Covered Bonds follow-up Rating

BNP Paribas Home Loan SFH

Mortgage Covered Bond Program

Creditreform Rating

Rating Object	Rating Information	
BNP Paribas Home Loan SFH, Mortgage Covered Bond Program	Rating / Outlook : **AAA / Stable**	Type: Rating Update (unsolicited)
Type of Issuance : Mortgage Covered Bond under French law Issuer : BNP Paribas Home Loans SFH LT Issuer Rating : A (BNP Paribas Home Loan SFH) ST Issuer Rating : L2 Outlook Issuer : Stable	Rating Date : Rating Renewal until : Maximum validity: Rating Methodology :	10.08.2023 Withdrawal of the rating 01.01.2050 CRA „Covered Bond Ratings"

Program Overview

Nominal value	EUR 34,341 m.	WAL maturity covered bonds	4.94 Years
Cover pool value	EUR 42,190 m.	WAL maturity cover pool	6.15 Years
Cover pool asset class	Mortgages	Overcollateralization (nominal/committed)	25.11%/ 8.11%
Repayment method	Hard & Soft Bullet	Min. overcollateralization	5.00%
Legal framework	SFH Legislation	Covered bonds coupon type	Fix (100.00%), Floating (0.00%)

Cut-off date Cover Pool information: 30.06.2023.

Content

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Rating Action

This follow-up report covers our analysis of the mortgages covered bond program issued under French law by BNP Paribas Home Loans SFH („BNP Paribas SFH"). The total covered bond issuance at the cut-off date (30.06.2023) had a nominal value of EUR 34,341.00 m., backed by a cover pool with a current value of EUR 42,190.28 m., and substitute assets with a current value of EUR 775.00 m., accruing to an total amount of EUR 42,965.28 m. This corresponds to a nominal overcollateralization of 25.11%. The cover assets include French mortgages obligations.

Taking into consideration the issuer rating, our analysis of the regulatory framework, liquidity- and refinancing risks, as well as our cover pool assessment and results of the cash flow analysis, Creditreform Rating AG ("Creditreform Rating" or "CRA") affirms the covered bond program with an AAA rating. The AAA rating represents the highest level of credit quality and the lowest investment risk. The outlook was set at stable.

Key Rating Findings

+ Covered Bonds are subject to strict French legal framework (SFH Legislation)
+ Covered Bondholders have full recourse to the issuer
+ Current overcollateralization (OC) of 25.11% as of 30.06.2023
+ Improved profitability and improvement in the asset quality of the issuer
- Observed decline in the issuer's capital ratio, but strictly managed

Table1: Overview results

Risk Factor	Result
Issuer rating	A (rating as of 06.12.2022)
+ Legal and regulatory framework	+4 Notches
+ Liquidity and refinancing risk	+1 Notch
= Rating after 1st uplift	AAA
Cover pool & cash flow analysis	AAA
+ 2nd rating uplift	+/-0 Notch
= Rating covered bond program	AAA

