

Bank of Ireland Group plc

Update

Key Rating Drivers

Leading Domestic Bank; Diversified Business: Bank of Ireland Group plc's (BOIG) ratings are driven by the group's leading retail and corporate banking franchise, primarily focused on the small and concentrated Irish market, and by a reasonably diversified business model, sound regulatory capitalisation, and stable funding and liquidity profiles, which Fitch Ratings considers a rating strength. The ratings also consider the group's asset quality, which has substantially improved in recent years, but is still a weaker key rating driver.

Stable Impaired Loans Expected: BOIG has been reducing its stock of impaired loans (Stage 3) in recent years through workouts and portfolio sales. Its impaired loans ratio reduced to 2.9% at end-2023 (end-2022: 3.4%). We expect the impaired loans ratio to remain broadly stable due to active management of the stock, and this could lead to a further improvement in our assessment of overall asset quality.

Profitability Supported by Diversified Earnings: BOIG's profitability is supported by its reasonably diversified business model and leading market position in Ireland. The acquisition of Davy's stockbroker will support diversification towards non-interest revenue, which is already a strength relative to domestic peers, due to BOIG's larger wealth management and insurance activities. Following BOIG's exceptionally strong 2023, we expect its operating profit/RWAs ratio to stabilise above 3% in 2024–2025 (2023: 3.9%) as interest rates start to decrease.

Adequate Capitalisation: The group's regulatory capital and leverage ratios are sound. Its fully loaded common equity Tier 1 (CET1) ratio of 14.7% at end-March 2024 was well above its minimum regulatory requirement of 11.3%. Leverage is comfortable. Capital encumbrance by unreserved impaired loans, at about 15% of CET1 capital at end-2023, has reduced (end-2021: 28%) as impaired loans have decreased.

Stable Funding Rating Strength: The group benefits from a strong retail-banking franchise and access to a stable and granular deposit base, particularly in its home market. Non-interest-bearing current account balances make up a large proportion of total customer deposits.

The group has proven and diversified access to the wholesale markets, which it regularly taps, principally for minimum requirement for own funds and eligible liabilities (MREL) purposes, given abundant customer deposits. Liquidity is sound and largely in the form of cash and cash equivalents and high-quality liquid assets, supported by contingent access to liquidity through various central bank facilities.

Holdco VR Equalised with Opco: Fitch assesses BOIG on a consolidated basis. The group's holding company's Viability Rating (VR) is aligned with that of its main operating subsidiary, Bank of Ireland (BOI), to reflect very low double leverage at the holding company, prudent liquidity management with contingency plans in place, and the fungibility of capital and liquidity across the group, subject to its operating companies fulfilling their regulatory requirements.

Ratings

Foreign Currency

| | |
|----------------|------|
| Long-Term IDR | BBB+ |
| Short-Term IDR | F2 |

| | |
|------------------|------|
| Viability Rating | bbb+ |
|------------------|------|

| | |
|---------------------------|----|
| Government Support Rating | ns |
|---------------------------|----|

Sovereign Risk (Ireland)

| | |
|--------------------------------|-----|
| Long-Term Foreign-Currency IDR | AA- |
| Long-Term Local-Currency IDR | AA- |
| Country Ceiling | AAA |

Outlooks

| | |
|--|----------|
| Long-Term Foreign-Currency IDR | Stable |
| Sovereign Long-Term Foreign-Currency IDR | Positive |
| Sovereign Long-Term Local-Currency IDR | Positive |

Applicable Criteria

[Bank Rating Criteria \(March 2024\)](#)

Related Research

[Global Economic Outlook \(March 2024\)](#)

[Western European Banks Outlook 2024 \(December 2023\)](#)

[Fitch Affirms Ireland at 'AA-'; Outlook Positive \(December 2023\)](#)

[Fitch Upgrades Bank of Ireland Group plc to 'BBB+'; Outlook Stable \(July 2023\)](#)

[Fitch Upgrades Bank of Ireland UK to 'A-'; Outlook Stable \(July 2023\)](#)

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Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Negative Rating Action/Downgrade

The ratings would likely be downgraded if a deterioration of economic performance, and the operating environment for banks in Ireland and the UK, doubles the group's impaired loans ratio from current levels, and BOIG is unable to reduce its stock of impaired loans fairly quickly, and capital encumbrance by impaired loans increases significantly without prospects of recovering within a reasonable timeframe.

