

**Second supplement dated 11 April 2023
to the Base Prospectus dated 5 July 2022**



LA BANQUE POSTALE HOME LOAN SFH

*(duly licensed French specialised credit institution (établissement de crédit spécialisé)
€30,000,000,000 Euro Medium Term Note Programme for the issue of
obligations de financement de l'habitat*

This second supplement (the "**Second Supplement**") is prepared in connection with the base prospectus dated 5 July 2022 (the "**Base Prospectus**") and the first supplement to the Base Prospectus dated 7 October 2022 (the "**First Supplement**"), together prepared in relation to the Euro Medium Term Note Programme (the "**Programme**"), under which La Banque Postale Home Loan SFH (the "**Issuer**"), subject to compliance with all relevant laws, regulations and directives, may from time to time issue *obligations de financement de l'habitat* within the meaning of article L.513-30- I and I bis. of the *Code monétaire et financier* (the "**French Monetary and Financial Code**"), benefiting from the statutory *privilège* (priority right of payment) created by article L.513-11 of the French Monetary and Financial Code (the "**Privilège**"), as more fully described in the Base Prospectus (the "**Notes**").

The *Autorité des marchés financiers* (the "**AMF**") has granted visa n°22-270 on 5 July 2022 to the Base Prospectus and visa n°22-414 on 7 October 2022 to the First Supplement.

The Base Prospectus, as supplemented, constitutes a base prospectus for the purpose of article 8 of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**").

The Issuer has prepared this Second Supplement to its Base Prospectus, pursuant to Article 23.1 of the Prospectus Regulation in order to supplement the Base Prospectus with the new significant information relating to the Issuer that has been made public since the publication of the Base Prospectus and in particular for the following purposes:

- updating the section "Risk Factors";
- incorporating by reference in the Base Prospectus the 2022 Annual Financial Report in the French language and the statutory auditors' review report thereon;
- updating the section "Cross Reference List";
- updating of the section "Overview of the legislation and regulations relating to *sociétés de financement de l'habitat*" related to the "Legal framework" and the "Extendable maturity structure";
- updating the section "Description of the Issuer" related to the "Covered Notes";
- updating of the section "Terms and Conditions of the Notes" related to "Redemption, Purchase and Options" the former related to "Final Redemption"; and

- updating the section 4 of the "General Information" section of the Base Prospectus.

Terms defined in the Base Prospectus have the same meanings when used in this Second Supplement.

Application has been made to the *Autorité des marchés financiers* (the "AMF") in France for approval of this Second Supplement in its capacity as the competent authority.

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

Save as disclosed in this Second Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

The Second Supplement will be made available on the website of the AMF at www.amf-france.org and together with any document incorporated by reference in this Second Supplement, on the website of the Issuer at www.labanquepostale.com.

To the extent applicable, investors who have already agreed to purchase or subscribe for the Notes to be issued under the Programme before this Second Supplement is published, have the right, exercisable within a time limit of two (2) working days after the publication of this Second Supplement (i.e. no later than 13 April 2023), to withdraw their acceptances provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the offer period or the delivery of the Notes, whichever occurs first. Investors may contact the Authorised Offerors should they wish to exercise the right of withdrawal.

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RISK FACTORS

1. The section “A. Risks related to a deterioration in the financial position or the default of La Banque Postale” beginning on page 14 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

“

A. Risks related to a deterioration in the financial position or the default of La Banque Postale

La Banque Postale Home Loan SFH could have difficulty in repaying maturing bonds, due to a significant deterioration in La Banque Postale’s financial position

Liquidity risk is defined as the risk that a credit institution cannot meet its commitments because of the market situation or factors that are specific to it. La Banque Postale may not be able to honour the repayment of a loan contracted with its subsidiary La Banque Postale Home Loan SFH owing to the deterioration in its financial position and liquidity problems. This situation could be exacerbated by the fact that at the time of the downgrading of its credit quality by the rating agencies, La Banque Postale was not able to establish the amount of cash collateral that it is contractually required to provide to La Banque Postale Home Loan SFH.

As a result, La Banque Postale Home Loan SFH may not have sufficient liquidity to ensure the repayment of maturing *hard bullet* bonds.

The mechanism implemented means that La Banque Postale Home Loan SFH depends on its parent company to ensure its liquidity. La Banque Postale Home Loan SFH lends the funds received following the issue of “*obligations de financement de l’habitat*” (home financing bonds) to La Banque Postale in order to finance residential home loans to individual customers. It is the payment of interest and the repayment of the nominal amount of the loan by La Banque Postale to La Banque Postale Home Loan SFH that enable it in turn to ensure the payment of interest and the nominal amount due to its investors.

