

# Thai Life Insurance Public Company Limited

## Key Rating Drivers

**'Favourable' Business Profile:** Thai Life Insurance Public Company Limited (TLI) has a robust business franchise despite a moderate operating scale relative to regional insurers. TLI maintained the second-largest market share in Thailand by total premiums written at end-2021. Its products remain comprehensive with robust distribution channels through agents and bancassurance. Therefore, Fitch Ratings scores TLI's company profile at 'a-' under our credit-factor scoring guidelines.

**Sound Capitalisation:** Fitch expects the insurer will maintain capital adequacy that is in line with its rating category. Its risk-based capital (RBC) ratio has been higher than 300%. Fitch estimates the ratio at end-2021 was not materially different from the 343% at end-3Q21, well above the regulatory requirement of 140%. The insurer also scored 'Very Strong' under Fitch's Prism Model at end-2021.

**Robust Profitability:** TLI's earnings are healthy despite the subdued Thai economy. Its three-year (2019-2021) average return on equity (ROE) of 10% is well above Fitch's expectation for insurers with 'A' Insurer Financial Strength (IFS) Ratings. Earnings have benefitted from the insurer offering products that are less sensitive to interest rates, improving its margins with a repricing strategy, and implementing cost savings since 2020.

**Higher Risk Asset Profile:** TLI's risky-asset ratio increased to 212% by end-2021 from 188% in 2020 due to a larger allocation of local investment-grade corporate bonds and equity investments, which is higher than our guideline for 'A' rated insurers, pressuring its ratings.

**Sound Duration Gap:** Asset-liability management has turned robust after gradual improvement over the past few years. Fitch does not expect TLI to make material changes in the profile given management's strategy on reducing interest-rate-sensitive products and investing in long-term government bonds. Its duration gap was 1.5 years at end-2021.

TLI's investment asset allocation is also liquid, in Fitch's view. Fixed-income securities and deposits accounted for 80% of the total portfolio at end-2021, which will help the company maintain a sound liquidity position to meet its claims and cash outflows.

## Rating Sensitivities

**Deterioration in Financials:** Persistent weakening of TLI's capitalisation or profitability could result in negative rating action, such as a prolonged drop in the RBC ratio to below 280% with Fitch's Prism Model score falling below 'Strong', or a persistent decline in the ROE to below 8%.

**Stronger Credit Profile:** Clear improvement in TLI's business profile and maintenance of its capitalisation will lead to an upgrade, including a larger operating scale with better diversification in business lines, geographies and distribution sources, while being able to sustain capital adequacy well into the 'Strong' level as measured by Fitch's Prism Model score.

## Ratings

### Thai Life Insurance Public Company Limited

Insurer Financial Strength A-  
National Insurer Financial Strength AAA(tha)

## Outlooks

Insurer Financial Strength Stable  
National Insurer Financial Strength Stable

## Financial Data

### Thai Life Insurance Public Company Limited

(THBbn)	2021	2020
Gross premiums written	90	91
Total assets	534	494
Return on assets (pretax) (%)	2	2
Return on equity (%)	10	10
Liquid-asset ratio (%)	104	101

Source: Fitch Ratings, Fitch Solutions, TLI

## Applicable Criteria

[Insurance Rating Criteria \(November 2021\)](#)  
[National Scale Rating Criteria \(December 2020\)](#)

## Related Research

[Thailand Insurance Dashboard: September 2021 \(October 2021\)](#)

## Analysts

Chalee Chartsatienpong  
+66 2 108 0162  
[chalee.chartsatienpong@fitchratings.com](mailto:chalee.chartsatienpong@fitchratings.com)

Siew Wai Wan  
+65 6796 7217  
[siewwai.wan@fitchratings.com](mailto:siewwai.wan@fitchratings.com)

