

Definition of Credit Agency’s ratings

Credit ratings provide an opinion on the relative ability of an entity to meet financial commitments, such as interest, preferred dividends, repayment of principal, insurance claims or counterparty obligations. Credit ratings are used by investors as indications of the likelihood of receiving the money owed to them in accordance with the terms on which they invested. The agency's credit ratings cover the global spectrum of corporate, sovereign (including supranational and sub-national), financial, bank, insurance, municipal and other public finance entities and the securities or other obligations they issue, as well as structured finance securities backed by receivables or other financial assets.

A summary of Fitch’s, Moody’s and Standard & Poor’s equivalent short term credit ratings (highest to adequate/acceptable) are shown in the following tables, with ratings explanations.

Fitch ratings

Short-Term

Long-Term

Rating	Rating Explanation	Rating	Rating Explanation
F1 - Highest Credit Quality	Indicates the strongest intrinsic capacity for timely payment of financial commitments; may have an added '+' to denote any exceptionally strong credit feature.	AAA – Highest Credit Quality	'AAA' ratings denote the lowest expectation of default.
F2 - Good Credit Quality	Good intrinsic capacity for timely payment of financial commitments.	AA – Very High Credit Quality	'AA' ratings denote expectations of very low default risk.
		A – High Credit Quality	'A' ratings denote expectations of low default risk.
F3 - Fair Credit Quality	The intrinsic capacity for timely payment of financial commitments is adequate.	BBB – Good Credit Quality	'BBB' ratings indicate that expectations of default risk are currently low.

Moody's ratings

Short-Term

Long-Term

Rating	Rating Explanation	Rating	Rating Explanation
P1 Prime-1	Issuers (or supporting institutions) rated Prime-1 have a superior ability to repay short-term debt obligation.	Aaa - Highest Quality	Obligations rated Aaa are judged to be of the highest quality, subject to the lowest level of credit risk.
P2 Prime-2	Issuers (or supporting institutions) rated Prime-2 have a strong ability to repay short-term debt obligation.	Aa – High Quality	Obligations rated Aa are judged to be of high quality and are subject to very low credit risk.
		A – Upper Medium Grade	Obligations rated A are judged to be upper-medium grade and are subject to low credit risk.
P3 Prime-3	Issuers (or supporting institutions) rated Prime-3 have an acceptable ability to repay short-term debt obligation.	Baa – Medium Grade	Obligations rated Baa are judged to be medium-grade and are subject to moderate credit risk.

Standard & Poor's ratings

Short-Term and Long-Term

Rating	Rating Explanation
'AAA' - Highest Rating	Extremely strong capacity to meet financial commitments.
'AA'	Very strong capacity to meet financial commitments.
'A'	Strong capacity to meet financial commitments, but somewhat susceptible to adverse economic conditions and changes in circumstances.
'BBB'	Adequate capacity to meet financial commitments, but more subject to adverse economic conditions.