Issuer Risk

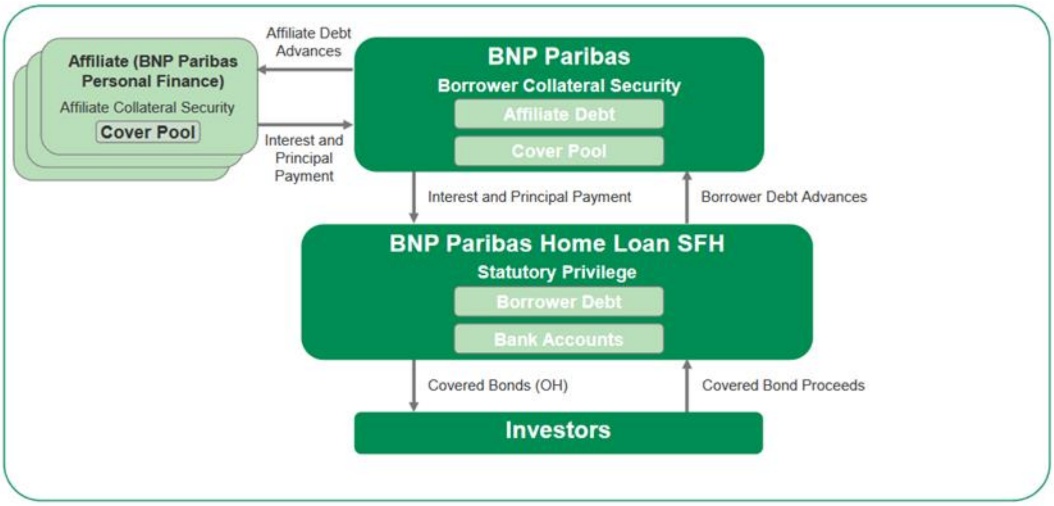
Issuer

Our rating of the BNP Paribas Home Loan SFH Mortgage Covered Bond Program is reflected by our issuer rating opinion of its parent company BNP Paribas SA (Group) due to its group structure. On 06 December 2022, CRA upgraded the unsolicited long-term issuer rating of BNP Paribas SA (Group) from A- to A and assigned a stable outlook. The rating decision is based on BNP Paribas's high systemic relevance for the global banking sector as both Europe and France's largest bank, markedly improved profitability throughout 2021 and 2022, and a continuously improving asset quality paired with low cost of risk. Risks may arise from a relative decline of capital ratios, but this is closely managed and in accordance with long-term strategic planning. For a more detailed overview of the issuer rating, please refer to the issuer rating report from 2022 published on the webpage of Creditreform Rating AG.

Structural Risk

Transaction structure

Figure1: Overview of Covered Bond emission | Source: BNP Paribas Home Loan SFH



Legal and Regulatory Framework

The French covered bond legislation has recently been amended to be in line with the EU Covered Bond Directive. France's previous covered bond law was already in line with most of the minimum standards prescribed by the new EU rules, so did not require major changes to comply with EU requirements. Ordonnance no 2021-858 of 30 June 2021, which proposed the adoption of a number of legal measures necessary for the transposition of EU CB Directive into French law, was published on 1 July. The legal decree n° 2021-898 on the transposition was published on 7 July 2021 in the Journal Officiel n° 0156. In addition, ACPR instructions were published on 9 March 2022. The new French law of ordonnance no 2022-766 came into force on 8 July 2022 and was recently amended by the ordonnance no 2023-102 on 16 February 2023 applicable from 19 February 2023.

In France, there exist three different types of covered bonds – 'Obligations Foncières' (OF), 'Caisse de Refinancement de l'habitat' (CRH) and 'Obligations de Financement de l'habitat' (OH) – governed by different legal frameworks.

A comprehensive overview of the SFH legislation with previous amendments that governs the 'Obligations de Financement de l'habitat' (OH), can be found in our initial and follow-up rating reports of BNP Paribas SFH Mortgage Covered Bonds. The following major provisions describe the status of the SFH legislation.

An affiliated company – the 'Sociétés de Financement de l'Habitat (SFH), which is a regulated French specialized credit institution with the restricted purpose to provide and fund home loans, issues OHs. As the issuer is not the originator, the cover assets are owned by and segregated in the sponsor bank but pledged and transferred to the SFH. The SFHs have to obey the laws and regulations codified by Articles L.515-35 of the French Monetary and Financial Code.

Under the SFH legislation, the OH holders has direct recourse to the issuer and legal privilege over the SFH's eligible cover assets, which are first-rank residential home mortgages or other real estate security interests similar to first-rank mortgages confined mainly to EU/EE countries. Furthermore, other countries are allowed as far as they achieve the highest possible credit rating by an approved external rating agency.

Along with the nomination of two external statutory auditors, the legal framework stipulates to nominate an independent Specific Controller to monitor the cover pool.

In case of issuer's insolvency, the general insolvency court will manage the cover pool and will act in the interest of the covered bondholders. The SFH issuers have to disclose information regarding cover assets and covered bond programs on their website on a regular basis as well.

In general, we consider the structural framework for covered bond programs in France as positive as SFH legislation defines clear rules to mitigate risks in particular regarding insolvency remoteness, asset segregation, investor's special claim vis-à-vis other creditors, the roll and appointment of a special administrator, among other provisions. Due to those reasons we have set a rating uplift of four (+4) notches for the regulatory and structural framework for French covered bond programs under SFH legislation.