## Key Credit Factors – Scoring Summary

Factor Levels	Operational Profile			Financial Profile				Reserve Adequacy	Reinsurance, Risk Mitigation & Catastrophe Risk	Other Factors & Criteria Elements (see below)	Insurer Financial Strength
	Industry Profile & Operating Environment	Company Profile	Capitalization & Leverage	Debt Service Capabilities and Financial Flexibility	Financial Performance & Earnings	Investment & Asset Risk	Asset/Liability & Liquidity Management				
aaa											AAA
aa+								Credit Factor	Credit Factor		AA+
aa								Not Applicable	Not Applicable		AA
aa-											AA-
a+											A+
a											A
a-											A-
bbb+											BBB+
bbb											BBB
bbb-											BBB-
bb+											BB+
bb											BB
bb-											BB-
b+											B+
b											B
b-											B-
ccc+											CCC+
ccc											CCC
ccc-											CCC-
cc											CC
c											C
d or rd											D or RD

Other Factors & Criteria Elements				
Provisional Insurer Financial Strength				A-
Non-Insurance Attributes	Positive	Neutral	Negative	+0
Corporate Governance & Management	Effective	Some Weakness	Ineffective	+0
Ownership / Group Support	Positive	Neutral	Negative	+0
Transfer & Convertibility / Country Ceiling	Yes	No	A-	+0
<b>Insurer Financial Strength (IFS)</b>				Final: <b>A-</b>
IFS Recovery Assumption	Good			-1
<b>Issuer Default Rating (IDR)</b>				Final: <b>n.a.</b>

Bar Chart Legend	
Vertical Bars = Range of Rating Factor	
Bar Colors = Relative Importance	
■	Higher Influence
■	Moderate Influence
■	Lower Influence
Bar Arrows = Rating Factor Outlook	
↑	Positive
↓	Negative
↕	Evolving
□	Stable

### Peer Comparison

Hong Kong, Thailand and Taiwan Life Insurers – Peer Review (April 2022)

### Industry Profile and Operating Environment (IPOE)

Industry Profile and Operating Environment: Thai Insurance (November 2021)

## Company Profile

### Company Profile Scoring Summary

	Assessment	Sub-score/impact
Business Profile Assessment	Favourable	a-
Corporate Governance Assessment	Moderate/Favourable	none
Company Profile Factor Score		a-

Source: Fitch Ratings

### 'Favourable' Business Profile

Fitch ranks TLI's business profile as 'Favourable' relative to that of other Thai life insurers to reflect its 'Favourable' competitive positioning and large domestic market share, 'Moderate' business risk profile and 'Favourable' diversification. This ranking results in Fitch scoring the insurer's business profile at 'a-' under the agency's credit-factor scoring guidelines.

The company's 15% share of total premiums written at end-2021, unchanged from 2020, was the second-largest in Thailand. Its franchise strength is underpinned by a robust tied-agency force, ranked second by market share. The company has close ties with Japan's Meiji Yasuda Life Insurance Company (IFS A+/Stable) since 2013. We think the cooperation can enhance TLI's competitiveness in terms of attracting and retaining Japanese corporate customers based in Thailand.

Fitch believes TLI's business diversification remains favourable and on a par with its high-profile domestic peers. The company pursues a multi-distribution channel strategy to balance its reliance on the agency channel, such as strengthening its relationships with local commercial banks. TLI's premiums via the bancassurance channel rose to 23% of the total by end-2021 from 19% in 2016. Its tied-agency force remains strong, accounting for 71% of its total premiums in 2021.

TLI's overseas operations in Myanmar via a 35% stake in a joint venture with Citizen Business Insurance Public Company Limited is growing but remains small compared with the domestic business. The insurer expects to gain long-run benefits from Myanmar's growth potential relative to a more mature Thai market. TLI also plans to further diversify its business into Cambodia and Laos.

We consider TLI's risk appetite to be on a par with that of its local peers. The insurer has a comprehensive product suite across all market segments. TLI monitors its insurance policies to ensure their sound profitability and will reprice or discontinue any unprofitable product in line with industry practice, which is neutral to its risk profile.

