

**First supplement dated 10 April 2024  
to the Base Prospectus dated 20 October 2023**



**LA BANQUE POSTALE HOME LOAN SFH**

*(duly licensed French specialised credit institution (établissement de crédit spécialisé)  
€35,000,000,000 Euro Medium Term Note Programme for the issue of  
obligations de financement de l'habitat*

This first supplement (the "**First Supplement**") is prepared in connection with the base prospectus dated 20 October 2023 (the "**Base Prospectus**") 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°23-441 on 20 October 2023 to the Base Prospectus.

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

The Issuer has prepared this First 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 2023 Annual Financial Report in the French language and the statutory auditors' review report thereon;
- updating the section "Cross Reference List";
- updating the section "Description of the Issuer" related to the "Covered Notes"; 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 First Supplement.

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

To the extent that there is any inconsistency between (a) any statement in this First Supplement or any statement incorporated by reference into 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.

Save as disclosed in this First 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 First Supplement will be made available on the website of the AMF at [www.amf-france.org](http://www.amf-france.org) and together with any document incorporated by reference in this First Supplement, on the website of the Issuer at [www.labanquepostale.com](http://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 First Supplement is published, have the right, exercisable within a time limit of two (2) working days after the publication of this First Supplement (i.e. no later than 12 April 2024), 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 sections “A. Risks related to the Issuer”, “B. Risks related to the Borrower” and “C. Risks related to the cover pool” beginning on page 14 of the Base Prospectus is hereby deleted in its entirety and replaced by the following:

“

### **A. Risks related to the Issuer**

#### **Liquidity risk**

All loans by the Issuer to the Borrower under the Uncommitted Facility Agreement (the "Credit Agreement") have the same maturity (unless they are rolled over) and the same repayment terms as those applicable to the Covered Bonds that finance the loans.

Accordingly, unless an Event of Default (as defined in the Credit Agreement) occurs, the Issuer will not be exposed to any liquidity risk in respect of the Borrower's debt and the Covered Bonds.

If an Event of Default were to occur, leading to a claim under the guarantee, the Issuer's liquidity would be derived from the home loan receivables included in the cover pool and the underlying home loans. There is a risk of a mismatch between the maturities and repayment profiles of the home loan receivables included in the cover pool and the maturities and repayment profiles of the Covered Bonds. Such a mismatch could create a potential need for liquidity at the level of the Issuer.

At 31 December 2023, the cover pool comprised 311,895 loans with an average retention period of 71 months and a weighted average residual term of 181 months. At 31 December 2023, the net principal amount of the Issuer's Covered Bonds was €18,466 million. The bonds mature at various dates up to April 2044.

Although the Issuer is legally required to ensure that its liquidity needs are adequately covered at all times using a number of tools such as, but not limited to, the provision of cash collateral prior to maturity, the legal liquidity reserve, staggered maturities and the sale of all or some of its home loan receivables, there is a residual risk that these mitigating measures may not be sufficient.

If the Issuer is unable to cover its liquidity needs, this could have a negative impact on its ability to fulfil its obligations under the Covered Bonds in a timely manner, especially its interest payment obligations. In view of the foregoing, the Issuer believes that the probability of such a risk occurring is very low, but that the impact of such risk could be high.

#### **Operating risks linked to compliance with regulatory ratios**

La Banque Postale Home Loan SFH does not have any employees, information system or organisational structure to support its operations. It relies entirely on the resources provided by its parent company, La Banque Postale.

The Issuer's ability to make payments of principal and interest in respect of the Covered Bonds depends primarily on the ability of La Banque Postale, in its capacity as the Issuer's debt servicer, service provider, and manager and holder of the Issuer's bank accounts, to fulfil its payment obligations towards the Issuer. The value of the cover pool depends on the ability of the collateral providers to transfer additional home loan receivables to the cover pool provided for in the Collateral Security Agreement up to the amount required to satisfy the asset cover test (the "Asset Cover Test").

The legal framework for home financing companies and the Covered Bond programme documents require implementation of mitigation or substitution measures and/or the provision of cash collateral in the event that certain mechanisms are triggered (in particular the Asset Cover Test and several mechanisms based on La Banque Postale's credit ratings). If the Issuer experienced a delay or was unable to implement these mitigation measures, this could affect its ability to make payments on the Covered Bonds in the required amount and/or on the due date.

