FitchRatings

Banks
Universal Commercial Banks
Belgium

Belfius Bank SA/NV

Key Rating Drivers

Business Profile Drives Ratings: Belfius Bank SA/NV's ratings reflect its sound business profile in Belgium, where it benefits from a well-established retail and commercial banking franchise, leading position in public-sector financing, and private banking and wealth management. The ratings reflect low risk appetite, satisfactory asset quality, adequate profitability, and solid capitalisation and funding profiles.

Stable Business Model: Belfius operates a stable and fairly low-risk bancassurance business model, and has a clear and consistent strategy geared towards strengthening profitability. It plans to consolidate its market position in Belgium, increase cross-selling between the banking arm and other group units, mainly insurance and wealth and asset management, and control costs. Improving market positions in corporate banking and asset-gathering services have supported structural improvement in profitability over the past five years.

Low Risk Profile: The bank's conservative risk profile is underpinned by the large proportion of residential mortgage and public-sector loans that Fitch Ratings expects to continue to comprise most of its loans over the medium term (end-June 2025: about 60%). This helps mitigate concentration risk in commercial real estate (CRE), as at some other Belgian banks. Non-financial and market risks are under control.

Satisfactory Asset Quality: Belfius's asset quality has been resilient in the current interest rate cycle. The impaired loans ratio weakened slightly to 2.2% at end-June 2025 (end-2024: 2.1%). This was driven by increased corporate and SME defaults, mostly in the CRE, construction and manufacturing sectors, and we expect further deterioration in the ratio. However, the solid coverage of impaired loans by loan loss allowances (end-June 2025: 69%) provides a reasonable buffer to absorb asset-quality pressures.

Adequate Profitability: The bank's adequate profitability has steadily improved in the past five years, although it remains weaker than some of its more diversified domestic peers'. The operating profit/risk-weighted assets (RWAs) ratio was stable at 2% in 1H25 and we expect it to remain close to this level in the near term, helped by resilient net interest income, higher non-interest income, controlled cost inflation and higher – though still manageable – loan impairment charges (LICs) due to its low risk profile.

Solid Capitalisation: Belfius's capitalisation is a rating strength. The common equity Tier 1 (CET1) ratio of 16.1% at end-June 2025 was maintained with a large buffer above the 2026 requirement of 10.9%. This provides sufficient headroom to absorb RWA inflation from continued business growth and shareholder distributions. We expect the ratio will remain comfortably within the bank's target range of 15%–15.5%.

Stable Funding, Ample Liquidity: Belfius's healthy funding profile is supported by its large and predominantly stable retail customer deposit base, and by its good access to wholesale market funding. Liquidity is sound, as reflected in cash and securities that comprised about 22% of assets at end-June 2025.

Ratings

Foreign Currency	
Long-Term IDR	A-
Short-Term IDR	F1
Derivative Counterparty Rating	A-(dcr)
Viability Rating	a-
Government Support Rating	ns
Sovereign Risk (Belgium)	
Long-Term Foreign-Currency IDR	A+
Long-Term Local-Currency IDR	A+
Country Ceiling	AAA
Outlooks	
Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Foreign-Currency IDR	Stable
Sovereign Long-Term Local-Currency IDR	Stable

Highest ESG Relevance Scores

Environmental	2
Social	3
Governance	3

Applicable Criteria

Bank Rating Criteria (March 2025)

Related Research

Global Economic Outlook (December 2025)

Benelux Major Banks - Peer Credit Analysis (July 2025)

European Bank M&A to Boost Domestic Consolidation (July 2025)

Belgian Bank Ratings Unaffected by Sovereign Downgrade (June 2025)

Fitch Downgrades Belgium to 'A+'; Outlook Stable (June 2025)

Benelux Banking M&A Driven by Diversification and Fee Income (March 2025)

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Rating Sensitivities

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

We would be likely to downgrade Belfius's ratings if we expected its impaired loans ratio to increase above 3% over a prolonged period, with the operating profit/RWAs ratio falling below 2% and the CET1 ratio below 14% on a sustained basis.

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

An upgrade of the bank's ratings would require further strengthening of its franchise and business diversification outside lending, such as in insurance and asset-gathering activities, which would result in stronger profitability, with operating profit/RWAs above 2.5%, while maintaining strong and resilient capitalisation and a low risk profile.