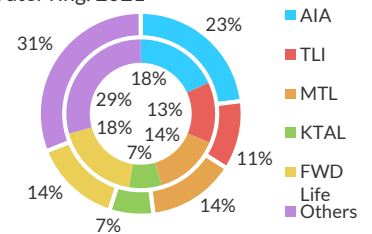
TLI is also planning a listing on the local stock exchange in 2022 by offering around 20% of its total shares, including approximately 7%-8% in new ordinary shares. TLI plans to invest in digital transformation and improve its marketing and distribution channels. Fitch believes a listed status will increase TLI's transparency, as it has to meet additional regulatory disclosure requirements, and enhance its funding access for future business expansion.

### Corporate Governance – 'Moderate / Favourable'

Corporate governance and management are effective and neutral to the rating. The insurer has set up an effective risk management and corporate governance framework to meet the regulator's requirements. TLI's board comprises four independent directors out of 13 members. Several sub-committees are also in place, including executive, risk management, investment, audit, as well as nomination and remuneration committees.

### New Business Premium Market Share

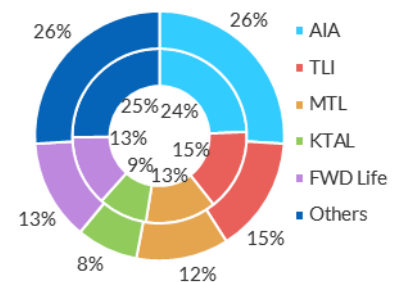
Top-five life insurers  
Inner ring: 2020  
Outer ring: 2021



Note: AIA: AIA (Thailand) Co.,Ltd.; MTL: Muang Thai Life Assurance PLC.; TLI: Thai Life Insurance PLC.; KTAL: Krungthai AXA Life Insurance PLC.; FWD Life: FWD Life Insurance PLC.  
Source: Fitch Ratings, Thai Life Assurance Association

### Total Premium Market Share

Top-five life insurers  
Inner ring: 2020  
Outer ring: 2021

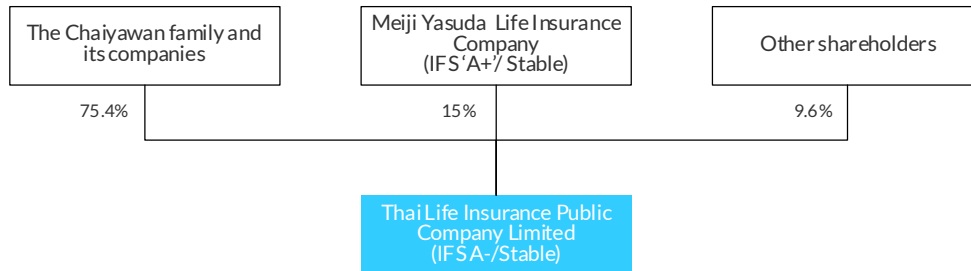


Source: Fitch Ratings, Thai Life Assurance Association

## Ownership

Fitch believes TLI's ownership does not affect the insurer's financial strength. TLI is privately held by the Chaiyawan family and related companies. Meiji Yasuda Life became TLI's strategic partner in 2013 and has continued to support the company's technical expertise and business operations. Chaiyawan family members serve as senior directors and executives on the company's board along with a representative from Meiji Yasuda Life.

### Structure Diagram



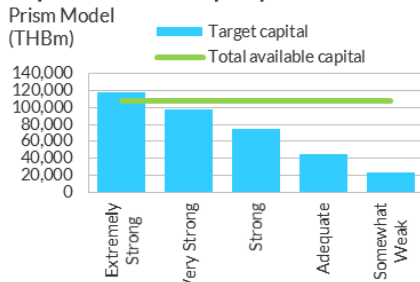
Source: Fitch Ratings

## Capitalisation and Leverage

### Strong Capitalisation

TLI's capitalisation has been consistently strong, reflected in its RBC adequacy ratio of 343% at end-3Q21, well above the 120% regulatory minimum and in line with that of other large life insurer peers in the country. Fitch's Prism Model score of 'Very Strong', based on TLI's financials at end-2021, is supported by the insurer's healthy core operations, although under pressure from the higher proportion of risky assets in the investment portfolio. Nevertheless, the score is well above that of 'A' rated insurers, according to Fitch's guideline.

