

FIRST SUPPLEMENT DATED 19 OCTOBER 2020
TO THE BASE PROSPECTUS DATED 12 JUNE 2020



AGENCE FRANÇAISE DE DÉVELOPPEMENT
EURO 50,000,000,000
Euro Medium Term Note Programme
with or without the guarantee of the Republic of France

This supplement (the “**Supplement**”) is supplemental to, and should be read in conjunction with, the Base Prospectus dated 12 June 2020 granted approval no. 20-252 on 12 June 2020 by the Autorité des marchés financiers (the “**AMF**”) (the “**Base Prospectus**”) prepared in relation to the €50,000,000,000 Euro Medium Term Note Programme of Agence Française de Développement (the “**Issuer**”). Unless the context otherwise requires, terms defined in the Base Prospectus shall have the same meaning when used in this Supplement.

The Base Prospectus as supplemented constitutes a base prospectus for the purposes of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the European Council of 14 June 2017 (the “**Prospectus Regulation**”). This Supplement has been prepared in accordance with Article 23 of the Prospectus Regulation. Application has been made for approval of this Supplement to the AMF in its capacity as competent authority under the Prospectus Regulation.

This Supplement has been prepared for the purposes of (i) updating the Risk Factors section, (ii) incorporating by reference the half-year financial report of the Issuer for the period ended 30 June 2020 (the “**2020 Half-Year Financial Report**”), which contains *inter alia* the Issuer’s 2020 consolidated half year accounts (including the auditors’ report thereon and notes thereto), (iii) updating the Use of Proceeds section, (iv) updating the Form of Final Terms and (v) updating the General Information section.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to the information included in the Base Prospectus which is material in the context of the Programme since the publication of the Base Prospectus.

To the extent that there is any inconsistency between (a) any statement in this Supplement and (b) any other statement in or incorporated by reference in the Base Prospectus, the statements in (a) above will prevail.

Copies of this Supplement (a) may be obtained, free of charge, at the registered office of the Issuer during normal business hours, (b) will be available on the website of the Issuer (<https://www.afd.fr/fr/espace-investisseurs>), (c) will be available on the website of the AMF (www.amf-france.org) and (d) will be available during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for collection at the offices of the Issuer so long as any of the Notes are outstanding.

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MODIFICATIONS TO THE RISK FACTORS SECTION

1. The risk factor entitled "Credit risk" on pages 6 and 7 of the Base Prospectus shall be deleted and replaced with the following. For the avoidance of doubt, the sub-section entitled "The impact of climate risks on credit risk" on pages 7 and 8 of the Base Prospectus remains unchanged.

"Credit risk"

Credit risk is defined as the risk of a borrower failing to repay all or some of their loan within the schedule stipulated in the agreement signed with the AFD Group. The level of credit risk (rating) reflects the likelihood of the borrower defaulting on their obligations.

AFD financing is divided between Non-sovereign financing and Sovereign financing. As at 30/06/2020, Non-sovereign financing represents 33% of AFD Group total financing while Sovereign financing represents 60% of AFD Group total financing.

Moreover, AFD Group loans are categorised in three categories depending on their level of risk: stage 1 are considered as "Healthy risk", stage 2 are considered as "Sensitive risk" and stage 3 are considered as "Doubtful risk". Outstandings in risks categorised as doubtful (stage 3) are limited to 4.4% of total group outstandings at 30/06/2020, with provisioning at 53% on average.

Owing to its remit and the nature and location of its borrowers in emerging or developing countries, the AFD Group is particularly exposed to macroeconomic fluctuations and geopolitical and regional financial events that may have a significant impact on its activities and financial solvency of borrowers, thus potentially engendering a higher risk that is, by nature, more volatile. As an example, the AFD portfolio was successively impacted by the crises in Turkey in 2018, and in Argentina and Lebanon in 2019, which led to most counterparties in the portfolio being downgraded as doubtful outstandings - primarily those linked to the banking sector which was most affected - and an increase in the associated provision rate.

