

BAC International Bank, Inc.

Update

Key Rating Drivers

Standalone Profile: BAC International Bank, Inc.'s (BIB) Issuer Default Rating (IDR) and National Ratings are driven by its Viability Rating (VR), which is constrained by the operating environment (OE) of Central American countries in which it has a presence. BIB's blended OE is rated 'bb-' with a stable trend. In Fitch Ratings' opinion, the persistent yet lessening risks from the economic environments in the region are balanced by BIB's resilient and consistent business and financial profile.

Good Business Profile: BIB's VR also considers its strong business profile as the largest financial group in Central America with significant market shares and systemic importance in each country. It has highly integrated operations, along with a strong focus on and leadership in some lending segments, in addition to a well-developed means of payments business. The group serves the corporate and retail sectors with a diversified portfolio that generates a relatively stable income. The group's four-year average total operating income was USD2,101 million.

Sound Asset Quality: Despite a challenging OE, BIB's asset quality has improved in 1H22, reflecting an effective risk framework. As of June 2022, its non-performing loans (NPLs) accounted for 1.2% of gross loans, a minimum in the fiscal years reviewed (average of fiscal years 2018–2021: 1.5%), while the reserves coverage of NPLs stood at a maximum of 298%. Fitch believes BIB will keep its credit quality metrics under control in 2H22.

Increasing Profitability: BIB's profitability metrics have strengthened due to its well-positioned regional franchise, which has allowed the group to take advantage of the business expansion opportunities during 1H22. Moreover, a reversion of the decreasing trend of the net interest margin, relatively lower loan impairment charges, an increasing participation of non-interest income and controls on operational efficiency have also boosted profitability. The operating profit to risk weighted assets (RWA) ratio increased to 3.5%, a maximum in the fiscal years reviewed (average of fiscal years 2018-2021: 2.7%).

Capitalization: BIB's tightened core capital position remains, but it is partly supported by its subordinated perpetual bond program issue, which is categorized as AT1 in regulatory capitalization metrics. Its Common Equity Tier 1 (CET1) ratio stood stable during 1H22 (June 2022: 9.1%). BIB's Tier 1 capital still stands below 12%, whereas the regulatory capital adequacy ratio was 12.3%.

Funding Profile: BIB's funding structure benefits from a robust and increasing deposit base, due to the group's solid franchise in the countries where it operates. All the banking subsidiaries have a significant share of deposits in the corresponding countries and also have a diversified non-deposit funding profile. BIB's loan to deposit ratio continued along its increasing trend, and stood at 88% as of June 2022.

Rating Sensitivities

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

- A downgrade of BIB's IDR and National Ratings would reflect the same action on BIB's VR. Any IDR downgrade would be limited to a one-notch movement, to BIB's current Shareholder Support Rating (SSR) of 'bb-'.
- A deterioration in Fitch's assessment of the OE in the Central American countries would put additional pressure on BIB's VR.

Ratings

Foreign Currency
Long-Term IDR BB
Short-Term IDR B

Local Currency

Viability Rating bb Shareholder Support Rating bb-

National

Long Term AA-(pan) Short Term F1+(pan)

Sovereign Risk

Long-Term Foreign-Currency IDR BBB-

IDR

Outlooks

Currency IDR

Long-Term Foreign-Currency
IDR Stable
National Long-Term Rating Stable
Sovereign Long-Term Foreign-

Stable

Applicable Criteria

Bank Rating Criteria (September 2022) National Scale Rating Criteria (December 2020)

Related Research

BAC International Bank - Update (April 2022)

Analysts

Adriana Beltran +52 81 4161 7051 adriana.beltran@fitchratings.com

Rodrigo Contreras +506 4104 7038 rodrigo.contreras@fitchratings.com



- BIB's VR would also be pressured in case of sustained reductions of its business operations
 that lead to a significant deterioration of its loan book, along with continuous reductions on
 its profitability and capitalization levels, particularly in the case of operating profit to RWA
 and CET1 metrics consistently below 1.5% and 9%, respectively;
- A downgrade of BIB's SSR could result from a downgrade of Banco de Bogota's IDR or from a reduced ability or propensity of Banco de Bogota to support BIB.
- BIB's bond, commercial paper (CP) and subordinated perpetual bond National Ratings, would be downgraded in the case of negative actions on BIB's National Ratings, as the bond and CP ratings will remain in line with BIB's National Rating, while the subordinated perpetual bond ratings will maintain a four-notch difference with respect to the issuer's National Rating.

