

Asset Quality Report as of 30 September 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 September 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	26 535
Loans to developers	
Other loans	
Total	26 535

Counterparty types	Outstanding balance (in M€)
Non-financial companies and individual entrepreneurs	
Individuals	26 535
Other	
Total	26 535

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*	8 091
Business mortgage	
Guarantee (cautionnement) granted by a credit institution [#]	15 116
Guarantee (cautionnement) granted by an insurance company	
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i> **	3 328
Total	26 535

[#] : 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*	7 659	433	8 091
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i> **	3 157	171	3 328
Guarantee (cautionnement) granted by a credit institution [#]	13 343	1 773	15 116
Total	24 158	2 376	26 535

[#] : 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	15	545	-	-	35	1 467	49	2 012
2007	32	1 036	-	-	77	2 683	109	3 719
2008	38	1 214	-	-	97	3 726	135	4 940
2009	43	1 375	-	-	166	6 117	210	7 492
2010	67	1 810	-	-	347	10 039	414	11 849
2011	104	3 314	-	-	367	11 940	470	15 254
2012	173	4 702	0	7	275	7 945	448	12 654
2013	223	5 105	187	3 209	383	8 638	793	16 952
2014	390	9 185	307	4 830	379	8 489	1 076	22 504
2015	563	11 350	669	8 391	988	17 137	2 220	36 878
2016	548	8 256	784	9 148	1 349	17 457	2 682	34 861
2017	482	5 270	942	9 426	2 164	22 570	3 588	37 266
2018	395	3 962	810	7 917	1 681	15 372	2 886	27 251
2019	455	4 291	1 090	9 419	2 495	20 976	4 041	34 686
2020	675	4 953	1 327	9 948	1 404	11 346	3 407	26 247
2021	479	2 690	471	3 366	968	5 764	1 918	11 820
2022	82	228	41	148	1 313	6 315	1 437	6 691
2023	-	-	27	77	626	3 198	653	3 275
Total	4 763	69 286	6 656	65 886	15 116	181 179	26 535	316 351

*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	1 823	0	437	6	4 914	8	7 174
1	23	3 881	3	494	66	8 684	92	13 059
2	53	4 713	9	729	184	11 699	246	17 141
3	67	3 694	17	916	243	10 364	327	14 974
4	95	3 656	31	1 215	307	9 836	433	14 707
5	133	3 736	50	1 596	407	9 790	590	15 122
6	183	4 069	68	1 755	509	10 202	760	16 026
7	206	3 947	98	2 070	586	10 157	889	16 174
8	184	3 396	137	2 515	671	10 427	992	16 338
9	188	3 082	158	2 546	663	9 075	1 009	14 703
10	201	2 931	185	2 759	651	8 121	1 037	13 811
11	237	3 208	264	3 488	734	8 536	1 235	15 232
12	247	2 959	323	3 828	727	7 476	1 297	14 263
13	253	3 007	355	3 898	785	7 257	1 392	14 162
14	228	2 626	307	3 047	757	6 428	1 293	12 101
15	238	2 507	362	3 518	761	6 152	1 362	12 177
16	273	2 686	413	3 808	852	6 570	1 538	13 064
17	331	2 986	524	4 424	738	5 338	1 593	12 748
18	348	2 923	538	4 370	802	5 197	1 688	12 490
19	230	1 756	484	3 673	824	4 976	1 537	10 405
20	207	1 443	440	3 200	784	4 817	1 432	9 460
21	257	1 602	698	4 686	1 012	5 971	1 966	12 259
22	322	1 656	806	4 900	511	2 824	1 638	9 380
23	189	800	321	1 806	526	2 311	1 036	4 917
24	69	199	54	176	868	3 446	991	3 821
25	-	-	11	32	142	611	152	643
26	-	-	-	-	-	-	-	-
Total	4 763	69 286	6 656	65 886	15 116	181 179	26 535	316 351

*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 September 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.

