Article Title: General Criteria: Hybrid Capital: Methodology And Assumptions Data: Associated Guidance This criteria article is related to "Guidance: Hybrid Capital: Methodology And Assumptions," July 1, 2019. Our analysts consider guidance as they apply criteria and exercise judgment in the analysis and determination of credit ratings. OVERVIEW AND SCOPE 1. The criteria establish our framework for assessing equity content for and assigning a rating to a hybrid capital instrument, as well as clarifying how we consider the hybrid when assessing the capitalization or cash flow/leverage, and thus the creditworthiness of the issuer. Certain terms are defined in the glossary (see Appendix A) and presented in title case on first reference. We use the terms hybrid capital instrument, hybrid instrument, and hybrid interchangeably in this article, and instrument refers to a hybrid capital instrument unless we specify otherwise. 2. The criteria explain how we: Define a hybrid that falls under these criteria; Categorize a hybrid capital instrument by whether it has high, intermediate, or no equity content. The equity content determines how we consider it when assessing the capitalization or cash flow/leverage of the issuer; and Rate a hybrid capital instrument. 3. Hybrid capital generally refers to an instrument that has characteristics of both debt and equity, and therefore excludes common equity. S&P; Global Ratings considers an instrument to be a hybrid capital instrument if, and only if, without causing a legal default or liquidation of the issuer, it can absorb losses or conserve cash. Examples of such loss absorption or cash conservation include: Deferral of the coupon; Write-down of principal; or Conversion into common equity or another hybrid capital instrument. 4. This applies to all hybrid instruments issued by corporate, financial institution, and insurance entities, non-U.S. public-sector funding agencies (PSFAs), and multilateral lending institutions (MLIs) and multilateral insurance institutions. Project finance issuances are excluded from the scope of this criteria. 5. For corporate ratings, securities held by an issuer's owner are governed by "The Treatment Of Non-Common Equity Financing In Nonfinancial Corporate Entities," published on April 29, 2014. KEY PUBLICATION INFORMATION Effective date: These criteria are effective March 2, 2022, except in jurisdictions that require local registration. In those jurisdictions, the criteria are effective only after the local registration process is completed. This updated methodology follows "Request For Comment: Hybrid Capital Methodology For Multilateral Lending And Multilateral Insurance Institutions." For the changes between the RFC and the final criteria, see "RFC Process Summary: Hybrid Capital Methodology For Multilateral Lending And Multilateral Insurance Institutions." These criteria supersede the criteria articles listed in the "Fully Superseded Criteria" section at the end of this article. METHODOLOGY 6. These criteria provide our methodology for identifying, categorizing, and rating hybrid capital instruments. Although we apply consistent principles across all sectors, the treatment of certain hybrid instruments may reflect sector-specific characteristics. The sectoral classifications of certain financial services subsectors and PSFAs are summarized in table 3. Equity Content: General Framework 7. This section describes the driving factors that govern how we assess the equity-like features of hybrid instruments. Our assessment initially focuses on the terms and conditions of the security, rather than the nomenclature alone. It also incorporates our view of issuer intent. An instrument may be considered to have high, intermediate, or no equity content, depending on the degree to which a hybrid instrument has equity-like features. Our view of its equity content can change over time. The key principles underpinning our view of a hybrid instrument's equity content are: Its ability to absorb losses or conserve cash, if and when needed; and Its availability to absorb losses or conserve cash, based on the hybrid instrument or its replacement remaining outstanding for a sufficiently long period. 8. To determine the equity content, we evaluate all the terms and conditions, and other relevant hybrid documentation, both separately and in a holistic manner. Where our assessment of the instrument does not lead to a clear and conclusive determination of the equity content, we will assign intermediate or no equity content if the hybrid could potentially have qualified for high equity content (with intermediate only assigned if the hybrid is consistent with the features for that category), and no equity content if the hybrid could potentially have qualified for intermediate equity content. Where we believe the instrument will not be available or that it cannot absorb losses or conserve cash in stress scenarios, we will assess the instrument as having no equity content, regardless of whether the terms and conditions might otherwise support higher equity content. 9. We assess issuer intent in determining whether the hybrid instrument would be available for loss absorption or cash conservation, if and when needed. The instrument will be classified as having no equity content if there is material uncertainty regarding whether the issuer will 1) keep it (or its replacement) outstanding for a sufficiently long period and 2) use it to absorb losses or conserve cash when needed. 10. We consider factors including, but not limited to, public statements regarding replacement, as well as our view of the issuer's capital strategy, and the issuer's past behavior concerning hybrid issues. Other factors include attempts to circumvent any restrictions on optional calls through repurchases, or where there is reason to think the issuer will do so in the future. 11. If the terms and conditions in the hybrid issuance or related agreements would lead us to assess the hybrid as having no equity content, our assessment of issuer intent cannot lead to an assessment of intermediate or high equity content. 12. A particular term or condition of the instrument may cause us to assess it as having no equity content upon issuance, but subsequently become obsolete (for example, due to the passage of time). In such cases, we will reassess the equity content, to the extent that we determine the issuer exhibits an intent to allow the instrument to absorb losses or conserve cash in stress scenarios. 13. We will typically reassess all of an issuer's hybrids and assess any future issue of hybrids as having no equity content if the issuer redeems any part of a hybrid that we assessed as having intermediate or high equity content before its Effective Maturity date, and does not replace it with an equivalent or stronger equity content instrument. However, we may keep intermediate or high equity content on the remaining outstanding hybrid issues and continue to assign equity content to future hybrid issuances where: Creditworthiness has improved, and lack of replacement will not cause us to lower the long-term credit rating on the issuer or revise the outlook on the long-term credit rating to negative (or from positive to stable at the same rating level); The hybrid was redeemed due to an External Event; or The Redemption is immaterial in the context of the capital structure. 14. Where an issuer repurchases an existing hybrid (or takes similar action, excluding the exercise of a call option), even within five years of issuance date, generally, we would not change our view of the equity content of existing hybrid instruments (or preclude intermediate or high equity content for future hybrid issuances) if it issues a replacement instrument and meets all of the following conditions: The replacement issuance has the same or higher level of equity content as the original instrument, or is a new issuance of common equity. The replacement issuance does not, in our view, materially weaken the creditworthiness of the issuer, including that it will not cause a lowering of the long-term credit rating or cause a downward revision to the outlook on the long-term credit rating. Our view of issuer intent--in particular, our view of the issuer's long-term intent to retain hybrid capital as a layer of capital to absorb losses or conserve cash in a stress scenario--remains supportive. 