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

- BIB's IDR and National Ratings would be upgraded if its VR is upgraded.
- Positive rating action in BIB's VR would reflect relevant improvement in Fitch's assessment of BIB's OE, maintaining good asset quality, constant profit generation and stable levels of capital and liquidity.
- Under the current OE, upside potential in BIB's VR would come from maintaining its
 well-positioned business and sound loan portfolio, while exhibiting sustained
 improvements in profitability and capitalization levels, particularly in case of operating
 profit to RWA and CET1 metrics consistently above 3% and 12%, respectively.
- Positive rating actions on BIB's SSR could be driven by positive rating actions on Banco de Bogota's IDR or a relevant improvement in Fitch's assessment of Banco de Bogota's propensity to support BIB.
- BIB's bond, CP and perpetual subordinated bond National Ratings would be upgraded in
 the case of positive actions on BIB's National Ratings, as the bond and CP ratings will
 remain in line with BIB's National Rating, while the subordinated perpetual bond ratings
 will maintain a four-notch difference with respect to the issuer's National Rating.

VR — Adjustments to Key Rating Drivers

Fitch has assigned a Capitalization & Leverage score of 'bb-', which is above the 'b' category implied score, due to the following adjustment reason: regulatory capitalization (positive).

Debt Rating Classes	
Rating Level	Rating
Junior Subordinated: National Long Term	BBB+(pan)
Senior Unsecured: National Long Term	AA-(pan)
Senior Unsecured: National Short Term	F1+(pan)
Source: Fitch Ratings.	

BIB's long-term (LT) bond and short-term (ST) CP National Ratings of 'AA-(pan)' and 'F1+(pan)', respectively, are at the same level as the issuer's LT and ST National Ratings. Fitch views the likelihood of default of these senior unsecured debt programs as the same as BIB because they do not have specific guarantees.

BIB's junior subordinated perpetual debt National LT Rating of 'BBB+(pan)' is four notches below its anchor rating, BIB's National LT Rating. That is a two-notch downgrade for loss severity due to the bonds' deep subordination, and an additional two notches for incremental non-performance risk, given the bonds' non-cumulative coupon omission capability.