### Capitalisation Adequacy



Source: Fitch Ratings

### Financial Highlights

	2021	2020
Prism Score	Very Strong	Extremely Strong
Prism Total AC (THBm)	107,736	100,208
Prism AC/TC at Prism Score (%)	110	102
Prism AC/TC at Higher Prism Score (%)	92	n.a.

AC – Available Capital, TC – Target capital  
Source: Fitch Ratings, TLI

### Financial Highlights

	2021	2020
Operating leverage (x)	5	5
Asset leverage (x)	5	5
Regulatory RBC (%)	343 <sup>a</sup>	395
Total financing commitment ratio (x)	-	-

<sup>a</sup> As of September 2021  
Source: Fitch Ratings, Fitch Solutions, TLI

### Fitch Expectations

- TLI's non-risk-based capitalisation to be stable and its RBC ratio maintained at well above the regulatory requirement.

## Debt Service Capabilities and Financial Flexibility

### Strong Financial Flexibility

TLI has been operating with no debt in its balance sheet due to its robust business. Fitch expects no significant change in its financial flexibility over the medium term, and if additional debt is needed to support its working capital, the company should have adequate funding access through the capital market and financial institutions.

### Fitch Expectations

- TLI's operation to be supported by internal cash flows.

### Financial Highlights

	2021	2020
Fixed-charge coverage ratio (x)	n.a.	n.a.

Source: Fitch Ratings, Fitch Solutions, TLI

## Financial Performance and Earnings

### Robust Earnings Profile

TLI's three-year (2019-2021) average premium growth of 1.7% was better than the industry average of -0.7%, despite the lockdown during the pandemic. This was driven by TLI's main savings-type insurance product distributed through its robust tied-agency force. Its bancassurance remains strong with multiple partnerships with commercial banks. TLI continued to promote investment-linked and participating products in 2021 as well as expand its health-related policies to cover all segments, with significant growth in new business.

TLI's three-year (2019-2021) average ROE of 10.3% and pretax return on assets of 1.8% are above Fitch's expectation for an 'A' rated company. Its profitability is supported by sound and stable margins from investment-linked products and riders. Its pricing policy, with clear monitoring and reporting guidelines, also ensures products on the shelf are generating positive spreads, including bundling products to achieve higher margins. TLI also continues to optimise its operations, including cost-saving measures since 2020 to cut operating expense and increase profitability.

### Fitch Expectations

- Earnings growth to moderate due to the challenging operating environment, but its earnings profile should remain sound.

## Investment and Asset Risk

### Moderate Risky Asset Profile

TLI's risky-asset ratio was 212% at end-2021, a slight increase from previous years when it was typically below 200%. TLI added stocks and corporate bonds to seek higher returns to counter the pressure from the low-yielding environment. Nevertheless, Fitch believes TLI's strategy remains prudent with reasonable investment guidelines to control investment activity and balance risks and returns.

TLI's credit risk is manageable, as most of its bonds are rated investment grade on international or national scales. About half of the company's fixed-income securities are from the government and state-owned enterprises (SOE) to match its long-term insurance liabilities. The sovereign investment-to-capital ratio at end-2021 was 287%.

The foreign-exchange risk tied to the company's bond investments is fully hedged to meet regulations and that of its offshore equity portfolio is closely monitored and hedged at a high ratio, according to the insurer's policy.

### Fitch Expectations

- Continued prudent investment strategy to balance risks and rewards.

## Asset Liability and Liquidity Management

### Narrow Duration Gap

TLI's asset and liability management has been improving over the past few years, as its duration mismatch has narrowed from around five years in 2016 to around 1.5 years since 2019. We expect the duration gap to remain narrow with the investment in medium- and long-term government bonds and the introduction of new business with term-life products. We think the improvement will support TLI's credit profile relative to its local insurance peers.

Fitch believes TLI will have sufficient liquid assets to meet its unexpected claim outflows and insurance obligations. The liquid-asset ratio of around 100% is much higher than the guideline of 53%-67% for 'A' rated insurers, according to Fitch's criteria.

