

12 August 2020 – Neuss, Germany

Rating Action / Update:

Creditreform Rating has confirmed the unsolicited corporate issuer rating of Iberdrola S.A. at **BBB+ / stable**

Creditreform Rating (CRA) has confirmed the unsolicited corporate issuer ratings of Iberdrola S.A., Iberdrola Finanzas S.A.U., Iberdrola International B.V., Iberdrola Finance Ireland DAC, as well as the unsolicited corporate issue ratings of the long-term local currency senior unsecured notes issued by Iberdrola Finanzas S.A.U., the long-term local currency senior unsecured notes issued by Iberdrola International B.V., and the long-term local currency senior unsecured notes issued by Iberdrola Finance Ireland DAC at BBB+ with a stable outlook.

Current relevant factors for the rating

The following considerations were of specific relevance for the rating assessment:

- Strong business year 2019 with higher operating results due to a good operating environment in the Networks and Liberalized business and growing asset base.
- H1 2020 figures negatively impacted by COVID-19 due to a fall in demand and commodity prices.
- H1 2020 net profit up 12% due to a non-recurring capital gain of EUR 485 million from the sale of the 8.07% stake in Siemens Gamesa.
- Rise of indebtedness expected after ramping up the investment program to meet the target of EUR 10 billion in 2020.

ESG-criteria:

CRA generally considers ESG factors (environment, social and governance) within its rating decisions. In the case of Iberdrola S.A. we have not identified any ESG factor with significant influence.

A general valid description of Creditreform Rating AG, as well as a valid description of corporate ratings for understanding and assessing ESG factors in the context of the credit rating process, can be found here:

<https://creditreform-rating.de/en/about-us/regulatory-requirements.html?file=files/content/downloads/Externes%20Rating/Regulatorische%20Anforderungen/EN/Ratingmethodiken%20EN/The%20Impact%20of%20ESG%20Factors%20on%20Credit%20Ratings.pdf>

Rating result

The rating of BBB+ attests Iberdrola S.A. a good level of creditworthiness, representing a low to medium default risk. The main positive factors contributing to the rating are the Group's solid financial profile, its high degree of regulated revenues and long term contracts (PPA's), its geographically diversified asset and concession base, and its diversified income and cash generation. Another positive rating driver is the relatively high share of CO2-neutral energy Iberdrola already produces, thus reducing the need for investment in the restructuring of its generation capacity towards new energy sources in the future. Regulatory risks which stem from the high degree of regulated EBITDA in the Renewables and Network business divisions, exposure to adverse weather conditions (wind and water resources), the Company's activities in developing

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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.

countries, exposure to market prices and volume risk, and its 2018-2022 investment plan which will cause large cash outflows over the coming years have a dampening effect on the rating.

Outlook

The one-year outlook of the rating is stable. We expect that the Group's financial key figures will show a slight increase in indebtedness and a reduction in profit for the year 2020. This assessment is based on our expectation that the COVID-19 crisis will have some limited but additional impact on Iberdrola in the coming period. Moreover, we expect the indebtedness to rise as a result of the announced target of EUR 10 billion in investments for the business year 2020. We do believe that the reduction in earnings will be temporary, as prices and demand are already recovering in Spain and the United Kingdom, and regulatory frameworks in some of the regulated markets allow for recovery over the coming years.

At this point in time it is difficult to assess how long this pandemic, the recession and the subsequent recovery period will last. These events might have a negative effect on electricity demand and therefore the business development of Iberdrola. We would like to point out that the Group is predominantly active in countries, which are strongly affected by COVID-19. We do not rule out a change in outlook if the situation regarding COVID-19 would worsen in these markets.

Best-case scenario: BBB+

In our best-case-scenario for one year, we assume a rating of BBB+. We believe an upgrade within the time horizon of one year to be unlikely, the reason being the current global situation regarding COVID-19 and the uncertainty regarding the economic recovery this entails. Additionally, the Group has announced it will speed up its investment program, causing large additional cash outflows which we think will result in rising indebtedness.

