

Long-Term Issuer Rating: AA-
Outlook: stable

Short-Term Rating: L1

Preferred Sen. Unsec. Debt: AA-

06 May 2022

Rating Action:

Creditreform Rating affirms SID - Banka, d.d. long-term issuer rating at 'AA-' with a stable outlook

Creditreform Rating (CRA) has affirmed SID – Banka d.d. long-term issuer rating at 'AA-' and the short-term rating at 'L1'. The rating outlook remains stable. At the same time, we affirm the rating of SID's preferred senior unsecured debt at 'AA-'.

In addition, we refer to the more detailed report of the Group from 07.07.2021 on our homepage.

Key Rating Driver

CRA has updated the rating of SID Banka and its preferred senior unsecured debt instruments as a result of the periodic monitoring process for the following reasons:

- SID`s liabilities are irrevocably and without limitations backed by the Republic of Slovenia
- Clear strategy on behalf of the Slovenian State
- Strong capitalization
- Concentration risk due the limited business diversification following SID Banka's role

Company Overview

SID Banka d.d. (SID – Slovenska izvozna in razvojna banka, d.d., Ljubljana) was founded in 1992 and the bank operates as a promotional, development and export bank for the Republic of Slovenia. The role of SID Banka is to develop, provide and promote long-term financial services designed to supplement financial markets for the higher competitiveness of the Slovenian economy, creating new jobs and sustainable development of Slovenia.

As the sole shareholder, the Republic of Slovenia is responsible irrevocably and without limitations for SID Banka's liabilities deriving from the transactions concluded during the pursuit of activities from Articles 11 and 12 of the Slovene export and development bank act (ZSIRB). If SID Banka fails to settle its due liabilities to a creditor at its written request, such liability should be immediately settled by the Republic of Slovenia at the creditor's request. This arrangement allows SID Banka to borrow on financial markets without having to obtain a guarantee by the Republic of Slovenia for each borrowing transaction. In accordance with Article 4 of the ZSIRB, the distributable profit of SID Banka shall not be used for distribution to shareholders, but shall be allocated to other profit reserves. SID Bank acquires most funds through borrowing on the international financial markets.

Rating Considerations and Rationale

Our rating of SID - Slovenska izvozna in razvojna banka, d.d. is clearly affected by our opinion that there is the highest probability of support by the Republic of Slovenia (CRA Rating: AA-/stable – 14.01.2022) in the event of financial distress. This owes to the fact that SID is entirely

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and exclusively owned by the Republic of Slovenia, due to SID's role in Slovenian Republic as well as due to the obligation arising from the ZSIRB. Therefore, we assume a high public interest of the Republic of Slovenia in the business operations of the bank.

Profitability

SID's most significant income sources are its interest income and its trading income. The bank's interest income benefited from the early repayment of non-performing loans and the increased loan activities in 2021. However, trading income is very volatile. The background is the bank's operation together with the Ministry of Economic Development and Technology (MEDT) of Slovenia. Hereby SID Banka manages four loan funds, which were set up in conjunction with the MEDT, whereby a first loss clause was contractually agreed on the part of the MEDT for all four funds (any loss of the funds is first covered by the MEDT). Lending from the loan funds in 2021 was up relative to 2020, however, impairments were released due to the more favorable macroeconomic forecasts, which resulted in a positive overall result of the funds (12.5mn EUR). However, because of the agreed first loss clause, this issue resulted in recognized loss on financial liabilities measured at amortized cost in contrast to the previous year. Overall, a general volatility in this item is likely due to the aforementioned agreement, but SID bears only an insignificant risk on behalf of the bank. The bank's development of expenses is driven by rising personnel expense, in 2021 in particular by the higher average number of employees relative to 2020. As a result of the bank's increasing importance, we do not expect the bank to decrease its labor costs in the upcoming years. After the high cost of risk in 2020, SID recorded reversal of its impairments of about 16mn EUR in 2021 due to the improved economic conditions and the macroeconomic forecast as the pandemic impact did not materialize as expected. Overall, we acknowledge that SID is not pursuing profit maximization due to its role in the economy of the Slovenian Republic.

