



# Sustainable Bond Program Framework

September 2019

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# Introduction

Action Logement Services (“ALS”) is a simplified Joint-Stock Company, established by decree<sup>1</sup> in 2016. The Company is a member of Groupe Action Logement, whose sole shareholder is Action Logement Groupe (“**ALG**”).

Action Logement Services aims to finance actions to promote affordable housing, in particular for the housing of employees, in order to promote employment and contribute to economic development throughout France and France-dependent territories. ALS ensures the collection of employers’ participations in the French housing construction effort (the “**PEEK**”) and is also responsible for the granting of loans, provision of financial aid and related services for employees, companies and social housing institutions and intermediaries.

Action Logement Services is licensed in France as a financing company and develops its activities under a mission to promote social benefit and sustainable development.

## Presentation of Action Logement Groupe and the role of Action Logement Services within the group

ALG has been established on foot of an order, a French statutory instrument.<sup>2</sup> : it includes a holding company (ALG), a service division Action Logement Services (ALS), and a social and intermediate real estate division, Action Logement Immobilier.

ALG is defined as an association, subject to the provisions of the law of 1<sup>st</sup> July 1901<sup>3</sup>, whose members arrange a joint management structure. ALG’s Board of Directors is comprised of representatives of the trade unions of employers and employees (the “**Social Partners**”).

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<sup>1</sup> Decree No. 2016-1769 of 19 December 2016

<sup>2</sup> Order No. 2016-1408 of 20 October 2016, Article 1<sup>st</sup> paragraph 3°

<sup>3</sup> Law of 1 July 1901 on the association contract

ALG's mission is defined in Article L. 313-18-1 of the Code of Construction and Housing (the "**Code**"). ALG is required, inter alia, to conclude a five-year agreement with the State relating to the PEEC, to define strategic objectives, and to monitor the financial profile of the Action Logement Group.

The PEEC is a public interest arrangement established by French law in 1953 to formalise historical voluntary action by certain employers to secure housing for employees. The arrangement obliges private sector companies with at least 20 employees<sup>4</sup> to contribute to the financing of housing construction for the benefit of employees, up to a maximum of 1% of payroll costs (known as the "Housing 1%"). Since 1992, the PEEC has comprised approximately 0.45% of the payroll.

In 2016, the arrangements for collection of the PEEC were reorganized, allocating responsibility to a single steering organisation (ALG), and by regrouping the existing 20 bodies (referred to as Interprofessional Housing Committees ("CILs")) which carried out local collection and distribution of the PEEC into a single collector, Action Logement Services.

The Code stipulates that the PEEC resources which are received by Action Logement Services and the related projects, are governed by a five-year agreement concluded between the State and ALG. The last five-year agreement was signed 16 January 2018, for the period 2018-2022 (the "**Quinquennial Convention**"), and concerned projects with a total value of approximately €15 billion. The Quinquennial Convention was subsequently the subject of an amendment signed on 25 April 2019 which envisaged a supplementary investment plan of an additional €9 billion approx. (the "**Voluntary Investment Plan**" or "**PIV**") anticipated to progress during the period 2019-2022.

The Quinquennial Convention and the subsequent PIV represent a total commitment of approximately €23.4 billion over the period 2018-2022.

## Action Logement Services

Action Logement Services holds responsibility within the Action Logement Group for the implementation of the Quinquennial Convention. Action Logement Services' objectives are defined via statutes under French law, and in particular by the Code.

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<sup>4</sup> This threshold will increase from 20 to 50 employees from 2020, pursuant to 22 WLN9P9S21, Law No. 2019 relating to the growth and transformation of enterprises (the "**PACTE**" law)

The Code and the statutes of Action Logement Services provide in particular that:

- ALG holds 100% of the capital of Action Logement Services;
- The governance of Action Logement Services is shared on an equal basis (between the State, representatives of the trade unions of employers and employees), and includes three Government Commissioners representing the French State on the Board of Directors;
- Action Logement Services focuses its activities on the 'Social and Solidarity Economy ("**ESS**")'; and,
- Action Logement Services does not pay any dividends to ALG.

**The mission of Action Logement Services is to finance actions and public policies which promote the development of housing in France. Its activities aim to facilitate access to and maintenance of housing for the benefit of employees, thereby promoting and securing their access to employment.**

**Action Logement Services contributes to the economic development of France and French-dependent territories, by issuing loans, guarantees, financial aid and services to individuals (primarily employees), businesses and social housing actors.**

ALS comprises of approximately 3,100 employees operating from over 160 locations across 13 regional representations.

## **Activities of Action Logement Services**

Action Logement Services undertakes five principal activities:

- **The collection of PEEC**

Action Logement Services collects PEEC from private sector companies, manages the funds specifically collected on a recurring annual basis at the service of employees, employers and local territories. Such a connexion with companies strengthens the link between housing and employment and reports to employers on its activities. In 2018, the total net funds collected reached €1,695 million.

- **Financing of social and intermediate housing**

Action Logement Services provides financial support, principally in the form of loans, grants or equity allocations to social and intermediate housing funders. Action Logement Services is estimated to be the second-largest financier of social housing in France. Outstanding loans to legal entities amounted to €11,947 million as at December 31 2018.

- **Social housing allocation**

In return for its efforts to finance social and intermediate housing, Action Logement Services benefits from housing reservation rights. These rights allow Action Logement Services to nominate salaried tenants for the allocation of social, intermediate or free housing. This service contributes directly to strengthening the link with the companies providing the PEEC.

96,901 households accessed housing services through Action Logement Services in 2018, with 30.3% of those households located in the Ile-de-France area (Paris wider region).

- **Provision of assistance and services**

Action Logement Services supports employees by offering them services and financial assistance (principally in the form of loans and deposits) which facilitates access to housing, and therefore contributes to the securing and maintenance of employment. Action Logement Services supports the career pathways of its clients, and also contributes to the sustainability of the housing stock, facilitating energy efficiency improvements or the adaptation of housing to the needs of aging or otherwise vulnerable residents. Services are targeted at priority groups, including for examples employees on reduced incomes, or who have mobility challenges, or young people in the process of accessing to employment or training.

The number of recipients of Housing Aid Services services reached 550,000 people in 2018 comprising of €641 million of financial commitments granted over the course of the year. The portfolio of loans extended to individuals stood at €4,057 million as at 31 December 2018.

- **Participation in public housing and city policies**

Action Logement Services contributes to the financing of public housing and the implementation of city housing policies. Action Logement Services therefore contributes to the budgets of the National Agency for Urban Renovation (" **ANRU**") and the Real Estate National Aid Fund (the "**FNAP**").

Moreover ALS initiates and implements social policies in coordination with the State and its agencies, such as the city-center revitalization program focused medium-sized city-centers, 'Heart of the City Action' ('Action Coeur de Ville)

€635 million was committed in 2018 for the financing of those public policies. ANRU accounts for 75% of these commitments.

# 1. GLOBAL CONTEXT OF INTERVENTION

- **Historical anchoring of Action Logement Group's missions**

The “Housing 1%” was created in the post-war years, where reconstruction was an economic and social issue, it was then addressing an emergency: the establishment of housing in proximity to the available pools of labour, facilitating the deployment of a new workforce, supporting economic development, enhancing living conditions and protecting employee rights. To finance the required investments, the State and the trade unions came up with the “Housing 1%”, a 1% levy on the payroll of private companies dedicated to finance and construct housing and to facilitate access to housing for low income households.

- **Action Logement Services – evolution of services provided**

The reform of Action Logement created a transformation pathway and enhanced the group's innovation capacities at the service of its social remit. In the local territories, ALS partners with local housing providers, adapt the service offering to align with rapidly evolving employees' lifestyles and career paths.

The establishment of the Quinquennial Convention has been steered by a number of core principles, such as the the strengthening of the services' and aid's social mission, improved equity in the distribution of aid to eligible parties, the granting of reservation rights in return for social housing institutions' funding and the fostering of cohesion with French-dependent territories.

The outcome for Action Logement Services is an offer increasingly characterised by the pursuit of the shared social mission and greater efficiency in the support provided to social and intermediate landlords in the delivery of quality housing, whilst meeting increasingly stringent environmental standards; ensuring, in France, an adequate response from the housing and construction sectors to environmental challenges.

- **Foundation and transformation of the employment-housing link**

The Action Logement Group is based on a recognition over several decades by our stakeholders and the Social Partners that housing is a powerful lever to deliver access to employment and to incentivize



economic activity in the regions. If having a home does not automatically guarantee access to a job, conversely, not having a home is generally an absolute barrier to inclusion in working life. In the private rental sector, the conditions imposed on the signing of a lease or a mortgage are challenging for individuals without stable income; in the social housing sector, the usual housing allocation processes together with significant waiting lists are typically challenging for vulnerable individuals to negotiate, for example for young people or for the people in the process of getting hired or going through work mobility. The increase in real estate prices, relative to wages, has created tensions particularly high in the most dynamic employment areas. The freedom of choice of wage-earning households with regard to rental housing or home ownership has been considerably reduced. Distances between home and work have increased, sometimes becoming challenging issues for those more precarious groups seeking training or any employment opportunities.

Action Logement is the only organization in France currently offering a holistic solution addressing the necessary link between employment and housing.

- **Change in the social housing sector**

The other main challenge for Action Logement Group, in particular the Action Logement Services organization is to anchor its action within a mutating social housing model.

Under the terms of the 2018 Finance Law requiring the reduction of 'solidarity' rents (i.e. reduction in rents imposed by the State on social landlords to compensate for the reduction in personal housing assistance ("**APL**") experienced by social housing tenants), certain financial balances of the sector were altered. As the second largest financier of the sector<sup>5</sup>, deploying the PEEC resources to provide financing in the form of endowments, equity or quasi-equity, subsidies or subsidized loans with guarantee conditions and concessionary interest rates, Action Logement Services has availed of the opportunity to increase its role in this transformation.

The "ELAN" Law (law on the evolution of housing, land development and digitalisation, dating November 2018) has also impacted social housing provision in France from 2018 by:

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<sup>5</sup> On the basis of the public information published by the Bank of the Territories and the USH, the Issuer estimates to be the second financier of social housing in France - Source USH, HLM in figures 2018 - <https://www.union-habitat.org/union-data/the-financial-means>

- Driving consolidation of the housing space actors in the interests of efficiency in the implementation of housing policies
- Prompting sales of social housing (“HLM” – low cost housing) to facilitate and ensure social access to home ownership whilst facilitating capital renewal for social housing organisations.
- More generally, the amount of funding provided by Action Logement Services towards implementation of public housing policies illustrates the importance to society of affordable housing, urban renovation and social cohesion issues, to which ALS contributes.
  
- **Establishment of the Voluntary Investment Plan**

The Social Partners have decided to refresh the strategy and financial policy of the Action Logement Group. ALG has embarked on a voluntary and innovative approach, introducing via the Voluntary Investment Plan, additional capacity for action aimed at responding to current priorities, whilst putting in place solutions for the anticipated challenges of the future.

The €9 billion Voluntary Investment Plan delivers a robust response to the purchasing power issues which particularly affect those on low incomes.

Seven priorities have been selected including:

- challenges of housing energy retrofitting
- mobility problems experienced by many employees in commuting between their home and their place of employment,
- the need for a more inclusive society that takes into account, in particular, the issue of older workers and maintaining their independence,
- the conversion of disused office buildings and areas in escheat into dwellings,
- the necessary care to address the specific issues affecting French-dependent overseas territories,
- growing the supply of quality affordable housing adapted to the needs of residents,
- improving habitation standards to absorb damaged or indecent lodging

## 2. RATIONALE FOR ISSUING SUSTAINABLE BONDS

The Voluntary Investment Plan is established in addition to the commitments of the Five Year Convention signed with the State, by which €15 billion will be made available to finance housing initiatives over the period 2018-2022.

