

CREDIT OPINION

16 June 2026

Update



Contacts

Petter Bryman +33.1.5330.3394
VP-Senior Analyst
petter.bryman@moodys.com

Will Dallas +33.1.5330.3428
Sr Ratings Associate
will.dallas@moodys.com

Dietmar Hornung +49.69.70730.790
Associate Managing Director
dietmar.hornung@moodys.com

Marie Diron +44.20.7772.1968
MD-Sovereign Risk
marie.diron@moodys.com

CLIENT SERVICES

Americas 1-212-553-1653
Asia Pacific 852-3551-3077
Japan 81-3-5408-4100
EMEA 44-20-7772-5454

Government of Finland - Aa1 stable

Regular update

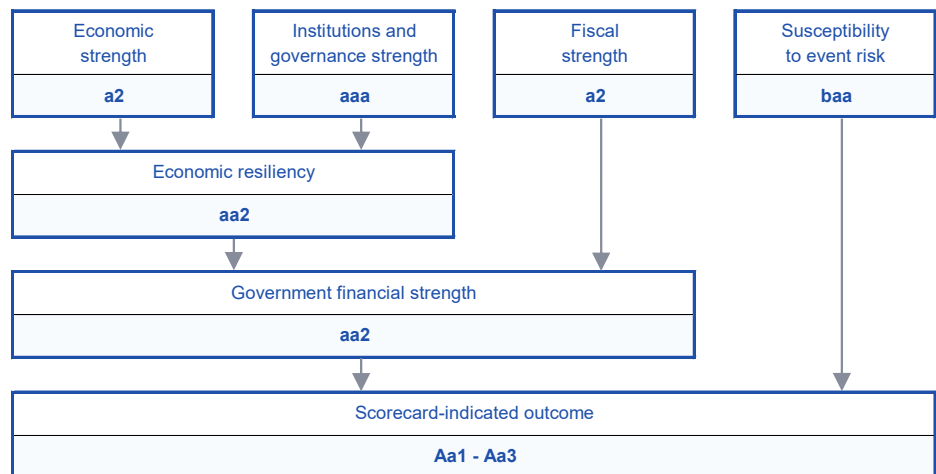
Summary

Finland's credit profile is supported by the strength of the country's institutions and knowledge-based economy. Finland's institutions, which are among the strongest in our rated universe, have produced a strong track record of structural reforms. These reforms continue under the current government, which is looking to further bolster the country's strong focus on innovation and address structural labour market challenges by boosting the labour force participation rate and attracting skilled migrants.

However, the public finances have come under considerable pressure since 2020 following the pandemic and Russia's invasion of Ukraine (Ca stable), which prompted a material increase in defence spending. Higher energy prices and borrowing costs drove the government to enact a series of measures to boost purchasing power, which contributed to an increase in the debt burden and interest expenditure. However, we assess that the measures that the government is putting in place through three consolidation packages worth 3.5% of GDP between 2024 and 2027 will narrow the deficit and stabilise the debt from 2028 onward.

Exhibit 1

Finland's credit profile is determined by four factors



Source: Moody's Ratings

This publication provides an update on the sovereign credit profile and may also discuss the likely credit implications of a new development or trend for the sovereign. It does not announce a credit rating action.

Credit strengths

- » Skilled labour force and strong institutional focus on innovation support knowledge-based economy
- » Commitment of the authorities to structural reforms
- » Stable, consensus-based political system and effective institutions

Credit challenges

- » Elevated general government debt levels that are unlikely to materially decline within the next three years
- » Preservation of fiscal strength and fostering potential growth in light of increased defence spending and demographic change
- » Elevated exposure to geopolitical risk

Rating outlook

The stable outlook reflects balanced risks at the Aa1 level. Finland is set to retain its significant competitiveness, and changes to migration patterns and government policy are meaningful steps to counteract labour supply issues.

The recent deterioration in the public finances is also being addressed, most notably by a series of fiscal consolidation packages and a new fiscal framework which entered into law in January 2026. Should further fiscal efforts be needed to put debt firmly on a downward path, Finland's strong institutional framework suggests that these will be forthcoming.

Factors that could lead to an upgrade

Finland's Aa1 rating could come under upward pressure if we were to see a sustained improvement in the debt trajectory significantly earlier than we currently expect and putting the debt burden on a sustained declining path. This could be accompanied by favourable surprises to the impact of structural reforms—particularly related to labour force participation of older workers and immigration of skilled workers. These reforms could result in an improvement in the country's medium- to long-term growth potential.

Factors that could lead to a downgrade

Downward pressure on the outlook, and ultimately the rating, could develop if the government did not deliver on its commitment to reverse the deterioration in fiscal metrics. More precisely, a failure to take additional measures if its medium-term fiscal strategy underperformed expectations would place downward pressure on Finland's credit profile. A material worsening of the medium-term growth outlook, combined with an unwillingness or inability to address the impact of lower growth on the public finances would be credit negative, too. Although it is not our baseline assumption, an escalation of Russia's war in Ukraine that would directly involve NATO members would also exert downward rating pressure.

This publication does not announce a credit rating action. For any credit ratings referenced in this publication, please see the issuer/deal page on <https://ratings.moody's.com> for the most updated credit rating action information and rating history.