Other Debt and Issuer Ratings

Rating Level	Belfius Bank SA/NV	Belfius Financing Company S.A.
Derivative Counterparty Rating	A-(dcr)	-
Senior preferred debt	A-/F1	F1

Source: Fitch Ratings

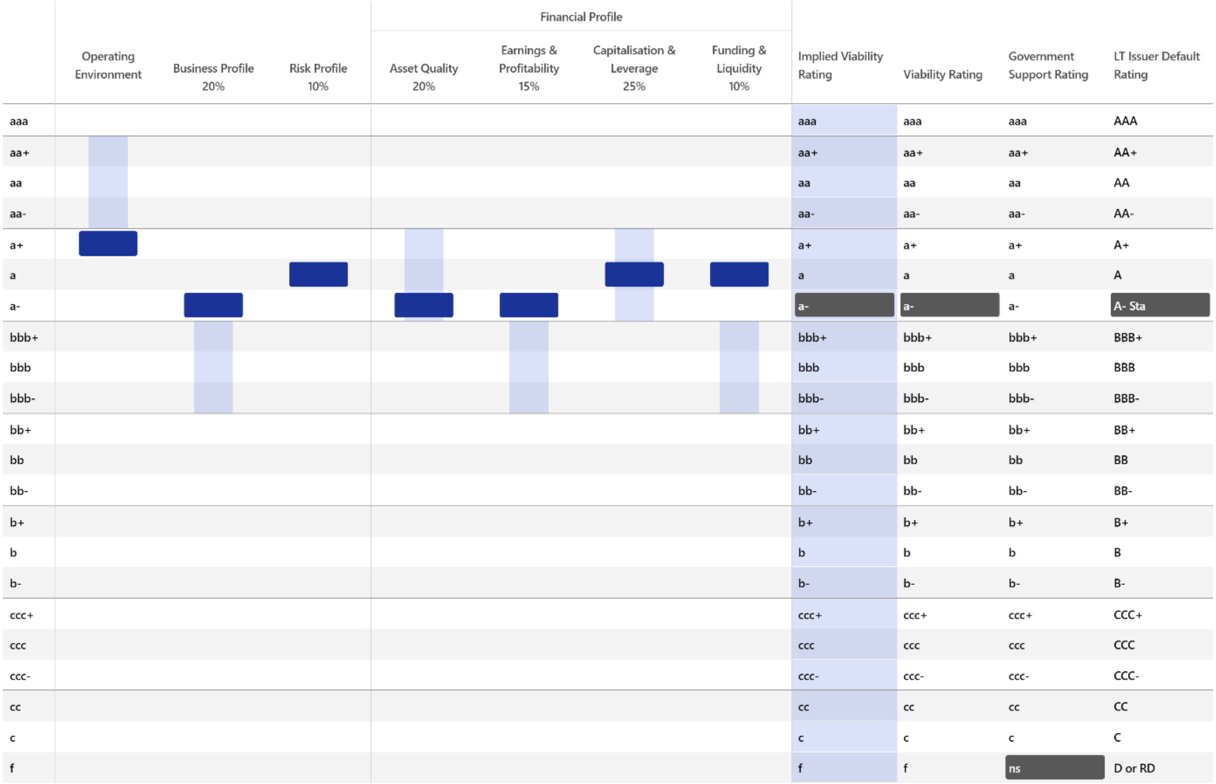
Belfius's 'F1' Short-Term Issuer Default Rating (IDR) is the higher of the two options mapping to an 'A-' Long-Term IDR, reflecting our 'a' assessment of the bank's funding and liquidity profile and expectation that it will maintain high liquidity buffers.

The bank's Derivative Counterparty Rating is aligned with its Long-Term IDR, because under Belgian legislation, derivative counterparties have no preferential status over other senior obligations in a resolution.

The rating of the long-term senior preferred debt is in line with the bank's Long-Term IDR. This is because we expect Belfius to use senior preferred debt to meet its minimum requirement for own funds and eligible liabilities over the medium term. Fitch expects subordination and resolution buffers to remain below 10% of RWAs on a sustained basis, a threshold above which we would consider a one-notch uplift of the senior preferred debt ratings.

Belfius Financing Company S.A. is a financing vehicle wholly owned by Belfius. Its short-term senior preferred debt rating is aligned with that of its parent, based on Fitch's expectation that the bank will honour the unconditional and irrevocable guarantee provided to holders of the notes issued by the vehicle.