To finance this €9 bn Voluntary plan aiming at social and territorial cohesion, Action Logement Services will increasingly use its reserves and will leverage its financial position via additional recourse to a controlled and sustainable debt policy.

Given the social remit of ALS schemes, its anchorage in the social and solidarity economy, its sought contributions to general, social and environmental interest, it follows naturally that the proposed bond issuance program can be deemed to be a 'sustainable' bond program. Its use of proceeds, eligibility criteria as well as reporting and schemes' evaluation testify for the engagement of ALS towards the delivery of Sustainable Development Goals, emphasizing its dedication to the increased employment-housing link.

This framework document is designed to provide transparency on the various elements that constitute the Action Logement Services' mission, with a view to facilitating regular access to the sustainable bond market for Action Logement Services, contributing to the growth of the Responsible Investment market, where investors seek to focus their investment on socially and environmentally-friendly assets.

Action Logement Services has designed this Sustainable Bond Framework in compliance with the Green Bond Principles 2018 (GBP), the Social Bond Principles 2018 (SBP) and the Sustainability Bond Guidelines 2018 as published by the International Capital Market Association (ICMA). This framework document is intended therefore to be aligned with market best practices.

In addition, Action Logement Services intends to align this framework document to the extent feasible with the draft EU's developing classification of environmentally-sustainable economic activities (the EU 'Taxonomy') and the European Green Bond Standard, in order to be aligned with the European Commission's recommendations.

## 3. SUSTAINABLE BONDS FRAMEWORK DOCUMENT

### 3.1 Use of Proceeds

The net proceeds from Sustainable Bond issuances will be used by Action Logement Services to finance its employment and housing activities, contributions to public policy budgets, aid and personal services (including loans and guarantees), and social and intermediate housing operations in France.

An overview of the various Action Logement Services activities and the Voluntary Investment Plan is available in Appendix 1 of this document.




An amount equal to the net proceeds of the Sustainable Bond issuances will be used to finance and / or refinance, in whole or in part, a portfolio of social and / or environmental projects corresponding to the categories of projects and the eligibility criteria defined here below.

Any project that does not meet the investment criteria of Action Logement Services is by definition excluded.

Certain types of projects have both social and environmental characteristics (e.g. the construction and refurbishment of energy efficient social or intermediate housing). In this context, and where applicable, funded projects will comply with both the social eligibility criteria and the environmental eligibility criteria set out below.

The eligibility criteria (eligible wage levels, geographies) applicable in the French regulatory context and falling within the scope of Action Logement Services' mission are described in the Appendices of this document.

○ **Social Project categories**

Categories of projects	Definitions	Target Populations	Social goals		Sustainable Development Goals targets
Access to basic services	<ul style="list-style-type: none"> <li>○ <b>Adaptation of housing for the needs of ageing residents, maintaining independence</b></li> </ul>	<ul style="list-style-type: none"> <li>○ Aging people (70 years old and +) or people in situation of dependency (GIR 1 to 4), whose net income is lower than the ceiling "modest resources" of the National Agency for the Improvement of the Habitat (ANAH) Geography: France Metropolitan and DROM<sup>6</sup></li> </ul>	<ul style="list-style-type: none"> <li>○ Fight against substandard housing</li> <li>○ Facilitating the maintenance of dependents in housing</li> <li>○ Improve access to care and the quality of care for elderly and disabled people with limited resources</li> </ul>		<p><b>3.8</b> Ensure universal health coverage for all, including financial risk protection and access to quality essential health services and safe, effective, quality and affordable essential medicines and vaccines for all</p>
	<ul style="list-style-type: none"> <li>○ <b>Renovation of social healthcare establishments (EMS) and financial support for EMS managers</b> <ul style="list-style-type: none"> <li>• <i>Improvement of reception and care capacities</i></li> <li>• <i>Regeneration</i></li> <li>• <i>Heavy restructuring</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Non-profit Public or Private Collective Residences for Dependent Seniors and People with Disabilities</li> </ul>	<ul style="list-style-type: none"> <li>○ Improve autonomy (home support) and the health status of the population</li> <li>○ Reduce social inequalities in health</li> </ul>		<p><b>10.2</b> By 2030, empower all people and promote their social, economic and political integration, regardless of age, gender, disability, race, ethnicity, background, religion or their economic status or other status</p>
	<ul style="list-style-type: none"> <li>○ <b>Help for employees in difficulty</b> <ul style="list-style-type: none"> <li>• <i>Diagnosis and referral to adapted social services</i></li> <li>• <i>Financial aid (such as refinancing assistance for real estate loans)</i></li> <li>• <i>Emergency housing solutions</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Employees experiencing housing difficulties<sup>7</sup></li> </ul>	<ul style="list-style-type: none"> <li>○ Fight against substandard housing</li> <li>○ Exclusion prevention</li> <li>○ Prevention and fight against precariousness</li> </ul>		

<sup>6</sup> An overseas department and region (DROM) is a French territory that constitutes both a department (DOM) and a region (ROM) of overseas France. This status concerns Guadeloupe, French Guiana, Martinique, Mayotte and Reunion Island

<sup>7</sup> According to the eligibility conditions set out in Annex 1 : Presentation of the devices proposed by Action Logement Services

○ **Development of the supply of social and intermediate housing (individual or collective) in France**

- *Capital contributions and loans to social and intermediary landlords*
- *Financing of new construction, acquisition, improvement and rehabilitation operations*

○ **Restructuring of degraded and highly degraded condominiums**

- *For transformation into social housing*
- *For targeted demolition-reconstruction*

- Geography : France Metropolitan and DROM
- Social housing bodies and organizations approved for the production of intermediate housing with reduced VAT (Art. 279-0 bis A of the CGI) for the housing of means-tested households



**1.2** By 2030, reduce at least by half the proportion of men, women and children of all ages living in poverty in all its dimensions according to national definitions

**1.4** by 2030 ensure that all men and women, particularly the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership, and control over land and other forms of property, inheritance, natural resources, appropriate new technology, and financial services including microfinance

**Access to affordable housing**

- **Social Accession to Property**
  - *National Sales Operator HLM - creation of a universal tool to accelerate the Social Housing sale to their tenants*
  - *“Accession Plus” loans for employees buying their Social housing or accessing the property by the lifting of a PSLA<sup>8</sup> option*

- HLM's sales: tenants of the social housing, whose resources are therefore mainly lower than ceilings set by decree
- PSLA: natural persons subject to means-testing<sup>9</sup>
- Geography: France Metropolitan and DROM<sup>10</sup>

- Fight against substandard housing
- Improving access to housing
- Employment support in the targeted territory



**8.3** Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and

<sup>8</sup> <https://www.hlm.coop/ressources/all/9733>

<sup>9</sup> <https://www.anil.org/psla/>

<sup>10</sup> An overseas department and region (DROM) is a French territory that constitutes both a department (DOM) and a region (ROM) of overseas France. This status concerns Guadeloupe, French Guiana, Martinique, Mayotte and Reunion Island.

## Categories of projects



## Definitions

## Target Populations

## Social goals



## Sustainable Development Goals targets




	<ul style="list-style-type: none"> <li>○ <b>Funding of public policies related to housing</b> <ul style="list-style-type: none"> <li>• <i>National Agency for Renovation Urbaine (ANRU)</i></li> <li>• <i>Housing Property Association (AFL)</i></li> <li>• <i>(Real Estate) National Aid Fund (FNAP)</i></li> <li>• <i>National Agency for Housing Information (ANIL)</i></li> <li>• <i>Heart of the City - National Action Plan</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Population of priority neighborhoods as per city policy</li> <li>○ Heart of the City National Plan Action: 222 medium-sized cities identified in France to participate in this revitalization program<sup>11</sup></li> </ul>	<ul style="list-style-type: none"> <li>○ Diversity</li> </ul>	<p>innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including through access to financial services</p>
	<ul style="list-style-type: none"> <li>○ <b>Solidarity Land Organizations (« OFS »)</b> <ul style="list-style-type: none"> <li>• <i>Equity or equity loans according to the statutory form of the organization</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Households under means of resources (PLSA<sup>12</sup>). This criterion is controlled at each and every change to the building guaranteeing the sustainability of the social destination of the dwellings<sup>13</sup></li> <li>○ Geography: Metropolitan France mainly areas of tension between housing supply and demand</li> </ul>		<p> <b>10.2</b> By 2030 empower and promote the social, economic and political inclusion of all irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status</p> <p> <b>11.1</b> By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums</p>
<p><b>Access to affordable housing</b></p>	<ul style="list-style-type: none"> <li>○ <b>Mobility Aid Employment-Housing</b> <ul style="list-style-type: none"> <li>• <i>Aid to facilitate the connection between home and work or access to employment</i></li> <li>• <i>Aid for the cover of the deposit</i></li> <li>• <i>Youth housing aid</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Employees of non-farm private sector firms</li> <li>○ Young people under 30 years</li> <li>○ Geography: Metropolitan France and DROM</li> </ul>	<ul style="list-style-type: none"> <li>○ Fight against substandard housing</li> <li>○ Improve access to housing</li> <li>○ Employment support in the targeted territory</li> </ul>	
	<ul style="list-style-type: none"> <li>○ <b>Fight against unworthy housing</b> <ul style="list-style-type: none"> <li>• <i>Acquisition and rehabilitation of unworthy, unhealthy, endangered or old degraded housing in city centers</i></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>○ Precarious population victim of poor housing due to the indignity or unhealthiness of their home</li> <li>○ Geography: 6 acceleration territories against unworthy habitat defined by the French government</li> </ul>	<ul style="list-style-type: none"> <li>○ Diversity</li> </ul>	

<sup>11</sup> <https://www.cohesion-territoires.gouv.fr/programme-action-coeur-de-ville>

<sup>12</sup> <https://www.anil.org/psla/>

<sup>13</sup> <https://www.hlm.coop/ressources/all/9716>

o **Environmental Project Categories**

Categories of Projects	Definitions	Target Populations	Environmental Goals	Sustainable Development Goals	Sustainable Development Goals targets
<b>Energy efficiency</b>	<ul style="list-style-type: none"> <li>o <b>Energy renovation works of the private park</b> <ul style="list-style-type: none"> <li>• Works carried out by an approved company RGE<sup>14</sup></li> <li>• The renovation complies with the energy performance standards laid down in the ad hoc Regulation transposing the EU Directive on the Energy Performance of Buildings (EPBD)<sup>15</sup></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>o Occupied homeowners under the ceiling of resources ("modest resources ANAH")</li> <li>o Landlords who are low-income earners or housing employees</li> <li>o Geography: Metropolitan France (zones B2 and C, and cities ACV)<sup>16</sup> and DOM<sup>17</sup></li> </ul>	<ul style="list-style-type: none"> <li>o Fight against fuel poverty</li> <li>o Avoidance of GHG emissions</li> </ul>		<p><b>7.1</b> By 2030, ensure universal access to affordable, reliable, and modern energy services <b>7.3</b> By 2030, double the global rate of improvement in energy efficiency</p>
<b>Green buildings</b>	<ul style="list-style-type: none"> <li>o <b>Transformation of business premises and offices into social and intermediate housing</b> <ul style="list-style-type: none"> <li>• Long-term land portage for office and business premises or in ZAE<sup>18</sup></li> <li>• Aligned with European "NZEB" low consumption building standards</li> <li>• Complies with the construction standards RT 2012 in France<sup>19</sup></li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>o Social housing bodies and organizations approved for the production of intermediate housing with reduced VAT (Art. 279-0 bis A of the CGI)</li> <li>o Geography : Metropolitan France (A bis, A and B1)</li> </ul>	<ul style="list-style-type: none"> <li>o Fight against fuel poverty</li> <li>o Avoidance of GHG emissions</li> <li>o Soil preservation (fight against artificialisation)</li> </ul>		<p><b>11.1</b> By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums</p>
					<p><b>13.</b> Measures to combat climate change and its impacts</p>

<sup>14</sup> <https://www.ademe.fr/entreprises-monde-agricole/labels-certifications/entreprises-batiment/comprendre-mention-reconnu-garant-lenvironnement>

<sup>15</sup> [https://ec.europa.eu/energy/sites/ener/files/documents/fr\\_building\\_renov\\_2017\\_fr.pdf](https://ec.europa.eu/energy/sites/ener/files/documents/fr_building_renov_2017_fr.pdf)

<sup>16</sup> <https://www.data.gouv.fr/fr/datasets/villes-beneficiaires-du-plan-action-coeur-de-ville/>

<sup>17</sup> An overseas department and region (DROM) is a French territory that constitutes both a department (DOM) and a region (ROM) of overseas France. This status concerns Guadeloupe, French Guiana, Martinique, Mayotte and Reunion Island.

