

Action Logement Services

**Statutory Auditors' report on the
consolidated financial statements**

(For the year ended 31 December 2021)

PricewaterhouseCoopers Audit
63, rue de Villiers
92208 Neuilly-sur-Seine Cedex

KPMG SA
Tour EQHO
2, avenue Gambetta
CS 60055
92066 Paris La Défense cedex

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This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. This report includes information specifically required by European regulations or French law, such as information about the appointment of Statutory Auditors. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Sole Shareholder,
Action Logement Services
21 Quai d'Austerlitz
75643 Paris Cedex 13, France

Opinion

In compliance with the engagement entrusted to us by your Articles of Association, we have audited the accompanying financial statements of Action Logement Services for the year ended 31 December 2021.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 December 2021 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit and Accounts Committee.

Basis for opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under these standards are further described in the "Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements" section of our report.

Independence

We conducted our audit engagement in compliance with the independence rules provided for in the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for Statutory Auditors for the period from 1 January 2021 to the date of our report.

Justification of assessments

Due to the global crisis related to the Covid-19 pandemic, the financial statements of this period have been prepared and audited under specific conditions. Indeed, this crisis and the exceptional measures taken in the context of the state of sanitary emergency have had numerous consequences for companies, particularly on their operations and their financing, and have led to greater uncertainties on their future prospects. Those measures, such as travel restrictions and remote working, have also had an impact on the companies' internal organisation and the performance of the audits.

It is in this complex and evolving context that, in accordance with the requirements of Articles L.823-9 and R.823-7 of the French Commercial Code relating to the justification of our assessments, we inform you of the following matters that, in our professional judgement, were the most significant in our audit of the consolidated financial statements.

These matters were addressed as part of our audit of the consolidated financial statements as a whole, and therefore contributed to the opinion we formed as expressed above. We do not provide a separate opinion on specific items of the consolidated financial statements.

Impairment of loans granted to individuals

Note 3.8 "Transactions with customers" to the consolidated financial statements, which describes the accounting principles and methods relating to the impairment of loans granted to individuals.

As part of our assessment of the accounting principles applied by the Group, we verified the appropriateness and correct application of the aforementioned accounting policies and ensured that the notes to the consolidated financial statements contained appropriate disclosures.

Provisions for contingencies related to guarantee schemes

The Group sets aside provisions to cover risks relating to guarantee schemes, which have been estimated by an independent actuary as described in notes 3.15.1. "Guarantee fund provisions" and 5.11 "Provisions" to the consolidated financial statements.

The main provision concerns the Visale guarantee scheme (€140.6 million out of a total of €142.4 million in provisions for contingencies relating to guarantee schemes).

Using information available to date, our assessment of the provision for the Visale guarantee scheme was based on:

- a review and assessment of the methods used by the Group to estimate the provision;
- an assessment of the Group's procedures for monitoring and controlling the underlying data, as well as the assumptions on which its estimate was based, including a review of the sensitivity of the provision to these assumptions.

As part of our assessments, we verified that the estimates were reasonable and that the notes to the consolidated financial statements contain appropriate disclosures.

Specific verifications

As required by legal and regulatory provisions and in accordance with professional standards applicable in France, we have also verified the information presented in the Group management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements..

We attest that the Group management report includes the consolidated non-financial information statement required under Article L.225-102-1 of the French Commercial Code. However, in accordance with Article L.823-10 of the French Commercial Code, we have not verified the fair presentation and consistency with the consolidated financial statements of the information given in that statement, which will be the subject of a report by an independent third party.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for preparing consolidated financial statements giving a true and fair view in accordance with French accounting principles, and for implementing the internal control procedures it deems necessary for the preparation of consolidated financial statements that are free of material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern, and using the going concern basis of accounting, unless it expects to liquidate the Company or to cease operations.

The Audit and Risk Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risk management systems, as well as, where applicable, any internal audit systems, relating to accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors.

Responsibilities of the Statutory Auditors relating to the audit of the consolidated financial statements

Objective and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free of material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions taken by users on the basis of these consolidated financial statements.

As specified in Article L.823-10-1 of the French Commercial Code, our audit does not include assurance on the viability or quality of the Company's management.

As part of an audit conducted in accordance with professional standards applicable in France, the Statutory Auditors exercise professional judgement throughout the audit.

They also:

- identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, design and perform audit procedures in response to those risks, and obtain audit evidence considered to be sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

- obtain an understanding of the internal control procedures relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the related disclosures in the notes to the consolidated financial statements;
- assess the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the Statutory Auditors conclude that a material uncertainty exists, they are required to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or are inadequate, to issue a qualified opinion or a disclaimer of opinion;
- evaluate the overall presentation of the consolidated financial statements and assess whether these statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The Statutory Auditors are responsible for the management, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed thereon.

Report to the Audit and Accounts Committee

We submit a report to the Audit and Accounts Committee which includes, in particular, a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report any significant deficiencies in internal control that we have identified regarding the accounting and financial reporting procedures.

We also provide the Audit and Accounts Committee with the declaration provided for in Article L.823-16 of the French Commercial Code, confirming our independence within the meaning of the rules applicable in France, as defined in particular in Articles L.822-10 to L.822-14 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for Statutory Auditors. Where appropriate, we discuss any risks to our independence and the related safeguard measures with the Audit and Accounts Committee.

Neuilly-sur-Seine and Paris-La Défense, 8 June 2022

The Statutory Auditors

PricewaterhouseCoopers Audit

KPMG SA

Isabelle Gallois

Erik Boulois



CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2021

ACTION LOGEMENT SERVICES

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CONSOLIDATED BALANCE SHEET

<i>In thousands of euros</i>			
ASSETS	Notes	31 December 2021	31 December 2020
		Net	Net
Cash and amounts due from central banks and postal check accounts			
Amounts due from credit and similar institutions	5.1	2,758,759	4,529,103
Transactions with customers	5.2	16,087,579	15,639,926
<i>Government, local authorities and State agencies</i>			
<i>Amounts due on loans to individuals</i>		3,690,316	3,435,865
<i>Amounts due on loans to corporate entities</i>		12,397,263	12,204,061
Bonds and other fixed income securities	5.3	600	
Shares and other variable income securities			
Equity interests and other long-term securities	5.4	350	600
Shares in affiliated companies			
Intangible assets	5.5	16,041	14,119
Property, plant and equipment	5.5	555,045	610,154
Other assets	5.6	679,679	458,237
Total assets		20,098,053	21,252,139

<i>In thousands of euros</i>			
LIABILITIES AND EQUITY	Notes	31 December 2021	31 December 2020
Amounts due to central banks and postal cheque accounts			
Amounts due to credit institutions and similar institutions	5.7	1,271,200	1,313,554
Transactions with customers	5.8	7,300,416	6,478,999
<i>Government, local authorities and State agencies</i>		216,000	216,000
<i>Amounts due to individuals</i>		569,401	386,237
<i>Amounts due to corporate entities</i>		6,515,015	5,876,762
Debt securities	5.9	3,005,178	1,000,863
Other liabilities	5.10	213,351	244,887
Accruals			
Provisions	5.11	228,074	180,070
Shareholders' equity (group share)		8,079,810	12,033,737
<i>Subscribed capital</i>		20,000	20,000
<i>Reserves</i>		12,013,735	13,920,013
<i>Net income/(loss) for the period</i>		(3,953,926)	(1,906,276)
Non-controlling interests		24	29
Total liabilities and equity		20,098,053	21,252,139

CONSOLIDATED INCOME STATEMENT

In thousands of euros	Notes	2021	2020
Employers' contribution	5.12.1	1,303,747	1,600,462
+ Subsidies received	5.12.1	330,671	319,686
<i>Subsidies received from another fund</i>		319,339	312,335
<i>Other subsidies</i>		11,332	7,351
- Subsidies paid	5.12.2	(5,348,017)	(3,595,740)
<i>Subsidies to Government, local authorities and State agencies</i>		(1,759,000)	(1,304,000)
<i>Subsidies to corporate entities</i>		(1,813,895)	(1,251,106)
<i>Subsidies to individuals</i>		(1,444,520)	(720,948)
<i>Subsidies to another fund</i>		(319,339)	(312,335)
<i>Other subsidies</i>		(11,263)	(7,351)
Net non-banking income/(loss)		(3,713,599)	(1,675,592)
+ Interest receivable and similar income	5.13.1	135,166	152,014
- Interest payable and similar expenses	5.13.2	(30,556)	(29,957)
+ Income from variable income securities		(142)	
+ Commission (income)			
- Commission (expenses)			
Gains or losses on investment portfolios		7,128	2,528
+ Other banking income		3,073	1,931
- Other banking expenses		(1,329)	(1,011)
Net banking income		113,340	125,505
Other operating income	5.14	68,225	38,189
Other operating expenses	5.15	(346,137)	(316,950)
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets		(18,511)	(15,970)
Gross operating income/(loss)		(3,896,682)	(1,844,818)
Cost of risk	5.16	(56,680)	(61,574)
Operating income/(loss) before depreciation/amortisation and impairment of goodwill		(3,953,362)	(1,906,392)
Depreciation/amortisation and impairment of goodwill			
Operating income/(loss) after depreciation/amortisation and impairment of goodwill		(3,952,362)	(1,906,392)
Gains and losses on other assets	5.17	933	1,428
Recurring net income/(loss) before tax		(3,952,429)	(1,904,964)
Non-recurring net income/(loss)		(35)	(249)
Income tax	5.18	(1,466)	(1,075)
Net income/(loss) from consolidated companies		(3,953,930)	(1,096,288)
Non-controlling interests		4	12
Net income/(loss) (Group Share)		(3,953,926)	(1,906,276)