In addition, if these mitigation measures proved to be inadequate, the inability of any of the parties to effect a planned payment or transfer on a timely basis could significantly affect the Issuer's ability to make payments of principal and interest on the Covered Bonds.

In view of the foregoing, the Issuer believes that the probability of such a risk occurring is low but that the impact of such risk could be high.

### **Operational risks relating to the Issuer's dependence on its parent company**

La Banque Postale Home Loan SFH does not have any employees, information system or organisational structure to support its operations. It relies entirely on the resources provided by its parent company, La Banque Postale. In the event that La Banque Postale defaulted on its obligations, La Banque Postale Home Loan SFH would become the owner of a portfolio of home loans that it would have to continue to manage in order to make principal and interest payments to the investors that had purchased the Covered Bonds. For La Banque Postale Home Loan SFH, this would mean setting up an appropriate organisation. One obstacle to this would be the fact that only licensed credit institutions and finance companies are authorised to manage loan portfolios.

There is a risk of no suitable successor being found within the necessary timeframe or of the successor not having sufficient experience or capacity to provide the service on the same or similar terms as those provided for in the Covered Bond Programme Documents or on financial terms acceptable to the successor. This could result in delays, additional costs and/or losses related to the recovery of amounts due to the Issuer in respect of its assets, or create operational and administrative difficulties for the Issuer, or have a negative impact on the Issuer's ability to fulfil its obligations in relation to the Covered Bonds.

An internal governance structure has been set up to monitor the Borrower's performance of the services in accordance with the related agreements. The agreements between La Banque Postale Home Loan SFH and La Banque Postale (see section "Degree of dependence of the Issuer on other Group entities") and the Covered Bond programme documents provide for mitigation or substitution measures and/or cash collateral upon occurrence of documented trigger events (such as the asset cover test or a downgrade of the Borrower's credit rating).

In accordance with regulatory requirements, a plan has been drawn up describing the mechanism for transferring monthly home loan repayment streams in the case of a Borrower Event of Default.

If the Issuer experienced a delay or was unable to implement these mitigation measures, this could affect its ability to make payments on the Covered Bonds in the required amount and/or on the due date.

In view of the foregoing, the risk associated with the Borrower's failure to perform activities on behalf of the Issuer is highly probable but its impact would be limited. Nevertheless, although the probability of Borrower default is low, its impact could be significant.

## **B. Risks related to the Borrower**

### **Risks associated with the decline in value of the underlying properties**

The value of the properties securing home loans may decline due to a number of factors, including the domestic or international economic environment, local economic or housing market conditions, changes in tax laws, mortgage interest rates, inflation, the availability of financing, returns on alternative investments, increased costs of utilities and other day-to-day expenses, political developments and government policies. As the properties securing the home loans are located in France, their value may fall in the event of a general decline in house prices in the country. At 31 December 2023, 42.4% of the home loans in the cover pool (by value) were secured by mortgages (including 17.6% that were also secured by an additional guarantee from the French State).

A decline in property values could affect the Issuer's ability to obtain sufficient proceeds from the sale of the properties to comply with the regulatory minimum overcollateralisation rate and cover any outstanding amount owed by the underlying homebuyer. As a result, such a decline could affect the Issuer's ability to pay the full amount of principal and interest due on the Covered Bonds.

At 31 December 2023, the cover pool totalled €26,277 million and included 311,895 loans.

The current level of overcollateralisation (last certified at 129% as of 30 September 2023) and the current loan-to-value (LTV) ratio of 55% could reduce the impact of a fall in property values. At 31 December 2023, outstanding loans representing a significant amount could still be pledged by the Borrower to the Issuer in order to mitigate the risk associated with the level of overcollateralisation and the repayment obligations towards bondholders. In addition, the Borrower could pledge additional liquidity to help meet the minimum cover requirement. Finally, some or all of the €5,250 million of Covered Bonds retained by La Banque Postale could be called by the Issuer.

In view of the foregoing, the Issuer believes that the occurrence of this risk is probable but that its impact should be low.

### **Credit risk related to providers of home loan guarantees**

Defaults by homebuyers triggering claims under the collateral guarantee would expose the Issuer to credit risk in relation to the providers of the home loan guarantee (in respect of loans secured by said guarantees). At 31 December 2023, home loans underlying the collateral guarantee included loans secured by mortgages (42.4% of the total by value, including 17.6% also secured by an additional guarantee from the French State), loans secured by a guarantee from Crédit Logement (57.6%), and loans secured by an independent home loan guarantee company licensed to operate as a finance company in France.