Worst-case scenario: BBB

In our worst-case scenario for one year, we assume a rating of BBB. In this scenario, we expect the severity of the COVID-19 situation to increase, slowing economic recovery and causing a further fall in demand, as well as slower price recovery, adversely affecting the Group's operating results and cash flows. Also, we expect leverage to increase, as Iberdrola will need to reach out for more external funding to accommodate the targeted investments for 2020.

Business development and outlook

During the 2019 business year the Iberdrola Group generated revenues of EUR 36,438 million, (2018: EUR 35,076 million), gross margin of EUR 16,958 (2018: EUR 16,094 million), EBITDA adj. of EUR 10,014 million (2018: EUR 9,094 million), EBIT of EUR 6,085 million (2018: EUR 5,438 million) and an EAT of EUR 3,406 million (2018: EUR 3,014 million).

The positive development of the Group is mainly the result of strong development in the Networks business and Liberalized business, which was partially offset by a decrease in the Renewables business. The reported Gross margin of the Networks business increased by EUR 490 million to EUR 8,131 million (+6.4%) and was driven by strong performance in Brazil, the United Kingdom and the United States. In Brazil, tariff reviews and a general strong market environment caused a EUR 298 million (+19.5%) increase in gross margin to EUR 1,828 million. In the United Kingdom the increase of EUR 89 million (+7.3%) to EUR 1,311 million was mainly due to a larger asset portfolio. The United States registered an increase of EUR 95 million (+3.4%) to EUR 2,875 million, which benefited from a favorable currency environment and tariff recovery from the previous years.

Table 1: The development of corporate divisions in 2019 | Source: Consolidated Annual Report 2019)

	Iberdrola S.A. according to individual corporate divisions in 2019 before consolidation adjustments			
in million EUR	Networks	Renewables	Liberalized	Other
Revenue	14,210	3,834	20,726	-
Gross Margin	8,131	4,688	3,446	44
EBITDA	5,262	2,385	2,469	28

The Liberalized business registered a growth of EUR 520 million (+ 12.5%) to a reported gross margin of EUR 4,688 million in comparison to the prior year. The performance within this segment varied strongly between countries. The United Kingdom and Brazil registered a strong decrease of EUR 179 million (-20.7%) and EUR 42 million (-31.3%) to EUR 684 million and EUR 92 million respectively, due to lower margins resulting from a price cap and a difficult market environment in the United Kingdom, and lower margins and a negative non-recurring impact in Brazil. This was overcompensated by strong results in Spain and Mexico. Spain registered an increase of EUR 526 million (+22%) to EUR 2,932 million resulting from a good operating environment, and a positive non-recurring impact of EUR 87 million for the assignment of LNG contracts at fair value. It is to be noted that this non-recurring impact is later offset due to a charge of EUR 85 million under valuation adjustments, which then had a neutral impact on the Group's EBIT. Mexico's gross profit registered an increase of EUR 179 million (+ 23.7%) to EUR 935 million due to increased capacity.

The Renewables division registered a decrease of EUR 165 million (-4.6%) to a reported gross margin of EUR 3,446 million in their gross margin despite stable development in most of the segment's countries. A large decrease in Spain of EUR 329 million (-20.8%) to EUR 1,251 million, driven by lower hydrological (-34.8%) and wind (-7.2%) output as well as lower prices in the wholesale markets mainly caused this development, which resulted in a lower gross margin than in the prior year.

EBITDA improved significantly, mainly driven by a larger asset base and positive operating development of the Group. It should be noted that the increase of EUR 920 million in EBITDA was partially driven by favorable currency developments against the EUR (+123 million). Iberdrola's EBIT, EBT and EAT also rose significantly in comparison to the prior year. Iberdrola registered net gains from disposals of EUR 206 million, resulting mainly from the exclusive long-term assignment of the right of use of the exceeding capacity of the fiber-optic network (EUR +113 million) and the sale of the 50% stake in Dry Lake II, LLC and Cooper Crossing, LLC (EUR +54 million).