The ratings would also be downgraded if the group's fully loaded CET1 ratio fell below its medium-term target, following losses or risk-weighted assets (RWAs) increased without prospects of sufficient internal capital generation.

BOIG's VR would also be downgraded if the holding company's double leverage durably increases to above 120%, which we do not expect.

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

An upgrade would require the group to generate an operating profit/RWAs sustainably above 3%, operate consistently with an impaired loans ratio of below 3% of gross loans, and reduce capital encumbrance further from current levels.

Other Debt and Issuer Ratings

| Rating Level | BOIG | BOI |
|--------------------------------------|------|---------|
| Senior unsecured debt | BBB+ | A-/F2 |
| Tier 2 subordinated debt | BBB- | |
| Additional Tier 1 (AT1) | BB | |
| Derivative counterparty rating (DCR) | | A-(dcr) |

Source: Fitch Ratings

Senior Unsecured

BOIG's Long-Term IDR and long-term senior debt rating are in line with the group's VR.

Subordinated Debt

The rating of BOIG's and BOI's Tier 2 debt is notched down twice from its VR. This reflects the notes' poor recovery prospects arising from their subordinated status in a resolution. We do not notch for non-performance risk because the terms of the notes do not provide for loss-absorption on a going-concern basis.

Additional Tier 1 Instruments

BOIG's additional Tier 1 notes are rated four notches below the group's VR. This reflects poor recovery prospects arising from their subordinated status (two notches) as well as incremental non-performance risk relative to the VR (two notches), given fully discretionary coupon payments and mandatory coupon restriction features.

Debt Buffers Drive BOI IDR Uplift

BOI's Long-Term IDR, Derivative Counterparty Rating (DCR) and long-term senior debt are one notch above the bank's VR to reflect the protection of BOI's senior third-party creditors by resolution funds that are ultimately raised by BOIG, channelled to BOI and designed to protect the operating company's external senior creditors in a group failure. The buffers of junior and holding-company senior debt are built to comply with MREL. BOI's DCR is aligned with the bank's Long-Term IDR because, under Irish legislation, derivative counterparties have no preferential status over other senior obligations in a resolution.

Short-Term Ratings

BOIG's Short-Term IDR and short-term senior debt ratings are the lower of two options corresponding to the group's 'BBB+' Long-Term IDR and long-term senior debt ratings. BOI's Short-Term IDR and short-term senior debt ratings are the lower of two options corresponding to the bank's Long-Term IDR and long-term senior debt ratings of 'A-'. This is based on our assessment of the group's funding and liquidity, which at 'a-' warrants 'F2' short-term ratings.

Significant Changes from Last Review

Strong 1Q24 Performance, Improved 2024 NII Guidance

BOIG's 1Q24 profitability was strong, with NII in line with 4Q23 levels, fuelled by robust lending activity (customer loans were up 1.3% in the first quarter, driven by corporate lending). The bank revised upward its expectations for average interest rates in 2024, thus leading to NII guidance for the year improving to 3%–4% lower than annualised 4Q23, compared to 5%–6% previously, which we believe is reasonable. Fee and commission income was in line with the bank's 2024 guidance of mid-single-digit growth, on good commercial momentum in its asset-gathering businesses.

BOIG's cost/income ratio improved to 46% in 2023 (42% per BOIG's calculation; 2022: 60%), helped mainly by better operating income. Costs will be challenged by inflation and continuing investments in growth and efficiency initiatives, but we expect gains from the bank's simplification programme and slightly lower bank levies in 2024 to partly offset the pressure. We expect the cost/income ratio to be maintained close to 50% in 2024–2025.

