

Rating Object	Rating Information
<p>Agence Française de Développement</p> <p>Creditreform ID: 775665599</p>	<p>Long Term Issuer Rating / Outlook: <b>AA / negative</b></p> <p>Short Term: <b>L1</b></p> <p>Type: Update / Unsolicited</p>
<p>Rating Date: <b>15 August 2023</b></p> <p>Monitoring until: withdrawal of the rating</p> <p>Rating Methodology: CRA "Bank Ratings v.3.2"                      CRA "Rating of Bank Capital and Unsecured Debt Instruments v.2.1"                      CRA "Government-Related Banks v.2.1"                      CRA "Environmental, Social and Governance Score for Banks v.1.0"                      CRA "Rating Criteria and Definitions v.1.3"</p> <p>Rating History: <a href="http://www.creditreform-rating.de">www.creditreform-rating.de</a></p>	<p>Rating of Bank Capital and Unsecured Debt Instruments:</p> <p>Preferred Senior Unsecured (PSU): <b>AA</b></p> <p>Non-Preferred Senior Unsecured (NPS): -</p> <p>Tier 2 (T2): -</p> <p>Additional Tier 1 (AT1): -</p>

## Rating Action

### Creditreform Rating affirms Agence Française de Développement's Long-Term Issuer Rating at AA (Outlook: negative)

Creditreform Rating (CRA) affirms Agence Française de Développement's (AFD) Long-Term Issuer Rating at AA. The rating outlook is negative.

CRA affirms Agence Française de Développement's Preferred Senior Unsecured Debt at AA.

Please find a complete list of rating actions regarding the bank and its affected subsidiaries at the end of this rating update.

## Key Rating Drivers

- Highest probability of support by the French State (CRA rating: AA/negative of 21.04.23)
- EPIC status, immunity to private sector bankruptcy laws; by law the French Republic has ultimate responsibility for AFD's solvency
- Strategic importance through implementation of French development aid policy

## Executive Summary

The Long-Term Issuer Rating of Agence Française de Développement is affirmed at AA. The rating of Preferred Senior Unsecured is affirmed in line with the LT Issuer Rating.

The bank's rating remains influenced by the high exposure to the French Republic and the rating of the French Republic (AA (negative), CRA Sovereign Rating as of 21 April, 2023). This confines the Long-Term Issuer Rating of Agence Française de Développement to AA.

The decisive factor for the rating is the explicit guarantee of the French Republic. Creditreform Rating therefore adjusts the Long-Term Issuer Rating to the rating of the French Republic (AA (negative) as of 21 April, 2023).







### Analysts

Tobias Stroetges  
 t.stroetges@creditreform-rating.de  
 Lead-Analyst

Johannes Kühner  
 j.kuehner@creditreform-rating.de  
 Senior Analyst

Christian Konieczny  
 c.konieczny@creditreform-rating.de  
 Person Approving Credit Ratings  
 Neuss, Germany

## Company Overview

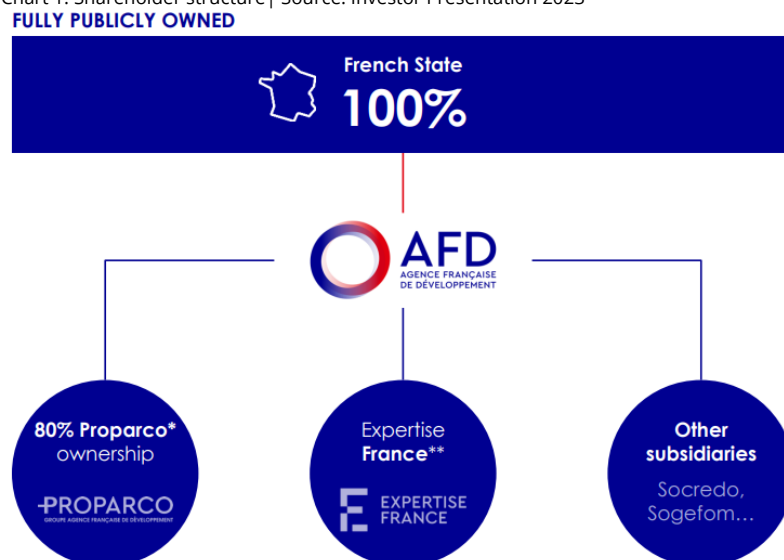
Quantitative:	Sufficient	
Earnings	Satisfactory	
Assets	Sufficient	
Capital	Satisfactory	
Liquidity	Unsatisfactory	
Qualitative:	Satisfactory	

