Sustainable Fitch

Universalidad TIPS Social UVR U-6

Structured Finance - Financial Institutions | RMBS | Colombia

ESG Ratings

	ESG Rating[a]	Score	Analysis Type
Entity	Not Applicable	Not Applicable	Not Applicable
Instrument	1	88	Integrated Debt
Framework	2	83	Social

[a] ESG Rating of 1-5, where 1 is the strongest. Date ESG Rating and score assigned: 24 January 2023.
Note: For Framework, analysis types can be green, social, sustainability, sustainability-linked, conventional, or other.

Credentials

Transition	ICMA	EU Green Bond Standard
No	Yes	N/A

See Appendix A for definitions of Transition and ICMA; other details

Key Debt Details

Issuance	Identifier	Issue Date	Curr	Amount	Coupon	Maturity Date
A	COT80CH03066	16 Dec 2022	COU	109 mn	7.8%	16 Dec 2037
B1	COT80CH03074	16 Dec 2022	COU	13 mn	8%	16 Dec 2037
B2	COT80CH03082	16 Dec 2022	COU	1 mn	8.15%	16 Dec 2037

Instrument type as defined by issuer: social.
Source: Prospecto final TIPS Sociales UVR U-6 al 12 de diciembre de 2022

The Transaction – Highlights

- Universalidad TIPS Social UVR U-6 (Universalidad) is an SPV established to issue structured notes for a total amount of Unidades de Valor Real (UVR or COU) 123 million (USD8.4 million), backed by a static pool of 1,012 residential retail mortgage loans extended to low-income first-time borrowers. This is the first social structured transaction arranged by Titularizadora Colombiana S.A. (TC), a Colombian securitisation company established in 2001 and majority owned by several Colombian financial institutions.
- The 15 year transaction comprises three tranches, as detailed in Key Debt Details table. All tranches are quoted in Colombia and the transaction is expected to close on 16 December 2037.
- TC updated its strategy in 2022 to include a greater focus on sustainability and plans to oversee a growing number of green and social structured transactions in the future, but no firm targets are in place. The residential retail mortgages backing the transaction assessed in this report are extended to low-income borrowers acquiring social interest properties, known locally as "vivienda de interes social" (VIS). VIS properties have a maximum value of COP135 million (USD26,800). This value can be slightly higher for properties in large urban areas where prices are higher.
- All mortgage loans meet the eligibility criteria described in TC's social structured finance framework, drawn up for the specific purpose of handling the transaction assessed in this report. In addition, all loans included in the pool are extended to borrowers who meet the vulnerability eligibility criteria established by the government, and receive one-off grants to contribute to down payments and subsidised interest rates for their VIS loans.
- All loans in the asset pool are originated by Credifamilia Compania de Financiamiento S.A. (Credifamilia), a Colombian savings and housing loans association established in 2011 and focused on low to medium-income borrowers.
- Immediately upon issuance and receipt of funds, proceeds from the transaction were fully allocated to acquire the pool of eligible loans from Credifamilia. Cash flows arising from debt service payments of the loans will be applied to service the structured bond.
- The transaction is aligned with the secured social collateral bond characteristics as defined in the ICMA Social Bond Principles, Appendix 1 (dated June 2022).

Source: Sustainable Fitch, Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6 (12 December 2022), Marco Social de Titularización, Emisión y Colocación de TIPS Sociales UVR U-6D

