



ING Bank Hipoteczny

Covered bond issuer

ING Bank Hipoteczny S.A.

August 2024



do your thing

ING Mortgage Bank Poland key investment highlights

High quality mortgage loan portfolio

- High quality residential mortgage loan portfolio of PLN 3.7bln marked by low NPL's, deeply below market average

Effective business model

- Integration & close co-operation with ING Bank Śląski – 4th biggest bank in Poland

Aa1 covered bond rating by Moody's

- The highest rating achievable for Polish debt securities

Covered bonds issuer

- PLN 0.4bln outstanding from inaugural issuance in 2019

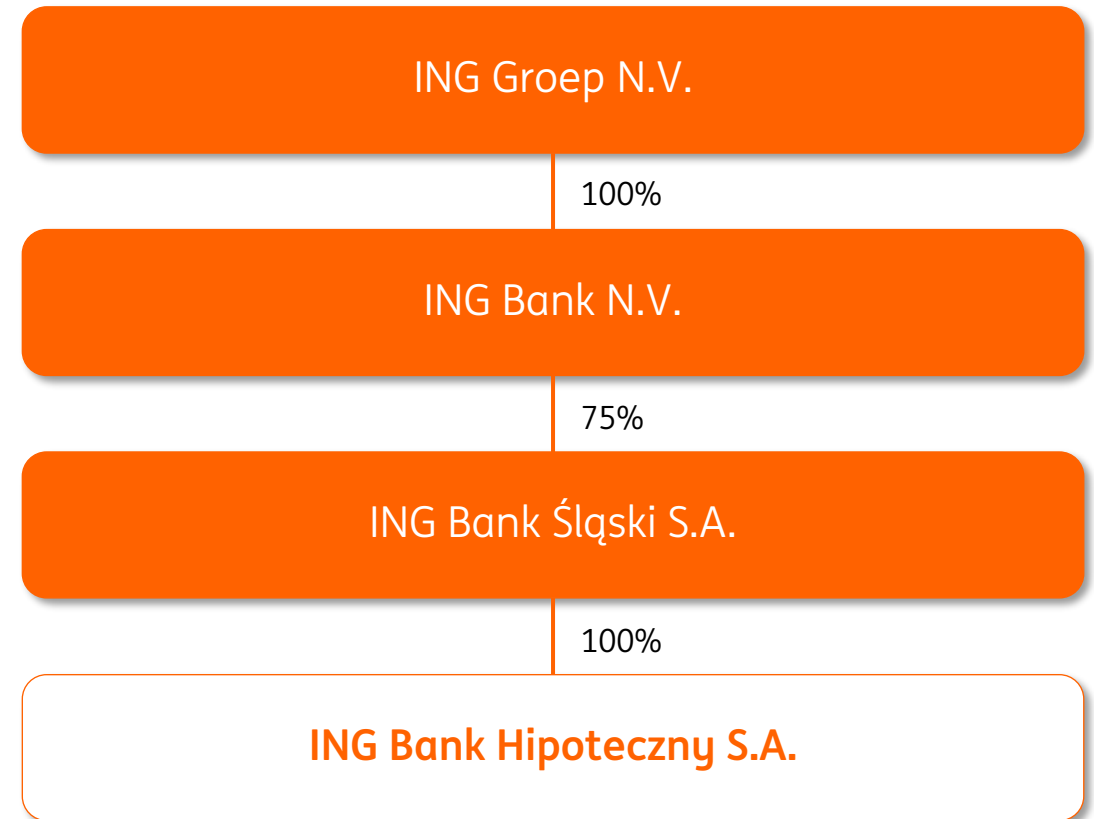
Green covered bonds

- ICMA standard, certified by Climate Bond Initiative

Safe and stable bank

- Sound capital and liquidity position, well above regulatory requirements

ING Bank Hipoteczny within ING Group as of 1H 2024





Agenda

1. Overview of the Polish economy
2. Polish Banking sector
3. Residential property market
4. Residential mortgage lending and covered bonds market
5. ING Bank Hipoteczny – issuer of covered bonds
6. Covered Bond Programme
7. ING Bank Śląski Group overview
8. Polish covered bonds legal framework

An aerial photograph of a wind farm. The landscape is a patchwork of fields in various colors: vibrant green, deep purple, and rich brown. Numerous white wind turbines are scattered across the terrain, some standing alone and others in small groups. The perspective is from a high angle, looking down on the fields and turbines. The lighting suggests a bright day, with shadows cast by the turbines. In the distance, a small cluster of buildings is visible on the right side.