Agence Française de Développement (in the following AFD) is a public development bank in France. Its role is to carry out financial operations, which contribute to the implementation of the French State's development aid policy. The bank aims to fight poverty and promote sustainable development, mainly in developing parts of the world. Over the years, the bank became a central fund for France's overseas territories and ultimately transformed into a development bank with a focus on project financing that is operating through field offices in 150 countries. AFD assists in, monitors and finances more than 4,200 development projects. These projects encompass sectors such as energy, healthcare, biodiversity, water, digital technology, professional training, among others.

AFD has a dual status in France, being both a French public undertaking (EPIC: *Etablissement Public à Caractère Industriel et Commercial*) as well as a financial company (*Société de Financement*) regulated by the French national banking authority (ACPR). EPICs are legal entities governed by public law, which have a distinct legal personality from the state, financial independence and certain special powers, such as performing one or more public service tasks. The status entails a number of legal consequences, such as the inapplicability of insolvency and bankruptcy procedures under ordinary law.

AFD is fully owned by the French State. The consolidation scope of the bank consists of six legal entities, of which four are fully consolidated, while the other two are accounted by the equity method. Proparco promotes development projects, acquires equity stakes and grants loans in regions AFD is mandated to operate in. Sogefom provides partial guarantees for credit institutions in French overseas departments and collectivities. Fisea promotes the growth of small and medium enterprises (SMEs) in Africa. Soderag grants loans and acquires equity stakes in the Antilles and Guiana region. Expertise France's mission is to improve public policies in France's partner countries, as well as to initiate cooperation projects for the transfer of knowledge.

Chart 1: Shareholder structure | Source: Investor Presentation 2023



\*Proparco is a subsidiary of AFD focused on private sector development. It provides funding and support to both businesses and financial institutions across Africa, Asia, Latin America and the Middle-East.

\*\*Expertise France is the French public agency for the design and implementation of international technical cooperation projects

## Business Development

### Profitability

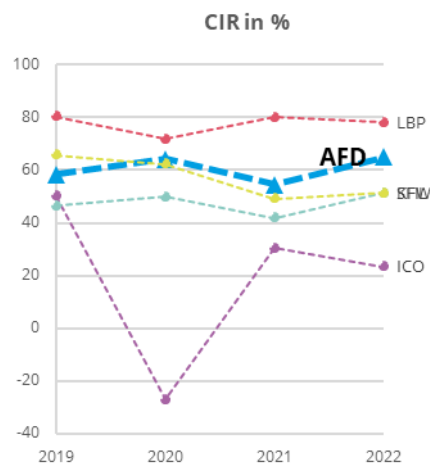
2022 was another extremely successful year for AFD in economic terms. Considering the revaluation due to the integration of Expertise France, and accounting differences, pre-tax profit rose to EUR 486mn (+45.6% yoy). The strong increase was primarily driven by lower provisioning charges. Compared with 2021, cost of risk fell by 85.9% to a modest EUR 15mn.

In detail, net interest income decreased slightly by 7.6% to EUR 471mn compared with the previous year. Net fee and commission income increased to EUR 153mn. By far the largest effect was in net trading and fair value income, which increased by more than 100% to EUR 114mn compared with the previous year due to catch-up effects following the original COVID-19 impact. Hedge accounting gains remained flat at zero. Other income increased also more than 100% compared to the previous year and amounted EUR 663mn, while about a third of the other income is distributable to its subsidiaries.