However, the group's credit risk is naturally mitigated owing to:

The global geographical diversity of the portfolio (operations in 121 countries) as presented below, within the framework of the Group's limit system. The breakdown of AFD Group loans by geographic areas is as follows:

| <i>In millions of euros</i> | Africa Central and Southern Africa | Latin America, Central America and Caribbean | Asia- Pacific | Middle East and North Africa | Europe | Multi- country foreign | French Overseas Departments | Total |
|-----------------------------|--|---|------------------|---------------------------------------|--------------|------------------------------|-----------------------------------|---------------|
| AFD Sovereign | 10,177 | 5,114 | 8,107 | 5,100 | 1,112 | 0 | 0 | 29,611 |
| AFD non-sovereign | 2,520 | 2,024 | 996 | 1,689 | 799 | 2,034 | 6,205 | 16,290 |
| Proparco | 1,031 | 1,113 | 459 | 328 | 444 | 358 | 17 | 3,751 |
| Group total | 13,728 | 8,251 | 9,562 | 7,117 | 2,355 | 2,392 | 6,222 | 49,652 |

The diversity of the portfolio by counterparty type. As at 30/06/2020, more than half of AFD Group loans' counterparties are public institutions.

The proportion of the Group's activity in French Overseas Departments and Collectivities for which the associated credit risk is significantly reduced owing to the implicit support of the French state for most of the counterparties in question (local authorities in particular). Risk exposure in French Overseas Departments and Collectivities accounted for 38% of the Group's non-sovereign risk as of 30/06/2020.

That the sovereign loans are part of bilateral policies with States; they benefit, in this respect, from the reserve account to which the State contributes (€838m as at 30/06/2020) in the event of unpaid debts and Paris Club processing in the event of restructuring or default.

The residual risk, therefore, is significantly carried by non-sovereign financing in Foreign States and financing of the private sector in the French Overseas Departments and Collectivities. These two groups represent €10.1 billion and €978 million in outstandings respectively. A massive deterioration of the creditworthiness of these two groups may have a significant impact on the income statement due to the resulting increase in provisions. "

2. The risk factor entitled "Risks related to the spread of a global epidemic" on page 13 of the Base Prospectus shall be deleted and replaced with the following:

"Risks related to the spread of a global epidemic

The current health crisis linked to covid-19 is an example of this type of risk. Although, as of the date of this document, changes remain uncertain, the expected impact could be three-fold:

- **a potential impact on the completion of the AFD Group's annual business programme**, resulting from prolonged restrictions on travel and the confinement measures associated with this type of health crisis, which may slow down analysis missions; this may also lead to a lower capacity of our counterparties to work jointly with AFD in analysis process and in the implementation of projects and financing. However, the negative impact on the initial business plan has been mitigated by the responses that AFD is working on to deal with the health crisis in its areas of operation: the extent (zones affected), and above all the duration of the crisis, are the two factors that will determine the final impact. While the 2020 programme of activities was largely initiated prior to the Covid-19 crisis, the persisting lockdown and partial lockdown measures and the continuing restrictions on missions, may partly limit the 2021 programme of activities.

- **the weakening of certain portfolio counterparties** following the spread of the health crisis in the global economy, but above all in emerging and developing economies. The potential impact of this health crisis on the counterparties of the AFD Group will depend on the duration, extent but also budgetary and monetary measures taken by governments and international organisations to support SMEs, multinational companies and financial institutions; depending on the regulatory and accounting measures that could be implemented as part of the COVID 19 crisis, this weakening may lead to a more or less significant increase in the cost of risk. In the first half of 2020, the rate of non-performing non-sovereign loans increased by 1.2 points from 7.2% to 8.4% of outstandings. This deterioration, mainly driven by degraded macroeconomic conditions and the ensuing downgrading of sovereign ratings, could continue in the second half of the year. The AFD Group's results are impacted by the pandemic (-€54.6 million in the first half of 2020 compared to €89.7 million euros in the first half of 2019). These results are mainly linked to the significant decrease in income from financial instruments at fair value through profit or loss (-€149 million for the Group) and, to a lesser extent, by the cost of risk which was impacted by the early effects of the Covid-19 crisis through the downgrading of sovereign ratings for 13 countries in which AFD operates, but whose net increase over the first six months of 2020 was offset by some reversals on previous provisions.