CHANGES IN EQUITY

In thousands of euros	Subscribed capital	Consolidated reserves	Net income/(loss) for the period	Other changes	Shareholders equity (Group Share)	Non-controlling interests	Total equity
1 January 2020	20,000	13,522,084	397,928		13,940,012	41	13,940,053
Appropriation of Y-1 income/(loss)		397,928	(397,928)				
Net income/(loss) for the period			(1,906,276)		(1,906,276)	(12)	(1,906,288)
Other movements							
31 December 2020	20,000	13,920,012	(1,906,276)		12,033,736	29	12,033,765
Appropriation of Y-1 income/(loss)		(1,906,276)	1,906,276		0		0
Net income/(loss) for the period			(3,953,926)		(3,953,926)	(4)	(3,953,930)
Other movements		(1)			(1)		(1)
31 December 2021	20,000	12,013,735	(3,953,926)		8,079,809	25	8,079,834

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

1.1. HISTORY OF THE GROUP: ACTION LOGEMENT REFORM

Order No. 2016-1408 of 20 October 2016 (hereinafter “the Order”) relating to the restructuring of the collection of the employers’ contribution to building and construction work (hereinafter “PEEC”) led to an in-depth restructuring of the Action Logement network to simplify and streamline the collection of the PEEC and the way in which the contributions are used.

This reform, implemented as from 2016, resulted in the disappearance of the various interprofessional housing committees (*Comités Interprofessionnels du Logement – CIL*), as well as the Social Economy Union for Housing (hereinafter “UESL”), and in the centralised collection of the PEEC with a single collector, while also strengthening its regional presence and reaffirming the priority focus on local action by our social housing companies (ESH) in support of policies implemented by local communities.

Action Logement is now organised around three main structures with joint governance:

- the **Action Logement Group** (hereinafter “ALG”), an umbrella structure responsible for managing the group, relations with the State and corporate communication. Action Logement Group in turn holds the entire capital of:
- **Action Logement Services SASU** (hereinafter “ALS”), a single structure that collects the PEEC and provides corporate support and services;
- **Action Logement Immobilier SASU** (hereinafter “ALI”), which holds interests in all the Group’s real estate subsidiaries. This holding company’s role is to support and ensure the management of Action Logement Group’s subsidiaries and holdings.

Pursuant to the Order of 20 October 2016, the associations AFL (Association Foncière Logement [Residential Land Association]) and APAGL (Association Pour l’Accès aux Garanties Locatives [Association for Access to Rental Guarantees]) are also part of the Action Logement Group.

1.2. DESCRIPTION OF THE ACTION LOGEMENT SERVICES GROUP

Action Logement Services and its subsidiaries together constitute the “ALS Group”.

ALS, a subsidiary of the Action Logement Group, is managed by the employer organisations and employee unions, and is primarily responsible for:

- Collecting and managing the PEEC;
- Delivering financial support and services for employees and companies;
- Helping to finance the production and rehabilitation of housing, along with national housing policies.

2. SIGNIFICANT EVENTS OF THE PERIOD

Impacts of the Covid-19 crisis

The Covid-19 health crisis and the periods of mandatory home working impacted the internal operation of Action Logement Services and the funds distributed by ALS in 2021 and 2020.

● Measures taken by Action Logement Services

Home-working arrangements remained firmly in place, with employees supplied with IT equipment as well as with remote communication and document scanning technologies. The Company operated throughout the year without any closures and did not have to put employees on furlough.

● Support for Action Logement Services customers

In line with its consultations with the French Government, in 2020 Action Logement Services set up two schemes to support those most affected by the public health crisis: special assistance with rent and mortgage payments for furloughed employees, and housing subsidies for employees in the farming sector. Rent assistance was ended in September 2021. However, subsidies for agricultural workers continued.

The public health crisis does not call into question the Company's ability to continue as a going concern, and the Company did not apply for Government support.

Two bond issues completed in 2021

Action Logement Services completed two bond issues as part of its €6.2 billion sustainable debt issuance programme set out in the information brochure prepared for its inaugural bond issue in 2019 and updated in June 2021:

- €1 billion issued on 19 July 2021 for a term of 20 years, bearing annual interest at 0.818% (0.75% coupon);
- €1 billion issued on 5 October 2021 for a term of 10 years, bearing annual interest at 0.435% (0.375% coupon).

Transfer of assets and liabilities ("TUP") from Projimmo Conseil to Action Logement Services

In its capacity as sole shareholder, Action Logement Services decided to dissolve Projimmo Conseil ahead of term on 29 October 2021 by transferring all of its assets and liabilities to Action Logement Services. This transaction, which was carried out with an effective date of 1 December 2021, resulted in the recognition of a merger loss of €3,755,000, recorded as an expense in the individual financial statements of Action Logement Services and eliminated in consolidation. Only the insurance brokerage business was retained by ALS.

2021 Finance Act

The 2021 Finance Act published in France's *Journal Officiel* on 30 December 2020 provided for:

- the cancellation of the compensation for the loss in earnings relating to the "PACTE" law for 2021 (Article 82);
- the deduction of €1 billion from Action Logement Services' cash in 2021 which is to be paid over to the French National Housing Fund (*Fonds National au logement* – FNAL) by 16 March 2021 at the latest (Article 196). This amount was paid within the deadline.

External voluntary mobility support agreement (CMVE)

The entities of the Action Logement economic and employee unit (UES) and the unions signed an external voluntary mobility support agreement on 30 January 2019. This agreement was rounded out by an amendment dated September 2019. The purpose of the agreement is to help secure business transitions, allowing employees who so wish to benefit from supportive measures to secure their career development outside the Action Logement Group, prepare their external business project, or adjust to their retirement through mobility leave.

The external voluntary mobility support agreement (CMVE) provides for 368 departures, representing an estimated initial cost of €52 million.

A total of 40 employees left under this scheme in 2019, 161 in 2020 and 113 in 2021. At 31 December 2021, the remaining provision set aside in this respect totalled €6.5 million and concerns 54 departures planned for 2022.

Change in Executive Management

Following the resignation of Jean-Michel Royo from his position as Chief Executive Officer, on 5 February 2021 the Board of Directors of ALS appointed:

- Olivier Rico, previously Deputy Chief Executive Officer of the Company, as Chief Executive Officer;
- David Delage, previously General Secretary of the Company, as Deputy Chief Executive Officer.

Action Logement Group credit ratings

In order to issue debt on the financial markets, Action Logement was rated by credit rating agencies for the first time in 2019.

The credit rating assigned to the Group (ALG, ALS and ALI) is in line with the credit ratings assigned to the French State. In December 2021, Moody's confirmed the long-term rating of the three entities at Aa2 with a stable outlook, a rating they have held since February 2020, following the change from a positive to a stable outlook for Aa2-rated French Government bonds. Based on its credit ratings approach for Government-related entities, in January 2022 Fitch confirmed its AA rating for ALG, ALS and ALI, which has accompanied by a negative outlook since May 2020 following the downgrade of the outlook for France from stable to negative at the same date.

	Moody's Investors Service	Fitch Ratings
Long-term senior unsecured debt rating	Aa2	AA
Short-term rating		F1+
Outlook	Stable	Negative
Date of latest report	16 December 2021	18 January 2022

Recovery plan, five-year agreement and voluntary investment plan (VIP)

On 15 February 2021, the Action Logement Group and the French Government signed an amendment to the 2018-2022 five-year agreement, and to the voluntary investment plan agreement signed on 25 April 2019, covering the 2021-2022 period.

In light of the Covid-19 health emergency in the first quarter of 2020 and its economic and social ramifications, the amendment signed at the beginning of 2021 is designed to support the Government's recovery plan and specify the terms of Action Logement's contribution to the production of affordable and very low-cost social housing, and to support employees affected by the health and social crisis. The key measures of the amended agreement concern:

- Support for 20,000 employees in purchasing new homes (first-time buyers) through a €10,000 first-time buyer benefit (*prime accession*) subject to means-testing and depending on the type of purchase, in addition to first-time buyer loans (*prêt accession*);
- The extension of the €300 Covid-19 benefit to employees who have lost their jobs;
- Additional funding of €1.2 billion for the production of 250,000 affordable social housing units over a two-year period;
- Increased housing security and support for young people and employees, in particular through the extension of the VISALE guarantees to all employees aged over 30 working in the private and agricultural sectors with net take-home pay of less than €1,500 per month, in order to help them access rented housing in the private sector, and by extending the €1,000 mobility benefit to all young people under 25 years of age in rented homes entering employment and paid between 0.3 and 1.1 times the French minimum wage ("SMIC");
- Mobilising a further €1.4 billion to accelerate ANRU-led urban regeneration and social diversity projects in priority districts, thereby increasing NPNRU funding for urban regeneration projects from €10 billion to €12 billion together with the contribution of the French Government and HLM social housing bodies;
- Additional funding for Association Foncière Logement (AFL).

Three-way agreement between the French State, ANRU and Action Logement

Within the scope of the aforementioned recovery plan, a first amendment to the three-way agreement between the French Government, the French National Agency for Urban Regeneration (ANRU) and Action Logement was signed on 10 July 2021. This amendment consolidated the partnership entered into by the three parties in a bid to regenerate dysfunctional neighbourhoods identified as priority districts by urban policies. The aim of the amended agreement is to (i) define the basis for extending NPNRU urban regeneration funding from €10 billion to €12 billion in subsidy equivalents, and (ii) reflect the impact of the regulatory changes introduced by the "ELAN" housing, urban planning and digital

reform law, particularly Article 90, which provides for the ANRU's transition to an industrial and business accounting system. Under the amended agreement, **€1.4 billion in additional subsidies are to be provided to ANRU by Action Logement Services**, while ensuring the sustainability of Action Logement's business and financial model and its continued role as collector of employers' contributions to construction work ("PEEC").

