

# European Bank for Reconstruction and Development



## Credit strengths

- Very strong mandate; ESG pioneer
- Excellent capitalisation
- Excellent access to capital markets
- Very high liquidity buffers
- Highly rated shareholders

## Credit challenges

- Weaker asset quality and higher NPLs compared to peers

## Ratings and Outlook

### Foreign currency

Long-term issuer rating	AAA/Stable
Senior unsecured debt	AAA/Stable
Short-term issuer rating	S-1+/Stable

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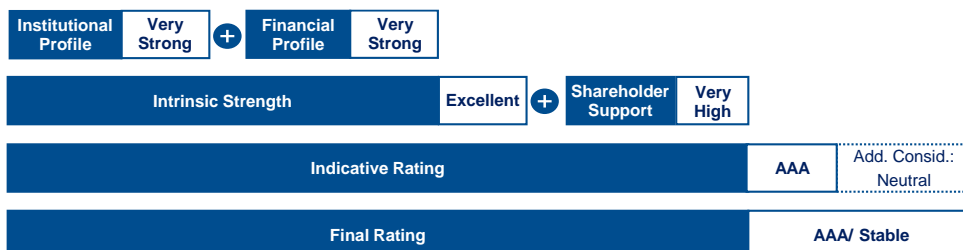
**Rating rationale and Outlook:** The EBRD's AAA rating reflects its 'excellent' intrinsic strength and 'very high' shareholder support. In detail:

- **Institutional profile:** The EBRD has a proven track record of excellent governance and a very strong mandate for its shareholders, being at the forefront of facilitating the transition to market and greener economies in its countries of operation.
- **Financial profile:** The EBRD is highly capitalised and benefits from strong liquidity policies and conservative risk management practices. The bank's paid-in capital ratio of 21% is one of the highest among peers, while sustained profits in its core business continue to build its reserves. Prudent capital and liquidity management, along with excellent market access, are important mitigating factors for the EBRD's comparatively risky business profile.

Its mandate to focus its operations on the private sector in transition and emerging market economies, mostly via loans and equity investments, results in higher NPLs and more volatile returns compared to peers. Still, NPLs do not show a systematic trend, have stabilised since H1 2021 and are well provisioned for at around 50%. Finally, the bank's diversified portfolio across geographies, sectors and counterparties further mitigates asset quality risks.

- **Shareholder support:** The EBRD benefits from a globally diversified, growing, highly rated shareholder base. The G7 holds more than 50% of its capital.
- **Outlook and triggers:** The Stable Outlook reflects Scope's view that risks are balanced over the next 12 to 18 months. The ratings/Outlooks could be downgraded if, individually or collectively: i) the EBRD's asset quality deteriorated materially, resulting in sustained losses; and/or ii) liquidity buffers were significantly reduced.

**Figure 1: Our assessment of the EBRD's rating drivers**



### Positive rating-change drivers

- Not applicable

### Negative rating-change drivers

- Losses that reduce capital base
- Reduced liquidity buffers

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Bloomberg: SCOP

## Credit profile

We determine a capitalised supranational's rating by assessing its intrinsic strength based on its institutional and financial profiles and its shareholder support. We map these two assessments to determine an indicative rating range that can be adjusted by up to one notch to determine the final rating. For details, please see our methodology.

## Intrinsic strength – Institutional profile: Very Strong

Scale	<b>Very Strong</b>	Strong	Moderate	Weak	Very Weak
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When assessing the credit risk of supranationals, we place significant emphasis on the importance of their mandate for their shareholders and associated environmental, social and governance (ESG) considerations.

The EBRD's institutional profile is assessed as 'Very Strong'. This reflects its excellent governance and strong mandate for its shareholders, being at the forefront of facilitating the transition to market and greener economies in its countries of operation.

## Mandated activities

Established in 1991 and owned by 73 shareholders, the EBRD seeks to promote the transition to a sustainable market economy and the emergence of a strong private sector through investments, policy reform and advisory projects in the nearly 40 countries it operates in across Europe, Asia and Africa. The bank's total assets amount to around EUR 75.1bn as of Q3 2021. It works mainly with private clients but also finances public entities that deliver essential infrastructure and services.

## Social factors

The EBRD's activities seek to make economies more competitive, well-governed, green, inclusive, resilient and integrated, contributing directly to 14 of the 17 UN Sustainable Development Goals. In addition, in response to the Covid-19 shock, the EBRD agreed to a 'Solidarity Package' centred around the Resilience Framework. Totalling EUR 4bn (up from the original EUR 1bn), the package provides clients with short-term liquidity, working capital and trade finance.

The EBRD also provided support to clients via principal payment deferrals, with 97 operations actively benefitting from a deferral with operating assets of EUR 0.7bn as of Q3 2021. Finally, we note positively that the bank administers a number of funds on behalf of donors (with annual inflows of around EUR 600m) to provide technical assistance and grants to beneficiaries. These actions underscore the EBRD's ability to achieve socially desirable outcomes as defined by its shareholders.

## Environmental factors

The EBRD has committed to a strategy to align all its processes and activities with the Paris Agreement by 2023. This entails demonstrating that each project meets the bank's conditions for climate change mitigation and adaptation<sup>1</sup>. Achieving this strategy will thus reduce the risk of stranded assets and the reputational risk of pursuing activities, either directly or through counterparties, that are contradictory to its mandate and environmental objectives. In this context, the starting point of our analysis is a high-level assessment of the EBRD's potential environmental risk exposure versus that of its peers.

Mandate is to support transition to market economy, focus on private sector

Activities contribute to 14 of 17 SDGs

Covid-19 liquidity support to clients

Alignment with Paris Agreement to facilitate transition to carbon-neutral economy

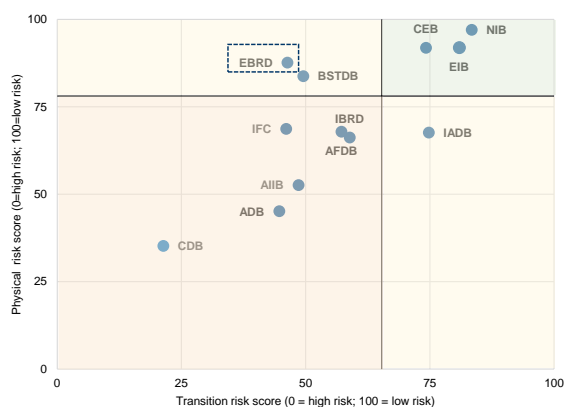
<sup>1</sup> Consistency with long-term low-carbon development; low likelihood of carbon lock-in; physical climate risks are identified and addressed; client activities do not undermine climate resilience within the project's operational context.

## Higher transition risks than peers at country level

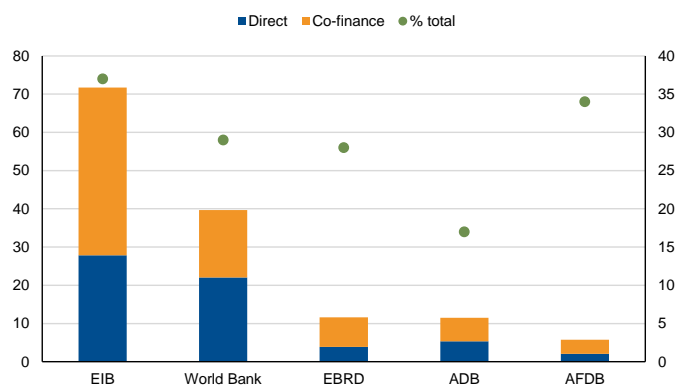
Our assessment looks at the bank's top 10 countries of operation and uses our transition and physical risk scores at the country level to compare the potential risks across MDBs. We note that the EBRD's transition risks are meaningfully higher relative to its peers, while its physical risks are broadly in line with other highly rated supranationals.

In a second step, we assess mitigating factors, including risk management policies. In our view, the relatively high transition risks are adequately and comprehensively addressed by the bank's granular and evolving risk assessments of its exposures as well as by the effective measures already taken and underway regarding its project and counterparty selection.

**Figure 2: Physical and transition risk scores**  
0 = high risk, 100 = low risk



**Figure 3: Climate finance lending**  
USD bn; % of total operations (RHS)



NB. Transition risks measured via CO<sub>2</sub>/GDP and physical risks via World Risk Institute – both at country level. Variables transformed using min-max approach ranging from 0 to 100. Portfolio weighted by top 10 country exposures. Midpoint reflects median scores of sample of 16 supranationals.

Source: MDB Climate Finance 2020, Scope Ratings

## Pioneering measures to integrate climate risk in its risk management and governance

Specifically, the EBRD is advancing quickly and comprehensively to integrate climate risk into its risk management and governance frameworks, in line with recommendations from the Task Force on Climate-related Financial Disclosures (TCFD). In June 2021, the EBRD introduced systematic physical and transition risk screening for all new direct finance projects. Projects are also assessed for their alignment with the Paris Agreement and whether they contribute substantially to climate mitigation, adaptation and environmental goals. Going forward, the bank will expand its climate assessment methodologies to include financial institutions, sovereigns, equity and treasury exposures. It is also advancing its climate stress-testing capacities using the Network for Greening the Financial System (NGFS)'s climate scenarios. The bank aims to fully integrate its climate risk assessments in its portfolio monitoring over the coming years.

## Climate risks assessed by time horizon, sector and geography

The EBRD uses three factors to assesses its climate-related credit risks: i) time horizon; ii) industry sector; and iii) geography. While 37% of the EBRD's portfolio is considered long-term<sup>2</sup>, which could increase the bank's exposure to climate risk, 56% of these exposures are sovereign deals. Moreover, 50% of medium-term exposures are to projects with less than a five-year tenor remaining.