Liquidity- and Refinancing Risk

With respect to OHs, it is compulsory for the covered bond issuers to maintain a nominal over-collateralization (OC) of 5% at all times, while the coverage calculations have to be done on a monthly basis. Furthermore, the Issuer is also required to maintain a liquidity buffer to cover, for the next 180 days, all debt service outflows (interest and principal) and derivative transactions.

The underlying cover pool is also subjected to an asset-coverage test in order to ensure sufficient OC level and cash flow adequacy. SFH must manage and hedge interest rate risks, currency risks, and liquidity and maturity mismatches between assets and liabilities.

In the event of the issuer's insolvency, the special administrator (i.e. general insolvency court) can sell assets of the cover pool or use them as a guarantee for liquidity operations if liquidity shortfalls are foreseeable.

In general, the SFH legislation and the stipulated risk management processes for liquidity risks constitute a comparatively strict framework by which they can be effectively reduced. Refinancing risks, however, may not be structurally reduced under the hard bullet repayment structure, which can only be cushioned by sufficiently high overcollateralization or by other liquid funds. It is worth mentioning that, several SFH programs count with more flexible repayment structures (e.g. soft-bullet structures). Overall, we assess the legal provisions on liquidity management for French Covered Bond programs under SFH legislation as positive and set a rating uplift of one (+1) notch.

ESG Criteria

CRA generally takes ESG-relevant factors (environmental, social and governance) into account when assessing Covered Bond ratings. Overall, ESG factors have a significant impact on the current rating of this Covered Bond program. CRA identifies governance factors, in particular, to have a highly significant impact on Covered Bond ratings. Since Covered Bonds are subject to strict legal requirements, regulatory risk plays an important role in assessing the credit rating.

The SFH legislation defines clear rules to mitigate risks in particular regarding insolvency remoteness, asset segregation, investor's special claim vis-à-vis other creditors, the roll and appointment of a special administrator, among other provisions. Additionally, Risk management and internal controls as well as the macroeconomic factors such as hedging strategies, interest rates and yield curve are considered to have a highly significant impact on the assessment of the credit rating. Other individual factors with a potential key rating influence were not identified, and therefore did not affect the final rating.

Credit and Portfolio Risk

Cover pool analysis

The analysis of the cover pool is based on public information which has been made available by the Issuer, in particular the Harmonised Transparency Template („HTT“) as per regulatory requirements. This information was sufficient according to CRA´s rating methodology “Covered Bond Ratings”.

At the cut-off-date 30.06.2023, the pool of cover assets consisted of 350,687 debt receivables, of which 100.00% are domiciled in France. The total cover pool volume amounted to EUR 42,190.28 m. in residential (100.00%), commercial (0.00%) and others (0.00%) loans.

The residential cover pool consists of 350,687 mortgage loans having an unindexed weighted average LTV of 64.78%. The cover pool doesn't have any non-residential loans. The ten largest debtors of the portfolio total to 0.03%.

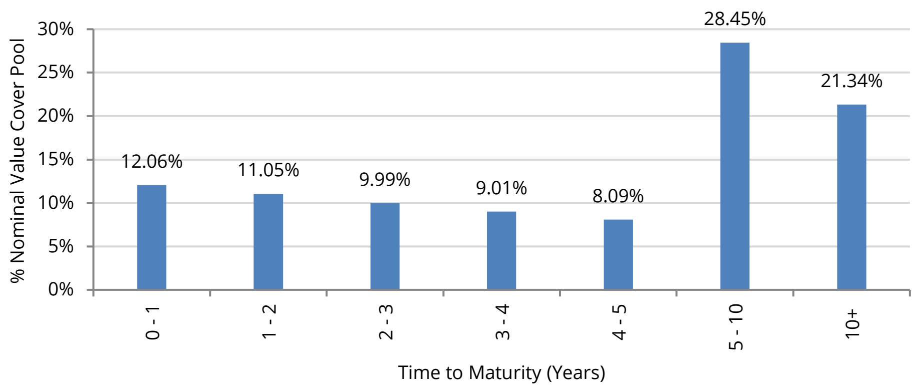
The total volume of substitute assets at the cut-off-date is EUR 775.00 m. Table 2 displays additional characteristics of the cover pool:

Table 2: Cover pool characteristics | Source: BNP Paribas SFH

Characteristics	Value
Cover assets	EUR 42,190 m.
Covered bonds outstanding	EUR 34,341 m.
Substitute assets	EUR 775.00 m.
Cover pool composition	
Mortgages	100.00%
Substitute assets	0.00%
Other / Derivative	0.00%
Number of debtors	NR
Mortgages Composition	
Residential	100.00%
Commercial	0.00%
Other	0.00%
Average asset value (Residential)	EUR 120.31 k.
Average asset value (Commercial)	EUR 0.00 k.
Non-performing loans	0.00%
10 biggest debtors	0.03%
WA seasoning	57.70 Months
WA maturity cover pool (WAL)	6.15 Years
WA maturity covered bonds (WAL)	4.94 Years

We have listed an extended view of the composition of the cover pool in the appendix section "Cover pool details". The following chart displays the maturity profile of the cover assets at the cut-off date 30.06.2023 (see figure 2):

Figure 2: Distribution by remaining time to maturity I Source: BNP Paribas SFH



Maturity profile

The following charts present the cash flow profile of the Issuer (see figure 3 and figure 4):

Figure 3: Cover asset congruence | Source: BNP Paribas SFH

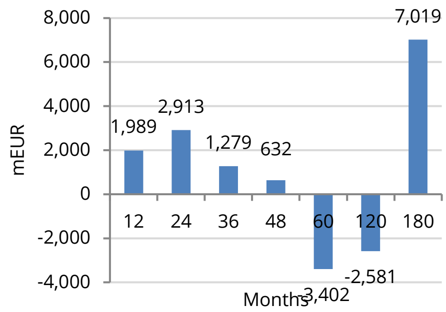
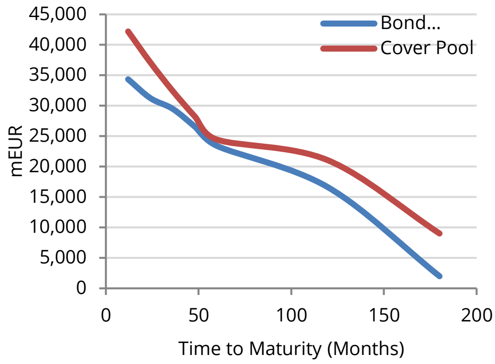


Figure 4: Amortization profile | Source: BNP Paribas SFH



During its cash flow modelling, CRA has taken into consideration the maturity structure of cover assets and liabilities. This structure was an integral part of the cash flow analysis.

Interest rate and currency risk

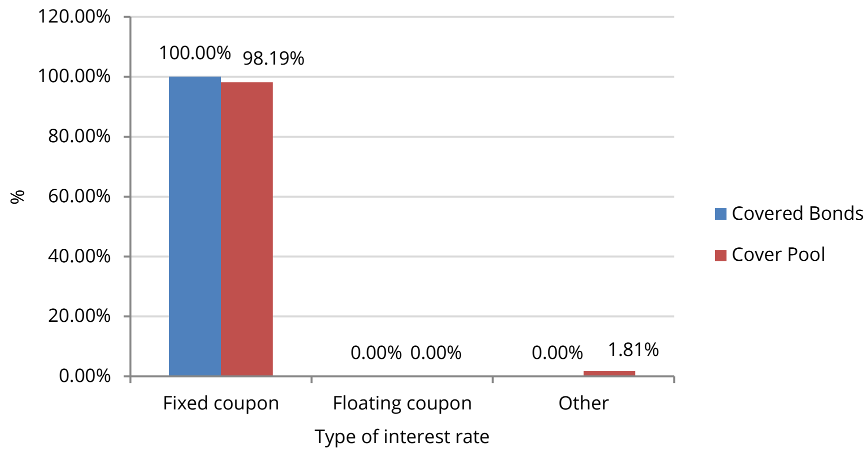
The legal framework provides for weekly stress tests to be conducted on interest rate- and currency risks. Therefore, interest rate risk could be mitigated by the 2% OC requirement. We have applied interest rate stresses on the cash flows for each rating level according to our methodology. Currency risk, on the other hand, is also limited for this program as 100.00% of the cover pool assets and 100.00% of the cover bonds are denominated mainly in euro. In addition, CRA assumes that the Issuer has entered into an Issuer Hedging Agreement with BNP Paribas in the form of currency swap to hedge the risks associated with foreign currency mismatches.