BOIG's asset quality has improved in recent years, and we expect its impaired loans ratio to remain broadly stable over the next two years. This should be achieved through the bank's active management of the stock offsetting potential inflows of Stage 3 loans amid a still uncertain operating environment, although the Irish economy remains in a strong cyclical position, as evidenced by the Positive Outlook on the 'AA-' sovereign rating. We expect loan impairment charges to stabilise at a lower 30bp–35bp of gross loans in 2024–2025 (2023: about 50bp), due to a combination of model changes, net losses, and day-one charges from onboarding the KBC Ireland portfolio. This is broadly in line with the bank's 2024 guidance.

BOIG's fully-loaded CET1 ratio increased by 40bp over 1Q24 to a sound 14.7% at end-March, reflecting strong organic capital generation partly compensated for by dividend distribution. The bank targets a dividend pay-out ratio of 40%–60%, supplemented by share buy-backs to steer its ratio close to its medium-term target of above 14%, but we expect the CET1 ratio to remain around 14.5% in 2024 and 2025.

Ratings Navigator

Bank of Ireland Group plc



Banks
Ratings Navigator

| | Operating Environment | Business Profile | Risk Profile | Financial Profile | | | Implied Viability Rating | Viability Rating | Government Support | Issuer Default Rating |
|------|-----------------------|------------------|--------------|-------------------|--------------------------|---------------------------|--------------------------|------------------|--------------------|-----------------------|
| | | | | Asset Quality | Earnings & Profitability | Capitalisation & Leverage | | | | |
| | | 20% | 10% | 20% | 15% | 25% | 10% | | | |
| aaa | | | | | | | | aaa | aaa | AAA |
| aa+ | | | | | | | | aa+ | aa+ | AA+ |
| aa | | | | | | | | aa | aa | AA |
| aa- | | | | | | | | aa- | aa- | AA- |
| a+ | | | | | | | | a+ | a+ | A+ |
| a | | | | | | | | a | a | A |
| a- | | | | | | | | a- | a- | A- |
| bbb+ | | | | | | | | bbb+ | bbb+ | BBB+ Sta |
| bbb | | | | | | | | bbb | bbb | BBB |
| bbb- | | | | | | | | bbb- | bbb- | BBB- |
| bb+ | | | | | | | | bb+ | bb+ | BB+ |
| bb | | | | | | | | bb | bb | BB |
| bb- | | | | | | | | bb- | bb- | BB- |
| b+ | | | | | | | | b+ | b+ | B+ |
| b | | | | | | | | b | b | B |
| b- | | | | | | | | b- | b- | B- |
| ccc+ | | | | | | | | ccc+ | ccc+ | CCC+ |
| ccc | | | | | | | | ccc | ccc | CCC |
| ccc- | | | | | | | | ccc- | ccc- | CCC- |
| cc | | | | | | | | cc | cc | CC |
| c | | | | | | | | c | c | C |
| f | | | | | | | | f | f | D or RD |

The Key Rating Driver (KRD) weightings used to determine the implied VR are shown as percentages at the top. In cases where the implied VR is adjusted upwards or downwards to arrive at the VR, the KRD associated with the adjustment reason is highlighted in red. The shaded areas indicate the benchmark-implied scores for each KRD.

VR - Adjustments to Key Rating Drivers

The 'a-' operating environment score has been assigned below the 'aa' implied category score due to the following adjustment reasons: size and structure of economy (negative) and level and growth of credit (negative), reported and future metrics (negative).

The 'bbb+' capitalisation & leverage score has been assigned below the 'a' implied category score due to the following adjustment reason: risk profile and business model (negative).