- **the health risk for agents and their families**. The AFD Group ensures, for all its French sites, strict and immediate compliance with the recommendations set out in the protocol of 31 August 2020 issued by the French government and public health agencies. The situation in other countries is managed on a case-by-case basis, in particular on the basis of instructions from the Ministry of Europe and Foreign Affairs and instructions issued by local authorities. A crisis unit was set up as soon as the French authorities moved to Stage 2, and instructions are disseminated and applied in real time. On 16 March 2020, AFD triggered its Emergency and Business Continuity Plan (PUPA) for its metropolitan sites. Since 2 June 2020, teams have been gradually returning to the Group's metropolitan sites. However, the majority of staff are still working remotely, with a maximum of 50% and a minimum of one day at the office. The uncertain nature of the health situation remains a matter of concern and vigilance for the Group.

In terms of the impact on the countries in which AFD operates, the Covid-19 crisis will have significant economic consequences, lasting beyond 2020, some of which include:

- all regions are expected to see their GDP shrink in 2020. Economic activity is notably impacted in oil-exporting countries (the AFD Group has a sovereign outstanding of €850 million on the oil-exporting countries of Algeria, Congo, Ecuador, Gabon, Nigeria) and in countries dependant on tourism (the sovereign outstanding in countries where tourism represents over 20% of export income, i.e. Egypt, Ethiopia, Jordan, Lebanon, Morocco, Mauritius and Sri Lanka, amounts to €2,560 million). In terms of non-sovereign outstandings, the crisis could be significant in the tourism sector (the Group's outstanding in this sector amounts to around €70 million), international transport (the Group's outstanding in this sector amounts to €490 million) and the financial sector (Group outstanding of €5,963 million including €417 million in the French Overseas Departments and Collectivities and €5,546 million in Foreign States). To date, 22 countries in which AFD operates have been subject to an IDA¹ moratorium allowing a 6-month extension of the deadlines. Among the countries potentially impacted by the COVID crisis (see above), only Ethiopia and Congo are among in these 22 countries.

The greatest impact of the Covid-19 crisis was felt in the second quarter of 2020 in most economies, as confirmed by the quarterly growth figures published in September 2020. As a result of the general relaxation of containment measures, economic activity is expected to rebound mechanically in the second half of the year, although in many countries (except China) GDP is not expected to return to its 2019 level until at least 2021. Moreover, the pandemic is not under control in several countries and some are even enforcing targeted lockdowns again.

- the measures taken by many countries, in terms of public finances (support for businesses and workers) and the financial sector (regulatory measures to maintain access to credit) have limited short-term losses, but the sustainability of these measures is not assured and the risk of bankruptcy is high in several sectors, particularly for VSE/SMEs. T

- the drop in tax revenues and the increase in expenditure related to the health crisis should weigh on the public finances of many of the countries in which AFD operates, and the risks related to debt have increased considerably.

- In a context of high uncertainty, developing and emerging countries remain vulnerable to rapid capital outflows in the event of decreased international investor confidence. These capital outflows would lead to a sharp correction of major currencies in flexible exchange rate regimes such as stock market indices, and access to international capital markets in emerging countries could come under renewed pressure."