Key indicators

Exhibit 2

Finland	2020	2021	2022	2023	2024	2025	2026F	2027F
Real GDP (% change)	-2.5	2.7	0.8	-1.3	0.4	0.2	0.4	0.7
Inflation rate (% change average) [1]	0.4	2.1	7.2	4.3	1.0	1.8	2.5	1.6
Gen. gov. financial balance/GDP (%)	-5.5	-2.7	-0.2	-2.9	-4.4	-3.4	-4.7	-3.3
Gen. gov. primary balance/GDP (%)	-4.9	-2.1	0.4	-1.7	-2.8	-1.8	-2.9	-1.4
Gen. gov. debt/GDP (%)	75.3	73.1	74.0	77.0	82.4	88.5	90.7	92.0
Gen. gov. debt/revenues (%)	147.9	139.4	141.0	145.3	154.3	163.8	170.5	171.9
Gen. gov. interest payment/revenues (%)	1.3	1.0	1.1	2.2	2.9	3.0	3.4	3.6
Current Account Balance/GDP (%)	0.4	0.3	-2.4	-0.9	-0.4	1.3	-0.5	-0.5

[1] Harmonized Index of Consumer Prices (HICP)

Source: Moody's Ratings

Profile

Finland is a high-income, mid-sized economy within the euro area. Its institutional and policy frameworks are closely integrated with EU structures. Its economy is predominantly knowledge-based, underpinned by a highly educated labour force and strong institutional support for innovation and R&D. Public institutions are among the strongest in our rated universe, reflecting a consensus-driven political system and a strong track record of structural reforms, while fiscal policy is anchored by a new fiscal framework with broad political backing that targets a sustained reduction in the debt burden.

Detailed credit considerations

We assess Finland's **economic strength** as "a2", above the initial score of "baa1", reflecting the country's high wealth levels, a very well-educated labour force and strong institutional support for innovation, which create a solid foundation for a knowledge-based economy. Finland shows comparatively high spending on research and development (R&D) relative to the size of its economy, which explains its high scores in global competitiveness rankings.

Finland continues to be ranked among the top 10 countries globally for innovation performance in 2025 by the World Intellectual Property Organisation. The 2022 PISA scores, which focused on mathematical literacy, showed Finnish students performing above the OECD average, though their performance deteriorated relative to 2006 (the country's best-performing year).

Having said this, our assessment also takes into account long-standing productivity challenges, such as labour and skills shortages in the most productive sectors. Longer term, population ageing is a particular challenge, though recent changes in migration patterns are resulting in significant improvements to demographic trends.

In October 2024, Statistics Finland published new population forecasts in which net immigration increased to 40,000 from the previous assumption of 15,000 made five years ago. Even if Statistics Finland's assumptions prove to be optimistic, independent forecasting body ETLA thinks that it is reasonable to assume that long-term net migration will be at least 60% higher than what was previously assumed.

Our assessment of Finland's **institutions and governance strength** is "aaa". This is underpinned by the government's high credibility, transparency and consensus on key macroeconomic policies.

There is broad political consensus in favour of fiscal consolidation, though current plans anticipate that this will happen at a slow pace. Finland's current fiscal framework is tied to multiannual expenditure ceilings with the Ministry of Finance setting annual limits on central government spending (real expenditure ceiling in absolute terms) for the remaining years of its term. A new fiscal framework, signed by all but one political party and entered into law at end-2025, will introduce long-term debt reduction targets and, at a minimum, codify compliance with EU expenditure rules.

The assessment also reflects the professional and well-staffed public administration, including the Bank of Finland and Finnish Financial Supervisory Authority, which oversee financial stability and have implemented several rounds of macroprudential measures to counter

rising household debt. Furthermore, Finland scores strongly in global surveys assessing rule of law, voice and accountability, and the control of corruption.

The OECD's March 2026 Anti-Corruption and Integrity Outlook highlights Finland's lobbying and political finance frameworks as among the strongest of its members. It has recently become the first Nordic country to introduce a transparency register, which publishes lobbying activities for public officials. Finland also keeps its regulatory framework up-to-date for current technologies, most recently crypto assets. Having said this, regulation can slow implementation of infrastructure projects, including those intended to support the green transition.

We score Finland's **fiscal strength** as "a2", which is higher than the initial score of "baa1". This adjustment reflects the partially funded nature of its pension commitments, which reduces pension-related risks. Moreover, while nonfinancial public sector debt is relatively high, most SOEs are profitable and well-managed.

Public finances in Finland have come under considerable pressure since 2020 following the pandemic and Russia's invasion of Ukraine. Higher energy prices and borrowing costs drove the government to enact a series of measures to boost purchasing power, which ultimately contributed to an increase in the debt burden and interest expenditure.

We anticipate that Finland's fiscal deficits will narrow from 2027, contingent on the continued implementation of the government's consolidation agenda and the new fiscal framework. However, material stock-flow adjustments — such as those associated with statutory earnings-related pension funds, government investments funded through the sale of central government assets, and defence procurement — are a structural feature of Finland's debt dynamics and mean that debt reduction from 2029 onward will be slow in the absence of even more consolidation measures. The debt-to-GDP ratio is projected to rise from 88.5% in 2025 to around 92% by 2027 before stabilising.

That said, the difficulties Finland has faced in durably reducing the deficit in the context of weak economic growth in recent years points to the risk that even ambitious additional consolidation efforts prove ineffective if economic weakness persists, leading to a materially higher debt burden than we currently project.

Finland's overall score of "baa" for **susceptibility to event risk**, driven by political risk. Russia's invasion of Ukraine marked a paradigm shift in the post-Cold War European security order. Finland's geographical proximity to Russia is a clear source of vulnerability in the current context, though on balance we see its susceptibility to geopolitical risks as being broadly similar to that of most NATO members. Finland joined NATO in 2023.

Finland is exposed to cyber risks, particularly from Russia, though these risks are largely mitigated by its modern and sophisticated technological infrastructure. To address these risks, the government has published a Cyber Security Strategy, which extends until 2035; this addresses the requirements of the EU's Cyber Security Directive. The strategy will allocate resources to further modernise technological equipment across the government sector (particularly in the well-being service counties, where there are notable vulnerabilities).

