EthiFinance Ratings

Corporate Rating Methodology – Commercial Real Estate

1. METHODOLOGY SUMMARY

This document provides an overview of the approach taken by EthiFinance Ratings when assigning long-term ratings to commercial real estate transactions.

This methodology incorporates a scorecard with details on the analytical factors and the weights given to them.

The objective of this document is to provide an overview of the rating methodology EthiFinance Ratings uses when assessing the credit quality of commercial real estate transactions.

This methodology applies to self-financing special-purpose vehicles (SPVs) or holding companies with activity limited to ownership of an SPV whose debt is serviced via the rental income generated by the underlying real estate asset or via the disposal of the asset, or a mix of both. These specialized real estate financings are typically secured by the real estate asset and the vehicle is insulated from third-party influence. This methodology can apply to various real estate assets, from large residential projects (the methodology does not aim to rate a specific real estate retail transaction) to commercial centres, offices, warehouses, and tailor-made assets. In the event the asset is under construction, a specific scorecard, reflecting the construction risk, also applies and is disclosed within this methodology; in this specific case, EthiFinance Ratings will use the most conservative of the scorecard for the operating asset and the scorecard for the asset under construction. This rating methodology does not apply to real estate developers, construction, or real estate companies.

To evaluate the credit quality of commercial real estate transactions, EthiFinance Ratings assesses:

a. The robustness of the legal structure (SPV, collateral, covenant package, etc.).

b. The asset attractiveness and the degree of financial risk. The assessment of the asset attractiveness focuses on its capacity to attract tenants, its resilience to adverse market conditions, and its environmental profile. The evaluation of financial risk primarily focuses on the level of indebtedness through the loan-to-value (LTV) ratio and through the coverage ratio, either via an interest coverage ratio (ICR) or via a debt service coverage ratio (DSCR).

c. Additional considerations such as political & country risk, adverse ESG performance, sponsor reputation, hedging risk, structuration risk, etc. These additional considerations are mostly external factors which EthiFinance Ratings believes are not reflected into the rating grid and impact the final rating through an override adjustment.

This methodology also addresses the instrument rating (which differs from the standard instrument rating methodology) in the event of different layers of debt and their seniority. In the event of a single class of debt the instrument rating matches the rating of the entity.

2. ROBUSTNESS OF THE SPV: A SCORECARD & METHODOLOGY PREREQUISITE

The robustness of the SPV is the first step of the analysis, to enable us to ascertain whether the commercial real estate transactions methodology applies. A commercial real estate financing is characterized by a comprehensive security package usually including a real estate mortgage & pledges (insurance rights, rental income, bank accounts, SPV shares, intragroup receivables, commercial lease…).

This comprehensive security package, completed with a strong documentation and covenant package, is key to protect the lenders' interests and preserve their access to cash-flow and to the asset, especially given their non-recourse to the sponsors. Such transaction features will usually call for higher leverage than typically expected for a real estate company, which are characterized by looser documentation, limited restrictions on the company/group activities which expose the lenders to additional operating risks. EthiFinance Ratings expects a transaction's documentation to be in line with market practices. In the event of strong deviation - in which the SPV features, and protection of lenders' interests can be severely challenged, for instance if the SPV can raise additional debt and/or if the SPV can engage in other business activities - EthiFinance Ratings will not rate the entity under this methodology.

EthiFinance Ratings will typically expect the credit agreement to rely on the following provisions & covenants, although the list is given as an example (the list is intended to be organized under sections sharing common aspects) and may differ depending on the local practices and legal environment:

No other business, assignation of rent, maintenance of assets, property undertakings.

Insurance policy (including for instance business property insurance, casualty insurance, loss of rent, public liability insurance) & assignation of insurance indemnity.

Restrictions on (i) dividends, (ii) acquisitions, (iii) capex; (iv) opex, and (v) disposals with prepayment clauses, restricted payment/permitted payment & cash-flow waterfall.

Limitation on incurrence of debt, pari passu, negative pledge, cross-default/acceleration, change in ownership/sponsor.

Undertakings regarding valuation report & property monitoring reports.

LTV, debt yield, ICR/DSCR.

Borrowers' irrevocable & unconditional guarantees/pledge of intra-group accounts and/or pledge of SPVs' shares, pledge of bank accounts.

Use of diverse bank accounts to retain liquidity and properly affect the cash-flow waterfall.