Table 3: Program distribution by currency | Source: BNP Paribas SFH

Currency	Volume	Share (%)
Cover Pool		
EUR	42,190 m.	100.00%
Covered Bond		
EUR	34,341 m.	100.00%

Figure 5 shows the types of interest rate used in this program.

Figure 5: Type of interest rate | Source: BNP Paribas SFH



Credit Risk

The credit risk assessment for Mortgage Covered Bond have been determined in accordance with CRA rating methodology for Covered Bonds by means of historical data and particular parameters from the Covered Bonds.

Due to the high granularity of mortgage pools we have characterized these portfolios as big enough and with a homogeneous composition i.e. ("Large Homogeneous Portfolio", LHP). Furthermore, under that premise we have assumed that it is possible to derive a loss distribution. CRA has used the issuer's historical NPL ratios to derivate a conservative default rate proxy for the approximation through the LHP distribution. For the BNP Paribas SFH it has been assumed an expected default rate of 0.71% for the LHP. Furthermore, CRA has considered a 15.00% correlation to define the LHP distribution. Table 4 disclosed the expected default rate for each relevant rating level.

In order to derive recovery and loss-severity base case assumption, CRA has used historical data from mortgage price indexes. To determine loan-level recovery assumptions the resulting stressed recoveries assumptions were compared with the portfolio's existing loan-to-value ratios (LTVs).

Based on the default rates and taking into account the recovery assumptions, the following loss assumptions were determined for the current cover pool (see Table 4)

Table 4: Cover Pool Base case assumptions | Source: CRA

Rating	Default Rate (%)	Recoveries (%)	Expected Loss (%)
AAA	**30.63%**	**66.38%**	**10.30%**
AA+	28.15%	68.40%	8.90%
AA	23.87%	72.35%	6.60%
AA-	20.59%	75.48%	5.05%
A+	19.26%	76.80%	4.47%
A	19.25%	76.81%	4.46%
A-	18.45%	77.67%	4.12%

Cash-Flow Analysis

Model Assumptions

Based on public information and using the base case loss assumptions, we implement a scenario-based cash flow model. This model aims to test the ability of the structure to service all covered bonds according to their payment profile in diverse stress scenarios. The CRA cash flow analysis assumes that the Issuer has defaulted, i.e. all obligations will be met using cash flows from the cover pool assets only. We also assume that no additional assets will be added to the cover pool during the wind-down phase.

This program issues covered bonds with soft- and hard bullet maturity structure. CRA assumes that the maturity extensions of soft bullet covered bonds are reflected on the HTT published by BNP Paribas. Therefore, CRA has taken the relevant extended maturities of the covered bonds into consideration during its cash-flow analysis.

The cash-flow analysis considers, among other factors, asset value haircuts ("asset-sale discount"), and the possible positive yield spread between covered assets and covered bonds ("yield spreads"). To derive the asset-sale discount, CRA assumes, based on secondary market data, a rating level haircut on the asset value. Furthermore, CRA, using available public information (i.e. issuer's annual accounts), has derived estimations for yield spreads (see table 5):

Table 5: Cash-Flow Model assumptions | Source: CRA

Rating level	Asset-Sale Discount	Yield Spread
AAA	**72.93%**	**0.68%**
AA+	67.35%	0.74%
AA	63.75%	0.78%
AA-	60.33%	0.82%
A+	57.70%	0.85%
A	55.54%	0.87%
A-	52.72%	0.90%

Rating Scenarios

In our cash flow model rating scenarios have been tested considering several central input parameters, such as:

- Portfolio composition (diversification, concentration, granularity)
- Probability of default of cover assets
- Correlations of cover assets and systematic risk factors
- Recoveries
- Maturity profile of covered bonds and cover assets (ALM)

Within an AAA rating scenario, the cash flow model showed that obligations can be paid fully and in a timely manner. Overall, the cash flow analysis revealed that the portfolio, given all used information as of 30.06.2023, may ensure the repayment of bonds' nominal capital notwithstanding the occurrence of the presented stressed scenarios.

Overcollateralization Break-Even Analysis

CRA also performed a break-even OC analysis taking into considerations the following drivers: ALM, Loss level, Interest rate spreads, foreign currency mismatches and Recoveries. Performing the break-even OC analysis, we took rating-level specific stressed outcomes into account. Based on these analyses, the maximum OC required for each relevant rating level during the whole period has been presented in table 6.