<sup>18</sup> [https://www.cci.fr/c/document\\_library/get\\_file?uuid=765aa1fa-2398-46c0-8373-0aedc39f3157&groupId=10909](https://www.cci.fr/c/document_library/get_file?uuid=765aa1fa-2398-46c0-8373-0aedc39f3157&groupId=10909)

<sup>19</sup> RT performance thresholds 2012: Dwellings 50 kWh / m<sup>2</sup> / year, Offices 70 kWh / m<sup>2</sup> / year, Shops 320 kWh / m<sup>2</sup> / an, hotels, retirement homes 100 kWh / m<sup>2</sup> / an, Logistics 50 kWh / m<sup>2</sup> / an



## Categories of Projects

## Definitions

## Target Populations

## Environmental Goals



## Sustainable Development Goals targets

- **Financing of construction and / or acquisition of social and intermediate housing (individual or collective)**
  - *Aligned with European "NZEB" low consumption building standards*
  - *Complies with the construction standards RT 2012 in France<sup>20</sup>*

- Social and intermediate housing organizations, housing households under means-tested conditions
- Geography: Metropolitan France and DROM

## Prevention and control of pollution

- **Demolition of obsolete and vacant social housing**
  - *Physical, chemical, biological treatment & thermal*

- Any HLM (Social Housing) organization
- Geography: zone B2 and C outside ANRU
- Area eligible for the Heart of City Action program

- Soil preservation (fight against artificialisation)
- Waste management



**11.1** By 2030, ensure access for all to adequate, safe and affordable housing and basic services, and upgrade slums



**15.3** By 2030, combat desertification, restore degraded land and soil, including land affected by desertification, drought and floods, and strive to achieve a land degradation-neutral world

<sup>20</sup> RT performance thresholds 2012: Dwellings 50 kWh / m<sup>2</sup> / year, Offices 70 kWh / m<sup>2</sup> / year, Shops 320 kWh / m<sup>2</sup> / an, hotels, retirement homes 100 kWh / m<sup>2</sup> / an, Logistics 50 kWh / m<sup>2</sup> / an

## 3.2 Process for Evaluation and Selection of Projects

The beneficiaries, the financeable operations, the eligibility criteria and the characteristics of the various PEEC financings are set out in guidelines issued by Action Logement Group, as published on the Action Logement Group website. These directives ensure alignment between the policies promulgated by Action Logement and their operational implementation in the interests of delivering employment and housing objectives.

### Financing of legal persons

The process of evaluation and selection of eligible projects is based on a specific directive "Criteria for the award of funding" as approved by the ALG Board of Directors<sup>21</sup>, which applies to the financing of the following legal persons:

- Establishment of family social rental housing in metropolitan France (PLAI / PLUS / PLS)<sup>22</sup> and establishment of PLS housing in the DROM
- Establishment of intermediate rental housing in mainland France and in the DROM
- Actions in the DROM: establishment and renovation of family social rental housing and housing in co-operatives; housing for homeownership; acquisition-improvement and improvement of existing housing
- Establishment of social rental housing in co-operatives, housing under the Plan for migrant workers' homes, furnished housing for seasonal employees working in tourism and residential hotels in metropolitan France
- Delivery of accommodation spaces in housing structures in metropolitan France
- Heart of the City Action Program

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<sup>21</sup> [https://groupe.actionlogement.fr/sites/alg/files/20190130\\_alg\\_directive\\_criteres\\_doctroi\\_pm.pdf](https://groupe.actionlogement.fr/sites/alg/files/20190130_alg_directive_criteres_doctroi_pm.pdf)

<sup>22</sup> [http://www.drihl.ile-de-france.developpement-durable.gouv.fr/IMG/pdf/les-aides-financieres-au-logement-edition-2016\\_cle124f1c.pdf](http://www.drihl.ile-de-france.developpement-durable.gouv.fr/IMG/pdf/les-aides-financieres-au-logement-edition-2016_cle124f1c.pdf)

Any request for funding will be assessed within the limits of the annual commitment envelopes defined in the Five-Year Convention, and in compliance with the principle of non-discrimination as defined in article L.313-17-3 of the CCH.

The decision to grant financing to legal persons by Action Logement Services will be based on a financial assessment of the project's owner situation and on an assessment of how the considered operation matches the actual needs and demand from companies and employees in the given territory. Assessments of each operation, based on all these criteria, are made according to weighting indices developed by Action Logement Services. The aim of such scoring is for ALS to assess a degree of interest and priority for the granting of each financing. Only the identification of a degraded financial situation of the project's owner, or the client non-compliance with certain requirements could lead Action Logement Services to withdraw its funding decision.

The local supply-demand adequacy of the operation is assessed according to the following criteria:

- Economic attractiveness of the territory: the benefits of producing social rental housing to meet the needs of businesses and employee - this measure takes into account the economic dynamics, development potential and resilience of the territory, any pressures in the private rental market and the potential demand saturation for social housing.
- Attractiveness of the operation: location, level of rents and annual charges, program design (including the quality of the building and its environmental performance); additional criteria for Heart of City Action Programs (analysis of the quality of the overall urban project, strategic character of the buildings and plots considered).
- Registration of the operation in the partnerships signed by Action Logement and in the context of housing policies.
- Situation of the reservation rights acquired by Action Logement Services in view of the demand expressed by the companies subject to the agreement, in particular to deal with specific one-off economic events.

## **Financing individuals**

Each Action Logement Services support package and service is subject to a specific directive approved by the ALG Board of Directors, specifying the award criteria and the eligible populations. These guidelines are available on the Action Logement website:

<https://groupe.actionlogement.fr/nos-directives>

Beneficiaries targeted mainly include employees of non-farm businesses of 10 employees or more, regardless of their seniority and the nature of their employment contract. Some of the assistance offered by Action Logement Services, such as the VISALE guarantee or the Mobili-Jeunes® assistance package for example, are referred to as "open law" packages, i.e. anyone who meets the eligibility criteria can benefit without the intervention of an employer subject to the PEEC.

The eligibility conditions aim to ensure, that for most schemes, at least 80% of beneficiary households must have a reference tax income lower than the ceilings applicable to intermediate housing as defined in Article R.302-27 of the CCH.

## **Control and monitoring**

The application of the guidelines, in particular compliance with the project selection and evaluation process according to the eligibility criteria defined above, will be the subject of an annual report to the ALG Board of Directors.

## **Assessment of achievement of objectives**

The Quinquennial Convention sets out to measure the achievement of the public interest objectives pursued by PEEC projects, in particular in terms of the benefits for employees. An evaluation process was therefore initiated by the Action Logement group.

This process will be conducted under the direction of an Evaluation Committee involving Social Partners and, where appropriate, individuals representing different stakeholders. The composition and terms of reference of this committee will be defined in the near future.

As part of the issuance of Sustainable Bonds, the Evaluation Committee will meet once every six months and will be responsible for the following:

- Review and approve the selection of projects based on eligible project categories and eligibility criteria as defined in section 4.1;
- Put forward alternatives for certain projects if they no longer meet the eligibility criteria;
- Manage any future updates to the Sustainable Bond Framework;
- Review and approve the annual impact report disclosed to investors;
- Monitor external reviews (Second Party Opinion and Auditor).

The evaluation process will be based on a mapping of social and environmental issues relevant to Action Logement Services and on a 'materiality matrix' of these issues. In a continuous progress approach, a set of indicators to monitor, in a recurring and transparent manner, the social benefits and impacts of the Action Logement Services programs will be developed.

### 3.3 Management of Proceeds

The net proceeds of Action Logement Services' Sustainable bonds will be allocated to the financing of new projects and / or the refinancing of existing projects identified as eligible according to the environmental and / or social eligibility criteria presented above.

In addition, each Action Logement Services scheme is associated with a unique product code and the Five-Year Agreement and the Voluntary Investment Plan are structured with a line item for each aid package, to which a maximum dedicated financial envelope is associated.

By using the product codes, Action Logement Services will be in a position to identify the commitments financed, ensuring a reliable identification of outcomes and accurate monitoring of funds deployed. Each line of financing may be subject to individual monitoring against its original bond issue reference.

In the case of refinancing, identified projects are eligible if they have commenced within 12 months prior to the date of issuance of each Sustainable Bond. The proportion of funds allocated for refinancing will be limited to 30% for each Sustainable Bond issue.

Allocation of net proceeds for each Sustainable Bond will be monitored by the Action Logement Group's Evaluation Committee, who will decide annually on the earmarking of disbursements to the eligible projects.

Action Logement Services will allocate the Sustainable Bond proceeds to eligible projects on a best-efforts basis within a maximum of two years after the issuance of each Sustainable Bond.

Proceeds pending allocation will be managed by the Treasury teams of Action Logement Services. The proceeds will be temporarily placed in (i) interest-generating deposit accounts, and/or (ii) low-risk investment instruments, denominated in euros, of maturity less than 1 year, bearing variable interest rates linked to EONIA or EURIBOR and rated at least A1 / P1. Short-term negotiable securities (Neu CP) or European Commercial Paper (ECP) issued by Supranational, Sovereign or Agency (SSA) or bank issuers will be the preferred investment instruments.

## 3.4 Reporting

Action Logement Services undertakes to publish an annual Sustainable Bonds report, until the complete allocation of the proceeds of each issuance. The report will include environmental and social impact indicators and, if necessary, more in-depth case studies carried out as part of the evaluations as provided for in the guidelines approved by the Board of Directors of Action Logement Group.

The report will include:

- The total amount of funds allocated to date;
- The proportion of financing versus refinancing;
- The total amount of funds pending allocation, and the types of temporary investments made (reported on a 'best efforts' basis).

By category of Eligible Green and Social Projects:

- The number and category of Eligible Projects funded;
- Geographical distribution of projects funded;
- The total amount invested per project category.

Action Logement Services intends, as far as possible, to report annually and until the full allocation of funds on the social and environmental impact of financed or refinanced projects. However, as the large number of underlying funding programs limits the amount of detail that can be provided, information may be presented generically or aggregated by category of eligible project.

In addition, where appropriate and subject to confidentiality requirements, Action Logement Services may provide examples of projects, grants and financing that benefited from the (re)financing of sustainable bonds.

Action Logement Group monitors closely the social and / or environmental impact of its activities carried out in accordance with the monitoring program of the Five-Year Convention. As such, a large amount of data on the various financing, aids and support for public policies is available and may be disclosed to investors as part of the reporting on Sustainable Bonds. The half-yearly implementation status of the Five-

Year Convention is in accordance with the provisions of the order of 20/10/2016 (Art.L313-18-3). This focuses on the amount and territorial distribution of the PEEC resources. An indicative list of indicators that may be presented in the context of this reporting is available in Appendix 3 of this document.

Action Logement Services will aim to align its reporting with the models proposed by the European Commission's draft Green Bond Standard and the Harmonized Framework for Impact Reporting guidance as published by the International Capital Markets Association (ICMA).

The allocation report and the impact report will be made available to investors on the Action Logement website.<sup>23</sup>.