If these events were to occur, the impacts would be very significantly unfavourable for La Banque Postale Home Loan SFH which would find itself in a payment default situation with regard to its investors. The regulator and rating agencies consider this liquidity risk to be a major risk. As such, liquidity risk is the subject of several mechanisms, regulatory for the SFH and contractual between the subsidiary La Banque Postale Home Loan SFH and its parent company La Banque Postale, in order to reduce the probability of occurrence and mitigate the impact. For La Banque Postale Home Loan SFH, the robustness of its parent company is a guarantee against such a scenario occurring.

This is a limited short/medium-term risk for La Banque Postale, whose confirmed ratings in 2022 were respectively, A+/A-1 with a negative outlook for Standard & Poor’s and A/F1+ with a stable outlook for Fitch. For the first time, in July 2022, Moody’s Investors Service assigns La Banque Postale a rating of A2 for its long-term deposits and P1 for its short-term deposits, with a stable outlook. Moreover, La Banque Postale has a solid liquidity structure, characterized by a loan/deposit ratio of 87.2%, reflecting a strong financing capacity for its growth. Liquidity ratios remain at a high level with an LCR ratio at 147% and an NSFR ratio at 129%. In the event of the default of La Banque Postale, its parent company, La Banque Postale Home Loan SFH, after meeting an initial payment, could have difficulty in meeting following payments due to increased credit risk on its home loan portfolio.

Credit risk is the risk incurred in the event of the default of La Banque Postale. It is also the risk that La Banque Postale does not fulfil its commitments and in particular its repayment commitments with regard to La Banque Postale Home Loan SFH.

The risk related to the default of La Banque Postale is covered by a guarantee contract between La Banque Postale and La Banque Postale Home Loan SFH. This provides for the transfer of full ownership of a portfolio of home loans granted by La Banque Postale Group to La Banque Postale Home Loan SFH; this home loans’ portfolio amounted: €25,3 billion as at 31 December 2022. After the default of La Banque Postale, La Banque Postale Home Loan SFH would find itself directly exposed to the credit risk of this portfolio whose proceeds must ensure both the payment of interest and repayment of bonds issued. This credit quality could already be downgraded at the time of the transfer, due to changes in La Banque Postale’s lending and guarantee policy prior to its default.

The level of risk could also increase as a result of a deterioration in the economic environment and a rise in the unemployment rate in France. In such an economic situation, La Banque Postale Home Loan SFH could face an increase in the number of overdue payments and payment defaults. In this case, the situation could be exacerbated if the property market were to deteriorate with, as a consequence, a decline in residential property prices in France or a much less liquid French residential market which would cause a loss in value of the assets taken as security by La Banque Postale SFH, limiting the possibility of recovering losses.

In the absence of the default of La Banque Postale, the cover pool management system enables the composition and size to be adapted to take account of changes in the rate of overdue payments, the deterioration in the quality of a guarantee and thereby ensure a good level of coverage. In the event of the default of La Banque Postale, the transferred portfolio is frozen and must be sufficient for La Banque Postale Home Loan SFH to pay the interest and repay the debt securities that it has issued.

The occurrence of a default by La Banque Postale could cause a sufficient deterioration in the quality of the home loans held by La Banque Postale Home Loan SFH which would have a very negative impact on its ability to fulfil its own obligations towards its investors.

The systems implemented significantly reduce the risk of La Banque Postale Home Loan SFH finding itself in such a situation. The levels of the Asset Cover Test of 130,7 % and coverage ratio of 132,3 % at the end of December 2022, which are well above contractual and regulatory requirements, mean that La Banque Postale Home Loan SFH can count on a decently sized cover pool in light of the loans granted to La Banque Postale. Changes in the quality of the covered pool are also monitored by La Banque Postale Home Loan SFH and are the subject of a quarterly report to the Board of Directors' Risk Committee. Home loans selected in the cover pool are home loans granted to customers of La Banque Postale Group according to its risk control policy and relating exclusively to assets in France. The average non-indexed Loan to Value (LTV) at the end of December 2022 is 66.9% (no loan with a non-indexed LTV more than or equal to 100%). 54,6% of the outstanding amount of the cover pool is related to loans guaranteed by Crédit Logement, with the remaining 45,4% benefiting from a 1st mortgage or an equivalent guarantee.

Unfavourable economic and financial conditions have had in the past, and could once again have in the future, an impact on La Banque Postale Group and the markets in which it operates

La Banque Postale Group's banking activities are concentrated in France. Its insurance business – which is primarily conducted through CNP Assurances – exposes the Group internationally, especially in Brazil and Italy. La Banque Postale Group is therefore exposed to trends and developments in the financial markets and, more generally, changes in the economic situation in France, the rest of Europe and the rest of the world.

In France in particular, a worsening economic environment would impact:

- the Group's business plan, leading to lower credit production;
- the deterioration of borrower solvency, including both individual customers and legal entities.

