

## CREDIT OPINION

6 July 2022

Update



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### RATINGS

#### Bluestep Bank AB (publ)

Domicile	Sweden
Long Term CRR	A2
Type	LT Counterparty Risk Rating - Fgn Curr
Outlook	Not Assigned
Long Term Debt	Not Assigned
Long Term Deposit	A3
Type	LT Bank Deposits - Fgn Curr
Outlook	Stable

Please see the [ratings section](#) at the end of this report for more information. The ratings and outlook shown reflect information as of the publication date.

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## Bluestep Bank AB (publ)

### Update to credit analysis

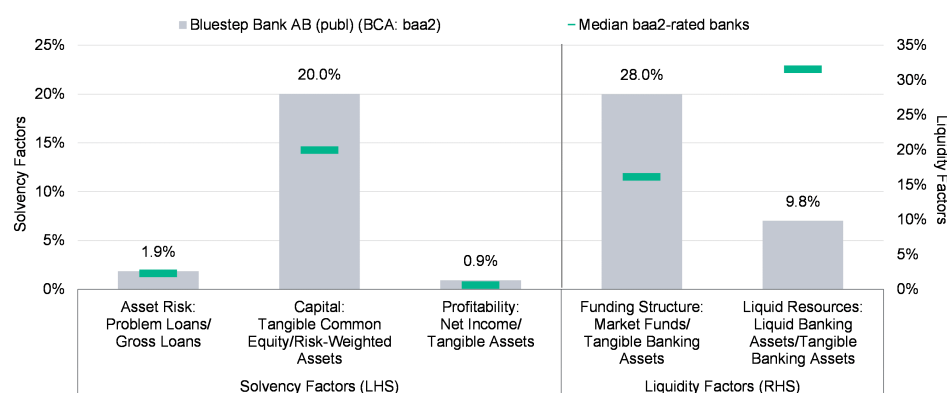
#### Summary

[Bluestep Bank AB \(publ\)](#)'s (Bluestep) A3/P-2 deposit rating incorporates the bank's baa2 Baseline Credit Assessment (BCA) and two notches of uplift as indicated by our Advanced Loss Given Failure (LGF) analysis, capturing the large volumes of loss-absorbing obligations protecting depositors in case of failure.

The baa2 BCA reflects the bank's high capitalisation and strong profitability. While its asset risk is higher than that of other Nordic mortgage lenders, Bluestep benefits from the overall strong performance of Nordic mortgages and historical low losses. These strengths are balanced against its reliance on wholesale funding, although issuance of covered bonds diversifies funding, and weak efficiency due to Bluestep's largely manual underwriting process.

Exhibit 1

#### Rating Scorecard - Key financial ratios



These represent our [Banks Methodology](#) scorecard ratios, whereby asset risk and profitability reflect the weaker of either the latest reported or the average of the last three year-end and latest reported ratios. Capital is the latest reported figure. Funding structure and liquid resources ratios reflect the latest year-end figures.

Source: Moody's Investors Service

## Credit strengths

- » Strong capitalisation
- » High repayment rates supported by generous governmental unemployment benefits and state run collection agencies
- » Strong profitability, with a large market share within the niche non-prime Swedish and Norwegian mortgage markets
- » Strategic focus on mortgages in the Nordic countries

## Credit challenges

- » Elevated asset risk, through lending to non-prime borrowers
- » Reliance on market funding
- » Weak efficiency, which stems from Bluestep's largely manual underwriting process and its frequent personal interactions with customers and applicants

## Outlook

- » The stable outlook on the deposit ratings reflects our expectations that Bluestep's capitalisation will remain strong with limited deterioration in asset risk. The bank will continue to generate internal capital because of its strong core earnings. Profitability will remain strong, supported by low funding costs and continued growth.

## Factors that could lead to an upgrade

- » The BCA could be upgraded if a higher proportion of the bank's lending is focussed on lower risk customers, alongside a sustained reduction in the level of nonperforming loans. An upgrade of its BCA would result in the deposit ratings being upgraded.

