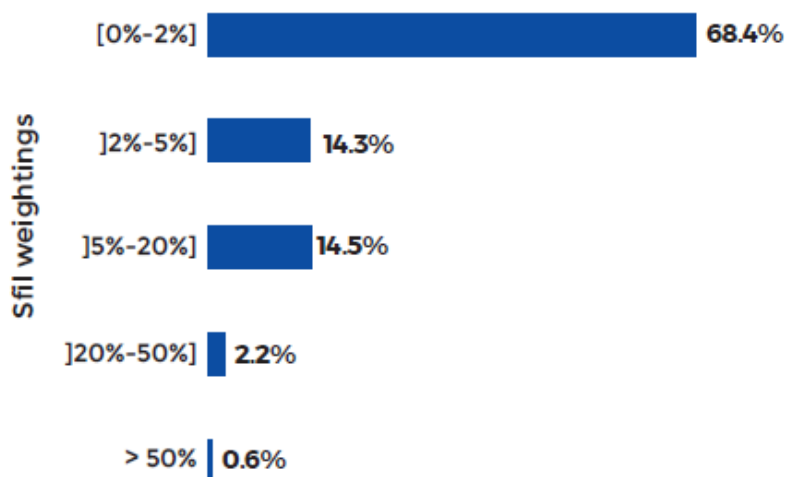
- The sixth paragraph and its sub-paragraphs of the risk factor entitled "*2.1 Risk of default*" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 20 of the Base Prospectus are deleted and replaced as follows:

"As an illustration, exposures to credit risk, which is measured using the "Exposure at Default" (EAD) metric, amounted to EUR 75 billion as of 30 June 2024 (excluding non-current assets and accruals and other liabilities):

- over 53% of this exposure is concentrated in French local public authorities (regions, departments, municipalities and groups of municipalities, etc.);
- almost 29% of this exposure is included in "Sovereign" items including 78% as a result of the export credit activity;
- almost 9% of this exposure comes from public sector entities, including 85% from public stakeholders in the hospital sector."

- The ninth paragraph and the following graph of the risk factor entitled "2.1 Risk of default" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on pages 20 of the Base Prospectus are deleted and replaced as follows:

"The breakdown of the Sfil Group's exposures by risk weighting as of 30 June 2024 is as follows:



- The tenth paragraph of the risk factor entitled "2.1 Risk of default" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 20 of the Base Prospectus is deleted and replaced as follows:

"82.7% of the portfolio has a weighting of less than 5% and 97.2% of the portfolio has a weighting that is less than or equal to 20%.

Furthermore, Sfil has only one exposure in Ukraine, which at 30 June 2024 represented an outstanding amount of EUR 39.4 million. This transaction is 100% guaranteed by the French Republic and Sfil is not therefore directly exposed to credit risk on this outstanding loan."

- The last sentence of the first paragraph of the risk factor entitled "2.3 Risk of default of bank counterparties" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 21 of the Base Prospectus is deleted and replaced as follows:

"As an illustration, exposure to credit risk for financial institutions, which is measured using the "Exposure at Default" (EAD) metric, amounted to EUR 3.6 billion (54% of total EAD amount) as of 30 June 2024."

- The last sentence of the risk factor entitled "3.2 Risk of a liquidity shortfall that may affect the Issuer's ability to settle its debt commitments in a timely fashion" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 22 of the Base Prospectus is deleted and replaced as follows:

"However, as an illustration, as of 30 June 2024, LCR ratio reached 270% on a consolidated basis and the amount of liquidity reserves amounted to EUR 43.3 billion on a consolidated basis."

- The fourth paragraph and its sub-paragraphs of the risk factor entitled "3.3 Sfil may be exposed to losses due to changes in interest rate risk or changes in other markets parameters" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 22 of the Base Prospectus is deleted and replaced as follows:

"Based on a constant balance sheet (renewal of operations on the basis of the outstanding amount at the closing date) on 30 June 2024, the sensitivity of the net interest rate margin over 12 months is:

- for a parallel increase in rates of 200 basis points: a decrease of EUR 8.6 million; and
- for a parallel decrease in rates of 200 basis points: an increase of EUR 8.1 million."