EthiFinance Ratings expects the financing documentation to be completed with other finance documents, such as security documentation, a hedging agreement, an intercreditor agreement, and a lease agreement. EthiFinance Ratings pays attention to the contract enforcement risk; this methodology does not apply in jurisdictions where the insolvency regime is assessed as weak.

3. ETHIFINANCE RATINGS' SCORECARD (WITHOUT CONSTRUCTION RISK)

		AAA	AA	A	BBB	BB	B	CCC
ASSET RISK PROFILE								
Asset attractiveness	25%	Very prime area corresponding to the very center of cities with international attraction. Clear track record of very strong demand and reason to expect this will continue. Very high real estate price.	Centre of cities with international attraction or very center of cities with very strong national attraction - Clear track record of very strong demand and reason to expect this will continue. High real estate price.	Prime location but quite distant from the center of cities with international attractions or center of cities with strong national attraction. High real estate price.	Not a prime location in a city quite distant from the center of cities with international attractions. Prime location but quite distant from the center of cities with national attractions. Very central location in cities with regional attractions. Moderate real estate price. Specialized asset but still available for different usages / industries, for a little capex, with above average location.	Specialized asset but still available for different usages/industries, for a moderate capex, with above average location. Central location in cities with regional attractions, asset with some demand although it may require some time or discount to find new tenants. Moderate real estate price.	Specialized asset but still available for different usages/industries with below average location. Low real estate price.	Asset with a unique tenant possible or asset exposed to significant competition, usually corresponding to rural areas with low attractiveness. Very low real estate price.
Vacancy (Presale rate – PR - for asset under construction)	10%	Vac < 2,5% or PR > 95%	2,5% ≤ Vac < 4% (>1 week) or 95% ≥ PR > 85%	4% ≤ Vac < 7% (2/3,5 weeks) or 85% ≥ PR > 75%	7% ≤ Vac < 10% (or 3,5 to 5 weeks) or 75% ≥ PR > 60%	10% ≤ Vac < 14% (5/7weeks) or 60% ≥ PR > 50%	14% ≤ Vac < 19% (7/10 weeks) or 50% ≥ PR < 33%	19% ≤ Vac PR ≤ 33%
Tenant(s) quality	15%	Very high quality	Above average quality		Average quality		Below average quality	
Energy performance profile	10%	A	B	C	D	E	F	G
Total	**60%**							
FINANCIAL RISK PROFILE								
Loan to value or loan to construction	33%	LTV < 40%	40% ≤ LTV < 50%	50% ≤ LTV < 60%	60% ≤ LTV < 70%	70% ≤ LTV < 80%	80% ≤ LTV < 90%	LTV ≥ 90%
ICR Ratio or DSCR	7%	ICR > 10,0x or DSCR > 1,75x	10,0x ≥ ICR > 6,5x or 1,75x ≥ DSCR > 1,40x	6,5x ≥ ICR > 4,5x or 1,40x ≥ DSCR > 1,25x	4,5x ≥ ICR > 3,0x or 1,25x ≥ DSCR > 1,175x	3,0x ≥ ICR > 2,0x or 1,175x ≥ DSCR > 1,10x	2,0x ≥ ICR > 1,5x or 1,10x ≥ DSCR > 1,05x	ICR ≤ 1,5x or DSCR ≤ 1,05x
TOTAL	**40%**							

3.1. Assessing the asset risk profile

The assessment of the asset quality is a core component of a commercial real estate transaction and rating because it determines the quality of the cash flows, and hence the asset value. Because of the legal structure, the asset is the unique source of revenues.

3.1.1. Asset attractiveness

EthiFinance Ratings assesses the attractiveness of an asset because this determines its ability to attract new tenants and the asset value resilience to adverse market conditions. EthiFinance Ratings has developed a wide range of assessment, from AAA to CCC, based on qualitative criteria. A third-party expert assessment report, which is typically provided at the origination of the transaction, and market comparisons (where available) inform EthiFinance Ratings' asset attractiveness assessment.