On the cost side, personnel expenses increased by EUR 51mn to EUR 384mn, while depreciation and amortization increased to EUR 47mn. The biggest rise in expenses were other expenses due to the integration of Expertise France into AFD Group on 1 January 2022.

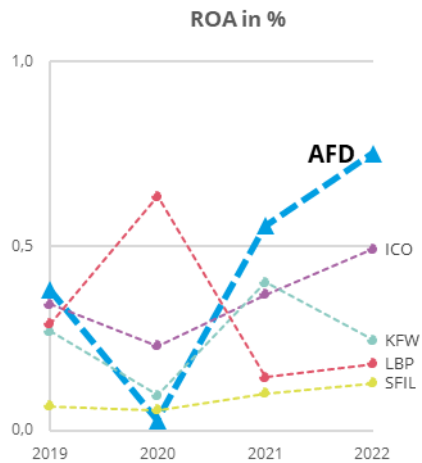
The cost/income ratio, which is an indicator for intrinsic profitability, increased to 65.0% as growth in operating expenses outpaced operating income. The return on equity increased to 5.5% (2021: 4.0%).

Chart 2: cost income ratio | Source: eValueRate / CRA



Compared to its peergroup, AFD has a relatively high cost income ratio (CIR) which increased slightly in fiscal year 2022. Especially interesting is the comparison to the SFIL because of the affiliation with the French Republic of both. The spread between SFIL and AFD is slightly larger compared to last year due to a steeper increase in AFD's CIR.

Chart 2: Return on assets | Source: eValueRate / CRA



In comparison to its peer group, AFD has a high return on assets (RoA), which was very volatile in the last four years. AFD has been able to continuously increase its return on assets for the past two years and is clearly more profitable than its domestic peers SFIL SA and La Banque Postale (LBP).

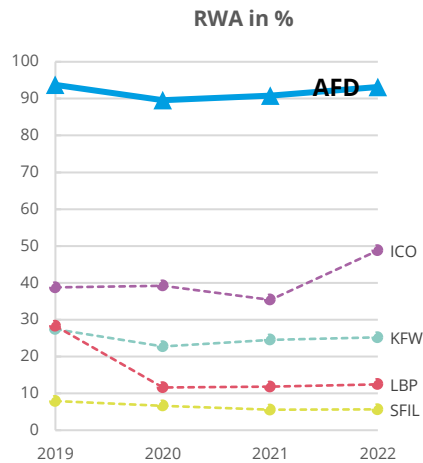
### Asset Situation and Asset Quality

AFD's total assets increased by approximately EUR 5.8bn to EUR 64bn in 2022. The balance sheet expansion was mainly driven by an increase in equity investments, deposits on collateral contracts and the fair value of derivatives. The fair value of derivatives was offset by a decrease in cash position.

Approvals decreased slightly from EUR 8.37bn to EUR 8.43bn on the AFD side, comprising almost the same amount as last year of EUR 7.3bn for approval of loans and EUR 1.1bn approval of grants. By far the largest share of loan activity was in the area of sovereign concessional loans, with approvals amounting to EUR 5.7bn. Actual disbursements amounted to EUR 8.9bn (+4% yoy). Total outstandings increased from EUR 32.8bn to EUR 38.6 bn. At the group level, annual approvals decreased from almost EUR 12.2bn to EUR 12bn.

AFD's asset quality is quite moderate compared to the geographic distribution of credit risk. The NPL ratio ("Doubtful risk (stage 3)") was 6% in 2022, compared with 4% in the previous year (annual report AFD).

Chart 3: risk weighted assets. | Source: eValueRate / CRA



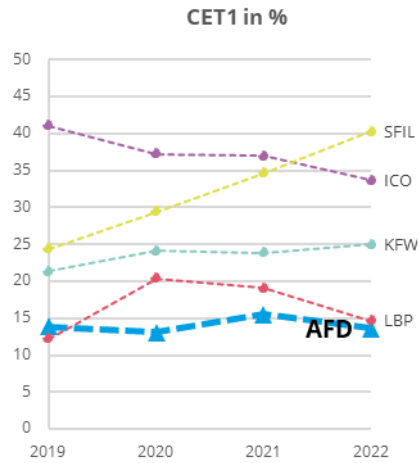
AFD has a comparatively high risk weighted asset ratio (RWA ratio) which remained relatively stable over the last four years.