Remaining term (years)	Outstanding of expositions guaranteed from Fonds de Garantie à l'Accession Sociale à la propriété (FGAS)	Number of loans
-	-	-
1	-	-
2	-	-
3	-	-
4	-	-
5	-	-
6	-	-
7	-	-
8	-	-
9	-	-
10	0.00	1
11	0.01	9
12	0.03	20
13	0.18	78
14	0.01	4
15	0.02	12
16	0.01	7
17	0.23	104
18	0.29	92
19	0.11	14
20	0.06	20
21	0.48	158
22	2.52	784
23	2.38	458
24	2.28	106
25	0.73	28
26	-	-
Total	9.3	1 895

These exposures are recalled here for the record, as they are already included in the outstanding loans guaranteed in paragraph I.

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 776.4 millions as of 30 September 2023.

La Banque Postale Home Loan SFH also holds an account opened in the books the ECB, with an outstanding credit balance of EUR 1.57 millions as of 30 September 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 third quarter 2023 is 3.8%. The outstanding repaid as of this quarter is 250.7 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.

As part of its obligations towards LBP HL SFH and in order to cover the regulatory liquidity needs arising from the repayment of the hard bullet series 5 ISIN FRO011688464 due on 15/01/2024, La Banque Postale lent to LBP HL SFH EUR 750,000,000 (settlement date 29/09/2023). This loan will be reimbursed on January 15, 2024 after the full repayment of the relevant Covered bond.

4) Foreign exchange risk

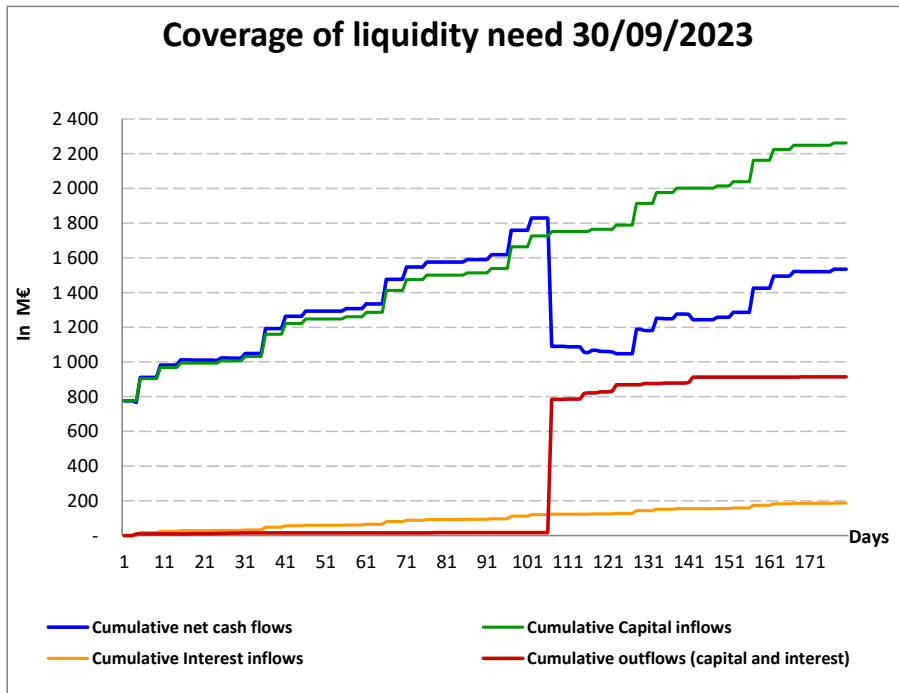
As of 30 September 2023, La Banque Postale Home Loan SFH has no foreign exchange risk exposure.