		AAA	AA	A	BBB	BB	B	CCC
Asset attractiveness	25%	Very prime area corresponding to the very center of cities with international attraction. Clear track record of very strong demand and reason to expect this will continue. Very high real estate price.	Centre of cities with international attraction or very center of cities with very strong national attraction - Clear track record of very strong demand and reason to expect this will continue. High real estate price.	Prime location but quite distant from the center of cities with international attractions or center of cities with strong national attraction. High real estate price.	Not a prime location in a city quite distant from the center of cities with international attractions. Prime location but quite distant from the center of cities with national attractions. Very central location in cities with regional attractions. Moderate real estate price. Specialized asset but still available for different usages/industries, for a little capex, with above average location.	Specialized asset but still available for different usages/industries, for a moderate capex, with above average location. Central location in cities with regional attractions, asset with some demand although it may require some time or discount to find new tenants. Moderate real estate price.	Specialized asset but still available for different usages/industries with below average location. Low real estate price.	Asset with a unique tenant possible or asset exposed to significant competition, usually corresponding to rural areas with low attractiveness. Very low real estate price.

As a general rule, location is the main driver of the score. The AAA class reflects a very strong asset appraisal corresponding to a prime asset, typically corresponding to a location in the centre of "global cities" such as Paris, London, New York. The BBB class corresponds to a location quite distant from the centre of cities with at least national attractions. In France, national attractions can be defined, but not exclusively, as the capitals of the 13 regions. If such an urban area was exposed to demographic erosion, EthiFinance Ratings may lower this score, to reflect a likely decline in attractiveness. In France, EthiFinance Ratings will typically use statistical information provided by the national institute INSEE. The B class reflects poor asset attractiveness, with below average locations and/or specific usage (such as an industrial building), which usually reflect low real estate prices.

Even though location is the main driver of the asset attractiveness, its connection to transport infrastructure is key or even sometime essential. In the event an asset is characterized by poor connections, EthiFinance Ratings may apply a discount to its score. In this respect, EthiFinance Ratings will consider for an "urban asset" its distance to a train/metro/bus station (> 1km or >15 minutes walking will be considered as quite distant, although transportation frequency will also be taken into account). For a commercial centre, the distance to its catchment area and parking availability, as well as competition from other commercial centres, will be assessed. For a warehouse its distance to the highway will be considered. EthiFinance Ratings expects such appraisals to be disclosed in the third-party assessment or by the sponsor, depending on the transaction size/features. In the event that third-party technical reports highlight material risks, EthiFinance Ratings may lower its asset attractiveness score. Such risks can be related for instance to metal decommissioning. Such criteria can be applied directly to the asset attractiveness or through a discount to the LTV, or a mix of both, depending on where EthiFinance Ratings believes it is more relevant.

3.1.2. Vacancy

Vacancy rates are a fundamental real estate indicator. Vacancy quantitively captures the attractiveness of an asset. A significant vacancy rate may indicate that the asset is not competitive (especially if it is based in attractive areas) and may result in lower profitability & cash generation, which result in a worse credit risk profile.

		AAA	AA	A	BBB	BB	B	CCC
Vacancy (Presale rate – PR - for asset under construction)	10 %	Vac < 2,5% or PR > 95%	2,5% ≤ Vac < 4% (>1 week) or 95% ≥ PR > 85%	4% ≤ Vac < 7% (2/3,5 weeks) or 85% ≥ PR > 75%	7% ≤ Vac < 10% (or 3,5 to 5 weeks) or 75% ≥ PR > 60%	10% ≤ Vac < 14% (5/7weeks) or 60% ≥ PR > 50%	14% ≤ Vac < 19% (7/10 weeks) or 50% ≥ PR < 33%	19% ≤ Vac PR ≤ 33%

The vacancy rate considered by EthiFinance Ratings is commercial vacancy. As such, the vacancy does not consider technical vacancy typically linked to maintenance, refurbishment, scrapping etc. The vacancy is computed in terms of financial vacancy and not physical vacancy.

The vacancy ratio computed by EthiFinance Ratings is a mix between the current vacancy and the historical vacancy with an equal weight for each. EthiFinance Ratings will retain up to 4 periods (current + last 3 years). For the historical vacancy, EthiFinance Ratings may decide to exclude some periods if they are considered outliers.

3.1.3. Tenant(s) quality

The tenant quality criterion is a qualitative assessment. Under this assessment, EthiFinance Ratings pays attention to multiple characteristics, such as the tenant concentration, the credit quality of tenants, the characteristics & maturity of lease terms, and rent levels vs market levels. A strong tenant quality mitigates the risk of cash flow losses, particularly during stressed periods.