Ratings Navigator



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.

Factor Outlook

Stable Evolving Positive Negative

VR - Adjustments to Key Rating Drivers

The ‘a+’ operating environment score is below the ‘aa’ implied category score due to the following adjustment reason: sovereign rating (negative).

The ‘a-’ business profile score is above the ‘bbb’ implied category score due to the following adjustment reason: business model (positive).

The ‘a-’ earnings and profitability score is above the ‘bbb’ implied category score due to the following adjustment reason: earnings stability (positive).

The ‘a’ funding and liquidity score is above the ‘bbb’ implied category score due to the following adjustment reason: deposit structure (positive).

Company Summary and Key Qualitative Factors

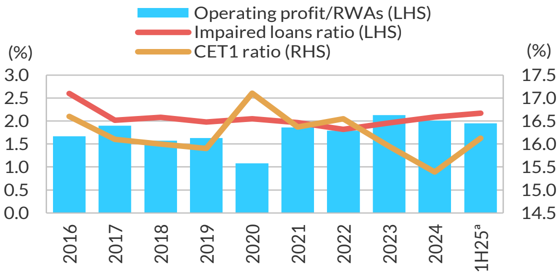
Business Profile

Belfius's operations focus on Belgium, where it has a leading retail banking franchise and a dominant position in public-sector lending. The banking franchise is complemented by adequate market positions in insurance, asset management, and equipment and property leasing. Subsidiary Belfius Insurance is the fifth-largest insurer in Belgium. The bank's revenue is mainly generated from traditional and non-volatile banking business. It is dominated by interest income on loans and recurring fee and commission income, with a strong contribution from insurance (about 24% of net income in 2024).

Its bancassurance business model is less diverse than some higher-rated peers', but it benefits from a low risk appetite and stable income. The bank's large exposure to public-sector lending leads to its lower operating profitability than most domestic peers. However, the gap has reduced in recent years due to strategic diversification into higher-yielding business and corporate banking.

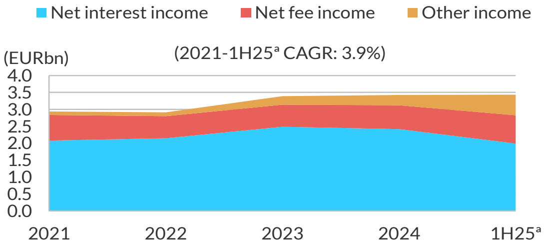
Belfius's execution of its business transformation plan has been solid. The bank improved its market shares in business and corporate lending in Belgium, despite fierce competition and while maintaining sound asset quality. The bank had a market share of slightly above 20% in corporate and business banking in 2024, and a close to 18% share in new mortgage loan production. We expect the bank to continue its strategy of focusing on increasing its market share in targeted segments, while maintaining conservative underwriting standards.

Performance Through the Cycle



[a] Annualised
Source: Fitch Ratings, Fitch Solutions, Belfius

Revenue Breakdown



CAGR: compound annual growth rate
[a] Annualised
Source: Fitch Ratings, Fitch Solutions, Belfius

Risk Profile

Underwriting standards are generally low-risk, supported by the focus on residential mortgage loans (end-June 2025: about 40% of gross loans) and public-sector lending (about 20%). The origination of residential mortgage loans is prudent, in our view. Loans are typically amortising, and most have a fixed rate for the entire life of the loan. Underwriting of high loan-to-value (LTV; more than 90% for first-time borrowers, and more than 80% for buy-to-let buyers) and high debt service/income loans has been monitored and limited by the National Bank of Belgium since January 2020. Consequently, LTVs at origination of over 90% have fallen (2024: 15%; 2019: 39%).

Underwriting standards in business and corporate banking remained prudent despite portfolio growth in recent years and are generally in line with local industry standards. Lending focuses on the domestic market, and limits on sector and single-name concentration translate into a well-diversified portfolio. Loans to CRE accounted for about 30% of total business and corporate credit exposure at end-June 2025, representing a key pocket of risk. Real estate companies' financial profiles have weakened, and we still view the risk of Belgian banks incurring unexpected losses as heightened. However, there are signs of recovery as commercial property prices in Belgium have stabilised.