Overview of the Polish economy

Polish economy

Macroeconomic projections

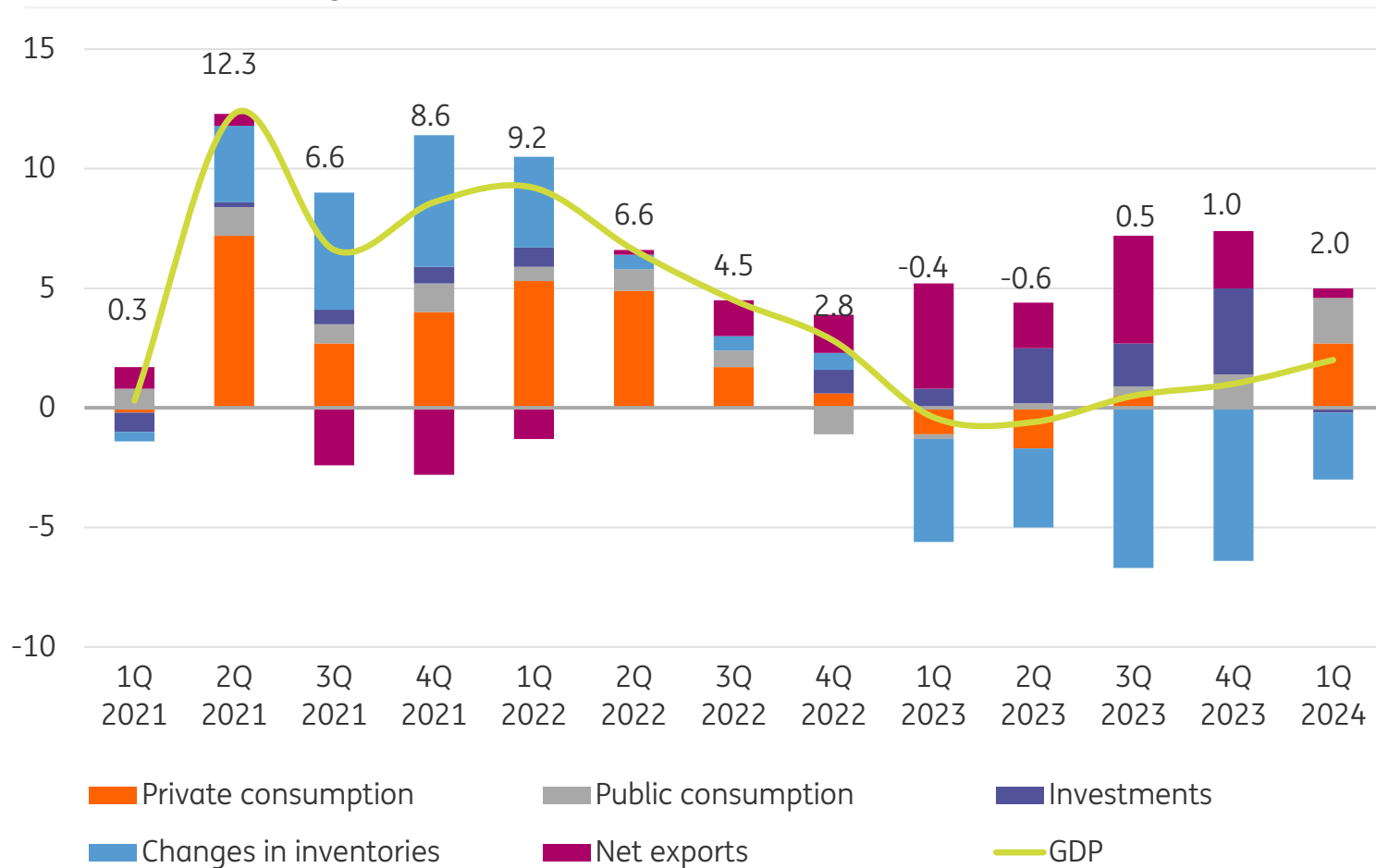
	2021	2022	2023	2024F*	2025F*
GDP growth (%)	6.9%	5.6%	0.2%	3.0%	3.5%
General government deficit according to EU methodology (% GDP)	-1.8%	-3.4%	-5.1%	-5.5%	-4.5%
General government sector debt according to EU methodology (% GDP)	53.6%	49.2%	49.6%	54.9%	56.9%
Average annual inflation (CPI) (%)	5.1%	14.4%	11.4%	3.5%	4.4%
Unemployment rate (%; CSO)	5.8%	5.2%	5.1%	4.9%	4.7%
USD/PLN exchange rate (year-end)	4.06	4.40	3.94	3.86	3.91
EUR/PLN exchange rate (year-end)	4.60	4.69	4.35	4.25	4.30
WIBOR 3M (year-end)	2.54%	7.02%	5.88%	5.90%	5.20%

* Forecast

Source: ING BSK Management Board Report on Operations for 1H 2024

Rebound in the Polish economy (1/2)

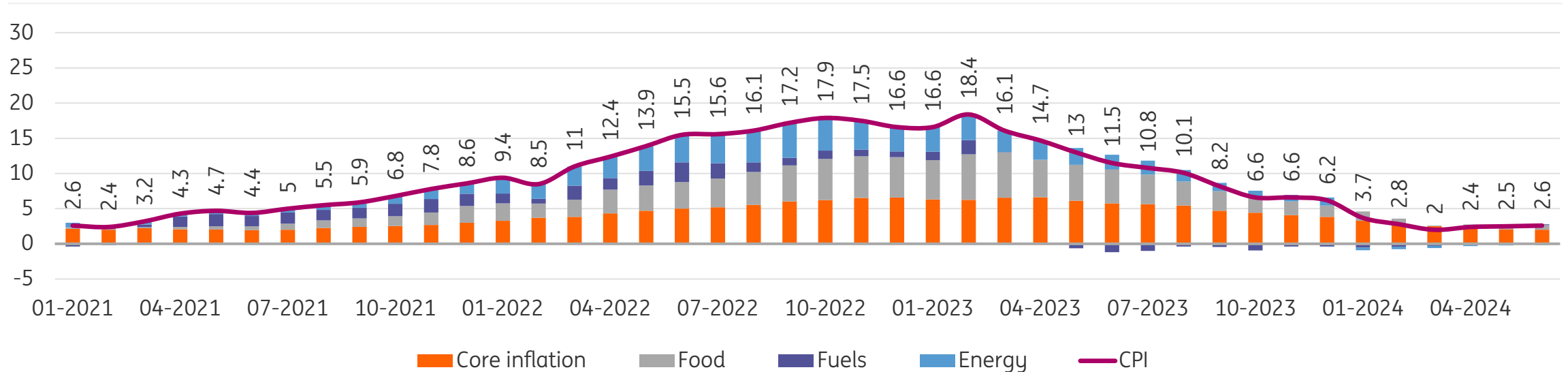
Breakdown of GDP growth (%)