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<sup>23</sup> <https://groupe.actionlogement.fr/relations-investisseurs>



## 3.5 External Auditors

- ***Second Party Opinion***

Vigeo Eiris was commissioned to evaluate the Sustainable Bond framework, its transparency and governance as well as its alignment with the Green and Social Bond Principles 2018, as published by ICMA. The results of the evaluation will be presented in a Second-Party Opinion, which will be made available on the Action Logement Services website.

Any material changes to this framework document will be subject to review by the Second Party Opinion Provider.

- ***Independent Review***

One year after each bond issuance, and until the full allocation of funds is completed, an independent reviewer will verify annually the following:

- Appropriate allocation of net proceeds to the portfolio of eligible projects;
- Compliance of projects financed with the specifications of the Use of Proceeds and the Management of Proceeds sections of this Framework Document.

## 4. APPENDIX

### Appendix 1: Presentation of Action Logement directives

Device	Eligibility Conditions	Project Examples	Description
Helping to adapt housing to the needs of aging residents	<p><b>terms</b></p> <ul style="list-style-type: none"> <li>Prevention: <b>elderly</b> people, aged <u>70 years and over, without a GIR condition</u></li> <li>Emergency situation : <b>dependent</b> individuals <u>GIR 1 to 4 (no minimum age requirement)</u></li> <li>The dwelling must be the primary residence of the beneficiary</li> <li>The housing must be located in the private park</li> </ul> <p><b>Employees</b></p> <ul style="list-style-type: none"> <li>Beneficiary affiliated to the general old-age insurance scheme;</li> <li>Beneficiary related to an employee of a private company of + 10 employees.</li> </ul> <p><b>Status</b></p> <ul style="list-style-type: none"> <li>Owner occupiers;</li> <li>Private landlords applying the market rent of the sector;</li> <li>Tenant experiencing loss of autonomy (GIR 1 to 4) with owner agreement;</li> <li>Employees hosting an individual who meets the relevant conditions.</li> </ul> <p><b>Resources</b></p> <ul style="list-style-type: none"> <li>Reference of net taxable income of beneficiary occupying owner or employee hosting a beneficiary below the ceiling of "modest resources" of the ANAH<sup>24</sup> ;</li> <li>For landlords, this ceiling applies to the tenant's resources, with the landlord's commitment not to increase the rent.</li> </ul> <p><b>Geography</b></p> <ul style="list-style-type: none"> <li>France, French-dependent territories included.</li> </ul>	<p><b>Main Work</b></p> <ul style="list-style-type: none"> <li>Supply and installation of a walk-in shower with anti-slip floor</li> <li>Supply and installation of a PMR washbasin</li> <li>Supply and installation of an elevated toilet bowl + reservoir + ergonomic grab bar</li> </ul> <p><b>Related Work</b> (within the limit of 50%)</p> <ul style="list-style-type: none"> <li>Removal and landfilling of waste materials</li> <li>Supply and installation of shower door;</li> <li>Ergonomic grab bars, shower seat;</li> <li>Flooring and walls;</li> <li>Electrical repairs;</li> <li>Safety lighting;</li> <li>Expansion of access door widths</li> </ul>	<p><b>Financial aid</b></p> <ul style="list-style-type: none"> <li>Grant of € 5 000 maximum per dwelling, limited to the primary residence;</li> <li>100% quota of the eligible works to ensure the absence of any remainder within the limit of the ceiling;</li> <li>Autonomous assistance, accumulation of assistance possible with aid from ANAH, CNAV and departmental councils for simultaneous or future complementary work;</li> <li>Accumulation of assistance possible with the dependency tax credit, and within the limit of the remaining contingent liability.</li> </ul>
Demolition of obsolete and vacant social housing, partial reconstruction incentivised	<p><b>Demolition</b></p> <ul style="list-style-type: none"> <li><b>Eligible operators:</b> Any HLM organization;</li> <li><b>Affected housing:</b> All housing parks, HLM agencies;</li> <li><b>Intervention areas:</b> Zones B2 and C, cities eligible for the Heart of the City Action program in all zones, excluding perimeters eligible for NPNRU funding.</li> </ul> <p><b>Partial reconstruction induced</b></p>	<p><b>Demolition</b></p> <p>30 000 housing units to be demolished within 4 years in zone B2 and C outside ANRU (funded area).</p> <p><b>Partial reconstruction incentivised</b></p> <p>16 000 housing units to be built in zone B2 and C outside ANRU:</p>	<p><b>Demolition</b></p> <ul style="list-style-type: none"> <li>Unitary assistance: 50% cost of demolition tax capped at €8 000 subsidy per dwelling. Cumulative with assistance of third parties (FNAP, RIAD, Communities)</li> <li>Envelope of €250 M for approximately 30 000 homes demolished.</li> </ul>

<sup>24</sup> <https://www.anah.fr/proprietaires/proprietaires-occupants/les-conditions-de-ressources/>

	<ul style="list-style-type: none"> <li>• <b>Eligible operators:</b> HLM organizations subject to a demolition financed by Action Logement;</li> <li>• <b>Dwellings concerned:</b> All types (family rental housing, collective structures, PLAI, PLUS, PLS, LI, social housing);</li> <li>• <b>Intervention areas:</b> No constraints given to the OLS but a Housing Action agreement required on the place of reconstruction in respect of employment-housing needs.</li> </ul>	<ul style="list-style-type: none"> <li>• Either one dwelling for two demolitions;</li> <li>• Of which 70% of demolition sites;</li> <li>• Of which 38% in individual dwellings.</li> </ul>	<p><b>Partial Reconstruction induced</b></p> <ul style="list-style-type: none"> <li>• Loan of 25 000 euros per unit, under common law conditions of financing by Housing Action Construction Services.</li> <li>• Envelope: €250 M for approximately 10 000 housing units in 4 years.</li> </ul>
<b>Transformation of business premises and offices to housing</b>	<p><b>Eligible operators</b></p> <ul style="list-style-type: none"> <li>• <u>Social and intermediate housing</u> : All bodies of social housing, organizations approved for the production of intermediate housing applying reduced VAT;</li> <li>• <u>Free housing and offices</u> : All operators.</li> </ul> <p><b>Operations concerned</b> Regulated, free dwellings and offices.</p> <p><b>Intervention areas</b> France metropolitan. Zones A bis, A and B1.</p>	<ul style="list-style-type: none"> <li>• Potential 24 000 new housing units</li> </ul>	<ul style="list-style-type: none"> <li>• Dedicated to the acquisition of real estate business and obsolete offices to promote the construction of housing.</li> <li>• 1,2 billion invested by Housing Action (50% on loan, 50% in equity).</li> <li>• Priority production for social housing and rental intermediaries.</li> <li>• Project shared with local communities who jointly determine the programs.</li> </ul>
<b>Energy efficiency renovation</b>	<p><b>terms</b></p> <ul style="list-style-type: none"> <li>• Financing of complete energy efficiency renovation works of a dwelling (individual house or apartment);</li> <li>• Work must be carried out by an approved EGR company;</li> <li>• Recourse by the owner to an AMO is mandatory.</li> </ul> <p><b>Employees</b></p> <ul style="list-style-type: none"> <li>• Beneficial owner-occupiers under the relevant ceiling of resources (ANAH Modeste);</li> <li>• Reduced income landlords or housing employees;</li> </ul> <p><b>Geography</b> Housing located in zone B2, C, cities ACV and DOM.</p>	<p><b>Subsidies</b> Ceiling of 20 000€ (15 000€ for landlords), cumulative with the existing aid.</p> <p><b>Loans</b> Complementary loans from 10 000 to 30 000€ to finance possible dependent persons or other rehabilitation work.</p>	<p>Envelope of 1 billion euros for the energy efficiency renovation of private park housing, for owner-occupying employees, or for private landlords housing employees.</p>

<p><b>Low Habitation Standards - Intervention by Foncière Logement for French-dependent territories and housing for employees</b></p>	<p><b>terms</b> Offer of family housing for employees, supplemented by a range of furnished and serviced residences for managers in mobility-training, young people in training.</p> <p><b>Global operations</b> Conditions: Dynamic employment sectors, potential to revalue rents in the neighborhood compared to rents in the rest of the city.</p> <p><b>Light economic activity (sewing/repair)</b> Economic model must be based on a real market level.</p> <p><b>One-off operations</b> Limited interventions in lower priority areas.</p>	<p>Acquisition and treatment of 2000 to 3000 property units in unacceptable condition, or old degraded housing in city centers.</p> <p><b>Global operations</b></p> <ul style="list-style-type: none"> <li>• Marignane: 16 buildings, 9 plots, 120 to 150 housing units. 25M € for 30% of restructured housing and new 70%;</li> <li>• Downtown Marseille. 400 housing units for 75M €;</li> <li>• Other priority territories: 650 to 850 housing units.</li> </ul> <p><b>Light activities - sewing or repair</b></p> <ul style="list-style-type: none"> <li>• 40 to 60 housing units in 2 or 3 buildings per site (8 € / m2 average).</li> </ul> <p><b>One-off operations</b></p> <ul style="list-style-type: none"> <li>• 200 housing (6 € / m2 on average) on a dozen sites.</li> </ul>	<p>300 million euros invested by Housing Action Services (150 € million subsidized loans, 150 M € in grants).</p> <p><b>Global operations</b> On sites where any more limited operation is unlikely to be successful.</p> <p><b>Lighter economic activities - sewing or repair</b> Realization of some buildings in the "hollow-tooth" mode.</p> <p><b>One-off operations</b> Interventions based on specific needs of employees.</p>
<p><b>Very degraded and degraded co-ownerships</b></p>	<p><b>terms</b></p> <ul style="list-style-type: none"> <li>• Condominiums categorised as "very degraded" (128 condominiums at the national level) whose maintenance under private status is not possible, given state of degradation, and which is identified for rehabilitation (demolition-reconstruction or transformation into social housing) .</li> <li>• Condominiums categorised as "degraded" (700 condominiums) requiring refurbishment.</li> </ul>	<p><b>Condominiums very degraded</b> Intervention targeted on 1 700 housing units for 65 M € equity and 50 M € grants.</p> <p><b>Degraded condominiums</b> Intervention targeted on 800 housing units for 30 M € of own funds.</p>	<p>Envelope of 145 million euros to promote the rehabilitation of condominiums identified in the framework of the national plan 'Co-proprietor Initiative'.</p>
<p><b>Mobility assistance employment housing</b></p>	<p><b>beneficiaries</b> All employees of non-agricultural private sector companies regardless of their position and the nature of their employment contract.</p> <p><b>Housing conditions</b></p> <ul style="list-style-type: none"> <li>• The dwelling must be the primary residence of the beneficiary;</li> <li>• The housing can be located in the private rental park, intermediate or social (except CROUS).</li> </ul> <p><b>Beneficiary conditions</b></p> <ul style="list-style-type: none"> <li>• The beneficiary must be the holder or co-holder of a lease or occupancy agreement within a co-operative;</li> <li>• The beneficiary must collect at most, at the time of the request for the aid, 1,5 x SMIC;</li> <li>• <i>Beneficiary's situation.</i></li> <li>• <i>The period between the effective date of the lease and the date of the first day of the new employment or training shall not exceed 3 months.</i></li> </ul>	<p>Amount of aid: 1 000 € (non-renewable).</p>	<p><b>Grant</b> Assistance granted by Action Logement Services to a natural person to facilitate access to employment and recruitment.</p>