Belfius's legacy business has largely been de-risked, but still includes a significant, though steadily falling, derivative exposure to Dexia (EUR4.1 billion of notional value at end-June 2025), which is fully hedged externally. Interest rate risk in the banking book is moderate, despite a large portfolio of long-dated fixed-rate residential mortgage loans. Belfius estimates that the most severe rate scenario of the six supervisory outlier tests, corresponding to a parallel increase of 200bp, would lead to a EUR1.3 billion decrease in the economic value of equity, equivalent to about 12% of common equity, which we view as manageable. It would have a low 0.6% impact on Fitch's forecast 2025 net interest income.

Interest rate risk in life insurance activities remains manageable. Higher interest rates led to some shifting at the insurance subsidiary from unit-linked to guaranteed products in new contracts from 2023. However, the subsidiary still has fairly low average guaranteed rates compared to investment portfolio returns and should continue to benefit from higher reinvestment yields.

Financial Profile

Asset Quality

Belfius's asset quality is in line with that of Belgian and international peers. With the buildup of the SME and corporate portfolio, the bank's asset quality has become inherently more sensitive to economic cycles than previously. However, risks are mitigated by the bank's large proportion of domestic residential mortgage and public-sector lending in Belgium, which continues to perform well, and its prudent underwriting with good sector diversification and low single-name concentration.

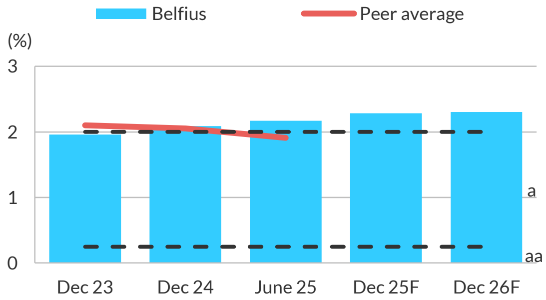
We expect a modest increase in impaired loans to about 2.3% of gross loans by end-2025, driven by a moderate deterioration in the bank's more vulnerable portfolios, including CRE, unsecured consumer and SME loans. However, Belfius's asset quality has sufficient rating headroom to withstand a moderate degree of deterioration, and the large portion of strongly performing residential mortgage and public-sector loans will continue to cushion any performance swings in other loan subsectors.

The construction and CRE portfolios accounted for close to 15% of the exposure at default (including loans and commitments) at end-June 2025 and is concentrated in Belgium. Credit quality in the book weakened in 2024 and 1H25, and Fitch expects further inflows of defaults in 2H25. However, we expect losses to be manageable, supported by adequate underwriting and a well-diversified book by asset and borrower type.

We expect the credit quality of the residential mortgage portfolio to remain solid on stable unemployment and preserved borrower-servicing capacity due to automatic wage indexation. The book has low sensitivity to increasing interest rates as most loans have fixed rates, and the variable rates are legally capped at twice the interest rate at origination. The impaired loans ratio of the retail portfolio, including mainly residential mortgage loans and a small unsecured consumer lending portfolio, was a low 0.5% of credit outstanding at end-June 2025. We expect asset-quality metrics in public-sector lending to remain robust.

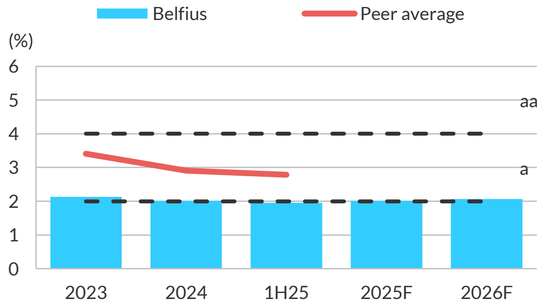
LICs were a low 2bp of average gross loans in 1H25, but we expect them to rise to 10bp by end-2025 and 15bp by end-2026 as asset quality slightly weakens. However, at this level they would remain easily manageable, and the bank still has a management overlay in place to cushion the impact on profitability.

Impaired Loans/Gross Loans



Source: Fitch Ratings, Fitch Solutions, banks

Operating Profit/Risk-Weighted Assets



Source: Fitch Ratings, Fitch Solutions, banks

Earnings and Profitability

Belfius's overall profitability is still below that of larger domestic peers. However, it should be viewed considering the bank's low-risk business model, its stable and recurring revenue, tight cost control and contained LICs. This has resulted in a record of greater earnings stability than at many peers. We expect the bank's operating profit/RWAs ratio to be maintained close to 2% in 2025 and 2026. At that level, it would continue to lag most peers and the European average.