The first-time application of IFRS 16 reduced the operating expenses by 146 million, increased depreciation by EUR 127 million, and increased net financial expenses by EUR 52 million, which resulted in a lower net profit of EUR -22 million.

Table 2: Financials of Iberdrola S.A. | Source: Iberdrola S.A. Annual report 2019, standardized by CRA

Iberdrola S.A. Selected key figures of the financial statement analysis Basis: Annual accounts and report of 31.12. (IAS, Group)	CRA standardized figures ¹	
	2018	2019
Sales (million EUR)	35,076	36,438
EBITDA (million EUR)	9,094	10,014
EBIT (million EUR)	5,438	6,085
EAT (million EUR)	3,337	3,815
EAT after transfer (million EUR)	3,014	3,406
Total assets (million EUR)	103,665	113,142
Equity ratio (%)	43.05	42.31
Capital lock-up period (days)	54.73	51.07
Short-term capital lock-up (%)	29.30	36.70
Net total debt / EBITDA adj. (factor)	6.19	6.44
Ratio of interest expenses to total debt (%)	2.80	2.66
Return on Investment (%)	4.33	4.53

The structured balance sheet of Iberdrola S.A. increased by more than 9% to EUR 113,142 million (2018: 103,665 million). The growth was largely characterized by an increase in PP&E, which can be explained by the Group's extensive investment plan. During the business year the Group made gross investments of EUR 8,158 million (net investments EUR 7,242 million), an increase of 32% in comparison to the prior year. As regards the allocation of the investments, 44% of the gross investment was invested in the Networks business, 41% in renewables, 13% in the Liberalized business, and the residual amount in corporate and other, and were in line with the 2018 – 2022 investment plan. In order to finance the investments, the Group entered into new debt, increasing its adjusted gross debt by EUR 3,711 million to EUR 42,201 million (2018: 38,490 million). This was in part also caused by the first-time application of IFRS 16, which increased debt by EUR 1,652 million, of which EUR 1,246 million was existing leases. As we already incorporated the existing lease agreements in our previous rating assessments, this has a neutral influence on the rating and does not affect the creditworthiness of the Group.

The Group's equity at the end of 2019 stood at EUR 47,875 million (2018: 44,624 million). The increase of equity was the result of an increase in retained earnings (EUR 824 million) and an increase in non-controlling interests (EUR 2,122 million) mostly caused by the sale of a 40% stake in the offshore UK based wind farm East Anglia One Ltd and the issuance of a perpetual subordinated bond of EUR 800 million². As a result, the equity ratio remained relatively stable and stood at 42.31% (2018: 43.05%) despite the increase in adjusted gross debt. Net total debt/EBITDA adj. increased slightly to 6.44 (2018: 6.19), which can partly be attributed to the first-time application of IFRS 16. Altogether, the analysis of the structured financial key ratios for 2019 shows a stable development.

¹ For analytical purposes, CRA adjusted the original values in the financial statements in the context of its financial ratio analysis. For example, when calculating the analytical equity ratio, deferred tax assets, goodwill (entirely or partly), and internally-generated intangible assets are subtracted from the original equity, whilst deferred tax liabilities are added. Net total debt takes all balance sheet liabilities into account. Therefore, the key financial figures shown often deviate from the original values of the company.

² Perpetual subordinated bonds with a revision date shorter than 5 years are allocated 50% to equity and 50% to debt.