- The first sub-paragraph of the sixth paragraph of the risk factor entitled "*3.3 Sfil may be exposed to losses due to changes in interest rate risk or changes in other markets parameters*" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 23 of the Base Prospectus is deleted.
- The second sentence of the first paragraph of the risk factor entitled "*4.3 Other operational risks*" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 24 of the Base Prospectus is deleted and replaced as follows:

"As of 30 June 2024, Risks Weighted Assets (RWA) affected to operational risk (reported in the Pillar III report and calculated on standard approach) amounted to EUR 410 million (9.9% of total RWA)."
- The last sentence of the risk factor entitled "*4.4 Legal and tax risks*" of the sub-section entitled "**I. RISKS RELATING TO THE ISSUER AND ITS OPERATIONS**" on page 25 of the Base Prospectus is deleted and replaced as follows:

"However, the risks remain limited; as an illustration, the amount of provisions for pending legal issues is below EUR 1 million as of 30 June 2024."

DOCUMENTS INCORPORATED BY REFERENCE

The section entitled "**Documents Incorporated by Reference**" on pages 38 to 40 of the Base Prospectus is deleted and replaced for the purposes of adding the 2024 Half-Year Report (as defined below):

"This Base Prospectus shall be read and construed in conjunction with the sections set out in the cross-reference tables below included in the following documents which have been previously or simultaneously filed with the *Autorité des marchés financiers* (the "**AMF**") and shall be incorporated in, and form part of, this Base Prospectus:

- the *Rapport financier semestriel* 2024 in the French language of the Issuer for the period ended 30 June 2024 (the "**2024 Half-Year Report**" <https://sfil.fr/wp-content/uploads/2024/09/Sfil-RFS-2024-FR-MEL.pdf>);
- the *Rapport financier annuel* 2023 in the French language of the Issuer filed with the AMF, which includes the audited consolidated and non consolidated annual financial statements of the Issuer for the year ended 31 December 2023 and the related statutory auditors' report (the "**2023 Financial Report**"; <https://sfil.fr/wp-content/uploads/2024/03/Rapport-financier-annuel-2023.pdf>);
- the *Rapport financier annuel* 2022 in the French language of the Issuer filed with the AMF, which includes the audited consolidated and non consolidated annual financial statements of the Issuer for the year ended 31 December 2022 and the related statutory auditors' report (the "**2022 Financial Report**"; <https://sfil.fr/wp-content/uploads/2023/03/Sfil-Rapport-financier-annuel-2022.pdf>);
- the section entitled "*Terms and Conditions of the Notes*" contained in pages 79 to 113 of the base prospectus of the Issuer dated 27 September 2016 which received visa No. 16-449 from the AMF (the "**2016 EMTN Conditions**"; <https://sfil.fr/wp-content/uploads/2014/03/20160927-SFIL-Base-Prospectus.pdf>), the section entitled "*Terms and Conditions of the Notes*" contained in pages 81 to 115 of the base prospectus of the Issuer dated 27 September 2017 which received visa No. 17-517 from the AMF (the "**2017 EMTN Conditions**"; <https://informations-reglementees-sfil.fr/wp-content/uploads/2020/07/BP-VISA.pdf>), the section entitled "*Terms and Conditions of the Notes*" contained in pages 82 to 113 of the base prospectus of the Issuer dated 15 May 2018 which received visa No. 18-175 from the AMF (the "**2018 EMTN Conditions**"; <https://sfil.fr/wp-content/uploads/2019/03/BP-EMTN-SFIL-2018-1.pdf>), the section entitled "*Terms and Conditions of the Notes*" contained in pages 87 to 122 of the base prospectus of the Issuer dated 16 May 2019 which received visa No. 19-210 from the AMF (the "**2019 EMTN Conditions**"; <https://sfil.fr/wp-content/uploads/2019/05/BASE-PROSPECTUS-SFIL-16-05-2019-19-210.pdf>), the section entitled "*Terms and Conditions of the Notes*" contained in pages 39 to 88 of the base prospectus of the Issuer dated 19 May 2020 which received approval number No. 20-203 from the AMF (the "**2020 EMTN Conditions**"; <https://sfil.fr/wp-content/uploads/2020/05/BASE-PROSPECTUS-SFIL-19-05-2020-20-203.pdf>), the section entitled "*Terms and Conditions of the Notes*" contained in pages 43 to 91 of the base prospectus of the Issuer dated 21 May 2021 which received approval number No. 21-169 from the AMF (the "**2021 EMTN Conditions**"; https://sfil.fr/wp-content/uploads/2023/01/SFIL-2021_BASE-PROSPECTUS.pdf), the section entitled "*Terms and Conditions of the Notes*" contained in pages 42 to 93 of the base prospectus of the Issuer dated 7 June 2022 which received approval number No. 22-198 from the AMF (the "**2022 EMTN Conditions**"; https://sfil.fr/wp-content/uploads/2022/06/SFIL-2022_Base-Prospectus.pdf) and the section entitled "*Terms and Conditions of the Notes*" contained in pages 42 to 95 of the base prospectus of the Issuer dated 12 June 2023 which received approval number No. 23-211 from the AMF (the "**2023 EMTN Conditions**"; https://sfil.fr/en/wp-content/uploads/2023/06/SFIL-EMTN-2023_Base-Prospectus-1.pdf), and together with the 2016 EMTN Conditions, 2017 EMTN Conditions, the 2018 EMTN Conditions, the 2019 EMTN Conditions, the 2020 EMTN Conditions, the 2021 EMTN Conditions and the 2022 EMTN Conditions, the "**EMTN Conditions**").