Domestic political risk is low in spite of differing views on the economy, immigration, the EU, and climate policy within the government. The current centre-right coalition, which comprises four parties and is led by the National Coalition Party, remains committed to policy continuity, consensus-driven policymaking and fiscal consolidation. Resistance to higher levels of immigration could complicate efforts to increase productivity growth given the decline in the working-age population.

The country's next parliamentary elections are due in April 2027. Opinion polls consistently place the opposition Social Democrats ahead of the governing National Coalition Party, and the four coalition parties collectively poll below 40%. Nevertheless, the recent cross-party agreement on a new fiscal framework will focus pre-election discussions on the means by which the next government should reduce Finland's debt burden.

Our banking sector risk score of "a" reflects the large size of the banking system, mitigated by solid capital adequacy and stable profitability of the Finnish banks. Challenges could emerge because of a combination of declining household savings rates, a sharp rise in households' indebtedness, and increased lending to housing corporations. The relocation of [Nordea Bank AB](#) (Aa2 negative) headquarters to Helsinki in October 2018 led to a doubling in size of the domestic banking system. In March 2026 we [changed our](#)

[outlook](#) for Finland's banking system to positive from stable reflecting a gradual improvement in the operating environment as the economy returns to modest growth, supported by easing financial conditions.

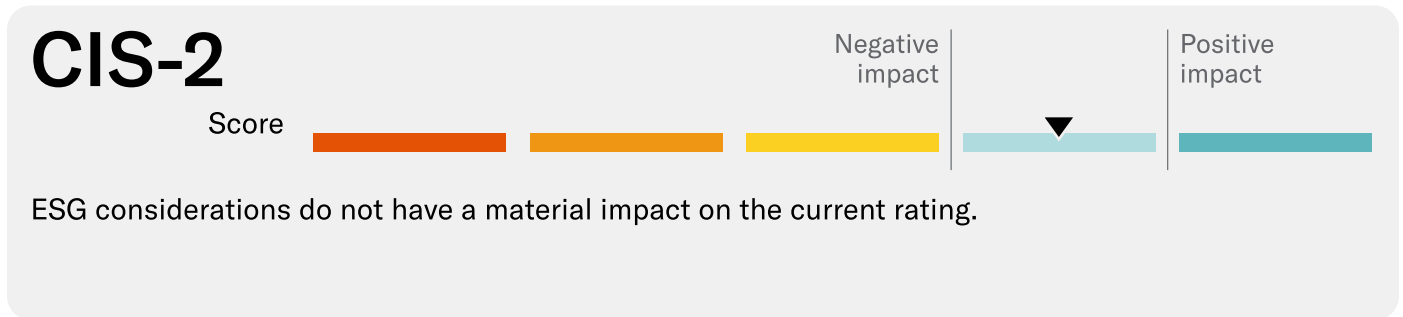
Our government liquidity risk score of "aaa" reflects the government's very strong access to domestic and external funding sources. Finland borrows through a well-established programme of euro-denominated benchmark bond syndications and auctions, supplemented by USD-denominated issuance. Its 10-year bonds trade at among the tightest spreads in the euro area over German Bunds.

Our "aa" external vulnerability risk score reflects Finland's stable current-account balance, which stood at 1.3% of GDP in 2025, and its positive net international investment position of 18.9% of GDP at end-2025

ESG considerations

Finland's ESG credit impact score is CIS-2

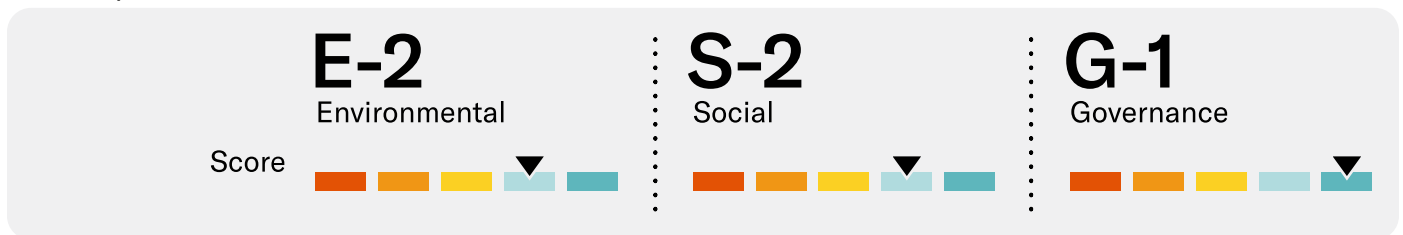
Exhibit 3
ESG credit impact score



Source: Moody's Ratings

Finland's ESG Credit Impact Score of **CIS-2** indicates that ESG considerations do not have a material impact on the current rating. This reflects a neutral low exposure to environmental and social risks, very strong governance and, as a result, overall strong capacity to respond to shocks.

Exhibit 4
ESG issuer profile scores



Source: Moody's Ratings

Environmental

Finland's exposure to environmental risks is **E-2**, which reflects its low risks across all categories, such as physical climate risks, carbon transition, water management, natural capital, and waste and pollution. The country has made significant investments in its energy infrastructure that have significantly reduced carbon dioxide emissions and reduced its dependence on fossil fuels.

Social

Finland has very low or low exposure to most sources of social risks, which is reflected in its **S-2** issuer profile score. Finland has high-quality education, housing, healthcare and basic services categories that, in our view, support the credit profile. While other countries' education systems have become even more competitive, Finland's remains a particularly strong point. Like many advanced economies, Finland faces long-term economic and fiscal pressures from demographic change, marked by a shrinking working age population and a

relatively high dependency ratio, though there are some signs the changes to migration and education policy could be changing these dynamics for the better.