In Brazil, the main areas of vigilance concern:

- the economic difficulties experienced by China, which has become an important market;
- the growing frequency of droughts, which could weaken an economy that relies on the agribusiness as a key growth driver;
- the risk of a growing budget deficit (expected in 2023) due to an increase in routine government spending and higher interest payments on government debt;
- underdiversification of the energy mix (with hydroelectric power accounting for 2/3 of electricity supplies), leading to an increased risk of price volatility.

In Italy, the risk factors are:

- rising interest rates, which are increasing the pressure on the country's public finances (with the debt/GDP ratio at 150%) and making it even harder to balance the government budget;
- the country's dependence on gas (16% of its energy mix), which has a double effect: a price effect due to rising gas prices and a volume effect due to limited supplies;
- structural difficulties that are holding back economic growth (an ageing population and shrinking workforce; a productivity deficit and a loss of competitiveness).

If the economic environment were to worsen, the Group's operations could be affected and its business, results and financial position could suffer a significant adverse impact.

While the integration of CNP Assurances has had a favourable impact on La Banque Postale's solvency, it is now more sensitive to the financial markets, particularly due to CNP Assurances' assets at fair value through equity, for which changes in fair value are recognised in other comprehensive income (OCI). OCI is included in the calculation of La Banque Postale Group's prudential own funds. This key component, combined with La Banque Postale's positions recognised at fair value through equity, increases the sensitivity of La Banque Postale Group's capital ratio to changes in the financial markets. Consequently, a further financial market shock could adversely affect the Group's capital ratio.

As of the date of this document, the main risk factor for the Group following the outbreak of armed conflict between Russia and Ukraine concerns a possible deterioration in economic and financial market conditions. At the time of writing, country risk surveys for the main countries point to a recession risk in the short term, particularly in France¹ (with demand weakened by the fall in purchasing power, and with economic activity and the labour market supported by fiscal measures based on an accommodative energy policy). The initial sharp rise in energy prices spread to the prices of all goods and services, keeping inflation rates high. This in turn led to wage inflation, which was all the more difficult to control due to the widespread recruitment difficulties. The magnitude and frequency of interest rate hikes continued to depend on published inflation data (with euro zone inflation peaking at over 10% in October 2022). Alongside its interest rate policy, the European Central Bank (ECB) also announced that it was tightening the terms of the TLTRO III bank funding operation, putting further pressure on the banks' cost of borrowing from the central bank and affecting money market liquidity.

According to the ECB's latest central scenario (published in December 2022) the outlook for the euro zone has deteriorated somewhat, with weaker growth and more persistent higher-than-expected inflation compared to previous quarterly projections. According to the ECB's current and historical projections published in December 2022, euro zone GDP growth in 2022 was around 3.4%, a rate 1.8-points below the 2021 growth rate, in an environment shaped by the ongoing energy crisis, high inflation, elevated uncertainty, the global slowdown and tighter financing conditions.

ECB estimates put European inflation at 8.4% at the end of 2022 (compared to 2.6% at the end of 2021). According to the ECB experts who prepared the projections, inflation has broadened across all components of the Harmonised Index of Consumer Prices (HICP), despite sharp declines in wholesale gas and electricity prices, weakening demand, easing supply bottlenecks and government measures to contain energy inflation. The situation is not expected to ease until next year, with the inflation rate looking set to decline to 6.3% in 2023 and 3.4% in 2024.

The potential impacts of a sudden deterioration in the macro-economic environment can be summed up as follows:

- **Corporate customers:** increase in business failures among the most fragile customers. The size of companies and their business sector are two of the main factors used for assessing this risk. To address these factors, La Banque Postale continued to adopt a prudent approach to determining provisions at 31 December. All the existing measures concerning industry risk provisions (some of which relate to sectors even more at risk in the current environment) were maintained in the most sensitive sectors, namely the Private Passenger Transport industry – with a particular focus on Airlines – the Automotive industry, Tourism and Hospitality, Retail, Commercial Property, and above all Agriculture, with a measure in place since 30 June 2022 to anticipate possible raw materials shortages following the outbreak of the Russia-Ukraine conflict. In addition, at 31 December 2022, the Group Risk Department decided to record statistical provisions on leveraged exposures with the lowest credit quality ratings.
- **Retail customers:** job stability and the stability of savings and disposable incomes net of inflation represent structural factors taken into account to assess the credit risk represented by retail customers who have obtained loans from the Bank. Government support packages, price freezes and the French unemployment system all help to delay or even offset the occurrence of this risk, but La Banque Postale's customers with low incomes are nonetheless expected to experience difficulties, as they are

¹ The consensus forecast now points to a roughly 0.2% sequential decline in GDP in the fourth quarter of 2022, leading to annual growth of 2.5% in 2022, and then annual growth of just 0.2% in 2023 (Consensus Forecasts and Bloomberg).

particularly vulnerable to sharp price increases on basic and everyday consumer products. For this reason, La Banque Postale set aside provisions covering part of the inflation risk for vulnerable customers with consumer loans or home loans (including low income homebuyer loans – Prêts à Accession Sociale)²

- **Commercial impact:** as well as the impact on customers' ability to fulfil their repayment obligations and the related credit risk, the crisis has also affected La Banque Postale's ability to meet its commercial targets, particularly in Retail Banking. Consequently, over and above its impact on the cost of risk, the economic crisis could negatively impact La Banque Postale's revenue and therefore its profitability. However, after 2023, which is considered a transition year, the recovery of interest rates from the negative territory occupied since 2014 will relieve the medium and long-term pressure on banking and insurance margins by allowing loans and investments to be rolled over at interest rates that exceed the rates paid on demand deposits (which constitute the Bank's main source of financing).