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Asset Analysis

Asset / Collateral – Projects

ESG Rating: 1

Company Material	Fitch's View
• For the development of this structured transaction, the asset pool will comprise mortgage loans granted for the purpose of acquiring properties known as VIS. These loans generate cash flows arising from debt service payments made by the borrowers.	• The offering prospectus states that the entire asset pool will consist of social assets, namely 1,012 retail mortgage loans extended to low-income and other vulnerable borrowers. Colombia's National Planning Department classifies population groups according to socio-economic indicators. All retail mortgages have been extended to borrowers in Colombia's lowest socio-economic categories, namely 1 (low-low income), 2 (low income) and 3 (medium-low income). • The split of borrowers in the asset pool is as follows: 94.8% of borrowers earn below three times the minimum monthly salary, equivalent to COP3 million (USD600); 55% of borrowers are women; 19.3% of borrowers are under 30 years old; 9.1% are over 60; 21.3% have completed basic secondary education and 1.7% have either had no access to formal education or have completed only their primary education. • The underlying assets are segregated from the balance sheets of Credifamilia and TC and housed in an SPV. Universalidad has been incorporated with the sole purpose of issuing the notes relating to the transaction analysed in this report and acquiring the mortgage loans from Credifamilia. • Substitution will not be possible under this transaction, as the pool of assets is static. Fitch does not expect the assets to lose their eligibility status under the social selection criteria during the life of the transaction. • Proceeds from the bond have been fully invested immediately upon issuance. There are therefore no cash balances to invest in any other manner. • All of the loans have been extended to socially vulnerable borrowers for the purpose of acquiring VIS properties. • The total value of loans in the asset pool is equivalent to 103% of the total value of the bonds issued.
Source: Marco Social de Titularización, Emisión y Colocación TIPS Sociales UVR U-6 (3 November 2022), Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6 (12 December 2022)	Source: Sustainable Fitch

Framework Analysis

Use of Proceeds – Eligible Projects

ESG Rating: 1

Company Material	Fitch's View
Acquisition of a pool of VIS loans originated by Credifamilia	
• In line with the social bond guidelines, funds raised by the social structured bond will be used in full to acquire VIS loans originated by Credifamilia and selected by TC in line with the eligibility and selection criteria defined in documentation pertaining to this issue. • In respect of this particular issue, VIS loans extended to four vulnerable borrower groups, as follows: 69% are included in socio-economic groups 1, 2 or 3; 55% are women; 94.8% earn up to three times the minimum salary a month; and 57% live in peripheral metropolitan areas. • In relation to the last item on the above list, 31% of properties are located in rural areas; 19.3% of borrowers are below 30 and 9.1% are over 60. Additionally, 21.3% of borrowers have completed only secondary education and 1.7% have completed only primary education level or have had no access to formal education.	• Government programmes helping first-time low-income borrowers acquire properties in Colombia are fairly generous and compare favourably to similar programmes operated in other countries reviewed by Sustainable Fitch. Such programmes generate considerable, measurable positive social impact, and boost more vulnerable people's access to home ownership, particularly in urban areas where migration adds to existing housing deficit pressures, resulting in precarious living conditions for many. • This use of proceeds is aligned with the ICMA Social Bond Principles.
Source: Marco Social de Titularización, Emisión y Colocación TIPS Sociales UVR U-6 (3 November 2022), Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6, (12 December 2022)	Source: Sustainable Fitch

Use of Proceeds – Other Information

ESG Rating: 4

Company Material	Fitch's View
• Funds obtained from issuance of the social structured bond will be used in their entirety to acquire VIS loans originated by Credifamilia. This is a contractual obligation.	• The proceeds from this transaction have been used to acquire existing residential mortgage VIS loans based on defined eligibility criteria. This transaction is static, and no new loans will be added to the pool. The bond is re-financing existing loans and, as such, there is no additional, new social impact being created by the transaction. • VIS loans are defined in TC's framework, and the term is well known in Colombia. The construction of VIS properties has long been a cornerstone of the government's housing policy in Colombia.

Use of Proceeds – Other Information

ESG Rating: 4

Company Material	Fitch's View
	• VIS properties are low-cost housing assets that meet minimum requirements relating to building regulations, basic safety and comfort. • VIS loans, available to qualifying low-income borrowers for the acquisition of VIS properties, allow borrowers to receive grants and subsidies under designated programmes operated by the Ministry of Housing. • Environmental considerations are not relevant for Sustainable Fitch's social assessment of this transaction. • TC does not have a list of banned activities but, to date, its structured asset-backed transactions have focused on traditional, non-controversial assets. • This is a static transaction and there is no potential for further social assets to be added to the pool. Credifamilia has not committed to using funds it receives from TC to finance additional VIS loans or to provide other financial services to low-income or vulnerable borrowers. Nevertheless, around 90% of Credifamilia's total loan portfolio at end-2021 comprised loans extended to borrowers purchasing some form of social interest properties, and a commitment to the lower-income segments is core to its strategy. We anticipate Credifamilia will continue to grant additional VIS loans given the strong demand in Colombia, and see no reason why these could not qualify as collateral for future issuance of structured social bonds.
Source: Marco Social de Titularización, Emisión y Colocación TIPS Sociales UVR U-6 (3 November 2022), Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6, (12 December 2022)	Source: Sustainable Fitch