15. If the cost of servicing or the likelihood of redeeming the hybrid instrument would increase in response to a worsening of the issuer's creditworthiness, the hybrid is assessed as having no equity content. 16. When loss absorption or cash conservation would be achieved by deferring coupon payments, the issuer must be able to defer payments for at least five years. If it cannot, we assess the hybrid as having no equity content. 17. For prudentially regulated entities, if a hybrid can only absorb losses in a Nonviability scenario--for example, at a breach of the minimum regulatory capital standard required to maintain its license--then we assess it as having no equity content. 18. We consider the views of regulators, insofar as they may influence the structure, terms, and payment of the issuance. For prudentially regulated banks and insurers, we assign no equity content to the instrument (or the portion of the issuance) where it is not included in regulatory capital. In jurisdictions where the regulators have expressed no view on a specific hybrid capital instrument, we will base our assessment on our view of the likely regulatory policy with respect to the instrument. For instruments that are included in regulatory capital, including those that are grandfathered by the regulators, we assess the hybrid instrument in line with the remainder of these criteria. 19. If we consider that a hybrid issued by an operating subsidiary can absorb losses or conserve cash to the benefit of the broader group, and it meets the conditions for high or intermediate equity content, we will assign such content to the instrument for the purposes of our group consolidated analysis. Hybrids issued by operating subsidiaries that cannot benefit the wider group in this way are treated as having no equity content in our group consolidated analysis. If, however, they can absorb losses or conserve cash at the issuer level, they are eligible for equity content in our analysis of the operating subsidiary on a stand-alone basis. 20. We typically assign no equity content to a hybrid originally issued to one or two investors by nonprudentially regulated entities, unless the instrument is issued to a government, invested in by the investor as a form of support during stress, or if the single or dual investor in the hybrid holds a relatively low percentage of the aggregate amount of intermediate (equity content) hybrids outstanding. If a hybrid issued by a nonprudentially regulated entity is not issued to one or two investors originally, as stipulated above, but it subsequently comes to our attention that ownership of the hybrid series has evolved in the secondary market such that it is now owned by one or two investors, and we expect that ownership structure to be retained in future, we may decide to remove any equity content that was previously assigned. 21. We typically apply the sector-specific hybrid criteria applicable to the issuer, even where the parent entity operates in a different sector. For example, a hybrid issued by an insurer in a bank group is analyzed under the insurance hybrid criteria, rather than the bank hybrid criteria. Equity Content Categories 22. This section should be read in conjunction with the above general framework and the sector-specific sections below on additional considerations for corporate issuers, financial institutions, insurance institutions, and MLIs and multilateral insurance institutions, which describe our additional sector-specific criteria. Table 3 further clarifies how we apply the sector-specific criteria to certain financial services subsectors and PSFAs. 23. We assess hybrid securities as having high, intermediate, or no equity content. High Equity Content 24. We typically assign high equity content to mandatory convertible securities (MCS) that have the following characteristics: If the issuer credit rating (ICR) is 'BBB-' or higher (stand-alone credit profile [SACP] is 'bbb-' or higher for banks), the issue converts into ordinary equity in no more than three years; if the ICR is in the 'BB' rating category (SACP is 'bb' category for banks), the issue converts in no more than two years; if the ICR is in the 'B' rating category (SACP is 'b' category for banks), the issue converts in no more than one year (for bank non-operating holding companies [NOHCs], the reference in all rating categories is the group SACP, rather than the SACP); The instrument includes a conversion price floor equal to or higher than the issuer's share price at the time of issue (adjusted for any subsequent share issuances); and We consider the issuer committed to allowing conversion and do not expect it to undermine the conversion benefit through subsequent stock repurchases. 25. Typically, we also assign high equity content to mismatched MCS (that is, transactions under which the debt remains outstanding after the associated equity issuance) so long as the associated equity issuance meets the above conditions, and we are confident that the issuer will use the proceeds of the equity issuance to repay debt. 26. We typically assign high equity content to hybrids held solely by or on behalf of a government if we anticipate that the hybrid will absorb losses or conserve cash in a stress scenario (which, in the case of prudentially regulated banks and insurers, is equivalent to a going-concern basis) and it meets all of the following conditions: The government has invested in the instrument to rescue or provide extraordinary support to an issuer, or as part of a long-term support arrangement for 1) a bank, or 2) a specific project of an issuer that is of significant importance to the government. In the case of a bank hybrid, the government appears likely to continue to support the bank, even if it does not strengthen quickly. Examples of ongoing support include conversion of a bank hybrid capital instrument into common equity and the waiver of coupons or fees. During a period of stress at the issuer, we do not expect the hybrid to be redeemed unless it is replaced by similar hybrid capital instruments owned by the government, or by common equity. Similarly, we do not expect the instrument to be sold to a nongovernment investor during the period of stress. If the issuer is a bank and the hybrid has an effective maturity date, the government has stated that only the bank's retained earnings would be used for redemption, and we expect that after such a redemption the bank's SACP will be at 'bbb-' or higher. The instrument is subordinated in liquidation (or an equivalent proceeding) to senior debt obligations of the issuer. Cash coupons are fully discretionary; deferred payments are not subject to a dividend or interest rate that is materially higher than the initial dividend or coupon; and payment flexibility can be exercised independently of all other hybrid capital instruments in the public market. The hybrid is not subject to "Criteria - Corporates - General: The Treatment Of Non-Common Equity Financing In Nonfinancial Corporate Entities," published April 29, 2014, which covers corporate hybrids for which the government is also a strategic owner of the issuer. Intermediate Equity Content 27. In order to achieve intermediate equity content, the instrument must: Be available and able to absorb losses or conserve cash in stress scenarios, before the point of nonviability or bankruptcy (or similar proceedings), whichever is earlier. Have a residual time until the effective maturity exceeding 20 years if the issuer ICR is at 'BBB-' or higher; 15 years if the ICR is in the 'BB' category; and 10 years if the ICR is in the 'B' category