Its PNRU commitments were terminated on 31 December 2021. Some unused funds from the PNRU are transferred to the NPNRU.

Subsidies earmarked by Action Logement Services for urban regeneration programmes are as follows (in millions of euros):

(in millions of euros)

	2018	2019	2020	2021	2022 forecast	Total
Annual commitments in the form of subsidies payable	476	475	445	390	324	2,110
Total amount paid for the year	460	450	450	390	540	2,290
⇒ Amount paid by ALS from the annual subsidy budget	280	450	450	390	540	2,110
⇒ Amount paid by ALS from the 2017 subsidy budget	180					180
Amount payable at 31 December	196	221	216	216	0	

Off-balance sheet commitments to ANRU at 31 December 2021 represent €5,848 million, including €5,524 million for 2023-2034.

Equity loans

Action Logement Services signed the following agreements with Caisse des Dépôts et Consignations (CDC) and the French Government on 5 June 2018:

◆ Subsidised equity loan agreement (PHB 2.0)

As an extension of the five-year agreement and within the scope of its support for national policies, Action Logement Services agreed to finance €2 billion in subsidised equity loans under the following conditions:

- Action Logement is financing €2 billion in subsidised equity loans that are offered to social housing bodies, in exchange for reservation rights on the assets underlying the financing provided, in order to support them with their construction and renovation projects;
- The financial cost of these subsidies is recognised over the term of the loans;
- The amount of the subsidies is paid over to CDC. These payments are guaranteed by the French Government and are counter-guaranteed by Action Logement Services;
- Off-balance sheet commitments relating to these subsidised equity loans total €785,668 and amounts paid to CDC in 2021 total €20,495.

● Financial guarantee

This stand-alone guarantee covers any unpaid amounts due by Action Logement Services to CDC in respect of the subsidies through to 2045. The guarantee is for a maximum cumulative amount of €1.2 billion.

The financial guarantee representing amounts receivable on loans granted to social landlords amounts to €911,004, or 116% of the outstanding subsidy payable to CDC. It is shown within off-balance sheet items at 31 December 2021.

3. ACCOUNTING PRINCIPLES AND METHODS

3.1. GENERAL PRINCIPLES

These consolidated financial statements were prepared at 31 December 2021, and cover a period of 12 months.

The ALS Group financial statements have been prepared in accordance with:

- Accounting principles generally accepted in France, in accordance with the provisions of CRC Regulation No. 2020-01 applicable to any legal entities required to prepare consolidated or combined financial statements;
- Regulation No. 2017-02 of 5 July 2017 on the individual and consolidated financial statements of the Action Logement Group.

The preparation of consolidated financial statements involves the standardisation of individual financial statements as well as consolidation adjustments.

The consolidating entity has defined and circulated the accounting methods and principles that are applicable to entities included within its scope of consolidation. The ALS Group may therefore apply different accounting options and methods in the individual financial statements and consolidated financial statements, even if a benchmark accounting treatment is applied in individual financial statements: the principle of consistency of valuation and presentation methods prevails over applying a benchmark accounting treatment.

These combined consolidated financial statements represent a consolidation sub-group which is in turn included in the consolidated financial statements of the Action Logement Group.

Some adjustments may be necessary at the level of the consolidated financial statements. These adjustments are performed centrally and are not applicable to the individual financial statements.

Unless otherwise stated, the financial statements are presented in thousands of euros, rounded to the nearest thousand euros. In the income statement, income is positive and expenses are negative. In the balance sheet, asset accounts are positive except for depreciation, amortisation and impairment, liability accounts are positive except for potential deficits within shareholders' equity.

3.2. NEW ANC REGULATION No. 2020-01 ON CONSOLIDATED FINANCIAL STATEMENTS

A new regulation (ANC No. 2020-01), which repeals and brings together CRC Regulation Nos. 99-02, 99-07 and 2000-05, came into force for reporting periods beginning on or after 1 January 2021.

This new regulation is to be applied on a prospective basis, i.e., it concerns transactions and contracts occurring after the date of first application. The ALS consolidation sub-group did not opt for a retrospective application of certain accounting methods, as permitted by the new regulation, notably given the insignificant impacts involved.

The main changes introduced by the new regulation are:

- Removal of preferred accounting methods and introduction of a new list of mandatory methods:
 - Recognition of finance leases and similar transactions in the lessee's balance sheet;
 - Deferred recognition of debt issue costs over several reporting periods;
 - Expensing of start-up costs;
 - Capitalisation of development costs, website creation costs, as well as transfer taxes, fees and commission, and legal fees related to the acquisition of an asset;
 - Capitalisation of fixed asset acquisition costs.

- New presentation of the financial statements:
 - o Goodwill is presented as part of intangible assets;
 - o Deferred tax assets and liabilities are no longer presented on separate lines in the balance sheet but are included within “Other receivables and accruals” and “Other operating payables and accruals”;
 - o In the income statement, two operating income lines are now presented, one before and one after depreciation/amortisation and impairment of goodwill.

The accounting method used to recognise provisions for pensions and similar benefits is a benchmark method that the ALS Group has decided to continue to apply.

With regard to the optional accounting methods, where appropriate ALS also decided to maintain those it already applied previously, including:

- o Accounting for long-term contracts using the completed contract method;
- o Deferred recognition of investment subsidies in the income statement over several reporting periods;
- o Recognition of provisions for major repairs.

Impacts of the application in 2021 of the new regulation for the ALS consolidation sub-group:

- Prior to the new regulation, the ALS consolidation sub-group already applied the mandatory accounting methods, except as regards the recognition of finance leases and similar transactions on the lessee’s balance sheet and the deferred recognition of debt issue costs over several reporting periods. Debt issue costs totalling €4 million were capitalised in 2021, no finance leases or similar transactions were recognised as no such contracts were deemed material.
- The application of the new financial statement presentation rules set out in the new regulation has no material impact on the consolidated financial statements of ALS. The summary financial statements, balance sheet and income statement are presented in this new format, and include comparative data at 31 December 2020.

3.3. OVERVIEW OF SEPARATELY IDENTIFIABLE OPERATIONS

The financial statements for the ALS subsidiaries, which have the status of commercial companies, are prepared in accordance with ANC Regulations No. 2014-03 and 2016-07.

The following factors are taken into account:

- only interest income and expenses of the subsidiaries are taken into account to determine net banking income,
- sales of services as well as ancillary income not falling within the scope of “Net banking income” are grouped within “Other operating income”.

3.4. CONSOLIDATION METHODS

The consolidation methods used are as follows:

- subsidiaries over which the Group exercises exclusive control, directly or indirectly, are consolidated according to the full consolidation method,
- interests in which the Group exercises joint control with a limited number of other shareholders, are consolidated according to the proportional consolidation method,
- interests not controlled by the Group but over which the Group has a significant influence are consolidated by the equity method,
- intragroup transactions and balances are eliminated. Potential gains and losses on asset disposals below €7.5 million are not neutralised to limit the complexity of monitoring them over time.

Materiality thresholds are applied within the Action Logement Group to only to take into account controlled subsidiaries with a significant contribution to the consolidated financial statements. These thresholds were reviewed in 2020, notably to take account of the reorganisation of Action Logement Immobilier, which represents the Action Logement Group's real estate business. The revised thresholds apply in particular to the real estate subsidiaries, and are as follows:

- total balance sheet greater than €100 million and total revenue greater than €10 million;
- or subsidiaries not exceeding the balance sheet and income thresholds but holding over 2,500 homes;
- or holdings not exceeding the thresholds but controlling subsidiaries that meet the threshold conditions.

However, ALS service subsidiaries not exceeding these thresholds continue to be consolidated, since their balance sheet structure and earnings are largely unrelated to those of a social housing company (ESH) subsidiary in particular. We consider that their activities complement ALS' own mission and should therefore be reflected in its consolidated financial statements.

The scope of consolidation is shown in Note 8.

3.5. CONVERSION OF FOREIGN CURRENCY TRANSACTIONS

The consolidated financial statements are prepared in euros. All consolidated entities are located in France.

3.6. GOODWILL

3.6.1. FIRST-TIME CONSOLIDATION OF THE ACTION LOGEMENT GROUP

The 2017 consolidation of the Action Logement Group (and therefore the ALS Group tier) was the first consolidation of a group of companies resulting from the dissolution and transfer of assets of 20 CILs between ALG, ALS and ALI at 31 December 2016.

Pursuant to Article L 131-2 of ANC Regulation No. 2017-02 of 5 July 2017, the assets and liabilities of consolidated entities held before the first consolidation are recorded in the consolidated financial statements at their net book value, and the difference between the book value of the equity interests in the consolidating entity and the share of equity of the consolidated entity is entered in liabilities in the first consolidated balance sheet in consolidated reserves.

3.6.2. GENERAL PRINCIPLES

When acquiring an entity, the cost of acquiring the securities is allocated, based on their fair value, to the identifiable assets and liabilities of the acquired entity. The fair value of the acquiring entity's identifiable intangible assets and property, plant and equipment is determined by reference to generally accepted methods, such as those based on income, costs or market value. The assets' entry value in the consolidated balance sheet therefore corresponds to their fair value at the acquisition date.

