

**SUPPLEMENT N° 1 DATED 27 OCTOBER 2020
TO THE BASE PROSPECTUS DATED 15 JUNE 2020**



AXA HOME LOAN SFH

**(duly licensed French credit institution)
€10,000,000,000 Euro Medium Term Note Programme
for the issuance of *Obligations de financement de l'habitat*
(the "Programme")**

This first supplement (the "**First Supplement**") is supplemental to, and should be read in conjunction with, the base prospectus dated 15 June 2020 (the "**Base Prospectus**") prepared by AXA Home Loan SFH (the "**Issuer**") in relation to the Programme (the "**Programme**"). The Base Prospectus constitutes a base prospectus for the purpose of the Prospectus Regulation. The Base Prospectus was granted approval number 20-257 on 15 June 2020 by the *Autorité des marchés financiers* (the "**AMF**").

Application has been made to the AMF in its capacity as competent authority pursuant to the Prospectus Regulation for approval of this First Supplement as a supplement to the Base Prospectus.

The AMF only approves this First Supplement as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of either the Issuer or the quality of the Notes that are the subject of the Base Prospectus as so supplemented and investors should make their own assessment as to the suitability of investing in the Notes.

The Issuer has prepared this First Supplement to its Base Prospectus, pursuant to Article 23.1 of the Prospectus Regulation for the following purposes of:

1. Incorporating by reference the 2020 semi-annual financial report of the Issuer in French language which contains the non-consolidated financial statement of the Issuer for the period 30 June 2020 and the statutory auditor's limited review report thereon (the "**2020 Semi-Annual Financial Report**");
2. Supplementing the section "*Documents incorporated by reference*" of the Base Prospectus;
3. Updating the section "*Risk Factors*" of the Base Prospectus;
4. Updating the section "*General Information*" of the Base Prospectus;
5. Updating the section "*Recent developments*" of the Base Prospectus.

The Base Prospectus constitutes a base prospectus for the purposes of the Prospectus Regulation.

Terms defined in the Base Prospectus have the same meaning when used in this First Supplement.

Save as disclosed in this First Supplement, no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus has arisen or been noted, as the case may be, since the publication of the Base Prospectus. To the extent that there is any inconsistency between (a) any statement in this First Supplement and (b) any other statement in, or incorporated by reference in, the Base Prospectus, the statements in (a) above will prevail.

Pursuant to Article 23.2 of the Prospectus Regulation, investors who have already agreed to purchase or subscribe for Notes to be issued under the Programme before this First Supplement is published, have the right to withdraw their acceptances within a time limit of minimum two (2) working days after the publication of this First Supplement (*i.e.* no later than 29 October 2020), provided that the new factor, material mistake or inaccuracy referred to in the preceding paragraph was prior to the final closing of the public offer and delivery of the Notes. Investors may notify their usual Issuer's contact or their usual Authorised Offeror's contact, as the case may be, should they wish to exercise the right of withdrawal.

Copies of this First Supplement (a) may be obtained free of charge during usual business hours from the registered office of the Issuer and at the specified office of the Paying Agent(s) and (b) are available for viewing on the website www.axa.fr/Investors/AXA-Home-Loan-SFH and on the website of the AMF (www.amf-france.org).

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RISK FACTORS

- The seventh paragraph of the risk factor entitled “1.1.1 The Issuer is sole liable and has limited assets” on page 23 of the Base Prospectus is deleted and replaced as follows:

As of 30 June 2020, Collateral Security Assets totalled € 3,737,874,063.08 and consisted of 26,224 loans.

