

Asset Quality Report as of 30 September 2022

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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 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 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	24 204
Loans to developers	
Other loans	
Total	24 204

Counterparty types	Outstanding balance (in M€)
Non-financial companies and individual entrepreneurs	
Individuals	24 204
Other	
Total	24 204

The only credit institution that grants guarantees (cautionnement) for the home loans in the Cover Pool is Crédit Logement. The loans are valued in million Euros 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	4 814
Business mortgage	
Guarantee (<i>cautionnement</i>) granted by a credit institution	13 156
Guarantee (<i>cautionnement</i>) granted by an insurance company	
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i>	6 234
Total	24 204

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	4 315	499	4 814
Guarantee from <i>Fonds de garantie à l'accession sociale à la propriété</i>	5 596	638	6 234
Guarantee (<i>cautionnement</i>) granted by credit institution	12 196	960	13 156
Total	22 107	2 097	24 204

Properties are valued pursuant public procedure available on LBP HL SFH website.

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		Guarantees from Fonds de garantie à l'accession sociale à la propriété		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	19	607	-	-	47	1 680	66	2 287
2007	41	1 240	-	-	101	3 468	142	4 708
2008	48	1 607	-	-	130	5 340	178	6 947
2009	55	1 614	-	-	219	7 064	274	8 678
2010	80	1 941	-	-	439	11 187	518	13 128
2011	122	3 615	-	-	461	13 588	583	17 203
2012	204	5 238	0	8	338	9 286	543	14 532
2013	248	5 968	206	3 370	467	10 947	921	20 285
2014	422	9 464	333	4 912	454	9 354	1 209	23 730
2015	579	10 911	722	8 511	1 167	18 546	2 467	37 968
2016	488	6 993	839	9 234	1 541	18 590	2 867	34 817
2017	491	5 004	991	9 403	2 452	23 930	3 934	38 337
2018	444	4 234	807	7 556	1 838	15 964	3 088	27 754
2019	498	4 493	946	8 029	2 095	17 245	3 540	29 767
2020	692	5 026	943	7 204	880	7 245	2 515	19 475
2021	383	2 426	443	3 179	418	3 192	1 244	8 797
2022	1	6	5	45	109	680	115	731
Total	4 814	70 387	6 234	61 451	13 156	177 306	24 204	309 144

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		Guarantees from Fonds de garantie à l'accession sociale à la propriété		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	1 548	0	407	5	4 817	7	6 772
1	18	2 921	3	467	59	8 561	80	11 949
2	49	4 169	7	519	140	9 245	196	13 933
3	84	4 987	14	773	291	12 404	389	18 164
4	91	3 869	23	938	335	10 883	450	15 690
5	122	3 848	40	1 244	393	10 270	555	15 362
6	162	3 918	61	1 623	494	10 164	717	15 705
7	214	4 214	78	1 756	586	10 340	879	16 310
8	235	4 069	110	2 063	655	10 225	1 000	16 357
9	206	3 465	154	2 543	751	10 675	1 111	16 683
10	210	3 170	175	2 546	696	8 907	1 081	14 623
11	220	3 016	197	2 699	701	8 201	1 118	13 916
12	257	3 279	277	3 383	724	8 031	1 258	14 693
13	260	2 910	324	3 596	703	6 984	1 287	13 490
14	247	2 678	377	3 878	793	7 194	1 418	13 750
15	209	2 157	317	2 961	690	5 751	1 216	10 869
16	234	2 226	369	3 382	758	5 940	1 361	11 548
17	263	2 399	396	3 497	721	5 523	1 381	11 419
18	320	2 566	459	3 803	535	3 955	1 314	10 324
19	302	2 249	544	4 212	630	4 339	1 475	10 800
20	197	1 401	490	3 564	545	3 499	1 233	8 464
21	218	1 421	430	3 001	722	4 388	1 369	8 810
22	268	1 658	566	3 698	715	4 196	1 549	9 552
23	296	1 596	531	3 229	288	1 638	1 115	6 463
24	129	646	284	1 634	189	1 006	601	3 286
25	2	7	6	34	34	170	43	211
26	-	-	0	1	-	-	0	1
Total	4 814	70 387	6 234	61 451	13 156	177 306	24 204	309 144

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 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 holds a bond portfolio classified as "Held-to-Collect" with an exposure on French state only (reinvestment of a part of its equity).

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

This portfolio is ECB eligible. As of 30 September 2022, the market value of the portfolio is 11 millions euros. After ECB haircut, the value as replacement assets is 10.9 million euros. As of today, this portfolio has not been posted as collateral to the Central Bank.

Single Resolution Fund (SRF):

La Banque Postale Home Loan SFH holds an exposition on the Single Resolution Board with an outstanding of 0.75 million euros as of 30 September 2022.