At a portfolio level, the EBRD's key climate-related target is the share of its projects classified as contributing to the Green Economy Transition (GET) initiative. The target was set at 32% of annual investment in 2016, increasing in a linear manner to reach 40% by 2020. The Bank's GET share reached a record level of 46% in 2019 but dipped to

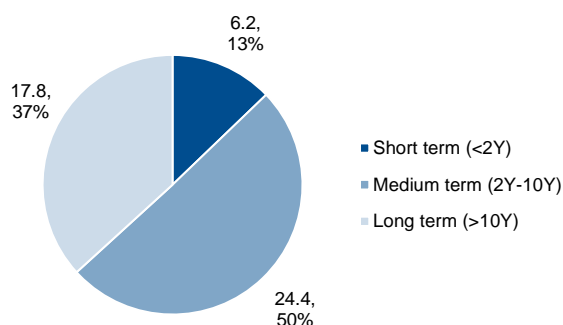
<sup>2</sup> The bank considers short-term investments to be less than 2 years (including trade-finance lending to financial institutions), medium-term investments to be between 2 and 10 years (including equity investments), and long-term investments to be 10 years or longer.

29% in 2020 due to the Covid-19 pandemic and the need to provide short-term liquidity to clients during this time. The bank's target for 2025 is at least 50%.

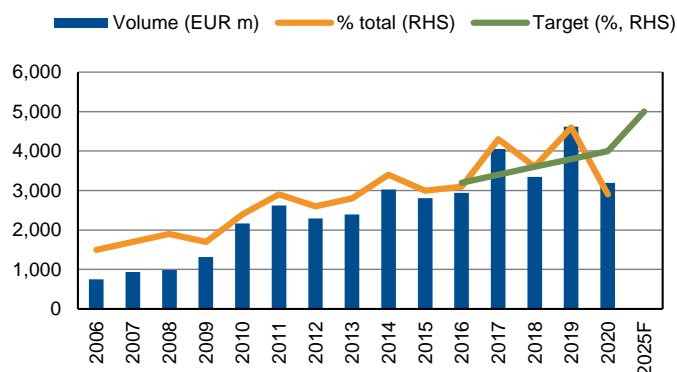
## Shadow carbon price is part of project assessment

In line with this ambitious objective, the EBRD began performing economic assessments in January 2019 on projects with high GHG emissions or large increases in carbon emissions using shadow carbon pricing. This is important because carbon prices are limited or non-existent in many economies in which the EBRD invests. Shadow carbon prices range from USD 40-80 per tonne of CO<sub>2</sub>e in 2020 and are set to increase to USD 50-100 per tonne of CO<sub>2</sub>e by 2030.

**Figure 4: EBRD's portfolio by maturity**  
EUR bn, % of total



**Figure 5: Green lending**  
EUR m (LHS); % of total operations (RHS)



Source: EBRD, Scope Ratings

The EBRD also examines its portfolio exposure for climate risk via a high-level sectoral heatmap. It indicates that about 20% (40%) of its exposures are in sectors assessed as having 'high' or 'very high' transition (physical) risks<sup>3</sup>. At a more granular level, the EBRD identifies 114 clients as having high transition risks, totalling EUR 3.4bn of exposures, or 7% of portfolio assets, down from 17% in 2010 (if the bank had applied its current risk assessment criteria back then). Of these, only about EUR 1.2bn are classified as long-term or equity investments. The remaining EUR 2.2bn will amortise within the next two to 10 years, significantly reducing the bank's transition risks.

## Direct financing of fossil fuels phased out by 2025

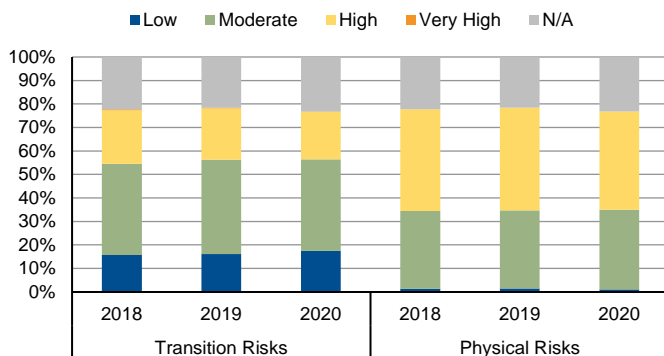
To reduce its transition risks, the bank revised its energy sector strategy in 2021 to further limit its involvement with fossil fuels. Specifically, the bank now abstains from financing coal mining, coal-fired electricity generation, upstream oil exploration and upstream oil development projects. Notably, the EBRD's coal-related exposure comprises EUR 1.1bn and 26 different clients as of December 2020. Some 85% of this exposure is indirect, meaning the bank supports clients that may have coal activities in their transition from coal to cleaner energy sources, including energy-efficiency improvements, renewables and CO<sub>2</sub> reduction. This exposure is mostly concentrated in Kazakhstan, Bulgaria, Serbia and Greece (totalling EUR 797m). These indirect exposures will mature by 2030, whereas the bank's EUR 92m of direct exposure to coal will mature by 2025.

## Physical risk assessment of bank's portfolio indicates risks in Turkey

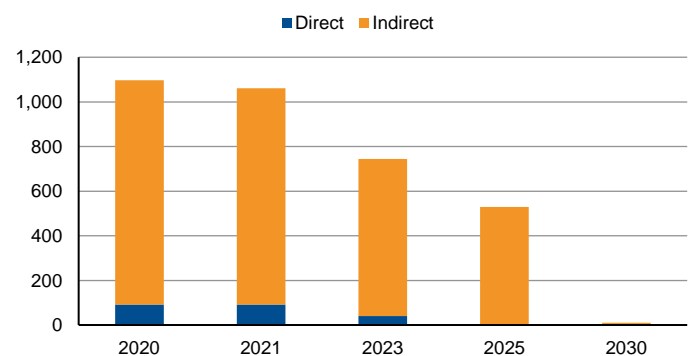
The EBRD also assessed 20% of its portfolio for physical risks on a counterparty level in 2020. Of the 200 clients in that portion of its portfolio, it identified 23 that may be highly exposed to physical risks. Many of these are in Turkey or Southern Europe. However, these investments may already have climate mitigation or adaptation measures in place, reducing the exposures' physical risks.

<sup>3</sup> This excludes exposures to the financial sector, which are not yet assessed.

**Figure 6: EBRD’s transition and physical risks**  
% of total portfolio, classified via sectors



**Figure 7: EBRD’s declining coal exposure**  
EUR m



Source: EBRD, Scope Ratings

**Climate risk assessments to be used for capital allocation going forward**

**Evolving climate risk governance**

**Globally diversified shareholder base**

**Excellent governance, with strong internal and external controls**

The EBRD plans to gradually incorporate various climate-related factors in its standard risk management metrics, specifically its probability of default and loss given default ratings and capital ratios.

Finally, the EBRD’s comprehensive climate risk framework also includes changes in governance. Specifically, the bank has established a dedicated climate risk team within the risk management department. The CRO has combined responsibility for the bank’s environment and sustainability and risk management departments. Their scope of responsibility includes climate risk assessments and verifying that projects and clients align with the Paris Agreement. Staff remuneration is also tied to the bank’s objective of ensuring that green finance accounts for at least 50% of its annual investment.

Overall, these pioneering measures – complementing the bank’s [environmental and social safeguards](#) and general [due diligence requirements](#) – significantly reduce the risk of financing projects with high transition and physical risks. In addition, they further support the EBRD’s role in mobilising private capital to achieve environmental goals in line with its mandate. Consequently, they underpin our positive assessments of the EBRD’s environmental factors and institutional profile.

### Governance

The EBRD is owned by 71 countries, the EU and the EIB. Voting rights correspond to each shareholder’s respective share of the EBRD’s subscribed capital (see [Annex I](#)). Compared to peers rated AAA, the bank benefits from a unique global distribution of shares, with G7 countries accounting for more than 50% of its share capital. The remainder is distributed evenly, resulting in low shareholder concentration overall with no single shareholder able to dominate strategic or operational activities.

Each shareholder has an individual representative on the EBRD’s board of governors, which has full authority over the bank and its strategic direction. The board of directors, comprising 23 directors representing one or more members and chaired by the bank’s president, approves the bank’s high-level policies, its country, sectoral and thematic strategies, and project operations. Most decisions require a two-thirds quorum of the total voting power of members and a simple majority (policy strategies require a two-thirds majority). The board of directors is assisted by an audit committee (responsible for financial statements, disclosures, internal controls, governance and ethics), a budget and administrative affairs committee and a financial and operations policies committee. The annual accounts are reviewed by the bank’s external auditor, and the bank’s activities are verified to conform with best banking practices.

## Intrinsic strength – Financial profile: Very Strong

We assess a capitalised institution’s financial profile along three rating factors: i) capitalisation; ii) asset quality; and iii) liquidity and funding.

Scale	Excellent		Very Strong		Strong		Adequate		Moderate		Weak		Very Weak	
	+	-	+	-	+	-	+	-	+	-	+	-	+	-

The EBRD’s financial profile is assessed as ‘Very Strong’. This reflects its: i) ‘excellent’ capitalisation and ability to generate and retain capital; ii) ‘adequate’ portfolio quality with relatively high NPLs and material equity exposure compared to peers; and iii) its ‘excellent’ liquidity coverage and funding profile.

