



Press Release
Paris, 25 January 2023

La Banque Postale: Successful inaugural Social covered bond issue

La Banque Postale, through its subsidiary La Banque Postale Home Loan SFH dedicated to refinancing home loans granted by the bank retail network in France, has **successfully placed its first social covered bond issue** on January 23th 2023 focusing on social home ownership loan - "Prêt d'Accession Sociale". This transaction follows a first issue of green bond through this vehicle in 2022.

A total of €1.25 billion worth of 8-year covered bonds were issued with a final spread of MS+27bps and a fixed-rate coupon of 3.0%.

Investor reception was particularly strong as La Banque Postale's credit quality continues to persuade markets participants. Its commitment to use the proceeds to fund social projects was a key factor in the success of transaction:

- **The size of the order book, which totaled €1.6 billion** when it closed, allowing for a large €1.25 billion placement at competitive funding cost.
- The orderbook attracted large number of orders with **65 investors** participating in the transaction.
- **Participation by a majority of investors (70%) that apply ESG screens,**
- The **diversified and qualified investor line-up** with top quality accounts banks for 43%, asset managers for 32% and central banks and official institutions for 19%.
- The **participation of mainly European investors** with a particular important domestic participation: 41% in France, 31% in Germany and 13% in Benelux.

The issue proceeds will be used to refinance **Affordable Housing** and more specifically **Social home ownership loans** respecting the eligibility criteria established in the French 2003 Finance Law. The social home ownership loan is granted to people with modest incomes. Its purpose is to enable people to become owners, by buying or building their main home. More than **€1.3 billion worth of loans** have been identified as eligible as they meet specific criteria in terms of household resources and localization of the property.

This transaction is part of La Banque Postale framework (April 2019) establishing green, social and sustainability bond eligible categories for La Banque Postale SA and LBP Home Loan SFH, which was independently verified by Moody's ESG Solutions. La Banque Postale is aligned with the best practices in terms of management and reporting of the proceeds with a dynamic portfolio approach aiming to maintain an Eligible Loan Portfolio matching



the balance net proceeds. Impact reporting include a wide range of data with the methodologies, assumptions and baselines took in consideration.

The joint lead managers for the issue were BBVA, Commerzbank, Crédit Agricole CIB, IMI-Intesa Sanpaolo, ING and La Banque Postale.

More information here: <https://www.labanquepostale.com/en/investors/debt/green-social-bonds.html>

ABOUT LA BANQUE POSTALE

With its subsidiaries, including CNP Assurances, La Banque Postale is a leading European banking and insurance specialist, ranked 11th in the euro zone by balance sheet assets. Its diversified business model enables it to support 20 million individual and corporate customers with a comprehensive range of products accessible to all. A subsidiary of La Poste group, La Banque Postale offers local banking services through 17,000 contact points, including 7,300 post offices, throughout France. It is also a leader in sustainable finance, rated among the best in the market by nonfinancial rating agencies. Its strategic plan, "La Banque Postale 2030", sets the ambition of becoming the favourite bank of the people of France, with an integrated and omnichannel offer of bank and insurance services based on three distinct brands: La Banque Postale, its everyday bank, Ma French Bank, its 100% mobile bank and Louvre Banque Privée, its private bank. As a community bank, La Banque Postale is fully focused on shaping a just transition to an economy and a society capable of responding to environmental, social, regional and digital challenges.

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