## Factors that could lead to a downgrade

- » The BCA could be downgraded if the bank experiences a significant deterioration in asset risk, including the proportion of problem loans to gross loans rising above 4%, or the volume of Stage 2 loans increasing rapidly; or that tangible common equity (TCE) ratio declines and remains below 16% of risk-weighted assets.
- » The deposit ratings could be downgraded in case of a lower BCA or lower volume of loss absorbing liabilities protecting depositors in case of failure.

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

### Bluestep Bank AB (publ) (Consolidated Financials) [1]

	12-21 <sup>2</sup>	12-20 <sup>2</sup>	12-19 <sup>2</sup>	12-18 <sup>2</sup>	12-17 <sup>2</sup>	CAGR/Avg. <sup>3</sup>
Total Assets (SEK Million)	21,002.2	20,281.6	19,253.5	17,496.4	16,600.2	6.1 <sup>4</sup>
Total Assets (USD Million)	2,321.5	2,469.6	2,056.8	1,973.5	2,027.5	3.4 <sup>4</sup>
Tangible Common Equity (SEK Million)	1,696.3	1,621.3	1,497.9	1,399.1	1,048.0	12.8 <sup>4</sup>
Tangible Common Equity (USD Million)	187.5	197.4	160.0	157.8	128.0	10.0 <sup>4</sup>
Problem Loans / Gross Loans (%)	1.7	2.0	1.9	1.6	1.5	1.7 <sup>5</sup>
Tangible Common Equity / Risk Weighted Assets (%)	20.0	19.7	18.2	18.7	14.8	18.3 <sup>6</sup>
Problem Loans / (Tangible Common Equity + Loan Loss Reserve) (%)	17.3	19.8	20.1	16.4	18.8	18.5 <sup>5</sup>
Net Interest Margin (%)	4.1	4.1	4.5	4.2	4.2	4.2 <sup>5</sup>
PPI / Average RWA (%)	4.1	3.3	4.2	3.9	4.3	4.0 <sup>6</sup>
Net Income / Tangible Assets (%)	1.2	0.8	0.8	0.9	1.2	1.0 <sup>5</sup>
Cost / Income Ratio (%)	60.5	68.1	60.6	61.9	57.9	61.8 <sup>5</sup>
Market Funds / Tangible Banking Assets (%)	28.0	21.2	31.4	31.4	29.6	28.3 <sup>5</sup>
Liquid Banking Assets / Tangible Banking Assets (%)	9.8	13.5	11.2	11.6	12.6	11.7 <sup>5</sup>
Gross Loans / Due to Customers (%)	171.0	132.1	141.5	140.0	130.9	143.1 <sup>5</sup>

[1] All figures and ratios are adjusted using Moody's standard adjustments. [2] Basel III - fully loaded or transitional phase-in; IFRS. [3] May include rounding differences because of the scale of reported amounts. [4] Compound annual growth rate (%) based on the periods for the latest accounting regime. [5] Simple average of periods for the latest accounting regime. [6] Simple average of Basel III periods.

Sources: Moody's Investors Service and company filings

## Profile

Bluestep Bank AB (publ) (Bluestep) is wholly owned by Bluestep Holding AB and is the parent of the Bluestep Bank Group, which includes five subsidiaries that operate in Sweden, Finland and Norway. As of December 2021 the bank reported total assets of SEK21 billion (€2.0 billion). Bluestep Bank is the regulated entity of the group and is under the supervision of the Swedish Financial Supervisory Authority (with a banking license since 2016).

Bluestep was established in 2004 in Sweden and expanded into Norway in 2010, and to Finland in 2020. The bank specialises in mortgages to customers with a limited or more adverse credit history. In November 2020 Bluestep agreed to sell its personal unsecured lending business (5% of gross loans at the time) and the portfolio was transferred on 1 January 2021. Furthermore, Bluestep has been gathering retail deposits in Sweden since 2008 and in Norway since 2010.