SID's Cost-to-income ratios are despite the significant worsening YOY at a sound level. The background is the bank's aforementioned first loss agreement with MEDT and the fluctuating in relation with this agreement, which results in volatile CIR ratios. We do not perceive any specific risk in this regard, as the fluctuation is not related to trading activities. The intrinsic profitability of the bank remains unchanged and is due to its role less important. Nevertheless, SID's earnings figures remain on a satisfying level given its business purpose as development bank.

Asset Situation and Asset Quality

In times of the Covid-19 pandemic SID supported the Slovenian economy and on behalf of the Slovenian Republic with various support measures. SID's asset side is dominated by its promotional loan activities, which increased due to its countercyclical and promotional role in particular in the area of loans to the non-banking sector while loans to Slovenian banks lowered following the high market liquidity with low rates. Overall, SID's structure of loans continuous to shift in favor of the Slovenian corporate sector over the banking sector. SID's debt securities holding consists primarily of Slovenian government bonds (EU 278mn) and government bonds from other EU member states with a high liquidity to ensure its asset liability management. Moreover, SID has little exposure to currency risk as the bank conducts almost all of its investments in its domestic currency.

SID provides significant insurance activities on behalf of and for the account of the Republic of Slovenia in Russia and Ukraine. However, these activities are recorded in separate items, as determined by the Bank of Slovenia for the administration of these operations and thus does not bear a risk for the bank.

SID's NPL ratio improved over the recent year to a satisfying level. The bank's stage 2 ratio (stage 2 loans over net loans to customers) is at a relatively high level and represents a high potential of upcoming non-performing loans despite the recent reduction following the improved economic outlook. The bank's RWA ratio is constantly at a high level due to its supporting role and the increased lending to the non-financial sector. After the relatively high impairment charges on customer loans in 2020 due to the deteriorating economic environment and macroeconomic forecasts, SID recorded significant reversal of impairments in 2021 as the pandemic effects did not materialize as expected. Overall, SID shows a considerable asset quality despite its supporting role in the economy of the Slovenian Republic.

Refinancing, Capital Quality and Liquidity

SID Banka shifted its refinancing position from banks to customer deposits. In addition, the bank benefits from the participation at the TLTRO III program of the ECB, which enables very favorable refinancing conditions. In 2020, SID issues a so-called Covid-19 bond in the amount of EUR 350mn to mitigate the impact of the COVID-19 pandemic with a yield to maturity at a comparable level to Slovenian government bonds at time of issue. The bank's liabilities to customers include among other the loans of development institutions and MEDT funds relating to liabilities from the functioning of loan funds and funds of funds. The bank's equity position increased as in the previous years as the profit of SID is predetermined to increase the bank's profit reserves according to the ZSIRB.

SID Banka maintains its very strong capitalization. All of the bank's capital figures are at a very high level and clearly more favorable than of ordinary commercial banks. In addition, the bank's regulatory capital figures are far above the minimum requirements with a large buffer. The lowering of the bank's CET1 ratio in recent years is primarily a result of the bank's increase in corporate lending and the resulting increase in risk-weighted assets. The bank's AT1 and Tier 2 figures match its CET1 figure due to the lack of these capital instruments. However, there is no need for the bank to issue these capital instruments as the bank maintains a high level of CET1 capital. Overall, SID's capital figures show a large buffer for loss absorption and are the best performers in any of the areas analyzed. In addition, as the bank shall not distribute its net profit according to the ZSIRB, we expect SID to maintain its strong capitalization.

As a result of the government backed business operations and the high liquidity buffer, we do not perceive any liquidity issues at SID. The bank's exceeds with both liquidity figures comfortably the regulatory requirements.

Due to SID's capital and debt structure, as well as its status as a government related bank, the bank's Preferred Senior Unsecured Debt instruments have not been notched down in comparison to the long-term issuer rating. Due to the lack Non-Preferred Senior Unsecured debt, Tier 2 capital as well as Additional Tier 1 capital we do not assign any rating to these capital classes.

Environmental, Social and Governance (ESG) Score Card

SID has one significant and two moderate ESG rating drivers

Corporate Governance is identified as a significant rating driver. The relevance for the credit rating results from the impact of the Corporate Governance factor on all other ESG factors and the overall well-being of the bank. This sub-factor is rated neutral due to SID's legislatively predetermined strategy and role with little discretion. In addition, while the bank operates at an economic sustainable level, we do not perceive ambitious ESG targets.