Breakdown of outstanding of expositions guaranteed from Fonds de Garantie à l'Accession Sociale à la propriété (FGAS) :

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	0.00	1
6	-	-
7	-	-
8	0.00	2
9	0.01	6
10	0.00	5
11	0.05	22
12	0.08	46
13	0.35	164
14	0.73	169
15	0.05	18
16	0.09	32
17	0.08	56
18	1.11	322
19	1.37	232
20	0.09	27
21	0.29	122
22	1.81	607
23	7.22	1 353
24	6.28	842
25	0.12	21
26	-	-
Total	19.73	4 047

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 27 millions as of 30 September 2022.

La Banque Postale Home Loan SFH also holds an account opened in the books the ECB, with an outstanding credit balance of EUR 0.34 million as of 30 September 2022.

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 2022 is 7.6%. The outstanding repaid as of this quarter is 455.4 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);
- securities (100% in government bonds) replacing part of the equity;
- 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

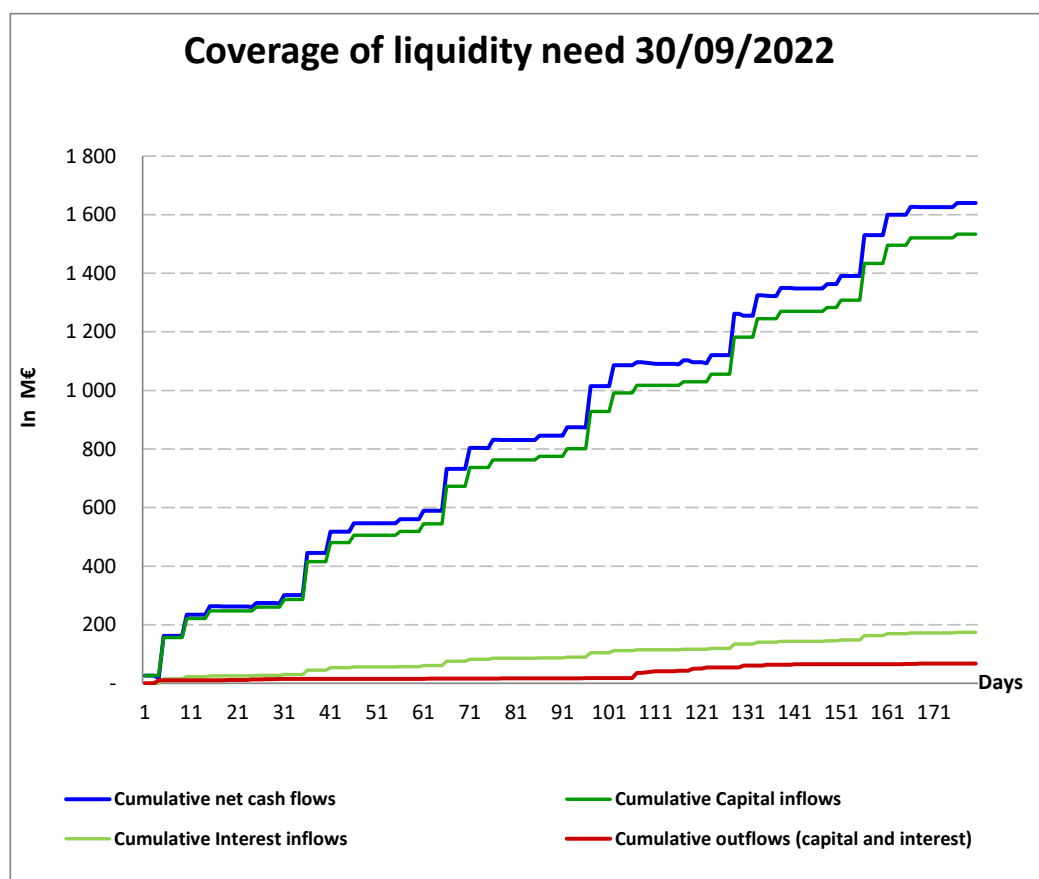
As of 30 September 2022, La Banque Postale Home Loan SFH has no foreign exchange risk exposure.

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 2022, the liquidity need over 180 days is null and thus covered.



VIII – Maturity structure

Breakdown of mortgage bonds by maturity profile:

The only financial asset owned by la Banque Postale Home Loan SFH is the bond portfolio mentioned in “*paragraph II - Exposure to public entities*” with an outstanding of 10.9 millions Euros and which maturity date is 25th May 2023. The maturity structure of the covered bonds is presented as follows:

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	-	-
13	FR0013090578	500	18/01/2023	1 year	18/01/2024
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	-	-
22	FR0013386828	500	14/12/2022	1 year	14/12/2023
23	FR0013387172	30	17/12/2038	1 year	17/12/2039
24	FR0013397338	500	17/01/2024	1 year	17/01/2025
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
32	FR0013481942	500	07/05/2024	1 year	07/05/2025
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
36	FR0013504594	500	27/09/2024	1 year	27/09/2025
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	FR0014007X14	1 000	27/01/2042	1 year	27/01/2043
44	FR001400A9N7	750	12/05/2030	1 year	12/05/2031

- Bonds with no extension maturity option.

Namenschuldverschreibungen

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 exercised. 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 131% and is dated as of 30 June 2022.

Paris, 8 December 2022

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