	<ul style="list-style-type: none"> <li>The application must be submitted at the latest in the months following the effective date of the lease or the occupancy agreement for the collective structures.</li> </ul> <p><b>Geography</b> France, French-dependent territories included.</p>		
<b>Renovation of social healthcare facilities and support for managers</b>	<p><b>terms</b> Non-profit public or private residences for dependent elderly people (EHPAD) and people with disabilities (FAM, MAS, FPH).</p>	<ul style="list-style-type: none"> <li>Rehabilitation and re-purpose of the buildings.</li> <li>Professionalization of the real estate function made necessary for technically complex and financially heavy restructuring operations (from 50 to 80% the cost of a new operation).</li> </ul>	<ul style="list-style-type: none"> <li>Envelope of € 550 million for the renovation of social healthcare institutions and the support of their managers.</li> <li>Capacity of the program: 11 000 places, recovery of 150 to 200 institutions.</li> <li>Strengthening the finances of EHPAD managers and institutions for the disabled.</li> </ul>
<b>Land Solidarity Organizations</b>		<ul style="list-style-type: none"> <li>City of Lille OFS Association;</li> <li>OFS capital subscription in New Aquitaine via Domofrance.</li> <li>Financial support for first-time buyers and operations of OFS Nantes City.</li> </ul>	<ul style="list-style-type: none"> <li>200 M € equity or quasi-equity, facilitating the establishment of approximately 14 000 housing units (14 k € on average per unit) over a period of 3 to 5 years;</li> <li>Acquisition of equity interest in OFS, or equity loans within a limit of 40% of the housing land charge.</li> <li>Compensation of these funds, within the limits of the HLM regulations.</li> <li>Acting as counterparty in the form of the allocation right of 1<sup>ers</sup> <i>Real Solid Leases</i> lessees to salaried households of PEEC contributing companies.</li> </ul>
<b>Establishment and rehabilitation of social rental housing in metropolitan France</b>	<p><b>beneficiaries</b> All legal persons, beneficiary organizations defined in the multi-year urban renewal agreements as provided for in the General Regulations of the National Agency for Urban Renovation Urbaine as it relates to the New National Program for Urban Renewal.</p>	<ul style="list-style-type: none"> <li>Rebuilding the supply of social rental housing: <ul style="list-style-type: none"> <li>Housing construction.</li> <li>Acquisition of off-plan housing.</li> <li>Acquisition of housing or buildings with or without improvement works.</li> <li>Acquisition of premises or buildings for transformation into social rental housing.</li> </ul> </li> <li>Requalification of social rental housing.</li> </ul>	<p>Financing in the form of loans for new construction or redevelopment of properties under the urban renewal real estate programs listed in the NPNRU.</p>

<p><b>Establishment of family social rental housing in metropolitan France</b> <b>Granting of Social Rental Loans (PLS) in the DROM</b></p>	<p><b>Conditions of eligibility</b></p> <ul style="list-style-type: none"> <li>- Operation is approved by the State or delegated authority</li> <li>- Acquisitions with or without works are financeable if the financed dwellings were not previously agreed.</li> <li>- Units intended for co-location must have this status be maintained for a minimum period of 9 years.</li> </ul>	<p>Purchases of real estate (including land), whether or not followed by improvement works, or construction of family social rental housing, including co-location places and student housing.</p>	<p>Financing distributed by Action Logement Services, in the form of loans, for the establishment of family social rental housing, in order to provide priority housing for employees.</p>
<p><b>Production of family intermediate rental housing - in mainland France and in the DROM</b></p>	<p><b>Conditions of eligibility</b></p> <ul style="list-style-type: none"> <li>• Subsidized housing must have an LIP, an LLI license, or an intermediary housing agreement with ANAH.</li> <li>• Acquisitions with or without works are financeable if they lead to the establishment of intermediate dwellings.</li> <li>• Units intended for co-location must have this status be maintained for a minimum period of 9 years.</li> </ul>	<p>Property acquisitions (including land) with or without improvement works, or construction of intermediate rental housing, including co-location places, financed by PLI (Intermediate Rental Loan), for housing subject to rental and resource conditions not exceeding the statutory PLI ceilings.</p>	<p>Financing distributed by Action Logement Services, in the form of loans, for the production of family intermediate rental housing, in order to provide priority accommodation for employees.</p>
<p><b>Actions in the DROM</b> <b>Establishment and Rehabilitation of family social rental housing and collective housing</b> <b>Home Ownership Production</b> <b>Acquisition-Improvement and Improvement of Existing Housing</b></p>	<p><b>Conditions of eligibility</b> <u>Financing for legal persons</u> :</p> <ul style="list-style-type: none"> <li>• The operation benefits from state approval</li> <li>• Operations based on multiannual urban renewal agreements are not eligible for PEEC loan financing.</li> </ul> <p><u>Financing for individuals</u> :</p> <p>Action Logement Services conducts a financial solvency assessment of the applicant based on data provided by the applicant.</p> <p><b>Geography</b> Guadeloupe, Guyana, Martinique, Mayotte, Reunion.</p>	<ul style="list-style-type: none"> <li>• Acquisitions of buildings (including land), whether or not they are followed by improvement works, or construction operations for social rental housing.</li> <li>• Rehabilitation operations of social rental housing benefiting from State approval for dwellings subject to rental and resource conditions that do not exceed regulatory ceilings.</li> </ul>	<p>Financing distributed by Action Logement Services, in the form of loans, for the establishment and rehabilitation of family or collective rental housing, for the establishment of housing for home ownership and for the improvement or acquisition / improvement of existing homes of owner-occupiers, in order to provide priority accommodation for employees.</p>
<p><b>Establishment of social rental housing in co-operatives, housing under the Plan for migrant workers' homes, furnished housing for seasonal employees of tourism and social-mobility hotel residences (RHVS mobility)</b></p>	<p><b>Conditions of eligibility</b></p> <ul style="list-style-type: none"> <li>• The operation is approved by the State or a delegated authority.</li> <li>• RHVS operations and their operator must be approved by the representative of the State of the department where the residences are located.</li> <li>• Housing creation relating to migrant workers' homes</li> </ul> <p><b>Geography</b> Metropolitan.</p>	<p>Acquisition of buildings (including land), whether or not they are followed by improvement works or construction of co-operative social rental housing units in and furnished housing for seasonal employees of tourism, for dwellings subject to rental conditions and resources that do not exceed regulatory ceilings.</p>	<p>Financing distributed by Action Logement Services, in the form of loans, for the production of co-operative social rental housing, housing under the Plan for migrant workers' homes, furnished housing for seasonal employees of tourism and hotel residences social mobility vocation (RHVS mobility), prioritising housing of employees.</p>

<p><b>Securing of lodging</b></p>	<p><b>Criteria for granting</b> The award criteria are laid down in the Directive on Legal Entities - Criteria for the award of funding. These criteria are implemented in accordance with the principle of non-discrimination.</p> <p><b>Geography</b> Cities</p>	<p>Purchases of real estate (including land), whether or not they are followed by improvement work or construction operations for the establishments submitted:</p> <ul style="list-style-type: none"> <li>• In accordance with prior authorization including accommodation and reception facilities especially in emergency situations, social support situations, or social and professional integration of people or families in difficulty or in distress.</li> <li>• In accordance with a prior declaration providing collective lodging for adults, having signed an agreement with the State or a French dependency.</li> </ul>	<p>Financing distributed by Action Logement Services, in the form of loans, for the securing of lodgings, in order to provide priority accommodation for employees.</p>
<p><b>Rehabilitation of co-operative social rental housing, housing under the Plan for migrant workers' homes and furnished housing for seasonal employees of tourism</b></p>	<p><b>Conditions of eligibility</b></p> <ul style="list-style-type: none"> <li>• The financed housing must be contracted to the APL post-work;</li> <li>• Operations in PALULOS: the operation is approved by the State or a delegated authority;</li> <li>• The rehabilitation of migrant workers' homes are governed by the PTFTM, whose steering and coordination of implementation is ensured by the Interministerial Commission for the Housing of Immigrant Populations.</li> </ul> <p><b>Geography</b> Cities.</p>	<ul style="list-style-type: none"> <li>• Rehabilitation of co-operative social rental housing, PTFTM housing and furnished housing for seasonal employees of the tourism industry carried out within the framework of improvement works relating to social tenant properties, for works to upgrade habitation standards, energy efficiency, safety, and improvement of daily life.</li> <li>• Private rental housing rehabilitation for seasonal tourism employees.</li> </ul>	<p>Financing distributed by Action Logement Services, in the form of loans, for the rehabilitation of co-operative social rental housing, housing under the Plan for Migrant Workers' Homes (PTFTM) and furnished housing for seasonal employees of the tourism industry, prioritising the housing of employees.</p>
<p><b>Heart of the City Action Program - Revitalization of the centers of medium-sized cities</b></p>	<p><b>Conditions of eligibility</b></p> <ul style="list-style-type: none"> <li>• The buildings or real estate parcels must be zoned for residential use as a principal residence (with the exception of the mobility lease) or to a mixed-use dwelling supporting business activities, services or equipment.</li> <li>• The demolition-reconstruction operations are financeable only in case of a technical imperative, or where unacceptable costs of alternatives are involved, or where a change of use is envisaged.</li> </ul> <p><b>Geography</b> The perimeters and parcels concerned must be located in the perimeters defined in the multi-year Action Heart Town Agreements and / or in the perimeters of the revitalization operations referred to in article L.303-2-1 of the CCH and located in a municipality Eligible for the Action Coeur de ville national plan.</p>	<ul style="list-style-type: none"> <li>• Acquisition and improvement of buildings;</li> <li>• Acquisition of premises or buildings for conversion into housing;</li> <li>• Demolition-reconstruction of dwellings or premises with a view to their transformation into dwellings;</li> <li>• Construction of dwelling buildings in 'empty shells' following an earlier demolition;</li> <li>• Rehabilitation in the private park.</li> </ul>	<p>Financing, in the form of loans and grants, distributed by Action Logement Services and intended to accompany rehabilitation operations which are part of the "housing" component of the rehabilitation projects of the city centers. Secondary objective of the intervention:</p> <ul style="list-style-type: none"> <li>- Participate in the rehabilitation of city centers;</li> <li>- Housing employees by promoting employment and business development.</li> </ul>

<p><b>Demolition of social housing and establishment of an attractive new housing proposition</b></p>	<p><b>Conditions of eligibility</b>  <u>Demolition :</u></p> <ul style="list-style-type: none"> <li>- QPV perimeters with NPNRU funding are not eligible.</li> <li>- The order to start the demolition work cannot be earlier than 25 April 2019.</li> <li>- Demolition operations without associated reconstruction can be financed.</li> </ul> <p><u>New housing proposition:</u></p> <ul style="list-style-type: none"> <li>- The operation is approved by the State or a delegated authority.</li> <li>- Regardless of the nature of the financing, housing must be subject to rent and resource requirements not exceeding the social housing regulatory limits for transactions in PLAI, PLUS, PLS, LLS, LLTS and the ceilings applicable to intermediate housing. .</li> </ul> <p><b>Geography</b>  Metropolitan France and the DROM, demolition of social housing in zones designated B2 and C and in cities participating in the "Heart of the City" Action Program.  The new housing supply can be produced in the region bordering the demolition operation.</p>	<ul style="list-style-type: none"> <li>• Offer of social rental housing and collectively furnished rental housing for dwellings subject to rental and resource conditions not exceeding regulatory ceilings.</li> <li>• Offer of intermediate rental housing</li> </ul>	<p>Financing, in the form of grants and loans distributed by Action Logement Services and intended to accompany social housing demolition operations in designated zones, in towns participating in the "Heart of the City" Action Program, and to offer attractive new rental housing.</p>
<p><b>Mobili-Jeune Help</b></p>	<p><b>beneficiaries</b></p> <ul style="list-style-type: none"> <li>• Young people in vocational training or following apprenticeships in a non-agricultural, private sector company.</li> <li>• Minors and designated adults may benefit from the assistance provided that the rental agreement is signed by a legal representative and that the name of the beneficiary appears on the contract.  The beneficiary must receive at most 100% of the SMIC in force at the time of the request for assistance.</li> </ul> <p><b>Geography</b>  The accommodation must be located in French metropolitan territory or in the DROM.  The accommodation can be located in the private, intermediate or social park.</p>		<p>Subsidy granted by Action Logement Services to a natural person in vocational training to help meet expenses related to access to or change of housing provision.</p> <ul style="list-style-type: none"> <li>• <b>Amount</b> rent or royalty, less justified or assessed housing assistance: <ul style="list-style-type: none"> <li>- Minimum 10 € per month;</li> <li>- Maximum 100 € per month.</li> </ul> </li> <li>• <b>Duration</b> : assistance provided throughout the period of professional training for a period of one year. The applicant can seek assistance each year, as long as he/she continues to be eligible.</li> </ul>



