

Asset Quality Report as of 30 June 2022

This translation into English is for information purposes only. Only the French version published in the Bulletin des annonces légales obligatoires (BALO) or on La Banque Postale Home Loan SFH website is authoritative.

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 June 2022, 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	24 130
Loans to developers	
Other loans	
Total	24 130

Counterparty types	Outstanding balance (in M€)
Non-financial companies and individual entrepreneurs	
Individuals	24 130
Other	
Total	24 130

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	22 907
Business mortgage	
Guarantee (<i>cautionnement</i>) granted by a credit institution	1 222
Guarantee (<i>cautionnement</i>) granted by an insurance company	
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i>	
Total	24 130

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	9 927	1 457	11 384
Guarantee (<i>cautionnement</i>) granted by credit institution	11 722	1 024	12 746
Total	21 649	2 481	24 130

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 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	21	642	51	1 723	72	2 365
2007	44	1 376	109	3 748	153	5 124
2008	52	1 777	142	5 435	194	7 212
2009	60	1 732	235	7 060	295	8 792
2010	85	2 042	468	11 484	553	13 526
2011	130	3 769	490	13 707	620	17 476
2012	218	5 712	357	9 837	575	15 549
2013	477	9 644	494	11 216	971	20 860
2014	792	14 807	480	9 568	1 273	24 375
2015	1 363	19 976	1 227	19 043	2 590	39 019
2016	1 384	16 663	1 611	19 076	2 995	35 739
2017	1 539	14 746	2 548	24 458	4 087	39 204
2018	1 291	12 018	1 615	14 030	2 905	26 048
2019	1 461	12 596	1 790	14 718	3 252	27 314
2020	1 638	12 285	818	6 721	2 456	19 006
2021	822	5 627	310	2 341	1 132	7 968
2022	5	50	1	6	6	56
Total	11 384	135 462	12 746	174 171	24 130	309 633

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	
	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans	Outstanding principal (in M€)	Number of loans
0	2	2 101	6	4 956	8	7 057
1	21	3 144	56	7 641	77	10 785
2	52	4 434	135	8 893	187	13 327
3	102	5 918	294	12 249	396	18 167
4	122	5 265	338	10 895	461	16 160
5	154	4 950	415	10 742	569	15 692
6	223	5 612	476	9 960	698	15 572
7	286	5 972	583	10 330	868	16 302
8	364	6 440	684	10 719	1 048	17 159
9	359	5 942	674	9 669	1 033	15 611
10	413	6 209	797	10 182	1 210	16 391
11	411	5 641	655	7 776	1 065	13 417
12	502	6 331	728	7 994	1 230	14 325
13	632	7 100	723	7 307	1 356	14 407
14	607	6 491	670	6 329	1 277	12 820
15	606	5 834	839	6 862	1 444	12 696
16	578	5 372	628	4 989	1 206	10 361
17	641	5 842	734	5 596	1 375	11 438
18	800	6 602	499	3 691	1 299	10 293
19	831	6 407	503	3 524	1 335	9 931
20	840	6 107	649	4 189	1 489	10 296
21	607	4 108	497	2 991	1 104	7 099
22	750	4 961	713	4 160	1 463	9 121
23	877	5 226	277	1 598	1 154	6 824
24	584	3 321	162	877	747	4 198
25	21	131	10	52	31	183
26	-	-	-	-	-	-
27	0	1	-	-	0	1
28	-	-	-	-	-	-
29	-	-	-	-	-	-
30	-	-	-	-	-	-
Total	11 384	135 462	12 746	174 171	24 130	309 633



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 06/01/2022), 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 0.35 million EUR as of 30 June 2022.

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 June 2022, 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.

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

This portfolio is ECB eligible. As of 30 June 2022, the market value of the portfolio is 11.1 million euros. After ECB haircut, the value as replacement assets is 11 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 27.5 million EUR as of 30 June 2022.

V - Prepayments

The annualized prepayment rate calculated on the basis of home loan portfolio used as guarantee for the second quarter 2022 is 7.1%.

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).

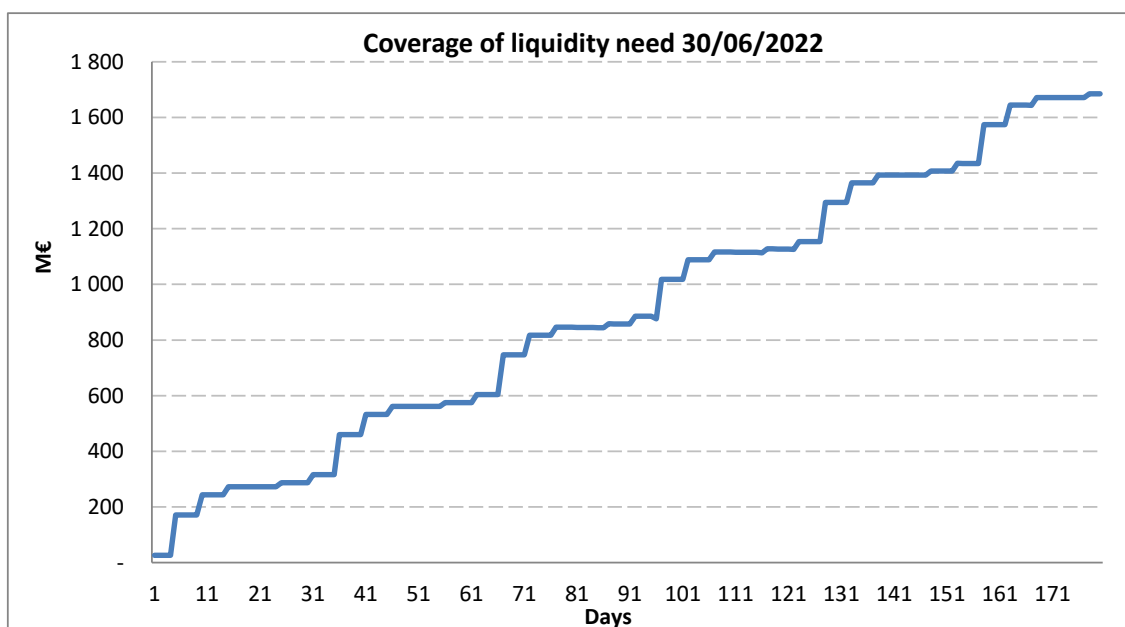
As the balance sheet items are made up of fixed rate assets and liabilities, with the exception of the Banque de France account and deposit account which represent an insignificant amount outstanding, this results in a structural fixed rate gap negligible over the residual life of the covered bonds.

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 inflows rather than the cash-flows of the “Credit Facility” guaranteed by the Home loans.

As of 30 June 2022, the liquidity need over 180 days is null and thus covered.



Paris, 28 July 2022

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