Evaluation and Selection

ESG Rating: 2

Company Material	Fitch's View
• Selection criteria applicable to the loans that were used as collateral for the transaction are included in a defined process, which is formally documented by TC. The process draws on members from different areas and hierarchical levels within TC and is developed and executed in a rigorous manner.	• Selection criteria applicable to the loans that will be used as collateral for the transaction are included in a defined process, which is documented and formalised by TC. The process draws on members from different areas and hierarchical levels within TC, and is developed and executed in a rigorous manner.

Framework Analysis

Evaluation and Selection

ESG Rating: 2

Company Material	Fitch's View
• TC's credit committee recommends selection parameters for the loans, following application of TC's experience and knowledge. • The proposal is analysed, assessed and approved by TC's asset and liability committee, after due consideration of all materials, characteristics and policies applicable to the issue.	• TC's credit committee recommends selection parameters for the loans, following application of TC's experience and knowledge. Due diligence screening of VIS loans is performed by TC's technical specialists to ensure they meet the framework's eligibility criteria. TC's credit committee – comprising executive directors responsible for the business, structuring and risk and recovery divisions, but no independent members – reviews the proposed VIS loans to assess their credit quality and to select eligible loans. • The proposal is analysed, assessed and approved by TC's asset and liability committee, after due consideration of all materials, characteristics and policies applicable to the issue. Members of the committee are the CEO, the company secretary, the chief operating officer, the head of structuring and risk, and the head of investments. There are no independent committee members. • TC employees participating in the evaluation and selection process are drawn from different areas and have different competences. We positively view the ability to draw on a wide range of experiences and strengths. • TC has not established a sustainability committee.
Source: Marco Social de Titularización, Emisión y Colocación TIPS Sociales UVR U-6 (3 November 2022), Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6, (12 December 2022)	Source: Sustainable Fitch

Management of Proceeds

ESG Rating: 1

Company Material	Fitch's View
• The funds received from investors in connection with the structured transaction are managed by TC and, immediately upon receipt, were transferred to Credifamilia in conjunction with the acquisition of a portfolio of VIS loans that provide the collateral for this social bond.	• TC has established a management of proceeds process that is well tested and used in conjunction with all the securitisation transactions it has overseen to date. Immediately upon receipt of proceeds, the entire amount of funds raised by the bond was transferred to the loan originator, Credifamilia. • On 19 December 2022, TC's fiscal auditor certified that the funds raised by the transaction were applied exclusively to settle the cost of acquiring VIS loans originated by Credifamilia, and that payment was made on the same day. As a result, proceeds from the transaction do not require specific tracking, as the proceeds were fully allocated in compliance with the use of proceeds established in Universalidad's social bond framework. • All loans were screened for VIS eligibility and framework eligibility prior to acquisition. The pool of qualifying loans is static and cannot be replaced during the life of the bond. Given this, there is no requirement to perform allocation monitoring subsequent to the initial evaluation and selection process. • The collateral will be monitored throughout the life of the transaction by Deloitte & Touche Ltda., an external auditor. This auditor will provide regular assessments of risk management functions at Universalidad, as well as assessments of TC's internal controls; the policies, processes, systems and reporting methods it employs in respect of its structured finance work; verification of asset segregation; and verification of a number of legal and contractual considerations pertinent to the transaction. • BRC Ratings - S&P Global S.A. Sociedad Calificadora de Valores, an external rating agency, will provide credit ratings on the transaction throughout its life.
Source: Marco Social de Titularización, Emisión y Colocación TIPS Sociales UVR U-6 (3 November 2022), Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6, (12 December 2022)	Source: Sustainable Fitch