Governance

Finland's institutions and governance is a noteworthy credit strength, which is reflected in the highest-possible G issuer profile score (**G-1**). This is underpinned by the government's high credibility, transparency and consensus on key fiscal policy goals and macroeconomic policies. It also reflects the professional and well-staffed public administration and Finland's very strong scores in global surveys assessing rule of law, voice and accountability, and the control of corruption. Coupled with comparatively strong government financial strength this supports a high degree of resilience.

ESG Issuer Profile Scores and Credit Impact Scores for the rated entity/transaction are available on Moodys.com. In order to view the latest scores, please click [here](#) to go to the landing page for the entity/transaction on MDC and view the ESG Scores section.

Recent developments

Growth showed signs of a nascent recovery in late 2025, but the energy price shock clouds the outlook for 2026 and 2027

Finland's economy grew by just 0.2% in 2025, following 0.4% growth in 2024 after a sharp recession in 2023. The economy experienced a technical recession in the second and third quarters of 2025, before returning to positive quarterly growth in Q4. Growth during the year was driven by exports, while private and public consumption acted as a drag.

Signs of recovery emerged towards the end of 2025 and into early 2026, with Q1 2026 GDP growth exceeding expectations at 1.1% year-on-year, driven by a strong uptick in investment. However, the outbreak of the Middle East conflict and the associated energy price shock have materially darkened the outlook. Although Finland's relatively low reliance on fossil fuels – reflecting significant investment in renewables and nuclear capacity – is expected to soften the blow compared to other EU countries, the rise in energy costs is nonetheless feeding through to consumer prices. We project inflation will average 2.5% in 2026, up from 1.8% in 2025, before easing to 1.6% in 2027 as the shock fades.

Importantly, the energy shock has interrupted the fragile recovery in consumer confidence that had been building since the twin shocks of 2022 – the surge in interest rates and geopolitical uncertainty following Russia's invasion of Ukraine. Household confidence had been gradually improving from deeply depressed levels, raising hopes that Finland's high household savings rate would begin to unwind and feed into consumption. The energy shock, by eroding expected purchasing power and amplifying uncertainty, has reversed that progress (see exhibit 6).

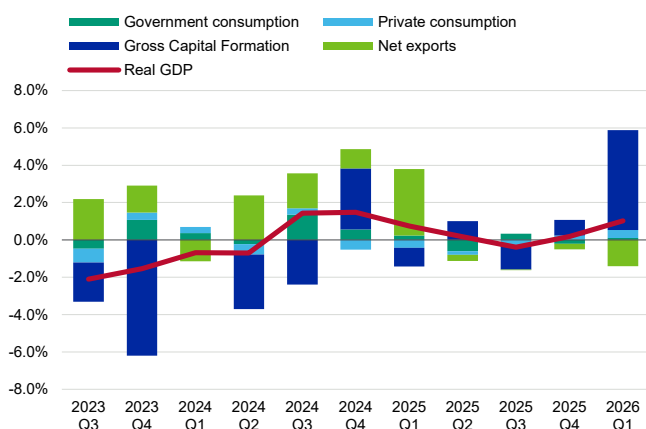
Although significant wage increases agreed for 2025–2027 and income tax cuts taking effect in 2026 are supporting disposable incomes, the savings rate remains elevated, the housing market is sluggish despite lower interest rates, and unemployment has risen to over 10% – reflecting increased labour supply from government employment measures and immigration, but also weak labour demand.

That said, investment is set to benefit in coming years from data centre construction and broader energy and technology transition projects. These factors, alongside a gradual recovery in domestic demand, underpin our expectations of slight pick-up in growth ahead. We forecast real GDP growth of 0.4% in 2026 and 0.7% in 2027.

Exhibit 5

Growth has strengthened in recent quarters, led by investment...

Real GDP growth, % (year-on-year)

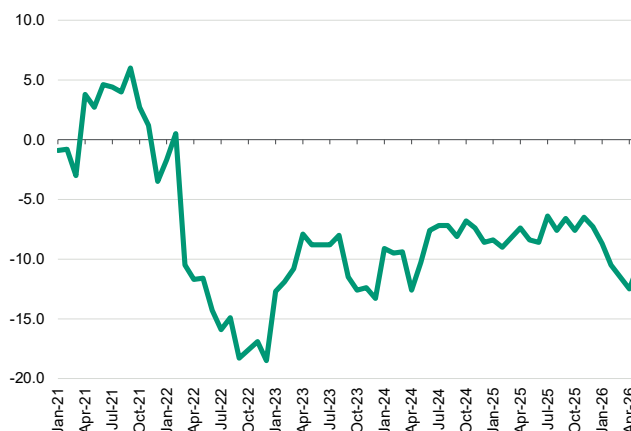


Sources: Tilastokeskus and Moody's Ratings

Exhibit 6

...but the growth outlook is clouded by a downturn in consumer confidence since the start of the Middle East conflict

Consumer confidence indicators



Sources: Tilastokeskus and Moody's Ratings

Fiscal deficit widens and debt continues to rise as defence spending is ramped up, leading to Finland to enter the EU's Excessive Deficit Procedure

The general government deficit narrowed to 3.4% of GDP in 2025 from 4.4% in 2024, primarily as a result of the government's fiscal adjustment measures (see below). However, we project the deficit will widen again to around 4.6% of GDP in 2026, driven by a sharp increase in defence expenditure – including the large delivery of F-35 fighter jets – rising interest payments, and higher public-sector wage costs, alongside weaker tax revenue growth owing to subdued economic growth. Defence spending is set to increase significantly towards a target of 3.5% of GDP by 2035, from 2.4% in 2024. We expect the deficit to narrow to around 3.3% of GDP in 2027, as the one-off impact of defence procurement fades and consolidation measures take hold, though it will remain above the EU's 3% reference value.