## Capitalisation

Scale	+6	+5	+4	+3	+2	+1	0	-1	-2	-3

*Our analysis focuses on the supranational’s capacity to absorb losses, taking into account the long-term and counter-cyclical nature of its operations and its ability to generate and retain capital.*

### Agreement limits leverage to 1:1 ratio to available capital

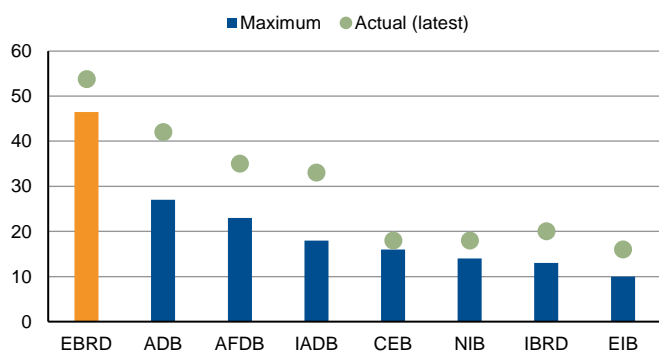
Our assessment reflects the EBRD’s conservative capital framework and its track record of generating and retaining capital. We use an implied leverage ratio as the cornerstone of our capitalisation assessment, which assumes that the EBRD operates at maximum leverage per Article 12 of its Establishing Agreement. This stipulates a 1:1 gearing ratio limiting the total amount of outstanding loans, share investments and guarantees to the total amount of the bank’s unimpaired subscribed capital, reserves and surpluses.

### Very strong capitalisation

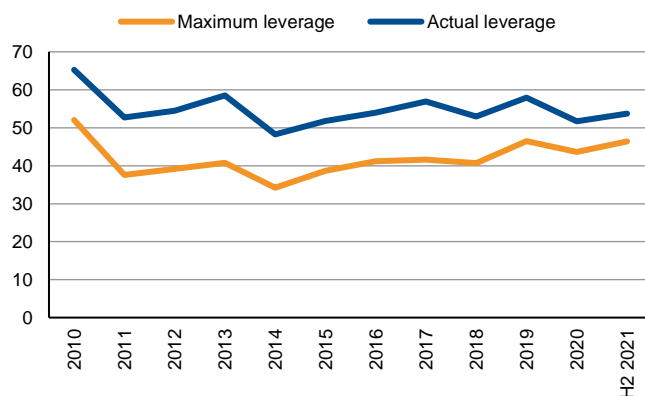
For the numerator of this ratio, we include paid-in capital (EUR 6.2bn) and accumulated reserves and retained earnings (EUR 13.2bn) at H1 2021. Together, these resources amount to EUR 19.4bn. For the denominator, we use the bank’s total capitalisation, which amounted to EUR 41.8bn at H1 2021, up from EUR 41.2bn in 2019.

The resulting capitalisation ratio of about 47% is one of the highest among supranationals and drives our positive assessment. We also note that the EBRD operates at an even higher actual capitalisation level of around 55%, based on total disbursed loans of about EUR 28.6bn (excluding provisions), guarantees (EUR 1.3bn) and share investments (EUR 6bn) as of H1 2021.

**Figure 8: Capitalisation vs peers**  
%, latest figure



**Figure 9: Capitalisation over time**  
%

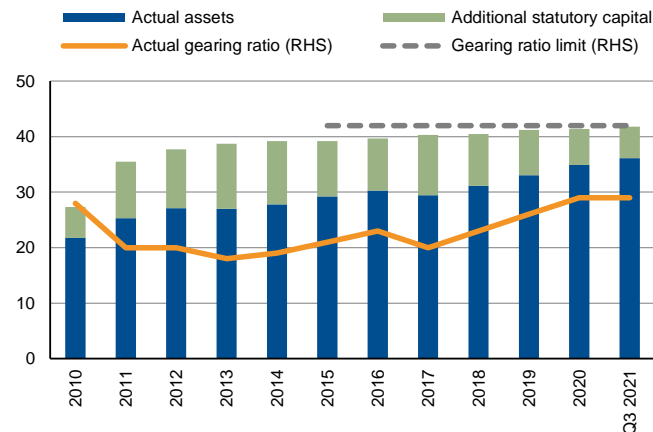


Source: EBRD, Scope Ratings.

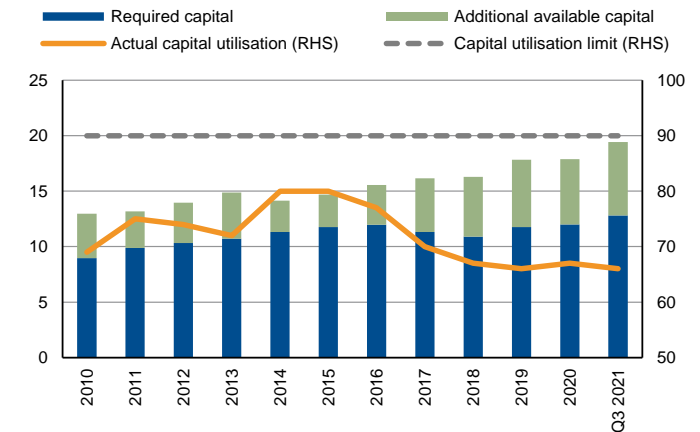
## Capitalisation in line with self-imposed targets and policies

We note that the bank's self-reported gearing ratio based on disbursed assets stood at 79% as of Q3 2021. This is up from 71% in 2015 but still well below its policy threshold of 92%. Similarly, the bank's self-reported risk-based capital requirement ratio stood at 66%, down from 80% in 2015 and thus well below its policy threshold of 90%. We expect the bank to continue to adhere to its targets and policies, which will be reviewed next in 2025.

**Figure 10: Capitalisation vs self-imposed limits**  
EUR bn; %



**Figure 11: Risk-based capital utilisation**  
EUR bn; %



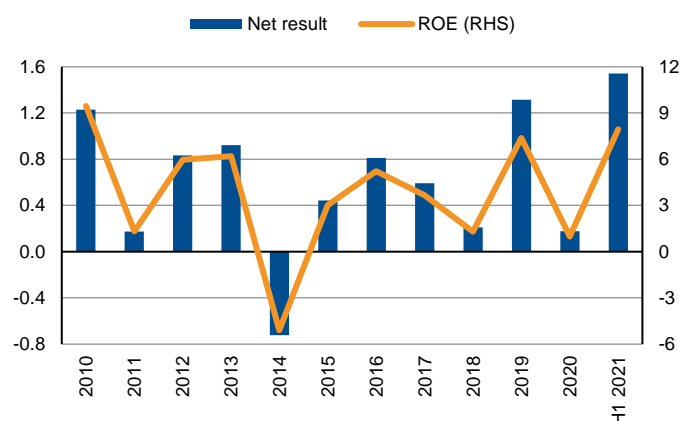
Source: EBRD, Scope Ratings.

## Sustained underlying profits but volatile earnings due to equity valuations

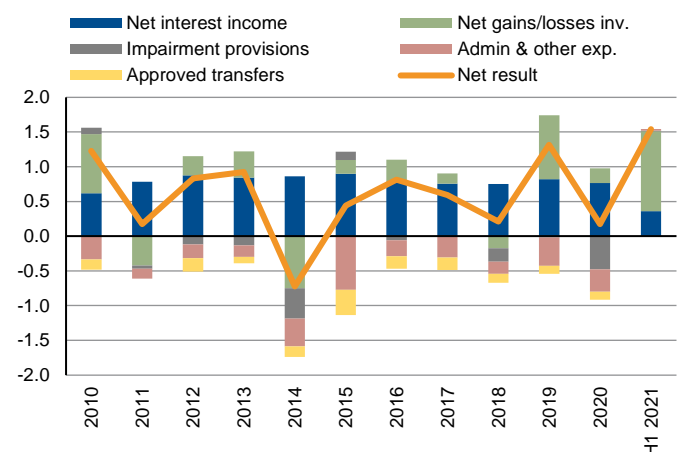
In addition, we note positively the EBRD's ability to generate and retain profits, which further supports our overall capitalisation assessment. Specifically, the EBRD has been profitable every year since 2010 (except 2014), including last year. The bank recorded a net profit of EUR 0.3bn in 2020 (down from EUR 1.4bn in 2019) despite extremely challenging economic and financial conditions affecting all regions in which it operates. The deterioration of the risk environment led to a EUR 0.5bn provisioning charge on the bank's loan investments, mostly driven by higher NPLs in 2020. As of Q2 2021, net income had increased to EUR 1.5bn, driven by valuation changes and net interest.

Finally, we note that the EBRD's returns are volatile, primarily driven by mark-to-market valuation changes in its equity portfolio. Still, it has demonstrated a continued ability to record strong and stable underlying profits over the past decade, supporting our positive assessment. In addition, realised equity gains in the past 10 years amount to EUR 1.9bn.

**Figure 12: EBRD's return on equity**  
%



**Figure 13: EBRD's retained net result**  
EUR bn



Source: EBRD, Scope Ratings

## Asset quality

<b>Scale</b>	+5	+4	+3	+2	+1	0	-1	-2	-3
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Our analysis is structured around a forward-looking qualitative assessment of the supranational's portfolio quality, including an evaluation of possible credit enhancements, and a quantitative assessment of the portfolio's past asset performance.

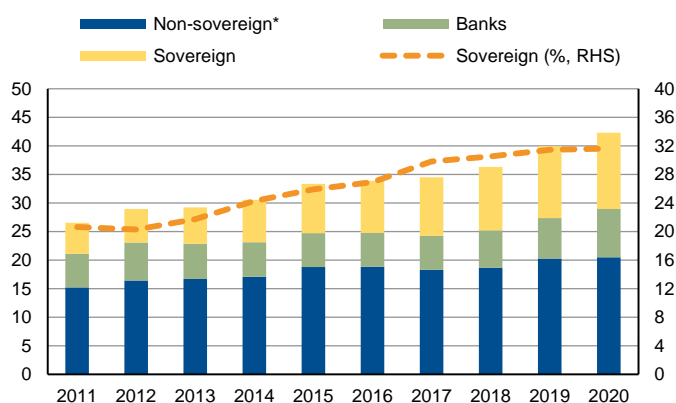
**Weaker asset quality reflects challenging operating environment and mostly private sector exposures**

The EBRD's 'adequate' asset quality reflects its relatively risky business profile, driven by its focus on private sector lending and equity investments in transition economies that are usually rated non-investment grade. The bank's NPL ratio and equity exposure are thus higher than most peers. We positively account for its widely diversified portfolio across geographies, sectors and counterparties.