Summary Financials and Key Ratios

Summary Income Statement Summary Income Statement Summary Income Statement Summary Income Statement Summary Income Summary Income		6/30/22 Six Months — Interim Reviewed —	2021 Audited –	2020 Audited –	2019 Audited —	2018 Audited –
Net Interest and Dividend Income 697.8 1,255.9 1,254.8 1,293.9 1,217. Net Fees and Commissions 330.8 598.6 566.4 687.9 648.2 Other Operating Income 183.0 274.3 2497.7 147.8 2210. Total Operating Income 1,211.6 2,128.8 2,070.9 2,129.6 2,075.2 Operating Costs 641.8 1,202.3 1,164.8 1,199.1 1,128.1 Tyre-Impairment Operating Profit 569.8 926.5 906.1 930.5 947.4 Loan and Other Impairment Charges 152.4 348.6 465.6 382.9 376.6 Operating Profit 417.4 577.9 440.5 547.6 571.1 Other Non-Operating Items (Net) NA 8.3 4.3 6.9 0.0 Tax 110.6 138.6 130.2 144.0 165.2 Net Income 306.8 447.6 314.6 410.5 405.2 Other Comprehensive Income (242.2 (36.2) (106.4) (108.4 10.5 Titch Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Sheet 330.9 239.2 294.2 257.2 216.2 Comprehensive Income 19,590.8 18,665.6 17,174.6 16,736.4 16,142.2 -Of which Impaired 230.9 239.2 294.2 257.2 216.2 Coan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.4 Net Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466.4 Derivatives NA NA 0.8 NA 0.0 Other Securities and Earning Assets 2,861.5 2,604.8 24,577.4 2,171.4 2,082.9 Cash and Due From Banks 624.0 741.7 708.7 727.1 704.4 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.4 Other Long-Term Funding 2,248.6 21,877.4 20,310.7 17,149.2 15,686.1 Uniter Total Jassets 2,866.1 2,865.5 2,662.3 2,396.51 2,275.1 Uniter Total Jassets 2,248.6 21,877.4 20,310.7 17,149.2 15,686.1 Uniter Total Jassets 2,248.6 21,877.4 20,310.7	(USD Mil., Year End Dec. 31)	Unqualified	Unqualified	Report Not Seen	Unqualified	Unqualified
Net Fees and Commissions 330.8 598.6 566.4 687.9 648.2	Summary Income Statement					
Other Operating Income 183.0 274.3 249.7 147.8 210.0 Total Operating Income 1.211.6 2,128.8 2,070.9 2,129.6 2,075.5 Operating Costs 641.8 1,202.3 1,164.8 1,199.1 1,128. Pre-Impairment Operating Profit 569.8 926.5 906.1 930.5 947. Loan and Other Impairment Charges 152.4 348.6 465.6 382.9 376. Operating Profit 417.4 577.9 440.5 547.6 571.3 Other Non-Operating Items (Net) NA 8.3 4.3 6.9 -0.0 Tax 110.6 138.6 130.2 144.0 165.5 Net Income 306.8 447.6 314.6 410.5 405.5 Net Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Steet 82.6 411.4 208.2 519.4 291.5 Assets 5 570.8 18.665.6 17,174.6 16,736.4	Net Interest and Dividend Income	697.8	1,255.9	1,254.8	1,293.9	1,217.1
Total Operating Income	Net Fees and Commissions	330.8	598.6	566.4	687.9	648.2
Operating Costs 641.8 1,202.3 1,164.8 1,199.1 1,128. Pre-Impairment Operating Profit 569.8 926.5 906.1 930.5 947. Loan and Other Impairment Charges 152.4 348.6 465.6 382.9 376. Operating Profit 417.4 577.9 440.5 547.6 571.0 Other Non-Operating Items (Net) NA 8.3 4.3 6.9 -0.0 Tax 110.6 138.6 130.2 144.0 165. Net Income 306.8 447.6 314.6 440.5 405. Other Comprehensive Income 82.6 411.4 208.2 519.4 291. Summary Balance Sheet 7 7 406.4 10.0 1	Other Operating Income	183.0	274.3	249.7	147.8	210.4
Pre-Impairment Operating Profit 569.8 926.5 906.1 930.5 947.4 Loan and Other Impairment Charges 152.4 348.6 465.6 382.9 376.6 Operating Profit 417.4 577.9 440.5 547.6 571.1 Other Non-Operating Items (Net) NA	Total Operating Income	1,211.6	2,128.8	2,070.9	2,129.6	2,075.7
Loan and Other Impairment Charges	Operating Costs	641.8	1,202.3	1,164.8	1,199.1	1,128.1
Operating Profit 417.4 577.9 440.5 547.6 571.0 Other Non-Operating Items (Net) N.A. 8.3 4.3 6.9 -0.0 Tax 110.6 138.6 130.2 144.0 165.5 Net Income 306.8 447.6 314.6 410.5 405.5 Other Comprehensive Income (224.2) (36.2) (106.4) 108.9 (113.6 Fitch Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Sheet 82.6 411.4 208.2 519.4 291.5 Assets Summary Balance Sheet Assets Tothich Impaired 230.9 239.2 294.2 257.2 216.6 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,890.3 18.15.5 16,504.9 16,225.1 15,504.9 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466. Derivatives	Pre-Impairment Operating Profit	569.8	926.5	906.1	930.5	947.6
Other Non-Operating Items (Net) N.A. 8.3 4.3 6.9 -0.0 Tax 110.6 138.6 130.2 144.0 165.5 Net Income 306.8 447.6 314.6 410.5 405.5 Other Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Sheet Assets Gross Loans 19,590.8 18,665.6 17,174.6 16,736.4 16,142.1 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.9 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,460.0 Derivatives N.A. N.A. N.A. 0.8 N.A. 10.0 Other Securities and Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829. Cash and Due from Banks 624.0 741.7 708.7 727.1 704.5 <td>Loan and Other Impairment Charges</td> <td>152.4</td> <td>348.6</td> <td>465.6</td> <td>382.9</td> <td>376.6</td>	Loan and Other Impairment Charges	152.4	348.6	465.6	382.9	376.6
Tax 110.6 138.6 130.2 144.0 165.5 Net Income 30.8 447.6 314.6 410.5 405.5 Other Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Firth Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Sheet Assets Gross Loans 19,590.8 18,665.6 17,174.6 16,736.4 16,142.2 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.9 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466. Derivatives N.A. N.A. 0.8 N.A. 0. Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704. Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.2	Operating Profit	417.4	577.9	440.5	547.6	571.0
Net Income 306.8 447.6 314.6 410.5 405.5 Other Comprehensive Income (224.2) (36.2) (106.4) 108.9 (113.6 Fitch Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Summary Balance Sheet Libid Impaired 230.9 239.2 294.2 257.2 216.2 Loan Loss Allowances 687.2 647.1 669.7 511.3 48.33 Interbank 41,77.1 4,368.4 </td <td>Other Non-Operating Items (Net)</td> <td>N.A.</td> <td>8.3</td> <td>4.3</td> <td>6.9</td> <td>-0.5</td>	Other Non-Operating Items (Net)	N.A.	8.3	4.3	6.9	-0.5