Report and Transparency

ESG Rating: 2

Company Material	Fitch's View
• Considering the nature of the transaction, which will be backed by VIS loans, TC will publish on its website on the date of issuance a report detailing the impact generated by the transaction, as well as the characteristics and profile of the VIS loans contained in the portfolio that act as collateral for the transaction. • This report will be available and updated throughout the life of the transaction.	• In line with Colombian regulatory requirements, the impact reporting will be performed monthly and the reports will be publicly available on TC's website. The first such report was published on 31 December 2022. • A breakdown, by category of VIS loan borrower, will be provided in the monthly reports and published on TC's website. Loans will be broken down by borrower type (covering women, age group, socio-economic classification, education level, geographic location and property type). Loan-by-loan breakdowns

Framework Analysis

Report and Transparency

ESG Rating: 2

Company Material	Fitch's View
• The following details will be included in the reports: a breakdown of loans by women borrowers, borrower income level, borrower socio-economic category, borrower education level, geographic location of the property and property type.	may not be publicly available, but we consider that reporting by borrower type is in line with good market practice. • Sustainable Fitch is an ICMA-accredited external reviewer. We provided a Second-Party Opinion (SPO) on 16 December 2022. This report provides an ESG Framework Rating and an ESG Instrument Rating (ESG Ratings). We will update the ESG Ratings once only, one year after the issuance date. • Reporting will include information relating to the type of borrower impacted by the VIS loans. • Reports will contain a split of borrower by type; this information is provided as an indication of social impact. Investors will be able to determine the number of borrowers impacted and obtain an insight into their income brackets, gender, education levels etc., but will not have sufficient information to assess the social impact in any further detail. • Information related to borrowers included in the reports will be gathered internally by TC.
Source: Marco Social de Titularización, Emisión y Colocación TIPS Sociales UVR U-6 (3 November 2022), Prospecto de Información Final Titulos Hipotecarios Sociales TIPS Sociales UVR U-6, (12 December 2022)	Source: Sustainable Fitch

Framework Analysis

Relevant UN Sustainable Development Goals – Instrument

8.10:	Strengthen the capacity of domestic financial institutions to encourage and expand access to banking, insurance and financial services for all	8 DECENT WORK AND ECONOMIC GROWTH
10.2:	By 2030, empower and promote the social, economic and political inclusion of all, irrespective of age, sex, disability, race, ethnicity, origin, religion or economic or other status	10 REDUCED INEQUALITIES
11.1:	By 2030, ensure access for all to adequate, safe and affordable housing and basic services and upgrade slums	11 SUSTAINABLE CITIES AND COMMUNITIES

Source: Sustainable Fitch, UN

Note: Sustainable Fitch evaluates the relevant UN Sustainable Development Goals at the instrument level by considering direct contributions from the use of proceeds.

Appendix A: Principles and Guidelines

Labelled Instrument: Social Bond

Four Pillars	
ICMA Type	Secured Collateral GSS Instrument
1) Use of Proceeds	Yes
2) Project Evaluation & Selection	Yes
3) Management of Proceeds	Yes
4) Reporting	Yes

Independent External Review Provider	
Second-party opinion	Yes
Verification	No
Certification	No
Scoring/Rating	No
Other	n.a.

1) Use of Proceeds (UoP) - based on expected or actual instrument allocation

Use of Proceeds (UoP)	
Affordable basic infrastructure	No
Access to essential services	No
Affordable housing	Yes
Food security and sustainable food systems	No
Employment generation / programs designed to prevent and/or alleviate unemployment stemming from socioeconomic crises	No
Socioeconomic advancement and empowerment	No
Unknown at issuance but currently expected to conform with SBP categories, or other eligible areas not yet stated in SBPs	n.a.
Other	n.a.

Labelled Instrument: Social Bond

Target Populations	
Living below the poverty line	No
Excluded and/or marginalised populations and /or communities	Yes
People with disabilities	No
Migrants and /or displaced persons	No
Undereducated	Yes
Underserved, owing to a lack of quality access to essential goods and services	No
Unemployed	No
Women and/or sexual and gender minorities	Yes
Aging populations and vulnerable youth	Yes
Other vulnerable groups, including as a result of natural disasters	No
Other	Low income populations

2) Project Evaluation & Selection

Evaluation & Selection	
Credentials on the issuer's social objectives	No
Documented process to determine that projects fit within defined categories	Yes
Defined and transparent criteria for projects eligible for Social Bond proceeds	Yes
Documented process to identify and manage potential ESG risks associated with the project	No
Summary criteria for project evaluation and selection publicly available	Yes
Other	n.a.