## Portfolio quality

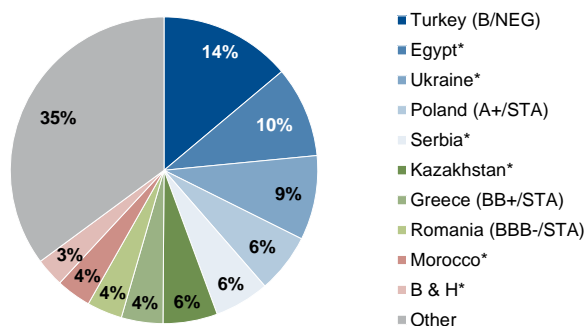
As of end-2020, the bank's total signed loan portfolio and guarantees increased to about EUR 42.3bn from EUR 39.9bn in 2019, markedly above the EUR 25bn seen in 2010. Of this, about 32% relates to sovereigns directly (up from 20% in 2011), about 20% relates to banks and 48% to corporates. In terms of geographical exposure, we note that the EBRD's top 10 country exposures constitute around 65% of its total loans, with Turkey (B/Negative), Egypt and Ukraine comprising about one third of total exposures since 2017. The exposure to Russia has dramatically declined to less than 1% of total exposures as of end-2020, down from about 23% in 2010. Based on our sovereign ratings and internal credit estimates, the weighted average rating of these sovereign exposures is assessed as 'bb'.

**Figure 14: EBRD's portfolio by type**  
EUR bn, %



\*Excluding banks and sovereign exposures

**Figure 15: EBRD's portfolio by geographic exposure**  
EUR bn



\*Assessed based on internal estimate.

Source: EBRD, Scope Ratings. Figures may not add up due to rounding.

We estimate the average borrower quality of the overall portfolio at around 'b', which corresponds to a 'weak' assessment per our methodology. We use the average sovereign rating and credit estimates of the top 10 country exposures as our starting point. We then adjust the average borrower quality for the private sector exposures downwards by one category for banks and, conservatively, two categories for corporates.

**Figure 16: EBRD's estimated average borrower quality**

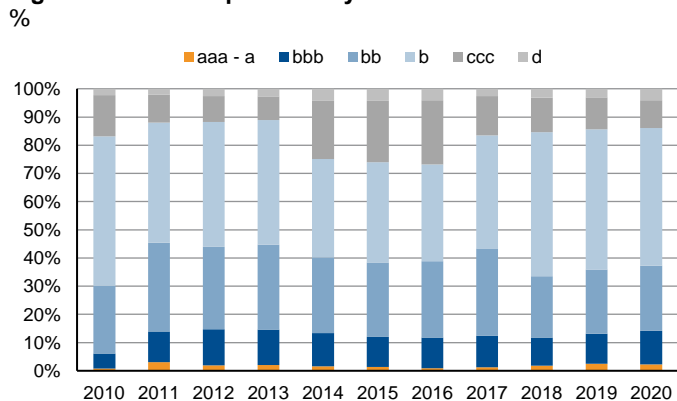
Portfolio	EUR bn	%	Est. avg. quality
Sovereigns	13.4	31.6	bb
Banks	8.4	19.9	b
Corporates	20.5	48.5	b/cc
<b>Overall estimated portfolio quality</b>	<b>42.3</b>	<b>100.0</b>	<b>b</b>

Source: EBRD, Scope Ratings. Estimated borrower qualities in lower case.

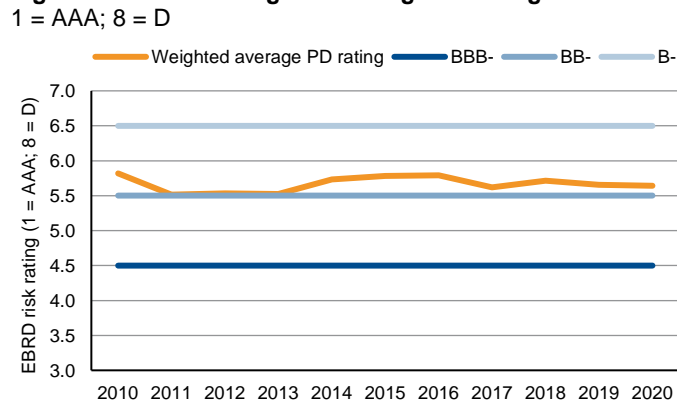


This conservative estimate is supported by the EBRD's internal grading system, according to which about 63% of its exposures are classified as 'weak' ('b') or worse and only about 14% are assessed as investment grade. The EBRD's weighted average probability of default rating has remained fairly constant, in the high 'b' category.

**Figure 17: EBRD's portfolio by credit risk**



**Figure 18: EBRD's weighted average PD rating**



Source: EBRD, Scope Ratings

### Portfolio quality – credit enhancements

We provide some uplift to our initial estimate given the EBRD's credit enhancements, which improve our final assessment of portfolio quality to 'adequate' from 'weak' (see [Annex III](#)). This balances the EBRD's preferred creditor status, protection of its private sector exposures and well-diversified portfolio across regions, sectors and individual counterparties with its relatively high equity exposure.

Specifically, for the EBRD's **sovereign and public sector exposures**, which comprise about 30% of the portfolio, we acknowledge the bank's track record of being exempt from debt restructuring. This was seen during the 1998 Russian crisis, the restructuring of Ukreximbank, and defaults by sovereign-guaranteed municipal borrowers in Tajikistan. We assess the EBRD's sovereign exposures as benefiting from preferred creditor status.

Moreover, the bank has security arrangements for about EUR 8.4bn (or 20%) of its loans. However, the fair value of this collateral is unknown and difficult to estimate as it closely correlates with the performance of underlying assets. Still, it may support the bank's negotiation leverage and thus help reduce overall credit risk. In addition, the EBRD also benefits from guarantees and risk-sharing facilities, providing credit enhancement of about EUR 101m (0.2% of exposures) at end-2020. Overall, we therefore estimate that about 20%-40% of the EBRD's portfolio is well protected.

### Equity exposure

The EBRD's equity investments of about EUR 6.0bn as of June 2021 – of which 30% are held via diversified equity funds and 70% are invested directly in listed (EUR 1.3bn) and unlisted (EUR 1.8bn) entities – are elevated compared to peers but have declined when compared to its increasing capital position. Still, given that these investments constitute around 30% of available capital, we have conservatively adjusted our final asset quality assessment.

### Portfolio diversification

The EBRD's portfolio is highly diversified given its mandate to lend mostly to the private sector across several sectors and jurisdictions. Its lending policies establish counterparty and sector limits to ensure sufficient diversification of the loan portfolio. As a result, the top 10 nominal exposures amount to 20% of the EBRD's portfolio.

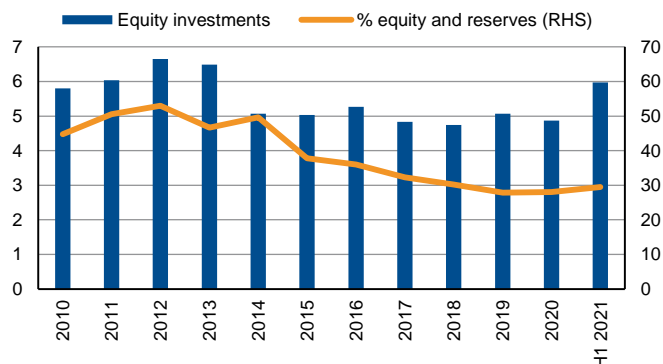
Consistent record of benefiting from preferred creditor status

20%-40% of portfolio assessed as well protected

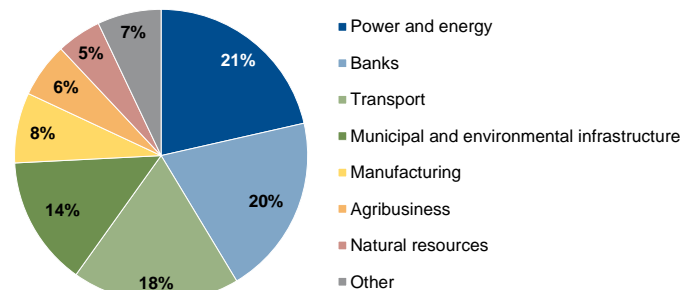
Elevated equity exposure in line with mandate

Highly diversified loan portfolio

**Figure 19: EBRD's equity exposure**  
EUR bn; % of equity and reserves



**Figure 20: EBRD's loan portfolio split by sector**  
% total, end-2020



Note: Incl. guarantees and undrawn commitments. Source: EBRD, Scope Ratings

### Asset performance

#### High non-performing loans...

NPLs – defined as amounts more than 90 days in arrears – totalled EUR 1.6bn as of Q3 2021, up from EUR 1.2bn at end-2019. This represents about 5.3% of the bank's portfolio, up from 4.2% in 2019, in line with its seven-year average of about 5.0% but higher than most of its peers.