Since 2017 Bluestep has been owned by EQT VII, a private equity fund established by the investment firm EQT Group, with €3.1 billion of assets under management and total investments of €16.6 billion as of year-end 2021.

## Recent developments

### Macroeconomic developments

On June 30, Sweden's Riksbank, the central bank, raised its repo rate by 50 basis points to 0.75%. This follows its previous hike on 28 April, when it [raised its repo rate to 0.25% from 0%](#), the first rate increase since 2020 and decided to scale down its asset purchase programme, reducing its long-term buying and stopping the purchase of Treasury bills. Additionally, in a significant change of its forward guidance, the central bank expects two more increases this year, with the repo rate reaching slightly below 2% in 2025. For banks, the rate hike also is credit positive because their net interest margins will rise, enhancing bank profitability.

Norges Bank increased its policy rate by 50 bps on 22 June 2022, resulting in a policy rate of 1.25%, while indicating that further rate hikes will occur in 2022 and that it expects the policy rate to reach 3% by 2023.

Our outlooks for the [Swedish](#), [Norwegian](#) and [Finnish](#) banking system are stable. We expect the operating environment to remain supportive of Nordic banks ratings.

### Bank specific developments

In the beginning of 2022 EQT VII, the owner, initiated a strategic review to explore strategic alternatives for its ownership, including a potential public listing on the stock exchange among other alternatives. This is in line with its strategy to hold its portfolio companies between four to six years.

On 27 November 2020, Bluestep announced the divestment of its personal loan portfolio to Svea Ekonomi as part of the bank's strategy to fully focus on mortgage lending. The portfolio was transferred on 1 January 2021. We view the sale of Bluestep's personal loan portfolio as [positive](#).

### Detailed credit considerations

#### Bluestep's operations is supported by its "Strong +" weighted macro profile

Swedish banks operate in a wealthy, diversified and highly competitive economy, and benefit from the country's very high institutional strength and low political risk. However, we view Swedish household debt levels and the multiyear growth of household debt, as key vulnerabilities to the financial system. We reflect this by assigning a '[Strong+](#)' macro profile.

Bluestep has operations in three Nordic countries with 56% of gross lending in Sweden, 43% in Norway and 1% in Finland (Bluestep launched mortgage lending in Finland in June 2020), reflecting the bank's weighted macro profile of "Strong +".

#### Bluestep's asset quality to remain broadly stable

Although higher interest rates will raise debt service costs for borrowers, we expect Bluestep's asset quality remain broadly stable; meaning we expect the non-performing loan ratio on Bluestep's largely non-prime mortgages to increase only moderately from 1.7% as of year-end 2021. If we see a scenario with rapidly increasing unemployment, the increase in problem loans would be steeper. The assigned Asset Risk score of baa2 reflects Bluestep's residential mortgage lending with a focus on non-prime mortgages and historically high loan growth.

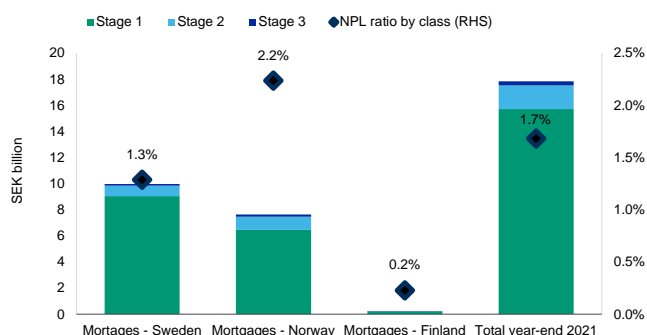
Bluestep's problem loans to gross loans ratio was a low 1.68% as of year-end 2021, an improvement compared to 1.98% as of year-end 2020, although higher than that of its Nordic peers. As of February 2020 Bluestep stopped offering private unsecured loans, pursuing its strategy to completely focus on residential mortgages. The Swedish unsecured personal loan portfolio that accounted for 4% at year-end 2020 was sold on 1 January 2021, whereby we expect the asset-risk profile of the bank to continue to improve.