3. The risk factor entitled "Risks relating to specific use of proceeds" on pages 20 and 21 of the Base Prospectus shall be deleted and replaced with the following:

"Risks relating to specific use of proceeds"

The Final Terms relating to any specific Tranche of Notes may provide that it will be the Issuer's intention to apply an amount equal to the net proceeds of the issue of those Notes to a portfolio of eligible loans which will be used to finance eligible climate, social and/or sustainable projects ("**Sustainable Development Projects**") as further described in the AFD Sustainable Development Goal ("**SDG**") Bond Framework (as amended and supplemented from time to time) (the "**SDG Bond Framework**") available on the website of the Issuer (<https://www.afd.fr/sites/afd/files/2020-10-07-38-47/sdg-bond-framework-afd.pdf>) to finance or refinance, in part or in full new and existing Sustainable Development Projects ("**SDG Bonds**").

The use of such proceeds for any Sustainable Development Projects (as indicated in the "Use of proceeds" paragraph in the relevant Final Terms and as more fully described in the SDG Bond Framework) may not satisfy, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental,

¹ It should be noted that the IDA moratoria have no impact either in terms of provisioning or in terms of a decrease in GDP.

sustainability or social impact of any projects or uses, the subject of or related to, any Sustainable Development Projects. Investors should note that reporting on the proceeds of any issuance of SDG Bonds will relate to the allocation of proceeds to the portfolio of eligible loans rather than to any specific Sustainable Development Projects. Furthermore, it should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a "green", "social", "sustainable" or an equivalently-labelled project or as to what precise attributes are required for a particular project to be defined as "green", "social", "sustainable" or such other equivalent label nor can any assurance be given that such a clear definition or consensus will develop over time. Accordingly, projects or uses the subject of, or related to, Sustainable Development Projects may not meet any or all investor expectations regarding such "green", "social", "sustainable" or other equivalently-labelled performance objectives and adverse environmental, social and/or other impacts may occur during the implementation of any projects or uses the subject of, or related to, any Sustainable Development Projects.

In the event that any such Notes are listed or admitted to trading on any dedicated "green", "social", "sustainable" or other equivalently-labelled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the Issuer or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable laws or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Sustainable Development Projects. Furthermore, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of any such Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

While it is the intention of the Issuer to apply the proceeds of any Notes so specified for Sustainable Development Projects in, or substantially in, the manner described in the relevant Final Terms, the relevant project(s) or use(s) the subject of, or related to, any Sustainable Development Projects may not be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will not be totally or partially disbursed for such Sustainable Development Projects. Sustainable Development Projects may not be completed within any specified period or at all or with the results or outcome (whether or not related to sustainable development) as originally expected or anticipated by the Issuer. Any such event or failure by the Issuer will not constitute an Event of Default under the Notes.

Any such event or failure to apply the proceeds of any issue of Notes to Sustainable Development Projects as aforesaid and/or withdrawal of any such opinion or certification or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on and/or any such Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of such Notes and also potentially the value of any other Notes which are intended to finance Sustainable Development Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose."

MODIFICATION TO THE DOCUMENTS INCORPORATED BY REFERENCE SECTION

The section "Documents Incorporated by Reference" appearing on pages 23 to 28 of the Base Prospectus is hereby deleted and replaced by the following:

This Base Prospectus shall be read and construed in conjunction with the information contained in the sections of the documents mentioned below which is incorporated in, and shall be deemed to form part of, this Base Prospectus. Only the sections referred to below shall be deemed as incorporated by reference in, and form part of, this Base Prospectus.