<p><b>ADVANCE LOCA-PASS®</b></p>	<p><b>beneficiaries</b></p> <ul style="list-style-type: none"> <li>• Employees of non-agricultural private sector enterprises, regardless of their position and the nature of their employment contract. Pre-retirees are treated as active employees.</li> <li>• Young people under 30 years of age</li> <li>• Minors and designated vulnerable adults can benefit from the LOCA-PASS® ADVANCE provided that the lease agreement or the occupation agreement in the co-operative is signed by a legal representative and that the name of the beneficiary appears on the relevant documents.</li> </ul> <p><b>Target of beneficiaries</b> At least 30% of beneficiary households must be less than 9 years of age.</p>		<p>Interest-free loan distributed by Action Logement Services intended to cover, in whole or in part, the security deposit required by the landlord, principal residence only.</p> <ul style="list-style-type: none"> <li>• Amount: €1,200 maximum;</li> <li>• Repayment period: maximum 25 months subsequent to the grace period;</li> <li>• Deferred amortization: maximum 3 months;</li> <li>• Minimum monthly payment: 20€ except for the last month</li> <li>• Annual nominal interest rate: 0%</li> </ul>
<p><b>ACCESSION PLUS LOAN</b></p>	<p><b>beneficiaries</b> Employees of the non-farm private sector enterprises of 10 employees and more, regardless of their seniority and the nature of their employment contract. Pre-retirees are assimilated to employees.</p> <p><b>Housing conditions</b> For the acquisition of an old housing without work, the DPE of the housing acquired in the former must be classified in category E at least.</p> <p><b>Beneficiary targets</b> At least 80% beneficiary households must have a reference tax income lower than the resource caps for intermediate housing.</p> <p><b>Geography</b> Metropolitan Territory or in the DROM</p>		<p>Loan distributed by Action Logement Services to natural persons for the financing of acquisition transactions, as part of the sale of HLM dwellings, or the exercise of options for operations carried out in PSLA (Social Loan for Rent-Accession) housing assigned to their principal residence or that of their spouse, ascendants or descendants.</p>
<p><b>ACCESSION LOAN</b></p>	<p><b>beneficiaries</b> Employees of the non-farm private sector enterprises of 10 employees and more, regardless of their position and the nature of their employment contract. Pre-retirees are treated as employees.</p> <p><b>Beneficiary targets</b> At least 80% beneficiary households must have a reference tax income lower than the resource caps for intermediate housing qualification.</p> <p><b>Housing conditions</b> <u>For acquisitions of an existing dwelling:</u></p> <ul style="list-style-type: none"> <li>• The DPE of housing acquired must be classified at a minimum of category D.</li> </ul> <p><u>For enlargement works:</u></p> <ul style="list-style-type: none"> <li>• Extension works via adding, enhancing or putting into a habitable condition premises that were not intended for habitation must lead to the creation of a living space of at least 14 m<sup>2</sup>.</li> </ul> <p><b>Geography</b> French Metropolitan Territory or the DROM.</p>	<ul style="list-style-type: none"> <li>• Construction, acquisition of new housing;</li> <li>• Acquisition of an existing dwelling without works;</li> <li>• Extension works by an owner, via adding, enhancing or putting in condition of habitability premises which were not originally designed as dwellings.</li> </ul>	<p>Loan distributed by Action Logement Services to natural persons for the financing of the acquisition, whether or not followed by improvement work, the construction or enlargement of a dwelling assigned as their principal residence or that of their spouse of family members.</p>

<p><b>LOAN WORKS</b></p>	<p><b>beneficiaries</b> Employees of non-farm private sector enterprises of 10 employees and more, regardless of their position and the nature of their employment contract. Pre-retirees are treated as employees.</p> <p><b>Beneficiary targets</b> At least 80% beneficiary households must have a reference tax income lower than the resource caps for intermediate housing.</p> <p><b>Beneficiary conditions</b> The recipient of the aid must be:</p> <ul style="list-style-type: none"> <li>- An occupying homeowner;</li> <li>- Lessor-owner in the case of work to improve energy performance.</li> </ul> <p><b>Housing conditions</b> Dwelling must be used as a principal residence.</p> <p><b>Geography</b> French Metropolitan Territory or DROM.</p>	<ul style="list-style-type: none"> <li>• Building performance improvement work;</li> <li>• Improvement, accessibility and adaptation works including maintenance and surface coating costs;</li> <li>• Improvement works providing entitlement to an ANAH subsidy for owner-occupiers;</li> <li>• All works carried out in condominiums that are the subject of a safeguarding plan, habitability standards improvement program;</li> </ul>	<p>Loan distributed by Action Logement Services to individuals for the financing of improvements to the principal residence, including the common areas of the condominiums.</p>
<p><b>MOBILI-PASS® HELP</b></p>	<p><b>Exclusion criteria</b> The following are ineligible for assistance:</p> <ul style="list-style-type: none"> <li>- Seasonal workers;</li> <li>- Employees working at home (telecommuting);</li> <li>- Trainees in vocational training who do not have the status of a company employee</li> </ul> <p><b>Beneficiary targets</b> At least 30% of beneficiary households must be less than 9 years of age. At least 70% of beneficiary households must have a reference tax income lower than the intermediate housing resource ceilings.</p>	<p>The following are taken into consideration:</p> <ul style="list-style-type: none"> <li>- Rent and rental charges for an unfurnished or furnished dwelling intended to be occupied as a primary residence;</li> <li>- Occupancy fees in the case of housing in a co-operative;</li> <li>- Hotel or accommodation expenses in a bed and breakfast or lodgings.</li> <li>- Expenses related to house moves.</li> </ul>	<p>Distributed loan and / or subsidy granted by Action Logement Services to a natural person requiring access to employment, professional mobility or training, to help them to meet expenses associated with house moves.</p> <p><b>Ceiling for assistance</b></p> <ul style="list-style-type: none"> <li>• €3 500 in zone A, A bis and B1;</li> <li>• €3 000 in zone B2 and C.</li> </ul> <p>Assistance may be comprised of:</p> <ul style="list-style-type: none"> <li>- A grant to finance home search expenses for rental housing up to a limit of €2 200 in zone A, A bis and B1 and €1 900 in zone B2 and C.</li> <li>- And / or a loan to pay other financing expenses</li> </ul>

<p><b>REFINANCING OF REAL ESTATE LOANS</b></p>	<p><b>Beneficiaries</b> The beneficiary must be in a financial challenging situation as a result of circumstances outside of their control, including:</p> <ul style="list-style-type: none"> <li>- Experiencing a decrease in household income of at least 25%;</li> <li>- Experiencing an increase in real estate charges, to more than 35% of income;</li> <li>- Personal bankruptcy.</li> </ul> <p><b>Geography</b> The housing must be located in French metropolitan territory or in the DROM.</p>		<p>Reduced-rate loan distributed by Action Logement Services to a natural person to refinance more expensive real estate loans related to principal residence.</p> <ul style="list-style-type: none"> <li>• <b>Amount</b> : €40 000 maximum.</li> <li>• <b>Duration</b> : unspecified, with or without deferred amortization.</li> </ul>
<p><b>ACCESS TO SOCIAL RENTAL OFFER</b></p>	<p>Priority target beneficiaries are:</p> <ul style="list-style-type: none"> <li>• Young people under 30 years of age;</li> <li>• Employees requiring occupation-related mobility assistance;</li> <li>• Employees commuting to their place of work;</li> <li>• Employees in challenging social situations;</li> <li>• Employees of a company whose economic situation is in transition (e.g. restructuring);</li> <li>• Employees who are in the process of returning to 'tenant' status</li> </ul>		<p>Review of request for social housing and establishment by Action Logement Services of a candidacy file for a natural person, for access to social rental housing for use as a primary residence.</p>
<p><b>ASSISTANCE FOR EMPLOYEES IN DIFFICULTY</b></p>	<p><b>CIL-PASS ASSISTANCE®</b></p>	<p><b>Beneficiary conditions</b> The situations supported include housing issues such as:</p> <ul style="list-style-type: none"> <li>• Eviction risk;</li> <li>• Over-indebtedness compromising housing access or security;</li> <li>• Emergency situations: business interruption, death, illness, disaster or natural disaster, family conflicts, etc. ;</li> <li>• Fragile households (precarious financial status) challenging housing situations (overcrowding, inhabitable housing, etc.);</li> <li>• Other cases where securing or maintaining housing is problematic;</li> </ul> <p><b>Geography</b> French Metropolitan Territory or DROM.</p>	<p>Assistance service dedicated to physical persons in difficulty. Reception service : diagnosis and management of beneficiaries' situations by a CIL-PASS ASSISTANCE® qualified social advisor.</p>

	<p><b>HOUSING CHARGES ALLOWANCE (OWNER)</b></p>	<p><b>Conditions of eligibility</b> The beneficiary must be in a financial challenging situation as a result of circumstances outside of their control, including:</p> <ul style="list-style-type: none"> <li>- Experiencing a decrease in household income of at least 25%;</li> <li>- Experiencing an increase in real estate charges, to more than 35% of income;</li> <li>- Personal bankruptcy.</li> </ul> <p><b>Geography</b> French Metropolitan Territory or DROM.</p>	<ul style="list-style-type: none"> <li>• Monthly payment of installments to finance the mortgage on the primary residence of the beneficiary;</li> <li>• Financing to meet condominium fees, property tax, housing tax, household waste tax, home insurance costs;</li> <li>• Finance to meet costs of legal proceedings and related expenses (notaries, bailiffs, charges etc.), legal and other professional fees.</li> </ul>	<p>Interest-free loans distributed as part of the CIL-PASS ASSISTANCE® service, by Action Logement Services to natural persons to meet housing charges related to the primary residence.</p> <ul style="list-style-type: none"> <li>• <b>Amount:</b> €18 000 maximum.</li> <li>• <b>duration:</b> unspecified, with or without deferred amortization.</li> <li>• <b>Annual nominal interest rate:</b> 0%.</li> </ul>
	<p><b>HOUSING CHARGES ALLOWANCE (TENANT)</b></p>	<p><b>Conditions of eligibility</b> The beneficiary must be in a financial challenging situation as a result of circumstances outside of their control, including:</p> <ul style="list-style-type: none"> <li>- Experiencing a decrease in household income of at least 25%;</li> <li>- Experiencing an increase in real estate charges, to more than 35% of income;</li> <li>- Personal bankruptcy.</li> </ul> <p><b>Geography</b> French Metropolitan Territory or DROM.</p>	<ul style="list-style-type: none"> <li>• Net rent installments of housing benefits and rental expenses relating to the beneficiary's primary residence.</li> <li>• Occupancy benefits relating to the primary residence of the beneficiary;</li> <li>• Housing tax, tax or charge for household waste, home insurance premia up to one annuity;</li> <li>• Finance to meet costs of legal proceedings and related expenses (notaries, bailiffs, charges etc.), legal and other professional fees.</li> </ul>	<p>Interest-free loans distributed as part of the CIL-PASS ASSISTANCE® service, by Action Logement Services to natural persons to meet housing charges related to the primary residence.</p> <ul style="list-style-type: none"> <li>• <b>Amount:</b> €18 000 maximum.</li> <li>• <b>duration:</b> unspecified, with or without deferred amortization.</li> <li>• <b>Annual nominal interest rate:</b> 0%.</li> </ul>
	<p><b>HELP FOR ACCESS TO RENTAL HOUSING</b></p>	<p><b>Conditions of eligibility</b> The beneficiary must be in one of the following situations:</p> <ul style="list-style-type: none"> <li>- Lack of capacity to make loan repayments, even in the case of an interest-free loan;</li> <li>- Submission of personal bankruptcy file to the Bank of France;</li> <li>- Personal bankruptcy plan in progress</li> <li>- Average daily living allowance of strictly less than €10</li> </ul> <p><b>Geography</b> French Metropolitan Territory DROM.</p>	<p>The following expenses are covered in part or in full:</p> <ul style="list-style-type: none"> <li>• Real Estate Agency costs ;</li> <li>• Purchase of basic furniture;</li> <li>• Moving expenses : vehicle rental, etc.</li> <li>• Deposit costs.</li> </ul>	<p>Subsidy granted, as part of the CIL-PASS ASSISTANCE® service, by Action Logement Services to a natural person seeking a tenancy.</p> <p><b>Amount</b> €1 000 maximum per post assisted to a maximum amount of €2 000.</p>
	<p><b>END OF TENURE ASSISTANCE</b></p>	<p><b>Conditions of eligibility</b> The tenant must act in good faith and be confronted with difficulties in maintaining the tenancy, or accessing a new housing arrangement. The beneficiary must be in one of the following situations:</p> <ul style="list-style-type: none"> <li>- Lack of capacity to make loan repayments, even in the case of an interest-free loan;</li> </ul>	<p>The following expenses are partially or fully financeable:</p> <ul style="list-style-type: none"> <li>• Rents due, and unpaid or future charges;</li> <li>• Unpaid or future royalty payments;</li> <li>• Occupancy allowance payments for occupied, unpaid or future housing;</li> <li>• Rent schedules and charges or fees in case of a double-housing charge.</li> </ul>	<p>Subsidy granted, through the CIL-PASS ASSISTANCE® service, by Action Logement Services to a natural person to reduce housing costs related to the primary residence.</p> <p><b>Amount</b> Maximum amount of €4 000, minus the housing benefits determined by the body responsible for the aid payment.</p>