• Corporate Behaviour and Green Financing / Promoting are identified as moderate rating driver. While Green Financing / Promoting is rated positive due to the in 2018 already issued first green bond, Corporate Behaviour is rated positive due to SID's leading role in this regard with no negative issues.

**ESG
Bank Score**

3,4 / 5

Score Guidance	
> 4,25	Outstanding
>3,5 - 4,25	Above-average
>2,5 - 3,5	Average
>1,75 - 2,5	Substandard
<= 1,75	Poor

Factor	Sub-Factor	Consideration	Relevance Scale 2022	Eval.
Environmental	1.1 Green Financing / Promoting	The sub-factor "Green Financing/Promoting" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	1.2 Exposure to Environmental Factors	The sub-factor "Exposure to Environmental Factors" has a low relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	2	()
	1.3 Resource Efficiency	The sub-factor "Resource Efficiency" has no significant relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	1	()

Social	2.1 Human Capital	The sub-factor "Human Capital" has low relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	2	()
	2.2 Social Responsibility	The sub-factor "Social Responsibility" has no significant relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	1	(+)

Governance	3.1 Corporate Governance	The sub-factor "Corporate Governance" is highly relevant for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	4	()
	3.2 Corporate Behaviour	The sub-factor "Corporate Behaviour" has a moderate relevance for the credit rating, and is rated positive in terms of the CRA ESG criteria.	3	(+)
	3.3 Corporate Transparency	The sub-factor "Corporate Transparency" has no significant relevance for the credit rating, and is rated neutral in terms of the CRA ESG criteria.	1	()

ESG Relevance Scale	
5	Highest Relevance
4	High Relevance
3	Moderate Relevance
2	Low Relevance
1	No significant Relevance

ESG Evaluation Guidance	
(+ +)	Strong positive
(+)	Positive
()	Neutral
(-)	Negative
(- -)	Strong negativ

The ESG Score is based on the Methodology "Environmental, Social and Governance Score of Banken (Version 1.0)" of Creditreform Rating AG, which is available on our homepage <https://creditreform-rating.de/en/about-us/regulatory-requirements.html>. In addition, we refer to CRA's position paper "Considering the Impact of ESG Factors".

Outlook

We consider the outlook of SID's long-term issuer rating and its debt instruments as stable. This reflects the stable outlook of the long-term issuer rating of the Slovenian Republic due to the bank's close relation to its government. However, we assume a stable political environment.

Scenario Analysis

In a scenario analysis, the bank is able to reach an "AA" rating in the "best case" scenario and an "A" rating in the "worst case" scenario. The ratings of bank capital and senior unsecured debt would behave similarly based on our rating mechanism. These ratings are especially sensitive to changes in total equity and to the bank capital and debt structure in general.

We might upgrade SID's long-term issuer credit rating and its bank capital and debt instruments if we see an upgrade of the rating of the Slovenian Republic.

By contrast, a downgrade of the bank's long-term issuer credit rating and its bank capital and debt instruments is likely if SID loses its state guarantee by the Slovenian Republic.

Best-case scenario: AA

Worst-case scenario: A

Please note:

The scenarios are based on information available at the time of the rating. Within the forecast horizon, circumstances may occur that could lead to a change of the rating out of the indicated range.

CRA's rating actions at a glance

SID - Banka, d.d.:

- Long-Term Issuer Rating affirmed at 'AA-', stable outlook
- Short-term rating affirmed at 'L1'
- Preferred senior unsecured debt affirmed at 'AA-'

Ratings Detail

Bank ratings

The bank ratings are dependent on a host of quantitative and qualitative factors. An improvement in either sub-category may result in a higher rating score.

LT Issuer / Outlook / Short-Term **AA- / stable / L1**

Bank Capital and Debt Instruments Ratings

The ratings for bank capital and debt instruments are inter alia dependent on subordination and relative size of the instrument class, based on the long-term issuer rating of the bank.

Preferred senior unsecured debt (PSU): **AA-**

Rating History

Please consult our website www.creditreform-rating.de for additional information regarding the dates of publication.