We regard Bluestep's coverage (loan-loss reserves/problem loans) of 12.8% as of December 2021 to be low (see Exhibit 4). However, the bank's problem loans/TCE and loan-loss reserves ratio was a relatively strong 17.3% as of December 2021. The weighted average LTV ratio is 72% in Sweden and 66% in Norway as of year-end 2021, which is higher than that of many of the company's Nordic peers because of the faster turnover in its portfolio. On the other hand, Bluestep's average loan size is relatively small in the Nordic context. This helps maintain loan affordability even if unemployment increases.

Although the bank's loan growth has been high for many years, regulatory reforms (including amortisation requirements) have moderated the pace of expansion in recent years. Gross loans increased by 7% in 2021 compared to 2020, with the volumes affected by a weaker Norwegian krona, the divestment of the bank's personal loan portfolio. Bluestep follows the current regulations that stipulate that a mortgage cannot exceed an 85% LTV ratio at origination. In Finland where Bluestep has started its mortgage activities recently, the maximum LTV is 95% according to regulation, but we do not expect Bluestep to extend mortgages with such high LTV.

Exhibit 3

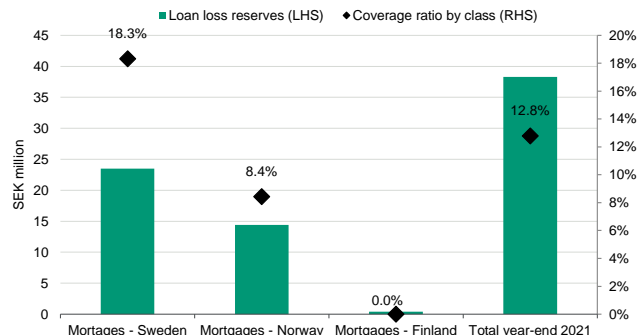
Level of problem loans, illustrated by Stage 3 exposures, are higher than that of its Nordic peers, but low in an international context



Source: Company reports

Exhibit 4

Loan-loss reserves and coverage ratio are adequate, given the large amount of collateral



Source: Company reports

### Resumed dividend payouts reduces the bank's capitalisation, although robust buffers above regulatory capital requirements remain

We view Bluestep's capitalisation as strong, although we apply a negative adjustment to Bluestep's assigned capital score of aa3, given the limited transparency regarding the access to capital in case of need.

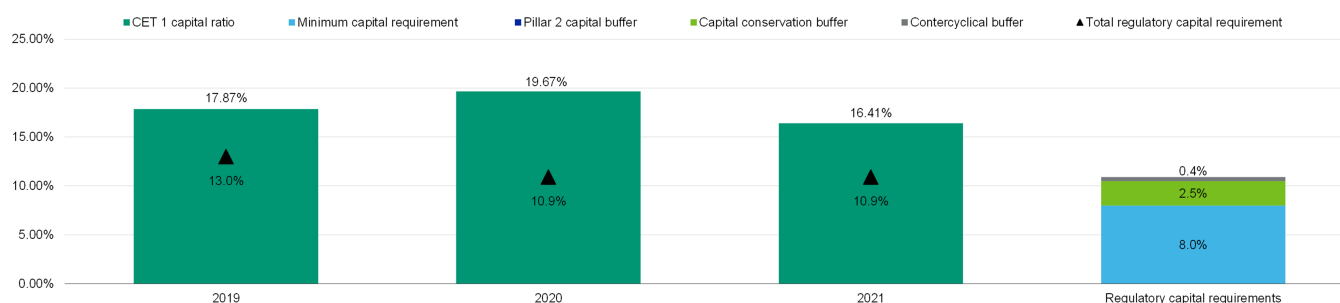
In October 2021 Bluestep paid out an extra dividend of SEK205 million following Swedish Financial Supervisory Authority (FSA) ended its recommendation regarding dividend distribution on 30 September 2021<sup>1</sup>. The Board has also proposed a dividend of SEK300 million for the net profit of 2021, to be paid out during 2022. We expect the bank's capitalisation to normalise to pre-pandemic levels with TCE/RWAs around 16% (equivalent to an initial score of aa2).