### Fitch Expectations

- Stable asset and liability management profile with sound liquidity position.

### Financial Highlights

(%)	2021	2020
Return on equity	10	10
Return on assets (pretax)	2	2
Change in gross premiums	-1	-1
Investment yield	3	3

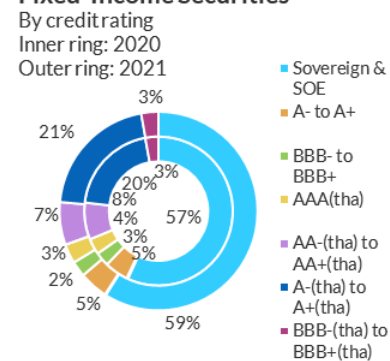
Source: Fitch Ratings, Fitch Solutions, TLI

### Financial Highlights

	2021	2020
Total investment assets (THBbn)	519	481
Cash and cash equivalents/ total invested assets (%)	1	2
Fixed-income securities/ total invested assets (%)	79	79
Stocks/total invested assets (%)	14	11
Risky assets ratio (%)	212	188

Source: Fitch Ratings, Fitch Solutions, TLI

### Fixed-Income Securities



Source: Fitch Ratings, TLI

### Financial Highlights

(THBm)	2021	2020
Liquid-asset ratio (%)	101	101
Duration gap (years)	2	2
Cash and equivalents to policyholder liabilities (%)	2	3

Source: Fitch Ratings, Fitch Solutions, TLI

## Appendix A: Other Ratings Considerations

Below is a summary of additional ratings considerations that are part of Fitch’s ratings criteria.

### Group IFS Rating Approach

Not applicable.

### Notching

For notching purposes, the regulatory environment of Thailand is assessed by Fitch as being ‘Effective’, and classified as following a ring-fencing approach.

### Notching Summary

---

#### IFS Ratings

A baseline recovery assumption of ‘Good’ applies to the IFS rating, and standard notching was used from the IFS “anchor” rating to the implied operating company IDR.

---

#### Operating company debt

Not applicable.

---

#### Holding company IDR

Not applicable.

---

#### Holding company debt

Not applicable.

---

#### Hybrids

Not applicable.

IFS – Insurer Financial Strength. IDR – Issuer Default Rating  
Source: Fitch Ratings

---

### Short-Term Ratings

Not applicable.

### Hybrid – Equity/Debt Treatment

None.

### Transfer and Convertibility Risk (Country Ceiling)

None.

### Criteria Variations

None

## Appendix B: Environmental, Social and Governance Considerations

### Credit-Relevant ESG Derivation

Credit-Relevant ESG Derivation			Overall ESG Scale	
Thai Life Insurance Public Company Limited has 6 ESG potential rating drivers				
<ul style="list-style-type: none"> <li>Thai Life Insurance Public Company Limited has exposure to compliance risk, treating customers fairly, pricing transparency, privacy/data security, legal/regulatory fines, exposure to own cyber risk but this has very low impact on the rating.</li> <li>Thai Life Insurance Public Company Limited has exposure to social responsibility and its effect on brand strength, increased vulnerability due to credit concentrations but this has very low impact on the rating.</li> <li>Governance is minimally relevant to the rating and is not currently a driver.</li> </ul>	key driver	0	issues	5
	driver	0	issues	4
	potential driver	6	issues	3
	not a rating driver	2	issues	2
		6	issues	1

### Environmental (E)

General Issues	E Score	Sector-Specific Issues	Reference	E Scale
GHG Emissions & Air Quality	1	n.a.	n.a.	5
Energy Management	1	n.a.	n.a.	4
Water & Wastewater Management	1	n.a.	n.a.	3
Waste & Hazardous Materials Management, Ecological Impacts	1	n.a.	n.a.	2
Exposure to Environmental Impacts	2	Impact of extreme weather events/natural catastrophes on operations or asset quality, credit concentrations	Financial Performance & Earnings, Investment & Asset Risk	1