		AAA	AA	A	BBB	BB	B	CCC
Tenant(s) quality	15 %	Very high quality	Above average quality		Average quality		Below average quality	

3.1.4. Energy performance profile

Energy consumption is a key environmental indicator with direct impact on carbon emission. Currently, there is strong political pressure to improve the energy efficiency of buildings. In addition, it is a key credit factor having an impact for instance on future capex requirements and running charges for tenants. Furthermore, production costs in France are currently rising on the back of land price inflation and the raising of construction standards.

EthiFinance Ratings only uses the report related to energy consumption and not the report related to carbon emissions. EthiFinance Ratings believes that energy consumption is more credit risk-relevant than the carbon efficiency report given that carbon emission could be subject to the national energy mix. Furthermore, any State decision to change its energy mix - via for instance the subsidies of certain energy assets (such as renewables) or amendment to its nuclear policy - could have a significant impact on the carbon performance over time while a particular asset may have not changed materially.

		AAA	AA	A	BBB	BB	B	CCC
Energy performance profile	10%	A	B	C	D	E	F	G

The assessment will be made through the energy class which is the predominant source. In France, residential assets are classified into 7 categories, ranking from A to G, which translates into EthiFinance Ratings' grid to an AAA to CCC scoring range. If such an assessment is not available (for legal reasons), EthiFinance Ratings will request details of energy consumption and compute a relative value performance, using available information, such as information from "observatoire de l'immobilier durable". If this option too is not available, EthiFinance Ratings will base its assessment on discussions with its solicitor, taking a conservative approach. For instance, if the energy consumption would not be relevant following refurbishment, EthiFinance

Ratings may use management estimates, but will potentially not retain the full planned energy saving in its assessment.

3.2. Assessing the financial risk profile

3.2.1. Loan To Value

The loan-to-value (LTV) ratio measures the net debt to the value of the asset. The LTV is an essential ratio for a real estate financing transaction & its documentation, through the setting of a maximum covenant level. All else being equal, the lower the ratio, the lower the credit risk. Indeed, a lower ratio will provide the lenders with a higher equity cushion which can better absorb operating losses and/or decrease in value, especially in the event of adverse market conditions. This equity cushion may protect lenders in the event of disposal of the assets or make refinancing easier.

		AAA	AA	A	BBB	BB	B	CCC
Loan to value or loan to construction	33%	LTV < 40%	40% ≤ LTV < 50%	50% ≤ LTV < 60%	60% ≤ LTV < 70%	70% ≤ LTV < 80%	80% ≤ LTV < 90%	LTV ≥ 90%

The value of the asset is derived from market valuation from external third parties. According to the reputation of the third parties, and their credibility to assess such assets, a discount may be applied.

3.2.2. Interest Coverage Ratio and Debt Service Coverage Ratio

This interest coverage (ICR) ratio assesses the capacity of the SPV to cover its interest charges with the cash-flow it is generating. The ICR ratio (net operating income-to-gross interest expenses) measures the degree of financial strength or weakness and is an indicator of how close is an entity to missing an interest payment and so to default. The ICR ratio is computed as net operating income over interest charges.

		AAA	AA	A	BBB	BB	B	CCC
ICR Ratio or DSCR	7%	ICR > 10,0x or DSCR > 1,75x	10,0x ≥ ICR > 6,5x or 1,75x ≥ DSCR > 1,40x	6,5x ≥ ICR > 4,5x or 1,40x ≥ DSCR > 1,25x	4,5x ≥ ICR > 3,0x or 1,25x ≥ DSCR > 1,175x	3,0x ≥ ICR > 2,0x or 1,175x ≥ DSCR > 1,10x	2,0x ≥ ICR > 1,5x or 1,10x ≥ DSCR > 1,05x	ICR ≤ 1,5x or DSCR ≤ 1,05x

EthiFinance Ratings also calculates for amortizing facilities a debt service coverage ratio (DSCR) which is computed as cash-flow over interest charges and principal repayment. In such cases, the cash-flow is defined as net operating income minus working capital minus capex minus specific cash-flow. EthiFinance Ratings only computes maintenance capex as extraordinary capex would likely need to be financed with several years of cash-flow and/or additional debt or equity. The specific cash-flow relates to extraordinary cash outflow/inflow adjustments estimated by EthiFinance Ratings on a case-by-case basis and considered as necessary adjustments to reflect a normative cash-flow.