### Refinancing, Capital Quality and Liquidity

AFD refinances its operations mainly through debt securities issued on the open market, but also through private placements. Total debt amounted to EUR 45.3bn at the consolidated level and EUR 47.6bn at the corporate level in 2022. In the fiscal year 2022, bond issues totalled EUR 9.5bn including eight public bonds issued in euro, sterling and US dollar markets for a total of EUR 7.9bn. Equity increased moderately in absolute terms by about EUR 0.7bn year-on-year, due to net income on the one hand and a change in provisions on the other hand.

The equity ratio decreased to about 13.7% of total assets (2021: 13.9%). The regulatory capital ratios also decreased, RWA's increased significantly compared with the previous year to about EUR 59.7bn. The minimum CET1 ratio requirement of 7.7% is comfortably exceeded at 13.6%. Tier1 ratio decreased slightly from 16.0% to 15% in 2022 exceeding regulatory limits by far. Due to its status as a "financing company" since 2017, AFD is no longer subject to report the leverage Ratio.

Chart 4: CET1 ratios | Source: eValueRate / CRA



Within its peergroup AFD has the lowest CET1 ratio. In fiscal year 2022 AFD's CET1 ratio decreased even more. Compared to its closest peer, SFIL SA, AFD's CET1 ratio is extremely low and the spread between both grew in 2022 even more, since SFIL SA's ratio increased rather strongly. Nevertheless, AFD's CET1 ratio exceeds the regulatory minimum requirements by far.

Due to AFD's bank capital and debt structure, the Group's Preferred Senior Unsecured Debt instruments are not notched down in comparison to the Long-Term Issuer Rating.

## Environmental, Social and Governance (ESG) Score Card

AFD has one significant and two moderate ESG rating drivers

- Corporate Governance is identified as a highly significant rating driver. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated neutral, as no major positive or negative drivers were identified.
- Corporate Behaviour and Green Financing / Promoting are identified as moderate rating drivers. While Green Financing / Promoting is rated very positive due to a very high amount of direct and indirect Green Financing (50% of approvals) as well as significant amount of Green Bonds issued. Corporate Behaviour is rated positive due lack of misconduct in recent years and non-existing material governmental, legal or arbitration proceedings.

### ESG Score

3,6 / 5

ESG Score Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
<= 1,75	Poor

Factor	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated very positive in terms of the CRA ESG criteria.	3	(+ +)
	1.2 Exposure to Environmental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated negative in terms of the CRA ESG criteria.	2	( - )
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Social	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	2	( )
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating, and is rated very positive in terms of the CRA ESG criteria.	1	(+ +)

Governance	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	4	( )
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
( )	Neutral
( - )	Negative
( - - )	Strong negativ

The ESG Score is based on the Methodology "Environmental, Social and Governance Score of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage <https://creditreform-rating.de/en/about-us/regulatory-requirements.html>. In addition, we refer to CRA's position paper "Considering the Impact of ESG Factors".

## Outlook

The outlook of the Long-Term Issuer Rating of Agence Française de Développement is negative due to the ongoing negative outlook of its domicile country, the French Republic, which CRA substantiate as follows. While macroeconomic risks related to the war in Ukraine appear manageable, acknowledging unpredictability of any further escalation of geopolitical tensions, extended government support highlights ongoing challenges to sustainably bringing down the elevated debt ratio. Adding to fiscal sustainability risks in our view, the ability to implement envisaged economic policies and reform initiatives seems subject to increased challenges due to a more fragmented parliament following the elections in 2022.

## Scenario Analysis

Best-case scenario: AA+

Worst-case scenario: AA-

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

In a scenario analysis, the bank is able to reach a Long-Term Issuer Rating of AA+ in the “Best-Case-Scenario” and a Long-Term Issuer Rating of AA- in the “Worst-Case-Scenario”. The ratings of Bank Capital and Senior Unsecured Debt would respond similarly based on our rating methodology. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade Agence Française de Développement’s Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt due to an upgrade of the rating of the French Republic.