Other Comprehensive Income (224.2) (36.2) (106.4) 108.9 (113.6) Fitch Comprehensive Income 82.6 411.4 208.2 519.4 291.5 Summary Balance Sheet Assets Gross Loans 19,590.8 18,665.6 17,174.6 16,736.4 16,142.0 - Of which Impaired 230.9 239.2 294.2 257.2 216.6 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.4 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466. Derivatives N.A. N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,917.7 2,242.2 1,704. Cash and Due from Banks 624.0 741.7 708.7 727.1 704. Other Assets 1,281.6 1,319.0 1,337.8 1,526	Tax	110.6	138.6	130.2	144.0	165.2
Fitch Comprehensive Income 82.6 411.4 208.2 519.4 291. Summary Balance Sheet Assets Gross Loans 19.590.8 18.665.6 17,174.6 16,736.4 16,142.3 Of Which Impaired 230.9 239.2 294.2 257.2 216.3 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.0 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466.1 Derivatives N.A. N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704.2 Total Earning Assets 26,861.5 26,004.8 24,577.4 217.14 20,822.2 Cash and Due from Banks 624.0 741.7 708.7 727.1 704.2 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.3	Net Income	306.8	447.6	314.6	410.5	405.3
Summary Balance Sheet Assets 19,590.8 18,665.6 17,174.6 16,736.4 16,142.4	Other Comprehensive Income	(224.2)	(36.2)	(106.4)	108.9	(113.6)
Assets Gross Loans 19,590.8 18,665.6 17,174.6 16,736.4 16,142.0 -Of which Impaired 230.9 239.2 294.2 257.2 216.0 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.0 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466. Derivatives N.A. N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704. Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829. Cash and Due from Banks 624.0 741.7 708.7 727.1 704. Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.0 Total Assets 22,248.6 21,897.4 20,310.7 17,149.2 15,686.1 Liabilities 22,248.6	Fitch Comprehensive Income	82.6	411.4	208.2	519.4	291.7
Gross Loans 19,590.8 18,665.6 17,174.6 16,736.4 16,142.4 - Of which Impaired 230.9 239.2 294.2 257.2 216.5 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.4 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.4 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466.6 Derivatives N.A. N.A. 0.8 N.A. 0.9 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704.5 Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.5 Cash and Due from Banks 624.0 741.7 708.7 727.1 704.4 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.4 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751. Liabilities 22,248.6 21,897.4 20,310.7	Summary Balance Sheet					
Of which Impaired 230.9 239.2 294.2 257.2 216.5 Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.0 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466.5 Derivatives N.A. N.A. N.A. 0.8 N.A. 0. Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704.3 Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.1 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217. Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751. Liabilities 22,248.6 21,897.4 20,310.7 17,149.2 15,686.1 Interbank and Other Short-Term Funding 25,49.2 2,613.3 2,997.6 2,608.4 3,209.2 Other Long-Term Funding 2,549	Assets					
Loan Loss Allowances 687.2 647.1 669.7 511.3 483.3 Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,659.0 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466. Derivatives N.A. N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704. Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.9 Cash and Due from Banks 624.0 741.7 708.7 727.1 704.5 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.4 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.1 Usbilities 2 2,248.6 21,897.4 20,310.7 17,149.2 15,686.1 Usbomer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.1 Interbank and Other Short-Term Funding<	Gross Loans	19,590.8	18,665.6	17,174.6	16,736.4	16,142.8
Net Loan 18,903.6 18,018.5 16,504.9 16,225.1 15,559.0 Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466. Derivatives N.A. N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704. Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829. Cash and Due from Banks 624.0 741.7 708.7 727.1 704. Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.4 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751. Liabilities 2 2,248.6 21,897.4 20,310.7 17,149.2 15,686. Interbank and Other Short-Term Funding 22,248.6 21,897.4 20,310.7 17,149.2 15,686. Interbank and Other Short-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.	- Of which Impaired	230.9	239.2	294.2	257.2	216.2
Interbank 4,177.1 4,368.4 5,152.0 3,244.1 3,466.0 Derivatives N.A. N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704.2 Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.9 Cash and Due from Banks 624.0 741.7 708.7 727.1 704.2 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.4 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2 Liabilities 2 2,248.6 21,897.4 20,310.7 17,149.2 15,686.2 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. Other Liabi	Loan Loss Allowances	687.2	647.1	669.7	511.3	483.8
Derivatives N.A. N.A. 0.8 N.A. 0.0 Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704. Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829. Cash and Due from Banks 624.0 741.7 708.7 727.1 704. Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217. Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751. Liabilities 2 2,248.6 21,897.4 20,310.7 17,149.2 15,686. Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209. Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.4 Other Liabiliti	Net Loan	18,903.6	18,018.5	16,504.9	16,225.1	15,659.0