Such information shall be deemed to be incorporated in, and form part of this Base Prospectus, save that any statement contained in the information which is deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Base Prospectus to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Base Prospectus.

The free English translations of the 2024 Half-Year Report, the 2023 Financial Report and the 2022 Financial Report are available without charge on the website of the Issuer (www.sfil.fr).

All documents incorporated by reference in this Base Prospectus may be obtained, without charge upon request, during usual business hours on any weekday, at the registered office of the Issuer (112-114 avenue Emile Zola, 75015 Paris, France) so long as any of the Notes are outstanding. Such documents will be published on the website of the Issuer (www.sfil.fr) in accordance with applicable laws and regulations.

The EMTN Conditions are incorporated by reference in this Base Prospectus for the purposes only of further issues of Notes to be assimilated (*assimilées* for the purpose of French law) and form a single Series with Notes already issued under the relevant EMTN Conditions. To the extent that only the EMTN Conditions are specified to be incorporated by reference therein, the non-incorporated parts of the base prospectuses of the Issuer dated 27 September 2016, 15 May 2018, 16 May 2019, 19 May 2020, 21 May 2021, 7 June 2022 and 12 June 2023 are not relevant for investors or are covered elsewhere in the Base Prospectus.

For the purposes of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**"), the documents incorporated by reference in this Base Prospectus shall be read in connection with the following cross-reference tables below. For the avoidance of doubt, any information not listed in the cross-reference list below entitled "*Cross-reference list in respect of the financial information of the Issuer*" but included in the documents incorporated by reference is either contained in the relevant sections of this Base Prospectus or is not relevant to the Issuer.

