

Asset Quality Report as of 30 June 2023

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The assets of La Banque Postale Home Loan SFH consist of home loans and liquid securities that are eligible for sociétés de financement de l'habitat, in terms of the French legal framework.

The present asset quality report of La Banque Postale Home Loan SFH, based on the figures as of 30 June 2023, is in accordance with provisions of Article 13 of Règlement n°99-10 of 'Comité de réglementation bancaire et financière', related to sociétés de crédit foncier and French Supervisor (ACPR) Instruction n°2022-I-04, related to publication, by sociétés de crédit foncier and sociétés de financement de l'habitat, of information related to the quality of refinanced assets.

I – Guaranteed Loans

1) Breakdown of eligible outstanding balance of guaranteed loans by type of counterparties and guarantees:

Categories of receivables	Outstanding balance (in M€)
Commercial receivables	
Export credit	
Cash credit	
Investment loans	
Home loans	26 285
Loans to developers	
Other loans	
Total	26 285

Counterparty types	Outstanding balance (in M€)
Non-financial companies and individual entrepreneurs	
Individuals	26 285
Other	
Total	26 285

The only credit institution that grants guarantees (cautionnement) for the home loans in the Cover Pool is Crédit Logement. The loans are valued at the nominal value OR the Product of a financing portion, as defined under the article R. 513-1 (CMF), and the value of financed property.

There are no non-performing loans in the Cover Pool.

Guarantee types	Outstanding balance (in M€)
Residential mortgage*	8 296
Business mortgage	
Guarantee (cautionnement) granted by a credit institution [#]	14 618
Guarantee (cautionnement) granted by an insurance company	
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i> **	3 371
Total	26 285

[#] : Loans guaranteed by the financing company "Crédit Logement".

* : 50% of outstanding Social Accession Loans have been included in this category.

** : 50 % des encours des Prêts d'Accession Sociale ont été intégrés à cette catégorie.

2) Breakdown of eligible outstanding balance of loans, guaranteed by a mortgage or credit institution (cautionnement), according to the eligible amount for financing by privileged debt:

Guarantee types	Outstanding balance (in M€)	Product of financing portion, as defined under the article R. 513- 1 (CMF), and value of financed property	Total
Residential mortgage*	7 802	494	8 296
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i> **	3 190	182	3 371
Guarantee (cautionnement) granted by a credit institution [#]	13 174	1 444	14 618
Total	24 166	2 120	26 285

[#] : Loans guaranteed by the financing company "Crédit Logement".

: The property valuation method is defined in the public procedure on the LBP HL SFH website.

* : 50% of outstanding Social Accession Loans have been included in this category.

** : 50% of outstanding Social Accession Loans have been included in this category.

3) Breakdown of eligible outstanding balance of guaranteed loans by the year of conclusion of the loan contract:

Year of conclusion of the loan contract	Loans secured by residential mortgage				Loans guaranteed (cautionnement) by guarantees granted by credit institution		Total	
	Other residential mortgage PAS*		Guarantees from Fonds de garantie à l'accession sociale à la propriété Non PAS**		Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans
	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans				
2006	16	563	-	-	38	1 518	53	2 081
2007	34	1 064	-	-	83	2 758	116	3 822
2008	40	1 315	-	-	105	4 152	145	5 467
2009	46	1 443	-	-	178	6 378	224	7 821
2010	71	1 837	-	-	368	10 271	439	12 108
2011	108	3 420	-	-	388	12 410	497	15 830
2012	182	4 809	0	7	290	8 127	472	12 943
2013	234	5 492	194	3 304	402	9 357	830	18 153
2014	407	9 430	320	4 923	397	8 703	1 123	23 056
2015	584	11 530	693	8 535	1 031	17 486	2 307	37 551
2016	565	8 393	808	9 274	1 395	17 765	2 768	35 432
2017	499	5 362	970	9 563	2 235	22 882	3 704	37 807
2018	409	4 048	834	8 034	1 731	15 579	2 974	27 661
2019	467	4 339	1 117	9 534	2 556	21 208	4 140	35 081
2020	693	5 013	1 353	10 037	1 422	11 383	3 467	26 433
2021	488	2 713	450	3 305	890	5 407	1 828	11 425
2022	83	229	5	45	858	3 246	945	3 520
2023	-	-	-	-	251	836	251	836
Total	4 925	71 000	6 743	66 561	14 618	179 466	26 285	317 027

*Non PAS : Loans other than Social Accession Loans

**PAS : Social Accession Loans benefiting from first-rank security for 50% of the outstanding amount and a guarantee from the "Fonds de garantie à l'accession sociale à la propriété" (FGAS) for 50% of the outstanding amount.