Other Securities and Earning Assets 3,780.8 3,617.9 2,919.7 2,242.2 1,704.2 Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.2 Cash and Due from Banks 624.0 741.7 708.7 727.1 704.2 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.4 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2 Liabilities 2 248.6 21,897.4 20,310.7 17,149.2 15,686.2 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.2 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.2 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. N.A. 1,238.4 Other Liabilities 919.1 770.6 780.5 989.2 821.2 Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A.<	Interbank	4,177.1	4,368.4	5,152.0	3,244.1	3,466.1
Total Earning Assets 26,861.5 26,004.8 24,577.4 21,711.4 20,829.9 Cash and Due from Banks 624.0 741.7 708.7 727.1 704.2 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.6 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2 Liabilities Customer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.9 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. Other Liabilities 919.1 770.6 780.5 989.2 821.5 Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.3 Tot	Derivatives	N.A.	N.A.	0.8	N.A.	0.5
Cash and Due from Banks 624.0 741.7 708.7 727.1 704.5 Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.6 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.5 Liabilities Customer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.5 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.6 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.5 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.6 Other Liabilities 919.1 770.6 780.5 989.2 821. Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2 <td>Other Securities and Earning Assets</td> <td>3,780.8</td> <td>3,617.9</td> <td>2,919.7</td> <td>2,242.2</td> <td>1,704.3</td>	Other Securities and Earning Assets	3,780.8	3,617.9	2,919.7	2,242.2	1,704.3
Other Assets 1,281.6 1,319.0 1,337.8 1,526.6 1,217.0 Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2 Liabilities Customer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.9 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.8 Other Liabilities 919.1 770.6 780.5 989.2 821. Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 2	Total Earning Assets	26,861.5	26,004.8	24,577.4	21,711.4	20,829.9
Total Assets 28,767.1 28,065.5 26,623.9 23,965.1 22,751.1 Liabilities Customer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.9 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.5 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. N.A. 1.4 Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.8 Other Liabilities 919.1 770.6 780.5 989.2 821. Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Cash and Due from Banks	624.0	741.7	708.7	727.1	704.2
Liabilities Customer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.9 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. N.A. 1.8 Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.8 Other Liabilities 919.1 770.6 780.5 989.2 821. Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Other Assets	1,281.6	1,319.0	1,337.8	1,526.6	1,217.6
Customer Deposits 22,248.6 21,897.4 20,310.7 17,149.2 15,686.5 Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. N.A. 1.8 Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.6 20,054.7 <t< td=""><td>Total Assets</td><td>28,767.1</td><td>28,065.5</td><td>26,623.9</td><td>23,965.1</td><td>22,751.7</td></t<>	Total Assets	28,767.1	28,065.5	26,623.9	23,965.1	22,751.7
Interbank and Other Short-Term Funding 222.1 38.9 25.9 297.1 340.8 Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. N.A. 1.4 Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.8 Other Liabilities 919.1 770.6 780.5 989.2 821.5 Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Liabilities					
Other Long-Term Funding 2,549.2 2,613.3 2,997.6 2,608.4 3,209.3 Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. N.A. 1.8 Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.8 Other Liabilities 919.1 770.6 780.5 989.2 821. Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Customer Deposits	22,248.6	21,897.4	20,310.7	17,149.2	15,686.9
Trading Liabilities and Derivatives N.A. N.A. N.A. N.A. N.A. 1.8 Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.0 Other Liabilities 919.1 770.6 780.5 989.2 821.0 Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Interbank and Other Short-Term Funding	222.1	38.9	25.9	297.1	340.8
Total Funding and Derivatives 25,019.9 24,549.6 23,334.2 20,054.7 19,238.8 Other Liabilities 919.1 770.6 780.5 989.2 821.3 Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Other Long-Term Funding	2,549.2	2,613.3	2,997.6	2,608.4	3,209.3
Other Liabilities 919.1 770.6 780.5 989.2 821. Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.2	Trading Liabilities and Derivatives	N.A.	N.A.	N.A.	N.A.	1.8
Preference Shares and Hybrid Capital N.A. 0.0 N.A. N.A. N.A. Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.3	Total Funding and Derivatives	25,019.9	24,549.6	23,334.2	20,054.7	19,238.8
Total Equity 2,828.1 2,745.3 2,509.2 2,921.2 2,691.8 Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.3	Other Liabilities	919.1	770.6	780.5	989.2	821.1
Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.	Preference Shares and Hybrid Capital	N.A.	0.0	N.A.	N.A.	N.A.
Total Liabilities and Equity 28,767.1 28,065.5 26,623.9 23,965.1 22,751.	Total Equity	2,828.1	2,745.3	2,509.2	· · · · · · · · · · · · · · · · · · ·	2,691.8
		28,767.1		26,623.9		22,751.7
<u> </u>	Exchange Rate	USD1 = USD1	USD1 = USD1	USD1 = USD1		USD1 = USD1