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 September 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	Value Date	Maturity Date	Extension Period	Extended Maturity Date	EU LABEL
2	FR0011600477	50	24/10/2013	24/10/2033	-	-	- EEA Grandfathered – CRR compliant
3	FR0011600493	50	30/10/2013	30/10/2028	-	-	- EEA Grandfathered – CRR compliant
4	FR0011603760	20	25/10/2013	27/10/2031	-	-	- EEA Grandfathered – CRR compliant
5	FR0011688464	750	15/01/2014	15/01/2024	-	-	- EEA Grandfathered – CRR compliant
6	FR0012174399	65	26/09/2014	26/09/2036	-	-	- EEA Grandfathered – CRR compliant
7	FR0012348969	200	28/11/2014	19/01/2026	-	-	- EEA Grandfathered – CRR compliant
8	FR0012486256	50	04/02/2015	04/04/2040	-	-	- EEA Grandfathered – CRR compliant
10	FR0012757813	50	02/06/2015	09/05/2040	-	-	- EEA Grandfathered – CRR compliant
11	FR0012829299	50	03/07/2015	01/07/2039	-	-	- EEA Grandfathered – CRR compliant
12	FR0013049384	30	03/11/2015	31/03/2036	-	-	- EEA Grandfathered – CRR compliant
14	FR0013102845	15	28/01/2016	28/01/2031	-	-	- EEA Grandfathered – CRR compliant
15	FR0013232998	500	25/01/2017	24/01/2025	1 year	24/01/2026	EEA Grandfathered – CRR compliant
16	FR0013237211	20	13/02/2017	13/02/2042	-	-	- EEA Grandfathered – CRR compliant
17	FR0013262961	540	23/06/2017	23/06/2027	1 year	23/06/2028	EEA Grandfathered – CRR compliant
18	FR0013296308	20	01/12/2017	01/12/2037	-	-	- EEA Grandfathered – CRR compliant
19	FR0013313855	750	07/02/2018	07/02/2028	1 year	07/02/2029	EEA Grandfathered – CRR compliant
20	FR0013369667	1 000	04/10/2018	04/10/2028	1 year	04/10/2029	EEA Grandfathered – CRR compliant
21	FR0013372174	15	18/10/2018	18/10/2033	-	-	- EEA Grandfathered – CRR compliant
23	FR0013387172	30	17/12/2018	17/12/2038	1 year	17/12/2039	EEA Grandfathered – CRR compliant
25	FR0013399169	750	30/01/2019	30/01/2026	1 year	30/01/2027	EEA Grandfathered – CRR compliant
26	FR0013400744	40	11/02/2019	11/02/2039	-	-	- EEA Grandfathered – CRR compliant
27	FR0013401999	500	18/02/2019	18/02/2025	1 year	18/02/2026	EEA Grandfathered – CRR compliant
28	FR0013416724	30	29/04/2019	29/04/2039	-	-	- EEA Grandfathered – CRR compliant
29	FR0013434651	500	17/07/2019	17/07/2024	1 year	17/07/2025	EEA Grandfathered – CRR compliant
30	FR0013454733	1 000	22/10/2019	22/10/2029	1 year	22/10/2030	EEA Grandfathered – CRR compliant
31	FR0013462207	500	22/11/2019	22/11/2023	1 year	22/11/2024	EEA Grandfathered – CRR compliant
33	FR0013482890	860	12/02/2020	12/02/2035	1 year	12/02/2036	EEA Grandfathered – CRR compliant
34	FR0013503844	750	24/03/2020	24/03/2024	1 year	24/03/2025	EEA Grandfathered – CRR compliant
35	FR0013503828	500	24/03/2020	24/06/2025	1 year	24/06/2026	EEA Grandfathered – CRR compliant
37	FR0013504636	750	01/04/2020	01/10/2025	1 year	01/10/2026	EEA Grandfathered – CRR compliant
38	FR0013506706	500	07/04/2020	07/04/2026	1 year	07/04/2027	EEA Grandfathered – CRR compliant
39	FR0013506714	750	07/04/2020	07/04/2027	1 year	07/04/2028	EEA Grandfathered – CRR compliant
40	FR0013506839	750	09/04/2020	09/04/2028	1 year	09/04/2029	EEA Grandfathered – CRR compliant
41	FR00140020M4	500	15/02/2021	15/10/2028	1 year	15/10/2029	EEA Grandfathered – CRR compliant
42	FR00140020L6	500	15/02/2021	15/05/2029	1 year	15/05/2030	EEA Grandfathered – CRR compliant
43	FR0014007X14	1 000	27/01/2022	27/01/2042	1 year	27/01/2043	EEA Grandfathered – CRR compliant
44	FR001400A9N7	750	12/05/2022	12/05/2030	1 year	12/05/2031	EEA Grandfathered – CRR compliant
45	FR001400DC98	1 000	19/10/2022	23/01/2030	1 year	23/01/2031	Premium
46	FR001400FD12	1 250	31/01/2023	31/01/2031	0.5 year	31/07/2031	Premium
47	FR001400HF42	1 000	19/04/2023	19/02/2029	1 an	19/02/2030	Premium
48	FR001400ILH4	1 000	20/06/2023	20/06/2029	1 an	20/06/2030	Premium

- Bonds with no maturity extension option.