The difference between the acquisition cost of the securities and the share of the acquiring entity in the total assets and liabilities identified at the acquisition date is recorded as goodwill.

When positive, goodwill is recorded in fixed assets under the heading "Goodwill".

When there is no foreseeable limit to the length of time the goodwill will provide economic benefits to the group, it is not amortised. In this case, an impairment test is performed at least once per year, regardless of whether there is any indication of impairment. Recorded impairment is never reversed.

When there is a foreseeable limit to its period of use, the goodwill is amortised on a straight line basis over that period, or, if it cannot be determined reliably, over 10 years.

When negative, goodwill is recorded in liabilities on the consolidated balance sheet under provisions for risks and expenses and is taken to income over a period that must reflect, as far as is reasonably practicable, the assumptions used and the objectives set at the time of acquisition.

Goodwill recorded in the individual financial statements of consolidated entities, where an analysis confirms that the individual components cannot be valued separately, is also considered as goodwill.

3.7. AMOUNTS DUE FROM CREDIT AND SIMILAR INSTITUTIONS

“Cash and cash equivalents” includes cash along with demand and term deposits (CAT, DAT, Passbooks).

Marketable securities are valued at their purchase or subscription cost, including costs directly attributable to the acquisition (transfer tax, fees or commissions, legal fees).

Where necessary, they are impaired. Impairment is calculated for each line of securities of the same type, to write down their value to the average market price during the last month (or, for non-listed securities, to their likely realisable value).

3.8. TRANSACTIONS WITH CUSTOMERS

Loans are recorded in assets on the balance sheet when funds are disbursed to third parties, pursuant to contractual provisions according to which the entity undertakes to transmit to individuals or corporate entities the use of payment facilities for more than one year.

The signing of the contract therefore does not result in an entry being recorded in assets. It creates a financial commitment, however, to be recorded in off-balance sheet commitments.

Pursuant to Article 121-4 of ANC Regulation No. 2017-02, loans granted by ALS which are classified as doubtful loans (within the meaning of Article 2211-1 of ANC Regulation No. 2014-07) follow the specific impairment rules below:

Loans to individuals: Loans that are more than six months overdue are written down in full, excluding loans with guarantees that can actually be implemented.

Loans to corporate entities: Loans that are more than one year overdue are written down as follows:

- 100% of overdue receivables;
- 100% of the capital remaining payable in less than five years.

Corporate loans that are more than six months and less than one year overdue are written down as follows:

- 50% of overdue receivables;
- 50% of the capital remaining payable in less than five years.

Loans subject to litigation or court proceedings are written down based on a risk assessment. Amounts receivable from landlords rated “P” (subject to insolvency proceedings) by Banque de France are written down in full.

For the first year, the Company applied the mechanism provided for in regulations¹ for reclassifying loans and receivables as non-performing/bad debts and identifying forborne exposures in the 2021 financial statements of Action Logement Services.

¹EBA guidance on the application of the definition of default in Article 178 of EU Regulation 575/2013 of 18 January 2017 and EU Regulation 2019/630 of the European Parliament and of the Council of 17 April 2019 amending Regulation 575/2013.

A pro forma calculation was made of non-performing loans relating to individual customers for 2020. The quality of the consolidated data available at the end of 2020 in the information systems of the former CIL entities did not enable application of the reclassification rules defined in the new debt reclassification policy introduced in 2021.

3.9. INTANGIBLE ASSETS

Intangible assets are valued at their acquisition or production cost, including transfer tax, fees, commissions, and legal fees.

- **Software and websites**

Software licenses are recorded in assets based on costs incurred to acquire and commission the software in question.

The costs of creating a website that participates in the information systems or business systems are recorded in expenses or in fixed assets depending on the development phase of the website.

Intangible assets are, if applicable, amortised on a straight line basis in accordance with the following amortisation periods:

- Goodwill (if the presumption of an indefinite useful life has been refuted): period of use or 10 years;
- Patents and licences: period of use or 20 years;
- Software: period of use typically between 1 and 5 years.

3.10. PROPERTY, PLANT AND EQUIPMENT

3.10.1. GENERAL PRINCIPLES

Fixed assets are recorded at their acquisition cost or production cost.

At year-end, a provision for depreciation is recorded according to a depreciation schedule specific to each depreciable asset. Depreciation begins on the commissioning date, when the consumption of the economic benefits attached to the asset starts.

In application of the components approach, the Group uses different depreciation periods for each of the significant components of the same fixed asset, whenever one of these components has a different useful life from the primary asset to which it relates.

Depreciation is calculated based on the rate of consumption of the economic benefits expected to be derived from the asset, over the actual useful life of the asset. The Group depreciates the asset according to the straight line method, over the following periods:

Type of asset	Period
Site improvements	5 years
Constructions (administrative buildings)	10 to 50 years
Improvements, development of constructions	5 to 20 years
Technical installations, equipment and tools	3 to 10 years
Transport equipment	1 to 5 years
Office and computer equipment	1 to 5 years
Office furniture	5 to 10 years

The depreciable amount of an asset corresponds to its gross value from which is deducted, if applicable, its residual value, the residual value representing the market value of the asset at the end of its use, less exit costs.

The net book value of an asset is immediately written down to its present value when the net book value of the asset is significantly higher than its estimated present value.

3.11. IMPAIRMENT OF INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Assets with an indefinite useful life, such as land and brands, are not depreciated/amortised and are subject to impairment testing when there is an indication of a loss of value at the reporting date.

Depreciated/amortised assets are subject to impairment testing when, due to special events or circumstances, the recoverability of their net book value is compromised.

The potential reversal of the impairment is reviewed at each closing date.

3.12. EQUITY INTERESTS AND OTHER LONG-TERM SECURITIES

Equity interests and other long-term securities are recorded at their acquisition cost including, where applicable, costs directly attributable to the acquisition (transfer tax, fees or commissions, legal fees). If acquisition fees are recorded in the individual financial statements, these expenses must be adjusted in the consolidated financial statements to be incorporated into the cost of acquiring the securities.

An impairment loss is recorded when the book value of the securities falls below their acquisition cost. This book value is assessed based on different criteria, such as net assets at the year-end of the relevant companies, their profitability, their prospects for the future, and their value for the Group.

3.13. DEBT ISSUE COSTS

Depending on their materiality, debt issue costs are recognised over the term of the borrowing in a manner appropriate to its repayment terms.

3.14. PENSION COMMITMENTS AND SIMILAR BENEFITS

ALS Group companies are members of the Action Logement economic and employee unit (UES) and apply the agreement dated 30 March 2018 defining retirement benefits and long-service awards. Pursuant to this agreement, benefits are paid to employees upon retirement, based on their seniority and final salary. These retirement benefits are therefore recorded in liabilities on the balance sheet as a provision.

3.14.1. PENSION COMMITMENTS

The Group applies method no. 2 of ANC Recommendation No. 2013-02, with benefits attributed on a straight-line basis as from the date of the beneficiary's employment contract. Therefore, pension commitments and similar benefits are valued according to the projected unit credit method. According to this method, the commitment is assessed based on the present value of salary projections and entitlements at the retirement date, weighted by a coefficient representing the beneficiary's length of service and taking into account the probability of the beneficiary's presence within the entity at retirement age.

All commitments are provisioned, i.e., retirement and similar benefits for retired staff and active staff. The provision includes the corresponding payroll taxes.

In the event that the commitment is outsourced in full (the constitution of a hedge fund with an insurance or provident institution), no liabilities are recorded.

In the event that the commitment is partially outsourced, the difference between the amount of the outsourced commitment and the amount of the commitments calculated in accordance with the Group's methods is recorded in liabilities on the balance sheet as a provision.

The actuarial cost of the commitments is borne annually over the active life of the employees and recorded in operating income.

Actuarial gains and losses and the cost of past services are recorded immediately in income.

The Company did not change the method used to calculate the benefit obligation in 2021 in light of the ANC's November 2021 recommendation on the basis for measuring and recognising pension obligations, under which companies can choose between the method in force up to that date (i.e., benefits attributed on a straight-line basis over the entire period during which the employee is employed by the Group) and a new method consisting of attributing benefits over the period immediately preceding retirement age such that the maximum amount of benefits is attributed.

This change has no impact on the Company because the applicable agreement does not provide for any maximum benefit amount after a certain number of years of service.

3.14.2. OTHER LONG-TERM BENEFITS

Other long-term benefits that can be granted by the ALS Group are mainly long service awards, which are valued based on actuarial assumptions.

The actuarial cost is recorded in income over the active life of the employees in question.

The impact of changes in assumptions is taken into account in the income statement for the financial year during which the changes occur.

3.15. OTHER PROVISIONS

3.15.1. GUARANTEE FUND PROVISIONS

The various guarantees offered by ALS (LOCA-PASS[®], VISALE, Sécurisation Accédants PASS fund) are subject to provisions at the end of the financial year based on loss exposure and management fees, assessed as follows by an independent actuary (member of an association of actuaries recognised by the French Prudential Supervisory Authority [ACPR]):

- LOCA-PASS(R): the provision includes an estimate of claims and management fees, net of settlements by generation of guarantees granted. It is estimated using a "chain ladder"-type method;
- VISALE: provisions for late claims are calculated using a "frequency x appropriate cost" method (guarantee implementation rate x implementation period x rent). Provisions for claims payable are estimated using a flat-rate method (equal to 13 months' rent) based on past experience under the PASS-GRL guarantee scheme. For the first year, projected settlements were estimated taking into account the rates observed for the different populations;
- Sécurisation Accédants PASS (home ownership support) fund: SGFGAS (which manages financing and promotes access to home ownership) is responsible for the operational management of the Sécurisation Accédants PASS fund and the yearly calculation of the adjustment to the provision. The corresponding information is provided to ALS on a yearly basis.