N. A. – Not available.

Source: Fitch Ratings, Fitch Solutions, BIB.



Summary Financials and Key Ratios

6/30/22	2021	2020	2019	2018
3.5	2.5	2.2	2.8	3.2
5.3	5.0	5.4	6.1	6.0
53.0	56.5	56.3	56.3	54.4
22.2	17.0	11.7	14.2	15.3
1.2	1.3	1.7	1.5	1.3
5.0	8.7	2.6	3.7	4.6
297.6	270.5	227.6	198.8	223.8
1.6	1.9	2.7	2.3	2.4
9.1	9.1	9.1	11.5	11.8
N.A.	N.A.	N.A.	N.A.	N.A.
10.2	10.2	10.3	12.7	13.1
8.6	8.5	8.0	10.7	10.4
N.A.	N.A.	N.A.	N.A.	N.A.
(20.9)	(19.5)	(20.2)	N.A.	N.A.
(18.8)	(17.4)	(17.8)	(10.1)	(11.5)
88.1	85.2	84.6	97.6	102.9
N.A.	N.A.	N.A.	N.A.	N.A.
88.9	89.2	87.0	85.5	81.6
N.A.	N.A.	N.A.	N.A.	N.A.
	3.5 5.3 53.0 22.2 1.2 5.0 297.6 1.6 9.1 N.A. 10.2 8.6 N.A. (20.9) (18.8) 88.1 N.A. 88.9	3.5 2.5 5.3 5.0 53.0 56.5 22.2 17.0 1.2 1.3 5.0 8.7 297.6 270.5 1.6 1.9 9.1 9.1 N.A. N.A. 10.2 10.2 8.6 8.5 N.A. N.A. (20.9) (19.5) (18.8) (17.4) 88.1 85.2 N.A. N.A. 88.9 89.2	3.5 2.5 2.2 5.3 5.0 5.4 53.0 56.5 56.3 22.2 17.0 11.7 1.2 1.3 1.7 5.0 8.7 2.6 297.6 270.5 227.6 1.6 1.9 2.7 9.1 9.1 9.1 N.A. N.A. N.A. 10.2 10.2 10.3 8.6 8.5 8.0 N.A. N.A. N.A. (20.9) (19.5) (20.2) (18.8) (17.4) (17.8) 88.1 85.2 84.6 N.A. N.A. N.A. 88.9 89.2 87.0	3.5 2.5 2.2 2.8 5.3 5.0 5.4 6.1 53.0 56.5 56.3 56.3 22.2 17.0 11.7 14.2 1.2 1.3 1.7 1.5 5.0 8.7 2.6 3.7 297.6 270.5 227.6 198.8 1.6 1.9 2.7 2.3 9.1 9.1 9.1 9.1 11.5 N.A. N.A. N.A. N.A. 10.2 10.2 10.3 12.7 8.6 8.5 8.0 10.7 N.A. N.A. N.A. N.A. N.A. (20.9) (19.5) (20.2) N.A. (18.8) (17.4) (17.8) (10.1) 88.1 85.2 84.6 97.6 N.A. N.A. N.A. N.A. N.A. N.A. N.A. N.A.

N. A. – Not available.

Source: Fitch Ratings, Fitch Solutions, BIB.



Credit-Relevant ESG Derivation

Environmental, Social and Governance Considerations

Fitch Ratings BAC International Bank, Inc.