² Home savings scheme available to people on low incomes, subject to income conditions. Its interest rate is capped (source: Service Public)

- **Valuation of financial instruments carried at fair value through equity:** the financial crisis had an “instant” impact on the valuation of instruments that are not recognised at amortised cost. This effect has been recognised in the financial statements, as well as in La Banque Postale’s consolidated capital ratio. If the crisis were to deepen, this could have a more significant impact on the Group’s capital ratio. However, application of IFRS 17 will reduce the sensitivity of the capital ratio to financial market developments and volatility.

The situation in the financial markets deteriorated considerably in 2022, after an exceptional year in 2021 when the CAC 40 delivered its best performance since 1999, gaining 29% to end the year at 7,153 points. By contrast, the CAC 40 lost 9.5% in 2022, closing at 6,473 points on 30 December 2022, while the Eurostoxx index closed at 3,793 points, a fall of almost 12% over the year.

During 2022, the central banks responded to inflationary pressures by tightening their monetary policies (until early February 2023 in the most recent cases). The Federal Reserve raised its benchmark rate by 450 bps to 4.75%. For its part, the ECB increased its deposit rate by 300 bps to 2.50%, with a knock-on effect on the refinancing rate and marginal lending facility rate, which increased to 3.00% and 3.25% respectively.

Against this backdrop of rising central bank rates and general uncertainty, there was a surge in interest rates on both sovereign and corporate debt. After standing at less than 0% since mid-2019, France’s 10-year OAT rate rose sharply in 2022 to 3.11% at the year end.

In a still uncertain environment, cost of risk amounted to €216 million for 2022 (without any major loss events), representing a rate of 16 bps based on outstanding loans. This rate reflects:

- the high quality of the Group's assets in Retail and CIB banking books;
- limited exposure to the corporate sectors hardest hit by the crisis;
- La Banque Postale's conservative policy concerning loss allowances across all customer categories.

Outstanding non-performing loans were slightly higher than at the end of 2021 due to a loan to a Paris bank being reclassified to Bucket 3, but were nevertheless still low at 0.8% of total outstanding loans. At 35.5%, the coverage rate was lower at 31 December 2022, due to the significant guarantees securing the above loan; excluding this loan, the coverage rate was stable at around 40%.

The crisis resulting from the global health situation (COVID-19) in the years 2019-2021 has led to a number of disruptions and generated uncertainties to which the La Banque Postale Group could continue to be exposed

Like all credit institutions throughout the world, La Banque Postale has been dealing with the economic and operational consequences of the COVID-19 pandemic since the beginning of 2020.

The effects on the different economic sectors have varied. In some sectors, growth has not yet recovered to pre-crisis levels (for example, the automotive, air transport/aviation and cultural sectors, due to declines in consumer durables purchases and mass tourism, and the growth in home working and online shopping).

The economic policy responses have been massive, with governments resorting to deficit spending to support household and business incomes, and central banks stepping up their quantitative easing programmes to help finance these deficits. In France, the measures in place since 2020, such as government-backed loan (“PGE”) schemes, reductions in personnel costs for companies (through furlough schemes, exemptions from social security contributions, etc.), and various stimulus packages have been instrumental in helping to stabilise the economy and their gradual withdrawal as the pandemic subsides do not seem, at present, to be causing a wave of bankruptcies. Although unemployment has fallen sharply, this trend is not expected to continue (or at least not at the same rate) and jobless rates vary considerably depending on the age group. This particular context of emerging from the crisis and the aid programs put in place to protect the economy coupled with the appearance of an inflationary situation introduces elements of uncertainty about the health of companies that can weigh on employment and over time the solvency of borrowers.

Several political and geopolitical uncertainties could negatively affect La Banque Postale's business activity, profitability and financial position

The Group is exposed to other political and geopolitical risk factors, in addition to the economic and financial impacts of the armed conflict between Russia and Ukraine and the COVID-19 health crisis. Likely difficulties relating to UK-EU post-Brexit trade agreements, escalating trade wars, notably between the United States and China, and tension between these two global powers over Taiwan, are sources of uncertainty which may have an impact on international trade. This in turn could affect demand for credit among European borrowers – including La Banque Postale's corporate customers – and their ability to fulfil their repayment obligations.