- Economic recovery is progressing. The economy grew by 1.0% y/y in 4Q 2023, accelerated to 2.0% y/y in 1Q 2024 and improved further to around 2.8% y/y in 2Q 2024
- In 2024, the Polish economy should expand by 3% on the back of strong domestic demand, in particular consumer demand, thanks to strong real wage growth
- The decline in annual inflation to 3.5% (on average) is to be accompanied by robust wage growth (over 10%)
- Growth in consumer spending is curbed by household savings rebuilding

Rebound in the Polish economy (2/2)

Inflation (CPI) – breakdown (%)



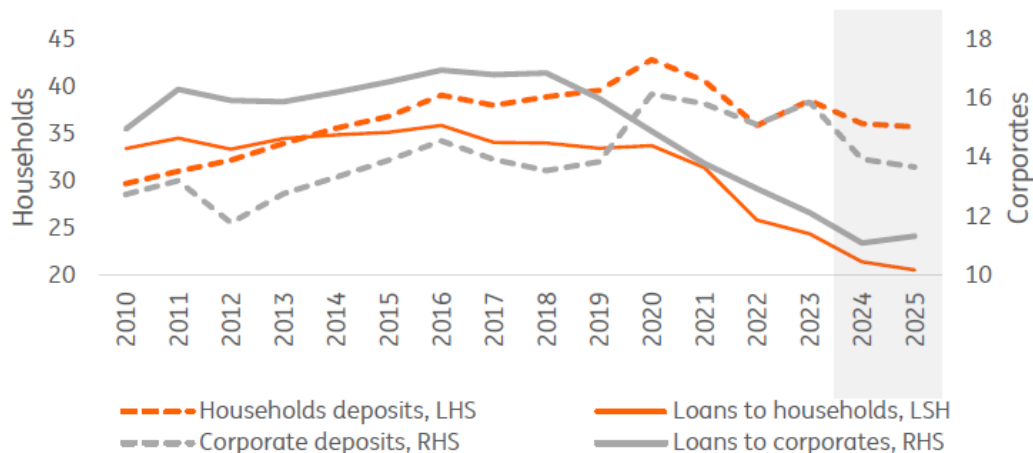
- Over the course of 2023, inflation fell from 18.4% to 6.2% y/y
- In 1H 2024, rapid disinflation continued, and CPI inflation fell to around the NBP (National Bank of Poland) target (2.5%, +/- 1p.p.)
- The decrease was supported by a high 1Q 2023 reference base, the extension of the 0% VAT rate on food until March, a further freeze in energy prices, as well as a global disinflationary environment
- In 2H 2024, the partial unfreezing of energy prices will likely increase inflation by around 1.3 p.p., and by the end of the year, inflation could rise to around 4-5% y/y. Headline inflation is expected to peak around 5-6% in March 2025
- ING Economists expect the monetary easing cycle to start in 2025 (75 bps rate cut) and see growing odds of its continuation in 2026. Arguments for a lower terminal rate in Poland (4.0% instead of 5.0%) include the deterioration in the medium-term economic growth outlook in the Euro area, Central Europe and Poland

Substantial credit decline in % of GDP. Gradual improvement in loans and deposits volumes

Forecasts (% , y/y)

	2023	2024P	2025P
GDP (average)	0.2	3.0	3.5
Inflation (average)	11.4	3.5	4.4
Total loans	0.0	3.8	2.3
Loans to households	-2.2	1.6	1.1
<i>housing loans</i>	-3.4	2.0	0.6
<i>consumer loans</i>	-0.2	0.8	2.1
Corporate loans	3.1	6.9	3.9
<i>Enterprises</i>	-3.0	5.7	7.8
Total deposits	9.9	6.1	4.1
Households	11.2	8.2	4.5
Corporate	7.5	2.4	3.2
<i>Enterprises</i>	8.8	1.5	3.5