By contrast, a downgrade of Agence Française de Développement’s Long-Term Issuer Rating and the ratings of Bank Capital and Senior Unsecured Debt due to a downgrade of the rating of the French Republic or changes in existing contracts or guarantees.



## Appendix

### Bank ratings

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

Long-Term Issuer / Outlook / Short-Term **AA / L1 / negative**

### Bank Capital and Debt Instruments Ratings

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred Senior Unsecured: **AA**  
 Non-Preferred Senior Unsecured: -  
 Tier 2 (T2): -  
 Additional Tier 1 (AT1): -

### Rating History

Please consult our website [www.creditreform-rating.de](http://www.creditreform-rating.de) for additional information regarding the dates of publication.

Figure 1: Rating History

Bank Issuer Rating	Rating Date	Result
LT / Outlook / Short-Term (Initial)	31.08.2018	AA / stable / L1
Rating Update	09.12.2019	AA / stable / L1
Monitoring	29.05.2020	AA / watch unknown / L1
Rating Update	25.11.2020	AA / negative / L1
Rating Update	17.12.2021	AA / negative / L1
Rating Update	15.12.2022	AA / negative / L1
Monitoring	15.08.2023	AA / negative / L1
Bank Capital and Debt Instruments	Rating Date	Result
Senior Unsecured / T2 / AT1 (Initial)	31.08.2018	AA / - / -
PSU / NPS / T2 / AT1	09.12.2019	AA / - / - / -
PSU / NPS / T2 / AT1	29.05.2020	AA (watch unknown) / - / - / -
PSU / NPS / T2 / AT1	25.11.2020	AA / - / - / -
PSU / NPS / T2 / AT1	17.12.2021	AA / - / - / -
PSU / NPS / T2 / AT1	15.12.2022	AA / - / - / -
PSU / NPS / T2 / AT1	15.08.2023	AA / - / - / -

## Tables Group (if applicable)

Figure 2: Income statement<sup>1</sup> | Source: eValueRate / CRA

Income Statement (EUR m)	2022	%	2021	2020	2019
<b>Income</b>					
Net Interest Income	471	-7,6	509	470	391
Net Fee & Commission Income	153	+24,5	123	124	142
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	114	> +100	31	-94	41
Equity Accounted Results	15	> +100	7	-6	-2
Dividends from Equity Instruments	16	+28,0	12	3	33
Other Income	663	> +100	286	272	238
<b>Operating Income</b>	<b>1.432</b>	<b>+47,9</b>	<b>969</b>	<b>768</b>	<b>843</b>
<b>Expense</b>					
Depreciation and Amortisation	47	+12,6	42	40	48
Personnel Expense	384	+15,2	333	313	295
Tech & Communications Expense	-	-	-	-	-
Marketing and Promotion Expense	-	-	-	-	-
Other Provisions	-	-	-	-	-
Other Expense	500	> +100	154	141	151
<b>Operating Expense</b>	<b>931</b>	<b>+76,1</b>	<b>529</b>	<b>495</b>	<b>493</b>
<b>Operating Profit &amp; Impairment</b>					
<b>Operating Profit</b>	<b>501</b>	<b>+13,9</b>	<b>440</b>	<b>274</b>	<b>350</b>
Cost of Risk / Impairment	15	-85,9	106	269	150
<b>Net Income</b>					
Non-Recurring Income	-	-	-	-	-
Non-Recurring Expense	-	-	-	-	-
<b>Pre-tax Profit</b>	<b>486</b>	<b>+45,6</b>	<b>334</b>	<b>5</b>	<b>200</b>
Income Tax Expense	5	-55,1	11	-10	18
Discontinued Operations	-	-	-	-	-
<b>Net Profit</b>	<b>481</b>	<b>+48,9</b>	<b>323</b>	<b>15</b>	<b>182</b>
Attributable to minority interest (non-controlling interest)	25	-1,3	25	-25	10
Attributable to owners of the parent	456	+53,2	298	40	172