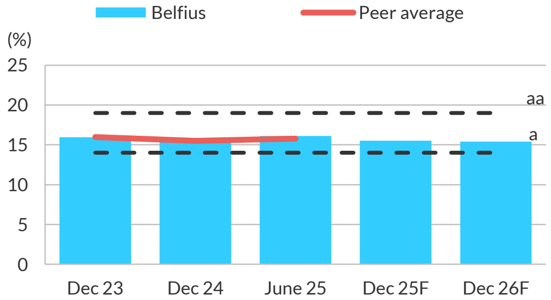
The bank's satisfactory 1H25 performance was driven by strong growth of non-interest revenue, including continued strong momentum in insurance and fee income, which offset a 3% drop in net interest income due to lower interest rates. Operating expense growth of almost 4% was driven by personnel costs rising by almost 7% due to a higher headcount and wage inflation, and significantly higher bank levies. The cost/income ratio rose to almost 60% (2024: 54%), but we expect it to fall close to the 2024 level by end-2025 due to seasonality as most regulatory charges and levies in Belgium are accrued in the first quarter. At that level, it would remain below the peer group average of about 60%.

Capitalisation and Leverage

Belfius's capitalisation is underpinned by sound risk-weighted capital ratios, which compare well with domestic and international peers, a moderate distribution policy of about 40% of net income, and very low encumbrance of capital by unreserved impaired loans. Its Basel III leverage ratio was sound at 6.3% at end-June 2025.

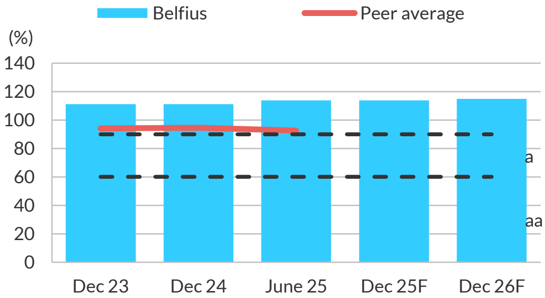
The bank's CET1 ratio of 16.1% at end-June 2025 had a sound buffer of about 520bp above its minimum regulatory requirement, helped by implementation of Basel III endgame rules that boosted the ratio by close to 80bp at the start of the year. This was largely due to a lowered risk-weighting to 250% from 370% of the equity stake of its insurance subsidiary under the Danish Compromise. This provides a large cushion to absorb potential negative credit rating migrations and capital distributions. The end-June 2025 ratio does not include 1H25 profits to avoid volatility as the bank will pay an extraordinary dividend (35bp) in 2H25. We expect the ratio to be maintained close to 15.5% over the next 12–18 months. Belfius Insurance had a solid Solvency II ratio of 195% at end-June 2025.

CET1 Ratio



Source: Fitch Ratings, Fitch Solutions, banks

Gross Loans/Customer Deposits



Source: Fitch Ratings, Fitch Solutions, banks

Funding and Liquidity

Belfius's large and stable customer deposit base, which consistently accounts for more than 70% of total non-equity funding, is comparable with domestic peers' and underpins the bank's funding profile. Retail sources contributed almost two-thirds of total customer deposits at end-June 2025, with most comprised of low-cost current and savings accounts. The loans/deposits ratio rose to 114%. We expect this ratio to be maintained close to this level in the near term.

Belfius has good access to the wholesale funding market, as reflected in 2025 year-to-date issuance totalling EUR2.75 billion across covered bonds, senior preferred and senior non-preferred issuance. Future wholesale funding needs are mostly limited to minimum requirements for own funds and eligible liabilities compliance and liquidity management.

Collateral requirements have decreased and weigh less on liquidity needs than previously due to the reduction in the run-off derivatives portfolio. Assets encumbered for securitisations, covered bonds issuance, repo transactions, loans granted by central banks, assets given under bond lending transactions and collateral posted for derivatives transactions represented about 10% of assets at end-June 2025. Wholesale funding maturing within one year, totalling about EUR7 billion, was well covered by high-quality liquid assets (about EUR29 billion).