or lower (except for banks' Tier 2 going-concern Contingent Capital and for prudentially regulated insurers, for which a shorter time is acceptable, as explained in "Equity Content: Additional Considerations For Financial Institutions" and "Equity Content: Additional Considerations For Insurance Institutions" below). In this analysis, we generally use the ICR for entities other than banks, but we may use the SACP instead in circumstances where this better reflects the likelihood that the instrument will absorb losses or conserve cash (see table 1 for the residual time until the effective maturity for bank hybrids). Be subordinated in liquidation or equivalent proceedings to all senior debt obligations of the issuer. Not be callable within five years of the issue date (unless the call option is based on an external event). Also see the associated guidance, including paragraphs 29-32. Be able to absorb losses or conserve cash, such as via nonpayment of dividends or coupons, or principal write-down, for at least five years without triggering a default or wind-up of the issuer. Be free from terms or features that discourage or materially delay deferral--such as a higher rate on accrued deferred amounts, or a Look-Back or similar Pusher restrictions of more than one year, or most Alternative Payment Mechanisms (or similar) that do not incorporate adequate anti-dilution features--and shareholder approval is not required to activate a deferral. Coupons can be either cumulative or noncumulative. If the instrument converts to equity on a preset date, the conversion price floor is typically equal to or higher than the issuer's share price at the time of issue (adjusted for any subsequent share issuances). No Equity Content 28. We assign no equity content to hybrid instruments that do not meet the requirements for high or intermediate equity content, including when issuer intent is lacking, and therefore treat these instruments as akin to debt in our analyses, where applicable. 29. If the effective maturity of a hybrid would be accelerated in the event of a rating deterioration, we typically classify it as having no equity content. Equity Content: Sector-Specific Criteria Additional considerations for corporate issuers 30. We apply the following additional criteria when assessing the equity content of hybrids issued by a corporate entity. 31. The nominal value of hybrid instruments eligible to achieve intermediate or high equity content (excluding MCS) may constitute up to 15% of a corporate issuer's capitalization, as defined in our guidance for "Corporate Methodology: Ratios And Adjustments." All hybrid instruments in the capital structure are accounted for in order of decreasing equity content, when assigning equity content. Where more than 15% of capitalization consists of hybrid capital instruments, and we anticipate that this will continue, we generally classify all hybrid amounts in excess of 15% of capitalization as having no equity content. However, an issuer's capitalization could decline because operating performance has deteriorated, as demonstrated, for example, by asset write-downs or operating losses. In such a case, we would not generally adjust the amount of hybrids receiving intermediate or high equity content, even if the amount of hybrids exceeds 15% of capitalization. 32. Where a corporate issuer redeems a hybrid without replacement to reduce aggregate hybrids outstanding to allow for the ratio of hybrid debt to capitalization to decrease from above 15%, and such redemption would have no or minimal negative impact on creditworthiness, we typically do not reclassify the equity content of its remaining hybrids. 33. The treatment of hybrids for the purposes of our leverage and debt service ratio calculations depends on the equity content classification and is explained in the Hybrid Capital Instruments section of "Corporate Methodology: Ratios And Adjustments" and "Guidance: Corporate Methodology: Ratios And Adjustments," published April 1, 2019. Additional considerations for financial institutions 34. We apply the following additional criteria when assessing the equity content of hybrids issued by a financial institution (see table 3 for the treatment of certain financial services subsectors and PSFAs). Total adjusted capital (TAC) and adjusted common equity (ACE) are defined in the bank capital criteria "Risk-Adjusted Capital Framework Methodology," published July 20, 2017. Table 1 Treatment Of Hybrid Equity Content In Banks EQUITY CONTENT CATEGORY* MAXIMUM AMOUNT IN TAC§ QUALIFYING INSTRUMENTS High Included in TAC at par amount, with no limit for qualifying government-owned hybrids for banks and up to 50% of ACE for MCS; for MLIs, included in TAC at par amount up to an amount equivalent to 50% of ACE See "Equity Content Categories--High Equity Content" Intermediate Included in TAC at par amount, to an amount equivalent to up to 33% of ACE Hybrids that meet all of the following conditions: 1) Able to defer coupons, write down principal, or convert into common equity, without triggering a default or wind-up of the issuer; 2) Have no material restriction on the ability to defer or otherwise absorb losses while the issuer is a going concern; 3) Are perpetual or have a residual time until the effective maturity of at least 20 years if the issuer SACP assessment is 'bbb-' or higher, at least 15 years if the SACP category is 'bb', at least 10 years if the

SACP category is 'b' (the reference point is the ICR, in the case of a NOHC), or a shorter residual life if they are Tier 2 going-concern contingent capital instruments as described in paragraph 36; and 4) Do not contain a Step-Up clause, or an alternative incentive to redeem, associated with a call date during the residual life periods described above. If a step-up clause applies during the residual life period, the instrument may still qualify for this equity content category if it also contains a contingent capital feature that can be activated on a going-concern basis and is consistent with the features outlined in paragraph 36. No Not included in TAC Instruments not meeting the requirements for high or intermediate equity content. *In addition to meeting the features outlined in the table, the instruments must be included in regulatory capital to qualify for the high or intermediate categories. §We use the par amount unless an eligible instrument is subject to regulatory amortization. If so, we include the amortized amount in TAC until the aggregate amount of eligible instruments exceeds the TAC limits shown in this table. TAC--Total adjusted capital. ACE--Adjusted common equity. MCS--Mandatory convertible securities. 35. Intermediate equity content.If a bank hybrid capital instrument is a going-concern contingent capital instrument, we consider the regulatory classification of the instrument. If the instrument forms a part of Tier 1 regulatory capital, or if the regulation for the issuer does not differentiate between Tier 1 and Tier 2 capital, then the going-concern contingent capital qualifies as intermediate equity content if, in addition to meeting the cross-sector characteristics, it also meets the features shown in table 1. 36. If a going-concern contingent capital instrument is classified as Tier 2 regulatory capital (whether deferrable or nondeferrable), it qualifies as intermediate equity content if it meets all the following features: Residual time to the effective maturity date of at least 15 years if the SACP is 'bbb–' or higher; or at least 10 years if the bank's SACP is 'bb+' or lower. We use the ICR as a reference point if the issuer is an NOHC; Even in cases where regulatory approval is required for any redemption, the Hybrid Documentation stipulates that it may only be replaced by issuing new common equity instruments or by an equivalent or stronger instrument (with high or intermediate equity content) and that such a replacement would take place before the redemption of the instrument; and A conversion feature that transforms it into common equity or a feature allowing a permanent write-down of at least 25% of the principal. The triggers for these features would kick in mandatorily and on a going-concern basis. A temporary write-down would still be consistent with this condition if the permanent portion of any write-down is at least 25% of principal. Additional considerations for insurance institutions 37. For all insurance sectors, we apply our insurance capital model criteria "Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model" with respect to hybrid capital limits. 