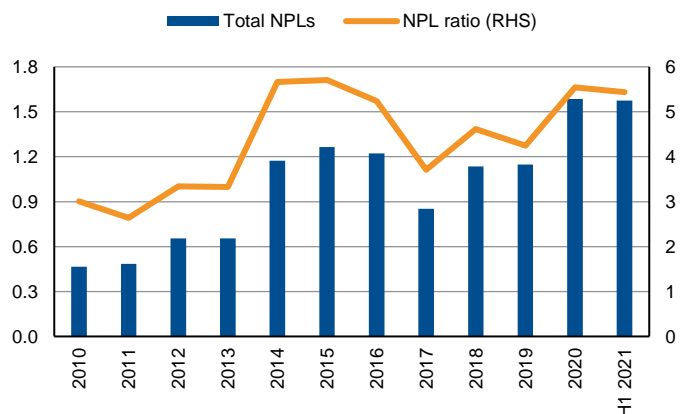
#### ...are well provisioned for; additional reserves further strengthen own resilience

Still, we note positively that the upward trend in NPLs is likely to have come to a halt with a slight decline during 2021, reflecting, among other factors, the robust economic recovery in the EBRD's countries of operation. In addition, while Stage 3 provision cover has fallen from above 70% in 2017, it remains high at about 50% (roughly EUR 762m) as of Q3 2021. Moreover, the EBRD's special and additional loan loss reserves total EUR 715m as of Q3 2021. Thus, while total coverage of NPLs via provisions and reserves has declined to around 100% from around 250% in 2017, it remains very high, supporting the EBRD's resilience.

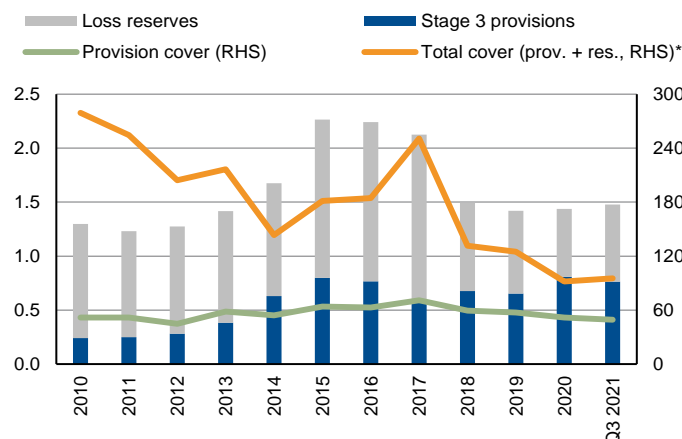
#### Turkey is the key challenge; little to no impact from pandemic

Turkey (B/Negative) remains the key challenge for the EBRD's credit quality, comprising around 41% of NPLs, followed by Ukraine (12%), Lebanon (9%) and Egypt (7%). About one third of the exposures in Turkey are related to the public sector. While we expect these to be paid, a potential sovereign crisis would adversely impact the bank. Pandemic-related NPLs remain very low, with only five operations worth a total of EUR 32m classified as such, out of the 97 (EUR 747m) benefiting from the bank's deferrals.

**Figure 21: Elevated NPL ratio...**  
EUR bn; % of total loans



**Figure 22: ...but well provisioned for**  
EUR bn; %



\* Provisions prior to 2018 relate to 'specific provisions for identified impairment'. Loss reserves includes 'special' and 'loan loss reserve'. Source: EBRD, Scope

## Liquidity and funding

Scale	+8	+7	+6	+5	+4	+3	+2	+1	0	-1	-2	-3	-4
-------	----	----	----	----	----	----	----	----	---	----	----	----	----

Our analysis focuses on the supranational's: i) available liquid assets to meet financial obligations and expected disbursements over an extended period; and ii) funding operations, including the stability and diversification of its market access.

Our assessment reflects the EBRD's 'excellent' liquid assets coverage and market access, given its global benchmark issuer status and diversified funding base.

### Liquidity coverage

Our assessment reflects the EBRD's conservative liquidity management, particularly its medium-term liquidity requirements for: i) net treasury liquid assets to cover at least 75% of the next two years' projected net cash requirements; and ii) the bank to meet its obligations for at least 12 months under extreme stress. Actual coverage stood at 156% as of Q3 2021 (121% in 2019), significantly above its 75% policy limit.

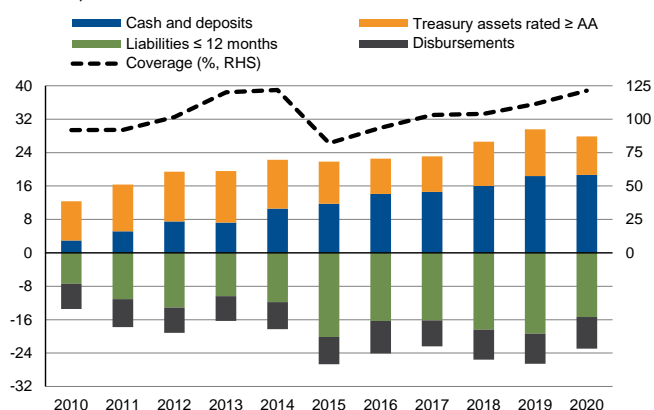
We note that the bank's prudent liquidity management results in a stable and growing level of liquid assets, which we estimate at around EUR 27.9bn for YE 2020, slightly below the EUR 29.6bn figure for 2019. We include assets that are the least sensitive to sudden market or interest rate changes, specifically, cash and cash equivalents (EUR 3.9bn), deposits (EUR 14.7bn) and highly rated debt securities (EUR 9.2bn)<sup>4</sup>.

Conversely, liabilities maturing within a 12-month period amounted to EUR 15.4bn (2019: EUR 19.4bn), while gross disbursements for 2021 are estimated at EUR 7.6bn (in line with 2020; 2019: EUR 7.2bn). This brings our proxy of total liabilities due within one year to around EUR 23.0bn at YE 2020. We include disbursements to reflect the EBRD's mandate to continue its activities when economic and financial circumstances deteriorate.

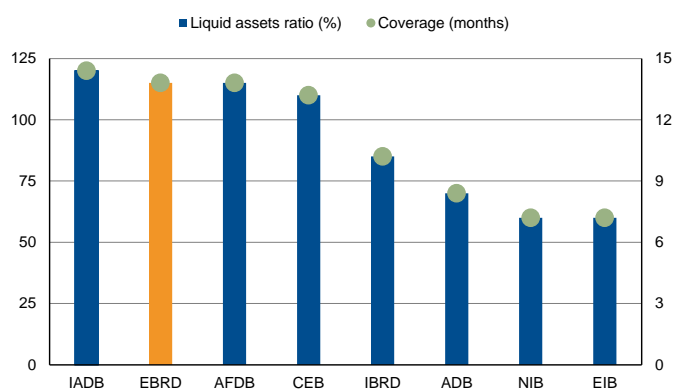
Conservative liquidity policies; liquid assets are high and rising

Moderate liabilities due within the next 12 months

**Figure 23: EBRD liquid assets, liabilities and disbursements**  
EUR bn, %



**Figure 24: Liquid assets ratio and coverage of obligations**  
%, coverage without capital market access in months (RHS)



NB 50% implies coverage of all obligations for a period of six months without the need to access capital markets. Weighted three-year average. Source: EBRD, Scope Ratings

### Excellent liquidity coverage

On this basis, reflecting the EBRD's conservative liquidity management, we calculate a three-year weighted average liquid assets ratio of around 117% for 2018-20. This ratio implies that all outstanding liabilities and all committed disbursements due within a year can be financed for more than 12 months using available liquid assets, without needing to access capital markets. This ratio is exceptionally strong, even compared to peers, and it has remained above 100% every year since 2017.

<sup>4</sup> We include debt securities with an EBRD internal rating of 'excellent' or 'very strong', which correspond to ratings above the AA- threshold of our methodology.

## Funding

Regulatory preference but not included in ECB's bond purchase programmes

The EBRD's excellent market access reflects its global benchmark and frequent issuer status as well as its highly diversified funding strategy in terms of currencies and instruments, providing the bank with a stable source of funding for its operations. EBRD bonds are designated as high-quality liquid assets under the Basel Framework but are not included in the ECB's asset purchase programmes.

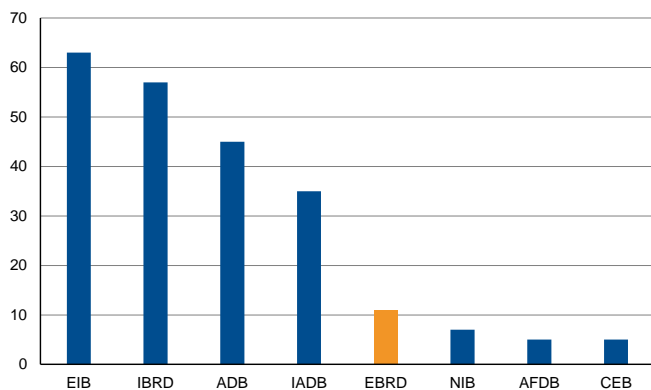
Global benchmark issuer, mostly in US dollars but also euros and British pounds

The EBRD's annual funding volume has increased markedly over the past few years to around EUR 13.1bn in 2020, up from EUR 8.2bn in 2017 and an average of about EUR 5.5bn between 2012-16. However, it remains below that of some of its peers, such as the EIB, the IBRD and the ADB. As of September 2021, the EBRD had already funded EUR 11.1bn of its targeted EUR 12bn borrowing programme for the year.

