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FOR IMMEDIATE RELEASE

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AM Best Affirms Credit Ratings of Atradius N.V.'s Main Operating Subsidiaries

AMSTERDAM, 23 July 2021—AM Best has affirmed the Financial Strength Rating of A (Excellent) and the Long-Term Issuer Credit Ratings of “a+” (Excellent) of Atradius Crédito y Caución S.A. de Seguros y Reaseguros (ACyC) (Spain), Atradius Reinsurance Designated Activity Company (ARe) (Ireland), Atradius Trade Credit Insurance, Inc. (ATCI) (U.S.) and Atradius Seguros de Crédito, S.A. (Atradius Mexico) (Mexico). Concurrently, AM Best has affirmed the Long-Term Issue Credit Rating of “bbb” (Good) of the EUR 250 million, 5.25% subordinated fixed to floating rate guaranteed notes, due 2044, issued by Atradius Finance B.V. (Netherlands) and unconditionally and irrevocably guaranteed on a subordinated basis by Atradius N.V. (Atradius). The outlook of these Credit Ratings (ratings) is stable.

The ratings reflect Atradius’ balance sheet strength, which AM Best assesses as very strong, as well as its strong operating performance, favourable business profile and appropriate enterprise risk management. The ratings of ACyC, ARe, ATCI and Atradius Mexico consider their strategic importance to Atradius as its primary underwriting entities in the group’s key markets around the world.

Atradius’ balance sheet strength is underpinned by its consolidated risk-adjusted capitalisation, as measured by Best’s Capital Adequacy Ratio (BCAR), which remained at the strongest level at year-end 2020. AM Best expects Atradius’ prospective risk-adjusted capitalisation to be maintained at the strongest level, supported by good internal capital generation over the cycle and conservative capital management. The group’s

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balance sheet strength also benefits from a good liquidity profile and a relatively conservative investment portfolio. An offsetting factor is the group's relatively high dependence on reinsurance, although the associated risk is mitigated partially through the use of a well-diversified panel of reinsurance counterparties of excellent credit quality.

Atradius' strong operating performance assessment is supported by a 10-year (2011-2020) weighted average return on equity and combined ratio of 10% and 77%, respectively (as calculated by AM Best), supported by several years of relatively benign claims experience. Despite the deteriorating economic conditions, the company reported a robust technical result for 2020 with a net combined ratio of 90% (2019: 70%). The deterioration in combined ratio reflects the company's prudent claims reserving in light of the prolonged economic disruptions related to the impact of the COVID-19 pandemic. AM Best believes that Atradius' strong underwriting expertise and exposure management, together with its ability to take prompt risk-mitigating actions on non-performing business, will allow it to maintain a strong performance record over the cycle.

Atradius benefits from a leading position in the global credit insurance market. Although the group is largely a monoline insurer, its exposures are well-diversified by geography and industry. Atradius' favourable business profile is underpinned by its good access to key markets as a result of the group's strong global franchise and comprehensive network of agents.

This press release relates to Credit Ratings that have been published on AM Best's website. For all rating information relating to the release and pertinent disclosures, including details of the office responsible for issuing each of the individual ratings referenced in this release, please see AM Best's [Recent Rating Activity](#) web page. For additional information regarding the use and limitations of Credit Rating opinions, please view [Guide to Best's Credit Ratings](#). For information on the proper use of Best's Credit

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