- The risk factor entitled “1.2.1 Risks related to the Covid-19 pandemic and its economic consequences” on page 25 of the Base Prospectus is deleted and replaced as follows:

The Covid-19 outbreak and the government measures taken in response have had and continue to have a significant negative impact on the global economy and financial markets, which could worsen if the outbreak is not quickly contained. It is leading to supply and demand crises, resulting in a significant slowdown in activity due to the impact of confinement measures on consumption and the mistrust of economic agents, as well as production difficulties, disruptions in supply chains in some sectors, and a slowdown in investments. Financial markets have been significantly impacted, with credit spreads widening for many borrowers and issuers during the lockdown period although we have seen a normalization since mid-May 2020. The unprecedented health, economic and financial challenges of the Covid-19 crisis result in a significant decrease in growth and even recessions in several countries. These consequences impact the activity of banks' counterparties and, in turn, of the banks and issuers themselves. A challenging economic environment may adversely affect the ability of borrowers to make payments on their home loans, the production of new home loans, the residential property values in France and/or the Issuer's ability to make payments under the Notes. Some debtors have already presented to AXA Banque the extent to which they were affected by the Covid-19 crisis and have requested the application of a moratorium under their home loans. In this context, AXA Banque has temporarily suspended or postponed capital and/or interest payments under few Home Loans, with the aim of supporting the short-term operational and liquidity challenges faced by borrowers. New home loans production has significantly decreased during the lock-down period; since mid-May 2020 we have seen a recovery in new home loans production. A significant drop in the production may affect the ability of the Issuer to maintain at any time a minimum level of cover ratio. To date, the effects of any potential support or corrective measures taken by the authorities or market participants remain highly uncertain. Beyond the overall impact on AXA Banque, the crisis could have significant consequences for the Issuer, including on its financial position and prospects, that cannot yet be measured.

- The first sentence of the third paragraph of the risk factor entitled “1.2.2 Liquidity risk” on page 26 of the Base Prospectus is deleted and replaced as follows:

As of 30 June 2020, Collateral Security Assets consisted of 26,224 loans with an average seasoning of 36.56 months and a weighted average remaining term of 201.88 months.

- The third paragraph of the risk factor entitled “1.2.3 Interest and currency risks” on page 27 of the Base Prospectus is deleted and replaced as follows:

As of date of this Base Prospectus, all of the underlying home loans are fixed rate loans and are denominated in Euro. A portion of the replacement assets (*valeurs de remplacement*) may bear floating rate interests. The replacement assets amount to €76,728,678.36 as of 30 June 2020 i.e. 2.36% of all of the outstanding Notes and shall never exceed 15% of the Notes and the other privileged debt pursuant to article R. 513-6 of the French Monetary and Financial Code.

- The second paragraph of the risk factor entitled “*1.3.1 Change to the lending criteria may affect the creditworthiness of the home loans*” on page 27 of the Base Prospectus is deleted and replaced as follows:

As of 30 June 2020, the Collateral Security Assets consisted of 26,224 loans with an average loan balance of € 115,012 and a weighted average loan to value ratio of 72.50%.

- The second sentence of the third paragraph of the risk factor entitled “*1.3.2 The value of the Collateral Security may not be sufficient*” on page 28 of the Base Prospectus is deleted and replaced as follows:

As of 30 June 2020, the cover ratio of the Issuer was at 112.62%.

- The fifth paragraph of the risk factor entitled “*Credit risk of the debtors of home loans may affect the Issuer*” on page 31 of the Base Prospectus is deleted and replaced as follows:

As of 30 June 2020, Collateral Security Assets totaled €3,737,874,063.08, and consisted of 26,224 loans with an average loan balance of €115,012, a weighted average loan to value ratio of 72.50 % , an average seasoning of 36.56 months and a weighted average remaining term of 201.88 months and only include home loans with a guarantee by Crédit Logement, an independent home loan guarantee company licensed as a French *société de financement*.

- The third sentence of the third paragraph of the risk factor entitled “*2.3.2 Resolutions procedures under the EU recovery and resolution framework may have a limited impact on the Notes*” on page 42 of the Base Prospectus is deleted and replaced as follows:

In this respect it is worth noting that the value of the collateral granted as security exceeds the portion of the secured liabilities, the cover ratio of the Issuer being at 112.62% as of 30 June 2020.