In the income statement, additions to and write-backs of provisions are grouped under "Cost of risk". For balance sheet provisions, see Notes 5.16 and 5.11.

3.15.2. PROVISION FOR CMVE EXTERNAL VOLUNTARY MOBILITY LEAVE

A provision for CMVE external voluntary mobility leave is recognised within “Other provisions for expenses” and reflects the estimated costs of departures under 2022 external voluntary mobility leave agreements. These costs include notice periods, benefits during the period of mobility leave, training and severance payments.

3.16. DETERMINATION OF INCOME

Income is recorded in the income statement for the financial year if it is:

- Realised, i.e. the principle and amount are certain;
- Earned in the financial year.

The main income indicators are:

- Net Non-Banking Income (PNNB): consists of the employers’ contribution (collection) net of subsidies paid;
- Net Banking Income (PNB): made up of net interest margin on customer loans;
- Other operating income includes previous operating income, transfers of operating expenses and other income not taken into account to determine Net Non-Banking Income or Net Banking Income.

3.17. “CAPITAL INJECTION” COMMITMENTS UNDER THE FIVE-YEAR AGREEMENTS AND THE VOLUNTARY INVESTMENT PLAN

The Action Logement Group guidelines dated 12 June 2020 were applied when accounting for injections of capital into Action Logement Group entities by reference to Article L.313-18-1 II of the French Construction and Housing Code (CCH), the agreement referred to in paragraph 13 of Article L.313-3 of said Code, and the agreement relating to the voluntary investment plan amending the former.

The guidelines set out the rules determining the trigger for commitments and disbursements within the Action Logement Group.

This applies to the commitment for annual capital injections initially set down in the 2018-2022 five-year agreement and to the multi-year commitments stipulated in the voluntary investment plan agreement as amended by the recovery plan signed in February 2021, representing – for Action Logement Services – subsidies paid or payable to Action Logement Immobilier.

Further to a decision of its Board of Directors, the Action Logement Group defines the annual subsidies to be paid by Action Logement Services to Action Logement Immobilier based on Action Logement Immobilier’s financing requests as substantiated by forecast production commitments under the five-year agreement and voluntary investment plan.

Pursuant to the decisions of its sole shareholder, Action Logement Services allocates and pays the subsidies to Action Logement Immobilier following a call for funds and approval of its governing bodies.

These principles also apply to subsidies paid or payable to Association Foncière Logement.

- Subsidies granted to Action Logement Immobilier in respect of capital injections made pursuant to the five-year agreement, and to Association Foncière Logement (AFL)

Annual subsidies granted by Action Logement Services to Action Logement Immobilier, pursuant to the 2018-2022 five-year agreement in order to enable Action Logement Immobilier to purchase or subscribe to equity interests in companies referred to in paragraphs 1 and 2 of Article L. 313-20-1 of the French Construction and Housing Code (CCH), are expensed as incurred within non-banking expenses for the amount of the annual subsidy for the period concerned. The residual amount in respect of future periods as defined in said agreement is included within off-balance sheet items as a commitment given.

The funds are intended equally for social rented housing and for intermediate housing.

They are shown as an expense for the period in an amount of €140 million and in off-balance sheet commitments given at 31 December 2021, of which €140 million is payable in 2022.

The same principle is applied to allocations of subsidies to AFL provided for in the 2018-2022 five-year agreement (annual budget per each year concerned), as amended in February 2021.

The related amounts are shown as an expense for the period and in off-balance sheet commitments in an amount of €80 million (€25 million in respect of the five-year agreement and €55 million in respect of the recovery plan).

- Subsidies granted to Action Logement Immobilier and Association Foncière Logement under the voluntary investment plan

As part of the multi-annual capital commitments set out in the voluntary investment plan, the trigger for recognising an off-balance sheet commitment is the decision by the Board of Directors of the sole shareholder (ALG), which defines the amount of subsidies payable by Action Logement Services to Action Logement Immobilier and to Association Foncière Logement.

Following the decision of the Action Logement Group's Board of Directors setting the annual amount, allocated subsidies are recognised as non-banking operating expenses in the period in which ALS receives the call for funds from Action Logement Immobilier and Association Foncière Logement. The uncalled amounts of the earmarked funds are included within off-balance sheet commitments given at the reporting date.

The related amounts are shown as an expense for the period in an amount of €1,206 million (€1,100 million in favour of ALI and €106 million in favour of AFL). There are no off-balance sheet commitments given.

3.18. COMMITMENTS IN SUPPORT OF NATIONAL POLICIES

The reporting period in which these subsidies are to be booked is determined based on an analysis of continuing-performance contracts, as illustrated in the note accompanying ANC Regulation 2017-02 issued by the French accounting standards-setter on the individual and consolidated financial statements of the Action Logement Group.

The sums allocated by Action Logement Services in a given year in support of national housing policies, as set out in the agreements between Action Logement, the French Government and a third-party organisation (in the form of an annual predefined budget) represent non-banking operating expenses to be expensed as incurred. The remaining amount allocated to subsequent years is recognised in the financial statements within off-balance sheet items, as a commitment given.

Organisations acting in support of national policies include: the ANRU, ANIL-ADIL housing information agencies, and FNAL, FNAP and FNAVDL housing support funds.

The related expenses for the period amount to €9 million for ANIL-ADIL, €1,000 million for FNAL, €350 million for FNAP and €10 million for FNAVDL. Off-balance sheet commitments given at the end of 2021 amount to €9 million for ANIL-ADIL, €350 million for FNAP and €10 million for FNAVDL.

3.19. DEFERRED TAXES

According to the terms of the tax ruling specific to ALS and based on activities defined to date in the 2018-2022 five-year agreement, ALS is expected to generate tax losses in the coming years, as it has each year since 2017. As such, no losses are capitalised and no deferred tax recognised.

3.20. LEASES

Depending on their materiality, contracts treated as finance leases are recognised where appropriate:

- By the lessee:
 - o In the balance sheet in the form of a fixed asset and a corresponding financial liability;
 - o in the income statement in the form of depreciation and interest expense.
- By the lessee: as a loan.

3.21. CRITICAL ACCOUNTING ESTIMATES

The preparation of the financial statements requires the ALS Group Management to make estimates and assumptions that affect the amounts reported in these financial statements and the accompanying notes, specifically in respect of property, plant and equipment, impairment of loans and receivables and provisions. The Action Logement Group bases its estimates on its past experience as well as on a set of other factors deemed reasonable with regard to the circumstances to form a judgement on the values to be retained for its assets and liabilities.

Actual results may differ materially from these estimates depending on assumptions or different situations.

4. SEGMENT INFORMATION

The ALS subsidiaries included in the consolidated financial statements contribute, together or individually, less than 10% of the main balance sheet and income statement indicators.

Information showing the contribution of ALS on the one hand and the combined contribution of the other subsidiaries on the other hand does not, in our opinion, provide relevant information giving readers of the consolidated financial statements a better view of the ALS Group's operations.

5. NOTES TO THE BALANCE SHEET AND INCOME STATEMENT

5.1. AMOUNTS DUE FROM CREDIT AND SIMILAR INSTITUTIONS

In thousands of euros	31 December 2021	31 December 2020
Bank current accounts	556,243	613,864
Banking investments	2,202,516	3,915,239
Total amounts due from credit and similar institutions	2,758,759	4,529,103

Banking investments concern ALS and include €880.93 million in interest-earning current accounts, along with €1,125.9 million in term accounts and other investments with the following maturities:

In thousands of euros	Less than 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	31 December 2021
Term accounts and other investments	149,811	285,274	679,197	11,658	1,125,940
Total term accounts and other investments	149,811	285,274	679,197	11,658	1,125,940

5.2. TRANSACTIONS WITH CUSTOMERS

This item includes loans granted by ALS to individuals and corporate entities.

In thousands of euros	31 December 2020	Changes	Increases	Decreases	Losses on unrecoverable receivables	Other changes	31 December 2021
Receivables on State, local authorities and state agencies							
Loans to individuals	3,678,852		857,199	(587,327)	(37,009)	(21,089)	3,890,626
Loans to corporate entities	12,216,165		789,365	(612,278)	(156)	20,525	12,413,621
Accrued interest	42,803	(7,843)				148	35,108
Total Transactions with customers	15,937,820	(7,843)	1,646,564	(1,199,605)	(37,165)	(416)	16,339,355

Non-performing receivables at 31 December 2021 can be analysed as follows:

- Individuals: €238.0 million;
- Corporate entities: €530 million.

A pro forma calculation was made of non-performing loans relating to individual customers for 2020. The quality of the consolidated data available at the end of 2020 in the information systems of the former CIL entities did not enable application of the reclassification rules defined in the new debt reclassification policy introduced in 2021. An analysis of the breakdown of the various criteria for reclassifying non-performing loans to corporate entities, representing an amount of €530 million as at the end of 2021, shows that €323 million of non-performing loans were reclassified as a result of applying the principle of systematic contagion to the borrower.