In January 2026, the EU Council formally opened an Excessive Deficit Procedure (EDP) against Finland, following a deficit of 4.4% of GDP in 2024. The Council set a correction deadline of end-2028 and stipulated a corrective net expenditure path. Finland's use of the national escape clause for defence spending did not fully explain the deficit overshoot. Based on the authorities' own assessment, compliance with the corrective path is achievable in 2026 but becomes increasingly challenging in 2027 and 2028, and it will most likely take additional time beyond the 2028 deadline to bring the deficit sustainably below 3% of GDP.

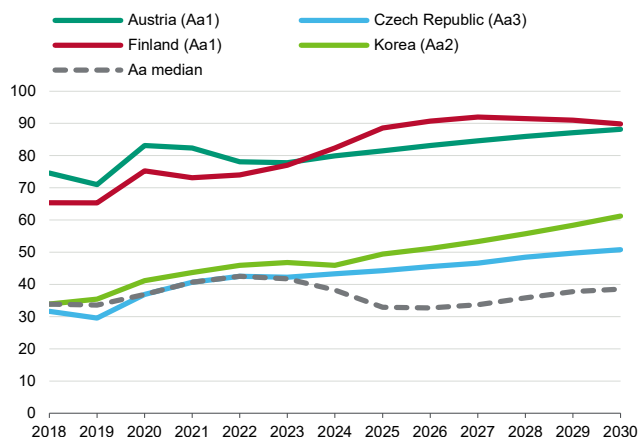
The current government, which came to power in mid-2023, has implemented a substantial fiscal consolidation agenda totalling approximately €10 billion (around 3.5% of GDP). This comprises the initial €6 billion package in the 2023 Government Programme, a second €3 billion package in spring 2024 (including a VAT rate increase to 25.5%), and a third €1 billion package in September 2025. In the General Government Fiscal Plan for 2027–2030, adopted in April 2026, the government decided on a further €0.4–0.5 billion in compensatory consolidation measures, while also introducing targeted measures to support growth and employment, including income tax relief and a corporate income tax cut of two percentage points from January 2027. A pension reform bill was approved by parliament in May 2026 and, once implemented progressively from July 2026, is expected to strengthen public finances by approximately €2 billion (0.8% of GDP) per annum, though this impact will materialise only over the coming decades.

While the strong and sustained political impetus to arrest the increase in the debt-to-GDP ratio confirms our assessment of Finland's very high institutional strength, the timing of the fiscal effort remains suboptimal, with the economy still struggling to find a firm footing. Despite likely medium-term benefits from the government's reforms, the current effect is likely contractionary, both through the direct fall in government consumption and the impact of consolidation on consumer sentiment and private consumption.

Exhibit 7

Debt burden will remain elevated relative to peers...

Government debt, % GDP

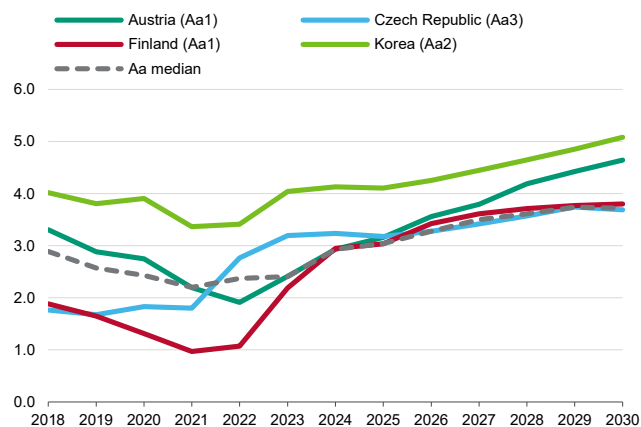


Source: Moody's Ratings

Exhibit 8

...while debt affordability has also deteriorated relative to some peers

Interest payments, % revenue



Source: Moody's Ratings

The debt-to-GDP ratio continues to climb: general government debt stood at 88.5% of GDP in 2025, up from 82% in 2024, and 65% in 2019. The large rise in 2025 was in part due to a 3.1 % of GDP stock flow adjustment driven by defence spending and collateral posted on interest rate swaps, among other factors. We project the debt ratio will rise to around 91% of GDP in 2026 before stabilising at 92% in 2027. Interest payments as a share of government revenue are also rising alongside the debt burden, from 2.9% in 2024 to a projected 3.4% in 2026 and 3.6% in 2027.

New fiscal framework enters into force with broad political backing, with first key test due by end of 2026

The Finnish Parliament adopted new fiscal framework legislation in December 2025, which entered into force on 1 January 2026. The framework was underpinned by a Parliamentary Pact on Fiscal Policy, signed in October 2025 by almost all parliamentary groups (with the exception of one small left-wing party), reflecting broad cross-party commitment to reversing the trend of rising indebtedness.

A first test of the new framework's credibility will come in December 2026, when the Parliamentary Working Group on Fiscal Policy (PWGFP) is scheduled to revise the government term target for 2031. This revision will take place just months before the parliamentary elections in April 2027, and will effectively set the fiscal parameters within which all parties must frame their electoral policy platforms. The ambition and realism of the target set at that point will be a key signal of the framework's effectiveness in anchoring fiscal policy over the coming four-year period.

Our long-term projections embed an assumption that, in line with this framework, the authorities will act to ensure that the debt burden stabilises and then begins to decline slowly in the next parliament. The December 2026 target-setting exercise, and the subsequent election campaign, will provide an important early indication of whether this assumption is well-founded.

However, the difficulties Finland has faced in durably reducing the deficit in the context of weak economic growth in recent years points to the risk that even ambitious additional consolidation efforts prove ineffective if economic weakness persists, leading to a materially higher debt burden than we currently project.