DOCUMENTS INCORPORATED BY REFERENCE

Section “Documents Incorporated by Reference” on page 44 of the Base Prospectus shall be amended as follows:

This Base Prospectus shall be read and construed in conjunction with the following documents which have been previously or simultaneously published and filed with the AMF and which are incorporated in, and shall be deemed to form part of, this Base Prospectus:

- the **2020 Semi-Annual Financial Report**;

<https://www.axa.fr/content/dam/axa/desktop/Documents/PDF-BANQUE/axa-banque-sfh-rapport-financier-semestriel-2020.pdf>

- the annual financial report of the Issuer for the year ended 31 December 2019 in the French language, which contains the audited financial statements of the Issuer for the financial year ended 31 December 2019 together with the statutory auditors’ report thereon (the “**2019 Annual Financial Report**”); and

<https://www.axa.fr/content/dam/axa/desktop/Documents/PDF-BANQUE/axa-hl-sfh-rapport-annuel-2019-sous-reserve%20approbation-ag.pdf>

- the terms and conditions of the Notes contained in the base prospectus dated 19 June 2019 approved by the AMF (pages 138 to 171) (the “**June 2019 Conditions**”).

<https://www.axa.fr/content/dam/axa/desktop/Documents/PDF-BANQUE/axa-hl-sfh-base-prospectus.pdf>

All documents incorporated by reference in this Base Prospectus may be obtained, without charge upon request, at the principal office of the Issuer and the Paying Agent set out at the end of this Base Prospectus during normal business hours so long as any of the Notes are outstanding. Such documents will be published on the website www.axa.fr/Investors/AXA-Home-Loan-SFH.

The information on any website included in this Base Prospectus does not form part of this Base Prospectus and has not been scrutinised by the AMF, unless that information is incorporated by reference into the Base Prospectus.

The information incorporated by reference in this Base Prospectus shall be read in connection with the cross-reference list below. For the avoidance of doubt, the sections of the documents listed above and which are not included in the cross-reference list below are not incorporated by reference in this Base Prospectus. The non-incorporated parts of the documents incorporated by reference are either not relevant for investors or covered elsewhere in the Base Prospectus.

Cross reference list in respect of financial information

Section “Documents Incorporated by Reference” on page 45 of the Base Prospectus shall be entirely deleted and replaced by the following:

INFORMATION INCORPORATED BY REFERENCE	REFERENCE	
(Annex 6 of the Commission Delegated Regulation (EU) 2019/980 supplementing the Prospectus Regulation)		
11. FINANCIAL INFORMATION CONCERNING AXA HOME LOAN SFH’S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFIT AND LOSSES		
11.1 Historical Financial Information		
	2019 Annual Financial Report	2020 Semi-Annual Financial Report
Balance Sheet	Page 24	Page 9
Profit and Loss Account	Page 26	Page 11
Cash flow statement	Page 27	Page 12
Accounting Principles and notes	Pages 28 to 35	Pages 13 to 21
Statutory Auditors’ Review Report	Pages 40 to 45	
Statutory Auditors’ Limited Review Report		Pages 23-24

The June 2019 Conditions are incorporated by reference in this Base Prospectus for the purpose only of further issues of Notes to be assimilated (assimilables) and form a single series with Notes already issued under the June 2019 Conditions. For the avoidance of doubt, the sections of the documents listed above and which are not included in the cross-reference list below are not incorporated by reference in this Base Prospectus. The non-incorporated parts of the documents incorporated by reference are either not relevant for investors or covered elsewhere in this Base Prospectus.

Cross reference list in respect of the June 2019 Conditions

INFORMATION INCORPORATED BY REFERENCE	REFERENCE
June 2019 Conditions	Pages 138 to 171

Non-incorporated parts of the base prospectus of the Issuer dated 19 June 2019 approved by the AMF are not relevant for investors.