Figure 3: Key earnings figures | Source: eValueRate / CRA and Pillar III

Income Ratios (%)	2022	%	2021	2020	2019
Cost Income Ratio (CIR)	65,03	+10,43	54,60	64,35	58,47
Cost Income Ratio ex. Trading (CIRex)	70,64	+14,23	56,41	57,33	61,47
Return on Assets (ROA)	0,75	+0,20	0,56	0,03	0,38
Return on Equity (ROE)	5,49	+1,48	4,01	0,25	2,89
Return on Assets before Taxes (ROAbT)	0,76	+0,19	0,57	0,01	0,42
Return on Equity before Taxes (ROEbT)	5,54	+1,40	4,14	0,08	3,18
Return on Risk-Weighted Assets (RORWA)	0,81	+0,19	0,61	0,03	0,41
Return on Risk-Weighted Assets before Taxes (RORWAbT)	0,81	+0,18	0,63	0,01	0,45
Net Financial Margin (NFM)	1,00	+0,05	0,96	0,71	0,94
Pre-Impairment Operating Profit / Assets	0,78	+0,03	0,76	0,51	0,74

Change in %-Points

<sup>1</sup> Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets | Source: eValueRate / CRA

Assets (EUR m)	2022	%	2021	2020	2019
Cash and Balances with Central Banks	1.010	-51,6	2.085	3.158	1.259
Net Loans to Banks	11.899	+0,6	11.826	9.397	8.563
Net Loans to Customers	36.060	-1,0	36.437	33.051	29.636
Total Securities	5.805	+42,7	4.068	3.982	4.032
Total Derivative Assets	3.605	+69,2	2.131	3.194	2.704
Other Financial Assets	-	-	-	-	-
<b>Financial Assets</b>	<b>58.379</b>	<b>+3,2</b>	<b>56.548</b>	<b>52.782</b>	<b>46.194</b>
Equity Accounted Investments	162	+9,7	148	140	147
Other Investments	-	-	-	-	-
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	-	-	-	-	-
Tangible and Intangible Assets	636	>+100	298	301	305
Tax Assets	35	+7,9	32	27	17
Total Other Assets	4.801	>+100	1.121	976	893
<b>Total Assets</b>	<b>64.013</b>	<b>+10,1</b>	<b>58.147</b>	<b>54.225</b>	<b>47.555</b>

Figure 5: Development of asset quality | Source: eValueRate / CRA and Pillar III

Asset Ratios (%)	2022	%	2021	2020	2019
Net Loans to Customers / Assets	56,33	-6,33	62,66	60,95	62,32
Risk-weighted Assets <sup>1</sup> / Assets	93,18	+2,41	90,78	89,57	0,00
NPL <sup>2</sup> / Loans to Customers <sup>3</sup>	8,59	+4,15	4,44	3,27	3,74
NPL <sup>2</sup> / Risk-weighted Assets <sup>1</sup>	5,19	+2,13	3,07	2,23	2,48
Potential Problem Loans <sup>4</sup> / Loans to Customers <sup>3</sup>	-	-	-	-	-
Reserves <sup>5</sup> / NPL <sup>2</sup>	20,13	-21,45	41,58	63,71	59,43
Cost of Risk / Loans to Customers <sup>3</sup>	0,04	-0,25	0,29	0,81	0,51
Cost of Risk / Risk-weighted Assets <sup>1</sup>	0,03	-0,18	0,20	0,55	0,34
Cost of Risk / Total Assets	0,02	-0,16	0,18	0,50	0,32

Change in %- Points

1 RWA: Pillar 3, EU CR1

2 NPL: Gross; Non-Performing Loans of the categories Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

3 Loans to Customers: Gross; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

4 Potential Problem Loans: Stage 2; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

5 Reserves: Impairment & Provisions and Collateral & Guarantees; Households, Non-Financial Corporations, Other Financial Corporations as per Pillar 3, EU CR1