Cross-reference list in respect of the financial information of the Issuer

DOCUMENTS INCORPORATED BY REFERENCE (ANNEX 6 OF THE COMMISSION DELEGATED REGULATION (EU) 2019/980 OF 14 MARCH 2019 SUPPLEMENTING THE PROSPECTUS REGULATION, AS AMENDED)	Pages of the 2024 Half-Year Report	Pages of the 2023 Financial Report	Pages of the 2022 Financial Report
<u>11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</u>			
<u>11.1. Historical Financial Information</u>			

<p>11.1.1. Audited historical financial information covering the latest two financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year</p> <p>Audited historical financial information for the latest two financial years</p> <p>Audit reports for the latest two financial years</p>		<p>p.117 to p.169</p> <p>p.170 to p.174</p>	<p>p.109 to p.167</p> <p>p.168 to p.172</p>
<p>11.1.3. Accounting standards</p>		<p>p.123</p>	<p>p.115</p>
<p>11.1.5. Audited financial information prepared according to national accounting standards</p>			
<p>– Balance sheet</p>		<p>p.178</p>	<p>p.176</p>
<p>– Income statement</p>		<p>p.179</p>	<p>p.178</p>
<p>– Statement of changes in consolidated equity</p>		<p>p.180</p>	<p>p.179</p>
<p>– Accounting policies and explanatory notes</p>		<p>p.181 to p.199</p>	<p>p.180 to p.199</p>
<p>11.1.6. Consolidated financial statements</p>			
<p>If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document</p>		<p>p.117 to p.169</p>	<p>p.109 to p.167</p>
<p>11.1.7. Age of financial information</p>			
<p>The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document.</p>		<p>p.117 to p.169</p>	<p>p.109 to p.167</p>
<p><u>11.2 Interim and other financial information</u></p>	<p>p.35 to 73</p>		
<p><u>11.3. Auditing of historical annual financial information</u></p>			
<p>11.3.1. The historical financial information must be independently audited</p>		<p>IFRS Auditors' report</p> <p>p.170 to p.174</p> <p>French GAAP Auditors' report</p> <p>p.200 to p.203</p>	<p>IFRS Auditors' report</p> <p>p.168 to p.172</p> <p>French GAAP Auditors' report</p> <p>p.200 to p.203</p>

Cross-reference list in respect of EMTN Conditions

EMTN Conditions	Information from previous base prospectuses incorporated by reference
2016 EMTN Conditions	Pages 79 to 113
2018 EMTN Conditions	Pages 82 to 113
2019 EMTN Conditions	Pages 87 to 122
2020 EMTN Conditions	Pages 39 to 88
2021 EMTN Conditions	Pages 43 to 91
2022 EMTN Conditions	Pages 42 to 93
2023 EMTN Conditions	Pages 42 to 95

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TERMS AND CONDITIONS OF THE NOTES

The section entitled "**Terms and conditions of the Notes**" on pages 42 to 90 of the Base Prospectus is amended as follows:

- The second paragraph of the sub-paragraph (iv)(A) (*Collective Decisions – General Meetings*) of Condition 11 (*Representation of Noteholders*) on page 88 of the Base Prospectus is deleted and replaced as follows:

"General Meetings may deliberate validly on first convocation only if the Noteholders present or represented hold at least one-fifth (1/5) of the principal amount of the Notes then outstanding. On second convocation, no quorum shall be required. The decisions of the General Meeting shall be taken by a two-third (2/3) majority of votes held by the Noteholders attending such General Meeting or represented thereat."

- A sub-paragraph (A) is added to the sub-paragraph (ix) (*Full Masse*) of Condition 10 (*Representation of Noteholders*) on page 89 of the Base Prospectus as follows (and the numbering of sub-paragraphs (A) and (B) are respectively updated to (B) and (C) accordingly):

"(A) The second paragraph of Condition 10(iv)(A) shall be deleted and replaced by the provisions of Article L.228-65 II of the French *Code de commerce* and the related provisions of the French *Code de commerce*;"

DESCRIPTION OF THE ISSUER

The section entitled "**Description of the Issuer**" on pages 92 to 107 of the Base Prospectus is amended as follows:

- The last paragraph of the sub-section entitled "**1. HISTORY AND DEVELOPMENT OF THE ISSUER**" on page 93 is deleted and replaced as follows:

"In addition, Sfil continued to use its program for issuing debt securities at less than one year (NeuCP issuance program). As of 30 June 2024, Sfil's outstanding debt securities of less than one year amounted to EUR 1.22 billion."