Figure 1: Rating History

Bank Issuer Rating	Rating Date	Result
Initialrating	07.07.2021	AA- / stable / L1
Rating Update	06.05.2022	AA- / stable / L1
Bank Capital and Debt Instruments	Rating Date	Result
Preferred Senior Unsecured Debt	07.07.2021	AA-
Preferred Senior Unsecured Debt	06.05.2022	AA-

Appendix

Figure 2: Group income statement¹ | Source: eValueRate / CRA

Income Statement (EUR k)	2021	%	2020	2019	2018
Income					
Net Interest Income	28.006	+20,8	23.193	23.932	22.986
Net Fee & Commission Income	1.544	> +100	293	200	291
Net Insurance Income	-	-	-	-	-
Net Trading & Fair Value Income	246	-99,2	31.242	23.311	3.730
Equity Accounted Results	-	-	-	5.418	582
Dividends from Equity Instruments	446	+41,1	316	35	36
Other Income	3.495	-9,6	3.865	2.791	3.667
Operating Income	33.737	-42,7	58.909	55.687	31.292
Expense					
Depreciation and Amortisation	986	+1,6	970	914	881
Personnel Expense	14.567	+8,8	13.389	11.540	9.978
Tech & Communications Expense	-	-	-	-	-
Marketing and Promotion Expense	-	-	-	-	-
Other Provisions	-1.972	< -100	2.282	1.251	322
Other Expense	5.023	+26,6	3.967	4.316	3.629
Operating Expense	18.604	-9,7	20.608	18.021	14.810
Operating Profit & Impairment					
Operating Profit	15.133	-60,5	38.301	37.666	16.482
Cost of Risk / Impairment	-14.353	< -100	27.839	10.491	-1.037
Net Income					
Non-Recurring Income	-	-	-	10.063	-
Non-Recurring Expense	-	-	-	-	-
Pre-tax Profit	29.486	> +100	10.462	37.238	17.519
Income Tax Expense	5.456	> +100	1.972	5.198	3.205
Discontinued Operations	-	-	-	-	-
Net Profit	24.030	> +100	8.490	32.040	14.314
Attributable to minority interest (non-controlling interest)	-	-	-	-	-
Attributable to owners of the parent	24.030	> +100	8.490	32.040	14.314

Figure 3: Group key earnings figures | Source: eValueRate / CRA

Income Ratios (%)	2021	%	2020	2019	2018
Cost Income Ratio (CIR)	55,14	+20,16	34,98	32,36	47,33
Cost Income Ratio ex. Trading (CIRex)	55,55	-18,94	74,49	55,66	53,73
Return on Assets (ROA)	0,85	+0,56	0,29	1,33	0,62
Return on Equity (ROE)	4,89	+3,10	1,78	6,91	3,39
Return on Assets before Taxes (ROAbT)	1,04	+0,68	0,36	1,55	0,76
Return on Equity before Taxes (ROEbT)	6,00	+3,80	2,20	8,03	4,15
Return on Risk-Weighted Assets (RORWA)	1,49	+0,94	0,54	2,57	1,20
Return on Risk-Weighted Assets before Taxes (RORWAbT)	1,82	+1,16	0,67	2,99	1,47
Net Financial Margin (NFM)	1,00	-0,88	1,88	1,97	1,16
Pre-Impairment Operating Profit / Assets	0,53	-0,78	1,32	1,57	0,71
Cost of Funds (COF)	0,22	+0,02	0,20	0,36	0,43
<small>Change in %- Points</small>					

¹ Data by our data provider eValueRate, which is standardized for analytical reasons. Thus, the used data and the resulting figures do not have necessary to match the presentation of the bank, which refers to this and all subsequent tables and figures.

Figure 4: Development of assets | Source: eValueRate / CRA

Assets (EUR k)	2021	%	2020	2019	2018
Cash and Balances with Central Banks	218.126	+81,5	120.187	72.729	121.184
Net Loans to Banks	568.769	-27,4	783.725	835.770	809.350
Net Loans to Customers	1.199.698	+9,9	1.091.560	816.550	706.787
Total Securities	837.005	-7,1	900.538	669.324	662.688
Total Derivative Assets	-	-	1.153	-	-
Other Financial Assets	2.601	> +100	1.230	5.261	1.853
Financial Assets	2.826.199	-2,5	2.898.393	2.399.634	2.301.862
Equity Accounted Investments	-	-	-	-	-
Other Investments	-	-	-	-	-
Insurance Assets	-	-	-	-	-
Non-current Assets & Discontinued Ops	-	-	-	-	8.413
Tangible and Intangible Assets	5.056	-5,1	5.328	5.598	5.921
Tax Assets	1.663	-31,4	2.423	468	2.271
Total Other Assets	1.114	-8,2	1.214	464	367
Total Assets	2.834.032	-2,5	2.907.358	2.406.164	2.318.834