- (a) the sections referred to in the table below included in the the 2020 half-year financial report in the French language, which contains inter alia the Issuer's 2020 consolidated half year accounts (including the auditors' report thereon and notes thereto) (the **"2020 Half-Year Financial Statements"**) (<https://www.afd.fr/sites/afd/files/2020-09-09-10-53/rapport-financier-semestriel-juin-2020.pdf>);
- (b) the sections referred to in the table below included in the Document d'Enregistrement Universel in the French language relating to the Issuer filed with the AMF on 21 April 2020 under no. D.20-0328 (the **"2019 Universal Registration Document"**), which contains the audited consolidated financial statements of the Issuer as at, and for the year ending, 31 December 2019 (<https://www.afd.fr/fr/ressources/document-denregistrement-universel-2019>);
- (c) the sections referred to in the table below included in the Document de Référence in the French language relating to the Issuer filed with the AMF on 25 April 2019 under no. D.19-0388 (the **"2018 Registration Document"**), which contains the audited consolidated financial statements of the Issuer as at, and for the year ending, 31 December 2018 (<https://www.afd.fr/fr/ressources/document-de-reference-2018>);
- (d) the section "Terms and Conditions of the Notes" contained in the base prospectus of the Issuer dated 15 June 2016 which received the visa no. 16-0252 on 15 June 2016 from the AMF (the **"2016 Base Prospectus"**) (<https://www.afd.fr/sites/afd/files/2017-07/AFD-Base-Prospectus-2016.pdf>);
- (e) the section "Terms and Conditions of the Notes" contained in the base prospectus of the Issuer dated 9 June 2017 which received the visa no. 17-0265 on 9 June 2017 from the AMF (the **"2017 Base Prospectus"**) (<https://www.afd.fr/sites/afd/files/2017-07/AFD-Base-Prospectus-2017.pdf>);
- (f) the section "Terms and Conditions of the Notes" contained in the base prospectus of the Issuer dated 22 May 2018 which received the visa no. 18-192 on 22 May 2018 from the AMF (the **"2018 Base Prospectus"**) (<https://www.afd.fr/sites/afd/files/2018-05-04-55-51/AFD-EMTN-programme-2018-base-prospectus.pdf>); and
- (g) the section "Terms and Conditions of the Notes" contained in the base prospectus of the Issuer dated 17 May 2019 which received the visa no. 19-212 on 17 May 2019 from the AMF (the **"2019 Base Prospectus"**) (<https://www.afd.fr/sites/afd/files/2019-06-04-05-52/communication-financiere-afd-programme-emtn.pdf>).

The 2020 Half-Year Financial Statements, the 2019 Universal Registration Document and the 2018 Registration Document have been previously published and have been filed with the AMF for the purpose of the Prospectus Regulation. The 2020 Half-Year Financial Statements, the 2019 Universal Registration Document and the 2018 Registration Document shall be incorporated in and form part of this Base Prospectus, save that:

- (a) the non-incorporated parts of the 2020 Half-Year Financial Statements, the 2019 Universal Registration Document and the 2018 Registration Document are either not relevant for investors or are covered elsewhere in the Base Prospectus;
- (b) any statement contained in the 2020 Half-Year Financial Statements, the 2019 Universal Registration Document and the 2018 Registration Document which is incorporated by reference herein shall be modified or superseded for the purpose of this Base Prospectus to the extent that (i) a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise) or (ii) it is modified or incorporated by way of a supplement prepared in accordance with Article 23 of the Prospectus Regulation. Any statement so modified or superseded shall not, except as so modified or superseded, constitute a part of this Base Prospectus; and

- (c) The sections entitled "Terms and Conditions of the Notes" set forth in the 2016 Base Prospectus, the 2017 Base Prospectus, the 2018 Base Prospectus and the 2019 Base Prospectus are incorporated by reference in this Base Prospectus for the purpose of further issues of Notes to be assimilated (*assimilées*) and form a single series with Notes already issued under the 2016 Base Prospectus, the 2017 Base Prospectus, the 2018 Base Prospectus and the 2019 Base Prospectus only.

Other than in relation to the documents which are deemed to be incorporated by reference, the information on the websites to which this Base Prospectus (including, for the avoidance of doubt, any information on the websites which appear in the documents incorporated by reference) refers does not form part of this Base Prospectus and has not been scrutinised or approved by the AMF.