### Social (S)

General Issues	S Score	Sector-Specific Issues	Reference	S Scale
Human Rights, Community Relations, Access & Affordability	1	n.a.	n.a.	5
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Compliance risk; treating customers fairly; pricing transparency, privacy/data security, legal/regulatory fines, exposure to own cyber risk	Industry Profile & Operating Environment, Business Profile	4
Labor Relations & Practices	2	Impact of labor negotiations, including board/employee compensation and composition	Corporate Governance & Management	3
Employee Wellbeing	1	n.a.	n.a.	2
Exposure to Social Impacts	3	Social responsibility and its effect on brand strength; increased vulnerability due to credit concentrations	Business Profile, Investment & Asset Risk, Financial Performance & Earnings, Reinsurance, Risk Mitigation & Catastrophe Risk	1

### Governance (G)

General Issues	G Score	Sector-Specific Issues	Reference	G Scale
Management Strategy	3	Operational implementation of strategy	Corporate Governance & Management, Business Profile	5
Governance Structure	3	Board independence and effectiveness, ownership concentration, protection of creditor/stakeholder rights, legal/compliance risks, business continuity, key person risk, related party transactions	Corporate Governance & Management	4
Group Structure	3	Organizational structure, appropriateness relative to business model, opacity, intra-group dynamics, ownership	Corporate Governance & Management, Ownership	3
Financial Transparency	3	Quality and timing of financial reporting and auditing processes	Corporate Governance & Management	2
				1

### How to Read This Page

ESG scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant and green (1) is least relevant.

The Environmental (E), Social (S) and Governance (G) tables break out the individual components of the scale. The right-hand box shows the aggregate E, S, or G score. General issues are relevant across all markets with Sector-Specific issues unique to a particular industry group. Scores are assigned to each sector-specific issue. These scores signify the credit-relevance of the sector-specific issues to the issuing entity's overall credit rating. The Reference box highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis.

The Credit-Relevant ESG Derivation table shows the overall ESG score. This score signifies the credit relevance of combined E, S and G issues to the entity's credit rating. The three columns to the left of the overall ESG score summarize the issuing entity's sub-component ESG scores. The box on the far left identifies some of the main ESG issues that are drivers or potential drivers of the issuing entity's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the score.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI) and the Sustainability Accounting Standards Board (SASB).

Sector references in the scale definitions below refer to Sector as displayed in the Sector Details box on page 1 of the navigator.

CREDIT-RELEVANT ESG SCALE	
How relevant are E, S and G issues to the overall credit rating?	
5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Irrelevant to the entity rating but relevant to the sector.
1	Irrelevant to the entity rating and irrelevant to the sector.

## ESG Considerations

Unless otherwise disclosed in this section, the highest level of ESG credit relevant is a score of 3 – ESG issues are credit neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity.

For more information on our ESG Relevance Score, visit [www.fitchratings.com/esg](http://www.fitchratings.com/esg).

The ratings above were solicited and assigned or maintained at the request of the rated entity/issuer or a related third party. Any exceptions follow below.

#### DISCLAIMER & DISCLOSURES

All Fitch Ratings (Fitch) credit ratings are subject to certain limitations and disclaimers. Please read these limitations and disclaimers by following this link: <https://www.fitchratings.com/understandingcreditratings>. In addition, the following <https://www.fitchratings.com/rating-definitions-document> details Fitch's rating definitions for each rating scale and rating categories, including definitions relating to default. Published ratings, criteria, and methodologies are available from this site at all times. Fitch's code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures are also available from the Code of Conduct section of this site. Directors and shareholders' relevant interests are available at <https://www.fitchratings.com/site/regulatory>. Fitch may have provided another permissible or ancillary service to the rated entity or its related third parties. Details of permissible or ancillary service(s) for which the lead analyst is based in an ESMA- or FCA-registered Fitch Ratings company (or branch of such a company) can be found on the entity summary page for this issuer on the Fitch Ratings website.