Financials

Financial Statements

| | Year end (USDm) Audited - unqualified | 31 Dec 23 Year end (EURm) Audited - unqualified | 31 Dec 22 Year end (EURm) Audited - unqualified | 31 Dec 21 Year end (EURm) Audited - unqualified | 31 Dec 20 Year end (EURm) Audited - unqualified |
|--|--|---|---|---|---|
| Summary income statement | | | | | |
| Net interest and dividend income | 4,064 | 3,709 | 2,487 | 2,230 | 2,090 |
| Net fees and commissions | 485 | 443 | 311 | 269 | 256 |
| Other operating income | 365 | 333 | 473 | 495 | 295 |
| Total operating income | 4,914 | 4,485 | 3,271 | 2,994 | 2,641 |
| Operating costs | 2,227 | 2,033 | 1,929 | 1,859 | 1,888 |
| Pre-impairment operating profit | 2,686 | 2,452 | 1,342 | 1,135 | 753 |
| Loan and other impairment charges | 466 | 425 | 187 | -194 | 1,133 |
| Operating profit | 2,221 | 2,027 | 1,155 | 1,329 | -380 |
| Other non-operating items (net) | -98 | -89 | -99 | -108 | -380 |
| Tax | 369 | 337 | 159 | 166 | -53 |
| Net income | 1,754 | 1,601 | 897 | 1,055 | -707 |
| Other comprehensive income | -39 | -36 | -131 | 732 | -266 |
| Fitch comprehensive income | 1,715 | 1,565 | 766 | 1,787 | -973 |
| Summary balance sheet | | | | | |
| Assets | | | | | |
| Gross loans | 88,690 | 80,951 | 73,256 | 78,304 | 78,823 |
| - of which impaired | 2,574 | 2,349 | 2,485 | 4,185 | 4,376 |
| Loan loss allowances | 1,339 | 1,222 | 1,295 | 1,958 | 2,242 |
| Net loans | 87,351 | 79,729 | 71,961 | 76,346 | 76,581 |
| Interbank | 2,051 | 1,872 | 3,044 | 2,750 | 2,453 |
| Derivatives | 4,620 | 4,217 | 4,400 | 1,571 | 2,217 |
| Other securities and earning assets | 36,246 | 33,083 | 30,155 | 38,673 | 37,518 |
| Total earning assets | 130,268 | 118,901 | 109,560 | 119,340 | 118,769 |
| Cash and due from banks | 34,887 | 31,843 | 36,855 | 31,360 | 10,953 |
| Other assets | 5,439 | 4,964 | 4,909 | 4,568 | 4,032 |
| Total assets | 170,594 | 155,708 | 151,324 | 155,268 | 133,754 |
| Liabilities | | | | | |
| Customer deposits | 109,760 | 100,183 | 99,200 | 92,754 | 88,519 |
| Interbank and other short-term funding | 3,391 | 3,095 | 3,445 | 12,946 | 2,506 |
| Other long-term funding | 11,252 | 10,270 | 9,308 | 10,335 | 7,681 |
| Trading liabilities and derivatives | 3,813 | 3,480 | 3,705 | 2,245 | 2,257 |
| Total funding and derivatives | 128,216 | 117,028 | 115,658 | 118,280 | 100,963 |
| Other liabilities | 28,616 | 26,119 | 23,612 | 25,521 | 23,050 |
| Preference shares and hybrid capital | 1,058 | 966 | 1,088 | 1,095 | 1,086 |
| Total equity | 12,703 | 11,595 | 10,966 | 10,372 | 8,655 |
| Total liabilities and equity | 170,594 | 155,708 | 151,324 | 155,268 | 133,754 |
| Exchange rate | | USD1 = EUR0.912742 | USD1 = EUR0.937559 | USD1 = EUR0.884173 | USD1 = EUR0.821963 |