Additional Notes on Charts

The forecasts in this report reflect Fitch's forward view on the bank's core metrics under Fitch's *Bank Rating Criteria*. They reflect a combination of Fitch's economic forecasts, sector outlook and bank-specific considerations. As a result, Fitch's forecasts may materially differ from the guidance provided by the rated entity to the market.

To the extent Fitch is aware of material non-public information with respect to future events, such as planned recapitalisations or merger and acquisition activity, Fitch will not reflect these non-public future events in its published forecasts. However, where relevant, Fitch considers such information as part of the rating process.

Black dashed lines represent boundaries for indicative quantitative ranges and implied scores for Fitch's core financial metrics for banks operating in the environments that Fitch scores in the 'a' category. Peer average includes KBC Group NV (VR: a), ING Belgium NV/SA (a-), ABN AMRO Bank N.V. (a), ASN Bank N.V. (a-), Bank of Ireland Group plc (a-), BNP Paribas Fortis SA/NV (a+), Komercni Banka, a.s. (a). Latest data available for ING Belgium NV/SA is for FY24. Unless otherwise stated, financial year (FY) end is 31 December for all banks in this report.

Financials

Financial Statements

	30 Jun 25 1st half (EURm)	31 Dec 24 12 months (EURm)	31 Dec 23 12 months (EURm)	31 Dec 22 12 months (EURm)
Summary income statement				
Net interest and dividend income	994	2,416	2,484	2,150
Net fees and commissions	418	703	657	651
Other operating income	306	356	260	118
Total operating income	1,717	3,475	3,400	2,919
Operating costs	1,024	1,838	1,809	1,654
Pre-impairment operating profit	693	1,637	1,591	1,266
Loan and other impairment charges	10	131	109	104
Operating profit	682	1,506	1,482	1,162
Other non-operating items (net)	2	7	11	35
Tax	207	384	376	264
Net income	478	1,129	1,117	933
Other comprehensive income	156	-162	50	1,024
Fitch comprehensive income	633	967	1,167	1,957
Summary balance sheet				
Assets				
Gross loans	124,296	120,657	115,459	111,093
– Of which impaired	2,692	2,528	2,259	2,026
Loan loss allowances	1,852	1,811	1,835	1,811
Net loans	122,444	118,845	113,624	109,282
Interbank	2,752	145	461	198
Derivatives	5,165	6,727	6,930	7,027
Other securities and earning assets	37,467	33,131	31,025	29,271
Total earning assets	167,827	158,848	152,040	145,778
Cash and due from banks	14,958	22,260	20,487	27,295
Other assets	4,405	6,350	6,653	5,995
Total assets	187,190	187,457	179,179	179,068
Liabilities				
Customer deposits	109,277	108,644	103,938	108,402
Interbank and other short-term funding	9,972	8,838	8,966	5,177
Other long-term funding	31,482	32,545	28,793	28,734
Trading liabilities and derivatives	4,510	5,956	6,257	6,804
Total funding and derivatives	155,240	155,982	147,954	149,117
Other liabilities	19,055	18,569	18,933	17,899
Preference shares and hybrid capital	497	674	570	639
Total equity	12,398	12,233	11,722	11,413
Total liabilities and equity	187,190	187,457	179,179	179,068
Exchange rate	USD1= EUR0.8532	USD1= EUR0.9622	USD1= EUR0.9127	USD1= EUR0.9376

Source: Fitch Ratings, Fitch Solutions, Belfius

Key Ratios

	30 Jun 25	31 Dec 24	31 Dec 23	31 Dec 22
(%; annualised as appropriate)				
Profitability				
Operating profit/risk-weighted assets	2.0	2.0	2.1	1.8
Net interest income/average earning assets	1.2	1.6	1.7	1.4
Non-interest expense/gross revenue	59.7	53.7	53.3	56.7
Net income/average equity	7.8	9.5	9.8	8.4
Asset quality				
Impaired loans ratio	2.2	2.1	2.0	1.8
Growth in gross loans	3.0	4.5	3.9	8.7
Loan loss allowances/impaired loans	68.8	71.7	81.3	89.4
Loan impairment charges/average gross loans	0.0	0.2	0.1	0.1
Capitalisation				
Common equity Tier 1 ratio	16.1	15.4	16.0	16.6
Fully loaded common equity Tier 1 ratio	-	15.4	15.8	16.2
Tangible common equity/tangible assets	6.2	6.3	6.3	6.2
Basel leverage ratio	6.3	6.5	6.6	6.3
Net impaired loans/common equity Tier 1	7.4	6.2	3.8	2.0
Funding and liquidity				
Gross loans/customer deposits	113.7	111.1	111.1	102.5
Gross loans/customer deposits + covered bonds	107.7	104.2	104.2	96.7
Liquidity coverage ratio	143.0	139.3	138.6	173.0
Customer deposits/total non-equity funding	72.3	72.1	73.0	75.8
Net stable funding ratio	129.0	133.1	128.1	135.0