Both the ICR and DSCR ratios are computed using the remaining life of the debt. EthiFinance Ratings will retain the most conservative between ICR scoring and DSCR scoring, even though obviously their scaling is different, as highlighted within the EthiFinance Ratings' scorecard.

3.2.3. Financial risk profile assessment clarification

In the assessment of the financial risk profile, the ratio computed by EthiFinance Ratings will be based on its own forecast and correspond to the next 12 months forecast ratios. If a specific model has been developed for a transaction, EthiFinance Ratings may use such a model with its own assumptions. In terms of value, for the LTV ratio EthiFinance Ratings will not estimate prospective value and will use the current or most recent value. In the event of development capex, and if such capex is not reflected in the initial LTV ratio, EthiFinance Ratings may adjust the LTV ratio adding to the development capex amount and if applicable to the net debt.

In the event there is a significant tenant concentration, EthiFinance Ratings may cap the financial assessment scoring to the tenants' assessed credit rating. This would particularly be the case for specific real estate assets for which the transaction could be considered as an off-balance sheet optimization for the tenant. For instance, a project for which the asset will be used for industrial purposes, EthiFinance Ratings will most likely cap its financial assessment to the tenant credit rating. Under such a scenario, it is most likely that an industrial site will have a low realizable value for a third party as it would probably require some significant capex and/or the site will attract only a very narrow prospect base.

4. ETHIFINANCE RATINGS' SCORECARD WITH CONSTRUCTION RISK

The construction risk acts as a rating cap for assets under construction. In such a situation, EthiFinance Ratings computes the scorecard based on its initial grid risk assessment and a further assessment based on the below construction grid risk. During the construction phase, EthiFinance Ratings retains the most conservative rating between its initial grid assessment and the construction grid risk assessment. Until the asset has been delivered, the rating will be capped at a maximum level of BB.

Weight	Rating class	BBB	BB	B	CCC
15%	**Constructors, sponsors & partners**	Very strong & long track record with international reputation	Sponsors and partners with adequate track record and brand reputation	Sponsors or partners with good but limited track record	Sponsors or partners with no track record or weak track record
20%	**Project complexity**	Long past record regarding the technology and/or knowledge involved to execute the project	Adequate risk regarding the technology and/or knowledge involved to execute the project	The project is built on a cost-plus structure with a fixed delivery date	The project is built on a cost-plus structure with unclear risk-sharing and/or uncertain delivery date
15%	**Execution risk**	Execution risk of the project is very low with typically turnkey/EPC contract	The project is either a cost plus with rather low execution risk or a turnkey/EPC contract with adequate execution risk	The project presents some complexity in terms of execution although the partners have a good execution track-record	The project presents high complexity in terms of execution and the partners track-record is limited in this field
10%	**Financing**	Financing of the project is fully committed from first rank sponsors or financial institutions or with available cash	Financing of the project is partially committed from first rank sponsors or financial institutions	Financing of the project is partially committed from second rank sponsors or financial institutions	Financing of the project with weak commitments from second rank sponsors or financial institutions
10%	**Loan administration**	First rank loan administrator with strong loan administration process (drawdown tied to invoices with independent inspection before drawdown, frequent on-site visit from a lenders' representative)	First rank loan administrator with adequate loan administration process	Second rank loan administrator with strong loan administration process	Weak loan administrator or second rank loan administrator with adequate loan administration process
10%	**Insurance / Bonds / Surety**	Construction risk & insurance are covered with standard or robust bond/insurance scheme from first rank financial institutions		Construction risk & insurance are covered with a bond/insurance scheme from second rank financial institutions or from first rank institution with below standard bond/insurance scheme	Construction risk & insurance are covered with below standard bond/insurance scheme from relatively weak financial institutions
10%	**Project completion stage - PC**	100% ≥ PC > 85%	85 ≥ PC > 66%	66 ≥ PC > 33%	PC ≤ 33%
10%	**Presale risk - PR**	100% ≥ PC > 75%	75% > PC > 50%	50% ≥ PC > 25%	PR ≤ 25%

The construction phase is typically characterized by higher risk as it is exposed to cost overruns, there might be some uncertainty regarding the ability of the constructor to deliver the project on time with all its specificities, the construction might be exposed to technical construction challenges, or there can even be unexpected problems with the land. Usually, the more standardized the asset, the more commoditized can be its construction, the lesser the risk. Obviously, the experience of the constructors and contractors are strong factors. The scorecard used by EthiFinance Ratings aims at assessing these risks, although EthiFinance Ratings might decide to constrain the final rating in the event that:

i. some criteria are assessed as very weak, for instance very high project complexity and very high execution risk can potentially not be fully compensated for by very low commercialization risk and very high experience of sponsors, constructors & partners.

ii. other external factors are expected to weigh significantly on the final rating assessment, in which case the rationale of the override will be clearly detailed by EthiFinance Ratings.