38. To be eligible for intermediate equity content, hybrids issued by prudentially regulated insurance companies must have a residual time until the effective maturity exceeding 10 years. Additional Considerations For MLIs And Multilateral Insurance Institutions 39. If a hybrid is eligible for high or intermediate equity content, then we: Include it in the issuer's TAC in accordance with the limits in the "Maximum Amount In TAC" column of table 1 (which we also use for banks) if the issuer is an MLI, or Use the limits in "Refined Methodology And Assumptions For Analyzing Insurer Capital Adequacy Using The Risk-Based Insurance Capital Model" if the issuer is a multilateral insurance company. 40. If the MLI or multilateral insurance institution is subject to regulatory capital requirements, then a hybrid is only eligible for high or intermediate equity content if it is included in regulatory capital. 41. For us to assign equity content to a hybrid, we would expect to receive comfort that the issue of the hybrid has been approved and authorized in accordance with the governance structures established by the entity's member governments, in addition to assessing the features outlined elsewhere in the criteria. An MLI or multilateral insurance institution hybrid receives no equity content if it is convertible into common equity, unless it is clear that the investor is able to own common equity in the entity, and that the conversion would take place automatically if the conversion trigger occurs. (For example the conversion, and the associated creation of new common equity, would not require any authorization or approval once the trigger event occurs.) To be eligible for equity content, the amount of common equity created on the conversion must be equal to the principal amount of the hybrid. (For example, a $100 million principal hybrid would convert into $100 million of common equity on the MLI's balance sheet.) If the convertible hybrid can be traded to another investor, then we don't assign any equity content because it is not clear that all future investors would be able to own common equity in the entity. High equity content 42. A hybrid that an MLI or multilateral insurance institution issues is eligible for high equity content if it meets the features outlined in the cross-sector hybrid capital criteria for high equity content--including the bank-specific references in paragraph 24 (for an MCS) or paragraph 26 (for other instruments)--and is invested in only by member governments. Unless it is an eligible mandatory convertible security (MCS), it also has all the MLI/multilateral insurance institution sector-specific features outlined for an intermediate equity content hybrid as proposed below. For instruments other than an MCS, it also clearly absorbs losses before a hybrid issued to nongovernment investors. (But if not, it could be eligible for intermediate equity content if it meets all the features for that category.) For instruments other than an MCS, the mandatory coupon deferral trigger would be set to occur at an earlier level than for an intermediate equity content hybrid. Intermediate equity content 43. To be eligible for intermediate equity content, a hybrid that an MLI or multilateral insurance institution issues must be consistent with cross-sector criteria for that category (including the bank-specific references in paragraph 27) and all of the following apply: Has no stated maturity; Does not contain a step-up clause, or an alternative incentive to redeem, associated with a call date; In addition to a mandatory coupon deferral if a specific going-concern capital-based financial trigger is breached, has no material restriction on the ability to defer or otherwise absorb losses while the issuer is a going concern; In addition to a coupon deferral feature, has a mandatory permanent write-down of 100% of principal or conversion into new common equity that occurs before the drawdown of any callable capital and before default on any senior obligations (if the entity does not have any callable capital, then the write-down or conversion occurs before default on senior obligations); and The hybrid documentation stipulates that it may only be replaced by issuing new common equity instruments (such as by a general capital increase) or by an equivalent or stronger instrument (with high or intermediate equity content) and that such a replacement would take place before the redemption of the instrument. 44. The level of the capital-based financial trigger that corresponds to a going-concern basis could differ by entity depending on the nature of its assets. If the entity is subject to regulatory capital requirements, then the capital-based financial trigger will be based on a regulatory capital ratio. If not, then the trigger will be based on an MLI equity-to-assets ratio, using the entity's reported members' equity and assets. We define MLI equity as paid-in equity from shareholders and accumulated profit reserves. Assigning An Issue Credit Rating To A Hybrid Instrument General Principles 45. For instruments that are ratable, we assign an issue credit rating by notching down from the starting point for that issuer. Notching for hybrid instruments generally combines: 1) one or two notches for subordination and 2) one or more notches to reflect the risk of loss absorption or cash conservation. This applies to all hybrids, even those that have no equity content. 46. We do not rate a hybrid instrument if it has a loss-absorption or cash conservation trigger that is not related to the issuer's creditworthiness. Examples of such triggers include those linked to an issuer's market capitalization or share price. Others include those based on regulators' concerns about financial stability in the broader market, or linked to events or situations that cannot be observed using public information, for example, where a regulator has full discretion to activate the trigger while an issuer is still a going concern. However, if the regulator's discretion extends only to deciding whether an issuer is about to breach a defined and observable regulatory ratio, or only to deciding whether an issuer is nonviable, then the instrument is a nonviability contingent capital (NVCC) instrument and is ratable. 47. A debt instrument that transforms into a hybrid instrument upon a trigger event will be rated based on its hybrid features if we anticipate that the trigger will be activated at or before loss absorption or cash conservation on an equivalent hybrid instrument. 48. If a hybrid instrument has a guarantee from a higher-rated entity, then we apply our criteria "Guarantee Criteria." 49. Table 3 provides further clarification regarding the application of criteria to certain financial services subsectors and PSFAs. Starting point for notching in corporate and insurance entities 50. For corporate and insurance entities (including insurance NOHCs) we generally assign an issue credit rating to a hybrid capital instrument by notching down from the ICR on the issuer. That said, we exclude any elements of support that we do not expect to apply to the hybrid from our starting point. For example, if the ICR includes uplift for potential extraordinary group, government, or additional loss-absorbing capacity (ALAC) support that we do not expect to apply to the hybrid, we typically exclude those elements of potential support from the starting point for notching. For example, we may notch down from the SACP in certain cases instead. Notching for subordination 51. For corporate entities, our criteria "Reflecting Subordination