During the first half of the 2020 business year, the Group was operating in a difficult market environment, largely because of the worldwide COVID-19 pandemic. As a result, Iberdrola's earnings deteriorated compared to the same period in the prior year. On the EBITDA level, the Group registered a COVID-19-related loss of EUR 157 million due to a fall in demand. Additionally, adverse currency movements against the EUR (particularly the Brazilian Real) decreased the EBITDA further by EUR 92 million. As a result it reported an EBITDA of EUR 4,918 (H1 2019: EUR 4,990), slightly lower than in the prior year despite a growing asset base. EBIT fell by more than 10% to EUR 2,675 million (H1 2019: 2,991 million) due to higher depreciation (+ EUR 138 million) resulting from a larger asset base and a COVID-19-related increase in bad debt provisions (EUR +71 million). EAT improved significantly due to non-recurring income following the sale of its 8.07% stake in Siemens Gamesa for a total consideration of EUR 1,100 million. The Group reported a gross capital gain of EUR 485 million. As a result, EAT rose by 12% to EUR 1,845 million.

Iberdrola made gross investments of EUR 3,582 million during H1 2020, of which approximately 45% was in the Networks business, 45% in the Renewables business, 8% in the Liberalized business, and the residual investment in corporate and other. Iberdrola's adjusted gross debt position remained relatively stable throughout the year. Iberdrola financed its investments largely with its own cash flow generation and cash generated from divestments made from the asset rotation program. The Group's liquidity position continues to be good. At the end of H1 2020 Iberdrola had cash and cash equivalents of EUR 2,320 million with additional liquidity headroom of EUR 12,306 million consisting of arranged financing, credit and back-up facilities. Furthermore, the Group continues to have very good capital market access.

We believe that the Group continues to have a sound structural, business, and financial risk profile. The nature of its business and its high degree of regulated activities shielded it to a certain degree from the impact of the COVID-19 pandemic. Its strong geographical diversification is also a positive factor, but it should be noted that Iberdrola has operations in areas where the situation regarding COVID-19 is critical (Brazil, Mexico, United Kingdom, Spain, United States). At this point in time it is very difficult to assess the further course of the pandemic and its impact on the global and local economies. Additionally, BREXIT risks remain, as there are still a lot of uncertainties regarding the exit of the United Kingdom out of the EU. The Group continued with its strong investment program according to plan, and targets total investments of EUR 10 billion for the 2020 business year. We expect a small increase in leverage as a result of this investment plan, as we expect the indebtedness to increase over the year.

Issue Rating

In addition to the rating of Iberdrola S.A., the following issuers and their issues (see below) have been rated:

- Iberdrola International B.V.
- Iberdrola Finanzas S.A.U
- Iberdrola Finance Ireland DAC
- Long-Term Local Currency Senior Unsecured issues by Iberdrola Finanzas S.A.U.
- Long-Term Local Currency Senior Unsecured issues by Iberdrola International B.V.
- Long term local currency senior unsecured issues by Iberdrola Finance Ireland DAC

Issuer Rating of Iberdrola International B.V.

Iberdrola International B.V. is a company with limited liability under the laws of the Netherlands and was incorporated in 1992. The company is wholly owned by Iberdrola S.A. and its financial statements are fully consolidated in the financial statements of the Group. The issuer's principal activity is the provision of treasury services to the Iberdrola Group. The parent company issued an unconditional and irrevocable guarantee on a full-recourse basis with respect to its obligations arising from the outstanding bonds. The unsolicited corporate issuer rating of Iberdrola International B.V. is therefore equal to the rating of Iberdrola S.A. The rating result is **BBB+** with **stable** outlook.

Issuer Rating of Iberdrola Finanzas S.A.U.

Iberdrola Finanzas S.A.U. is a company operating under Spanish law and was incorporated in 2005. The company is wholly owned by Iberdrola S.A. and its financial statements are fully consolidated in the financial statements of the Group. The issuer's principal activity is the issuance of preferential shares and other marketable debt instruments in Spanish and foreign organised and secondary markets. Iberdrola S.A. has guaranteed all existing bond issuances. Since the guaranteed bond issuances represent all issued debt, the unsolicited corporate issuer rating of Iberdrola Finanzas S.A.U. is set equal to the rating of Iberdrola S.A. The rating result is therefore **BBB+** with **stable** outlook.