Banks Ratings Navigator

Overall ESG Scale

Section and a section of the control	Crount Holorant 200 Donnatio									Overai	ESG Scale	
Processor internal processor bits according followers to be carried quality and according of the control processor of minute p			key driver		0	issues		5				
Environmental (E) General feature & Escer Sector digethic lesure Figure 1 a	protection (data security	rotection (data security) but this has very low impact on the rating.		dr	driver		issues		4			
Environmental (E) Guernal Navarra Sacrari Specific Issues Business A P. Custor Sacrari Specific Issues Business A P. Custor Sacrari Specific Issues Business A P. Custor Sacrari Specific Issues Sacrari Specific Issues Reference Sacrari					potenti	al driver	5	issues		3		
Environmental (E) Gavaria lauran B Score Bactor-Specific lauran Raferroca F Sunty								issues		2		
Old Commotive & Parketing Commotive & Parketing Community (Parketing Community) (Parketi					not a rating driver		5	issues		1		
GRIED Environment A. La Clustry The Contract Transport Contract Transport The Contract Transport Th		5 0	0.0100000000000000000000000000000000000	D.f								
Social (5) General Issues Social (6) General Issues Social (7) Social (8) General Issues Social (8) Social (8) Social (8) Social (8) Ana.	General issues	E Scor	e Sector-Specific issues	Reterence	E 8	cale	1 u 4. n	and Thin Dawn	_			
Entry Management 1 n.s. n.s. n.s. n.s. n.s. n.s. n.s. n.	GHG Emissions & Air Quality	1	n.a.	n.a.	5		ESG scor	res range from	1 to 5 base			
Water & Waterseator Management 1 n.a. 1 n.a. 1 n.a. 2 conception for Extraction Management 2 contracting of Extraction Management 3 contracting of Extraction Management 3 contracting of Extracting of Extracting Operations 4 contracting of Extracting Operations 5 contracting Operations 5	Energy Management	1	n.a.	n.a.	4		break out box show relevant a	t the individual vs the aggrega across all mark	I component ate E, S, or cets with Sec	nts of the sore. or G score. octor-Specifi	cale. The right-hand General Issues are c Issues unique to a	
Wate & Hozardon Minerals Management, Ecological Impacts In n. n. In pact of extreme washer events on sasets anothr Exposure to Environmental Impacts 2 Impact of extreme washer events on sasets anothr Exposure to Environmental Impacts 2 Impact of extreme washer events on sasets anothr 2 observed to Environmental Impacts 3 Exposure to Environmental Impacts 3 Social (5) S	Water & Wastewater Management	1	n.a.	n.a.	3		specific is sector-spe Reference	issue. These s ecific issues to e box highli	scores sign the issuing lights the	entity's ove factor(s)	dit-relevance of the rall credit rating. The within which the	
Exposure to Environmental Impacts 2 contact the overall ESG socie summation of extractions assest and/or operations and corresponding risk appetits of amenagement appetits and contact status and corresponding risk appetits of amenagement appetits and contact status and corresponding risk appetits of amenagement appetits and contact status assume entity a coeff strating (corresponding vite scores of 3, 4 or 5) and provides a large depositation of excess provided from Floris account and provides a large depositation of the score of 3, 4 or 5) and provides a large depositation o		1	n.a.	n.a.	2		The Cred score. The	lit-Relevant ES nis score signifi sues to the enti	SG Derivation	ion table sh dit relevand rating. The t	lows the overall ESG e of combined E, S three columns to the	
Social (5) General Issues 3 Score Sector-Specific Issues Reference 3 Scale Human Rights, Community Relations, Access a Affectability Social Community Relations, Community, Community Relations, Community Relations	Exposure to Environmental Impacts	2	operations and corresponding risk appetite & management;		1		left of the overall ESG score summarize the issuing entity's s component ESG scores. The box on the far left identifies som the main ESG issues that are drivers or potential drivers of issuing entity's credit rating (corresponding with scores of 3, 4 or				issuing entity's sub- eft identifies some of ential drivers of the	
General Issues S Score Sector-Specific Issues Reference S Scale Issues draw in the classification standards published by the United Access & Affordace Access & Affor	Social (S)						Classific	ation of ESG	issues has	s been dev	reloped from Fitch's	
Haman Rights, Community Relations, Access & Affordability 2	General Issues	S Scor	e Sector-Specific Issues	Reference	SS	cale						
Haman Keptia. Community Yestelloris. A Concess & Allocations programs. Financial literacy Business Profile (incl. Management & governance); Risk Profile programs. Sector references in the scale definitions below refer to Sector a displayed in the Sector Details box on page 1 of the navigator. Conspliance risks including fair lending practices, consumer data protection. Operating Environment; Business Profile (incl. Management & governance) Lation Relations & Practices 2 Impact of labor negolistions, including boardiemptoyee compensation and composition 1 n.a. Lat. 2 Implyies Wellbeing 1 n.a. Lat. 2 Shift in social or consumer preferences as a result of an institution's social positions, or social and/or political disapproved of core banking practices 3 Sceneral Issues Governance (G) General Issues G Score Sector-Specific Issues Reference G Scale CREDIT-RELEVANT ESG SCALE How relevant are E, S and G issues to the overall condition that has a significant imaged on lating practices in the state of a resultation's social positions, or social and/or political disapproved of core banking practices Governance Structure 3 Operational implementation of strategy Business Profile (incl. Management & governance) 5 Scale CREDIT-RELEVANT ESG SCALE How relevant are E, S and G issues to the overall condition to a large or an individual basis. Equivalent to "higher" relevant with the sage of a management and profile incl. Management & governance) Governance Structure 3 Operational implementation of strategy Business Profile (incl. Management & governance) 5 Scale CREDIT-RELEVANT ESG SCALE How relevant are E, S and G issues to the overall condition of the strategy or an individual basis. Equivalent to "higher" relevant to the sector overall condition of the strategy and individual basis. Equivalent to Traples' relation profile in the scale of the strategy in relation of the strategy in relation of the scale of			Control form ded and and and and an arrangement				Nations	Principles for	Responsit	ble Investi	ng (PRI) and the	