Impairment of loans:

In thousands of euros	31 December 2020	Additions	Write-backs	Other changes	31 December 2021
Loans to individuals	(251,993)	(38,168)	86,192	115	(203,854)
Loans to corporate entities	(45,901)	(29,068)	27,083	(36)	(47,922)
Total Impairment of loans	(297,894)	(67,236)	113,275	79	(251,776)

Loan schedule:

In thousands of euros	Gross value at 31 December 2021	Less than 1 year	Between 1 and 5 years	More than 5 years
Loans to individuals	3,894,170	426,859	1,444,520	2,022,791
Loans to corporate entities	12,445,185	505,319	2,614,176	9,325,690
Total loans	16,339,355	932,178	4,058,696	11,348,481

5.3. BONDS AND OTHER FIXED-INCOME SECURITIES

In thousands of euros	31 December 2020	Acquisition	Disposal	Change in scope of consolidation	Other changes	31 December 2021
Non-consolidated equity interests	0	600	0	0	0	600
Total bonds and other fixed-income securities	0	600	0	0	0	600

The amount of €600,000 shown in the above table concerns ALS' subscription of equity securities for social landlords, corresponding to the voluntary investment plan measure, "Supporting the restructuring of social landlords".

5.4. EQUITY INTERESTS AND OTHER LONG-TERM SECURITIES

In thousands of euros	31 December 2020	31 December 2021	Share of capital held	Amount of capital	Income/ (loss)	Equity
Non-consolidated equity interests	1,335	1,336				
Atrium	698	698	99.99%	20,000	(104)	0
Martinique Habitat	38	38	99.76%	38	(127)	0
Réunion Habitat SAS	599	600	99.90%	600	(250)	600
Total equity interests and other long-term securities	1,335	1,336				
- Gross value						

This item corresponds to interests not consolidated by the ALS Group as they are not deemed material. Note that securities held in Altrium were written down in full in an amount of €698,000, while securities held in Martinique Habitat were written down in an amount of €38,000. Additional provisions for negative net equity were recognised at the reporting date (see Note 5.11).

5.5. INTANGIBLE ASSETS AND PROPERTY, PLANT AND EQUIPMENT

Gross value:

In thousands of euros	31 December 2020	Increases	Decreases	Other changes	31 December 2021
Intangible assets	35,720	6,950	(2,731)	(43)	39,896
Goodwill					
Leasehold Right	169				169
Software	34,912	5,835	(2,416)	830	39,161
Advances and downpayments on intangible assets	142	1,115		(727)	530
Intangible assets in progress	146			(146)	
Goodwill	351		(315)		36
Property, plant and equipment	659,529	5,205	(50,702)	(66)	613,966
Land	379,733		(44,585)	108	335,256
Buildings	219,424		(2,479)	609	217,554
Other property, plant and equipment	58,537	5,141	(3,535)	358	60,501
Property, plant and equipment in progress	1,835	64	(103)	(1,141)	655
Intangible assets and property, plant and equipment - Gross value	695,249	12,155	(53,433)	(109)	653,862

The increase in the gross value of fixed assets mainly reflects the IT equipment provided to employees and the launch of the AL'in platform.

Amortisation, depreciation and impairment:

In thousands of euros	31 December 2020	Additions	Write-backs	Other changes	31 December 2021
Intangible assets	(21,601)	(4,713)	2,459		(23,855)
Property, plant and equipment	(49,375)	(13,958)	4,296	116	(58,921)
Total amortisation, depreciation and impairment	(70,976)	(18,671)	6,755	116	(82,776)

5.6. OTHER ASSETS

Other assets are broken down as follows:

In thousands of euros	31 December 2021	31 December 2020
Housing stock	575,396	367,751
Receivables due from tenants	3,282	3,084
Cash pledge, deposits	245,460	260,064
Bond premiums	28,734	11,703
Other receivables due from individuals and corporate entities	15,197	22,451
Loans granted (Pass Foncier indexing)	25,435	24,179
Other receivables	31,609	28,479
Total other assets - gross	925,113	717,711

Other assets mainly include the cash pledge totalling €243 million, which has been fully written down, and housing purchased from social landlords by the ONV at the end of 2021 for €575.4 million within the scope of its social housing sales activity.

The cash collateral within assets has been fully written down since inception. This collateral is used to subsidise the loans granted by the CDC to social housing bodies. As the subsidies are called (€15 million in 2021), the debt is written off and a reversal of the provision is recorded for the same amount.

Impairment of other assets:

In thousands of euros	31 December 2020	Additions	Write-backs	Other Changes	31 December 2021
Cash pledge, deposits	(258,312)		15,000		(243,312)
Housing stock					
Receivables due from tenants					
Other	(1,162)	(935)	566	9	(1,522)
Total impairment of assets	(259,474)	(935)	15,566	9	(244,834)

The write-back of impairment on the cash collateral corresponds to the gross amount written off.

5.7. AMOUNTS DUE TO CREDIT INSTITUTIONS

In thousands of euros	31 December 2020	Change	Increase	Decrease	31 December 2021
CDC loans	1,158,029		20,797	(56,171)	1,122,655
Accrued interest on CDC loans					
Loans from credit institutions	155,200			(7,326)	147,874
Accrued interest on loans from credit institutions	325	346			671
Total amounts due to credit institutions	1,313,554	346	20,797	(63,497)	1,271,200

In 2013 and 2015, two loan agreements were signed between CDC and ex-UESL for €1,700 million in order to support the level of construction, restoration and acquisition of social housing, or investment in the equity of landlords.

Loans from credit institutions correspond to the outstanding bank loan taken out by Solendi Expansion to finance office buildings held by the Group.

Maturity of amounts due to credit institutions:

In thousands of euros	31 December 2021	Less than 1 year	From 1 to 5 years	More than 5 years
CDC loans	1,122,655	56,890	227,694	838,071
Accrued interest on CDC loans				
Loans from credit institutions	147,874	7,410	30,504	109,960
Accrued interest on loans from credit institutions	671	472		199
Total amounts due to credit institutions	1,271,200	64,772	258,198	948,230

5.8. DEBT SECURITIES

In thousands of euros	31 December 2020	Increase	Decrease	Change in scope of consolidation	31 December 2021
Debt securities	1,000,000	2,000,000			3,000,000
Accrued interest on debt securities	863	4,315			5,178
Total amount due	1,000,863	2,004,315			3,005,178

Maturity of debt securities:

In thousands of euros	31 December 2021	Less than 1 year	From 1 to 5 years	More than 5 years
Debt securities	3,000,000			3,000,000
Accrued interest on debt securities	5,178	5,178		
Total amount due	3,005,178	5,178		3,000,000

ALS carried out two bond issues in 2021, as follows:

- €1 billion issued on 19 July 2021 for a term of 20 years, at a coupon of 0.75%;
- €1 billion issued on 5 October 2021 for a term of 10 years, at a coupon of 0.375%.

These bonds were issued at a premium of €18.360 million.

5.9. AMOUNTS DUE TO CUSTOMERS

In thousands of euros	31 December 2020	Increase	Decrease	Other changes	31 December 2021
Amounts due to the Government, local authorities and State agencies	216,000				216,000
Amounts due to individuals	386,237	1,445,272	(1,254,569)	(7,539)	569,401
Funds received in the form of loans (due and outstanding)	5,590,540	357,844	(174,875)	(5,006)	5,768,503
Third-party beneficiaries of subsidies to corporate entities	286,222	452,751		7,539	746,512
Total amounts due to customers	6,478,999	2,255,867	(1,429,444)	(5,006)	7,300,416

Amounts due to the Government, local authorities and State agencies correspond to ANRU-PNRU funding.

Amounts due to individuals correspond mainly to outstanding subsidies for energy renovation work in the private sector, representing €389 million.

Schedule of amounts due to customers:

In thousands of euros	31 December 2021	Less than 1 year	From 1 to 5 years	More than 5 years
Amounts due to the Government, local authorities and State agencies	216,000	216,000		
Amounts due to individuals	569,401	569,401		
Funds received in the form of loans (due and outstanding)	5,768,503	438,038	1,050,215	4,280,250
Third-party beneficiaries of subsidies to corporate entities	746,512	746,512		
Total amounts due to customers	7,300,416	1,969,951	1,050,215	4,280,250

5.10. OTHER LIABILITIES

Other liabilities include:

In thousands of euros	31 December 2021	31 December 2020
Other employee-related payables	40,576	41,840
Other taxes	9,883	8,571
Other supplier payables	32,918	32,149
Pass Foncier advances (low-interest loans to promote home ownership)	85,975	102,190
Other payables	43,999	60,137
Total other liabilities	213,351	244,887

5.11. PROVISIONS

Provisions are broken down as follows:

In thousands of euros	31 December 2020	Allowance	Write-backs	Other changes	31 December 2021
Provisions for risks	4,527	640	(254)	(1)	4,912
Provisions for guarantees	76,867	106,520	(40,977)	1	142,411
Provisions for pensions and retirement	52,710	1,308	(1,183)	(269)	52,566
Other provisions for expenses	45,966	1,497	(19,635)	357	28,185
Total provisions	180,070	109,965	(62,049)	88	228,074

Provisions for risks include provisions for negative net equity relating to Atriom and Martinique Habitat (€0.6 million) and a provision for a tenant dispute involving Solendi Expansion (€1.8 million).

Provisions for guarantees relate to the ALS guarantee fund and can be analysed as follows:

- €0.9 million related to the claims and management fees provision for the LOCA-PASS® system, net of settlements by generation of guarantees granted. This provision is estimated by actuaries;
- €140.6 million for VISALE claims and management fees, net of settlements;
- €1.0 million on the Sécurisation Accédants PASS fund.