For so long as Notes may be issued pursuant to this Base Prospectus, the 2020 Half-Year Financial Statements, the 2019 Universal Registration Document and the 2018 Registration Document will be available free of charge, during usual business hours on any weekday (Saturdays and public holidays excepted), for inspection and for collection at the office of the Fiscal Agent and the Paying Agents and on the website of the Issuer (<http://www.afd.fr/home/AFD/finances>). For so long as Notes may be issued pursuant to this Base Prospectus, the 2020 Half-Year Financial Statements, the 2019 Universal Registration Document and the 2018 Registration Document will be available on the website of the AMF (www.amf-france.org).

The Final Terms related to the Notes admitted to trading on Euronext Paris will be published on the websites of (x) the AMF (www.amf-france.org) and (y) the Issuer (<http://www.afd.fr/home/AFD/finances>). If the Notes are admitted to trading on a Regulated Market other than Euronext Paris, the relevant Final Terms will provide whether additional methods of publication are required and what they consist of.

The relevant documents and page references for the information incorporated by reference herein in response to the specific requirements of Annex 7 of Commission Delegated Regulation 2019/980 are as follows:

Information incorporated by reference

| Rule | Information | Page in 2020 Half-Year Financial Statements | Page in 2019 Universal Registration Document | Page in 2018 Registration Document |
|----------|--|---|--|------------------------------------|
| 3 | RISK FACTORS | | | |
| 3.1 | <p>A description of the material risks that are specific to the issuer and that may affect the issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'.</p> <p>In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.</p> | | | |

| Rule | Information | Page in 2020 Half-Year Financial Statements | Page in 2019 Universal Registration Document | Page in 2018 Registration Document |
|----------|---|---|--|------------------------------------|
| 4 | INFORMATION ABOUT THE ISSUER | | | |
| 4.1 | History and development of the Issuer | | | |
| 4.1.1 | The legal and commercial name of the Issuer | | Page 10 | |
| 4.1.2 | The place of registration of the Issuer, its registration number and legal entity identifier ('LEI'). | | Page 10 | |
| 4.1.3 | The date of incorporation and the length of life of the Issuer, except where the period is indefinite. | | Page 10 | |
| 4.1.4 | The domicile and legal form of the Issuer, the legislation under which the Issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the Issuer, if any, with a disclaimer that the information on the website does not form part of the Base Prospectus unless that information is incorporated by reference into the Base Prospectus. | | Page 10 | |
| 4.1.5 | Any recent events particular to the Issuer and which are to a material extent relevant to an evaluation of the Issuer's solvency. | | Pages 102 to 103 | |
| 5 | BUSINESS OVERVIEW | | | |
| 5.1 | Principal activities | | | |
| 5.1.1 | A brief description of the Issuer's principal activities stating the main categories of products sold and/or services performed. | | Pages 12 to 14 | |

| Rule | Information | Page in 2020 Half-Year Financial Statements | Page in 2019 Universal Registration Document | Page in 2018 Registration Document |
|-----------|---|---|--|------------------------------------|
| 5.1.2 | The basis for any statements made by the Issuer regarding its competitive position. | | N/A | |
| 6 | ORGANISATIONAL STRUCTURE | | | |
| 6.1 | If the Issuer is part of a group, a brief description of the group and the Issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organizational structure if this helps to clarify the structure. | | Pages 17 to 20 | |
| 9 | ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES | | | |
| 9.1 | Names, business addresses and functions within the Issuer of the following persons and an indication of the principal activities performed by them outside of that Issuer where these are significant with respect to that Issuer: (a) members of the administrative, management or supervisory bodies; (b) partners with unlimited liability, in the case of a limited partnership with a share capital. | | Pages 64 to 69 | |
| 9.2 | Administrative, management, and supervisory bodies conflicts of interests. Potential conflicts of interests between any duties to the Issuer, of the persons referred to in item 9.1, and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made. | | Page 70 | |
| 10 | MAJOR SHAREHOLDERS | | | |