Risk In Corporate Issue Ratings" describes how we notch down to reflect the subordination of hybrid capital instruments. 52. For hybrids issued by banks and insurance entities (including NOHCs), MLIs, and multilateral insurance institutions, where the applicable starting point for notching is 'bbb-' or 'BBB-' or higher, we deduct one notch for subordination. Otherwise, we deduct two notches for subordination. 53. We do not deduct additional notches for different degrees of subordination in any sector. Notching for risk of loss absorption or cash conservation 54. We reflect the risk of loss absorption or cash conservation, either of which create payment risk, by deducting one or more notches. 55. Instruments issued by prudentially regulated entities that have a mandatory contingent capital clause based on a nonviability trigger are rated one notch lower than an equivalent hybrid instrument that does not have such a feature, unless the clause is only activated after the issuer's share capital has been depleted to zero. 56. If we consider that the payment risk (that is, the likelihood of loss absorption or cash conservation) for a specific instrument is not reflected in either the starting point or the minimum notching, we apply wider notching at issuance. We may also revise the notching as part of our surveillance if the payment risk increases or decreases over the life of the instrument. We do not impose a limit on the number of notches that we may deduct for payment risk. 57. If the instrument includes features that enable the issuer to modify it in such a way that the risk of loss absorption or cash conservation would increase, we incorporate those features into the rating from the issue date. Where an external event must occur before an issuer may modify the instrument, we do not typically incorporate the potential change in the terms of the instrument into the rating. 58. Payment-in-kind (PIK) instruments (including toggle notes) are typically not subject to notching for the risk of loss absorption or cash conservation, as the imputed promise will not generally be breached before the instrument's maturity date. However, if a PIK instrument's terms and conditions create an imputed promise that the investor will receive payments in cash during the instrument's life (and these payments can be deferred), we typically treat the feature as equivalent to cumulative coupon deferability and notch as if the instrument contained such a deferability feature. 59. We cap at 'CCC' our rating on a hybrid instrument that has a contingent capital trigger leading to common equity conversion or principal write-down, or both, that is based on a specified rating change. Note that we do not consider a contingent capital trigger to be based on a rating change if it is based on an entity entering into bankruptcy or similar proceedings. 60. We apply "Criteria For Assigning 'CCC+', 'CCC', 'CCC-', And 'CC' Ratings," published Oct. 1, 2012, where the risk of loss absorption or cash conservation exceeds a 'B-' scenario. We first determine the likelihood of the instrument defaulting, and then adjust for subordination where relevant, subject to a floor at 'C' for subordinated instruments and at 'CC' for unsubordinated instruments. See "S&P; Global Ratings Definitions" for situations where the rating on a hybrid capital or similar instrument goes to 'D'. Rating The Hybrid Instrument: Additional Considerations For Banks 61. The criteria in this section apply to all ratable bank hybrid instruments, regardless of their equity content classification or whether they are considered part of regulatory capital. This section also applies to certain nonbank financial institution (NBFI) subsectors and PSFAs, as shown in table 3, and also gives the approach for rating bank conventional nondeferrable subordinated debt instruments that are not classified as hybrids. 62. To assign a rating to a bank hybrid capital instrument, we deduct notches from our starting point. 63. The sum of the total number of notches deducted in each step is deducted from the starting point to arrive at the issue credit rating on the hybrid (see table 2). Table 2 Rating Bank And Bank Nonoperating Holding Company (NOHC) Hybrid Capital Instruments INSTRUMENT FEATURES NUMBER OF NOTCHES STEP 1: STANDARD NOTCHING Step 1a: Whenever an instrument is subordinated to senior unsecured debt in resolution or liquidation, regardless of its labeling, deduct notches to reflect contractual subordination. Notching does not vary for different subcategories of contractual subordination. One notch where the starting point is 'bbb-' or above; otherwise two notches. Step 1b: If the instrument has a discretionary or mandatory deferral clause that would lead to coupon deferral and the regulator classifies it as regulatory capital, deduct notches. This applies even if coupon deferral can only occur when a bank breaches its minimum regulatory capital requirements (see further details below). For a regulatory Tier 1 instrument in a jurisdiction that has adopted or is planning to adopt the general provisions of Basel III or equivalent measures, deduct two notches. Otherwise, deduct one notch. Step 1c: Identify whether the instrument has a mandatory contingent capital clause leading to common-equity conversion or a principal write-down, or both; or whether the relevant regulatory or legal framework creates the equivalent of such a clause. Deduct one notch, in line with paragraphs 55, 70, and 71. STEP 2: ADDITIONAL NOTCHING Step 2a: If the instrument has a mandatory going-concern trigger (either statutory or contractual) linked to a regulatory capital ratio in the form of a specific number, deduct notches as specified to factor in the difference between our expectations of a bank's regulatory ratios and the regulatory ratio level that triggers the loss absorption or cash conservation. Step 2a and Step 1c both apply for such an instrument. If so, deduct additional notches or apply rating caps, as follows, when we expect the regulatory capital ratio to stay within a given range of the trigger or at a minimum level: --If 301 bps-700 bps: deduct one notch; --If 201 bps-300 bps: deduct two notches; --If 101 bps-200 bps: deduct four notches; or --If up to 100 bps: deduct four notches and set the issue credit rating no higher than 'CCC'. Step 2b: Identify whether the instrument has loss absorption or cash conservation risks that neither our assessment of the starting point nor the standard notching in Steps 1a to 1c and Step 2a fully captures. If so, deduct one, two, or three additional notches, depending on the likelihood of nonpayment on the instrument. Step 2c: Identify whether the instrument has a contingent capital clause based on a rating change trigger that leads to common-equity conversion or a principal write-down, or both. Refer to paragraph 59. bps--Basis points. Starting point for standard notching 64. We assign a rating to an operating bank's hybrid capital instrument by notching down from the bank's SACP, except in the following situations, when the starting point is the ICR: If the bank is a subsidiary that is core, highly strategic, or strategically important, and we expect group support to be applied to the subsidiary's hybrids such that the hybrid would not absorb losses; If the bank is a government-related entity, the likelihood of government support under our criteria "Rating Government-Related Entities: Methodology And Assumptions" published on March 25, 2015, is almost certain, extremely high, or very high; and we consider that financial support from the government would result in the hybrid not absorbing losses or conserving cash; or If the ICR on a bank is lower than the SACP. 65. Where the hybrid instrument is issued by an NOHC, the starting point is typically the lower of the ICR and the GCP or group