Source: Fitch Ratings, Fitch Solutions, BOIG

Key Ratios

| | 31 Dec 23 | 31 Dec 22 | 31 Dec 21 | 31 Dec 20 |
|---|-----------|-----------|-----------|-----------|
| Ratios (%; annualised as appropriate) | | | | |
| Profitability | | | | |
| Operating profit/risk-weighted assets | 3.9 | 2.4 | 2.9 | -0.8 |
| Net interest income/average earning assets | 3.2 | 2.2 | 1.9 | 1.8 |
| Non-interest expense/gross revenue | 45.6 | 59.7 | 62.2 | 71.4 |
| Net income/average equity | 14.2 | 8.3 | 11.2 | -7.5 |
| Asset quality | | | | |
| Impaired loans ratio | 2.9 | 3.4 | 5.3 | 5.6 |
| Growth in gross loans | 10.5 | -6.5 | -0.7 | -2.4 |
| Loan loss allowances/impaired loans | 52.0 | 52.1 | 46.8 | 51.2 |
| Loan impairment charges/average gross loans | 0.5 | 0.3 | -0.2 | 1.3 |
| Capitalisation | | | | |
| Common equity Tier 1 ratio | 14.5 | 15.9 | 17.0 | 14.9 |
| Fully loaded common equity Tier 1 ratio | 14.3 | 15.4 | 16.0 | 13.4 |
| Tangible common equity/tangible assets | 6.1 | 5.9 | 5.6 | 5.1 |
| Basel leverage ratio | 6.4 | 6.5 | 6.6 | 7.1 |
| Net impaired loans/common equity Tier 1 capital | 14.8 | 15.8 | 28.2 | 29.6 |
| Funding and liquidity | | | | |
| Gross loans/customer deposits | 80.8 | 73.9 | 84.4 | 89.1 |
| Liquidity coverage ratio | 196.0 | 221.0 | 181.4 | 153.0 |
| Customer deposits/total non-equity funding | 87.4 | 87.8 | 79.2 | 88.7 |
| Net stable funding ratio | 157.0 | 163.0 | 143.8 | 138.0 |
| Source: Fitch Ratings, Fitch Solutions, BOIG | | | | |

Support Assessment

| Commercial Banks: Government Support | |
|---|-------------|
| Typical D-SIB GSR for sovereign's rating level (assuming high propensity) | A or A- |
| Actual jurisdiction D-SIB GSR | ns |
| Government Support Rating | ns |
| Government ability to support D-SIBs | |
| Sovereign Rating | AA-/ Stable |
| Size of banking system | Negative |
| Structure of banking system | Negative |
| Sovereign financial flexibility (for rating level) | Neutral |
| Government propensity to support D-SIBs | |
| Resolution legislation | Negative |
| Support stance | Negative |
| Government propensity to support bank | |
| Systemic importance | Neutral |
| Liability structure | Neutral |
| Ownership | Neutral |

The colours indicate the weighting of each KRD in the assessment.
■ Higher influence ■ Moderate influence ■ Lower influence

BOIG's and BOI's Government Support Ratings (GSRs) of no support (ns) reflect Fitch's view that senior creditors cannot rely on extraordinary support from the Irish authorities in the event that the bank becomes non-viable. In our opinion, the EU's Bank Recovery and Resolution Directive and the Single Resolution Mechanism provide a framework that is likely to require senior creditors to participate in losses for resolving the bank.

Subsidiaries and Affiliates

Issuer Ratings

| Rating Level | Bank of Ireland (UK) Plc (BOI UK) |
|----------------------------|-----------------------------------|
| Long-Term IDR | A-/Stable |
| Short-Term IDR | F2 |
| Viability Rating | bbb |
| Shareholder Support Rating | a- |
| DCR | A-(dcr) |

BOI UK is fully owned by BOI, and its IDRs are equalised with BOI's. BOI UK's SSR (a-) reflects our view that the probability of support from BOI is high. This is underpinned by a record of unquestioned support from the parent, strong integration within the group, high fungibility of capital and funding between BOI UK and the group, and the high reputational risk the group would face in the case of BOI UK's default. The IDRs also reflect the protection of its third-party senior liabilities provided by the group's buffers of junior and senior debt.