With respect to pension and similar commitments, the main assumptions used for their valuation are as follows:

Assumptions common to all subsidiaries	
Discount rate	0.89%
Mortality table	INSEE H/F 2015-2017
Assumptions specific to each subsidiary	
Annual salary increase	From 2.5% to 3%
Staff turnover rate	Staff turnover tables decreasing based on age, and using values varying between 5% and 0%.
Retirement age	From 62 to 65 years old
Payroll tax rate by job category	57.00%

Other provisions for expenses mainly include:

- provisions for IT expenses at ALS for €9.9 million;
- the CMVE provision for voluntary external mobility leave for €6.6 million (reflecting a €19.0 million write-back in the period related to the departure of 161 ALS employees under CMVE arrangements);
- a provision for long-service awards for €4.1 million;
- a provision for major overhauls for €2.1 million.

5.12. NET NON-BANKING INCOME

Net Non-Banking Income (PNNB) consists of the employers' contribution (collection) net of subsidies paid.

5.12.1. FUNDS RECEIVED IN THE FORM OF SUBSIDIES

In thousands of euros	2021	2020
Employer's contribution	1,303,747	1,600,462
<i>Funds received in the form of subsidies</i>	1,300,487	1,577,905
<i>Matured and prescribed funds</i>	2,353	21,349
<i>Transformation into subsidies of funds received as loans</i>	907	1,208
Subsidies received from another fund	319,339	312,335
Funds received	11,332	7,351
<i>Write-backs of subsidies</i>	11,332	7,351
<i>Other</i>		
Total funds received in the form of subsidies	1,634,418	1,920,148

Employer contributions decreased by €277 million compared to 2020. Lower contributions in 2021 are mainly due to the elimination of Government compensation payments within the scope of the PACTE law and to the increase in the workforce threshold for the PEEC contribution.

Subsidies received from another fund correspond to transfers of subsidies from different funds (PEEC and PEAEC in particular) to the operating fund (see note on subsidies paid below).

5.12.2. SUBSIDIES PAID

In thousands of euros	2021	2020
Funding of national policies	(1,759,000)	(1,304,000)
Subsidies to corporate entities	(1,813,895)	(1,251,106)
Subsidies to individuals	(1,444,520)	(720,948)
Subsidies paid to another fund	(319,339)	(312,335)
Other subsidies	(11,263)	(7,351)
Total subsidies paid	(5,348,017)	(3,595,740)

National policy funding represented an outlay of €1,759 million and can be analysed as follows:

- ANIL-ADIL funding: - €9 million;
- ANRU-PNRU funding: - €390 million;
- FNAL-FNAP funding: - €1,350 million;
- FNAVDL funding: - €10 million.

Subsidies to corporate entities include subsidies paid to Action Logement Group subsidiaries (see Note 6.2 on transactions with related parties), of which subsidies for ALG and APAGL operating costs amounting to €22.7 million and €3.4 million, respectively.

Subsidies paid to individuals totalling €1,445 million in 2021 concern the voluntary investment plan for €1,256 million, and include:

- €901 million (2020: €372 million) for energy renovation work;
- €241 million (2020: €118 million) for housing alterations;
- €97 million (2020: €41 million) for mobility;
- €18 million in respect of first-time buyer benefits (*prime accession*).

5.13. NET BANKING INCOME

Net Banking Income (PNB) is the net interest margin on customer loans.

5.13.1. INTEREST RECEIVABLE AND SIMILAR INCOME

In thousands of euros	2021	2020
Transactions with credit institutions	9,046	11,397
Transactions with individuals	48,630	51,515
Transactions with corporate entities	77,490	88,745
Other interest and similar income	0	357
Total interest receivable and similar income	135,166	152,014

The decrease in interest income is mainly related to the reduction in interest rates and the derecognition of high-yield assets in 2021.

5.13.2. INTEREST PAYABLE AND SIMILAR EXPENSES

In thousands of euros	2021	2020
Transactions with credit institutions	(16,276)	(18,474)
Transactions with customers	(2,700)	(1,027)
Bonds and other fixed income securities	(9,414)	(5,004)
Other interest payable and similar expenses	(2,166)	(5,452)
Total interest payable and similar expenses	(30,556)	(29,957)

5.14. OTHER OPERATING INCOME

In thousands of euros	2021	2020
Rents and service charges recovered	23,672	9,068
Other income from ancillary activities	29,605	14,561
Sale of services	11,761	10,516
Recharged provision of staff	3,187	4,044
Total other operating income	68,225	38,189

Rents and rental expenses collected concern the activity of the National Sales Operator for HLM Social Housing (ONV).

Other income from ancillary activities includes brokerage and advisory fees relating to Projimmo Conseil (€7.7 million) in 2021, and to sales of housing units to individuals by the ONV (€17.0 million).

Sales of services mainly relates to Ma Nouvelle Ville mobility services.

5.15. GENERAL OPERATING EXPENSES

In thousands of euros	2021	2020
Staff expenses	(184,645)	(183,331)
<i>Staff remuneration</i>	<i>(132,932)</i>	<i>(134,043)</i>
<i>Social security and health insurance expenses</i>	<i>(45,344)</i>	<i>(42,101)</i>
<i>Other staff charges</i>	<i>(6,369)</i>	<i>(7,187)</i>
Other administrative expenses	(161,492)	(133,619)
<i>Sub-contracting</i>	<i>(43,316)</i>	<i>(38,979)</i>
<i>Rents and rental expenses</i>	<i>(13,744)</i>	<i>(14,621)</i>
<i>Recoverable rental expenses</i>	<i>(3,971)</i>	<i>(1,003)</i>
<i>Intermediaries, agent and external fees</i>	<i>(29,663)</i>	<i>(35,685)</i>
<i>Additions to operating provisions</i>	<i>17,460</i>	<i>20,515</i>
<i>Maintenance and repairs</i>	<i>(11,622)</i>	<i>(9,079)</i>
<i>Miscellaneous taxes</i>	<i>(25,241)</i>	<i>(22,432)</i>
<i>ANCOLS/ACPR/Other contributions</i>	<i>(7,248)</i>	<i>(7,253)</i>
<i>Post and telecommunications fees</i>	<i>(3,492)</i>	<i>(4,012)</i>
<i>Travel and entertainment</i>	<i>(2,218)</i>	<i>(2,427)</i>
<i>Insurance</i>	<i>(857)</i>	<i>(511)</i>
<i>Other administrative expenses</i>	<i>(37,580)</i>	<i>(18,132)</i>
Total general operating expenses	(346,137)	(316,950)

“Additions to operating provisions” notably includes a €19.0 million write-back from the CMVE provision (see Note 5.11), and a net €0.8 million charge to the pension provision.

5.16. COST OF RISK

In thousands of euros	2021	2020
Corporate entities	(2,152)	(13,327)
Additions to impairment - loans to corporate entities	(29,068)	(28,198)
Write-backs of impairment - loans to corporate entities	27,083	14,988
Losses on unrecoverable debts - loans to corporate entities	(167)	(117)
Individuals	(54,528)	(48,247)
Additions to impairment - loans to individuals	(144,688)	(93,260)
Write-backs of impairment - loans to individuals	127,169	82,115
Losses on unrecoverable debts - loans to individuals	(37,009)	(37,101)
Cash pledges	-	-
Losses on unrecoverable debts (cost of risk)	(15,000)	(15,000)
Write-backs of impairment on other debts (cost of risk)	15,000	15,000
Total cost of risk	(56,680)	(61,574)

Losses on unrecoverable debts notably include an expense of €15.0 million relating to the cash pledge used to subsidise loans granted by CDC to social landlords. This expense is offset by the write-back of a provision for the same amount, shown under “Write-backs of impairment – loans to individuals/corporate entities”; the cash pledge has been written down in full.

5.17. GAINS AND LOSSES ON OTHER ASSETS

Gains and losses on other assets notably include €0.9 million in gross capital gains realised mainly by ALS.

5.18. INCOME TAX

Income tax concerns Solendi Expansion. The amount recognised for 2021 (€1.5 million) solely concerns capital gains tax on property sales.

5.19. COMMITMENTS GIVEN

In thousands of euros	31 December 2021	31 December 2020
Mortgages and collateral	150,775	150,775
LOCA-PASS and VISALE guarantees granted	7,796,702	4,910,144
Endorsements, security interests, guarantees given	2,925,510	3,193,762
Sub-total guarantees given	10,872,987	8,254,681
National policies (subsidies payable)	6,217,000	6,737,000
Loans to other corporate entities	4,372,196	3,744,418
Loans to individuals	248,998	223,342
Capitalisation commitments given	99,400	
Payables on signed contracts - Rental transactions		287
Preliminary sale agreement	21,712	14,419
Other commitments given	237,881	675,676
Commitments given	22,070,174	19,649,823

VISALE commitments amounted to €7,676,899,000 at end-2021 versus €4,332,900,000 at end-2020. The increase in these commitments reflects the high demand for this scheme and the extension of the guarantee to employees over 30 years of age from June 2021. The upward trend is also attributable to the period covered by the guarantee for the second “generation” of support granted as from 2018, which was changed from the remaining period of the lease (“first-generation” guarantee) to a maximum of 36 incidences of unpaid rent (i.e., nine months’ rent).

Other commitments given include €237 million and €220 million in subsidies earmarked for ALI and AFL, respectively.