Loans and deposits in % of GDP



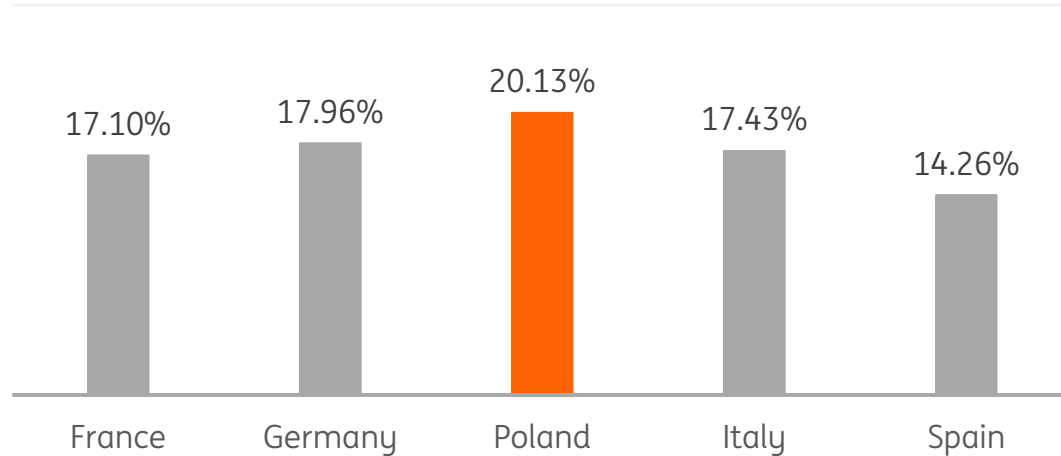
- Substantial decline in the share of credit in GDP (deleveraging). Our forecasts point to stabilisation of loans to corporates (as a % of GDP) and slight decline in loans to households (as a % of GDP)
- The expiration of government programme subsidising housing loans led to the decline in monthly mortgage loans production (from PLN 10.3bln in January to PLN 6.2bln in June this year). The forecast of new housing loans production at PLN 5bln a month translates into slightly positive dynamics of housing loans
- We see slow growth of credit to corporates due to high liquidity of enterprises, subdued investment activity and restrictive monetary policy. We expect growth of current loans (rising costs) and investment loans from 2025 when investment performance is projected to improve
- Buoyant growth of disposable income boosts deposits growth and keep them stable as % of GDP

Banking sector



Polish banking sector

Tier 1 as of 31 Dec 2023



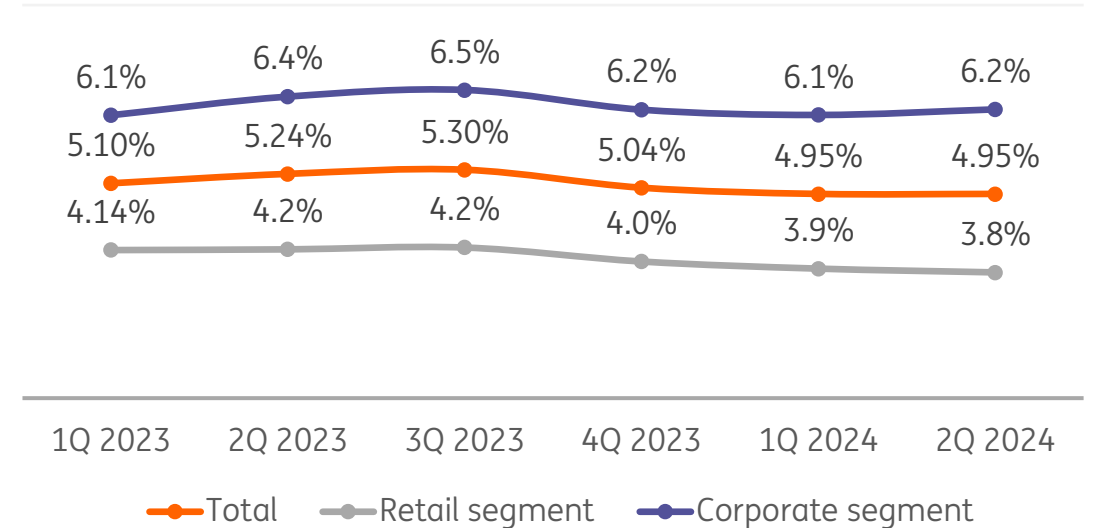
Source: ECB

Banking sector KPIs as of 31 March 2024

CET 1	19.45%
TCR (total capital ratio)	20.93%
ROE (return on equity)	12.31%
ROA (return on assets)	0.99%
C/I (cost to income)	47.12%
Total Stage 3 ratio	5.00%
Stage 3 ratio (mortgage loans only)	2.10%

Source: KNF

Share of receivables at Stage 3 (%)



Source: estimates based on PFSA's data; data for May 2024 for Q2 2024

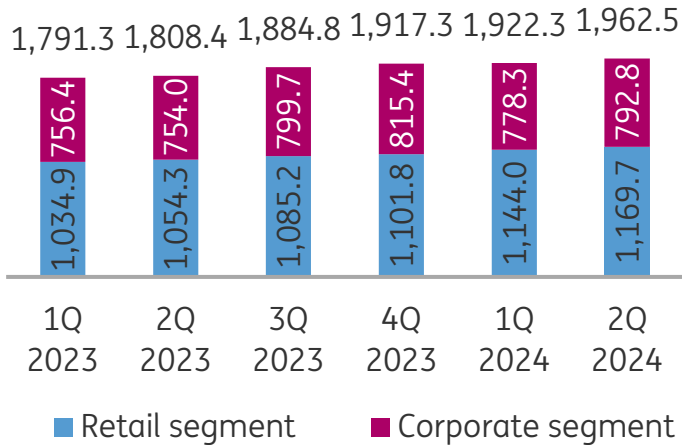
Key market parameters

	31.12.2020	31.12.2021	31.12.2022	31.12.2023	30.06.2024
6M WIBOR	0.25%	2.84%	7.14%	5.82%	5.86%
EUR / PLN	4.61	4.60	4.69	4.35	4.31

