

Asset Quality Report as of 30 September 2021

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La Banque Postale Home Loan SFH, is a French Société Anonyme under the laws of France, licensed as credit institution with the status of établissement de crédit spécialisé - société de financement de l'habitat.

The assets of La Banque Postale Home Loan SFH consist of home loans and replacement assets 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 2021, 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 Instruction n°2011-I-07, related to publication, by sociétés de crédit foncier and sociétés de financement de l'habitat, of information concerning 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	22 460
Loans to developers	
Other loans	
Total	22 460

Counterparty types	Outstanding balance (in M€)
Non-financial companies and individual entrepreneurs	
Individuals	22 460
Other	
Total	22 460

The only credit institution that grants guarantees (cautionnement) for the home loans in the Cover Pool is Crédit Logement. There are no non-performing loans in the Cover Pool.

Guarantee types	Outstanding balance (in M€)
Residential mortgage	10 192
Business mortgage	
Guarantee (<i>cautionnement</i>) granted by a credit institution	12 268
Guarantee (<i>cautionnement</i>) granted by an insurance company	
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i>	
Total	22 460

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 principal (in M€)	Product of financing portion, as defined under the article R. 513- 1 (CMF), and value of financed property	Total
Residential mortgage	8 586	1 606	10 192
Guarantee (<i>cautionnement</i>) granted by credit institution	10 805	1 463	12 268
Total	19 391	3 069	22 460

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 (<i>cautionnement</i>) by guarantee granted by credit institution		Total	
	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans
2006	25	748	53	1 895	78	2 643
2007	53	1 702	131	4 834	184	6 536
2008	61	1 952	172	6 020	232	7 972
2009	69	1 804	274	7 497	343	9 301
2010	94	2 099	531	12 024	625	14 123
2011	141	3 979	556	14 994	697	18 973
2012	237	6 231	405	11 129	642	17 360
2013	509	9 938	558	11 961	1 067	21 899
2014	842	15 192	540	10 166	1 382	25 358
2015	1 440	20 344	1 350	19 899	2 790	40 243
2016	1 397	16 179	1 659	18 962	3 056	35 141
2017	1 565	14 396	2 431	22 731	3 997	37 127
2018	1 223	11 199	1 468	12 504	2 691	23 703
2019	1 306	11 238	1 590	13 139	2 896	24 377
2020	1 035	8 241	484	4 354	1 519	12 595
2021	194	1 299	68	535	262	1 834
Total	10 192	126 541	12 268	172 644	22 460	299 185

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

Remaining term (years)	Loans secured by residential mortgage		Loans guaranteed (<i>cautionnement</i>) by guarantee granted by credit institution		Total	
	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans
0	2	1 838	5	4 694	7	6 532
1	18	2 645	55	7 520	73	10 165
2	46	3 702	125	8 559	171	12 261
3	89	5 091	219	9 450	308	14 541
4	138	6 240	402	12 810	540	19 050
5	151	5 148	420	11 048	571	16 196
6	198	5 325	475	10 527	673	15 852
7	265	5 784	569	10 310	834	16 094
8	333	6 144	655	10 408	988	16 552
9	380	6 170	712	10 215	1 092	16 385
10	378	5 874	771	10 214	1 149	16 088
11	418	5 783	728	8 745	1 147	14 528
12	441	5 697	699	7 787	1 141	13 484
13	552	6 548	697	7 525	1 249	14 073
14	567	6 049	656	6 411	1 222	12 460
15	568	5 699	731	6 440	1 298	12 139
16	545	4 980	656	5 257	1 201	10 237
17	592	5 267	663	4 943	1 255	10 210
18	639	5 486	575	4 266	1 215	9 752
19	644	5 316	355	2 649	998	7 965
20	698	5 271	445	3 043	1 143	8 314
21	696	4 790	473	2 925	1 169	7 715
22	603	4 022	519	3 068	1 121	7 090
23	708	4 522	525	3 042	1 233	7 564
24	458	2 788	122	702	580	3 490
25	66	359	16	86	82	445
26	0	3	-	-	0	3
27	-	-	-	-	-	-
28	-	-	-	-	-	-
29	-	-	-	-	-	-
30	-	-	-	-	-	-
Total	10 192	126 541	12 268	172 644	22 460	299 185



HOME LOAN SFH

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 10/21/2021) and AAL (DBRS' last review dated 06/08/2021), 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 by 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 no exposure on public entities except for those described in §IV relative to "Replacement Assets" and cash on the current account opened in the books of Banque de France with an outstanding credit balance of 0.89 million EUR as of 30 September 2021.

III - Securitization vehicles and similar entities

La Banque Postale Home Loan SFH has no exposure on securitization vehicles and similar entities.