Evaluation & Selection/Responsibility & Accountability	
Evaluation/selection criteria subject to external advice or verification	No
In-house assessment	Yes
Other	n.a.

3) Management of Proceeds

Appendix A: Principles and Guidelines

Labelled Instrument: Social Bond

Tracking of Proceeds		
Social bond proceeds segregated or tracked by the issuer in an appropriate manner		Yes
Disclosure of intended types of temporary investment instruments for unallocated proceeds		Yes
Other	n.a.	

Additional Disclosure		
Allocations to future investments only		No
Allocations to both existing and future investments		No
Allocations to individual disbursements		No
Allocation to a portfolio of disbursements		Yes
Disclosure of portfolio balance of unallocated proceeds		No
Other	n.a.	

4) Reporting

UoP Reporting		
Project-by-project		No
On a project portfolio basis		Yes
Linkage to individual bond(s)		Yes
Other	n.a.	

UoP Reporting/Information Reported		
Allocated amounts		Yes
Social bond financed share of total investment		Yes
Other	n.a.	

UoP Reporting/Frequency		
Annual		Yes
Semi-annual		Yes
Other	n.a.	

Labelled Instrument: Social Bond

Impact Reporting		
Project-by-project		No
On a project portfolio basis		Yes
Linkage to individual bond(s)		Yes
Other	Monthly	

Impact Reporting/Information Reported (exp. ex-post)		
Number of beneficiaries		Yes
Target populations		Yes
Other ESG indicators	n.a.	

Impact Reporting/Frequency		
Annual		Yes
Semi-annual		Yes
Other	Monthly	

Means of Disclosure		
Information published in financial report		Yes
Information published in ad hoc documents		Yes
Information published in sustainability report		No
Reporting reviewed		Yes
Other	n.a.	

Note: n.a. – not applicable.
Source: Sustainable Fitch

Appendix B: Debt Record

Use of Proceeds – Eligible Projects

Use of Proceeds	NACE Section-Level Code
Acquisition of a pool of VIS loans originated by Credifamilia	K64.1

Source: Sustainable Fitch

Appendix C: Key Terms

Term	Definition
Debt types	
Green	Proceeds will be used for green projects and/or environmental-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Green Bond Principles or other principles, guidelines or taxonomies.
Social	Proceeds will be used for social projects and/or social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Social Bond Principles or other principles, guidelines or taxonomies.
Sustainability	Proceeds will be used for a mix of green and social projects and/or environmental and social-related activities as identified in the instrument documents. The instrument may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines, taxonomies.
Sustainability-linked	Financial and/or structural features are linked to the achievement of pre-defined sustainability objectives. Such features may be aligned with ICMA Sustainability Bond Guidelines or other principles, guidelines or taxonomies. The instrument is often referred to as an SLB (sustainability-linked bond) or SLL (sustainability-linked loan).
Conventional	Proceeds are not destined for any green, social or sustainability project or activity, and the financial or structural features are not linked to any sustainability objective.
Other	Any other type of financing instrument or a combination of the above instruments.

Term	Definition
Standards	
Transition	A term applied to green, social, sustainable or sustainability-linked instruments, only when the purpose of the debt instrument is to enable the issuer to achieve a climate change-related strategy according to Fitch criteria or methodology.
ICMA	International Capital Market Association. The “ICMA” credential on page 1 refers to alignment with ICMA’s Principles and Guidelines: a series of principles and guidelines for green, social, sustainability and sustainability-linked (or KPI-linked) instruments.
EU Green Bond Standard	A set of voluntary standards created by the EU to "enhance the effectiveness, transparency, accountability, comparability and credibility of the green bond market".
Other terms	
ESG debt	Green, social, sustainability and sustainability-linked types of debt.
Short term	Within five years.
Long term	At least six years away.
Entity’s business activity overlap with use of proceeds	The share of the entity’s total business activities that can use proceeds from the debt instrument in question.
NACE	An industry standard classification system for economic activities in the EU, based on the United Nations’ International Standard Industrial Classification of All Economic Activities (ISIC).