Following the dividend payout Bluestep's Common Equity Tier 1 (CET1) capital ratio decreased to 16.4% as of year-end 2021 compared to 19.7% in the previous year. This brings the reported CET1 ratio closer to the bank's CET1 capital ratio target of 16% set by Bluestep's board and supported by the bank's owner, represented by EQT Group. The CET1 capital ratio is still comfortably above the regulatory requirement of 10.9% as of December 2021 (see Exhibit 5). However, there is limited transparency regarding access to additional capital in case of need. Bluestep's shares are held as one investment of many within one of the funding vehicles of EQT Group.

The Swedish FSA decided to raise the countercyclical buffer (CCB) to 1% with effect from the third quarter of 2022, partly restoring the pre-pandemic CCB of 2.5%. In our view, Bluestep's total capital ratio is well above the increased requirement and this does not cause a restriction on Bluestep's ability to extend further lending.

Exhibit 5

Capitalisation will decline, but Bluestep holds a good buffer over regulatory requirements



Source: Company reports

Bluestep's TCE to risk-weighted assets was 20.0% (planned dividend not deducted) as of December 2021 (2020: 19.7%) and TCE/total assets ratio of 8.1% as of December 2021 (2020: 8.0%). The sale of the personal loan portfolio (finalised on 1 January 2021), contributed to the strengthened capital situation.

### **Strong profitability driven by high interest rate margins**

The assigned Profitability score of baa1 reflects Bluestep's strong margins, high cost base, and the expected level of profitability during the outlook period of 12-18 months.

Bluestep's recurring profitability is strong, with the net income to tangible assets ratio increased to 1.2% in 2021, compared to 0.8% in the year-earlier period. The bank's profitability in 2021 has been supported by its stable net interest income, lower operating expenses and significantly lower loan loss provisions due to the absence of the private unsecured borrowers. Because of the uncertainty related to COVID-19, Bluestep retains management overlay of SEK5.4 million as of December 2021.

Bluestep's underlying profitability is driven by the relatively high interest rates on its mortgages, ranging from around 3% to above 10%, compared with an average of around 1.7% for traditional banks in May 2022. This resulted in a very strong net interest rate margin of 4.1% for 2021 (unchanged from 2020). Net interest income is Bluestep's main source of income, accounting for 96% of revenue in 2021 and it remained stable due to loan growth combined with lowered interest expenses following the diversification of funding sources (which offset the decrease of higher interest rate margins previously generated by the divested unsecured personal loan portfolio). With increasing interest rates, we expect that Bluestep will be able to improve its net interest income.

While most Nordic peers cost-to-income ratio is around 50% or lower, Bluestep's efficiency is relatively weaker with a cost-to-income ratio of 61% for 2021, although the ratio improved significantly from 68% in the year earlier period (which was affected by the investments in the launch of their Finnish operations and equity release product "60plusbanken"). Furthermore, lower operating expenses in 2021 and more efficient processes contributed to the improvement. However, Bluestep's relatively high cost-to-income ratio is also due to the bank's largely manual underwriting process. Furthermore, Bluestep suffers from higher early repayment levels as customers leave, on average, after three years, following improvements in their credit scores. This compares with the average seven-year duration of mortgage loans at traditional banks.

Bluestep continues its investments in digital processes including IT and product development. This together with the centralisation of back-office functions, is leading to meaningful cost reductions.