IV - Replacement Assets (valeurs de remplacement)

As of 30 September 2021, La Banque Postale Home Loan SFH holds following replacement assets (valeurs de remplacement):

Bonds :

La Banque Postale Home Loan SFH holds a bond portfolio classified as "Held-to-Collect" with an exposure on French state only and corresponding to the reinvestment of a part of its capital.



HOME LOAN SFH

ISIN Code	Name of series	Nominal Amount (M Euros)	Classification
FR0011196856	OAT 3.00 25/04/2022	10.9	HTC
FR0011486067	OAT 1.75 25/05/2023	10.9	HTC
	Total	21.8	

This portfolio is ECB eligible. As of 30 September 2021, the market value of the portfolio is 22.7 million euros. After ECB haircut, the value as replacement assets is 22.5 million euros

As of today, this portfolio has not been posted in collateral to the Central Bank.

Cash :

La Banque Postale Home Loan SFH disposes of two current accounts opened in the books of La Banque Postale, with an outstanding credit balance of 63.8 million EUR as of 30 September 2021.

V - Prepayments

The annualized prepayment rate calculated on the basis of home loan portfolio used as guarantee for the third quarter 2021 is 9.59%.

VI - 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 issues. 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);
- securities (100% in government bonds) replacing part of the equity;
- cash pledge granted by La Banque Postale to La Banque Postale Home Loan SFH to cover 180-day cash requirements (zero interest rate);
- cash placed in a deposit account at La Banque Postale (zero interest rate as long as outstanding below internal threshold) and, for a negligible part, in an account at the Banque de France (currently remunerated at a negative rate);
- equity, restitution debt and adjustment accounts; assimilated to fixed rate (zero interest rate) positions;

- liabilities linked to the cash pledge (zero interest rate);
- covered bonds (100% fixed rate).



HOME LOAN SFH

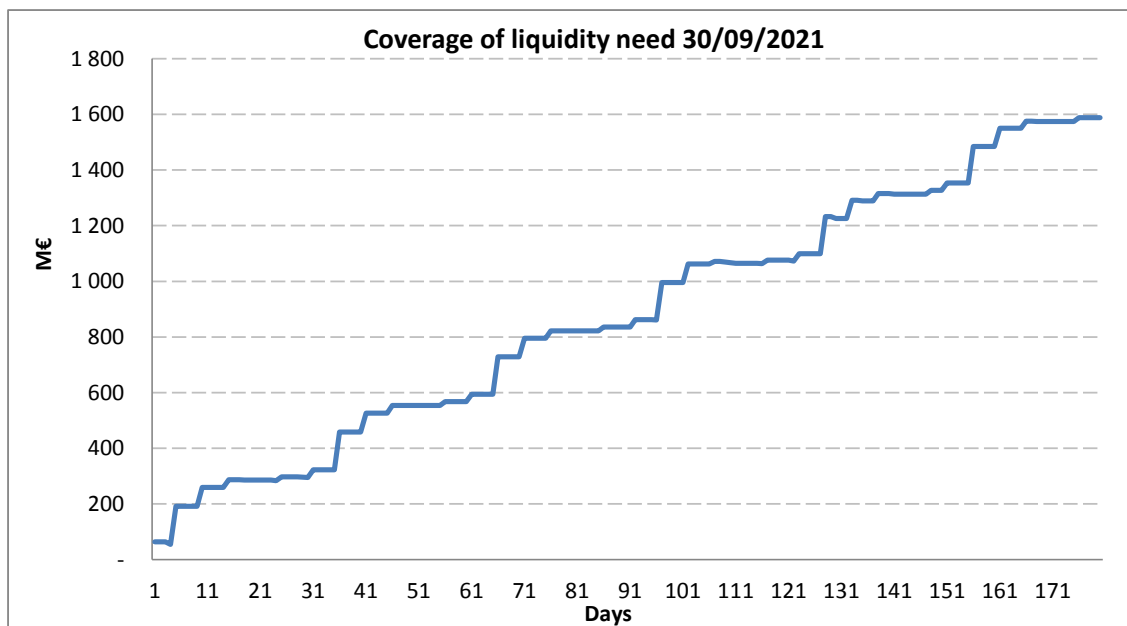
As the balance sheet items are made up of fixed rate assets and liabilities, with the exception of the Banque de France account and deposit account which represent an insignificant amount outstanding, this results in a structural fixed rate gap negligible over the residual life of the covered bonds.

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

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

As of 30 September 2021, the liquidity need over 180 days is null and thus covered.



Paris, 15 November 2021

Stéphane MAGNAN
Chief Executive Officer of La Banque Postale Home Loan SFH