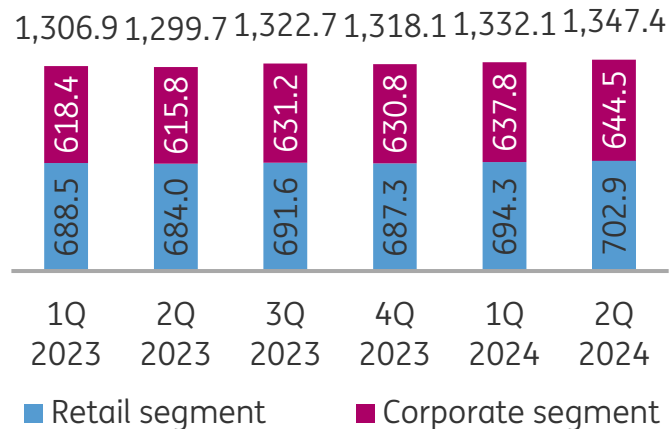
Source: GPW Benchmark, NBP

Substantial credit decline in % of GDP. Gradual improvement in loans and deposits volumes

Balance of liabilities* (PLN bln)



Balance of receivables* (PLN bln)

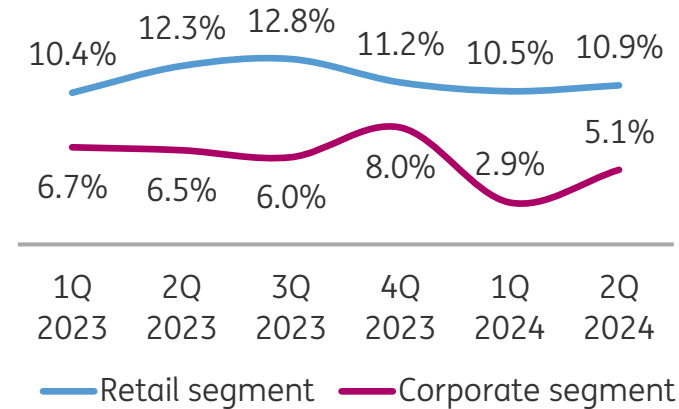


* Based on NBP data

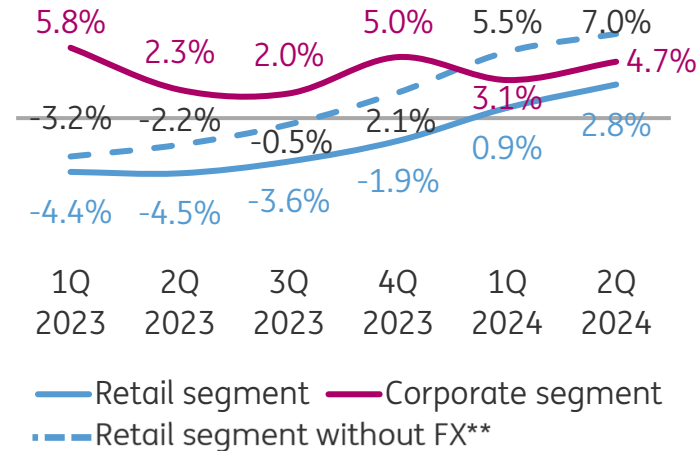
** excluding foreign currency mortgage loan portfolio.

Source: ING BSK Management Board Report on Operations for 1H 2024

Growth rate of balance of liabilities (y/y)*



Growth rate of balance of receivables (y/y)*



Liabilities

- As of the end of June 2024 total liabilities increased by 8.5% y/y to a total of PLN 1,962.5bln (up by PLN 154.1bln y/y) and were characterised by a higher growth rate on the deposits side of the retail segment than on the corporate segment