### **Improved funding profile due to phasing out of RMBS, while reliance on market funding remains**

Bluestep's assigned funding score of baa2 reflects the high reliance on market funding and in our view, positive changes in the funding profile of the bank, shifting away from RMBS toward covered bonds and senior unsecured funding.

The bank issued its first covered bond in April 2020 and had SEK5.3 billion outstanding covered bonds by year-end 2021 and the last RMBS was redeemed in May 2022. Bluestep continues to be active in the senior unsecured market with outstanding volumes of SEK2,050 million and NOK550 million in 2021, after making its first issuance in December 2018.

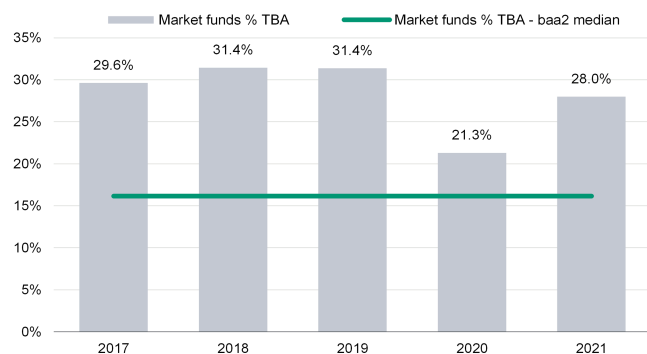
Bluestep's Moody's adjusted market funds to TBA ratio was 28.0% as of December 2021 (2020: 21.2%) (see Exhibit 6), including the 50% deduction of all covered bonds as per our Banks Methodology. Bluestep's issuances of covered bonds has helped the bank attract more domestic investors, who we consider less likely to sell in a stressed market scenario compared with foreign investors. Bluestep is the first covered bond issuer within the non-prime segment, and the liquidity of these instruments is yet to be tested, but overall demand has been strong. The most recent covered bond had a 5 year maturity. The senior bonds have shorter maturities, normally of three years, and are therefore associated with more frequent refinancing. As the bank continues to tap the covered bond market, we expect that the term structure will be managed to avoid larger refinancing hurdles.

Deposits accounted for 54% of non-equity funding as of year-end 2021, down from 68% one year-earlier, as a result of the large decrease in deposits in 2021. Due to the favourable conditions for covered bonds, this has helped to optimise the cost of funding. The loans to deposit ratio increased to 171% at the end of December 2021 compared to 132% at the end of 2020.

Bluestep holds an adequate liquid reserves of high-quality assets and cash at banks, with a target of 19% of deposits. The bank's liquid assets decreased by 24% to SEK2 billion as of December 2021 from SEK2.7 billion as of year-end 2020, corresponding to the Moody's adjusted liquid assets to tangible banking assets ratio of 9.8%.

Exhibit 6

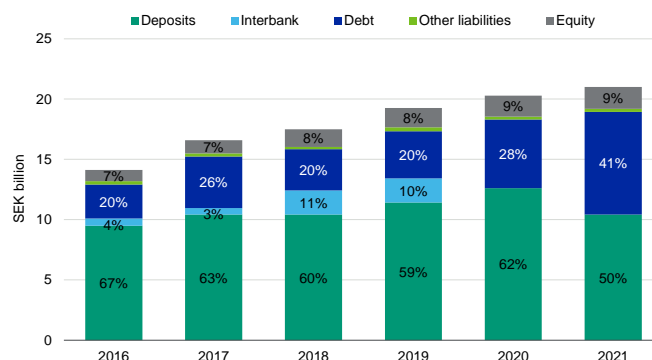
### Bluestep has a high reliance on market funding



Source: Company reports and Moody's Investors Service

Exhibit 7

### Bluestep has gradually increased the share of issued securities including senior unsecured and covered bonds which reduces cost of funding



Source: Company reports

### Monoline business increases reliance on a single source of revenue

Because Bluestep derives most of its income from its mortgage customers, primarily in the form of net interest income, the BCA includes a one-notch negative adjustment to reflect its monoline business model, similar to other mortgage banks.