		<ul style="list-style-type: none"> <li>- Submission of personal bankruptcy file to the Bank of France;</li> <li>- Personal bankruptcy plan in progress</li> <li>- Average daily living allowance of strictly less than €10</li> </ul> <p><b>Geography</b> French Metropolitan Territory DROM.</p>		
<b>HELP WITH ADDITIONAL HOUSING CHARGES</b>		<p><b>Conditions of eligibility</b> The tenant must act in good faith and be confronted with difficulties in maintaining the tenancy, or accessing a new housing arrangement. The beneficiary must be in one of the following situations:</p> <ul style="list-style-type: none"> <li>- Lack of capacity to make loan repayments, even in the case of an interest-free loan;</li> <li>- Submission of personal bankruptcy file to the Bank of France;</li> <li>- Personal bankruptcy plan in progress</li> <li>- Average daily living allowance of strictly less than €10</li> </ul> <p><b>Geography</b> French Metropolitan Territory DROM.</p>	<ul style="list-style-type: none"> <li>• Unpaid or upcoming annual home insurance cost due;</li> <li>• House taxes unpaid or pending;</li> <li>• Unpaid or future household waste tax or fees</li> <li>• Property tax unpaid or pending;</li> <li>• Unpaid or future development tax;</li> <li>• Unpaid or future water charges;</li> <li>• Unpaid or future energy charges: gas, electricity, coal, fuel, etc.;</li> <li>• Opening or reopening of the utility meters;</li> <li>• Condominium charges unpaid or pending.</li> </ul>	<p>Subsidy granted, as part of the CIL-PASS ASSISTANCE® service, by Action Logement Services to a natural person who is a tenant or owner in order to relieve housing charges relating to the primary residence.</p> <p><b>Amount</b></p> <ul style="list-style-type: none"> <li>• Support up to a maximum amount of €500 per assisted post and up to a total amount of €1 500.</li> <li>• Support up to a maximum amount of €4 000 for condominium fees over a period of one year.</li> </ul>
<b>ASSISTANCE WITH REAL ESTATE LOANS</b>		<p><b>Conditions of eligibility</b> The tenant must act in good faith and be confronted with difficulties in maintaining the tenancy, or accessing a new housing arrangement. The beneficiary must be in one of the following situations:</p> <ul style="list-style-type: none"> <li>- Lack of capacity to make loan repayments, even in the case of an interest-free loan;</li> <li>- Submission of personal bankruptcy file to the Bank of France;</li> <li>- Personal bankruptcy plan in progress</li> <li>- Average daily living allowance of strictly less than €10</li> </ul> <p><b>Geography</b> French Metropolitan Territory and DROM.</p>	<p>The following expenses are partially or totally financeable:</p> <ul style="list-style-type: none"> <li>• Monthly mortgage installments relating to the beneficiary's principal residence;</li> <li>• Financing of arrears or future monthly payments due.</li> </ul>	<p>Subsidy granted, through the CIL-PASS ASSISTANCE® service, by Action Logement Services to a physical person to reduce monthly mortgage payments relating to a primary residence.</p> <p><b>Amount</b> Assumption of a maximum amount of €6 000, minus the housing benefits as determined by the body responsible for the aid payment.</p>
<b>EMERGENCY ACCOMMODATION ASSISTANCE</b>		<p><b>Conditions of eligibility</b> The beneficiary must act in good faith, and be experiencing accommodation challenges, as a result of adverse events, (e.g. domestic violence or break-up, catastrophic damage or other similar event) in order to receive temporary sheltered accommodation).</p> <p>Concurrently, a relocation project must be proposed by the social advisor CIL-PASS ASSISTANCE® to the beneficiary.</p> <p>The beneficiary must:</p> <ul style="list-style-type: none"> <li>- Follow specified steps as stipulated;</li> </ul>	<p>Accommodation expenses relating to the following solution providers are covered in part or in full: Hotel, Hotel Social Vacation Residence (RHVS), mobile home, 'homestay' and any similar housing solution or accommodation responding to the emergency.</p>	<p>Subsidy granted, as part of the CIL-PASS ASSISTANCE® service, by Action Logement Services to a physical person requiring accommodation, in order to reduce the costs of emergency housing.</p> <p><b>Amount</b> Coverage of emergency accommodation costs in whole or in part including:</p> <ul style="list-style-type: none"> <li>• €1 500 for a single person;</li> <li>• €2 000 for a couple or single parent with up to two children;</li> <li>• €2 500 for a couple or single parent with more than two children.</li> </ul>

		<ul style="list-style-type: none"><li>- Be contactable to ensure they can be made aware of accomodation solutions. <b>Geography</b> French Metropolitan Territory or DROM.</li></ul>		
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## Appendix 2 : Background of Social Housing in France

### Overview of the Social Housing Sector in France

Social landlords offer income-tested households (set by decree<sup>25</sup>) rental housing whose rents are below the levels defined by decree, on average 40% below market rents<sup>26</sup>. Since the "ALUR" law n ° 2014-366 of the 24 March 2014, the applications for social housing must be integrated in the National Registration System (" **SNE** »)<sup>27</sup>. At the 31 December 2018, the SNE registered 2.113.590<sup>28</sup> applications. Applicants can register directly online in this system or through various organizations, including, when they are employees of a company eligible for PEEC, Action Housing Services.

To meet a significant demand, the French model of social housing relies on an existing park of nearly 5 million of social housing<sup>29</sup> distributed throughout the metropolitan and overseas territories, managed by approximately 720 social housing organizations (" **OLS** "), divided into several families, amongst which the two most important are the public housing authorities (" **OPH** ", 246 organizations) and social enterprises for housing (" **ESH** », 217 organizations)<sup>30</sup>. The other families of HLM organizations are the HLM cooperatives (" **Coop'HLM** "), The semi-public companies (" **SEM** ") and the organizations approved for the integration project management (" **MOI** »). Social housing is granted to the applicants at the rate of the release of existing housing and the delivery of new or rehabilitated housing. The annual mobility rate of the social stock was from 9,4% to 2017 and the new deliveries in 2017 reached the number of 78 200 on the entire France. In 2018, near 462 000 households were housed in the social housing<sup>31</sup> or about 21% of the request.

For the coming years, the HLM organizations are committed to produce each year 110 000 new social housing and to carry out annually the thermal renovation of 125 000 social housing under the Investment Pact for social housing<sup>32</sup> announced by the Social Union for Housing (" **USH** ") and the French state the 25 April 2019.

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<sup>25</sup> <https://www.service-public.fr/particuliers/vosdroits/F869>

<sup>26</sup> The Great National Debate: HLMs, a chance for France, [https://www.union-habitat.org/sites/default/files/articles/pdf/2019-02/le\\_grand\\_debat\\_national\\_-\\_les\\_hlm\\_une\\_chance\\_pour\\_la\\_france\\_0.pdf](https://www.union-habitat.org/sites/default/files/articles/pdf/2019-02/le_grand_debat_national_-_les_hlm_une_chance_pour_la_france_0.pdf)

<sup>27</sup> <https://www.demande-logement-social.gouv.fr/statistiques/>

<sup>28</sup> SNE - <https://www.demande-logement-social.gouv.fr/statistiques>

<sup>29</sup> CGEDD The rental housing stock on January 1st 2018 - November 2018 <https://www.statistiques.developpement-durable.gouv.fr/sites/default/files/2019-01/datalab-essentiel-160-rpls-janvier-2018-novembre2018.pdf>

<sup>30</sup> USH - HLM in figures 2018 <https://www.union-habitat.org/union-data/l-essentiel>

<sup>31</sup> USH - HLM in figures 2018 <https://www.union-habitat.org/union-data/l-essentiel>

<sup>32</sup> SNE statistics: <https://www.demande-logement-social.gouv.fr/statistiques/>

The financing requirements for these investments are significant because the social landlords have on average recourse to 77,5% debt for the financing of the new production and 74% for the rehabilitations<sup>33</sup>.

### Overview of the Intermediate Housing Sector in France

The intermediate housing market corresponds to the portion of dwellings whose rents are between the rents of the social housing stock and those of the private stock and which target households with specific incomes<sup>34</sup>. This market is developing in areas of tension between supply and demand for housing, where there is a significant gap between social and private rents. In Ile-de-France in particular, the main market for intermediate housing, Action Logement estimates that about 500 000 households<sup>35</sup> are eligible for these housing for an existing offer of approximately 200 000 units, or only 4% of the 5,2 million of main residences in Ile-de-France.

The law imposes intermediate rents lower than market rents (generally between 15% and 20% lower)<sup>36</sup>. In return, the intermediate housing managers benefit from a favorable tax regime. This favorable tax framework allowed the approval of approximately 8 000 new intermediate housing in Ile-de-France over the period 2015-2017<sup>37</sup>.