The new fiscal framework assigns the task of target-setting to a Parliamentary Working Group on Fiscal Policy (PWGFP), nominated each government term. It sets two targets: a government-term target (combined central and local government nominal balance in the term's final year) and an inter-parliamentary target (average budgetary position over the following eight years), both of which must comply with EU rules and also ensure the debt-to-GDP ratio declines by at least 0.75 pp/year toward a 40% long-term ceiling.

A three-part correction mechanism exceeds EU requirement. Most notably, if the Finnish Economic Policy Council (FEPC, the national IFI) judges the government-term target will be missed without justification, the government must act or publicly explain its inaction within two months ("comply or explain"). An early-warning trigger is set at a nominal deficit of -2.5% of GDP. The first PWGFP,

nominated in October 2025, set the 2027–2033 inter-parliamentary target at around 3% of GDP (average deficit) and a preliminary 2031 government-term target of 2–2.5% of GDP, with only EU-derived requirements binding during the 2027–2031 transition period.

Moody's rating methodology and scorecard factors: Finland - Aa1 stable

Factor / Sub-Factor	Metric	Indicator Year	Indicator	Initial Factor Score	Final Factor Score	Weights
Factor 1: Economic strength						
Growth dynamics	Average real GDP growth (%)	2021-2030F	0.7	caa1	a2	25%
	MAD Volatility in Real GDP Growth (%)	2016-2025	1.2	baa3		10%
Scale of the economy	Nominal GDP (\$ billion)	2025	316.4	a2		30%
National income	GDP per capita (PPP, Int\$)	2025	66,297.3	aaa		35%
Adjustment to factor 1	# notches				2	max ±9
Factor 2: Institutions and governance strength						
Quality of institutions	Quality of legislative and executive institutions			aaa	aaa	20%
	Strength of civil society and the judiciary			aaa		20%
Policy effectiveness	Fiscal policy effectiveness			aaa	aaa	30%
	Monetary and macroeconomic policy effectiveness			aaa		30%
Specified adjustment	Government default history and track record of arrears				0	max -3
Other adjustment to factor 2	# notches				0	max ±3
F1 x F2: Economic resiliency				aa3	aa2	
Factor 3: Fiscal strength						
Debt burden	General government debt/GDP (%)	2025	88.5	b1	a2	25%
	General government debt/revenue (%)	2025	163.8	a2		25%
Debt affordability	General government interest payments/revenue (%)	2025	3.0	aa1	a2	25%
	General government interest payments/GDP (%)	2025	1.6	aa3		25%
Specified adjustments	Total of specified adjustment (# notches)				-1	max ±6
	Debt Trend - Historical Change in Debt Burden	2017-2025	22.0	0	0	
	Debt Trend - Expected Change in Debt Burden	2025-2027F	3.4	0	0	
	General Government Foreign Currency Debt/ GDP	2025	0.0	0	0	
	Other non-financial public sector debt/GDP	2025	25.8	-1	-1	
	Government Financial Assets including Sovereign Wealth Funds / GDP	2025	2.0	0	0	
	Other adjustment to factor 3	# notches				2
F1 x F2 x F3: Government financial strength				aa3	aa2	
Factor 4: Susceptibility to event risk						
Political risk				baa		
	Domestic political risk and geopolitical risk			baa		
Government liquidity risk				aaa		
	Ease of access to funding			aaa	aaa	
Specified adjustment	High refinancing risk				0	max -2
Banking sector risk				a		
	Risk of banking sector credit event (BSCE)	Latest available	a2	aaa-a3		
	Total domestic bank assets/GDP	2025	235.1	230-400		
Adjustment to F4 BSR	# notches				0	max ±2
External vulnerability risk				aa		
	External vulnerability risk			aa		
Adjustment to F4 EVR	# notches				0	max ±2
Overall adjustment to F4	# notches				0	max -2
F1 x F2 x F3 x F4: Scorecard-indicated outcome				Aa2 - A1	Aa1 - Aa3	

Note: While information used to determine the grid mapping is mainly historical, our ratings incorporate expectations around future metrics and risk developments that may differ from the ones implied by the scorecard-indicated outcome. Thus, the rating process is deliberative and not mechanical, meaning that it depends on peer comparisons and should leave room for exceptional risk factors to be taken into account that may result in an assigned rating outside the scorecard-indicated outcome. For more information please see our Sovereign Ratings Methodology.

Footnotes: (1) **Initial factor score:** scorecard indicators combine with the automatic adjustments to produce an initial factor score for every rating factor, as detailed in Moody's Sovereign Ratings Methodology. (2) **Final factor score:** where additional analytical considerations exist, initial factor scores are augmented to produce a final factor score. Guidance on additional factors typically considered can be found in Moody's Sovereign Ratings Methodology; details on country-specific considerations are provided in Moody's research. (3) **Scorecard-indicated outcome:** Factor 1: Economic Strength, and Factor 2: Institutions and Governance Strength, combine with equal weight into a construct we designate as Economic Resiliency (ER). An aggregation function then combines ER and Factor 3: Fiscal Strength, following a non-linear pattern where Fiscal Strength has higher weight for countries with moderate ER and lower weight for countries with high or low ER. As a final step, Factor 4, a country's Susceptibility to Event Risk, is a constraint which can only lower the government financial strength as given by combining the first three factors. (4) **There are 20 ranking categories for quantitative sub-factors:** aaa, aa1, aa2, aa3, a1, a2, a3, baa1, baa2, baa3, ba1, ba2, ba3, b1, b2, b3, caa1, caa2, caa3, ca and 8 ranking categories for qualitative sub-factors: aaa, aa, a, baa, ba, b, caa, ca (5) **Indicator value:** if not explicitly stated otherwise, the indicator value corresponds to the latest data available.