- The first paragraph of the paragraph entitled "**The war in Ukraine**" in the sub-section entitled "**1. HISTORY AND DEVELOPMENT OF THE ISSUER**" on page 93 of the Base Prospectus is deleted and replaced as follows:

"The foreseeable impacts of the war in Ukraine are very limited for the Sfil group. As a reminder, the Sfil Group has no operations outside France. In addition, the Group has no exposure to Russia or Belarus, and only one exposure to Ukraine, which represented EUR 39 million as of 30 June 2024. This exposure was granted as part of Sfil's export credit business and is 100% guaranteed by the French Republic. Sfil is therefore not directly exposed to credit risk on this exposure. Nevertheless, as of 24 February 2022, Sfil had decided to place this asset on the watchlist and consequently to classify it as Stage 2. The Expected Credit Losses (ECL) associated with this downgrade are very limited, representing around EUR 0.2 million at 30 June 2024."

- The paragraph entitled "**2024 Outlook**" on pages 93 and 94 of the Base Prospectus is deleted and replaced as follows:

"**Outlook for the second half of 2024**"

In the second half of 2024, the Sfil Group will continue to implement the operational objectives defined for 2024, in line with the "Objective 2026" strategic plan:

- maintain leadership in its two activities;
- maintain a low risk profile and improve its economic performance;
- continue to support its clients in their efforts to promote the environmental transition;
- strengthen its innovation and transformation approach.

The beginning of this second half of 2024 was marked by a more volatile financial environment with a widening of the OAT-Bund spread and French credit spreads in general following the early legislative elections in France. However, the impact on the refinancing cost of the Sfil Group is moderate to date. On 11 July 2024, Sfil issued a EUR 1.25 billion green bond with a five-year maturity and an OAT spread of +29 bps under very satisfactory market conditions. The Sfil Group achieved more than 70% of its 2024 issuance program with this transaction.

Local authorities remain a pole of stability, enjoy sound financial health and have ambitious investment programs planned for the end of the current electoral cycle. In this context, the activity is set to remain dynamic in the second half of 2024, during which borrowing is traditionally stronger. More specifically, the volume of use of proceeds loans is expected to continue to grow, driven by several factors:

- the new greenhouse gas reduction targets by 2030 (-55%) provided for by the third version of the National Low Carbon Strategy which publication has been delayed. These should call for an upward reassessment of the investment effort of local authorities as initially estimated in the I4CE study of 14 October 2022¹ and which already provided for the necessary doubling of "climate investments" to EUR 12 billion per year. The report of the French

¹ I4CE study of 14 October 2022: "*Local authorities: investment and engineering needs in carbon neutrality*".

Inspection générale des finances, published in October 2023, confirmed this necessary effort and reassessed it at EUR 21 billion for local authorities; and

- the obligation for local authorities with more than 3,500 inhabitants to initiate a "green budget" approach, particularly for investment expenditure, whose implementing decrees are expected during the second half of 2024. This transparency measure should make it possible to better identify investments favourable to the transition and to make the efforts undertaken more objective.