Figure 6: Development of refinancing and capital adequacy | Source: eValueRate / CRA

Liabilities (EUR m)	2022	%	2021	2020	2019
Total Deposits from Banks	15	-42,9	25	12	10
Total Deposits from Customers	3	+9,7	3	2	2
Total Debt	45.261	+0,8	44.901	41.905	35.770
Derivative Liabilities	6.084	>+100	1.787	2.168	1.846
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	-	-	-	-	-
<b>Total Financial Liabilities</b>	<b>51.362</b>	<b>+9,9</b>	<b>46.717</b>	<b>44.087</b>	<b>37.627</b>
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	-
Tax Liabilities	19	+88,3	10	11	11
Provisions	1.441	+6,3	1.355	1.287	1.152
Total Other Liabilities	2.426	+20,9	2.007	2.561	2.455
<b>Total Liabilities</b>	<b>55.248</b>	<b>+10,3</b>	<b>50.089</b>	<b>47.945</b>	<b>41.245</b>
<b>Total Equity</b>	<b>8.765</b>	<b>+8,8</b>	<b>8.059</b>	<b>6.280</b>	<b>6.310</b>
<b>Total Liabilities and Equity</b>	<b>64.013</b>	<b>+10,1</b>	<b>58.147</b>	<b>54.225</b>	<b>47.555</b>

Figure 7: Development of capital and liquidity ratios | Source: eValueRate / CRA and Pillar III

Capital Ratios and Liquidity (%)	2022	%	2021	2020	2019
Total Equity / Total Assets	13,69	-0,17	13,86	11,58	13,27
Leverage Ratio <sup>1</sup>	-	-	-	-	-
Common Equity Tier 1 Ratio (CET1) <sup>2</sup>	13,62	-0,89	14,51	13,12	13,86
Tier 1 Ratio (CET1 + AT1) <sup>2</sup>	14,98	-1,06	16,04	14,85	15,74
Total Capital Ratio (CET1 + AT1 + T2) <sup>2</sup>	14,98	-1,06	16,04	16,29	16,75
CET1 Minimum Capital Requirements <sup>1</sup>	7,70	+0,00	7,70	7,70	7,70
Net Stable Funding Ratio (NSFR) <sup>1</sup>	-	-	-	-	n/a
Liquidity Coverage Ratio (LCR) <sup>1</sup>	0,00	+0,00	0,00	0,00	0,00

Change in %- Points

<sup>1</sup> Pillar 3 EU KM1

<sup>2</sup> Regulatory Capital Ratios: Pillar 3 EU KM1

## Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following table clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website [www.creditreform-rating.de](http://www.creditreform-rating.de). The rating was carried out on the basis of the following methodologies and [Rating Criteria and Definitions \(v1.3\)](#):

- [Bank ratings \(v3.2\)](#)
- [Rating of bank capital and unsecured debt instruments \(v2.1\)](#)
- [Government-Related Banks \(v2.1\)](#)
- [Environmental, Social and Governance Score for Banks \(v1.0\)](#)

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions are published on our homepage:

<https://www.creditreform-rating.de/en/about-us/regulatory-requirements.html>

On 15 August 2023, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to Agence Française de Développement and the preliminary rating report was made available to the bank. There was no change in the rating.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

In 2011 Creditreform Rating AG was registered within the European Union according to EU Regulation 1060/2009 (CRA-Regulation). Based on the registration Creditreform Rating AG (CRA) is allowed to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation.

Rating Endorsement Status: The rating of Agence Française de Développement (Group) was not

endorsed by Creditreform Rating AG from a third country as defined in Article 4 (3) of the CRA-Regulation.

### **Conflict of Interests**

No conflicts of interest were identified during the rating process that might influence the analyses and judgements of the rating analysts involved or any other natural person whose services are placed at the disposal or under the control of Creditreform Rating AG and who are directly involved in credit rating activities or approving credit ratings and rating outlooks.

In case of providing ancillary services to the rated entity, CRA will disclose all ancillary services in the credit rating report.