If the home loan guarantee provider failed to pay all or part of the amounts due under the guarantee for any reason, or failed to pay such amounts on a timely basis, this could affect the Issuer's ability to make payments of principal and interest on the Covered Bonds.

The Issuer's privileged liabilities are guaranteed by the Borrower, providing a guarantee for a cover pool amounting to €26.3 billion at the end of December 2023. At that date, the latest certified regulatory coverage ratio (30 September 2023) stood at 129%, well above the legal minimum of 105%.

The Issuer ensures at all times that it has a portfolio of home loans secured by 1st ranking mortgages that are eligible for inclusion in the cover pool and could be added to the pool in order to ensure an appropriate level of security for investors.

Finally, the Issuer could also call all or part of the €5.25 billion of retained callable issues in order to have the necessary funds to fulfil its obligations to investors.

In view of the foregoing, the Issuer believes that the probability of such a risk occurring is low, but that the impact of such risk could be moderate.

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## DOCUMENTS INCORPORATED BY REFERENCE

*The section Documents Incorporated by Reference appearing on page 30 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 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**");
- (b) the annual financial report of the Issuer for the year ended 31 December 2023 in the French language which includes notably the annual financial statements for the year ended 31 December 2023 prepared in accordance with French GAAP and the statutory auditors' audit report thereon (the "**2023 Annual Financial Report**"); and
- (c) 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 (v) in the base prospectus of La Banque Postale Home Loan SFH dated 5 July 2022 (the "**2022 EMTN Conditions**" and, together with the 2018 EMTN Conditions, the 2019 EMTN Conditions, the 2020 EMTN Conditions, and the 2021 EMTN Conditions, and the 2022 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](http://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 31 and 32 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
<b>11. FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</b>	
<b>2022 Annual Financial Report</b>	
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 24 and 38
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"> <li>• Balance sheet</li> <li>• Income statement</li> <li>• Statement of cash flows</li> <li>• Statement of changes in equity</li> <li>• Accounting policies and explanatory notes</li> </ul>	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
<b>2023 Annual Financial Report</b>	
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	<b>Page 28 and 41</b>
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 60



11.1.3 Accounting standards	Page 40
11.1.5 Financial information	
<ul style="list-style-type: none"> <li>• Balance sheet</li> <li>• Income statement</li> <li>• Statement of cash flows</li> <li>• Statement of changes in equity</li> <li>• Accounting policies and explanatory notes</li> </ul>	Page 35 to 37 Page 38 Page 39 Page 52 Page 40 to 56
11.1.7 Age of financial information	31/12/2023
11.3 Auditing of Historical financial information	Page 57 to 60

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.

<b>EMTN Previous Conditions</b>	
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
Base prospectus dated 5 July 2022	Pages 54 to 88

## DESCRIPTION OF THE ISSUER

*The sub-section "Covered notes" of the section "Description of the Issuer" on page 45 of the Base Prospectus shall be entirely deleted and replaced by the following:*

### **Covered notes**

Since the 1<sup>st</sup> of January 2024, the Issuer has issued seven hundred and fifty million euros (750 000 000 euros) of covered notes, bringing the total amount of outstanding covered notes eighteen billion four hundred and sixty-six million euros (18 466 000 000 euros) as at the 10 April 2024.

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](http://www.coveredbondlabel.com).

## GENERAL INFORMATION

*The Section "General Information" on pages 137 and seq of the Base Prospectus is amended as follows:*

The paragraph (4) of General Information on page 137 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 2023.

The paragraph (5) of General Information on page 137 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 2023.

## PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE FIRST SUPPLEMENT

### In the name of the Issuer

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

Paris, 10 April 2024

### LA BANQUE POSTALE HOME LOAN SFH

115, rue de Sèvres  
75275 Paris Cedex 06  
France

Duly represented by Dominique Heckel  
in its capacity as Delegated Chief Executive Officer (*Directeur Général Délégué*) of the Issuer



This First Supplement has been approved on 10 April 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 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 First Supplement. Investors should make their own assessment of the opportunity to invest in such Notes.

This First Supplement obtained the following approval number: n°24-108.