### ESG considerations

In line with our general view on the banking sector, Bluestep has low exposure to environmental risks (see our [environmental risks heat map](#) for further information).

The most relevant social risks for banks arise from the way they interact with their customers. Social risks are particularly high in the area of data security and customer privacy, which are mitigated by sizeable technology investments and banks' long track record of handling sensitive client data. Fines and reputational damage because of product mis-selling or other types of misconduct are a further social risk. Societal trends are also relevant in a number of areas, such as shifting customer preferences towards digital banking services; increasing information technology costs; ageing population concerns in several countries, including the Nordic countries, affecting the demand for financial services; or socially driven policy agendas that may translate into regulations that affect banks' revenue base. Overall, we expect banks, including Bluestep, to face moderate social risks. Furthermore, we regard the coronavirus pandemic as a social risk under our environment, social and governance (ESG) framework, given the substantial implications for public health and safety. See our [social risks heat map](#) for further information.

Governance is highly relevant for Bluestep, as it is to all participants in the banking industry. Corporate governance weaknesses can lead to a deterioration in a bank's credit quality, while governance strengths can benefit its credit profile. Governance risks are largely internal rather than externally driven. We consider the probability of governance-related failures for Bluestep low. However, corporate governance remains a key credit consideration and requires ongoing monitoring.

### Support and structural considerations

#### Loss Given Failure (LGF) analysis

We apply our Advanced LGF analysis to Bluestep because the bank is subject to the European Union Bank Recovery and Resolution Directive, which we consider an operational resolution regime. For this analysis, we assume that the equity and losses are 3% and 8%, respectively, of tangible banking assets in a failure scenario. We also assume a 25% runoff in junior wholesale deposits and a 5% runoff in preferred deposits. Moreover, we assign a 25% probability to junior deposits being preferred to senior unsecured debt. These are in

line with our standard assumptions. Given the bank's focus on retail deposits, we assume that the bank's junior deposits account for 10% of total deposits, in line with those of other retail mortgage banks in Sweden.

Our LGF assessment is forward looking and incorporates the continued issuance of senior unsecured debt and expected balance-sheet growth. The deposit ratings of A3 incorporate a two-notch positive adjustment to the baa2 BCA because of the LGF analysis. The uplift reflects the large buffer of loss-absorbing liabilities protecting junior depositors in case of failure.

### Counterparty Risk Ratings (CRRs)

**Bluestep's CRRs are A2/Prime-1, incorporating three notches of uplift from the LGF analysis**

There is a considerable volume of loss-absorbing liabilities junior to the CRR obligations. In this case, we assume a nominal volume at failure because we are not able to accurately assess the volume of CRR liabilities at failure or the inherently more volatile nature of such liabilities as the bank approaches failure. The ratings incorporate three notches of uplift for the CRRs from the bank's Adjusted BCA of baa2.

### Counterparty Risk (CR) Assessment

**Bluestep's CR Assessment is A2(cr)/Prime-1(cr), incorporating three notches of uplift from the LGF analysis**

The main difference with our Advanced LGF approach used to determine instrument ratings is that the CR Assessment captures the probability of default on certain senior obligations rather than the expected loss. Therefore, we focus purely on subordination and take no account of the volume of the instrument class.

### Government support considerations

Because of the small size of Bluestep's retail operations, we assume a low probability of government support for the bank, resulting in no uplift to any of its ratings or assessments.

## Methodology and scorecard

### About Moody's Bank Scorecard

Our scorecard is designed to capture, express and explain in summary form our Rating Committee's judgement. When read in conjunction with our research, a fulsome presentation of our judgement is expressed. As a result, the output of our scorecard may materially differ from that suggested by raw data alone (though it has been calibrated to avoid the frequent need for strong divergence). The scorecard output and the individual scores are discussed in rating committees and may be adjusted up or down to reflect conditions specific to each rated entity.