Source: Fitch Ratings, Fitch Solutions, Belfius

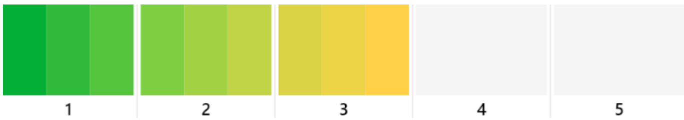
Support Assessment

Government Support	
Sovereign	Belgium
Sovereign LT Issuer Default Rating/Outlook	A+/Stable
Typical D-SIB Government Support for sovereign's rating level	a or a-
Actual jurisdiction D-SIB Government Support	ns
Government Support Rating	ns
Government ability to support D-SIBs	
Size of banking system	Neutral
Structure of banking system	Neutral
Sovereign financial flexibility (for rating level)	Neutral
Government propensity to support D-SIBs	
Resolution legislation	Negative
Support stance	Neutral
Government propensity to support bank	
Systemic importance	Neutral
Liability structure	Neutral
Ownership	Neutral

The colours below indicate the influence of each support factor in our assessment.
Influence: Light blue = lower; Dark blue = moderate; Red = higher
Source: Fitch Ratings

Belfius's Government Support Rating of 'no support' (ns) reflects Fitch's view that senior creditors cannot rely on receiving full extraordinary support from the sovereign in the event that Belfius becomes non-viable. The EU's Bank Recovery and Resolution Directive and the Single Resolution Mechanism for eurozone banks provide a framework for resolving banks that is likely to require senior creditors participating in losses, instead of, or ahead of, a bank receiving sovereign support.

Environmental, Social and Governance Considerations

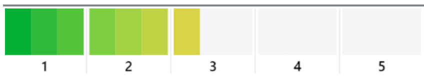


Environmental Relevance Scores

General issues	Score	Sector-specific issues	Reference
GHG Emissions & Air Quality	1	n.a.	n.a.
Energy Management	1	n.a.	n.a.
Water & Wastewater Management	1	n.a.	n.a.
Waste & Hazardous Materials Management; Ecological Impacts	1	n.a.	n.a.
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

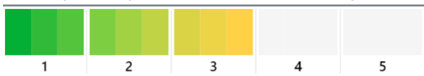
Social Relevance Scores

General issues	Score	Sector-specific issues	Reference
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
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
Labor Relations & Practices	2	Impact of labor negotiations, including board/employee compensation and composition	Business Profile (incl. Management & governance)
Employee Wellbeing	1	n.a.	n.a.
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



Governance Relevance Scores

General issues	Score	Sector-specific issues	Reference
Management Strategy	3	Operational implementation of strategy	Business Profile (incl. Management & governance)
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
Group Structure	3	Organizational structure; appropriateness relative to business model; opacity; intra-group dynamics; ownership	Business Profile (incl. Management & governance)
Financial Transparency	3	Quality and frequency of financial reporting and auditing processes	Business Profile (incl. Management & governance)



ESG Scoring

ESG relevance scores range from '1' to '5' based on a 15-level colour 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 general and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signalling the credit relevance of the sector-specific issues to an issuer's overall credit rating. The Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The panels underneath the relevance scores tables are visualisations of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The Score columns summarise rating relevance and impact to credit from ESG issues. The column on the far left identifies any ESG relevance sub-factor issues that are drivers or potential drivers of an issuer's credit rating (corresponding with scores of '3', '4' or '5'). All scores of '4' and '5' are assumed to reflect a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The general and sector-specific issues draw on the classification standards published by the UN Principles for Responsible Investing, the Sustainability Accounting Standards Board and the World Bank.

Credit-Relevant ESG Scale

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 the 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 the 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 the Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

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