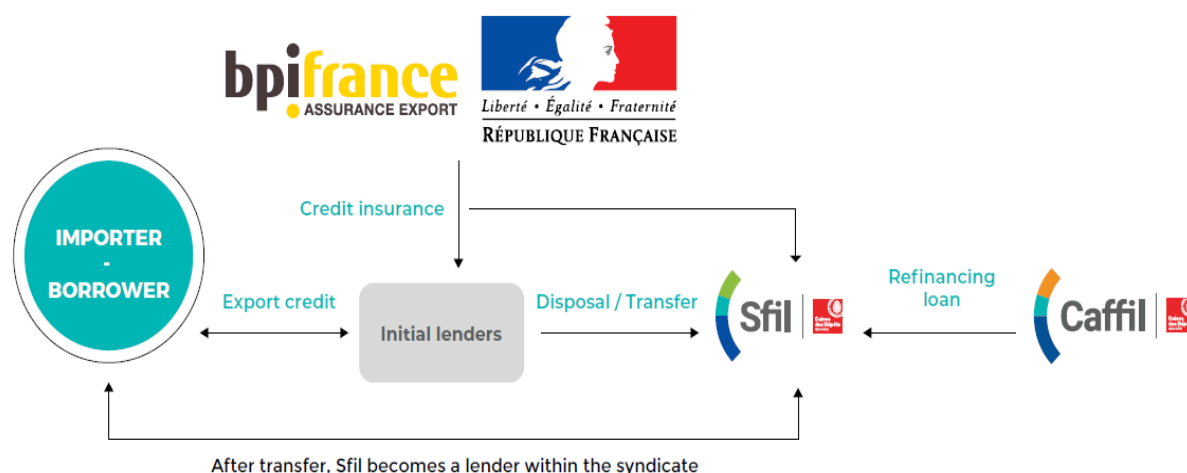
Public hospitals are also expected to step up their investment efforts during the second half of 2024, in order to achieve the objectives of the *Séгур* plan.

The outlook for export-credit refinancing is also very positive. Indeed, requests for the Sfil refinancing scheme are at a record level, *i.e.* an average of 20 per month since the beginning of 2024. Files under assessment amounted to EUR 68 billion for a total of approximately 170 projects, indicating a particularly dynamic activity in the months and years to come.

In addition, the discussions that the Sfil Group started previously with the European authorities are still ongoing. A favourable outcome would enable Sfil to broaden the type of public assets that the Group could finance under its current mandates."

- All sub-paragraphs from the seventh paragraph onwards of the paragraph entitled "**(iii) Export credit refinancing**" of the sub-section entitled "**2. BUSINESS OVERVIEW**" on pages 99 to 101 of the Base Prospectus are deleted and replaced as follows:

"Presentation of the refinancing scheme²:



The refinancing scheme operates as follows:

- Sfil contributes to the financial proposal prepared by one or more banks of the banking syndicate granting buyer credit covered by export credit insurance granted by the French Republic (the "**French State**");
- after signing the export credit agreement, the partner banks sell to Sfil a share of the loan, the rights attached to it as well as those attached to the portion of the loan that they retain. They retain the portion of the loan that does not benefit from credit insurance (at least 5%);
- Cafffil 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 Cafffil. Sfil's rights to

² Scheme applicable to export credit refinancing operations excluding civil aviation that benefit from a Pure and Unconditional Guarantee in replacement of 95% credit insurance and the enhanced guarantee

compensation under the Bpifrance Assurance Export credit insurance policy are also delegated by Sfil to Caffil.

- The refinancing loans benefit from an unconditional guarantee on first demand issued by the French State, known as an enhanced guarantee³. Caffil will no longer use this mechanism for transactions concluded from September 2024 onwards. This change reflects simplification process of the Sfil Group. It does not call into question the principle of exposures to public entities or those guaranteed by them in line with the regulations applicable to *sociétés de crédit foncier*;
- Caffil finances these loans by issuing *obligations foncières* (covered bonds). When these export credit contracts are eligible, they are refinanced by green, social or sustainable bonds.

While the global export credit market covered by export credit agencies (ECAs) grew very strongly in 2023, the first half of 2024 saw a decrease in both transaction volumes (-46% compared with the first half of 2023 to USD 36.7 billion) and the number of transactions (-34% from 282 transactions in the first half of 2023 to 187 transactions in the first half of 2024). These trends were mainly due to :

- a decline in the number of transactions in high-income countries;
- a slowdown in transactions in the offshore wind energy sector; and
- a nearly complete extinction of export financing for upstream oil and gas projects.

