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Agence Française de Développement

Attestation by one of the Statutory Auditors of the Agence Française de Développement on the allocation of proceeds, as at December 31, 2018 from the Climate Bond issuances

Year ended December 31, 2018
Agence Française de Développement
5, rue Roland Barthes - 75598 Paris Cedex 12

This report contains 5 pages

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Year ended December 31, 2018

This is a free English translation of the Attestation issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Executive Management of the Agence Française de Développement,

In our capacity as Statutory Auditor of the Agence Française de Développement (hereinafter "AFD") and in response to your request, we have prepared this attestation on information related to the allocation as at December 31, 2018 of proceeds from the Climate Bonds issuances (hereinafter the "Issuances") of September 17, 2014, November 15, 2017, and September 10, 2018, with a total amount of proceeds equal to 2,250,000,000 euros, as reported in the attached report entitled "Climate Bond Reporting 2018" which was prepared in accordance with the terms and conditions of the note purchase agreements (hereinafter the "Climate Bond Framework").

This report, intended to inform the Climate bonds securities holders, states that 3,589,000,000 euros have been allocated to eligible projects as at December 31, 2018.

The information has been prepared under your responsibility, based on the accounting records used to prepare the financial statements for the year ended December 31, 2018. The attached report specifies the methods and eligibility criteria used to prepare the information.

It is our responsibility to express an opinion on:

- the compliance, in all material respects, of the eligible projects disclosed in the attached report with the eligibility criteria specified in the Climate Bond Framework (the "Eligible Projects");
- the breakdown of outstanding proceeds in millions of euros on Eligible Projects according to their climate objectives and geographical area as specified in the Climate Bond Framework;

- the consistency of the outstanding proceeds in millions of euros of the Eligible Projects disclosed in the attached report with the accounting documents and underlying accounting data that served as a basis for the preparation of the annual financial accounts as at December 31, 2018;
- the amount of outstanding proceeds in millions of euros of Eligible Projects with regard to the total amount of proceeds from the Issuances.

However, it is not our responsibility to:

- call into question the eligibility criteria specified in the Climate Bond Framework, and, in particular, to give an interpretation of the terms and conditions of the Climate Bond Framework;
- express an opinion on the management of net proceeds from the Issuances prior to the allocation to the identified Eligible Projects;
- express an opinion on the use of proceeds allocated to Eligible Projects once they have been allocated;
- express an opinion on the responsible management of projects financed by the AFD.

As part of our statutory audit engagement, we conducted, together with one of the Statutory Auditors, the audit on the AFD's annual and consolidated financial statements for the year ended December 31, 2018, which were approved on March 1, 2019 by the Chief Executive in accordance with Article R. 516-14 of the French Monetary and Financial Code. Our audit, conducted in accordance with professional standards applicable in France, was intended to express an opinion on the annual and consolidated financial statements taken as a whole, and not on the specific items used to obtain the information disclosed in the attached report. Consequently, we did not perform any sampling tests for that purpose, and we do not express an opinion on those individual items. These annual and consolidated financial statements, approved by the Board of Directors on April 18, 2019, have been validated with the issuance of our unqualified audit report dated April 4, 2019.

Moreover, we have not undertaken procedures to identify any events that occurred after the issuance of our audit report on the consolidated financial statements dated April 4, 2019.

Our work, which is neither an audit nor a limited review, was performed in accordance with the professional standards applicable in France. Our work, based on a sampling of representative projects, consisted in:

- gaining an understanding of the guidelines put in place by the AFD to determine the information disclosed in the attached report;
- verify the compliance, in all material respects, of the Eligible Projects disclosed in the attached report with the eligibility criteria, as specified in the Climate Bond Framework;
- verify the arithmetical accuracy of the calculations prepared by AFD management regarding the amount in millions of euros of outstanding proceeds as at December 31, 2018, broken down by industry sector, geographical area (country) and type of project (Climate change Mitigation and/or Adaptation);
- verify the consistency of the information on outstanding proceeds as at December 31, 2018, broken down by industry sector and country as disclosed in the report prepared by AFD management with the underlying accounting data and the GCF accounting and loan management system;
- verify that the total amount in millions of euros of outstanding proceeds of Eligible Projects as at December 31, 2018 is *a minima* equal to the total amount of proceeds from the Issuances.

Based on our work, we have no comments regarding:

- the compliance, in all material respects, of the Eligible Projects disclosed in the attached report with the eligibility criteria specified in the Climate Bond Framework;
- the consistency of the outstanding proceeds in millions of euros of the Eligible Projects disclosed in the attached report with the accounting documents and underlying accounting data that served as a basis for the preparation of the annual financial accounts as at December 31, 2018;
- the amount of outstanding proceeds in millions of euros of Eligible Projects with regard to the total amount of proceeds from the Issuances.

The attestation has been prepared for you in connection with the context specified in the first paragraph and it may not be used, disclosed or referred to for any other purpose.

In our capacity as Statutory Auditor of the AFD, our responsibility to AFD is defined by French law and we do not accept any extension of our responsibility beyond that specified by French law. We shall not be liable to any third parties, including the holders of Climate Bonds, and we are not party to the Climate Bond Framework agreement. We shall not be held liable for the execution of the Climate Bond Framework or for any resulting damages, loss, cost or expense.

This attestation is governed by French law. All disputes, claims, or disagreements arising from our engagement letter or this attestation fall under the exclusive jurisdiction of the French courts. Both parties irrevocably forego their right to oppose any case brought before the French courts, or to argue that the case has been brought before a court that lacks jurisdiction, or that the French courts do not have jurisdiction.

Paris-La Défense, May 24, 2019

KPMG S.A.

Anne Garans
Partner
Sustainability Services

Pascal Brouard
Partner