Issuer Rating of Iberdrola Finance Ireland DAC

Iberdrola Finance Ireland DAC is an Irish-registered company and was incorporated in 2008. The company is wholly owned by Iberdrola S.A. and its financial statements are fully consolidated in the financial statements of the Group. The issuer's principal activity is to raise financing for the Group by way of issuing debt securities. All the notes issued by Iberdrola Finance Ireland DAC are guaranteed by Iberdrola S.A. The guarantee on the notes by Iberdrola S.A. leaves no net credit risk for the issuer. The unsolicited corporate issuer rating of Iberdrola Finance Ireland DAC is therefore set equal to the rating of Iberdrola S.A. The rating result is therefore **BBB+** with **stable** outlook.

Issue Rating of the Long Term Local Currency Senior Unsecured Issues by Iberdrola Finanzas S.A.U.

This unsolicited issue rating is exclusively valid for the long-term senior unsecured issues denominated in euros, issued by Iberdrola Finanzas S.A.U. and which are included in the list of ECB-eligible marketable assets. The ECB list of eligible marketable assets can be found on the website of the ECB.

The Notes have been issued within the framework of Iberdrola S.A.'s EMTN-Program, most recently renewed on 24 June 2020. The issuer in the framework of this program is Iberdrola Finanzas S.A.U. The total nominal value of the bonds issued must not exceed EUR 20,000 million.

According to the prospectus as of 24 June 2020, the notes benefit from a negative pledge provision, and a cross default clause. A change of control clause is optional in the final terms of the notes. We have assigned the long-term senior unsecured issues issued by Iberdrola Finanzas S.A.U. a rating of **BBB+** with **stable** outlook. This decision is mainly based on the corporate rating of Iberdrola S.A. Other types of debt instruments or issues denominated in other currencies

have not been rated by CRA. For a list of all currently valid ratings and additional information, please consult the website of Creditreform Rating AG.

Issue Rating of the Long Term Local Currency Senior Unsecured Issues by Iberdrola International B.V.

This unsolicited issue rating is exclusively valid for the long-term senior unsecured issues denominated in euros, issued by Iberdrola International B.V. and which are included in the list of ECB-eligible marketable assets. The ECB list of eligible marketable assets can be found on the website of the ECB.

The Notes have been issued within the framework of Iberdrola S.A.'s EMTN-Program. Iberdrola International B.V. is no longer an issuer under the terms of the latest base prospectus of the EMTN-program for future bond issues, most recently renewed on 24 June 2020. The last base prospectus that included Iberdrola International B.V. as an issuer dates from 1 August 2018. The Company continues to hold several outstanding bonds rated by CRA.

According to the prospectus as of 1 August 2018, the notes benefit from a negative pledge provision, and a cross default clause. A change of control clause is optional in the final terms of the notes. We have assigned the long-term senior unsecured issues issued by Iberdrola International B.V. a rating of **BBB+** with **stable** outlook. This decision is mainly based on the corporate rating of Iberdrola S.A. Other types of debt instruments or issues denominated in other currencies have not been rated by CRA. For a list of all currently valid ratings and additional information, please consult the website of Creditreform Rating AG

Issue Rating of the Long-Term Local Currency Senior Unsecured Issues by Iberdrola Finance Ireland DAC

This issue rating is exclusively valid for the long-term senior unsecured issues denominated in euros, issued by Iberdrola Finance Ireland DAC and which are included in the list of ECB-eligible marketable assets. The ECB list of eligible marketable assets can be found on the website of the ECB.

The notes have been issued within the framework of Iberdrola's Global Medium Term Note Program. The last prospectus dates from 29 July 2015 and is no longer valid. The maximum amount issued under this program cannot exceed EUR 1.500 thousand; the issuer in the context of this program is Iberdrola Finance Ireland DAC.