DESCRIPTION OF THE ISSUER

Financial Elements

On page 59 and 60 of the Base Prospectus, the section “*Financial Elements*” is deleted and replaced with the following information:

The financial year of the Issuer runs from 1 January to 31 December. The Issuer has published annual financial statements as at 31 December 2019 and semi-annual financial statements as at 30 June 2020. The annual financial statements as at 31 December 2019 are included in the 2019 Annual Financial Report and the semi-annual financial statements as at 30 June 2020 are included in the 2020 Semi-Annual Financial Report, which are both hereby incorporated by reference in the Base Prospectus. The following table shows the key figures related to the income statement and balance sheet of the Issuer as at 31 December 2019:

<i>Balance sheet</i>	
Total assets	2 065 870 000 €
Debt securities	2 000 601 000 €
Shareholder's equity	60 000 000 €
Total liabilities	2 065 870 000 €

<i>Income statement</i>	
Net banking income	1 172 000 €
Gross operating income	- 30 000 €
Operating income	- 30 000 €
Income before tax	- 30 000 €
Net income	- 30 000 €

The following table shows the key figures related to the income statement and balance sheet of the Issuer as at 30 June 2020:

<i>Balance sheet</i>	
Total assets	3 349 219 000 €
Debt securities	3 250 908 000 €
Shareholder's equity	90 474 000 €
Total liabilities	3 349 219 000 €

<i>Income statement</i>	
Net banking income	1 656 000 €
Gross operating income	857 000 €
Operating income	857 000 €
Income before tax	857 000 €
Net income	503 000 €

Eligible Assets

On page 63 of the Base Prospectus, the second paragraph of the section entitled “Eligible Assets” is deleted and replaced as follows:

As of 30 June 2020, Collateral Security Assets totaled € 3,737,874,063.08, and consisted of 26,224 loans with an average loan balance of € 115,012, a weighted average loan to value ratio of 72.50 %, an average

seasoning of 36.56 months and a weighted average remaining term of 201.88 months. As of 30 June 2020, approximately 73.93% of Home Loans (in value) underlying the Collateral Security Assets were owner occupied Home Loans, and the remainder were non-owner occupied (buy to let) and vacation or Home Loans.

GENERAL INFORMATION

On page 162 of the Base Prospectus, paragraph 4 is deleted and replaced with the following paragraph:

(4) There has been no significant change in the financial performance of the Issuer of the Issuer since 30 June 2020, with the exception of the recent events as described in the Base Prospectus and notably in the section “*Recent Developments*”.

On page 163 of the Base Prospectus, paragraph 5 is deleted and replaced with the following paragraph:

(5) There has been no significant change in the financial position of the Issuer since 30 June 2020, except as disclosed in this Base Prospectus including in the section “*Recent Developments*” and in the paragraph “*1.2.1 Risks related to the Covid 19 pandemic and its economic consequences*” of the section “*Risk Factors*”.

RECENT DEVELOPMENTS

The section “*Recent Developments*” is updated as follows:

On the 23 June 2020, the Issuer has issued €500 000 000 0.125 per cent. Fixed Rate Notes due 25 June 2035 extendible as Floating Rate Notes from 25 June 2035 up to 25 June 2036, bringing the total amount of outstanding Notes to € 3 250 000 000 as at 14 October 2020.

**PERSON RESPONSIBLE FOR THE INFORMATION GIVEN IN THE FIRST
SUPPLEMENT**

In the name of the Issuer

I declare, to the best of my knowledge, that the information contained in this First Supplement (when read together with the Base Prospectus) is in accordance with the facts and that it contains no omission likely to affect its import.

AXA HOME LOAN SFH

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94138 Fontenay-sous-Bois Cedex
FRANCE

Duly represented by:

Bruno CHARLIN

Directeur Général Délégué

Duly authorised on 27 October 2020



Autorité des marchés financiers

This First Supplement to the Base Prospectus has been approved on 27 October 2020 by the *Autorité des marchés financiers* (the “AMF”), in its capacity as competent authority under Regulation (EU) 2017/1129.

The AMF has approved this document after having verified that the information in the Base Prospectus is complete, comprehensible and consistent within the meaning of Regulation (EU) 2017/1129.

This approval should not be considered as a favourable opinion on the Issuer that is the subject of this First Supplement.

This First Supplement to the Base Prospectus has been granted the following approval number: 20-532.