Compliance risks including flar lending practices, mis-selling, operating Environment, Business Profile (incl. Management & procession/increducure practices, consumer data protection (adata security) Labor Relations & Practices 2 Impact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 1 n.a. Limpact of labor negolations, including board/emptoyee compensation and composition 2 Shrift in social or consumer preferences as a result of an including board/emptoyee Limpact of labor negolations, or social anniholation of a labor negolations, or social anniholation of consumers and including practices and electronic policies and despressed of consumers and electronic policies and electronic		2	SME and community development programs; financial literacy	Business Profile (incl. Management & governance); Risk Profile	5		Sector references in the scale definitions below refer to Sector as					
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 andrice political disapproval of core banking practices Governance (G) General Issues G Score Sector-Specific Issues Reference G Scale CREDIT-RELEVANT ESG SCALE How relevant are E, S and G issues to the overall credit rating? Management Strategy 3 Operational implementation of strategy Business Profile (incl. Management & governance) 5 Sussiness Profile (incl. Management & governance) 5 Sussiness Profile (incl. Management & governance) 6 Sussiness Profile (incl. Management & governance) 7 Suspine Profile (incl. Management & governance) 8 Susiness Profile (incl. Management & governance) 9 Susiness		3	repossession/foreclosure practices, consumer data protection		4		displayed	in the Sector D	Details box o	on page 1 of	the navigator.	
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 Governance (G) General Issues G Score Sector-Specific Issues Reference G Scale CREDIT-RELEVANT ESG SCALE How relevant are E, S and G issues to the overall credit rating? Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" releave importance within Navigator. Governance Structure Group Structure Group Structure 3 Organizational structure, appropriateness relative to business model: opacity, intra-group dynamics; ownership consecutives, appropriateness relative to business model: opacity, intra-group dynamics; ownership in combination with other relative, related party transactions Group Structure 3 Organizational structure, appropriateness relative to business model: opacity, intra-group dynamics; ownership in combination with other relative importance within Navigator. Financial Transparency 3 Quality and frequency of financial reporting and auditing processes Business Profile (incl. Management & governance) James Profile (inc	Labor Relations & Practices	2	Impact of labor negotiations, including board/employee compensation and composition	Business Profile (incl. Management & governance)	3							
Exposure to Social Impacts 2 institution's social positions, or social and/or political disapproval of core banking practices Business Profile (incl. Management & governance); Financial Profile CREDIT-RELEVANT ESG SCALE How relevant are E, S and G issues to the overall credit rating? Management Strategy 3 Operational implementation of strategy Business Profile (incl. Management & governance) 5 Deard independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal compliance risks; business continuity, key person risk; related party transactions Group Structure 3 Organizational structure; appropriateness relative to business model; opacity, intra-group dynamics; ownership Business Profile (incl. Management & governance); Earnings & Management & Group Structure 3 Organizational structure; appropriateness relative to business model; opacity, intra-group dynamics; ownership Financial Transparency 3 Quality and frequency of financial reporting and auditing processes Business Profile (incl. Management & governance) 2 2 2 irrelevant to the entity rating and irrelevant to the entity ratin	Employee Wellbeing	1	n.a.	n.a.	2							
General Issues G Score Sector-Specific Issues Reference G Scale How relevant are E, S and G issues to the overall credit rating? Highly relevant, a key rating driver that has a significant impact on the rating or an individual basis. Equivalent to "higher" relative importance within Navigator. Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal compliance risks; business continuity, key person risk; related party transactions Group Structure 3 Organizational structure; appropriateness relative to business model; opacity, intra-group dynamics; ownership Business Profile (incl. Management & governance) Timelevant to rating, not a key rating driver but has an impact on the rating in combination with other an impact on the rating in combination with other and in combination	Exposure to Social Impacts	2	institution's social positions, or social and/or political	Business Profile (incl. Management & governance); Financial Profile	1							
General Issues G Score Sector-Specific Issues Reference G Scale How relevant are E, S and G issues to the overall credit rating? 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. Board independence and effectiveness; ownership concentration; protection of creditor/stakeholder rights; legal compliance risks; business continuity, key person risk; related party transactions Group Structure 3 Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership	Governance (G)							CREDIT-	-RELEVAN	NT ESG SC	CALE	
Management Strategy 3 Operational implementation of strategy Business Profile (incl. Management & governance) 5 5 5 5 5 5 5 5 5 5			0	Pote:								
Management Strategy 3 Operational implementation of strategy Business Profile (incl. Management & governance) 5 5 business Equivalent to Thigher' relative importance within Navigator. Governance Structure 3 concentration; protection of creditor/stakeholder rights; legal /compliance risks; business continuity; key person risk; related party transactions Group Structure 3 Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership Business Profile (incl. Management & governance); Earnings & 4 4 4 an impact on the rating in combination with other factors. Equivalent to "moderate relative importance within Navigator." Minimally relevant to rating, either very low impact or actively managed in a way that results in no model; opacity; intra-group dynamics; ownership Business Profile (incl. Management & governance) 3 Quality and frequency of financial reporting and auditing processes Business Profile (incl. Management & governance) 2 2 irrelevant to the entity rating but relevant to the sector.	General Issues	G Scor	e Sector-Specific Issues	Keterence	G S	ocaie						
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Financial Transparency 5 processes Dusiness Prome (Incl. Management & governance) 2 2 2 sector.	Group Structure	3		Business Profile (incl. Management & governance)	3		3	or a	actively mana pact on the en	aged in a way ntity rating. E	that results in no quivalent to "lower"	
	Financial Transparency	3		Business Profile (incl. Management & governance)	2		2			entity rating	but relevant to the	
					1		1			entity rating	and irrelevant to the	

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