4) Breakdown of eligible outstanding balance of guaranteed loans by loans remaining terms:

Remaining term (years)	Loans secured by residential mortgage				Loans guaranteed (cautionnement) by guarantee granted by credit institution		Total	
	Other residential mortgage PAS*		Guarantees from Fonds de garantie à l'accession sociale à la propriété Non PAS**		Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans
	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans				
0	2	1 732	0	455	6	4 778	8	6 965
1	21	3 619	3	474	62	8 651	87	12 744
2	55	4 789	9	724	186	11 649	250	17 162
3	71	4 085	16	865	243	10 388	331	15 338
4	90	3 538	29	1 139	320	10 283	439	14 960
5	130	3 752	50	1 550	392	9 632	573	14 934
6	177	4 056	65	1 708	508	10 258	750	16 022
7	219	4 182	97	2 068	609	10 599	926	16 849
8	191	3 425	127	2 368	619	9 704	938	15 497
9	198	3 306	174	2 778	722	9 978	1 094	16 062
10	202	2 966	172	2 566	611	7 747	985	13 279
11	228	3 122	239	3 183	731	8 482	1 198	14 787
12	266	3 192	341	4 051	767	7 981	1 374	15 224
13	241	2 891	350	3 882	698	6 722	1 289	13 495
14	263	2 999	348	3 435	836	7 033	1 447	13 467
15	225	2 362	341	3 273	657	5 340	1 223	10 975
16	253	2 600	403	3 778	876	6 828	1 533	13 206
17	334	3 060	538	4 505	733	5 347	1 606	12 912
18	354	2 960	517	4 221	717	4 854	1 588	12 035
19	302	2 368	565	4 326	824	5 026	1 691	11 720
20	189	1 301	408	2 935	636	3 767	1 233	8 003
21	212	1 379	624	4 285	1 083	6 397	1 919	12 061
22	330	1 779	860	5 231	542	3 049	1 732	10 059
23	271	1 255	436	2 580	437	2 155	1 144	5 990
24	88	252	29	177	552	1 996	668	2 425
25	9	30	1	3	250	822	260	855
26	-	-	0	1	-	-	0	1
Total	4 925	71 000	6 743	66 561	14 618	179 466	26 285	317 027

*Non PAS : Loans other than Social Accession Loans

**PAS : Social Accession Loans benefiting from first-rank security for 50% of the outstanding amount and a guarantee from the "Fonds de garantie à l'accession sociale à la propriété" (FGAS) for 50% of the outstanding amount.

5) Breakdown of eligible outstanding balance of guaranteed loans by location of the financed property by country:

All properties financed by home loans in the cover pool are located in France.

6) Breakdown of eligible outstanding balance of guaranteed loans by weighting assigned under the cover ratio between assets and privileged debt:

Home loans that are guaranteed by a credit institution (cautionnement) are guaranteed by Crédit Logement, the institution that does not take part in the scope of consolidation of La Banque Postale group.

The long-term ratings of Crédit Logement are Aa3 (Moody's last review dated 05/23/2023) and AAL (DBRS' last review dated 05/30/2023), therefore it benefits from the highest level of credit assessment, according to the French Regulation, hence the weighting assigned to home loans guaranteed by Crédit Logement is 100%. Home loans guaranteed by a first-ranking mortgage are weighted 100%.

7) Breakdown of outstanding balance of loans mobilized by promissory notes, under the articles L. 313-42 to L. 313-49 of French Monetary and Financial Code:

No loans mobilized by promissory notes under the home loans granted as collateral security.

II - Exposure to public entities

La Banque Postale Home Loan SFH has limited exposures to public entities such as a bonds portfolio, an exposure on the Single Resolution Fund (SRF) or expositions guaranteed by *Fonds de garantie à l'accession sociale à la propriété (FGAS)*.