SACP that applies to the group or subgroup headed by the NOHC. 66. If, however, the ICR of the operating entity is the starting point for an equivalent hybrid issued by the operating entity, and we expect that external support will apply to the NOHC hybrid capital instrument, we use the GCP as the starting point for the NOHC hybrid. Standard Notching 67. For all bank hybrid capital instruments, our notching methodology starts with standard notching, which is the sum of: Step 1a: Notching for contractual subordination; Step 1b: For the risk of a partial or untimely payment; and Step 1c: Where applicable, for a mandatory contingent capital clause leading to conversion into common equity, a principal write-down, or both. 68. Further details on step 1b:We deduct one notch in the following cases: A Tier 1 instrument that is not subject to Basel III; A Tier 2 instrument that has a deferrable coupon; A legacy Tier 1 instrument that is not subject to the general provisions of Basel III (or equivalent rules) or where the issuer is not in a jurisdiction that plans to adopt Basel III or any equivalent measures; A deferrable instrument issued by a company that is not subject to Tier 1 or Tier 2 regulatory capital classifications; or A hybrid instrument that has restrictions preventing coupon nonpayment. 69. We deduct two notches in the following cases: A regulatory Tier 1 instrument issued by a bank that is subject to, or in a jurisdiction that plans to adopt, the general provisions of Basel III or equivalent rules; A legacy Tier 1 instrument that is now subject to Basel III or equivalent rules; A Tier 2 or other hybrid instrument for which coupon deferral risk is linked to a Tier 1 instrument; or A hybrid instrument for which Basel III provisions apply or will be adopted, even if it has a restricted ability to defer coupon payments. 70. Further details on step 1c:We deduct one notch for going-concern or NVCC clauses unless: We anticipate that the regulatory environment is such that the bank is likely to receive pre-emptive extraordinary government support if it is in distress, at a relatively early stage of its deterioration; and The regulator's statements suggest that such pre-emptive government support would not constitute a nonviability event and would therefore not lead to a principal write-down or equity conversion of the hybrid. 71. We would not typically deduct a notch for Tier 3 or similar instruments that are only subject to write-down or conversion in a resolution. Additional Notching 72. Additional notching is applied to address the following risks: Step 2a: The instrument has a statutory or contractual mandatory going-concern trigger that is linked to a specific regulatory capital ratio, expressed as a number. Step 2b: Loss absorption or cash conservation risks that are not captured elsewhere in our assessment. Step 2c: Contingent capital clauses based on a rating change. 73. Further details on step 2a:We deduct further notches in line with the capital ratio ranges shown under step 2a in table 2 if the trigger results in deferral of coupons, or is a contingent capital trigger that leads to a principal write-down or conversion into common equity. 74. In these cases, the deduction reflects the difference between our expectations of a bank's regulatory ratios and the regulatory ratio level that triggers the loss absorption or cash conservation, based on the lowest regulatory capital ratio we expect for the subsequent 12-24 months, or a higher capital ratio if we strongly expect that capital will strengthen imminently in response to actions the bank has announced. 75. We consider a trigger that relates to compliance with a minimum regulatory capital requirement to maintain a banking license to be a nonviability trigger, in which case step 2a does not apply. 76. Further details on step 2b:We deduct up to three notches for loss-absorption risks that the standard notching and step 2a do not capture, depending on the likelihood of loss absorption on the instrument. 77. We cap our rating on a hybrid issued by a bank subsidiary of an operating bank at the level we would rate an otherwise identical hybrid issued by the parent bank (even if no such hybrid has been issued). We would not cap the rating at the level of the rating on an otherwise identical hybrid issued by an NOHC in the banking group. We also do not cap the rating on the subsidiary's hybrid if the ICR on the subsidiary is higher than that on the parent bank. Nondeferrable subordinated bank debt (NDSD) 78. We classify NDSD as hybrids, and rate it using the steps outlined in table 2 (including the relevant starting points) if the instrument: Has a contractual or statutory mandatory contingent capital feature that enables it to absorb losses before a legal default of the issuer; or Constitutes part of a bank's regulatory capital and has a higher default risk than the bank's senior debt due to a discretionary contractual or statutory contingent capital feature or resolution regime arrangements. 79. Conventional bank NDSD is not classified as a hybrid. See "Financial Institutions Rating Methodology" for the criteria for assigning ratings to these instruments. Rating The Hybrid Instrument: Additional Considerations For MLIs And Multilateral Insurance Institutions 80. We apply the "Rating The Hybrid Instrument: Additional Considerations For Banks" section, including the starting point and notching approach in table 2 and associated text. MLI hybrids are therefore rated with reference to the SACP of the entity, except in the cases outlined in that section. Hybrid instruments do not, in our view, transfer or extend the preferred creditor status of the MLI to the hybrid investors, even if/when converted into common equity. 81. For step 1b, we deduct one notch if the entity is not subject to Tier 1 regulatory capital measures. 82. For step 1c, we generally deduct a notch for the principal write-down feature. 83. We apply step 2a using an MLI equity-to-assets ratio if the entity is not subject to a regulatory capital ratio. SECTOR CLASSIFICATION OF CERTAIN FINANCIAL SERVICES SUBSECTOR ISSUERS AND PSFAS Table 3 Subsectors As Defined In The Glossary WHICH SECTION OF THE HYBRID CRITERIA TO APPLY? FOR EQUITY CONTENT CATEGORIZATION FOR INCORPORATING EQUITY CONTENT CATEGORY INTO ISSUER CREDIT ANALYSIS FOR RATING THE ISSUE FINANCIAL SERVICES COMPANIES Financial services finance companies (FSFC) that are prudentially regulated Cross-sector Corporate Bank Other FSFCs Cross-sector Corporate Corporate Asset managers Cross-sector Corporate Corporate Certain financial market infrastructure companies (FMI)* Cross-sector Corporate Bank Other FMIs Cross-sector Corporate Corporate NONBANK FINANCIAL INSTITUTIONS (NBFI) NBFI finance companies Bank Bank Bank NBFI securities firms Bank Bank Bank U.S. business development companies Bank Bank Bank Larger securities firms Bank Bank Bank Nonprudentially regulated holding companies of an insurance group Cross-sector Insurance Insurance ALTERNATIVE INVESTMENT FUNDS (AIF) Alternative investment funds Cross-sector Corporate Corporate NON-U.S. PUBLIC-SECTOR FUNDING AGENCIES (PSFAS) Non-U.S. public-sector funding agencies Bank Bank Typically Bank For other issuers that have a banking license, but where we do not use our bank criteria to assign the ICR and SACP, we generally use our bank criteria to rate the hybrid issue and the sector-specific criteria consistent with that used for the ICR/SACP to assess equity content. *Certain FMIs refers to those FMIs that are subject to Basel capital guidelines and have banking operations, however limited, and their holding companies that are prudentially regulated. APPENDIX A: GLOSSARY Alternative coupon-settlement mechanism (ACSM)/alternative payment mechanism (APM):A provision that: Requires the issuer (usually on a best-effort basis) to settle deferred payments (resulting from either a mandatory or optional deferral feature) with the proceeds of issuing a new instrument ("settlement