The integration of CNP Assurances also gives La Banque Postale Group a higher level of international exposure. In 2022, CNP Assurances grew or expanded its businesses outside France:

- A partnership agreement was signed between CNP Assurances and Santander Consumer Banque for the launch of new term creditor insurance offers for carbuyers.
- CNP Assurances bought out Swiss Life's minority interest in Assuristance to become the sole shareholder, and made a commitment to continue the partnership between Swiss Life and Filassistance International.
- An agreement was signed with UniCredit (CNP Assurances' historical partner) covering (i) the acquisition of UniCredit's 49% stake in CNP Vita Assicura, bringing CNP Assurances' stake to 100%, and (ii) the sale of 6.5% of CNP UniCredit Vita to UniCredit, with CNP Assurances retaining a 51% majority stake in the company. This transaction allows CNP Assurances to continue growing its business in Italy.
- In Brazil, CNP Assurances acquired Caixa Seguridade and Icatu's interests in five companies that distribute death/disability and health insurance, dental insurance, savings and consórcio products, becoming their sole shareholder.
- In Argentina, on 27 October 2022, CNP Seguros renewed its distribution partnership with Banco Credicoop, Argentina's fifth largest bank and Latin America's leading cooperative bank. The partnership was first set up 27 years ago and has now been extended for a further ten years until 2032.

In 2022, the contribution of international operations to net banking income increased to 18% (compared to 14% in 2021). Within the scope of its 2021-2030 strategic plan, La Banque Postale Group intends to develop its business outside France and has set the aim of generating 20% of net banking income in international markets by 2025.

Since La Banque Postale Group has operations in many countries in Europe and Latin America, the development and profitability of its businesses depends in part on these countries' economic health and political stability.

The sudden rise in interest rates could be a source of concern for the La Banque Postale Group

The pace of interest rate hikes could be a source of concern for La Banque Postale Group for the following reasons:

- Because of the possible impact on depositor and policyholder behaviours, inflation may erode customers' savings capacity, reducing the volume of deposits and the flow of new money. Moreover, higher interest rates, especially on the Livret A passbook savings account, increase the risk of customers withdrawing their deposits or surrendering their life insurance policies, in order to reinvest the funds in products offering higher yields. The banking and insurance businesses both have large liquidity buffers to cover with this risk. They could, however, be forced to sell assets at a loss to fulfil their obligations in the event of a massive wave of withdrawals or surrenders.
- The Group's CET1 ratio and other capital ratios are highly sensitive to rising interest rates, which reduce the value of bonds in the portfolio (as explained above)
- In the short term, the interest rate hikes are not passed on immediately in the rates charged to customers. Added to that, the official cap on the interest rate that may be charged on loans (the usury rate) limits the Bank's pricing flexibility.
- In addition, the Bank's net interest margin is directly affected by rising inflation through the application of the Livret A interest rate formula.
- Lastly, the abrupt change in the interest rate environment has not yet had a significant impact on La Banque Postale Group's lending activities (non-performing loans have remained stable), but the macroeconomic situation (particularly the inflation effect) could have an impact on non-performing loan provisions.

As of the 6th April 2023, real estate loans in LBP HL SFH cover pool are 100 % fixed rate loans (and are fixed for life). Hence, an interest rate increase will not have any impact on borrowers capacity to repay their loans. Interest rate increase could limit borrowing capacity and, in turn, a lower new production of loans eligible to LBP HL SFH cover pool. Maintaining overcollateralization over time could become difficult / at risk. This risk is mitigated by the volume of retained issuances that could be called. For La Banque Postale Home Loan, interest rate rise could potentially have a negative impact on real estate prices and thus on loan to value and could also lower overcollateralization rates.

2. In section "Risk Factors relating to the Notes" beginning on page 20 of the Base Prospectus, the risk factor entitled "*As from 8 July 2022 covered bonds will be subject to a revised legislative and regulations framework*" appearing on page 21 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

“Since 8 July 2022 covered bonds are subject to a revised legislative and regulations framework

The Covered Bonds Directive and Regulation (EU) 2019/2160 of the European Parliament and the Council (together, the “**New EU Covered Bonds Framework**”) were definitely adopted on 27 November 2019 and published on 18 December 2019.

The New EU Covered Bonds Framework provides a common definition of covered bonds; defines the structural features of the instrument, defines the tasks and responsibilities for the supervision of covered bonds, sets out the rules allowing the use of the labels ‘European Covered Bond’ and ‘European Covered Bond (Premium)’ and strengthens the conditions for granting preferential prudential treatment to covered bonds under the capital requirement regulation.