In contrast, sectors such as transport infrastructure, aeronautics, battery factories and shipbuilding (including cruise ships) remained at a strong level of activity in the first half of 2024.

The first half of 2024 saw the conclusion of two export credit transactions for a total amount transferred to Sfil of EUR 1.7 billion, enabling the conclusion of EUR 3.1 billion of export contracts. These transactions covered Europe and the Americas. They contributed to Sustainable Development Goal 8 aimed at achieving full employment in France.

Since the launch of the activity in 2015, the Sfil Group has supported 30 operations for a total amount of almost EUR 18 billion, enabling the conclusion of EUR 31 billion in export contracts.

In addition, during the TXF forum in June 2024, Sfil received the "Deal of the year Central Asia 2023" award for the financing of locomotives for freight and passenger transport in Kazakhstan. The passenger locomotives financed as part of this transaction emit 89% less gCO₂ per passenger-km compared to cars."

- The paragraph entitled "**2.3 Recent evolutions**" of the sub-section entitled "**2. BUSINESS OVERVIEW**" on page 101 of the Base Prospectus is deleted and replaced as follows:

"We present below three key figures of Sfil as of 30 June 2024:

- Sfil had EUR 70.7 billion consolidated balance sheet assets and
- Sfil had a CET1 Ratio of 37.3%

The European Central Bank notified the level of additional requirement in respect of P2R (Pillar 2 Requirement) for Sfil's Group, which apply from 1 January 2021. These requirements are maintained and stand at 1% for Sfil. Taking into account the regulatory buffers, as from 1 January 2024, the minimum requirements applicable to Sfil on a consolidated basis are respectively 8.56% for the CET1 ratio, 10.25% for the Tier 1 ratio and 12.5% for the total capital ratio.

Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms has introduced a leverage ratio,

³ The enhanced guarantee was introduced by law 2012-1510 of 29 December 2012 and Decree No. 2013-693 of 30 July 2013. It was then amended by Decree No. 2018-1162 of 17 December 2018 relating to the granting of the French State's guarantee for transactions that are likely to contribute to the development of France's foreign trade or are of strategic interest for its overseas economy.

which corresponds to the amount of Tier 1 capital as a proportion of the total exposure of the entity concerned. Data collection in accordance with the regulatory format began in 2014 and entities have published their leverage ratio since the fiscal year starting 1 January 2015, without this ratio being subject to a specific quantitative requirement.

Based on the methodological principles of currently applicable regulations, the Sfil Group's leverage ratio was 9.9% as of 30 June 2024."

- The last sentence of the first paragraph of the sub-paragraph entitled "**(vii) Refinancing master agreements with Caffil (Convention-cadre de refinancement Sfil-Caffil/Crédit Export)**" of the sub-section entitled "**7. MATERIAL CONTRACTS**" on page 107 of the Base Prospectus is deleted and replaced as follows:

"The purpose of this master agreement is to govern any export loan refinancing between Sfil and Caisse Française de Financement Local benefiting from the enhanced guarantee issued by the French Republic."

- The sub-paragraph entitled "**(vii) Refinancing master agreements with Caffil (Convention-cadre de refinancement Sfil-Caffil/Crédit Export)**" of the sub-section entitled "**7. MATERIAL CONTRACTS**" on page 107 of the Base Prospectus is amended by adding a third paragraph as follows:

"The Issuer and Caisse Française de Financement Local have entered into a refinancing master agreement on 29 August 2024, as amended from time to time. Such agreement sets out the general terms relating to any refinancing by Caisse Française de Financement Local of export loans acquired by Sfil from export banks in its export refinancing activity. The purpose of this master agreement is to govern any export loan refinancing between Sfil and Caisse Française de Financement Local."