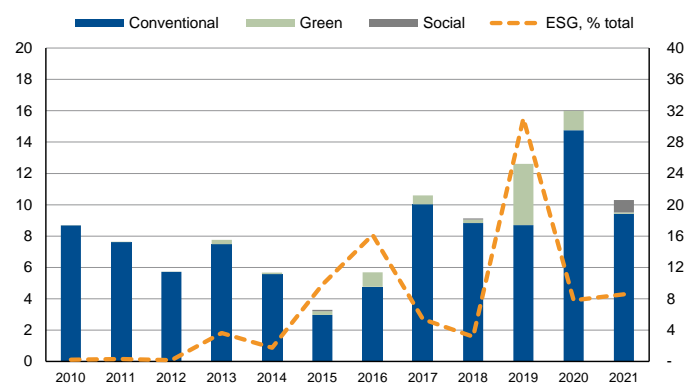
Leading green bond issuer

As a leading supranational green and social bond issuer, the EBRD issues green and social bonds in accordance with the Green Bond Principles (GBP) and Social Bond Principles (SBP). The EBRD issues **three types of green bonds**: Environmental Sustainability Bonds (EUR 5.4bn since 2010), Climate Resilience Bonds (EUR 1.1bn since 2019) and Green Transition Bonds (EUR 1.2bn since 2019). **Social bonds** (EUR 1.1bn) finance the EBRD's microfinance portfolio and operations in the health sector. Given that the bank aims to increase the share of its green lending to at least 50% of annual new lending by 2025, the volume of green bond issuance is set to increase as green issuance is linked (and limited to 80% of) the bank's green asset portfolio.

**Figure 25: Annual funding volume vs peers**  
EUR bn, three-year average 2018-20



**Figure 26: Rising funding volume, including ESG-related**  
EUR bn (RHS); % total (LHS)



Source: Bloomberg, Scope Ratings, respective supranationals

Globally diversified investor base

In addition, reflecting its appeal to global investors, the EBRD benefits from a broad and very diversified investor base led by investors in the EMEA region (45%), followed by the Americas (30%) and Asia (25%). Most of them are fund managers, pension and insurance funds (49%), bank treasuries (28%) or central banks (20%). These figures refer to September 2021.

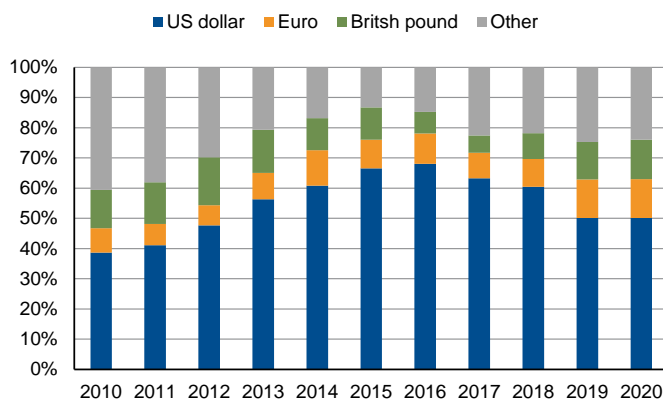
Diversified currency mix and leading emerging-market currency issuer

The EBRD's funding activities combine the issuance of large liquid benchmarks in US dollars with issuances in euros, British pounds and several other currencies (61 since inception). Total outstanding debt was EUR 42.3bn as of Q3 2021, of which about half was in US dollars before swaps. The EBRD provides local currency financing to clients, demonstrating its agency and ability to develop capital markets. As of Nov-2021, about 20% of its outstanding debt before swaps was in emerging market currencies, with the largest shares in Turkish lira (4.7% of total) and the Kazakh tenge (4.3%).

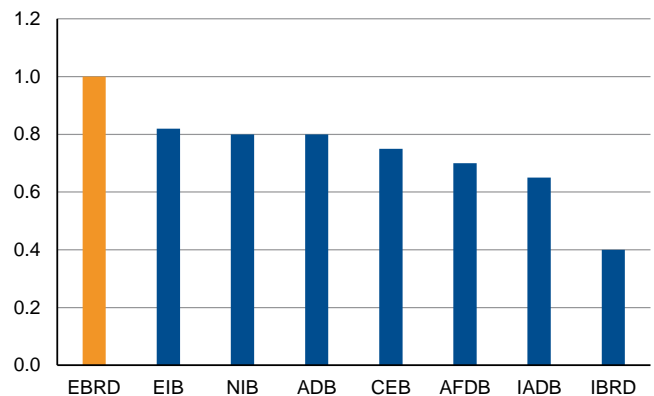
## Limited risks from longer-term liabilities coming due

Finally, we also note positively that the EBRD has a stable redemption profile over the coming years. Medium-term liabilities (EUR 37.5bn) are almost fully covered by assets with the same maturity horizon (EUR 35.7bn), reducing sudden funding needs. This coverage is the highest among its peers.

**Figure 27: Distribution by currency**  
% total outstanding



**Figure 28: Coverage of medium-term liabilities**  
%, three-year average



Source: EBRD, Scope Ratings, respective supranationals

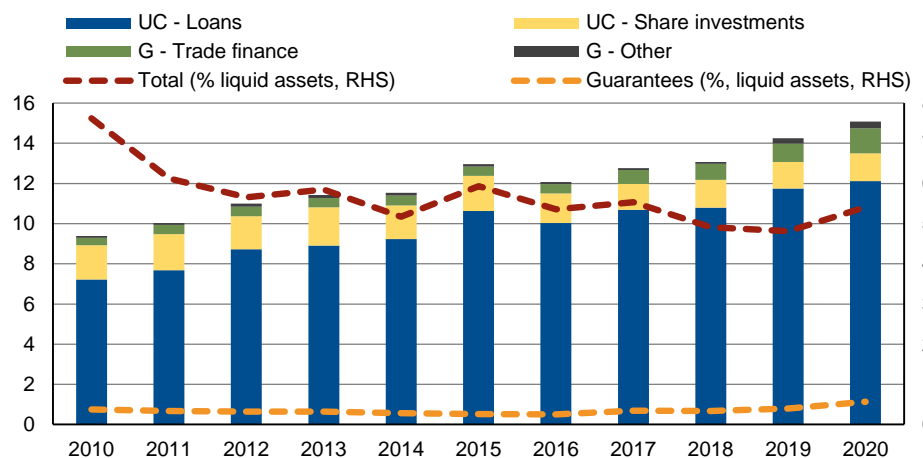
## Additional liquidity considerations

To complete our liquidity assessment, we look at contingent liabilities, interest rate and foreign exchange rate risks, derivatives and collateral management practices.

## No adjustment for rising contingent liabilities

The risk from the EBRD's guarantees and undrawn commitments, which have grown to around EUR 15bn in 2020 (or about 54% of our estimate of the bank's liquid assets) from EUR 9bn in 2010, is curtailed by the fact that most of these commitments relate to public sector loans, not guarantees that can be readily drawn. As these constitute only about 5% of liquid assets, we have made no negative adjustment to our liquidity assessment.

**Figure 29: Undrawn commitments and guarantees**  
EUR bn; %



UC = Undrawn commitments; G = guarantees.  
Source: EBRD, Scope Ratings

## No adjustments for interest rate, foreign exchange or derivatives exposures

The EBRD's main source of interest rate risk stems from movements in funding or lending spreads. Currency operations are only conducted for lending operations or commitments arising from loans or guarantees. Derivative instruments are mainly used for asset and liability management of these exposures, not for trading.

## Shareholder support: Very High

We assess an institution's shareholder support primarily via the weighted average rating of its key shareholders. This may be adjusted in case of a meaningful overlap between the key shareholders providing support and the countries of operation, as well as for any extraordinary support measures.

Scale	Very High	High	Moderate	Weak
-------	-----------	------	----------	------

The EBRD's shareholder support is assessed as 'Very High'. This reflects its key shareholders' ability and demonstrated willingness to provide financial support in case of need.

### Key shareholder rating

#### Highly rated key shareholders

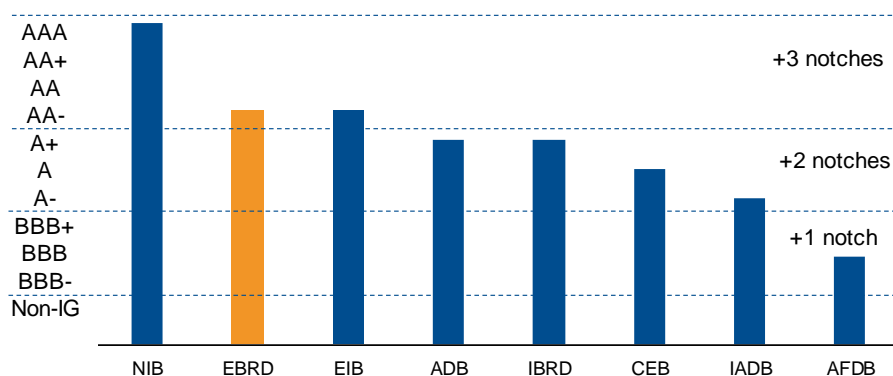
The EBRD's highly rated shareholders include the United States (AA/Stable), Japan (A/Stable), the UK (AA/Stable) and all EU-27 member states (weighted average rating of AA-). This is one of the highest key shareholder ratings among supranationals, which drives our assessment of EBRD shareholders' ability to provide support if ever needed. We also note that 23 of the bank's 73 shareholders are rated AA- or above<sup>5</sup>, constituting around 64% of its capital subscription. This provides additional confidence about shareholders' ability to provide support.

