

Paris, 23rd October 2019

PRESS RELEASE

ACTION LOGEMENT SERVICES SUCCESSFULLY LAUNCHES €1 BILLION SUSTAINABLE BOND TO FINANCE ITS VOLUNTARY INVESTMENT PLAN

Action Logement Services successfully launched its inaugural bond issue, a one billion euros issue bearing a 15-year maturity. These bonds offer a yield of 0.589%, equivalent to 38 basis points over the French reference (interpolated OAT 05/2034 & 05/2036). Issued under its 100% sustainable EMTN program, this inaugural bond issue contributes to the financing of the commitments made by the Social Partners under the Voluntary Investment Plan, signed with the State on 25 April 2019 for €9 billion.

After Moody's and Fitch disclosed their financial ratings, both in line with the French State (respectively Aa2 Positive and AA stable), a roadshow was organised by the Joint Lead Managers Crédit Agricole CIB, Deutsche Bank, J.P. Morgan, and Natixis.

More than fifty investors in eight European countries were met, attracting the interest of a broad base of insurers, asset managers, banks, and official institutions.

Investors particularly appreciated Action Logement Services' credit quality and the sustainable nature of the use of proceeds. Therefore, the execution of the issue went smoothly:

- A record subscription: almost €4 billion of interests were collected in the order book before it closed at 11:45 am CET on the 22nd of October. Considering the final size of the issue, €1bn, this represents a coverage ratio of x4;
- A significant number of orders, with 117 investors participating in the transaction;
- A wide diversity of investors: 52% insurers, 30% asset managers, 10% banks, and 8% official institutions and other counterparties;
- The geographical distribution was mainly European with a fairly diverse distribution: 56.5% in France, 25.0% in Germany, Switzerland, and Austria, 16% for other European countries, and 2.5% for the rest of the world;
- Several pure players in the responsible investment participated.

The success of this inaugural issuance stresses Action Logement Services strength. It confirms its ability to assume a key role in the implementation of the social housing policy in France, while providing employees access to housing in order to facilitate employment.

The overall commitments of the Five-Year Agreement signed in January 2018 as well as the April 2019 Voluntary Investment Plan amount to €23.35 billion.

Supported by its own treasury and the successful implementation of its €6.2 billion EMTN program, Action Logement Services will be able to undertake its commitments under optimal financial conditions by 2022.

The social component of the missions implemented for the benefit of employees and companies across all territories was also recognised in the context of this issuance.

Action Logement Services' EMTN program is the first ever entirely sustainable.

A sustainable bond framework was implemented and rated by Vigeo Eiris agency. This meets the standards applied to the Green Bond Principles (GBP) and Social Bond Principles (SBP) of the International Capital Market Association (ICMA). All bonds issued by Action Logement Services under this sustainable EMTN program will therefore be allocated to projects having a positive social or environmental impact.

The excellent outcome of this inaugural bond issue highlights the strong interest of an international investor base for solutions towards building a more inclusive and resilient society. By raising funds under its sustainable bond program, Action Logement Services supports socially responsible finance.

About Action Logement Services:

Action Logement Services is chaired by Joël Chéritel (MEDEF) and vice-chaired by Alain Kauffmann (CFTC). This French simplified joint stock company employs 3,000 people. It ensures collection of employers' contribution in construction effort (the "PEEC" for Participation des Employeurs à l'Effort de Construction), financing of social or intermediate housing and national policies.

For more information, visit: www.actionlogement.fr

PRESS CONTACTS :

Action Logement

Marie-France Bergamo : 01 55 30 70 77 | 06.32.66.72.49

Aude Vayre : 01 55 30 70 81

actionlogement@grayling.com