RECENT DEVELOPMENTS

The section entitled "**Recent Developments**" on page 108 of the Base Prospectus is deleted and replaced as follows:

"Debt securities amount

The amount of the debt securities issued by Sfil under its Programme increased by an amount of EUR 1,351 million between 30 June 2024 and 25 September 2024.

The amount of the debt securities (including the *Obligations Foncières* and the registered covered bonds) issued by Caffil decreased by an amount of EUR 2,104 million between 30 June 2024 and 25 September 2024.

The amount of the Sfil Group's debt securities (including (i) the debt securities issued by Sfil under its Programme and (ii) the *Obligations Foncières* and the registered covered bonds issued by Caffil) decreased by an amount of EUR 754 million between 30 June 2024 and 25 September 2024."

GENERAL INFORMATION

The section entitled "**General Information**" on pages 155 to 158 of the Base Prospectus is amended as follows:

- The paragraph entitled "**2. Corporate authorisations**" on page 155 of the Base Prospectus is deleted and replaced as follows:

"The Issuer has obtained all necessary corporate and other consents, approvals and authorisations in France in connection with the update of the Programme.

Under French law, any drawdown of Notes under the Programme, to the extent that such Notes constitute obligations, requires the prior authorisation of the Board of Directors (*conseil d'administration*) of the Issuer which may delegate its powers to an authorised officer.

For this purpose, on 6 September 2024, the Board of Directors (*Conseil d'administration*) of the Issuer (i) authorised for a period of one year from 6 September 2024 the issue of notes and assimilated debt securities (*obligations et titres assimilés*) up to €5,000,000,000 per financial year and (ii) delegated, the power to issue such notes and assimilated debt securities (*obligations et titres assimilés*) (x) to Mr. Philippe Mills, *Directeur Général* of the Issuer, to Mr. Francois Laugier, *Directeur Général Adjoint* of the Issuer and to Mr. Florent Lecinq, *Directeur finance et marchés financiers* of the Issuer and (y) up to €1,000,000,000 per issue, to Mr. Olivier Eudes, *Directeur ALM et marchés financiers* of the Issuer, each with the capacity to act separately."

- The paragraph entitled "**5. Significant change in the Issuer's financial position or financial performance**" on pages 155 and 156 of the Base Prospectus is deleted and replaced as follows:

"There has been no significant change in the financial position or financial performance of the Issuer since 30 June 2024 (being the date of its last financial period for which financial information has been published)."

- The first paragraph of the sub-paragraph entitled "**11. Auditors**" on page 156 of the Base Prospectus is deleted and replaced as follows:

"KPMG S.A. (Tour Egho, 2, avenue Gambetta, 92066 Paris-La-Défense Cedex, France) and PricewaterhouseCoopers Audit (63, rue de Villiers, 92200 Neuilly sur Seine, France) have audited and rendered unqualified audit opinions in their reports on the annual financial statements of the Issuer for the financial years ended 31 December 2022 and 31 December 2023 and issued a limited review report on the interim financial information of the Issuer as at 30 June 2024."

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE FIRST SUPPLEMENT

I declare, to the best of my knowledge, that the information contained in this First Supplement is in accordance with the facts and that this First Supplement makes no omission likely to affect its import.

Sfil
112-114, avenue Emile Zola
75015 Paris
France

Duly represented by:
Florent Lecinq
Directeur finance et marchés financiers
Duly authorised
on 27 September 2024



This First Supplement to the Base Prospectus has been approved on 27 September 2024 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this First Supplement after having verified that the information in the Base Prospectus, as supplemented by this First Supplement, is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129.

This approval should not be considered as a favourable opinion on the Issuer and on the quality of the Notes described in this First Supplement. Investors should make their own assessment of the opportunity to invest in such Notes.

This First Supplement to the Base Prospectus obtained the following approval number: 24-416.