© 2026 Moody's Corporation, Moody's Investors Service, Inc., Moody's Analytics, Inc. and/or their licensors and affiliates (collectively, "MOODY'S"). All rights reserved. CREDIT RATINGS ISSUED BY MOODY'S CREDIT RATINGS AFFILIATES ARE THEIR CURRENT OPINIONS OF THE RELATIVE FUTURE CREDIT RISK OF ENTITIES, CREDIT COMMITMENTS, OR DEBT OR DEBT-LIKE SECURITIES, AND MATERIALS, PRODUCTS, SERVICES AND INFORMATION PUBLISHED OR OTHERWISE MADE AVAILABLE BY MOODY'S (COLLECTIVELY, "MATERIALS") MAY INCLUDE SUCH CURRENT OPINIONS. MOODY'S DEFINES CREDIT RISK AS THE RISK THAT AN ENTITY MAY NOT MEET ITS CONTRACTUAL FINANCIAL OBLIGATIONS AS THEY COME DUE AND ANY ESTIMATED FINANCIAL LOSS IN THE EVENT OF DEFAULT OR IMPAIRMENT. SEE APPLICABLE MOODY'S RATING SYMBOLS AND DEFINITIONS PUBLICATION FOR INFORMATION ON THE TYPES OF CONTRACTUAL FINANCIAL OBLIGATIONS ADDRESSED BY MOODY'S CREDIT RATINGS. CREDIT RATINGS DO NOT ADDRESS ANY OTHER RISK, INCLUDING BUT NOT LIMITED TO: LIQUIDITY RISK, MARKET VALUE RISK, OR PRICE VOLATILITY. CREDIT RATINGS, NON-CREDIT ASSESSMENTS ("ASSESSMENTS"), AND OTHER OPINIONS INCLUDED IN MOODY'S MATERIALS ARE NOT STATEMENTS OF CURRENT OR HISTORICAL FACT. MOODY'S MATERIALS MAY ALSO INCLUDE QUANTITATIVE MODEL-BASED ESTIMATES OF CREDIT RISK AND RELATED OPINIONS OR COMMENTARY PUBLISHED BY MOODY'S ANALYTICS, INC. AND/OR ITS AFFILIATES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT CONSTITUTE OR PROVIDE LEGAL, COMPLIANCE, INVESTMENT, FINANCIAL OR OTHER PROFESSIONAL ADVICE, AND MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT AND DO NOT PROVIDE RECOMMENDATIONS TO PURCHASE, SELL, OR HOLD PARTICULAR SECURITIES. MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS DO NOT COMMENT ON THE SUITABILITY OF AN INVESTMENT FOR ANY PARTICULAR INVESTOR. MOODY'S ISSUES ITS CREDIT RATINGS, ASSESSMENTS AND OTHER OPINIONS AND PUBLISHES OR OTHERWISE MAKES AVAILABLE ITS MATERIALS WITH THE EXPECTATION AND UNDERSTANDING THAT EACH INVESTOR WILL, WITH DUE CARE, MAKE ITS OWN STUDY AND EVALUATION OF EACH SECURITY THAT IS UNDER CONSIDERATION FOR PURCHASE, HOLDING, OR SALE.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS, AND MATERIALS ARE NOT INTENDED FOR USE BY RETAIL INVESTORS AND IT WOULD BE RECKLESS AND INAPPROPRIATE FOR RETAIL INVESTORS TO USE MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS OR MATERIALS WHEN MAKING AN INVESTMENT DECISION. IF IN DOUBT YOU SHOULD CONTACT YOUR FINANCIAL OR OTHER PROFESSIONAL ADVISER.

ALL INFORMATION CONTAINED HEREIN IS PROTECTED BY LAW, INCLUDING BUT NOT LIMITED TO, COPYRIGHT LAW, AND NONE OF SUCH INFORMATION MAY BE COPIED OR OTHERWISE REPRODUCED, REPACKAGED, FURTHER TRANSMITTED, TRANSFERRED, DISSEMINATED, REDISTRIBUTED OR RESOLD, OR STORED FOR SUBSEQUENT USE FOR ANY SUCH PURPOSE, IN WHOLE OR IN PART, IN ANY FORM OR MANNER OR BY ANY MEANS WHATSOEVER, BY ANY PERSON WITHOUT MOODY'S PRIOR WRITTEN CONSENT. FOR CLARITY, NO INFORMATION CONTAINED HEREIN MAY BE USED TO DEVELOP, IMPROVE, TRAIN OR RETRAIN ANY SOFTWARE PROGRAM OR DATABASE, INCLUDING, BUT NOT LIMITED TO, FOR ANY ARTIFICIAL INTELLIGENCE, MACHINE LEARNING OR NATURAL LANGUAGE PROCESSING SOFTWARE, ALGORITHM, METHODOLOGY AND/OR MODEL.

MOODY'S CREDIT RATINGS, ASSESSMENTS, OTHER OPINIONS AND MATERIALS ARE NOT INTENDED FOR USE BY ANY PERSON AS A BENCHMARK AS THAT TERM IS DEFINED FOR REGULATORY PURPOSES AND MUST NOT BE USED IN ANY WAY THAT COULD RESULT IN THEM BEING CONSIDERED A BENCHMARK.

All information contained herein is obtained by MOODY'S from sources believed by it to be accurate and reliable. Because of the possibility of human or mechanical error as well as other factors, however, all information contained herein is provided "AS IS" without warranty of any kind. MOODY'S adopts all necessary measures so that the information it uses in assigning a credit rating or assessment is of sufficient quality and from sources MOODY'S considers to be reliable including, when appropriate, independent third-party sources. However, MOODY'S is not an auditor and cannot in every instance independently verify or validate information received in the credit rating or assessment process or in preparing its Materials.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability to any person or entity for any indirect, special, consequential, or incidental losses or damages whatsoever arising from or in connection with the information contained herein or the use of or inability to use any such information, even if MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers is advised in advance of the possibility of such losses or damages, including but not limited to: (a) any loss of present or prospective profits or (b) any loss or damage arising where the relevant financial instrument is not the subject of a particular credit rating or assessment assigned by MOODY'S.