Receivables

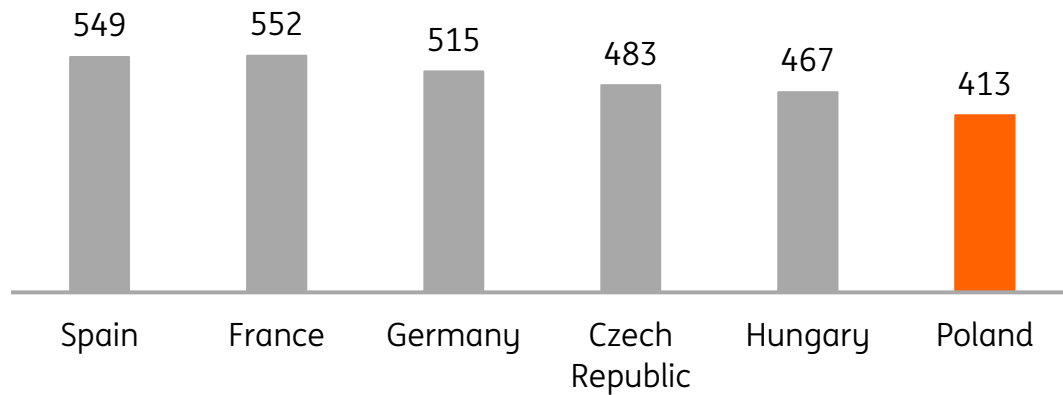
- Total receivables at the end of June 2024 increased by 3.7% y/y (up by PLN 47.7bln to a total of PLN 1,347.4bln). The increase in the portfolio of receivables from customers resulted from the dynamics achieved in both the retail and corporate segments
- Receivables from the retail segment reached PLN 702.9bln in June 2024 and were 2.8% higher than in the previous year
- Housing loans, which constitute the main part of banks' credit exposure to the retail segment (constitute 69.6% of receivables from this group of clients, compared to 70.0% in the previous year), increased by 2.1% to PLN 489.1bln. At the end of June 2024, the portfolio of PLN-denominated housing loans amounted to PLN 423.4bln and was up by PLN 32.7 bln y/y
- The sales of mortgage loans alone – based on NBP data – in the first six months of 2024 amounted to PLN 45.6bln (+146% y/y).



Residential property market

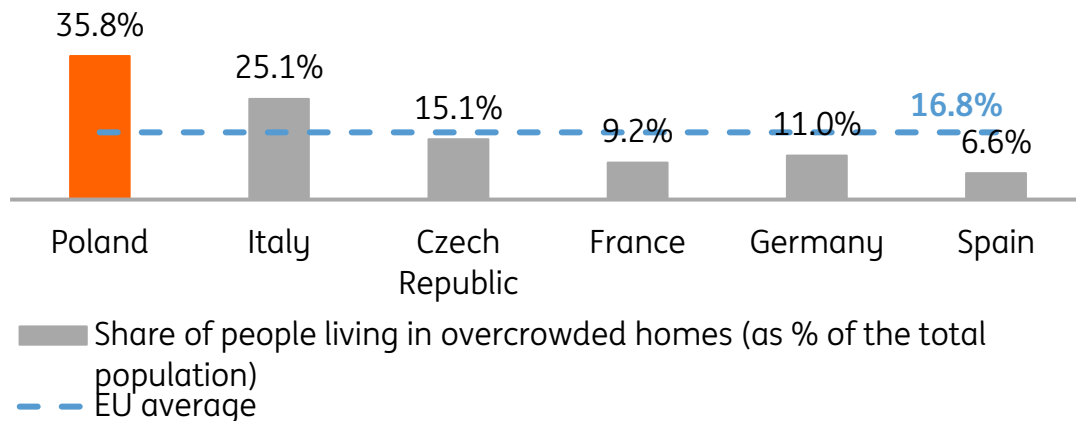
Considerable potential for further development

Number of dwellings per 1,000 citizens (2022)



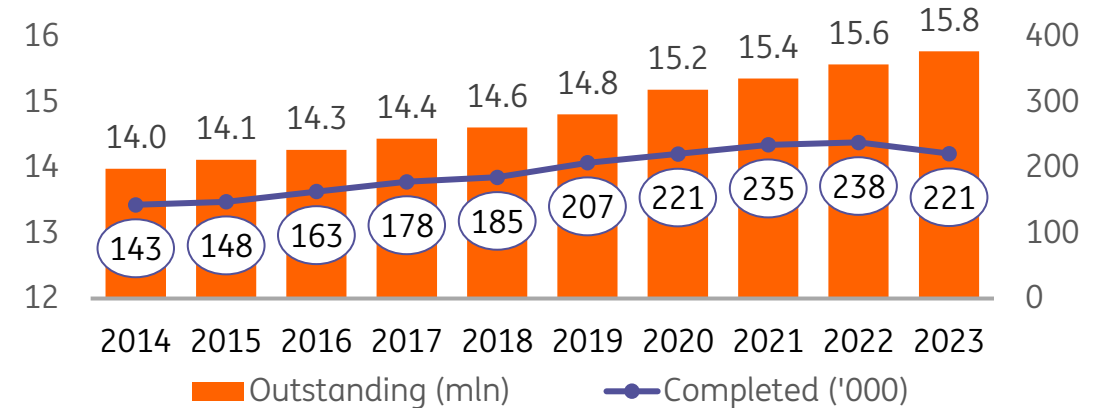
Source: Deloitte Property Index, 12th edition, August 2023

Overcrowding rate (2022)