APM"), or Allows the issuer to avoid a mandatory deferral by issuing a new instrument before the hybrid payment date and using the proceeds to make timely hybrid payment ("timely payment APM"). The terms ACSM and APM are interchangeable. Banks:As used in this criteria, includes banks, other deposit-taking institutions (including entities such as building societies), finance companies, bank nonoperating holding companies, and securities firms. Basel III or equivalent measures:A regulatory framework that includes a regulatory capital buffer for banks, defined using a range of ratios. Under such a framework, as soon as a bank's regulatory capital ratio falls within the buffer range, it is required to reduce or restrict distributions on its capital instruments. Callable/call option:Allows the issuer to redeem a hybrid capital instrument at a specified price at a specified time. Our assessment of equity content is not affected where an instrument is callable following an external event. Callable capital:A common, but not universal, characteristic of MLIs and multilateral insurance institutions that refers to the portion of the entity's capital subscriptions that is not "paid-in" but that each shareholder has committed to provide in certain circumstances (generally, only to prevent a default on an MLI's debt). It therefore differs from hybrid capital that is paid-in by investors when the hybrid instrument is issued. Contingent capital:An instrument that absorbs losses by converting into common equity or writing down principal following activation of a trigger. The conversion or write-down may be mandatory or optional and the trigger may be activated while the issuer is still a going concern (going-concern contingent capital) or in a nonviability situation (nonviability contingent capital). Conventional nondeferrable subordinated debt for a bank:A nondeferrable subordinated instrument that has the same default risk as senior debt, has no contingent capital clause, and does not absorb losses before a legal default of the issuer. Defer, deferability, and deferral:As used in this criteria article, refers to all cases where coupon payments are cancelled, not paid, or only partially paid on the payment date. This applies when timely full payment is at the issuer's discretion or prohibited either under the terms of the instrument or by the regulator. We use these terms to cover situations where payments are suspended and the issuer is obliged to at least make efforts to settle the cumulative deferred payments, as well as cases where payments are cancelled, omitted, or forgone and the issuer is not obliged to make any attempt to settle the payment, once deferred. Dividend stopper:Prevents an issuer from making payments on, or repurchasing pari passu or more junior instruments after deferring payments on a hybrid instrument, unless it has cured the arrears and resumed payments on the deferred instrument. Effective maturity:The effective maturity of an instrument is the earlier of the following: The legal maturity date. The date at which an investor put option or similar feature is exercisable. The scheduled maturity date. We recognize a scheduled maturity as the effective maturity if the terms require an issuer to take all commercially reasonable effort to refinance an instrument on a particular date and to repeat the attempt periodically if the issuer is unsuccessful at refinancing the issue. The date on which there is a Material Incentive To Redeem the instrument. The date when our view of issuer intent leads us to consider redemption likely, even without a material incentive to redeem, and to consider replacement with an equal or higher equity content instrument unlikely. Equity unit:A type of mandatory convertible security, structured as a unit, that combines two components: A forward contract that requires the investor to purchase--and the company to sell--the company's common shares at a predetermined price (or formula); and A company's debt (or preferred stock) security with a maturity or call date that may or may not match the common stock issuance date under the forward contract. External event:External events include: Changes to tax law that result in the loss of tax deductibility of interest on a hybrid instrument or increase the withholding tax payable; Accounting changes that affect the initial equity classification of the instrument; Regulatory changes that reduce equity content or capital eligibility; Revisions to rating agency criteria that reduce the instrument's equity content; and Changes in control. Tax law, accounting, and regulatory changes are considered external events unless a change has been announced at the date of issuance that we expect to affect the hybrid issuance on implementation. Going concern:Generally refers to an issuer that is able to function; has enough resources to continue to meet its financial obligations as they fall due; and, in the case of prudentially regulated financial services entities, doesn't face the threat of liquidation, insolvency, or nonviability. If an issuer is not nonviable, we consider it a going concern. Hybrid documentation:The material that we examine when reviewing the structure of a hybrid instrument. It includes, but is not limited to, the hybrid offering circular, prospectus, and the information memorandum or agreement that contains the legal terms and conditions of the hybrid. We also review associated documentation that is relevant to how the issuer will use the instrument, such as guarantees, deeds, waivers, covenants, and other contractual and transactional documentation. Documentation for other hybrids from the same issuer (or a group member) may be relevant if the instruments are linked. We also review published statements that do not constitute part of the legal terms and conditions, but that influence issuer behavior (such as language relevant to replacement intent). This body of material establishes the features of the instrument and whether it could be eligible for equity content. Look-back and look-back period:A hybrid capital instrument feature, also referred to as a pusher or mandatory payment provision, that prohibits the issuer from deferring coupons on the hybrid instrument for a specified period (the look-back period) after a certain event. Possible events include payment of a dividend on, or repurchase of, common equity or any instrument ranked pari passu with the hybrid instrument. A particular risk is that look-back clauses on two or more parity instruments may refer to each other, which could prevent deferral of distributions on any of these instruments (look-back circularity). Mandatory convertible securities (MCS):Securities that will be converted automatically into the issuer's common equity upon a predetermined date. MCS also includes equity units. In either case, the initial instrument could either be a loss-absorbing instrument or debt with fixed payment obligations. If an instrument mandatorily converts into common equity upon breaching a specific trigger, we consider the instrument to be a hybrid contingent capital instrument. Material incentive to redeem:We consider the date on which the issuer has a material incentive to redeem a hybrid instrument on a particular date or event to be the effective maturity of the hybrid instrument. Examples include: A discrete call followed by an extended noncall period. For example, an instrument that has a call option on a specific date and is not callable for more than five years thereafter. A material increase in the cost of servicing the instrument, for example, by materially increasing the coupon rate or credit spread (such a feature is often referred to as a step-up). This may include implicit step-ups linked to changes in the benchmark interest rate. We assess coupon rate step-ups using the sector-specific approach below. If the coupon rate steps up multiple times, we assess the cumulative effect. For banks, we consider that any step-up constitutes a material incentive