| Rule | Information | Page in 2020 Half-Year Financial Statements | Page in 2019 Universal Registration Document | Page in 2018 Registration Document |
|-----------|---|---|--|------------------------------------|
| 10.1 | To the extent known to the Issuer, state whether the Issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused. | | Page 10 | |
| 11 | FINANCIAL INFORMATION CONCERNING THE ISSUER'S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES | | | |
| 11.1 | Historical financial information | | | |
| 11.1.1 | Historical financial information covering the latest two financial years (at least 24 months) or such shorter period as the Issuer has been in operation and the audit report in respect of each year. | | Pages 103 to 202 | Pages 92 to 206 |
| 11.1.3 | Accounting standards | Pages 23 to 24 | Pages 117 to 118 | Pages 106-108 |
| 11.1.4 | Where the audited financial information is prepared according to national accounting standards, the financial information must include at least the following: | | | |
| | (a) the balance sheet; | Page 16 | Pages 110 to 111 | Pages 100 to 101 |
| | (b) the income statement; | Page 17 | Page 112 | Page 102 |
| | (c) the accounting policies and explanatory notes. | Pages 20 to 57 | Pages 116 to 161 | Pages 106 to 166 |
| 11.1.5 | Consolidated financial statements If the Issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document. | Pages 15 to 19 | Pages 110 to 116 | Page 100 to 106 |

| Rule | Information | Page in 2020 Half-Year Financial Statements | Page in 2019 Universal Registration Document | Page in 2018 Registration Document |
|-------------|--|--|---|---|
| 11.1.6 | Age of financial information The balance sheet date of the last year of audited financial information may not be older than 18 months from the date of the registration document | | Page 110 | Page 100 |
| 11.2 | Auditing of historical financial information | | | |
| 11.2.1 | The historical financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2006/43/CE and Regulation (EU) No 537/2014. | Pages 58 to 59 | Pages 162 to 166 | Pages 167 to 171 |
| 11.3 | Legal and arbitration proceedings | | | |
| 11.3.1 | Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Issuer and/or group's financial position or profitability, or provide an appropriate negative statement. | | Page 98 | |

Terms and Conditions incorporated by reference

Page reference

Base Prospectus dated 17 May 2019

Pages 20 to 47

Base Prospectus dated 22 May 2018

Pages 17 to 40

Base Prospectus dated 9 June 2017

Pages 22 to 46

Base Prospectus dated 15 June 2016

Pages 54 to 78

MODIFICATION TO THE USE OF PROCEEDS SECTION

The "Use of Proceeds" section appearing on page 30 of the Base Prospectus is hereby deleted and replaced by the following:

"The net proceeds of the issue of each Tranche of Notes will (as specified in the applicable Final Terms) be applied by the Issuer to:

(i) finance its general corporate activities; or

(ii) a portfolio of eligible loans which will be used to finance eligible climate, social and/or sustainable projects ("**Sustainable Development Projects**") as further described in the AFD SDG Bond Framework as of 13 October 2020 (as amended or supplemented from time to time) available on the website of the Issuer (<https://www.afd.fr/sites/afd/files/2020-10-07-38-47/sdg-bond-framework-afd.pdf>) (the "**SDG Bond Framework**") or

(iii) to finance any other particular identified use of proceeds as stated in the applicable Final Terms.

In respect of (ii) above, the SDG Bond Framework describes the eligible Sustainable Development Projects to which the net proceeds of a Tranche of Notes may be allocated. The SDG Bond Framework has been prepared in accordance with the Green Bond Principles, the Social Bond Principles and the Sustainability Bond Guidelines of the International Capital Markets Association (together, the "**Principles**") (as they may be further updated). For each SDG Bond issuance, the Issuer will comply with the following four components of the Principles (1) the use of proceeds, (2) the process for project evaluation and selection, (3) the management of proceeds and (4) reporting obligations.