Source: ECB

Growing number of dwellings in Poland

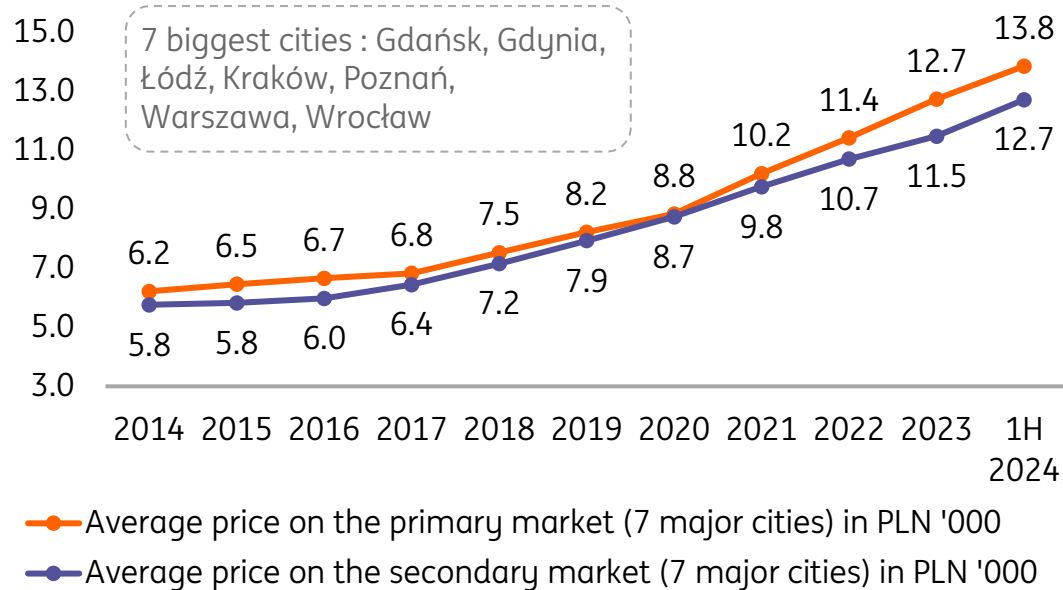


Source: NBP, CSO

- Relatively low number of dwellings per one thousand inhabitants comparing to EU countries
- One of the highest overcrowding rate in Europe
- Constantly growing number of outstanding dwellings
- Number of construction projects returned to growth in 2H 2023 and 1H 2024 after decreasing in 2022-2023 by almost 30%

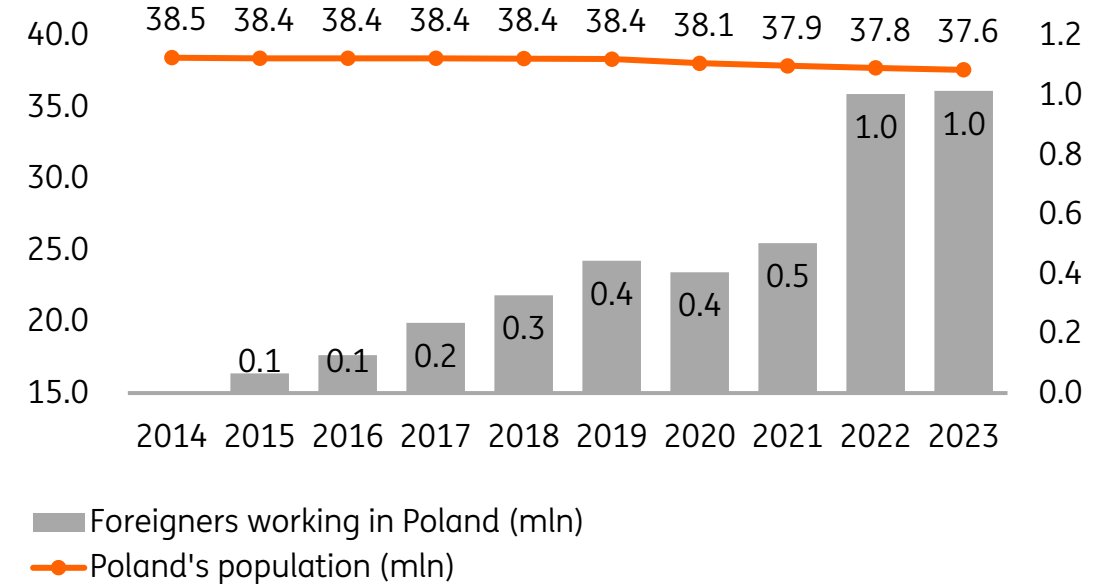
Continued increase in housing prices

Housing prices on the Polish housing market (per sq/m)