According to the last prospectus of 29 July 2015, the notes benefit from a negative pledge provision and a cross default clause. We have assigned the long-term senior unsecured notes issued by Iberdrola Finance Ireland DAC a rating of **BBB+** with **stable** outlook. This decision is mainly based on the corporate rating of Iberdrola S.A. Other types of debt instruments or issues denominated in other currencies have not been rated by CRA. For a list of all currently valid ratings and additional information please consult the website of Creditreform Rating AG.

Overview

Table 3: Overview of CRA Ratings | Source: CRA

Rating objects	Detailed Information	
	Date	Rating
Iberdrola S.A.	12.08.2020	BBB+ / stable
Iberdrola International B.V.	12.08.2020	BBB+ / stable
Iberdrola Finanzas S.A.U.	12.08.2020	BBB+ / stable
Iberdrola Finance Ireland DAC	12.08.2020	BBB+ / stable
Long-Term-Local-Currency Senior Unsecured Issues issued by Iberdrolas Finanzas S.A.U.	12.08.2020	BBB+ / stable
Long-Term-Local-Currency Senior Unsecured Issues – issued by Iberdrola International B.V.	12.08.2020	BBB+ / stable
Long-Term-Local-Currency Senior Unsecured Issues, issued by Iberdrola Finance Ireland DAC	12.08.2020	BBB+ / stable
Other	--	n.r.

Table 4: overview of Iberdrola International B.V. and Iberdrola Finanzas S.A.U.'s EMTN Program | Source: Iberdrola S.A.

Issue Details			
Volume	EUR 20.000.000.000	Maturity	Depending on the respective bond
Issuer	Iberdrola International B.V. ³ , Iberdrola Finanzas S.A.U.	Coupon	Depending on the respective bond
Arrangers	Barclays	Currency	Depending on the respective bond
Credit Enhancement	Unconditional and irrevocable guarantee by Iberdrola S.A.	ISIN	Depending on the respective bond

Table 5: overview of Iberdrola Finance Ireland's GMTN Program | Source: Iberdrola S.A.

Issue Details			
Volume	EUR 1.500.000.000	Maturity	Depending on the respective bond
Issuer	Iberdrola Finance Ireland DAC.	Coupon	Depending on the respective bond
Arrangers	Santander Global Banking & Markets	Currency	Depending on the respective bond
Credit Enhancement	Unconditional and irrevocable guarantee by Iberdrola S.A.	ISIN	Depending on the respective bond

All future LT LC senior unsecured Notes that will be issued by Iberdrola International B.V., Iberdrola Finanzas S.A.U. or Iberdrola Finance Ireland DAC under the current Guaranteed EMTN and GMTN program, denominated in Euro and included in the list of ECB-eligible marketable assets will, until further notice, receive the same ratings as the current LT LC senior unsecured Notes issued under the EMTN and GMTN program. Notes issued under the program in any currency other than Euro, or other types of debt instruments, have not yet been rated by CRA. For

³ Iberdrola International B.V. is no longer an issuer under the latest base prospectus of 24 June 2020

a list of all currently valid ratings and additional information, please consult the website of Creditreform Rating AG

Appendix

Rating history

The rating history is available under <https://www.creditreform-rating.de/de/ratings/published-ratings/>

Table 6: Corporate issuer Rating of Iberdrola S.A. | Source: CRA

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Table 7: Corporate issuer Rating of Iberdrola International B.V.

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Table 8: Corporate Issuer Rating of Iberdrola Finanzas S.A.U.

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Table 9: Corporate Issuer Rating of Iberdrola Finance Ireland DAC

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Table 9: LT LC Senior Unsecured issues issued by Iberdrola Finanzas S.A.U

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Table 10: LT LC Senior Unsecured issues issued by Iberdrola International B.V.

