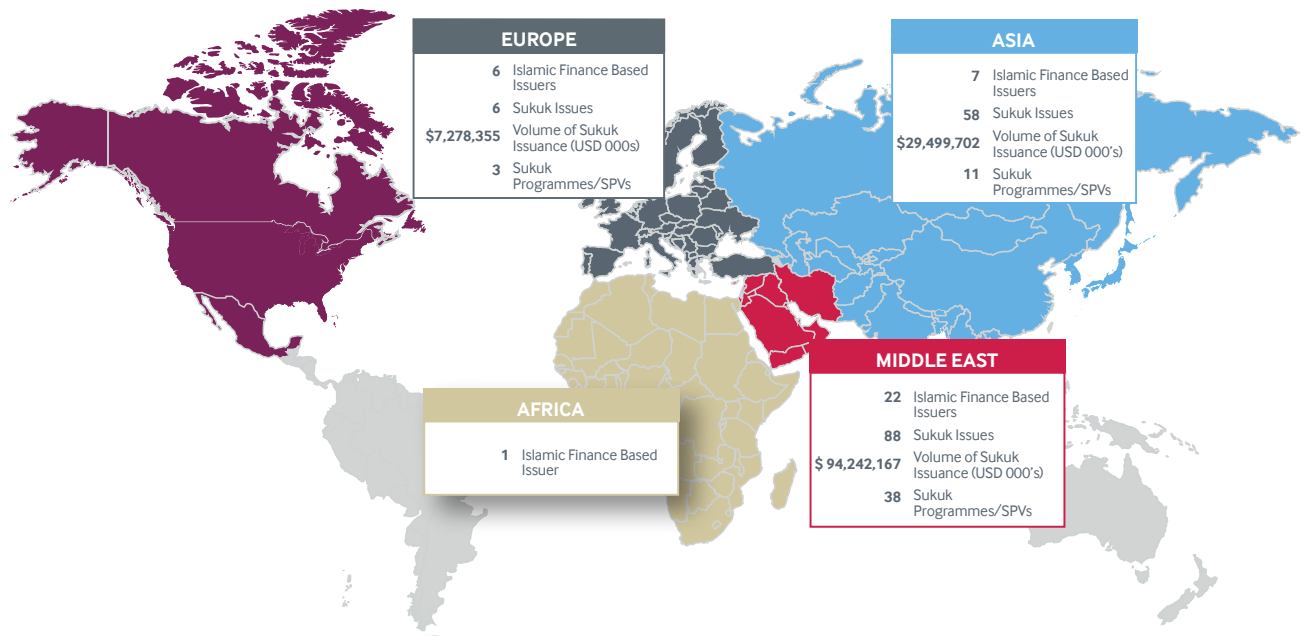


Islamic Finance

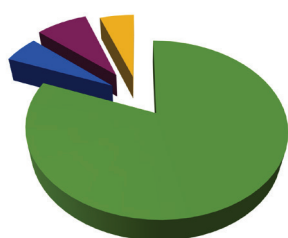
At Fitch Ratings, we have been providing independent and objective credit ratings to the Islamic Finance market for over a decade. With a strong track record in Islamic Finance, we rate more Islamic banks than any other global credit rating agency. We currently rate over 150 outstanding Islamic Finance instruments worldwide and over 35 Islamic Finance based issuers.

Fitch's Islamic Finance Group coordinates all Islamic Finance activities and expertise across the Sovereigns, Financial Institutions, Corporates, Structured Finance, Infrastructure, and Insurance teams. In addition to being involved in the rating process of Islamic Finance instruments, the group monitors and reports on this rapidly growing sector through specialised research and commentary, as well as criteria development. The Islamic Finance team spans various continents and time zones and brings a combination of local knowledge and a strategic global perspective to this evolving sector.

Fitch Ratings' Islamic Finance Coverage

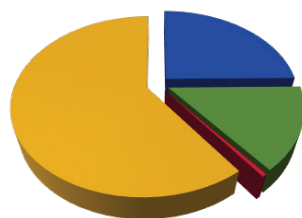


Islamic Finance Based Issuers by Sector



77.8%
28 Issuer
8.3%
3 Issuers
8.3%
3 Issuers
5.6%
2 Issuers

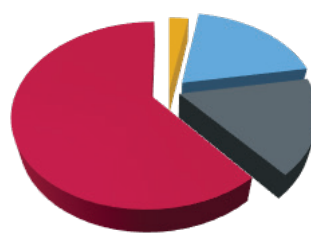
Volume of Sukuk Issuance by Sector (USD 000's)



60.1%
\$78,753,000
25.3%
\$33,147,869
14.6%
\$19,091,000

■ Corporates and Others
■ Financial Institutions
■ Insurance
■ Sovereign/Supranational