to redeem. For corporates and insurers, the incentive to redeem is material at a step-up of: Above 100 basis point (bps) for issuers rated 'BBB-' or higher, and above 200 bps for issuers rated 'BB+' or lower, in all cases regardless of whether it is mitigated by a Replacement Capital Covenant (RCC), or by issuer statements regarding intention to replace the hybrid; or 26 bps-100 bps (or 26 bps-200 bps for issuers rated 'BB+' or lower) unless it is mitigated by an RCC, or by an issuer's public statement of intent regarding future hybrid replacement in jurisdictions where RCCs are not feasible under local laws. For prudentially regulated insurers, an RCC is necessary when step-ups of this magnitude occur within the first 10 years of issuance. When market spreads rise dramatically, we may accept a step-up equivalent to no more than 50% of the original credit spread, subject to a cap of 200 basis points, where such a step-up is explicitly accepted by insurance regulators. Nonviability:Generally applies to a prudentially regulated financial services entity that is in breach of, or about to breach, prudential regulatory requirements that could result in regulatory actions such as a withdrawal of its license, a required cessation of business, or a regulatory determination that the issuer is nonviable. See "contingent capital" for "nonviability contingent capital" (NVCC). Payment-in-kind instruments:An instrument that can pay interest in kind. Typically issued by corporates rated 'BB+' and lower, PIK instruments have several forms. In the simplest form, PIK instruments pay interest in kind from the outset and for the life of the instrument. Instead of interest being paid in cash, the investor receives more of the same note, or the note's principal is increased, in accordance with the terms. Some PIK instruments initially require that the issuer make interest payments in cash, but allow a switch to paying in kind under certain circumstances. Others initially require payment in kind, and switch to cash after a specified period. Toggle notes are another form of PIK instrument, for which the issuer can choose to switch between paying interest in cash or in kind. Prudentially regulated entities:Companies (or groups of companies) that are subject to regulation and supervision that includes assessment of the adequacy of their capitalization. Pusher:In a hybrid capital instrument, typically refers to a feature where any payment on, or repurchase of, a junior or pari passu instrument during a certain period (the "look-back period") would require, or "push," the issuer to continue timely payment on a hybrid. Most pushers are economically equivalent to a look-back feature. Some instruments use the term to mean a clause under which, if the issuer makes any payment on, or repurchases, junior or pari passu instruments, it must settle any payments it has already deferred on the hybrid instrument. This is often referred to as a "settlement pusher." We do not use the term "pusher" in this way. A settlement pusher feature does not restrict the issuer's ability to start deferring interest and does not create any circularity. Table 4 compares settlement pushers, look-back features, and common Dividend Stoppers. Table 4 Comparison Of Common Dividend Stoppers, Pushers (Of Timely Payment)/Look-Backs, And Settlement Pushers HYBRID FEATURES TRIGGER EVENT EFFECT IMPACT ON EQUITY ASSESSMENT Common dividend stopper Deferral on hybrid No common stock dividend Neutral in general, potentially negative for real estate investment trusts Pusher (of timely payment)/Look-back Repurchase of or payment on junior or pari passu instrument Obligation to make timely payment on hybrid Negative if look-back exceeds one year or creates circularity Settlement pusher Repurchase of or payment on junior or pari passu instrument Obligation to settle already deferred hybrid payment, if any Neutral in general Redemption:A hybrid is redeemed when the issuer repays the principal and retires the instrument. In this article, the words "redeem" and "redemption" refer to repayment of principal before the official maturity date, unless specifically noted otherwise, and include a repurchase of the instrument, except in the context of call options. An issuer may repurchase an instrument through a buyback on the open market, a tender offer, or an exchange with another instrument. Replacement capital covenant (RCC):A legally binding commitment to replace a redeemed hybrid with a new instrument of equal or greater equity content. Step-up:A feature where the coupon rate or credit spread on a hybrid capital instrument increases at a future date, usually as an incentive for the issuer to call the instrument. We typically calculate the step-up as the difference in the credit spread where a rate resets during the life of the instrument. Tier 1, Tier 2, and Tier 3 instruments (banks only):Tier 1 and Tier 2 are prudential regulatory classifications of hybrid capital instruments and are used to determine how the instrument may be included in regulatory capital measures. Tier 3 is not always a regulatory classification. It can also refer to instruments that the issuer has structured to be senior to Tier 1 and Tier 2 instruments, but junior to senior unsecured instruments, in the event of a resolution. Where a regulator does not classify a nonbank financial institution's instruments as being Tier 1 or Tier 2 capital, although they are classified as being part of regulatory capital, the concept becomes irrelevant to our determination of equity content. We therefore classify the instruments as having high, intermediate, or no equity content based on whether they are otherwise consistent with the characteristics of these equity content categories. If the regulator were to introduce these concepts, we would reclassify the equity content of these instruments accordingly. Toggle note:A specific type of PIK instrument designed to facilitate switching back and forth between cash payments and PIK distributions, at the issuer's discretion. The issuer increases remuneration during those periods when it pays interest in kind. CHANGES FROM PREVIOUS CRITERIA 84. The criteria fully supersede our previous criteria article, "ARCHIVE: Hybrid Capital: Methodology And Assumptions," published July 1, 2019, by restating that criteria in full and incorporating targeted changes following "Request For Comment: Hybrid Capital Methodology For Multilateral Lending And Multilateral Insurance Institutions," published Sept. 20, 2021. 85. Specifically, we expanded the scope to include hybrids issued by MLIs and multilateral insurance institutions, as well as added sections describing the additional considerations for assigning equity content and issue credit ratings to such hybrids. In addition to several editorial changes to remove redundant text and aid readability, we updated criteria references and paragraph and table numbers and added a definition of callable capital, a concept relevant to MLIs and multilateral insurance institutions, to the glossary. The targeted changes to the hybrid capital criteria did not otherwise alter the content or scope of the criteria. IMPACT ON OUTSTANDING RATINGS 86. According to our testing, and in light of the targeted nature of the changes, we expect no impact on outstanding issuer credit ratings or issue credit ratings. RELATED PUBLICATIONS Fully Superseded Criteria Hybrid Capital: Methodology And Assumptions, July 1, 2019 Related Criteria Multilateral Lending Institutions And Other Supranational Institutions Ratings Methodology, Jan. 31, 2022 Financial Institutions Rating Methodology, Dec. 9, 2021 Alternative Investment Funds Methodology, Jan. 13, 2020 Insurers Rating Methodology, July 1, 2019 Group Rating Methodology, July 1, 2019 Corporate Methodology: Ratios And Adjustments, April 1, 2019 Public-Sector Funding Agencies: Methodology And Assumptions, May 22, 2018 Reflecting Subordination Risk In Corporate

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