5.20. COMMITMENTS RECEIVED

In thousands of euros	31 December 2021	31 December 2020
Endorsements, security interests, guarantees received		
Sub-total guarantees received		
Other loans received	60,710	65,405
Other commitments received	15,774	937
Commitments received	76,484	66,342

6. OTHER INFORMATION

6.1. HEADCOUNT

The average headcount breaks down as follows:

	2021	2020
Executives including directors	961	991
Non-executive employees	1,906	1,921
Average headcount (FTE)	2,867	2,912

	2021	2020
Executives including directors	981	970
Non-executive employees	1,899	1,958
Headcount at closing date (FTE)	2,880	2,928

6.2. TRANSACTIONS WITH RELATED PARTIES

In thousands of euros		31 December 2021						
		Balance sheet			Income statement		Off-balance sheet commitments	Off-balance sheet commitments
ANCOLS No.	Company name	Gross amount of loans granted	Impairment	Net amount of loans granted	Interest and similar income	Subsidies paid	Loan commitments given	Loan commitments given
7500100034	AFL	1,648,000		1,648,000	7,037	(186,000)		80,000
7500050216	IMMOBILIERE 3F	847,280	(314)	846,966	5,381	(5,778)	219,805	
7500530018	IN'LI (ex OGIF)	217,131		217,131	2,270		2,965	
7500050273	SEQENS (ex France Habitation)	529,242	(1,837)	527,405	3,675	(5,716)	244,402	
7500050547	SEQENS SOLIDARITE	17,833	(66)	17,767	45	(658)	6,809	
7500051033	3F RESIDENCES	270,131	(43)	270,088	1,133	(3,656)	47,546	
6900050040	ALLIADE HABITAT	133,612		133,612	897	(3,400)	32,869	
1300050013	UNICIL (ex DOMICIL)	111,875	(8)	111,867	773	(4,518)	48,740	
5100050024	PLURIAL NOVILIA	122,611		122,611	519	(9,091)	57,996	
7500050497	ERIGERE	135,130	(212)	134,918	899	(1,031)	29,326	
9704050053	SHLMR - Palier SA D'HLM DE DE LA REUNION	102,643		102,643	1,033	(4,296)	49,146	
2500050019	NEOLIA	44,153		44,153	339	(2,004)	13,749	
0200050016	CLESENCE (EX Maison du Cti)	137,620	(627)	136,993	1,049	(11,158)	76,443	
3100050052	PROMOLOGIS	68,746		68,746	432	(2,280)	29,941	
3300050019	DOMOFRANCE	70,363		70,363	711	(4,068)	24,723	
7500050554	3F SEINE ET MARNE	79,280	(116)	79,164	479	(2,178)	37,712	
3800050022	SDH	42,762		42,762	238	(858)	10,698	
6900050032	IMMOBILIERE RHONE-ALPES	54,621		54,621	422	(996)	6,790	
7600050033	LOGEO SEINE (ex LOGEO SEINE ESTUAIRE)	55,869		55,869	423	(1,641)	11,222	
6800050041	DOMIAL (ex Habitat Familial A)	40,911		40,911	298	(2,152)	16,578	
7900050022	IMMOB. ATLANTIC AMENAGEMENT	38,821	(16)	38,805	365	(708)	11,337	
6900530032	IN'LI AURA (ex ENT.Habitat Im)	57,746		57,746	678		89,265	
3500050041	ESPACIL HABITAT	32,449	(10)	32,439	219	(3,460)	15,919	
4400050065	LA NANTAISE D'HABITATIONS	41,242	(155)	41,087	274	(1,789)	9,403	
7600050025	IMMOBILIERE BASSE SEINE	34,538		34,538	341	(391)	7,170	
6700050133	3F GRAND EST (ex Immo Grand Est)	29,361	(2)	29,359	306	(1,502)	8,152	
0600050012	3F SUD (ex Immo Méditerranée)	69,738	(973)	68,765	638	(2,287)	33,370	
9701050012	SIKOA	26,779		26,779	293	(504)	67,229	
4900050045	PODELIHA (ex Immo. Podeliha)	37,066	(150)	36,916	295	(874)	10,376	
0600530012	IN'LI PACA (ex PARLONIAM)	36,299		36,299	206		54,081	
4500050064	3F CENTRE VAL DE LOIRE	20,645		20,645	207	(596)	6,987	
5700050036	VIVEST (ex LOGIEST)	36,742		36,742	275	(1,754)	23,271	
4500050015	VALLOIRE HABITAT (ex Vallogis)	19,652		19,652	29	(642)	10,346	
1000050016	MON LOGIS	28,169		28,169	165	(4,971)	11,477	
3300050068	CLAIRSIENNE	25,260		25,260	182	(452)	9,716	
3100530011	IN'LI SUD OUEST (ex Citéo Habitat)	37,554		37,554	232	(1,103)	76,166	
3100050029	LA CITE JARDINS	18,862		18,862	138	(1,725)	28,790	
4200050042	CITE NOUVELLE (fusion dans ALLIADE 2021)				103			
6300050012	AUVERGNE HABITAT	33,817	(1)	33,816	209	(1,822)	12,440	
6700530018	IN'LI GRAND EST (ex SICI)	10,829	(126)	10,703	128		11,191	
4700050021	CILIOPEE HABITAT (fusion dans DOMOFRANCE 2020)				-15	165		
2100050013	HABELLIS (ex VILLEO)	32,566	(17)	32,549	290	(2,704)	12,235	
5900050224	3F NORD ARTOIS (Fusion dans NOTRE LOGIS en 2020)				-4			
5400050039	SOCIETE LORRAINE D'HABITAT (fusion dans VIVEST ex LOGIEST en 2021)				-5	408		
8100060018	MAISONS CLAIRES	7,664		7,664	54	(290)	20	
2700050025	LE LOGEMENT FAMILIAL DE L'EURE	14,655		14,655	172	(107)	762	
1600050010	NOALIS (ex Le Foyer Charentais 2019)	26,031	(5)	26,026	138	(1,300)	6,523	
8100050010	3F OCCITANIE (ex Immo Midi Pyrénées)	27,347	(98)	27,249	154	(747)	6,832	
6400050029	HABITELEM (fusion dans DOMOFRANCE 2020)				1	1,765		
5900050166	3F NOTRE LOGIS (ex NOTRE LOGIS)	27,121	(6)	27,115	237	(862)	10,580	
8900050020	BRENNUS HABITAT (fusion dans HABELLIS en 2020)				2	1,152		
7800530015	IMMOCILIA (TUP dans ALI 2021)				8			
7600050041	SODINEUF HABITAT NORMAND	6,594		6,594	50	(1,569)	9,589	
6200050047	FLANDRE OPALE HABITAT (ex Logis62)	28,157	(142)	28,015	173	(715)	9,706	
6100050014	LE LOGIS FAMILIAL	3,245	(15)	3,230	40	(626)	805	
3300050027	ENEAL (ex LOGEVIE)	2,192		2,192	17		1,867	
3500050033	LA RANCE	4,209	(3)	4,206	29	(489)	1,200	
9702050038	OZANAM	5,208	(135)	5,073	33	(1,004)	40,663	
6100050022	SAGIM SA	2,792	(9)	2,783	35	(670)	2,270	
9400530015	LOGEO HABITAT	3,303		3,303	29	(810)	5,342	
5300060020	COOP LOGIS (déconsolidée 2020 - Sous seuils)				2			
1900060023	COPROD	435		435	3	(8)	40	
1300530039	LOCACIL	218		218	3			
9200860025	ASTRIA DEVELOPPEMENT							
7500103583	ACTION LOGEMENT IMMOBILIER	3,149	(2)	3,147	25	(1,279,800)		140,000
	Financing of rental activity	5,560,268	(5,088)	5,555,180	34,807	(1,564,270)	1,572,580	220,000
7500103581	ACTION LOGEMENT GROUPE					(22,697)		
7500100083	APAGL					(3,438)		
	Financing of operating expenses					(26,135)		
	Total	5,560,268	(5,088)	5,555,180	34,807	(1,590,405)	1,572,580	220,000

6.3. STATUTORY AUDITORS' FEES

In thousands of euros (Including VAT)	31 December 2021			31 December 2020		
	Statutory audit, review of individual financial statements	Audit-related services	Total	Statutory audit, review of individual financial statements	Audit-related services	Total
KPMG	735	44	779	673		673
PricewaterhouseCoopers (PwC)	587	110	697	562	45	607
Cailliau Dedouit et Associés						
Others						
Total fees paid to auditors	1,322	154	1,476	1,235	45	1,280

7. SUBSEQUENT EVENTS

ALS bond issue

The Board of Directors' meeting of Action Logement Services on 15 December 2021 and ALG in its capacity as sole shareholder on 3 February 2022, authorised the completion of a bond issue for up to €3.2 billion in 2022, corresponding to the remaining amount under the Company's 100% sustainable EMTN programme (€6.2 billion).

After more than a month of closely monitoring the financial markets on a daily basis, on 1 April ALS took advantage of market conditions to launch a fourth bond issue. The issue was a great success, raising €1.250 billion in funding over a 10-year period at an interest rate of 1.44%.

8. LIST OF CONSOLIDATED COMPANIES AT 31 DECEMBER 2021

ANCOLS No.	SIREN	Company name	Legal form	Movement	Consolidation method	% control	% interest
7500103582	824541148	ACTION LOGEMENT SERVICES	SASU		Parent company		
7500534459	849167002	OPERATEUR NATIONAL DE VENTES	SA		Full	100.00	99.99
9200500245	444222046	ASTRIA FONCIER	SCI		Full	100.00	100.00
9300860024	382373116	SOLENDI EXPANSION	SA		Full	100.00	100.00
3100531427	394003289	MA NOUVELLE VILLE	SA		Full	100.00	99.68
9300862434	391969094	PROJIMMO CONSEIL	SARL	Transfer of all assets and liabilities to ALS			