Figure 30: Key shareholders

Key shareholders	Rating	Capital subscription (%)	
		Original	Adjusted
United States	AA/Stable	10.1	12.3
France	AA/Stable	8.6	10.5
Germany	AAA/Stable	8.6	10.5
Italy	BBB+/Stable	8.6	10.5
Japan	A/Stable	8.6	10.5
UK	AA/Stable	8.6	10.5
Russia	BBB+/Stable	4.0	4.9
Other*	AAA	24.6	30.1
		<b>81.7</b>	<b>100.0</b>
<b>Key shareholder rating</b>		<b>AA-</b>	

\*Includes Canada, Spain (A-), EIB, EU, Netherlands, Austria, Sweden, Switzerland (all AAA) and Belgium (AA-).  
Source: EBRD, Scope Ratings. Figures may not add up due to rounding.

Figure 31: EBRD's key shareholder rating vs peers



Source: Scope Ratings, respective supranationals

<sup>5</sup> We rely on internal estimates for sovereigns not publicly rated.

No overlap between key shareholders and countries of operation

Adequate, high-quality callable capital coverage of mandated assets

High paid-in capital share demonstrates willingness to provide financial resources

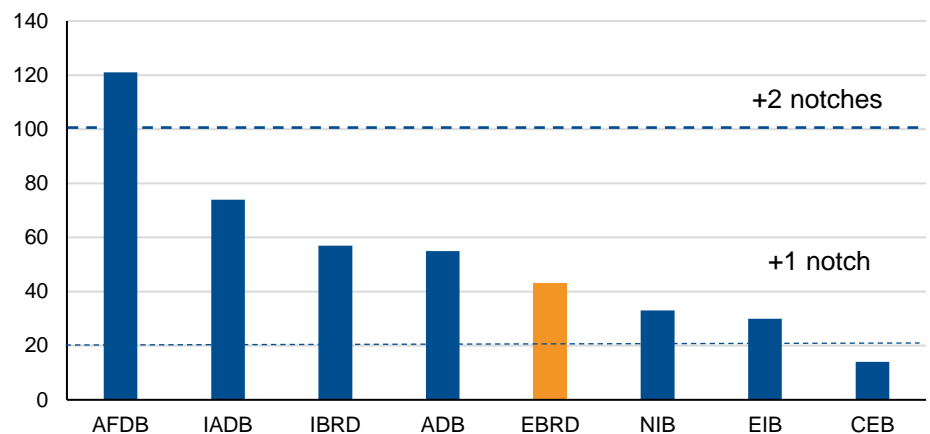
Track record of successful capital increases

We also note positively that, contrary to its peers, the EBRD's key shareholders are not the main countries of its operations, particularly since the bank's loan exposure to Russia has markedly declined from above 20% in 2012 to below 1% in 2020. Hence, there is no risk that material credit deterioration could arise simultaneously in the countries that are expected to provide support if support is ever needed.

### Extraordinary support

To complement our assessment of shareholder support, we also look at the quality of the EBRD's callable capital in relation to its mandated outstanding assets. Here, we note that EUR 15.1bn in callable capital is provided by sovereigns rated above AA-, which covers about 45% of the EBRD's mandated assets of EUR 34.9bn. This coverage is in line with peers.

**Figure 32: Adequate coverage of mandated assets by high-quality callable capital**  
%, callable capital rated  $\geq$  AA-/mandated assets



Source: Scope Ratings, respective supranationals

We also note that, in addition to the indirect support provided by shareholders' political and economic strength, the shareholders have paid in about 21% of share capital, the highest such ratio among development banks rated AAA.

Moreover, the EBRD has a proven track record of increasing its authorised, paid-in and callable capital stock. In 1996, its board of governors approved a doubling of its authorised capital stock to EUR 20bn from the original EUR 10bn.

More recently, in May 2010, the board approved a 50% increase in authorised capital to EUR 30bn, consisting of EUR 1bn in paid-in capital via the conversion of existing reserves and EUR 9bn in callable capital. The increase in callable capital became effective on 20 April 2011, when subscriptions were received for at least 50% of the newly authorised callable capital. Subscriptions were originally scheduled to be received on or before 30 April 2011, but the board of directors extended this date three times, first to 30 June 2012, then to 31 December 2012 and finally to 11 May 2014. Since December 2013, subscribed callable capital has stood at EUR 8.9bn.

Finally, in 2015, the board of governors agreed that no callable capital shares would be redeemed and that the redemption and cancellation provisions would be removed. This resulted in a permanent increase in subscribed capital, strengthening the bank's capital base and demonstrating its strong shareholder commitment.

## Indicative rating: AAA

We first map the assessments for the institutional and financial profiles to determine the supranational's intrinsic strength. In a second step, we map this assessment against shareholder support to determine the indicative rating.

Figure 33a: Mapping institutional and financial profiles for the EBRD

Intrinsic Strength		Institutional Profile				
		Very Strong	Strong	Moderate	Weak	Very Weak
Financial Profile	Excellent	Excellent	Excellent	Excellent	Very Strong (+)	Very Strong
	Very Strong (+)	Excellent	Excellent	Very Strong (+)	Very Strong	Very Strong (-)
	Very Strong	Excellent	Very Strong (+)	Very Strong	Very Strong (-)	Strong (+)
	Very Strong (-)	Very Strong (+)	Very Strong	Very Strong (-)	Strong (+)	Strong
	Strong (+)	Very Strong	Very Strong (-)	Strong (+)	Strong	Strong (-)
	Strong	Very Strong (-)	Strong (+)	Strong	Strong (-)	Adequate (+)
	Strong (-)	Strong (+)	Strong	Strong (-)	Adequate (+)	Adequate
	Adequate (+)	Strong	Strong (-)	Adequate (+)	Adequate	Adequate (-)
	Adequate	Strong (-)	Adequate (+)	Adequate	Adequate (-)	Moderate (+)
	Adequate (-)	Adequate (+)	Adequate	Adequate (-)	Moderate (+)	Moderate
	Moderate (+)	Adequate	Adequate (-)	Moderate (+)	Moderate	Moderate (-)
	Moderate	Adequate (-)	Moderate (+)	Moderate	Moderate (-)	Weak (+)
	Moderate (-)	Moderate (+)	Moderate	Moderate (-)	Weak (+)	Weak
	Weak (+)	Moderate	Moderate (-)	Weak (+)	Weak	Weak (-)
	Weak	Moderate (-)	Weak (+)	Weak	Weak (-)	Very Weak (+)
	Weak (-)	Weak (+)	Weak	Weak (-)	Very Weak (+)	Very Weak
	Very Weak (+)	Weak	Weak (-)	Very Weak (+)	Very Weak	Very Weak (-)
Very Weak	Weak (-)	Very Weak (+)	Very Weak	Very Weak (-)	Very Weak (-)	
Very Weak (-)	Very Weak (+)	Very Weak	Very Weak (-)	Very Weak (-)	Very Weak (-)	

Figure 33b: Mapping intrinsic strength and shareholder support for the EBRD

Indicative Rating		Shareholder Support			
		Very High	High	Moderate	Weak
Intrinsic Strength	Excellent	AAA	AAA	AAA / AA	AA+ / AA-
	Very strong	AAA	AAA / AA	AA+ / AA-	AA / A+
		AAA / AA	AA+ / AA-	AA / A+	AA- / A
		AA+ / AA-	AA / A+	AA- / A	A+ / A-
	Strong	AA / A+	AA- / A	A+ / A-	A / BBB+
		AA- / A	A+ / A-	A / BBB+	A- / BBB
		A+ / A-	A / BBB+	A- / BBB	BBB+ / BBB-
	Adequate	A / BBB+	A- / BBB	BBB+ / BBB-	BBB / BB+
		A- / BBB	BBB+ / BBB-	BBB / BB+	BBB- / BB
		BBB+ / BBB-	BBB / BB+	BBB- / BB	BB+ / BB-
	Moderate	BBB / BB+	BBB- / BB	BB+ / BB-	BB / B+
		BBB- / BB	BB+ / BB-	BB / B+	BB- / B
		BB+ / BB-	BB / B+	BB- / B	B+ / B-
	Weak	BB / B+	BB- / B	B+ / B-	B / CCC
		BB- / B	B+ / B-	B / CCC	B- / CCC
		B+ / B-	B / CCC	B- / CCC	CCC
	Very Weak	B / CCC	B- / CCC		CCC
	B- / CCC	CCC		CCC	
	CCC	CCC		CCC	

Source: Scope Ratings GmbH.



## Additional considerations

*We acknowledge the heterogeneity of supranationals and include in our assessment idiosyncratic factors that may affect the creditworthiness of the supranational.*

In the case of the EBRD, we have not made an adjustment to our indicative rating.

## Rating history

Date	Rating Action	Outlook
10 July 2020	AAA	Stable

Source: Scope Ratings GmbH



# European Bank for Reconstruction and Development

## I Shareholders: European Bank for Reconstruction and Development

EUR m

EBRD shareholders	Paid-in capital	Callable capital	Subscribed capital	Key (%)	Rating	Callable capital ≥ AA-
United States	626.04	2,375.44	3,001.48	10.09	AA	2,375.44
France	533.23	2,023.28	2,556.51	8.59	AA	2,023.28
Germany	533.23	2,023.28	2,556.51	8.59	AAA	2,023.28
Italy	533.23	2,023.28	2,556.51	8.59	BBB+	
Japan	533.23	2,023.28	2,556.51	8.59	A	
United Kingdom	533.23	2,023.28	2,556.51	8.59	AA	2,023.28
Russian Federation	250.41	950.17	1,200.58	4.03	BBB+	
Canada*	212.85	807.64	1,020.49	3.43		807.64
Spain	212.85	807.64	1,020.49	3.43	A-	
European Investment Bank	187.81	712.63	900.44	3.03	AAA	712.63
European Union	187.81	712.63	900.44	3.03	AAA	712.63
Netherlands	155.25	589.10	744.35	2.50	AAA	589.1
Austria	142.73	541.59	684.32	2.30	AAA	541.59
Belgium	142.73	541.59	684.32	2.30	AA-	541.59
Sweden	142.73	541.59	684.32	2.30	AAA	541.59
Switzerland	142.73	541.59	684.32	2.30	AAA	541.59
<b>Key shareholders*</b>	<b>5,070.09</b>	<b>19,238.01</b>	<b>24,308.10</b>	<b>81.70</b>	<b>AA-</b>	<b>13,433.64</b>
Other 55 shareholders	1,146.62	4,299.96	5,446.58	18.30		1,710.91
<b>Total</b>	<b>6,216.7</b>	<b>23,537.9</b>	<b>29,754.6</b>	<b>100.0</b>		<b>15,144.6</b>

\* We include shareholders whose cumulative capital share, starting from the largest shareholder, comprises at least 75% of the supranational's capital. We add all marginal shareholders with identical capital subscription to calculate the key shareholder rating.