Source: Sustainable Fitch, ICMA, UN, EU Technical Expert Group

Appendix D: Methodology and ESG Rating Definitions

Fitch's ESG Ratings are designed to indicate an entity's Environmental, Social and Governance (ESG) performance and commitment, as well as its integration of ESG considerations into its business, strategy and management, with a focus on actions and outcomes rather than purely on policies and broader commitments.

There are three ratings: the ESG Entity Rating (ESG ER), ESG Instrument Rating (ESG IR) and, for debt instruments linked to ESG key performance indicators (KPIs) and/or use of proceeds, the ESG Framework Rating (ESG FR). ESG Ratings are on a scale from one to five, where one represents full alignment with ESG best practice. Behind each rating sit scores of zero to 100, as well as sub-scores for even greater granularity.

Sustainable Fitch's analysts assess all the business activities of an entity and more than 40 additional headline factors, covering all three ESG pillars. For debt instruments, they assess use of proceeds and more than 20 additional headline factors.

Fitch provides individual datasets with grades and commentary through a feed**.** The score and sub-score database allows direct comparison of entities and instruments, on a full ESG basis or on selected fields.

ESG ERs consider the issuer's strategy, how it relates to sustainability, and how sustainability is embedded in the issuer's business, including ESG policies, procedures, and outcomes. The entity is broken down into constituent business units, with NACE codes, for a granular assessment of E and S factors. Fitch assesses G aspects at the company level.

ESG FRs consider any type of bond, with varying analysis if there is a defined use of proceeds, KPI-linked coupon, or conventional bond. The rating aims to identify the strength of the bond framework on a standalone basis, separate to the entity, regardless of any self-assigned descriptions. Fitch analysts categorise bonds as Green, Social or Sustainability (GSS) types independently, based on their view of the main area covered by the use of proceeds, rather than automatically using the entity's categorisation. They will also determine if the bond should be classed as a transition bond and if it aligns with the EU Green Bond Standard and ICMA principles. Analysis considerations include the use of proceeds and sustainability-linked targets that form the primary purpose of the instrument, and the structure and effectiveness of the framework being used to further that purpose.

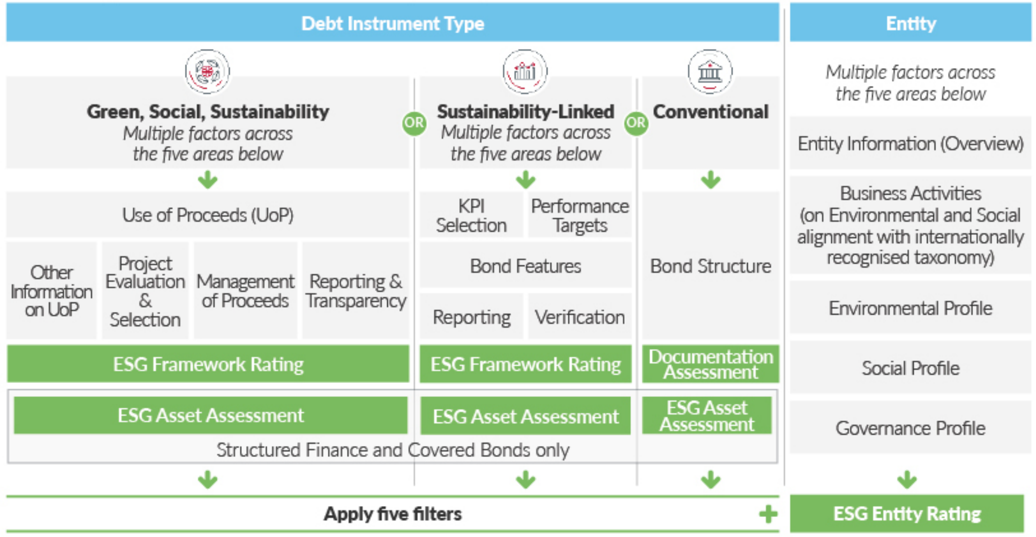
ESG IRs consider different types of debt instruments in the context of the issuing entity, enabling absolute ESG credentials comparisons for similar types of instruments issued by different types of entities, different types of instruments issued by different issuers, as well as different types of instruments issued by a single entity.