## Rating methodology and scorecard factors

Exhibit 8

### Bluestep Bank AB (publ)

<b>Macro Factors</b>							
<b>Weighted Macro Profile</b>	<b>Strong +</b>	<b>100%</b>					
Factor	Historic Ratio	Initial Score	Expected Trend	Assigned Score	Key driver #1	Key driver #2	
Solvency							
Asset Risk							
Problem Loans / Gross Loans	1.9%	a1	↔	baa2	Quality of assets	Collateral and provisioning coverage	
Capital							
Tangible Common Equity / Risk Weighted Assets (Basel III - transitional phase-in)	20.0%	aa1	↓	aa3	Access to capital	Expected trend	
Profitability							
Net Income / Tangible Assets	0.9%	baa1	↔	baa1	Expected trend		
Combined Solvency Score		a1		a3			
Liquidity							
Funding Structure							
Market Funds / Tangible Banking Assets	28.0%	baa2	↔	baa2	Market funding quality	Expected trend	
Liquid Resources							
Liquid Banking Assets / Tangible Banking Assets	9.8%	ba2	↓	ba2			
Combined Liquidity Score		baa3		baa3			
Financial Profile				baa1			
Qualitative Adjustments				Adjustment			
Business Diversification				-1			
Opacity and Complexity				0			
Corporate Behavior				0			
Total Qualitative Adjustments				-1			
Sovereign or Affiliate constraint				Aaa			
BCA Scorecard-indicated Outcome - Range				baa1 - baa3			
Assigned BCA				baa2			
Affiliate Support notching				0			
Adjusted BCA				baa2			
<b>Balance Sheet</b>		<b>in-scope (SEK Million)</b>	<b>% in-scope</b>	<b>at-failure (SEK Million)</b>	<b>% at-failure</b>		
Other liabilities		7,222	34.6%	7,952	38.1%		
Deposits		10,426	49.9%	9,696	46.4%		
Preferred deposits		9,383	44.9%	8,914	42.7%		
Junior deposits		1,043	5.0%	782	3.7%		
Senior unsecured bank debt		2,615	12.5%	2,615	12.5%		
Equity		627	3.0%	627	3.0%		
Total Tangible Banking Assets		20,890	100.0%	20,890	100.0%		

Debt Class	De Jure waterfall		De Facto waterfall		Notching		LGF	Assigned	Additional	Preliminary
	Instrument	Sub-ordination	Instrument	Sub-ordination	De Jure	De Facto	Notching Guidance vs. Adjusted BCA	LGF notching	Notching	Rating Assessment
Counterparty Risk Rating	19.3%	19.3%	19.3%	19.3%	3	3	3	3	0	a2
Counterparty Risk Assessment	19.3%	19.3%	19.3%	19.3%	3	3	3	3	0	a2 (cr)
Deposits	19.3%	3.0%	19.3%	15.5%	2	3	2	2	0	a3

Instrument Class	Loss Given Failure notching	Additional notching	Preliminary Rating Assessment	Government Support notching	Local Currency Rating	Foreign Currency Rating
Counterparty Risk Rating	3	0	a2	0	A2	A2
Counterparty Risk Assessment	3	0	a2 (cr)	0	A2(cr)	
Deposits	2	0	a3	0	A3	A3

[1] Where dashes are shown for a particular factor (or sub-factor), the score is based on non-public information.

Source: Moody's Investors Service

## Ratings

Exhibit 9

Category	Moody's Rating
<b>BLUESTEP BANK AB (PUBL)</b>	
Outlook	Stable
Counterparty Risk Rating	A2/P-1
Bank Deposits	A3/P-2
Baseline Credit Assessment	baa2
Adjusted Baseline Credit Assessment	baa2
Counterparty Risk Assessment	A2(cr)/P-1(cr)

Source: Moody's Investors Service

## Endnotes

<sup>1</sup> We note that Bluestep cancelled the dividend in 2020 following the introduced recommendations from the Swedish FSA.

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