Under French law, the Covered Bonds Directive has been transposed by an Ordinance n° 2021-858 dated 30 June 2021, the decree (*décret*) n° 2021-898 dated 6 July 2021, a ministerial decree (*arrêté*) dated 7 July 2021, the decree (*décret*) n° 2022-766 dated 2 May 2022 and the decree (*décret*) n° 2023-102 dated 16 February 2023. The potential impact on the Issuer and the Notes of this New EU Covered Bonds Framework and of the new French law applicable to covered bonds (such as the Notes) and to SFH (such as the Issuer) is relatively limited but cannot yet be fully estimated. The implementation of the New EU Covered Bonds Framework under French law and/or its interpretation could have an adverse effect on the Notes or on the Noteholders. Furthermore, if the label is requested by the Issuer, the Notes may not benefit from, and/or remain allowed to use, the ‘European Covered Bond’ or ‘European Covered Bond (Premium)’ label until their maturity.”

DOCUMENTS INCORPORATED BY REFERENCE

The section Documents Incorporated by Reference appearing on page 31 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

This Base Prospectus shall be read and construed in conjunction with the following pages and sections identified in the cross-reference list below which are incorporated by reference in, and shall be deemed to form part of, this Base Prospectus and which are included in the following documents (see hyperlink in **blue** below):

- (a) the annual financial report of the Issuer for the year ended 31 December 2021 in the French language which includes notably the annual financial statements for the year ended 31 December 2021 prepared in accordance with French GAAP and the statutory auditors' audit report thereon (the "**2021 Annual Financial Report**");
- (b) the semi-annual financial statements of the Issuer as at 30 June 2022 in the French language and prepared in accordance with French GAAP and the statutory auditors' review report thereon (together the "**2022 Semi-Annual Financial Report**");
- (c) the annual financial report of the Issuer for the year ended 31 December 2022 in the French language which includes notably the annual financial statements for the year ended 31 December 2022 prepared in accordance with French GAAP and the statutory auditors' audit report thereon (the "**2022 Annual Financial Report**"); and
- (d) the terms and conditions of the Notes contained (i) in the base prospectus of La Banque Postale Home Loan SFH dated 25 September 2018 (the "**2018 EMTN Conditions**"), (ii) in the base prospectus of La Banque Postale Home Loan SFH dated 12 April 2019 (the "**2019 EMTN Conditions**"), (iii) in the base prospectus of La Banque Postale Home Loan SFH dated 7 May 2020 (the "**2020 EMTN Conditions**") and (iv) in the base prospectus of La Banque Postale Home Loan SFH dated 18 May 2021 (the "**2021 EMTN Conditions**") and, together with the 2018 EMTN Conditions, the 2019 EMTN Conditions, and the 2020 EMTN Conditions, the "**EMTN Previous Conditions**").

Any document incorporated by reference in this Base Prospectus will be published on the website of La Banque Postale Home Loan SFH (www.labanquepostale.com).

For the purpose of the Prospectus Regulation, information can be found in the documents incorporated by reference in this Base Prospectus in accordance with the following cross-reference table (in which the numbering refers to the relevant items of Annex 6 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019, as amended, supplementing the Prospectus Regulation).

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below. For the avoidance of doubt, the sections of the documents listed in paragraphs (a), (b) and (c) which are not included in the cross-reference list below are not incorporated by reference in this Base Prospectus and may be considered to be either not relevant to investors or covered elsewhere in this Base Prospectus.

The documents listed in paragraphs (d) are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued with the relevant EMTN Previous Conditions

CROSS-REFERENCE LIST

The section "Cross-Reference List" on pages 32 and 33 of the Base Prospectus shall be entirely deleted and replaced by the following:

INFORMATION INCORPORATED BY REFERENCE (Annex 6 of the Regulation (EU) 2019/980, as amended)	REFERENCE
11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES	
2021 Annual Financial Report	
4.1.5 Details of any recent events particular to the issuer and which are to a material extent relevant to an evaluation of the issuer's solvency	Page 22 and 34
11.1 Historical financial information	
11.1.1 Audited historical financial information covering the latest two financial years (or such shorter period as the Issuer has been in operation) the audit report in respect of each year.	Pages 4 to 49
11.1.3 Accounting standards	Page 33
11.1.5 Financial information	
<ul style="list-style-type: none"> • Balance sheet • Income statement • Statement of cash flows • Statement of changes in equity • Accounting policies and explanatory notes 	Page 29 and 30 Pages 31 Page 32 Page 42 Pages 33 to 46
11.1.7 Age of financial information	31/12/2021
11.3 Auditing of Historical financial information	Pages 47 to 49
2022 Semi-Annual Financial Report	
11.2 Interim and other financial information	
If the issuer has published quarterly or half year financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half yearly financial information has been reviewed or audited, the audit or review report must also be included. If the quarterly or half yearly financial information is not audited or has not been reviewed state that fact	Page 3 to 26
2022 Annual Financial Report	
4.1.5 Details of any recent events particular to the issuer and which are to a material extent	Page 24 and 38

relevant to an evaluation of the issuer's solvency	
11.1 Historical financial information	
11.1.1 Audited historical financial information covering the latest two financial years (or such shorter period as the Issuer has been in operation) the audit report in respect of each year.	Page 5 to 55
11.1.3 Accounting standards	Page 37
11.1.5 Financial information	
<ul style="list-style-type: none"> • Balance sheet • Income statement • Statement of cash flows • Statement of changes in equity • Accounting policies and explanatory notes 	Page 32 to 34 Page 35 Page 36 and 37 Page 48 Page 37 to 52
11.1.7 Age of financial information	31/12/2022
11.3 Auditing of Historical financial information	Page 53 to 55

The EMTN Previous Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued with the relevant EMTN Previous Conditions.