Table 6: Breakeven Analysis | Source: CRA

Rating Level	Break-Even OC
AAA	**17.21%**
AA+	14.79%
AA	11.70%
AA-	9.54%
A+	8.56%
A	8.25%
A-	7.49%

Sensitivity Analysis

CRA also evaluates the sensitivity of the structure and program with respect to important input parameters. In particular, the following factors have been varied:

- Credit quality of cover assets
- Recoveries

The following table presents the rating impact of a decline in recoveries and an increase in the credit risk of single debtors. Starting from the best-case, which is represented by our base case assumptions, the analysis reveals the sensitivity of the rating with respect to recovery rates and credit risk. The worst-case scenario, in which we reduce recoveries by 50% and increase credit risk by 50%, the impact can be seen by a change in the implied rating scenario of 6 notches (see Table 7):

Table 7: Covered Bond Program Sensitivity: Credit Quality und Recovery Rates | Source: CRA

Recovery / Defaults	Base Case	-25%	-50%
Base Case	**AAA**	AA+	AA
+25%	AAA	AA	AA-
+50%	AA+	AA-	A-

In general, based on the presented cash flow analysis results, the rating of the cover pool within our covered bond program rating has been set at AAA. Since the rating after the primary uplift is set at AAA, the secondary uplift is consequently set at 0 notches.

Counterparty Risk

Derivatives

It is our understanding that the Issuer has entered into an Issuer Hedging Agreement with BNP Paribas in the form of currency swap to hedge the risks associated with foreign currency mismatches.

Commingling

Incoming cash flows generated from the cover pool will normally be transferred to the Issuer and will be forwarded to the covered bond holders according to the payment terms and conditions. Should the issuer become bankrupt, there is a risk ("commingling risk") that funds may not be returned and commingled with the insolvency estate of the issuer. This commingling risk is mitigated by the funding of certain cash collateral to an affiliate debt commingling account upon the occurrence of certain events. The credited cash to the affiliate debt commingling account shall be granted as cash collateral in accordance with the relevant terms of the cash collateral agreement, which shall secure the borrower secured liabilities as they become due and payable.

Creditreform Rating

Appendix

Rating History

Event	Rating Date	Publication Date	Result
Initial Rating	08.08.2019	16.08.2019	AAA / Stable
Monitoring	24.03.2020	28.03.2020	AAA / Watch Negative
Rating Update	30.07.2020	04.08.2020	AAA / Watch Negative
Monitoring	25.01.2021	29.01.2021	AAA/ Stable
Monitoring	05.07.2021	06.07.2021	AAA/ Watch
Rating Update	30.07.2021	05.08.2021	AAA/ Watch
Monitoring	02.12.2021	08.12.2021	AAA/ Stable
Rating Update	05.08.2022	11.08.2022	AAA/ Negative
Rating Update	10.08.2023	15.08.2023	AAA/ Stable

Details Cover Pool

Table 8: Characteristics of Cover Pool | Source: BNP Paribas SFH

Characteristics	Value
Cover Pool Volume	42,190 m.
Covered Bonds Outstanding	34,341 m.
Substitute Assets	775 m.
Share Derivatives	0.00%
Share Other	100.00%
Substitute Assets breakdown by asset type	
Cash	0.00%
Guaranteed by Supranational/Sovereign agency	0.00%
Central bank	0.00%
Credit institutions	100.00%
Other	0.00%
Substitute Assets breakdown by country	
Issuer country	100.00%
Eurozone	0.00%
Rest European Union	0.00%
European Economic Area	0.00%
Switzerland	0.00%
Australia	0.00%
Brazil	0.00%
Canada	0.00%
Japan	0.00%
Korea	0.00%
New Zealand	0.00%
Singapore	0.00%