In issuing and maintaining its ratings and in making other reports (including forecast information), Fitch relies on factual information it receives from issuers and underwriters and from other sources Fitch believes to be credible. Fitch conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security or in a given jurisdiction. The manner of Fitch's factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in the jurisdiction in which the rated security is offered and sold and/or the issuer is located, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports, legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors. Users of Fitch's ratings and reports should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information Fitch relies on in connection with a rating or a report will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to Fitch and to the market in offering documents and other reports. In issuing its ratings and its reports, Fitch must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings and forecasts of financial and other information are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings and forecasts can be affected by future events or conditions that were not anticipated at the time a rating or forecast was issued or affirmed.

The information in this report is provided "as is" without any representation or warranty of any kind, and Fitch does not represent or warrant that the report or any of its contents will meet any of the requirements of a recipient of the report. A Fitch rating is an opinion as to the creditworthiness of a security. This opinion and reports made by Fitch are based on established criteria and methodologies that Fitch is continuously evaluating and updating. Therefore, ratings and reports are the collective work product of Fitch and no individual, or group of individuals, is solely responsible for a rating or a report. The rating does not address the risk of loss due to risks other than credit risk, unless such risk is specifically mentioned. Fitch is not engaged in the offer or sale of any security. All Fitch reports have shared authorship. Individuals identified in a Fitch report were involved in, but are not solely responsible for, the opinions stated therein. The individuals are named for contact purposes only. A report providing a Fitch rating is neither a prospectus nor a substitute for the information assembled, verified and presented to investors by the issuer and its agents in connection with the sale of the securities. Ratings may be changed or withdrawn at any time for any reason in the sole discretion of Fitch. Fitch does not provide investment advice of any sort. Ratings are not a recommendation to buy, sell, or hold any security. Ratings do not comment on the adequacy of market price, the suitability of any security for a particular investor, or the tax-exempt nature or taxability of payments made in respect to any security. Fitch receives fees from issuers, insurers, guarantors, other obligors, and underwriters for rating securities. Such fees generally vary from US\$1,000 to US\$750,000 (or the applicable currency equivalent) per issue. In certain cases, Fitch will rate all or a number of issues issued by a particular issuer, or insured or guaranteed by a particular insurer or guarantor, for a single annual fee. Such fees are expected to vary from US\$10,000 to US\$1,500,000 (or the applicable currency equivalent). The assignment, publication, or dissemination of a rating by Fitch shall not constitute a consent by Fitch to use its name as an expert in connection with any registration statement filed under the United States securities laws, the Financial Services and Markets Act of 2000 of the United Kingdom, or the securities laws of any particular jurisdiction. Due to the relative efficiency of electronic publishing and distribution, Fitch research may be available to electronic subscribers up to three days earlier than to print subscribers.

For Australia, New Zealand, Taiwan and South Korea only: Fitch Australia Pty Ltd holds an Australian financial services license (AFS license no. 337123) which authorizes it to provide credit ratings to wholesale clients only. Credit ratings information published by Fitch is not intended to be used by persons who are retail clients within the meaning of the Corporations Act 2001.

Fitch Ratings, Inc. is registered with the U.S. Securities and Exchange Commission as a Nationally Recognized Statistical Rating Organization (the "NRSRO"). While certain of the NRSRO's credit rating subsidiaries are listed on Item 3 of Form NRSRO and as such are authorized to issue credit ratings on behalf of the NRSRO (see <https://www.fitchratings.com/site/regulatory>), other credit rating subsidiaries are not listed on Form NRSRO (the "non-NRSROs") and therefore credit ratings issued by those subsidiaries are not issued on behalf of the NRSRO. However, non-NRSRO personnel may participate in determining credit ratings issued by or on behalf of the NRSRO.

Copyright © 2022 by Fitch Ratings, Inc., Fitch Ratings Ltd. and its subsidiaries. 33 Whitehall Street, NY, NY 10004. Telephone: 1-800-753-4824, (212) 908-0500. Fax: (212) 480-4435. Reproduction or retransmission in whole or in part is prohibited except by permission. All rights reserved.