Figure 5: Development of asset quality | Source: eValueRate / CRA

Asset Ratios (%)	2021	%	2020	2019	2018
Net Loans/ Assets	42,33	+4,79	37,54	33,94	30,48
Risk-weighted Assets/ Assets	57,08	+3,09	53,99	51,82	51,23
NPLs*/ Net Loans to Customers	3,68	+0,28	3,40	4,65	5,90
NPLs*/ Risk-weighted Assets	2,73	+0,36	2,36	3,05	3,51
Potential Problem Loans**/ Net Loans to Customers	12,63	-5,37	17,99	11,47	6,51
Reserves/ NPLs*	113,94	-74,01	187,95	111,26	87,29
Reserves/ Net Loans	4,19	-2,19	6,38	5,17	5,15
Cost of Risk/ Net Loans	-1,20	-3,75	2,55	1,28	-0,15
Cost of Risk/ Risk-weighted Assets	-0,89	-2,66	1,77	0,84	-0,09
Cost of Risk/ Total Assets	-0,51	-1,46	0,96	0,44	-0,04
Change in %- Points					

* NPLs are represented by Stage 3 Loans where available.
 ** Potential Problem Loans are Stage 2 Loans where available.

Figure 6: Development of refinancing and capital adequacy | Source: eValueRate / CRA

Liabilities (EUR k)	2021	%	2020	2019	2018
Total Deposits from Banks	667.859	-26,6	909.970	777.912	1.206.244
Total Deposits from Customers	987.512	+18,6	832.377	827.545	548.452
Total Debt	675.479	-0,6	679.327	330.279	132.601
Derivative Liabilities	1.924	+77,0	1.087	841	2.898
Securities Sold, not yet Purchased	-	-	-	-	-
Other Financial Liabilities	1.947	+6,0	1.837	2.727	2.024
Total Financial Liabilities	2.334.721	-3,7	2.424.598	1.939.304	1.892.219
Insurance Liabilities	-	-	-	-	-
Non-current Liabilities & Discontinued Ops	-	-	-	-	-
Tax Liabilities	3.494	> +100	702	451	3.294
Provisions	2.647	-42,9	4.635	2.374	1.130
Total Other Liabilities	1.404	+6,7	1.316	175	140
Total Liabilities	2.342.266	-3,7	2.431.251	1.942.304	1.896.783
Total Equity	491.766	+3,3	476.107	463.860	422.051
Total Liabilities and Equity	2.834.032	-2,5	2.907.358	2.406.164	2.318.834

Figure 7: Development of capital and liquidity ratios | Source: eValueRate / CRA

Capital Ratios and Liquidity (%)	2021	%	2020	2019	2018
Total Equity/ Total Assets	17,35	+0,98	16,38	19,28	18,20
Leverage Ratio	15,47	+0,73	14,74	16,50	16,30
Common Equity Tier 1 Ratio (CET1)*	28,80	-0,32	29,12	34,04	34,18
Tier 1 Ratio (CET1 + AT1)*	28,80	-0,32	29,12	34,04	34,18
Total Capital Ratio (CET1 + AT1 + T2)*	28,80	-0,32	29,12	34,04	34,18
Net Loans/ Deposits (LTD)	121,49	-9,65	131,14	98,67	128,87
Net Stable Funding Ratio (NSFR)	142,03	+9,53	132,50	140,00	140,00
Liquidity Coverage Ratio (LCR)	2334,00	-3979,00	6313,00	1832,00	458,00
Change in %- Points					

* Fully-loaded where available

Regulatory

Creditreform Rating AG was neither commissioned by the rating object nor by any other third party for the rating. The analysis took place on a voluntary basis by Creditreform Rating AG and is to be described in the regulatory sense as an unsolicited rating. The following scheme clarifies the level of participation of the rated entity (rating object):

Unsolicited Credit Rating	
With Rated Entity or Related Third Party Participation	No
With Access to Internal Documents	No
With Access to Management	No

The rating is based on publicly available information and internal evaluation methods for the rated bank. The quantitative analysis is based mainly on the latest annual accounts, interim reports, other investor relations information of the bank, and calculated key figures by eValueRate / CRA.