US	0.00%
Other	0.00%
Cover Pool Composition	
Mortgages	100.00%
Total Substitute Assets	0.00%
Other / Derivatives	0.00%
Number of Debtors	NR
Distribution by property use	
Residential	100.00%
Commercial	0.00%
Other	0.00%
Distribution by Residential type	
Occupied (main home)	77.45%
Second home	5.55%
Non-owner occupied	17.00%
Agricultural	0.00%
Multi family	0.00%
Other	0.00%
Distribution by Commercial type	
Retail	NR
Office	NR
Hotel	NR
Shopping center	NR
Industry	NR
Land	NR
Other	NR
Average asset value (Residential)	120,307.51
Average asset value (Commercial)	0.00
Share Non-Performing Loans	0.00
Share of 10 biggest debtors	0.03%
WA Maturity (months)	176.66
WAL (months)	73.76
Distribution by Country (%)	
France	100.00
Distribution by Region (%)	
Auvergne-Rhône-Alpes	9.98
Bourgogne-Franche-Comté	1.68
Bretagne	3.06
Centre-Val-de-Loire	1.81
Corse	0.49
Grand-Est	3.76
Hauts-de-France	6.98

Normandie	3.61
Ile-de-France	39.42
Nouvelle-Aquitaine	7.08
Occitanie	8.24
Outremer	0.47
Pays de la Loire	4.30
Provence-Alpes-Côte-d'Azur	9.12

Table 9: Participant counterparties | Source: BNP Paribas SFH

Role	Name	Legal Entity Identifier
Issuer	BNP Paribas Home Loan SFH	969500O7DJZNM0F0Z036
Servicer	BNP Paribas SA	R0MUWSFPU8MPRO8K5P83
Account Bank	BNP Paribas SA	R0MUWSFPU8MPRO8K5P83

Table 10: Interest rate and Swap counterparties | Source: BNP Paribas SFH

Name	Legal Entity Identifier	Agreement Type
BNP Paribas SA	R0MUWSFPU8MPRO8K5P83	FX

Figure 6: Arrears Distribution | Source: BNP Paribas SFH

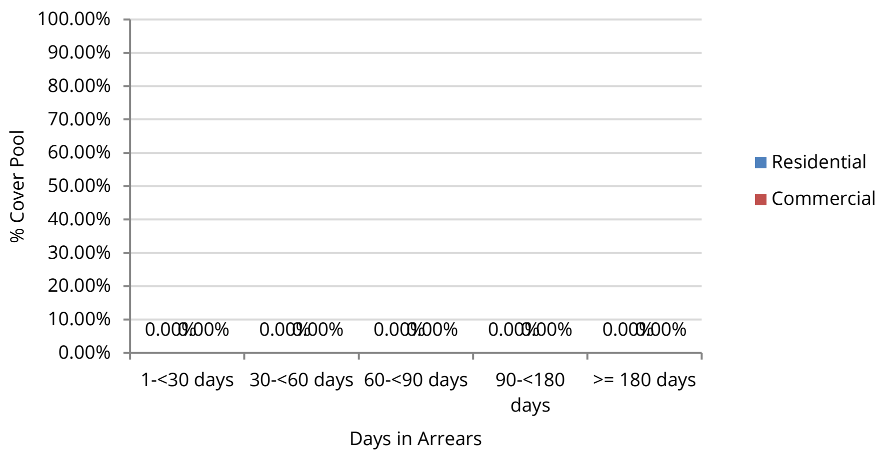


Figure 7: Program currency mismatches | Source: BNP Paribas SFH

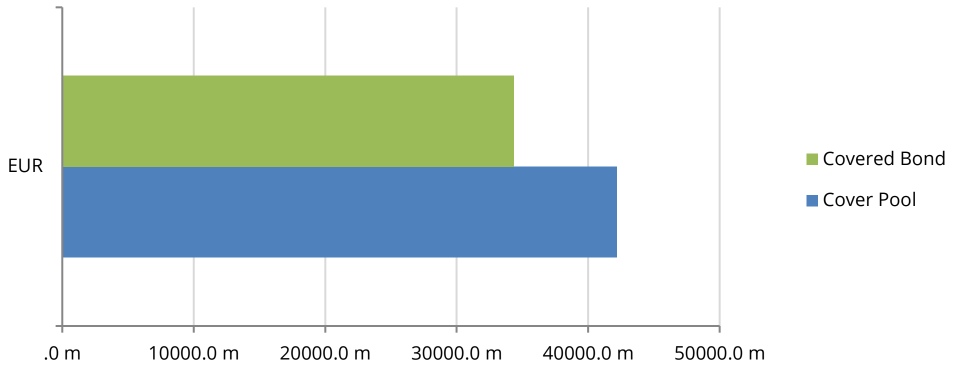
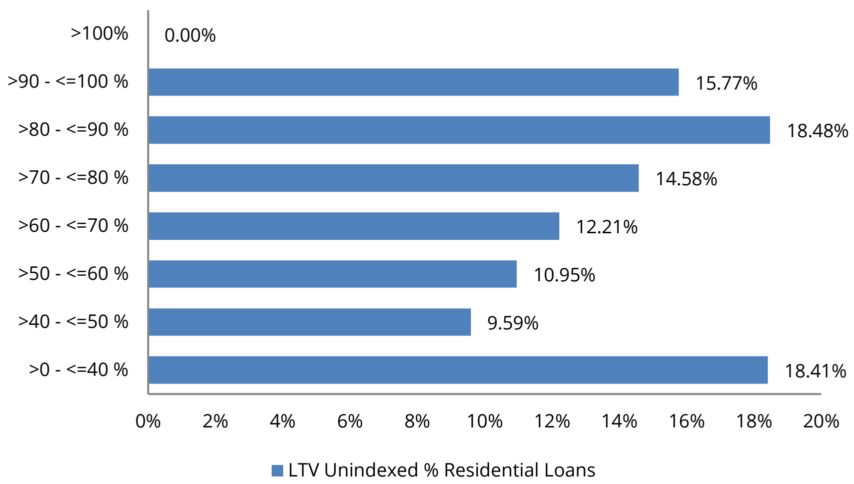