Source: EBRD, Scope Ratings. Figures may not add up due to rounding.



# European Bank for Reconstruction and Development

## II Scope's supranational scorecard: European Bank for Reconstruction and Development

Risk factors	Variables	Unit									EBRD			
			+4	+3	+2	+1	0	-1	-2	Value	Assessment	Notches		
Institutional Profile	Mandate & ESG (-2; +2)	Importance of mandate	Qualitative	--	--	--	Very High	High	Declining	--	--	Very High		
		Social factors	Qualitative	--	--	--	Strong	Medium/ N/A	Weak	--	--	Strong	1	
		Environmental factors	Qualitative	--	--	--	Strong	Medium/ N/A	Weak	--	--	Strong		
	Governance	Shareholder concentration	HHI	--	--	--	--	≤ 1500	> 1500	--	600.0	Strong		
		Shareholder control	%	--	--	--	--	≤ 25	> 25	--	10.0	Strong	1	
	Strategy and internal controls	Qualitative	--	--	--	Strong	Medium	Weak	--	--	Strong			
<b>Institutional Profile</b>											<b>Very Strong</b>			
Intrinsic Strength	Capitalisation (-3; +6)	Capital/ Potential assets	%	≥ 30	< 30; ≥ 20	< 20; ≥ 15	< 15; ≥ 10	< 10; ≥ 7.5	< 7.5; ≥ 5	< 5	44.0	Excellent	4	
		Capital/ Actual assets*	%	--	--	--	≥ 40	< 40	--	--	54.0	Excellent	1	
		Profitability (Return on equity)	%	--	--	--	≥ 3	< 3; ≥ 0	< 0	--	3.0	Adequate	1	
	Asset quality (-3; +5)	Portfolio quality	Incl. risk mitigants	Qualitative	--	--	Very Strong	Strong	Adequate	Moderate	Weak	Adequate	Adequate	0
		Asset performance	NPLs	% total loans	--	≤ 0.5	> 0.5; ≤ 1	> 1; ≤ 3	> 3; ≤ 5	> 5	--	5.1	Weak	-1
	Liquidity & funding (-4; +8)	Liquid assets ratio		%	> 100	≤ 100; > 75	≤ 75; > 50	≤ 50; > 25	≤ 25; > 15	≤ 15; > 10	≤ 10	115.0	Excellent	4
		Maturity gap		Multiple	--	--	--	≥ 0.75	< 0.75; ≥ 0.50	< 0.50	--	1.0	Strong	1
		Funding	Funding volume	EUR or USD bn	--	--	≥ 25	< 25; ≥ 5	< 5; ≥ 2	< 2	--	11.0	Strong	1
		Currency diversification	Top 1 share	%	--	--	--	≤ 70	> 70	--	--	51.0	Strong	1
	<b>Financial Profile</b>											<b>Very Strong</b>		
<b>Intrinsic Strength</b>											<b>Excellent</b>			
Shareholder Support	Shareholder strength (0; +3)	Weighted average rating of key shareholders	Avg. rating	--	≥ AA-	≥ A-	≥ BBB-	< BBB-	--	--	--	AA-		
		Share of portfolio related to key shareholders	%	--	--	--	--	≤ 50	> 50	--	0.0	Low / No adjustment	3	
		Adjusted key shareholder rating	Avg. rating	--	--	--	--	--	--	--	--	AA-		
	Extraordinary Support (0; +2)	Callable capital [rated ≥ AA-]/ Actual assets	%	--	--	≥ 100	< 100; ≥ 20	< 20	--	--	44.0	Strong	1	
		Additional support mechanisms	Qualitative	--	--	Very Strong	Strong	N/A	--	--	N/A	Strong	1	
<b>Shareholder Support</b>											<b>Very High</b>			
<b>Indicative Rating</b>											<b>AAA</b>			
Additional considerations (-1; +1)											Neutral			
<b>Final Rating</b>											<b>AAA</b>			

Figures in the financial profile relate to a weighted three-year average for 2018-20.

Source: Scope Ratings

## III Asset quality assessment

<b>Portfolio quality (initial assessment)</b>	Very Strong	Strong	Adequate	Moderate	Weak
Indicative borrower quality	aaa/aa	a	bbb	bb	b/cc
<b>Notches</b>	+2	+1	0	-1	-2

Adjustments		Indicator	Assessment/ Thresholds								
Points			+5	+4	+3	+2	+1	0	-1	-2	-3
<b>Credit Protection</b>	Sovereign PCS	% of loan portfolio	100	≥ 80	≥ 60	≥ 40	≥ 20	< 20			
	Private sector secured										
<b>Diversification</b>	Geography	HHI				≤ 1000	≤ 2000	> 2000			
	Sector	HHI					≤ 2000	> 2000			
	Top 10 exposures	% of loan portfolio				≤ 25	≤ 75	> 75			
<b>Equity Exposure</b>		% of equity						≤ 25	> 25	> 50	> 75
Total points			+5								
Adjustments			+2 categories								

<b>Portfolio quality (final assessment)</b>	Very Strong	Strong	Adequate	Moderate	Weak
<b>Notches</b>	+2	+1	0	-1	-2

Source: Scope Ratings. Three points usually correspond to one assessment category. In the case of the EBRD, this implies up to two higher categories from the initial portfolio quality assessment based on the estimated average borrower quality.

## IV Statistical tables

	2015	2016	2017	2018	2019	2020
<b>Capitalisation (EUR m)</b>						
Mandated potential assets	39,200.0	39,700.0	40,300.0	40,500.0	41,200.0	41,400.0
Mandated (disbursed) assets	29,217.0	30,290.0	29,425.0	31,120.0	33,026.0	34,900.0
Capitalisation ratio, potential (%)	38.6	41.2	41.6	40.7	46.5	43.6
Capitalisation ratio, actual (%)	51.8	54.0	57.0	53.0	58.0	51.8
<b>Profitability (EUR m)</b>						
Net income	442.0	811.0	592.0	210.0	1,315.0	175.0
Return on equity (%)	3.0	5.2	3.7	1.3	7.4	1.0
<b>Asset quality (EUR m)</b>						
Total gross loans	22,156.0	23,325.0	23,002.0	24,610.0	27,021.0	28,615.0
of which in Turkey, Egypt and Ukraine (% , total)	33.5	34.3	35.6	34.6	34.0	32.4
Non-performing loans / Gross loans (%)	5.7	5.2	3.7	4.6	4.2	5.5
Stage 3 provisions (% , NPLs)	64.0	62.9	71.0	59.5	57.3	51.5
Equity investments	5,033.0	5,265.0	4,834.0	4,745.0	5,070.0	4,872.0
Equity investments (% equity and reserves)	37.8	36.0	32.3	30.2	27.9	28.1
<b>Liquidity (EUR m)</b>						
Liquid assets	21,852.0	22,543.0	23,082.0	26,605.0	29,599.0	27,864.0
Cash and deposits	11,724.0	14,110.0	14,605.0	16,014.0	18,368.0	18,681.0
Treasury assets rated AA- or above	10,128.0	8,433.0	8,477.0	10,591.0	11,231.0	9,183.0
Liabilities maturing within 12 months and disbursements	26,647.0	24,096.0	22,385.0	25,596.0	26,572.0	22,958.0
Liabilities ≤ 12 months	20,147.0	16,296.0	16,185.0	18,396.0	19,372.0	15,358.0
Disbursements over the next 12 months	6,500.0	7,800.0	6,200.0	7,200.0	7,200.0	7,600.0
Liquid assets ratio (%)	82.0	93.6	103.1	103.9	111.4	121.4
<b>Funding (EUR m)</b>						
Volume	4,200.0	5,900.0	8,200.0	8,700.0	8,600.0	13,100.0
USD (%)	60.8	66.6	68.1	63.2	60.4	50.1
EUR (%)	11.7	9.5	10.0	8.5	9.3	12.8
GBP (%)	10.6	10.6	7.1	5.7	8.6	12.4
ESG issuance	323.2	918.6	571.8	287.1	3,909.8	1,247.9
% total	7.7	15.6	7.0	3.3	45.5	9.5
<b>Equity (EUR m)</b>						
Paid-in capital	6,202.0	6,207.0	6,211.0	6,215.0	6,217.0	6,217.0
Reserves	8,504.0	9,351.0	9,961.0	10,068.0	11,613.0	11,674.0
Total equity and reserves	14,706.0	15,558.0	16,172.0	16,283.0	17,830.0	17,891.0
<b>Key shareholders</b>						
Average capital-key weighted rating	AA-	AA-	AA-	AA-	AA-	AA-
Shareholders rated at least AA- (%)	64.1	64.1	64.0	64.0	63.9	64.0
Callable capital [rated ≥ AA-] / Mandated assets	51.5	49.7	51.1	48.4	45.6	43.2

Source: EBRD, Bloomberg, Scope Ratings



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