When assessing the performing scorecard, EthiFinance Ratings will:

i. Assess the presale rate instead of the vacancy rate which is by definition not applicable. The presale criterion is used up to 12 months after the keys have been delivered. In between 6 and 12 months after the keys have been delivered, the analyst will take the average of both scores (commercialization rate and vacancy). If the rating assessment falls in between 9 and 12 months after the keys have been delivered, the analyst will only use the vacancy criteria.

ii. Use the most conservative ratio between the loan-to-construction (LTC) ratio and the expected loan-to-value ratio. LTC is computed using construction cost.

5. INSTRUMENT RATING

The rating grid presented presupposes a single class of debt and as such a situation in which the rating instrument matches the rating of the entity. In the event of different layers of debt, EthiFinance Ratings uses the financial ratios corresponding to the instrument class to compute the instrument rating.

As such, the LTV of a senior secured class of debt does not include the junior debt, while for the junior instrument EthiFinance Ratings includes in the LTV the senior & junior instruments. In the event of weak recovery of a junior instrument, a cap will be applied to the junior instrument rating, as detailed in a different section.

Regarding the ICR ratio of a junior instrument, the interest charges of junior instruments include both junior and senior interest. The ICR ratio of a senior debt instrument does not include the interest of junior instrument, as long as there is no senior debt documentation breach. In this specific event, the most conservative ratio will be applied to senior instrument.

Regarding the DSCR ratio of a junior instrument, the debt service includes both junior & senior interest and junior & senior principal repayment. The DSCR ratio of a senior debt instrument does not include the interest & principal repayment of a junior instrument, as long as there is no senior debt documentation breach. In this specific event, the most conservative ratio will be applied to the senior instrument.

In the event the senior LTV is over 70%, the junior rating instrument is capped according to the table below. For instance, in the event of BB senior instrument rating with a senior LTV of 82.5%, the junior instrument will be at best B+. Such a rating cap is applied to junior instruments with an estimated LTV of at least 100%.

Senior LTV	LTV < 70%	70% ≤ LTV < 80%	80% ≤ LTV < 90%	LTV ≥ 90%
Notching cap	No cap	-1	-2	-3

In the event the junior recovery is less than 100%, the junior rating instrument will be capped at CCC+, given its speculative recovery.

6. ADDITIONAL RATING ADJUSTMENTS

After having assessed the asset risk profile and the financial risk profile of a rated entity, EthiFinance Ratings looks at certain key rating factors the presence of which could cap the final rating. These rating considerations might lead the rating committee to perform an override when it comes to the final rating, and as such the final rating may differ from the rating resulting from the scorecard. The detailed reasons for such an override would be provided within the rating rationale. The main adjustments may be related to (but not limited to) the following items:

Liquidity risk: EthiFinance Ratings will expect a commercial real estate transaction to operate with various bank accounts and a cash-flow waterfall. Such a structure allows better monitoring of the cash-flow transaction and preserves a minimum liquidity. In the event of significant deviation, the rating committee can consider additional rating adjustments, especially in the event of weak financial performance.

Insurance policy: Specific attention is paid to the insurance policy. EthiFinance Ratings expects a borrower to contract an insurance policy in line with market conditions and to cover the risks and specific risks which are economically feasible to do so. EthiFinance Ratings also pays attention to the assignment of insurance rights as well as to the rating quality of the insurance company.

The rating can be constrained by other specific items such as, but not limited to, adverse ESG impacts (such as transition and natural disasters), sponsor reputation, hedging risk (i.e., documentation risk or interest risk if not properly hedged), structuration risk, political & country risk.

This document updates the previous version while preserving its original methodological criteria; therefore, all existing ratings remain unchanged. In this version, the format has been updated and includes a higher level of detail.