EMTN Previous Conditions	
Base prospectus dated 25 September 2018	Pages 102 to 126
Base prospectus dated 12 April 2019	Pages 107 to 135
Base prospectus dated 7 May 2020	Pages 54 to 87
Base prospectus dated 18 May 2021	Pages 56 to 89

OVERVIEW OF THE LEGISLATION AND REGULATIONS RELATING TO SOCIÉTÉS DE FINANCEMENT DE L'HABITAT

The sub-section "Legal framework" of the section "Overview of the legislation and regulations relating to sociétés de financement de l'habitat" on page 37 of the Base Prospectus shall be entirely deleted and replaced by the following:

Legal framework

The legal and regulatory regime applicable to *sociétés de financement de l'habitat* results from the following provisions, as they may be amended from time to time:

- (a) the Covered Bonds Directive;
- (b) Regulation (EU) 2019/2160 of the European Parliament and the Council;
- (c) articles L.513-3, L.513-5, L.513-7 to L.513-26-1 and L.513-28 to L.513-33 of the French Monetary and Financial Code;
- (d) articles R.513-1-A, R.513-1, R.513-3, R.513-4, R.513-6 to R.513-12 and R.513-14 to R.513-21 of the French Monetary and Financial Code;
- (e) the regulation (*réglement*) n°99-10 dated 9 July 1999 relating to *sociétés de crédit foncier* and *sociétés de financement de l'habitat* issued by the *Comité de la Réglementation Bancaire et Financière* (Banking and Financial Regulation Committee) (the “**CRBF Regulation**”); and
- (f) the various *Autorité de contrôle prudentiel et de résolution's* instructions applicable to *sociétés de financement de l'habitat* (the “**ACPR Instructions**”).

The legal and regulatory regime has been amended recently by Ordinance n°2021-858 dated 30 June 2021, the decree (*décret*) n° 2021-898 dated 6 July 2021, a ministerial decree (*arrêté*) dated 7 July 2021, and the decree (*décret*) n° 2022-766 dated 2 May 2022, which have transposed the Covered Bonds Directive under French law. Such new regime applies as from 8 July 2022.

This new regime has been amended by the decree (*décret*) n°2023-102 dated 16 February 2023 applicable as from 19 February 2023.

The sub-section "Extendable maturity structure" of the section "Overview of the legislation and regulations relating to sociétés de financement de l'habitat" on pages 43 and seq. of the Base Prospectus shall be entirely deleted and replaced by the following:

Extendable maturity structure

Prior to the Ordinance n°2021-858 dated 30 June 2021 and the decree (*décret*) n° 2021-898 dated 6 July 2021, the practice of issuing *obligations de financement de l'habitat* with extendable maturity structures has developed among *sociétés de financement de l'habitat*.

Such practice is now enshrined by Ordinance n°2021-858 dated 30 June 2021, the decree (*décret*) n° 2021-898 dated 6 July 2021, the decree (*décret*) n° 2022-766 dated 2 May 2022, the decree (*décret*) n° 2022-766 dated 2 May 2022, and the decree (*décret*) n°2023-102 dated 16 February 2023.

Since 8 July 2022, in accordance with article L 513-30 I *bis*. and article R.513-8-1 of the French Monetary and Financial Code, a *société de financement de l'habitat* may issue *obligations de financement de l'habitat* with extendable maturity structures, provided that:

- (i) the relevant maturity extension trigger(s) are those mentioned in article R.513-8-1 of the French Monetary and Financial Code;
- (ii) the contractual terms and conditions of such *obligations de financement de l'habitat* specify the relevant maturity extension trigger(s);
- (iii) the final maturity date of such *obligations de financement de l'habitat* is at all times determinable; and
- (iv) in the event of the insolvency or resolution of the *société de financement de l'habitat* issuing such *obligations de financement de l'habitat* mentioned in Article R.513-8-1, paragraph 4° of the French Monetary and Financial Code, the maturity extensions do not affect the ranking of the investors in such *obligations de financement de l'habitat* or invert the sequencing of the original maturity schedule of such *obligations de financement de l'habitat*.

With respect to the Issuer, the maturity of the Notes of a given Series may be extended in accordance with, and subject to, the provisions of Condition 6 (*Redemption, Purchase and Options*) of the Notes.