To the extent permitted by law, MOODY'S and its directors, officers, employees, agents, representatives, licensors and suppliers disclaim liability for any direct or compensatory losses or damages caused to any person or entity, including but not limited to by any negligence (but excluding fraud, willful misconduct or any other type of liability that, for the avoidance of doubt, by law cannot be excluded) on the part of, or any contingency within or beyond the control of, MOODY'S or any of its directors, officers, employees, agents, representatives, licensors or suppliers, arising from or in connection with the information contained herein or the use of or inability to use any such information.

NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS, COMPLETENESS, MERCHANTABILITY OR FITNESS FOR ANY PARTICULAR PURPOSE OF ANY CREDIT RATING, ASSESSMENT, OTHER OPINION OR INFORMATION IS GIVEN OR MADE BY MOODY'S IN ANY FORM OR MANNER WHATSOEVER.

Moody's Investors Service, Inc., a wholly-owned credit rating agency subsidiary of Moody's Corporation ("MCO"), hereby discloses that most issuers of debt securities (including corporate and municipal bonds, debentures, notes and commercial paper) and preferred stock rated by Moody's Investors Service, Inc. have, prior to assignment of any credit rating, agreed to pay Moody's Investors Service, Inc. for credit ratings opinions and services rendered by it. MCO and all MCO entities that issue ratings under the "Moody's Ratings" brand name ("Moody's Ratings"), also maintain policies and procedures to address the independence of Moody's Ratings' credit ratings and credit rating processes. Information regarding certain affiliations that may exist between directors of MCO and rated entities, and between entities who hold credit ratings from Moody's Investors Service, Inc. and have also publicly reported to the SEC an ownership interest in MCO of more than 5%, is posted annually at ir.moody.com under the heading "Investor Relations — Corporate Governance — Charter and Governance Documents - Director and Shareholder Affiliation Policy."

Moody's SF Japan K.K., Moody's Local AR Agente de Calificación de Riesgo S.A., Moody's Local BR Agência de Classificação de Risco LTDA, Moody's Local MX S.A. de C.V., I.C.V., Moody's Local PE Clasificadora de Riesgo S.A., Moody's Local PA Calificadora de Riesgo S.A., Moody's Local CR Calificadora de Riesgo S.A., Moody's Local ES S.A. de CV Clasificadora de Riesgo, Moody's Local RD Sociedad Calificadora de Riesgo S.R.L. and Moody's Local GT S.A. (collectively, the "Moody's Non-NRSRO CRAs") are all indirectly wholly-owned credit rating agency subsidiaries of MCO. None of the Moody's Non-NRSRO CRAs is a Nationally Recognized Statistical Rating Organization.

Additional terms for Australia only: Any publication into Australia of this document is pursuant to the Australian Financial Services License of MOODY'S affiliate, Moody's Investors Service Pty Limited ABN 61 003 399 657 AFSL 336969 and/or Moody's Analytics Australia Pty Ltd ABN 94 105 136 972 AFSL 383569 (as applicable). This document is intended to be provided only to "wholesale clients" within the meaning of section 761G of the Corporations Act 2001. By continuing to access this document from within Australia, you represent to MOODY'S that you are, or are accessing the document as a representative of, a "wholesale client" and that neither you nor the entity you represent will directly or indirectly disseminate this document or its contents to "retail clients" within the meaning of section 761G of the Corporations Act 2001. MOODY'S credit rating is an opinion as to the creditworthiness of a debt obligation of the issuer, not on the equity securities of the issuer or any form of security that is available to retail investors.

Additional terms for India only: Moody's credit ratings, Assessments, other opinions and Materials are not intended to be and shall not be relied upon or used by any users located in India in relation to securities listed or proposed to be listed on Indian stock exchanges.

Additional terms with respect to Second Party Opinions and Net Zero Assessments (as defined in Moody's Ratings Rating Symbols and Definitions): Please note that neither a Second Party Opinion ("SPO") nor a Net Zero Assessment ("NZA") is a "credit rating". The issuance of SPOs and NZAs is not a regulated activity in many jurisdictions, including Singapore. EU: In the European Union, each of Moody's Deutschland GmbH and Moody's France SAS provide services as an external reviewer in accordance with the applicable requirements of the EU Green Bond Regulation. JAPAN: In Japan, development and provision of SPOs and NZAs fall under the category of "Ancillary Businesses", not "Credit Rating Business", and are not subject to the regulations applicable to "Credit Rating Business" under the Financial Instruments and Exchange Act of Japan and its relevant regulation. PRC: Any SPO: (1) does not constitute a PRC Green Bond Assessment as defined under any relevant PRC laws or regulations; (2) cannot be included in any registration statement, offering circular, prospectus or any other documents submitted to the PRC regulatory authorities or otherwise used to satisfy any PRC regulatory disclosure requirement; and (3) cannot be used

within the PRC for any regulatory purpose or for any other purpose which is not permitted under relevant PRC laws or regulations. For the purposes of this disclaimer, "PRC" refers to the mainland of the People's Republic of China, excluding Hong Kong, Macau and Taiwan.

REPORT NUMBER 1486064

CLIENT SERVICES

Americas	1-212-553-1653
Asia Pacific	852-3551-3077
Japan	81-3-5408-4100
EMEA	44-20-7772-5454