

Asset Quality Report as of 31 March 2022

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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 31 March 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	23 779
Loans to developers	
Other loans	
Total	23 779

Counterparty types	Outstanding balance (in M€)
Non-financial companies and individual entrepreneurs	
Individuals	23 779
Other	
Total	23 779

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	11 141
Business mortgage	
Guarantee (<i>cautionnement</i>) granted by a credit institution	12 638
Guarantee (<i>cautionnement</i>) granted by an insurance company	
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i>	
Total	23 779

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	9 531	1 610	11 141
Guarantee (<i>cautionnement</i>) granted by credit institution	11 391	1 247	12 638
Total	20 922	2 856	23 779

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	23	655	54	1 767	77	2 422
2007	47	1 516	117	4 229	164	5 745
2008	56	1 870	152	5 743	208	7 613
2009	64	1 792	251	7 283	314	9 075
2010	89	2 090	497	11 843	587	13 933
2011	137	3 855	518	14 075	656	17 930
2012	229	6 021	377	10 417	606	16 438
2013	492	9 785	519	11 570	1 011	21 355
2014	814	14 955	498	9 738	1 312	24 693
2015	1 398	20 126	1 278	19 438	2 676	39 564
2016	1 386	16 390	1 644	19 195	3 030	35 585
2017	1 518	14 302	2 500	23 710	4 018	38 012
2018	1 238	11 430	1 495	12 934	2 733	24 364
2019	1 422	12 107	1 741	14 306	3 163	26 413
2020	1 484	11 159	714	6 010	2 198	17 169
2021	745	4 939	281	2 112	1 026	7 051
Total	11 141	132 992	12 638	174 370	23 779	307 362

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	2 056	6	4 897	8	6 953
1	20	2 892	55	7 521	75	10 413
2	52	4 373	131	8 868	183	13 241
3	99	5 655	276	11 498	375	17 153
4	127	5 680	365	11 770	492	17 450
5	152	4 932	421	10 894	573	15 826
6	214	5 467	465	9 951	680	15 418
7	281	5 990	589	10 523	870	16 513
8	370	6 534	693	10 916	1 062	17 450
9	364	5 969	666	9 622	1 030	15 591
10	409	6 219	837	10 662	1 247	16 881
11	398	5 495	635	7 675	1 033	13 170
12	485	6 147	736	8 156	1 221	14 303
13	627	7 089	741	7 580	1 368	14 669
14	593	6 312	638	6 219	1 231	12 531
15	630	6 007	889	7 248	1 519	13 255
16	529	4 902	563	4 499	1 093	9 401
17	636	5 702	707	5 340	1 344	11 042
18	730	6 041	520	3 805	1 250	9 846
19	815	6 198	438	3 134	1 253	9 332
20	860	6 208	655	4 214	1 516	10 422
21	531	3 577	387	2 330	918	5 907
22	709	4 728	683	4 030	1 392	8 758
23	764	4 639	358	2 023	1 122	6 662
24	704	3 972	170	937	875	4 909
25	41	206	12	58	52	264
26	0	2	-	-	0	2
27	-	-	-	-	-	-
28	-	-	-	-	-	-
29	-	-	-	-	-	-
Total	11 141	132 992	12 638	174 370	23 779	307 362



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 0.25 million EUR as of 31 March 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 31 March 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.



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 31 March 2022, the market value of the portfolio is 22.6 million euros. After ECB haircut, the value as replacement assets is 22.4 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 25.5 million EUR as of 31 March 2022.

V - Prepayments

The annualized prepayment rate calculated on the basis of home loan portfolio used as guarantee for the first quarter 2022 is 7%.

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:

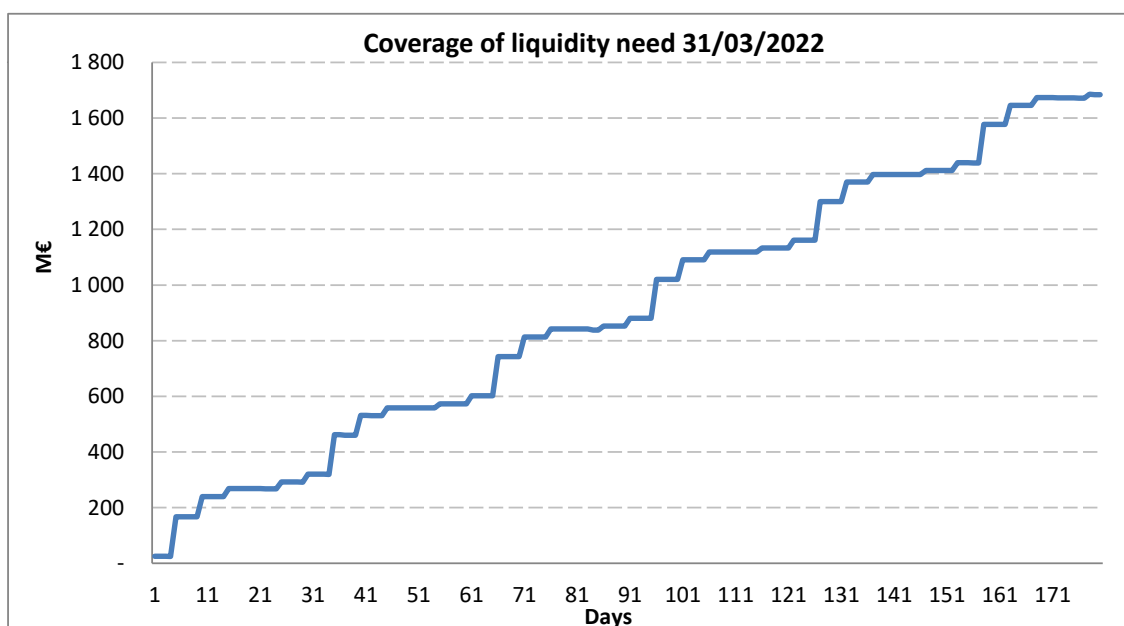
- real estate loans making up the cover pool (100% at fixed rate);
- securities (100% in government bonds) replacing part of the equity;
- cash pledge granted by La Banque Postale to La Banque Postale Home Loan SFH to cover 180-day cash requirements (zero interest rate);
- cash placed in a deposit account 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.



Paris, 7 May 2022

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