Gedekte Namensschuldverschreibungen

Issuance series	ISIN	Nominal Amount	Value Date	Maturity Date	Extension Period	Extended Maturity Date	EU LABEL
RCB1	NSVS001	25	08/09/2014	10/09/2029	-	-	- EEA Grandfathered – CRR compliant
RCB2	NSVS002	10	12/09/2014	12/09/2031	-	-	- EEA Grandfathered – CRR compliant
RCB3	NSVS003	50	19/09/2014	19/09/2039	-	-	- EEA Grandfathered – CRR compliant
RCB4	NSVS004	10	23/09/2014	23/09/2026	-	-	- EEA Grandfathered – CRR compliant
RCB5	NSVS005	15	05/06/2015	05/06/2035	-	-	- EEA Grandfathered – CRR compliant
RCB6	NSVS006	30	08/10/2015	18/10/2034	-	-	- EEA Grandfathered – CRR compliant
RCB7	NSVS007	20	12/10/2015	20/10/2033	-	-	- EEA Grandfathered – CRR compliant
RCB8	NSVS008	10	21/10/2015	29/10/2027	-	-	- EEA Grandfathered – CRR compliant
RCB9	NSVS009	50	18/12/2015	04/01/2035	-	-	- EEA Grandfathered – CRR compliant
RCB10	NSVS010	30	17/03/2017	17/03/2042	-	-	- EEA Grandfathered – CRR compliant
RCB11	NSVS011	20	17/03/2017	17/03/2037	-	-	- EEA Grandfathered – CRR compliant
RCB12	NSVS012	15	17/03/2017	17/03/2032	-	-	- EEA Grandfathered – CRR compliant
RCB13	NSVS013	50	04/05/2017	04/05/2037	-	-	- EEA Grandfathered – CRR compliant
RCB14	NSVS014	50	12/05/2017	12/05/2042	-	-	- EEA Grandfathered – CRR compliant
RCB15	NSVS015	25	17/05/2017	17/05/2041	-	-	- EEA Grandfathered – CRR compliant
RCB16	NSVS016	20	01/12/2017	01/12/2037	1 year	01/12/2038	- EEA Grandfathered – CRR compliant
RCB17	NSVS017	20	15/02/2018	15/02/2038	-	-	- EEA Grandfathered – CRR compliant
RCB18	NSVS018	50	05/04/2018	05/04/2038	-	-	- EEA Grandfathered – CRR compliant
RCB19	NSVS019	30	14/03/2018	15/03/2038	1 year	15/03/2039	- EEA Grandfathered – CRR compliant
RCB20	NSVS020	50	03/05/2018	03/05/2038	1 year	03/05/2039	- EEA Grandfathered – CRR compliant
RCB21	NSVS021	26	07/05/2018	07/05/2035	-	-	- EEA Grandfathered – CRR compliant
RCB22	NSVS022	50	07/05/2018	07/05/2041	-	-	- EEA Grandfathered – CRR compliant
RCB23	NSVS023	25	15/06/2018	03/09/2038	1 year	03/09/2039	- EEA Grandfathered – CRR compliant
RCB24	NSVS024	20	19/10/2018	19/10/2038	-	-	- EEA Grandfathered – CRR compliant
RCB25	NSVS025	15	24/10/2018	24/10/2034	-	-	- EEA Grandfathered – CRR compliant
RCB26	NSVS026	15	22/10/2018	22/09/2038	-	-	- EEA Grandfathered – CRR compliant
RCB27	NSVS027	50	14/03/2019	14/03/2039	-	-	- EEA Grandfathered – CRR compliant
RCB28	NSVS028	50	23/04/2019	25/04/2044	-	-	- EEA Grandfathered – CRR compliant

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 30 June 2023.

Paris, 14 November 2023

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