### **Rules on the Presentation of Credit Ratings and Rating Outlooks**

The approval of credit ratings and rating outlooks follows our internal policies and procedures. In line with our policy "Rating Committee," all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, CRA has used following substantially material sources:

1. Aggregated data base by eValueRate
2. Annual Report and interim reports
3. Investors relations information and other publications
4. Website of the rated bank
5. Public and internal market analyses
6. Internet research

There are no other attributes and limitations of the credit rating or rating outlook other than displayed on the CRA website. Furthermore CRA considers satisfactory the quality and extent of information available on the rated entity. In regard to the rated entity Creditreform Rating AG regarded available historical data as sufficient.

Between the disclosure of the credit rating to the rated entity and the public disclosure no amendments were made to the credit rating.

The "Basic data" information card indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In case where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating and indicates how the different methodologies or these other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

The meaning of each rating category, the definition of default or recovery and any appropriate risk warning, including a sensitivity analysis of the relevant key rating assumptions, such as mathematical or correlation assumptions, accompanied by worst-case scenario credit ratings

as well as best-case scenario credit ratings are explained in mentioned methodologies and / or in the credit rating report.

The date at which the credit rating was released for distribution for the first time and when it was last updated including any rating outlooks is indicated clearly and prominently in the rating report or in the "Basic data" card as a "Rating action"; first release is indicated as "initial rating", other updates are indicated as an "update", "upgrade or downgrade", "not rated", "confirmed", "selective default" or "default".

In the case of a rating outlook, the time horizon is provided during which a change in the credit rating is expected. This information is available in the rating report or the „Basic data“ information card.

In accordance to Article 11 (2) EU-Regulation (EC) No 1060/2009 registered or certified credit rating agency shall make available in a central repository established by ESMA information on its historical performance data, including the ratings transition frequency, and information about credit ratings issued in the past and on their changes. Requested data are available at the ESMA website: <https://cerep.esma.europa.eu/cerep-web/statistics/defaults.xhtml>.

An explanatory statement of the meaning of Creditreform's default rates are available in the credit rating methodologies disclosed on the website.

### Disclaimer

Any rating performed by Creditreform Rating AG is subject to the Creditreform Rating AG Code of Conduct which has been published on the web pages of Creditreform Rating AG. In this Code of Conduct, Creditreform Rating AG commits itself – systematically and with due diligence – to establish its independent and objective opinion as to the sustainability, risks and opportunities concerning the enterprise or the issue under review.

Future events are uncertain, and forecasts are necessarily based on assessments and assumptions. This rating is therefore no statement of fact, but an opinion. For this reason, Creditreform Rating AG cannot be held liable for the consequences of decisions made on the basis of any of their ratings. Neither should these ratings be construed as recommendations for investors, buyers or sellers. They should only be used by market participants (entrepreneurs, bankers, investors etc.) as one factor among others when arriving at corporate or investment decisions. Ratings are not meant to be used as substitutes for one's own research, inquiries and assessments.

We have assumed that the documents and information made available to us by the client are complete and accurate and that the copies provided to us represent the full and unchanged contents of the original documents. Creditreform Rating AG assumes no responsibility for the true and fair representation of the original information.

This report is protected by copyright. Any commercial use is prohibited without prior written permission from Creditreform Rating AG. Only the full report may be published in order to prevent distortion of the report's overall assessment. Excerpts may only be used with the express consent of Creditreform Rating AG. Publication of the report without the consent of Creditreform Rating AG is prohibited. Only ratings published on the Creditreform Rating AG web pages remain valid.

Creditreform Rating AG

#### Contact information

Creditreform Rating AG  
Europadamm 2-6  
D-41460 Neuss

Phone +49 (0) 2131 / 109-626  
Fax +49 (0) 2131 / 109-627

E-Mail [info@creditreform-rating.de](mailto:info@creditreform-rating.de)  
[www.creditreform-rating.de](http://www.creditreform-rating.de)

CEO: Dr. Michael Munsch

Chairman of the Board: Michael Bruns  
HR Neuss B 10522