The information and documents processed met the requirements of the rating system of Creditreform Rating AG as published on the website www.creditreform-rating.de. The rating was carried out on the basis of the rating methodology for [bank ratings \(v3.1\)](#), the methodology for the [rating of bank capital and unsecured debt instruments \(v2.1\)](#), the methodology for the rating of [Government-Related Banks \(v2.0\)](#) as well as the rating methodology for [Environmental, Social and Governance Score for Banks \(v1.0\)](#) in conjunction with Creditreform's basic document [Rating Criteria and Definitions \(v1.3\)](#).

The complete presentation of the rating methodologies used by Creditreform Rating AG and the basic document Rating Criteria and Definitions (v1.3) are published on our homepage:

<https://www.creditreform-rating.de/en/about-us/regulatory-requirements.html>

On 06 May 2022, the rating was presented by the analysts to the rating committee and adopted in a resolution.

The rating result was communicated to SID - Banka, d.d., and the preliminary rating report was made available to the bank. There was no change in the rating score.

The rating is valid until withdrawal and is subject to monitoring from the rating date (see cover page). The rating will be comprehensively reviewed at least once every year. Within this period, the rating can be updated.

In 2011 Creditreform Rating AG was registered within the European Union according to EU Regulation 1060/2009 (CRA-Regulation). Based on the registration Creditreform Rating AG (CRA) is allowed to issue credit ratings within the EU and is bound to comply with the provisions of the CRA-Regulation. Rating Endorsement Status:

The rating of SID - Banka, d.d. was not endorsed by Creditreform Rating AG from a third country as defined in Article 4 (3) of the CRA-Regulation.

Conflict of Interests

No conflicts of interest were identified during the rating process that might influence the analyses and judgements of the rating analysts involved or any other natural person whose services are placed at the disposal or under the control of Creditreform Rating AG and who are directly involved in credit rating activities or approving credit ratings and rating outlooks.

In case of providing ancillary services to the rated entity, CRA will disclose all ancillary services in the credit rating report.

Rules on the Presentation of Credit Ratings and Rating Outlooks

The approval of credit ratings and rating outlooks follows our internal policies and procedures. In line with our policy "Rating Committee," all credit ratings and rating outlooks are approved by a rating committee based on the principle of unanimity.

To prepare this credit rating, CRA has used following substantially material sources:

1. Aggregated data base by eValueRate
2. Annual Report and interim reports
3. Investors relations information and other publications
4. Website of the rated bank
5. Public and internal market analyses
6. Internet research

There are no other attributes and limitations of the credit rating or rating outlook other than displayed on the CRA website. Furthermore CRA considers satisfactory the quality and extent of information available on the rated entity. In regard to the rated entity Creditreform Rating AG regarded available historical data as sufficient.

Between the disclosure of the credit rating to the rated entity and the public disclosure no amendments were made to the credit rating.

The "Basic data" information card indicates the principal methodology or version of methodology that was used in determining the rating, with a reference to its comprehensive description.

In case where the credit rating is based on more than one methodology or where reference only to the principal methodology might cause investors to overlook other important aspects of the credit rating, including any significant adjustments and deviations, Creditreform Rating AG explains this fact in the credit rating and indicates how the different methodologies or these other aspects are taken into account in the credit rating. This information is integrated in the credit rating report.

The meaning of each rating category, the definition of default or recovery and any appropriate risk warning, including a sensitivity analysis of the relevant key rating assumptions, such as mathematical or correlation assumptions, accompanied by worst-case scenario credit ratings as well as best-case scenario credit ratings are explained in mentioned methodologies and / or in the credit rating report.

The date at which the credit rating was released for distribution for the first time and when it was last updated including any rating outlooks is indicated clearly and prominently in the rating report or in the "Basic data" card as a "Rating action"; first release is indicated as "initial rating", other updates are indicated as an "update", "upgrade or downgrade", "not rated", "confirmed", "selective default" or "default".

In the case of a rating outlook, the time horizon is provided during which a change in the credit rating is expected. This information is available in the rating report or the „Basic data“ information card.

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An explanatory statement of the meaning of Creditreform's default rates are available in the credit rating methodologies disclosed on the website.

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