Figure 8: Unindexed LTV breakdown - residential pool | Source: BNP Paribas SFH



Key Source of Information

Documents (Date: 30.06.2023)
Issuer ▪ Audited consolidated annual reports of BNP Paribas SA (Group) 2018-2021 ▪ Miscellaneous Investor Relations Information and Press releases ▪ Other rating relevant data from eValueRate/CRA databank
Covered Bond and Cover Pool ▪ HTT Reporting from BNP Paribas Home Loan SFH as of 30.06.2023 ▪ Base prospectus of the BNP Paribas Home Loan SFH Mortgage Covered Bond program dated 05.07.2023 ▪ Market data Mortgage Covered Bonds Program

Regulatory and Legal Disclosures

Creditreform Rating AG was neither commissioned by the rating object nor by any other third parties 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 rating was conducted on the basis of Creditreform Rating´s "Covered Bond Ratings" methodology (v1.2, July 2023) and "Technical Documentation Portfolio Loss Distributions" (v.1.0, July 2018) in conjunction with Creditreform`s basic document "Rating Criteria and Definitions" (v1.3, January 2018). On the subject of ESG (environment, social and governance), Creditreform Rating AG has published the basic document "The Impact of ESG Factors on Credit Ratings" (March 2020).

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 and program. The issuer's quantitative analysis is based mainly on the latest annual accounts, interim reports, other information of the bank pertaining to investor relations, and key figures from CRA/eValueRate database. The cover pool's quantitative analysis for the rated Covered Bond Program was based on the "Harmonised Transparency Template" (HTT) published by BNP Paribas SFH.

Information on the meaning of a rating category, definition of default and sensitivity analysis of relevant key rating assumptions can be found at "Creditreform Rating AG, Rating Criteria and Definitions":

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

This rating was carried out by analysts Philip Michaelis (Senior Analyst) und Bruno Passos (Analyst) both based in Neuss/Germany. On 10 August 2023, the rating was presented to the rating committee by the analysts and adopted in a resolution. The function of Person Approving Credit Ratings (PAC) was performed by Christian Konieczny (Senior Analyst).

On 10 August 2023, the rating result was communicated to BNP Paribas SFH, and the preliminary rating report was made available. The Issuer and all relevant parties examined the rating report prior to publication and were given at least one full working day to appeal the rating committee decision and provide additional information. The rating decision was not amended following this examination.

The rating is subject to one-year monitoring from the creation date (see cover sheet). Within this period, the rating can be updated. After one year at the latest, a follow-up is required to maintain the validity of the rating.

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 permitted to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation.

Endorsement

Creditreform Rating did not endorse the rating according Article 4 (3), 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 the event of provision of ancillary services to the rated entity, CRA will disclose all ancillary services in the credit rating report of the issuer.

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. Transaction structure and participants
2. Transaction documents
3. Issuing documents
4. Other rating relevant documentation

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 rating report and/or Press release indicate the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In cases 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 and other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

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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 and/or Press Release 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”.

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