Bonds

La Banque Postale Home Loan SFH no longer has any exposure to the State in the form of bonds.

Single Resolution Fund (SRF):

La Banque Postale Home Loan SFH holds an exposition on the Single Resolution Board with an outstanding of 1.09 million euros as of 30 June 2023.

The exposures guaranteed by Fonds de garantie à l'accession sociale à la propriété (FGAS) correspond to 50% of the outstanding Social Accession Loans detailed in paragraphs 2 and 3.

III – Other exposures

Cash :

La Banque Postale Home Loan SFH holds two current accounts opened in the books of La Banque Postale, with a cumulative outstanding credit balance of EUR 26.1 millions as of 30 June 2023.

La Banque Postale Home Loan SFH also holds an account opened in the books the ECB, with an outstanding credit balance of EUR 0.44 millions as of 30 June 2023.

La Banque Postale Home Loan SFH has no hedging nor derivative instruments.

IV –Prepayments

The annualized prepayment rate calculated on the basis of home loan portfolio used as guarantee for the second quarter 2023 is 3.4%. The outstanding repaid as of this quarter is 219.2 millions euros. The percentages are expressed in terms of the cumulative prepayments for the quarter divided to the average outstanding loans at the end of the same quarter.

V – List of international identification numbers of the securities (bonds)

The international identification numbers of the securities are mentioned in section VIII.

VI – Exposure to market, credit and liquidity risk

1) Interest rate risk

The features (amount, maturity and type of interest rate) of the loans granted by La Banque Postale Home Loan SFH to La Banque Postale are identical to those of the covered bond issuances. The rates of these loans correspond to the issue rates plus a margin intended to cover the operating expenses of La Banque Postale Home Loan SFH. Consequently, the residual interest rate risk is considered negligible with regard to the amount of equity of La Banque Postale Home Loan SFH.

A Financial Management Committee dedicated to the SFH meets monthly and notably establishes the monitoring of structural rate risk and the projection of fixed rate positions from all balance sheet items viewed by transparency. La Banque Postale Home Loan SFH's balance sheet is made up of the following assets and liabilities:

- real estate loans making up the cover pool (100% at fixed rate loans);
- cash collateral account (granted by La Banque Postale to La Banque Postale Home Loan SFH) in order to cover 180-day cash requirements (zero interest rate);
- cash placed on a deposit account at La Banque Postale and, for a negligible part, on an account at the Banque de France;
- equity, restitution debt and adjustment accounts; assimilated to fixed rate (zero interest rate) positions;
- liabilities linked to the cash collateral account (zero interest rate);
- covered bonds (100% fixed rate bonds).

As the balance sheet items are made up of fixed rate assets and liabilities, with the exception of the Banque de France account and deposit account which represent an insignificant amount outstanding, this results in a structural fixed rate gap negligible over the residual life of the covered bonds.

Such a composition of balance sheet items allows a natural hedging strategy for the fixed rate gap. Finally, the sensitivity of the interest rate position is also negligible for the same reasons.

2) Credit risk

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 Collateral security agreement set between La Banque Postale and La Banque Postale Home Loan SFH. This provides the transfer of full ownership of a portfolio of home loans granted by La Banque Postale Group to La Banque Postale Home Loan SFH. 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 have been downgraded at the time of the transfer, due to changes in La Banque Postale's lending and guarantee policy prior to its default. This cover pool is reviewed once a month and is set to ensure sufficient overcollateralisation. Annual stress tests are performed annually.

3) Liquidity risk

The liquidity risk associated with coupon payments is covered by 25 millions euros of cash pledge granted by La Banque to la Banque Postale Home Loan SFH; the coverage of the liquidity risk associated with the payments of bonds principal is addressed on an ad-hoc basis and by anticipation. There is a monitoring of liquidity risk in the financial management committee with a particular focus on liquidity risk over 180 days as detailed in the paragraph below.