Analytical Process

Analysis considers all available relevant information (ESG and financial), including the entity's ESG report. Fitch's ESG Rating Reports transparently display the sources of information analysed for each section and provide a line-by-line commentary on the sub-factors analysed.

Fitch's ESG Rating Process

A visual guide to our debt and entity analysis



Note: KPI - key performance indicator
Source: Sustainable Fitch

An important part of the analysis is the assessment of the E and S aspects of the use of proceeds and business activities. In considering those aspects, the rating framework is inspired by major taxonomies (e.g. the EU taxonomy for E aspects, and the UN Sustainable Development Goals for S aspects). Once the analyst has completed the model, with commentary for the related ESG Ratings, it is submitted to the approval committee, which reviews the model for accuracy and consistency. ESG Ratings are monitored annually or more frequently if new information becomes available.

Use Cases

Sustainable Fitch's ESG Ratings can help inform decisions related to:

- Investment strategy
- Asset allocation and portfolio construction
- Benchmarking and index construction
- Risk management and stress testing
- Identification of transition bonds
- Disclosure and reporting.

Appendix D: Methodology and ESG Rating Definitions

Rating Scale and Definitions

	ESG Entity	ESG Instrument	ESG Framework
1	ESG ER of '1' indicates that the entity analysed evidences an excellent ESG profile. Entity is excellent both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management.	ESG IR of '1' indicates that the debt instrument in the context of the ultimate issuing entity evidences an excellent ESG profile. Entity is excellent both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management. Instrument is excellent in terms of framework structure and proceeds destination.	ESG FR of '1' indicates that the framework for the instrument evidences an excellent ESG profile. Framework structure is excellent in terms of alignment with ambitious best practises and proceeds are dedicated to excellent environmental and/or social activities/projects according to taxonomies of reference.
2	ESG ER of '2' indicates that the entity analysed evidences a good ESG profile. Entity is good both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management.	ESG IR of '2' indicates that the debt instrument in the context of the ultimate issuing entity evidences a good ESG profile. Entity is good both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management. Instrument is good in terms of framework structure and proceeds destination.	ESG FR of '2' indicates that the framework for the instrument evidences a good ESG profile. Framework structure is good in terms of alignment with ambitious best practises and proceeds are dedicated to good environmental and/or social activities/projects according to taxonomies of reference.
3	ESG ER of '3' indicates that the entity analysed evidences an average ESG profile. Entity is average both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management.	ESG IR of '3' indicates that the debt instrument in the context of the ultimate issuing entity evidences an average ESG profile. Entity is average both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management. Instrument is average in terms of framework structure and proceeds destination.	ESG FR of '3' indicates that the framework for the instrument evidences an average ESG profile. Framework structure is average in terms of alignment with ambitious best practises and proceeds are dedicated to average environmental and/or social activities/projects according to taxonomies of reference.
4	ESG ER of '4' indicates that the entity analysed evidences a sub-average ESG profile. Entity is sub-average both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management.	ESG IR of '4' indicates that the debt instrument in the context of the ultimate issuing entity evidences a sub-average ESG profile. Entity is sub-average both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management. Instrument is sub-average in terms of framework structure and proceeds destination.	ESG FR of '4' indicates that the framework for the instrument evidences a sub-average ESG profile. Framework structure is sub-average in terms of alignment with ambitious best practises and proceeds are dedicated to sub-average environmental and/or social activities/projects according to taxonomies of reference.
5	ESG ER of '5' indicates that the entity analysed evidences a poor ESG profile. Entity is poor both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management.	ESG IR of '5' indicates that the debt instrument in the context of the ultimate issuing entity evidences a poor ESG profile. Entity is poor both in terms of alignment of the activities with taxonomies of reference and integration of ESG considerations into the business, strategy and management. Instrument is poor in terms of framework structure and proceeds destination.	ESG FR of '5' indicates that the framework for the instrument evidences a poor ESG profile. Framework structure is poor in terms of alignment with ambitious best practises and proceeds are dedicated to poor environmental and/or social activities/projects according to taxonomies of reference.

Source: Sustainable Fitch

Solicitation

Status	Solicited
The Ratings were solicited and assigned or maintained by Sustainable Fitch at the request of the rated entity.	