The Issuer also applies the recommendation to use the services of an external second opinion provider (the "**Second Party Opinion**"). A second party opinion has been obtained from the second party opinion provider Vigéo Eiris on the SDG Bond Framework, assessing the sustainability of the SDG Bond Framework and its alignment with the Principles. It is available on the website of the Issuer (<https://www.afd.fr/sites/afd/files/2020-10-07-38-45/vigeo-eiris-second-party-opinion-sdg-bond-framework.pdf>). Any amendment to such Second Party Opinion, or any new Second Party Opinion, to be provided following an amendment to the SDG Bond Framework, the publication of a new SDG Bond Framework or in application of any new legislation or regulation, will be made available on the Issuer's website.

An independent auditor will annually verify the allocation of the proceeds of SDG Bonds to the portfolio of eligible loans and the compliance with the criteria defined in the "Use of Proceeds" section of such loans. The review of the independent auditor will be available on the website of the Issuer. The 2019 review of the independent advisor in respect of the climate bonds issued to date is available on the website of the Issuer (<https://www.afd.fr/sites/afd/files/2020-07-11-24-21/attestation-kpmg-climate-bonds-2019.pdf>).

The reporting on the allocation of the net proceeds to the portfolio of eligible loans will be made available on the website of the Issuer. The 2019 reporting on the allocation of the net proceeds in respect of the climate bonds issued to date by the Issuer is available on the website of the Issuer (<https://www.afd.fr/en/ressources/reporting-climate-bond-afd-2019>). Prior to any investment in Notes in which the net proceeds are to be used to finance investments in climate projects, as further specified in the applicable Final Terms, investors are advised to consult the SDG Bond Framework for further information."

MODIFICATION TO THE FORM OF FINAL TERMS SECTION

Paragraph 4 of Part B of the "Form of Final Terms" section on page 75 of the Base Prospectus is deleted and replaced with the following:

"4 USE AND ESTIMATED NET AMOUNT OF THE PROCEEDS

Use of proceeds:

The net proceeds from each issue of Notes will be applied by the Issuer for [its general corporate purposes/*specify any other reasons*].

[The net proceeds of the Notes will be allocated by the Issuer to a portfolio of eligible loans which will be used to finance eligible climate, social and/or sustainable projects pursuant to the AFD SDG Bond Framework as of 13 October 2020 which is available on the website of the Issuer (<https://www.afd.fr/sites/afd/files/2020-10-07-38-47/sdg-bond-framework-afd.pdf>). A copy of the AFD SDG Bond Framework as of 13 October 2020 may be obtained free of charge, during normal business hours, at the office of the Issuer located 5, rue Roland Barthes, 75012 Paris, France.]

Estimated net amount of the proceeds:

[●]"

MODIFICATION TO THE GENERAL INFORMATION SECTION

Paragraph 5 of the "General Information" section on page 81 of the Base Prospectus shall be deleted and replaced with the following:

"Save as disclosed in this Base Prospectus, including with respect to the impact of Covid -19, there has been no significant change in the financial position or financial performance of the Issuer or the Group since 30 June 2020."

**PERSONS RESPONSIBLE FOR THE INFORMATION
GIVEN IN THIS SUPPLEMENT**

In the name of the Issuer

To the best knowledge of the Issuer, the information contained or incorporated by reference in this Supplement is in accordance with the facts and contains no omission likely to affect its import.

Agence Française de Développement
Represented by Bokar CHERIF
Head of Treasury and Capital Markets
19 October 2020



This Supplement to the Base Prospectus has been approved on 19 October 2020 by the AMF, in its capacity as competent authority under Regulation (EU) 2017/1129, as amended.

The AMF has approved this Supplement after having verified that the information contained in the Base Prospectus is complete, coherent and comprehensible within the meaning of Regulation (EU) 2017/1129, as amended.

This approval is not a favourable opinion on the Issuer described in this Supplement.

This Supplement to the Base Prospectus obtained the following approval number: 20-519.