BOI UK's DCR is aligned its Long-Term IDR because, under UK legislation, derivative counterparties have no preferential status over other senior obligations in a resolution.

Environmental, Social and Governance Considerations

Fitch Ratings Bank of Ireland Group plc

Banks
Ratings Navigator

Credit-Relevant ESG Derivation

Bank of Ireland Group plc has 5 ESG potential rating drivers

- Bank of Ireland Group plc has exposure to compliance risks including fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security) but this has very low impact on the rating.
- Governance is minimally relevant to the rating and is not currently a driver.

| | | | | ESG Relevance to Credit Rating |
|---------------------|---|--------|---|--------------------------------|
| key driver | 0 | issues | 5 | |
| driver | 0 | issues | 4 | |
| potential driver | 5 | issues | 3 | |
| not a rating driver | 4 | issues | 2 | |
| | 5 | issues | 1 | |

Environmental (E) Relevance Scores

| General Issues | E Score | Sector-Specific Issues | Reference | E Relevance |
|--|---------|--|---|-------------|
| GHG Emissions & Air Quality | 1 | n.a. | n.a. | 5 |
| Energy Management | 1 | n.a. | n.a. | 4 |
| Water & Wastewater Management | 1 | n.a. | n.a. | 3 |
| Waste & Hazardous Materials Management; Ecological Impacts | 1 | n.a. | n.a. | 2 |
| Exposure to Environmental Impacts | 2 | Impact of extreme weather events on assets and/or operations and corresponding risk appetite & management; catastrophe risk; credit concentrations | Business Profile (incl. Management & governance); Risk Profile; Asset Quality | 1 |

How to Read This Page
ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.

The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact. Scores of 3, 4 or 5) and provides a brief explanation for the score.

Social (S) Relevance Scores

| General Issues | S Score | Sector-Specific Issues | Reference | S Relevance |
|--|---------|--|---|-------------|
| Human Rights, Community Relations, Access & Affordability | 2 | Services for underbanked and underserved communities; SME and community development programs; financial literacy programs | Business Profile (incl. Management & governance); Risk Profile | 5 |
| Customer Welfare - Fair Messaging, Privacy & Data Security | 3 | Compliance risks including fair lending practices, mis-selling, repossession/foreclosure practices, consumer data protection (data security) | Operating Environment; Business Profile (incl. Management & governance); Risk Profile | 4 |
| Labor Relations & Practices | 2 | Impact of labor negotiations, including board/employee compensation and composition | Business Profile (incl. Management & governance) | 3 |
| Employee Wellbeing | 1 | n.a. | n.a. | 2 |
| Exposure to Social Impacts | 2 | Shift in social or consumer preferences as a result of an institution's social positions, or social and/or political disapproval of core banking practices | Business Profile (incl. Management & governance); Financial Profile | 1 |

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

Governance (G) Relevance Scores

| General Issues | G Score | Sector-Specific Issues | Reference | G Relevance |
|------------------------|---------|--|---|-------------|
| Management Strategy | 3 | Operational implementation of strategy | Business Profile (incl. Management & governance) | 5 |
| Governance Structure | 3 | Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal/compliance risks; business continuity; key person risk; related party transactions | Business Profile (incl. Management & governance); Earnings & Profitability; Capitalisation & Leverage | 4 |
| Group Structure | 3 | Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership | Business Profile (incl. Management & governance) | 3 |
| Financial Transparency | 3 | Quality and frequency of financial reporting and auditing processes | Business Profile (incl. Management & governance) | 2 |

| CREDIT-RELEVANT ESG SCALE | |
|--|---|
| How relevant are E, S and G issues to the overall credit rating? | |
| 5 | Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator. |
| 4 | Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator. |
| 3 | Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator. |
| 2 | Irrelevant to the entity rating but relevant to the sector. |

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

For information on the participation status in the rating process of an issuer listed in this report, please refer to the most recent rating action commentary for the relevant issuer, available on the Fitch Ratings website.

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