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Table 10: LT LC Senior Unsecured issues issued by Iberdrola Finance Ireland DAC

Event	Rating date	Publication date	Monitoring period	Result
Initial rating	03.05.2019	www.creditreform-rating.de	Withdrawal of the rating	BBB+ / stable

Regulatory requirements

The present rating is an unsolicited rating in the regulatory sense. The analysis was carried out on a voluntary basis by Creditreform Rating AG, which was not commissioned by the Issuer or any other third party to prepare the present rating.

The rating is based on the analysis of published information and on internal evaluation methods for the assessment of companies and issues. The rating object was informed of the intention of creating or updating an unsolicited rating before the rating was determined.

The rating object participated in the creation of the rating as follows:

With Rated Entity or Related Third Party Participation	No
With access to Internal Documents	No
With Access to Management	No

A management meeting did not take place within the framework of the rating process.

The documents and information gathered were sufficient to meet the requirements of Creditreform Rating AG's rating methodologies.

The rating was conducted based on the following rating methodologies and the basic document.

Rating methodology	Version number	Date	Website
Corporate Ratings	2.3	29.05.2019	https://creditreform-rating.de/en/about-us/regulatory-requirements.html?file=files/content/downloads/Externes%20Rating/Regulatorische%20Anforderungen/EN/Ratingmethodiken%20EN/Rating%20Methodology%20Corporate%20Ratings.pdf
Non-financial Corporate Issue Ratings	1.0	October 2016	https://creditreform-rating.de/en/about-us/regulatory-requirements.html?file=files/content/downloads/Externes%20Rating/Regulatorische%20Anforderungen/EN/Ratingmethodiken%20EN/Rating%20Methodology%20Non-Financial%20Corporate%20Issue%20Ratings.pdf
Rating Criteria and Definitions	1.3	January 2018	https://creditreform-rating.de/en/about-us/regulatory-requirements.html?file=files/content/downloads/Externes%20Rating/Regulatorische%20Anforderungen/EN/Ratingmethodiken%20EN/CRAG%20Rating%20Criteria%20and%20Definitions.pdf

The documents contain a description of the rating categories and a definition of default.

The rating was carried out by the following analysts:

Name	Function	Mail-Address
Rudger van Mook	Lead analyst	R.vanMook@creditreform-rating.de
Artur Kapica	Analyst	A.Kapica@creditreform-rating.de

The rating was approved by the following person (person approving credit ratings, PAC):

Name	Function	Mail-Address
Christina Sauerwein	PAC	C.Sauerwein@creditreform-rating.de

On 12 August 2020, the analysts presented the rating to the rating committee and the rating was determined. The rating result was communicated to the company on 12 August 2020. There has not been a subsequent change to the rating.

The rating will be monitored until Creditreform Rating AG withdraws the rating. The rating can be adjusted as part of the monitoring, if crucial assessment parameters change.

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

ESG-factors

You can find out whether ESG factors were relevant to the rating in the upper section of this rating report "Relevant rating factors".

A general valid description for Creditreform Rating AG, as well as a valid description of corporate ratings for understanding and assessing ESG factors in the context of the credit rating process, can be found here:

<https://creditreform-rating.de/en/about-us/regulatory-requirements.html?file=files/content/downloads/Externes%20Rating/Regulatorische%20Anforderungen/EN/Ratingmethodiken%20EN/The%20Impact%20of%20ESG%20Factors%20on%20Credit%20Ratings.pdf>

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 in approving credit ratings and rating outlooks.

In the event of providing ancillary services to the rated entity, Creditreform Rating AG 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 "Rating Committee Policy", all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, Creditreform Rating AG has used following substantially material sources:

Corporate issuer rating:

1. Annual report
2. Website
3. Internet research

Corporate issue rating:

1. Corporate issuer rating incl. information used for the corporate issuer rating
2. Documents on issues / instruments

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

Between the time of 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 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 report and indicates how the different methodologies or other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

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