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<sup>33</sup> <https://www.gouvernement.fr/partage/11013-communique-deux-accords-ambitieux-signes-entre-les-acteurs-du-logement-social-et-l-etat>

<sup>34</sup> Perspectives The Social Housing Study, edition 2018 - [https://www.union-habitat.org/sites/default/files/articles/pdf/2019-03/letude\\_of\\_the\\_bank\\_of\\_territories\\_on\\_social\\_housing.pdf](https://www.union-habitat.org/sites/default/files/articles/pdf/2019-03/letude_of_the_bank_of_territories_on_social_housing.pdf)

<sup>35</sup> <https://www.service-public.fr/particuliers/vosdroits/F869>

<sup>36</sup> Ile-de-France, "Quick Note" n° 803, March 2019

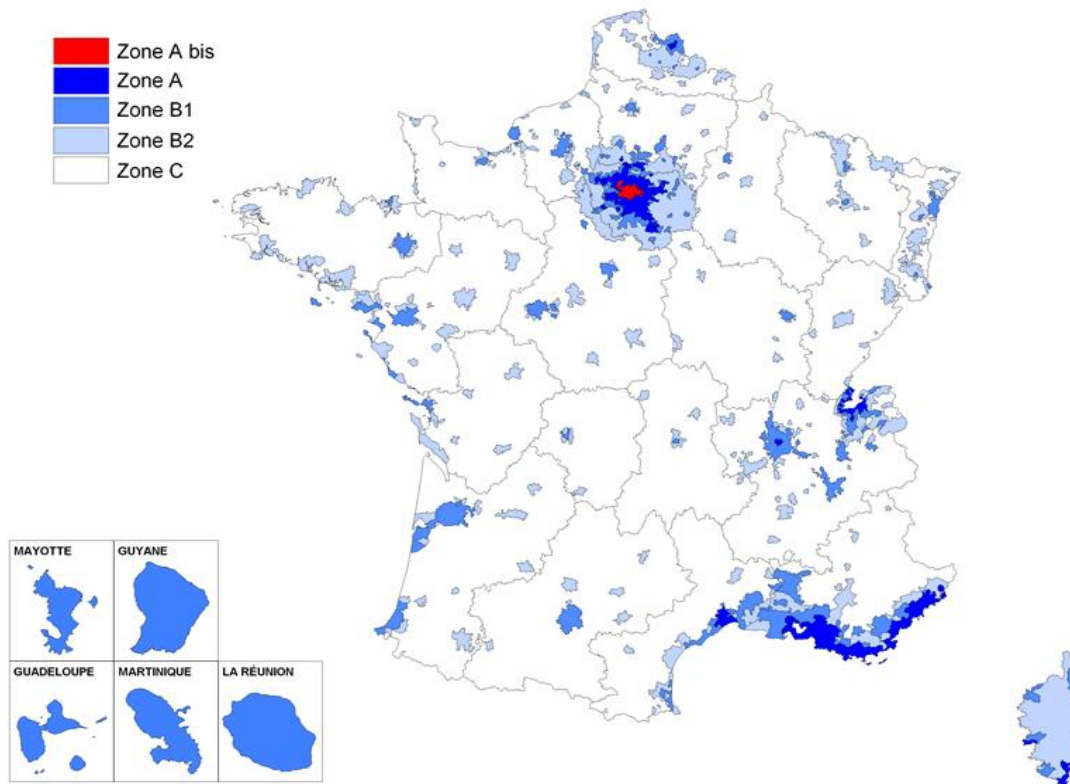
<sup>37</sup> DRIHL Comex Housing Dashboard, 19 January 2018 - [http://www.drihl.ile-de-france.developpement-durable.gouv.fr/IMG/pdf/20180119\\_-\\_tb\\_de\\_bord\\_logement\\_vd.pdf](http://www.drihl.ile-de-france.developpement-durable.gouv.fr/IMG/pdf/20180119_-_tb_de_bord_logement_vd.pdf)



## Mapping of housing needs

Regarding housing, the tension of a local real estate market is defined by the level of adequacy in a territory between the demand for housing and the supply of available housing. A zone is said to be "tense" if the supply of available housing is not sufficient to cover the demand (in terms of volume and price). On the other hand, an area is "relaxed" if the housing supply is sufficient to cover housing demand.

The state has defined a zoning A / B / C to characterize the housing market tension by cutting the territory into 5 areas, from the most tense (Aa) to the most relaxed (zone C).



### Annex 3: Examples of social and / or environmental impact indicators

The Five-Year Convention provides that the company undertakes to mobilize funding for legal persons in priority in tense employment areas and sectors. As such, Action Logement Services could for example report on:

- Distribution of financing to legal persons by region or by zoning A / B / C;
- Distribution of financing to legal persons by type of organization;
- Amount of financing granted to public policies related to housing;
- Distribution of financing to legal entities by type of loans (PLUS, PLS, PLAI).

Regarding aid to natural persons, a list of performance indicators including, for example, the following indicators may be provided:

- Aid for employees (by type of aid);
- Regional distribution of aid to natural persons;
- Regional distribution of each type of aid for natural persons;
- Regional distribution of rental allocations to natural persons.

On the other hand, a list of examples of impact indicators is provided below for information purposes. The exhaustive list of indicators provided in each annual report may change from one year to another depending on the data collected by Action Logement Services and the categories of projects actually financed by each bond issuance.

Finally, Action Logement Services intends to continuously improve the quality of its reporting. The group is advancing its data collection and internal monitoring tools in order to strengthen and accurately measure its consolidated social and environmental contribution.

<b>Categories of Social Projects</b>	<b>Examples of impact indicators</b>
Access to basic services	<ul style="list-style-type: none"> <li>• Number of households receiving aid for sanitation facilities</li> <li>• Number of social healthcare institutions supported and number of places in such institutions</li> <li>• Number of employees in difficulty receiving financial assistance and breakdown by type of financial support provided</li> </ul>
Access to affordable housing	<ul style="list-style-type: none"> <li>• Number of social housing units built and / or acquired financed</li> <li>• Environmental Performance Indicators (see "Green Buildings")</li> <li>• Number of aid beneficiaries (ie households) for home ownership</li> <li>• Number of FSOs supported</li> <li>• Number of housing units restored for purposes of improving habitation standards</li> </ul>
<b>Categories of Environmental Projects</b>	<b>Examples of impact indicators</b>
Green Buildings	<ul style="list-style-type: none"> <li>• Number of new and rehabilitated housing units financed</li> <li>• Energy performance of dwellings</li> </ul>
Energy Efficiency	<ul style="list-style-type: none"> <li>• Number of renovated dwellings</li> <li>• Energy performance of dwellings</li> <li>• Energy savings (MWh)</li> <li>• Emissions of greenhouse gases avoided (eq. CO<sub>2</sub>)</li> </ul>
Pollution prevention and control	<ul style="list-style-type: none"> <li>• Number of disused dwellings demolished</li> <li>• Number of reconstructed dwellings</li> </ul>

#### Appendix 4 : Energy performance standards laid down in the ad hoc Regulation transposing the Energy Performance of Buildings Directive (EPBD)<sup>38</sup>

The revised directive on the Energy Performance of Buildings (EPBD) has been approved by the European Parliament the 17<sup>th</sup> of April 2018. It is the first of eight legislative proposals in the "Clean Energy for All Europeans" package, launched in November 2016.

The updated text aims to "improve the energy performance of new and existing buildings, support the deployment of electric charging infrastructure, plan national renovation strategies and an intelligence indicator."

The Council of Ministers of the European Union has adopted the 14<sup>th</sup> of May 2018 a revised version of the directive. The text has been published in the Official Journal of the European Union of 19 June 2018. The new provisions will have to be transposed by Member States into national law at the latest by 10 March 2020.

The EPBD requires all new buildings from 2021 (public buildings from 2019) to be near-zero energy buildings ("**NZEB**" for *Nearly-Zero Emission Buildings*). According to Article 2, "building with almost zero energy consumption" means a building whose energy performance is very high, as determined in accordance with Annex I. The required near zero or very low amount of energy needs to be covered to a very large extent by renewable sources, including sources produced locally or nearby.

Since the EPBD does not define concrete quantitative thresholds or ranges, these requirements leave room for interpretation and therefore allow Member States to define their NZEBs flexibly, taking into account climatic conditions, primary energy factors, ambition levels, calculation methods and construction traditions specific to the country. This is also the main reason why NZEB definitions differ considerably from country to country. It is therefore difficult to find a common denominator for defining NZEBs on a European scale.

In addition, Article 9 of the EPBD Directive requires Member States (MS) not only to establish a national definition of NZEB, but also to actively promote greater penetration of these buildings on the market. Member States prepare and submit national plans to the European Commission with clear definitions and measures (e.g. policies and financial incentives) for the promotion of NZEB. These national plans include,

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<sup>38</sup> <http://epbd-ca.eu/wp-content/uploads/2018/08/CA-EPBD-IV-France-2018.pdf>

inter alia, intermediate objectives to improve the energy performance of new buildings which must be updated every three years.

In France, the implementation of the EPBD Directive has been entrusted to the Ministry of Ecological and Solidarity Transition and the Ministry of Territorial Cohesion in order to replicate the successful transposition of Directive 91/2002 / EC. France has been working on the implementation of Directive 2010/31 / EU since 2010. The 2010/788 law of 12 July 2010 and the subsequent settlement had a significant impact and contributed to improve the process for certification of energy performance, while the implementation of the new thermal standard RT 20122 led the energy efficiency of new buildings at the NZEB level. Finally, the law Energy Transition for Green Growth (LTECV) of 17 August 2015 also provided new tools, for example, requirements for insulation of building envelope elements in the context of renovation works.

The current thermal regulation in response to the EPBD directive is the RT 2012 (Thermal Regulation 2012). It is mandatory only for some public buildings since end 2011, and for all new buildings since 2013. This regulation is the result of a two-year dialogue with all stakeholders as well as various consultative conferences, where the work in progress has been presented. The next thermal regulation is planned for 2020 and it will contain even more ambitious objectives, since including environmental requirements, probably based on a life cycle analysis. In order to anticipate this new regulation, a test program called "E + C-" (for *Energy plus Carbon minus*) was launched end of 2016 by volunteer entrepreneurs.

The RT 2012 structure relies on three performance requirements:

- The requirement for minimal energy efficiency of buildings, notifying a limitation in terms of energy demand (heating, air conditioning and lighting) based on project bioclimatic design criteria ("**Bbio**"), where the Bbio value must be lower than a maximum value called Bbiomax;
- The requirement of primary energy consumption, notifying a limitation in terms of primary energy consumption ("**Cpe**") for the combined use of heating, cooling, domestic hot water, lighting and auxiliary equipment (pumps and fans), where the Cpe must be lower than a maximum value called Cpemax;
- The requirement of comfort in summer, when the interior ambient temperature of the building reached after the 5 hottest days of the year (Tic) can not exceed a reference level calculated for each project, where Tic must be lower than a maximum reference value called Ticref.

These three coefficients are calculated using the TH-BCE5, a dynamic hourly methodology (calculations are made every hour for a full year), which describes each component of the building envelope, as well as

its energy characteristics and systems. The values of  $B_{biomax}$  and  $C_{pemax}$  are absolute values, based on standard benchmarks according to the types of assets and are modulated according to local climate conditions, altitude and factors of the immediate environment.

In addition, to ensure that residential buildings are properly constructed, qualified experts must verify that the air-tightness upon building completion does not exceed  $0,6 \text{ m}^3/\text{h}/\text{m}^2$  for single family homes and  $1 \text{ m}^3/\text{h}/\text{m}^2$  for apartment buildings.

Finally, the RT 2012 includes requirements for the use of renewable energies. They take different forms depending on the type of energy, but these should reach at least  $5 \text{ kWhEP} / \text{m}^2.\text{year}$ .

In France, the label "Low Consumption Buildings (" **BBC** ") is used to describe buildings with very low energy consumption (NZEB). Since 2013, all new buildings, including public buildings, are necessarily NZEB, since the requirements for buildings with low energy consumption are the same as in the RT 2012. Therefore, the optimal level of costs for NZEB was assessed together with the RT level 2012. The future regulation, based on the E + C- test program, will take a new step towards the NZEB with regard to the energy performance of new buildings.

335 000 new homes (300 000 apartments and 35 000 individual houses) were NZEB certified before the application of the RT2012. In addition, about 900 000 new homes have been certified since the entry into force of the RT 2012. Therefore, the current number of NZEB housing in France can be estimated at about 1,2 million.<sup>39</sup>

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<sup>39</sup> <http://epbd-ca.eu/wp-content/uploads/2018/08/CA-EPBD-IV-France-2018.pdf>