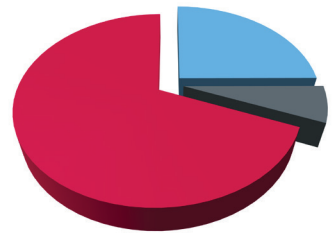
Islamic Finance Based Issuers by Region



61.1%
22 Issuer
19.4%
7 Issuer
16.7%
6 Issuer
2.8%
1 Issuer

■ Africa
■ Asia
■ Europe
■ Middle East
■ North America

Volume of Sukuk Issuance by Region (USD 000's)



72.0%
\$94,242,167
22.5%
\$29,499,702
5.5%
\$7,278,355

Criteria

Our dedicated Islamic Finance criteria is outlined in the *Sukuk Rating Criteria*, which describes Fitch Ratings' approach to assigning and maintaining ratings for new and existing originator-backed sukuk issues. These criteria apply to originator-backed (or "asset-based") sukuk structures, where investors rely upon obligor direct support features and contractual commitments built into the documentation. These criteria apply globally to: corporates, financial institutions, sovereigns, supranationals, public finance, insurers and global infrastructure. They do not apply to asset-backed sukuk, which rely on underlying collateral.

It is also possible for sukuk to be structured as subordinated, short-term or secured claims. If so, they will be rated as such in accordance with Fitch's established criteria, with the ratings again benchmarked to the Issuer Default Rating (IDR) or the issuer's Viability Rating (VR) where the case dictates.

FitchRatings		Islamic Finance Cross-Sector Criteria Global	
Sukuk Rating Criteria		Table of Contents	
Cross-Sector Criteria		Scope	
Scope		This report describes Fitch Ratings' approach to assigning and maintaining ratings for new and existing originator-backed sukuk issues. These criteria apply to originator-backed (or "asset-based") sukuk structures, where investors rely upon obligor direct support features and contractual commitments built into the documentation. These criteria apply globally to corporates, financial institutions, sovereigns, supranationals, public finance, insurers and global infrastructure. They do not apply to asset-backed sukuk, which rely on underlying collateral.	
Key Rating Drivers		Related Criteria	
Rating Anchored on IDR		Sovereign Rating Criteria (October 2020)	
Full Recourse to Originator		Non-Financial Institutions Rating Criteria (October 2020)	
Sukuk Form Affects Rating		Insurance Rating Criteria (August 2020)	
Legal Risk		Infrastructure and Project Finance Rating Criteria (March 2020)	
		Analyst	

Research & Commentary

The Islamic Finance Group publishes a wide range of specialised research and commentary across sectors and regions on major developments, industry outlooks, and market trends, including Rating Action Commentaries (RACs), Fitch Wires, and special reports. Recent examples include:

- [Global Sukuk Market Growth to Continue in 2021 and Beyond](#)
- [Global Sukuk Market Dashboard: 2Q21](#)
- [Sukuk Risk Profiles Could Be Altered by AAOIFI-Compliance Push](#)
- [Uncertain Impact of Regulatory Changes on UAE Islamic Banks](#)
- [Bahrain's Sizable Islamic Banking Sector Has Scope for Growth](#)
- [Oman's Islamic Banking Growth to Continue Despite Pandemic](#)
- [Garuda Airline's Sukuk Default Resolution Could Set Precedent in Indonesia](#)
- [Saudi Islamic Banks' Asset Quality Prone to Deterioration; Strong Capital and Liquidity](#)
- [Islamic Banking in Turkey is Still a Niche but Developing Segment](#)
- [Awareness and Confidence Key Challenges for Islamic Finance Growth](#)
- [Islamic Finance Ecosystem, Economic Recovery Drive Malaysia's Takaful Growth](#)
- [Malaysia's Islamic Banking Sector Continues to Expand Despite Pandemic](#)
- [Improving Outlook for Indonesia's Sharia Banking Sector](#)

Data as of July 2021

For More Information

To learn more about the sector, please read the [Guide to Islamic Finance: Fitch Ratings' Perspective](#). For further information on Fitch's Islamic Finance ratings, visit fitchratings.com/site/islamicfinance

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About Fitch Ratings

Fitch Ratings is a leading provider of credit ratings, commentary and research. Dedicated to providing value beyond the rating through independent and prospective credit opinions, Fitch Ratings offers global perspectives shaped by strong local market experience and credit market expertise. The additional context, perspective and insights we provide help investors to make important credit judgments with confidence.

Fitch Group is a global leader in financial information services with operations in more than 30 countries. In addition to Fitch Ratings, the group includes Fitch Solutions, a leading provider of credit market data, analytical tools and risk services; and Fitch Learning, a provider of learning and development solutions for the global financial services industry. Fitch Group is wholly-owned by Hearst Corporation.