DESCRIPTION OF THE ISSUER

The sub-section "Covered notes" of the section "Description of the Issuer" on page 46 of the Base Prospectus shall be entirely deleted and replaced by the following:

Covered notes

Since the 1st of January 2023, the Issuer has issued one billion two hundred and fifty million euros (1 250 000 000 euros) of covered notes, bringing the total amount of outstanding covered notes to nineteen billion two hundred and sixteen million euros (19 216 000 000 euros) as at the 3 April 2023.

The complete list of the covered notes which have been issued by La Banque Postale Home Loan SFH is available on the ECBC website: www.coveredbondlabel.com.

TERMS AND CONDITIONS OF THE NOTES

The sub-section “(a) Final Redemption” of the sub-section “6 Redemption, Purchase and Options” of the section “Terms and Conditions of the Notes” on page 77 of the Base Prospectus shall be entirely deleted and replaced by the following:

(a) Final Redemption

Unless previously redeemed or purchased and cancelled as provided below or unless its maturity is extended in accordance with the paragraph below, each Note shall be finally redeemed on the Maturity Date specified in the relevant Final Terms at its Final Redemption Amount (which, unless otherwise provided in these Conditions, is its nominal amount).

As specified in the relevant Final Terms of the relevant Series, Notes may have:

- (i) hard bullet maturities (not allowing the Maturity Date of the relevant Series to be extended); or
- (ii) soft bullet maturities (allowing the Maturity Date of the relevant Series to be extended), provided that an extended Maturity Date (the "**Extended Maturity Date**") is specified as applying in relation to such Series in the relevant Final Terms and there occurs a Maturity Extension Trigger Event.

A “**Maturity Extension Trigger Event**” shall be deemed to have occurred if, in accordance with the provisions of article R.513-8-1 of the French Monetary and Financial Code, one or more of the following events occurs:

- (i) (x) La Banque Postale defaults in payment of the principal or of the interest of the loans granted by the Issuer on the maturity date originally planned, or (y) a credit institution issuing promissory notes (*billets à ordre*) subscribed by the Issuer in accordance with, and pursuant to, the provisions of articles L.313-43 to L.313-48 of the French Monetary and Financial Code, defaults in payment of the principal or of the interest of these promissory notes;
- (ii) the Issuer defaults in payment of the principal or of the interest of the Notes on the Maturity Date;
- (iii) when (x) La Banque Postale or (y) a credit institution issuing promissory notes (*billets à ordre*) subscribed by the Issuer in accordance with, and pursuant to, the provisions of articles L.313-43 to L.313-48 of the French Monetary and Financial Code, is the subject of safeguard (*sauvegarde*), judicial reorganisation (*redressement judiciaire*), judicial liquidation (*liquidation judiciaire*) or resolution proceedings opened pursuant to article L.613-49 of the French Monetary and Financial Code;
- (iv) when the Issuer is the subject of safeguard (*sauvegarde*), judicial reorganisation (*redressement judiciaire*), judicial liquidation (*liquidation judiciaire*) or resolution proceedings opened pursuant to article L.613-49 of the French Monetary and Financial Code.

This means that if a Maturity Extension Trigger Event occurs, then payment of such Final Redemption Amount shall be automatically deferred and shall become due and payable six (6) months or several months or years later on the Extended Maturity Date. However, any amount representing the Final Redemption Amount remaining unpaid on the Maturity Date may be paid by the Issuer on any Specified Interest Payment Date thereafter, up to (and including) the relevant Extended Maturity Date. Interest will continue to accrue on any unpaid amount during such extended period at the Rate of Interest specified in the relevant Final Terms and

be payable on each Specified Interest Payment Date and on the Extended Maturity Date all as specified in the relevant Final Terms and in accordance with the applicable Conditions.

GENERAL INFORMATION

The Section "General Information" on pages 138 and seq of the Base Prospectus is amended as follows:

The paragraph (4) of General Information on page 138 of the Base Prospectus is deleted in its entirety and replaced by the following:

(4) There has been no significant change in the financial position or financial performance of the Issuer or in the results of operations of the Issuer since 31 December 2022.

The paragraph (5) of General Information on page 138 of the Base Prospectus is deleted in its entirety and replaced by the following:

(5) There has been no material adverse change in the prospects of the Issuer since 31 December 2022.

PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE SECOND SUPPLEMENT

In the name of the Issuer

I hereby certify that the information contained in this Second Supplement is, to the best of my knowledge, in accordance with the facts and contains no omission likely to affect its import.

Paris, 11 April 2023

LA BANQUE POSTALE HOME LOAN SFH

115, rue de Sèvres
75275 Paris Cedex 06
France

Duly represented by Patrick Peaucelle
in its capacity as Chief Executive Officer (*Directeur Général*) of the Issuer



This Second Supplement has been approved on 11 April 2023 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this Second Supplement after having verified that the information it contains is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129.

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

This Second Supplement obtained the following approval number: n°23-105.