4) Foreign exchange risk

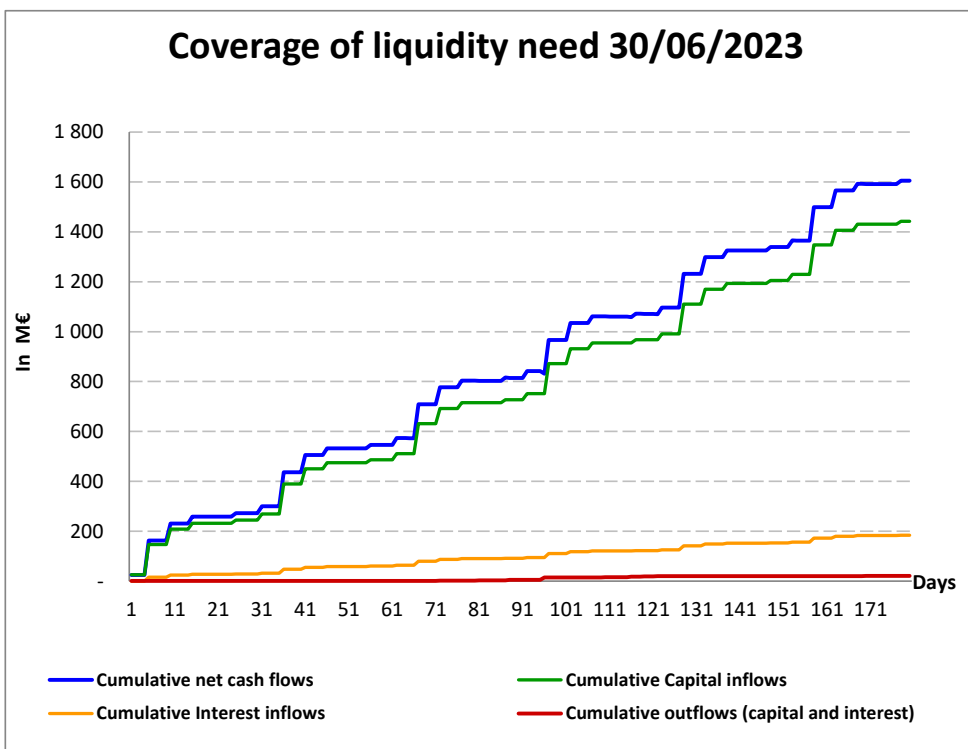
As of 30 June 2023, La Banque Postale Home Loan SFH has no foreign exchange risk exposure.

VII – Coverage of liquidity need

Pursuant to article R. 513-7-1 of the French Code Monétaire et Financier, the liquidity need is computed over a 180 days period in “transparency”. The cash-flows of the home loans received in collateral are recorded as inflows rather than the cash-flows of the “Credit Facility” guaranteed by the Home loans. The cash inflows are fungible (principal and interest) and in order to cover the cash outflows. Home Loans prepayments are included in the valuation of the cash inflows.

For soft bullet covered bonds, the extended maturity is used to cover the 180 days cash requirement. The cash outflows over the next 180 days only relate to the payable Covered Bonds interests.

As of 30 June 2023, the liquidity need over 180 days is null and thus covered.



VIII – Maturity structure

La Banque Postale Home Loan SFH does not have any financial assets other than deposits on current accounts.

Breakdown of bonds by maturity profile:

EMTN Program

Issuance series	ISIN	Nominal Amount	Maturity Date	Extension Period	Extended Maturity Date
2	FR0011600477	50	24/10/2033	-	-
3	FR0011600493	50	30/10/2028	-	-
4	FR0011603760	20	27/10/2031	-	-
5	FR0011688464	750	15/01/2024	-	-
6	FR0012174399	65	26/09/2036	-	-
7	FR0012348969	200	19/01/2026	-	-
8	FR0012486256	50	04/04/2040	-	-
10	FR0012757813	50	09/05/2040	-	-
11	FR0012829299	50	01/07/2039	-	-
12	FR0013049384	30	31/03/2036	-	-
14	FR0013102845	15	28/01/2031	-	-
15	FR0013232998	500	24/01/2025	1 year	24/01/2026
16	FR0013237211	20	13/02/2042	-	-
17	FR0013262961	540	23/06/2027	1 year	23/06/2028
18	FR0013296308	20	01/12/2037	-	-
19	FR0013313855	750	07/02/2028	1 year	07/02/2029
20	FR0013369667	1 000	04/10/2028	1 year	04/10/2029
21	FR0013372174	15	18/10/2033	-	-
23	FR0013387172	30	17/12/2038	1 year	17/12/2039
25	FR0013399169	750	30/01/2026	1 year	30/01/2027
26	FR0013400744	40	11/02/2039	-	-
27	FR0013401999	500	18/02/2025	1 year	18/02/2026
28	FR0013416724	30	29/04/2039	-	-
29	FR0013434651	500	17/07/2024	1 year	17/07/2025
30	FR0013454733	1 000	22/10/2029	1 year	22/10/2030
31	FR0013462207	500	22/11/2023	1 year	22/11/2024
33	FR0013482890	860	12/02/2035	1 year	12/02/2036
34	FR0013503844	750	24/03/2024	1 year	24/03/2025
35	FR0013503828	500	24/06/2025	1 year	24/06/2026
37	FR0013504636	750	01/10/2025	1 year	01/10/2026
38	FR0013506706	500	07/04/2026	1 year	07/04/2027
39	FR0013506714	750	07/04/2027	1 year	07/04/2028
40	FR0013506839	750	09/04/2028	1 year	09/04/2029
41	FR00140020M4	500	15/10/2028	1 year	15/10/2029
42	FR00140020L6	500	15/05/2029	1 year	15/05/2030
43	FR0014007XI4	1 000	27/01/2042	1 year	27/01/2043
44	FR001400A9N7	750	12/05/2030	1 year	12/05/2031
45	FR001400DC98	1 000	23/01/2030	1 year	23/01/2031
46	FR001400FD12	1 250	31/01/2031	0.5 year	31/07/2031
47	FR001400HF42	1 000	19/02/2029	1 an	19/02/2030
48	FR001400ILH4	1 000	20/06/2029	1 an	20/06/2030

- Bonds with no maturity extension option.

Gedekte Namensschuldverschreibungen

ISIN	Nominal Amount	Maturity Date	Extension Period	Extended Maturity Date
NSVS001	25	10/09/2029	-	-
NSVS002	10	12/09/2031	-	-
NSVS003	50	19/09/2039	-	-
NSVS004	10	23/09/2026	-	-
NSVS005	15	05/06/2035	-	-
NSVS006	30	18/10/2034	-	-
NSVS007	20	20/10/2033	-	-
NSVS008	10	29/10/2027	-	-
NSVS009	50	04/01/2035	-	-
NSVS010	30	17/03/2042	-	-
NSVS011	20	17/03/2037	-	-
NSVS012	15	17/03/2032	-	-
NSVS013	50	04/05/2037	-	-
NSVS014	50	12/05/2042	-	-
NSVS015	25	17/05/2041	-	-
NSVS016	20	01/12/2037	1 year	01/12/2038
NSVS017	20	15/02/2038	-	-
NSVS018	50	05/04/2038	-	-
NSVS019	30	15/03/2038	1 year	15/03/2039
NSVS020	50	03/05/2038	1 year	03/05/2039
NSVS021	26	07/05/2035	-	-
NSVS022	50	07/05/2041	-	-
NSVS023	25	03/09/2038	1 year	03/09/2039
NSVS024	20	19/10/2038	-	-
NSVS025	15	24/10/2034	-	-
NSVS026	15	22/09/2038	-	-
NSVS027	50	14/03/2039	-	-
NSVS028	50	25/04/2044	-	-

Since the creation of La Banque postale Home Loan SFH, no maturity extension has been activated. Eventual maturity triggers events related to any covered bonds issued prior to July 8th of 2022 are specified in each covered bond relevant final terms. Maturity extension triggers for covered bonds issued after July 8th of 2022 are specified by article 3 of the decree (décret) n°2021-898 and recalled in the AMF (Autorité des Marchés Financiers) approved Base Prospectus of the EMTN programme (supplemented from time to time).

IX – Coverage ratio of privileged debt

Last certified coverage ratio of privileged debt is 129% and is dated as of 31 March 2023.

Paris, 15 August 2023

Patrick PEAUCELLE
Chief Executive Officer of La Banque Postale Home Loan SFH