Source: NBP, CSO

Long-term demographic changes



Source: CSO

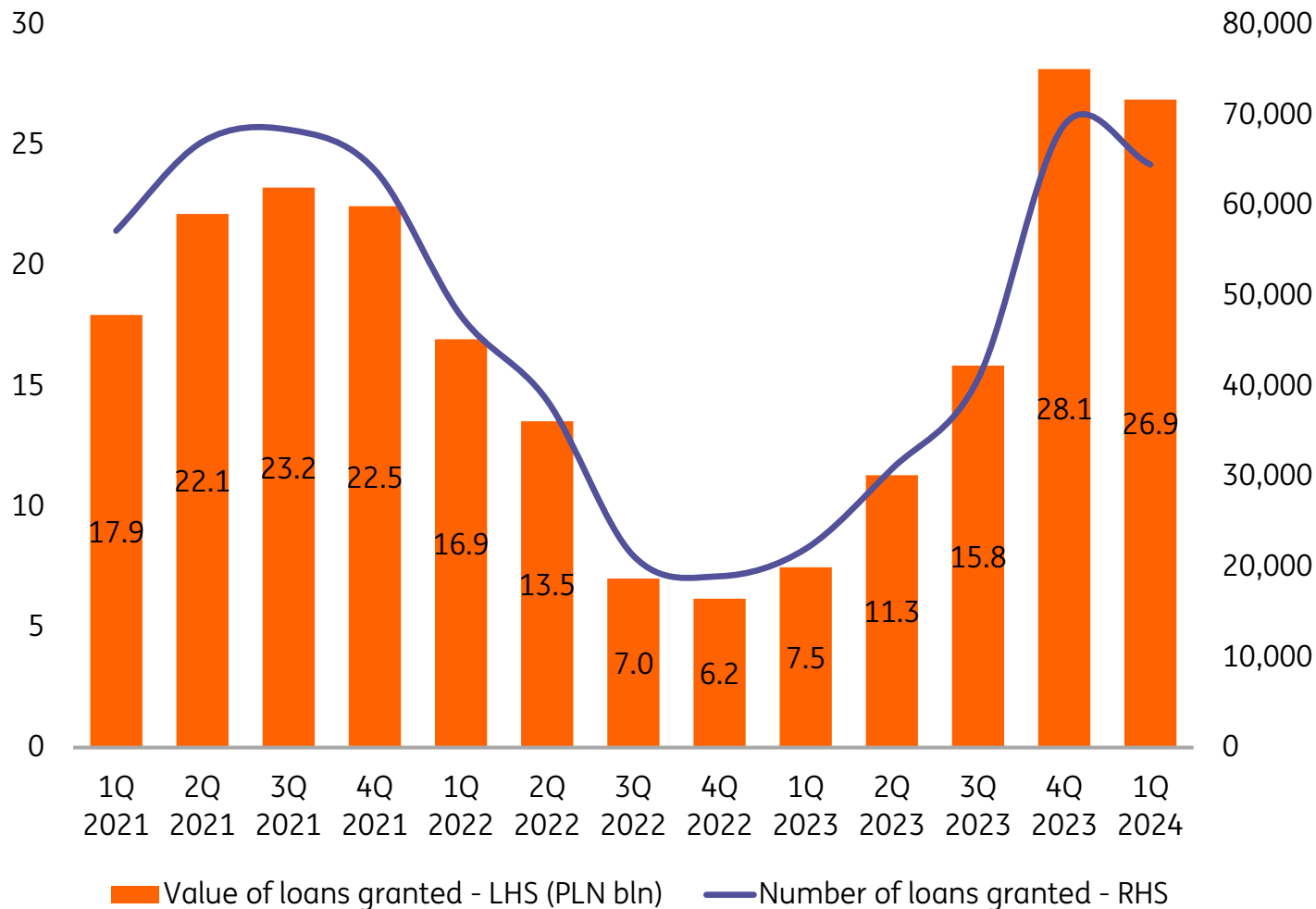
- Dynamic price growth in 2H 2023 both on primary and secondary market due to a sudden increase in demand caused by the launch of the government program of preferential loans (2% Safe Loan government program, where eligible customers could pay preferential reference rate instead of the market rate)
- Price growth remained strong in 1H 2024, despite the expiration of the government preferential loan program
- In the following quarters a decline in price dynamics is expected because of lower demand (i.e.. uncertainty related to the introduction of already announced new government program of preferential housing loans) and the recovery of supply on the primary market
- The negative impact of long-term demographic changes is reduced by the inflow of immigrants living and working in Poland

A man with a beard and dark hair, wearing a maroon long-sleeved shirt, is sitting on a red-tiled roof. He is leaning against a black-framed skylight and looking at a smartphone in his hands. The roof is covered in reddish-brown tiles. In the background, there are several multi-story buildings with white facades and windows, suggesting an urban setting. The lighting is bright, indicating daytime.

Residential mortgage lending and covered bonds market

Current situation on the mortgage market

Number and value of new loans

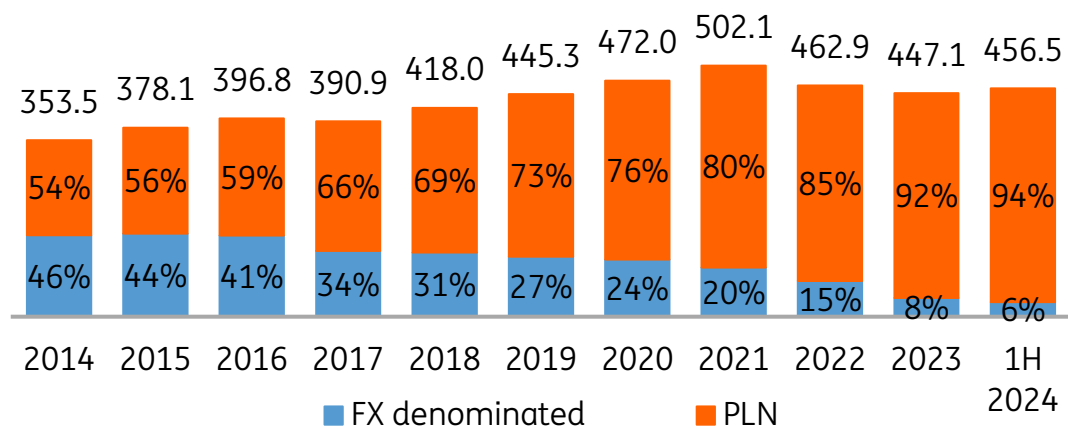


Origination of new mortgage loans

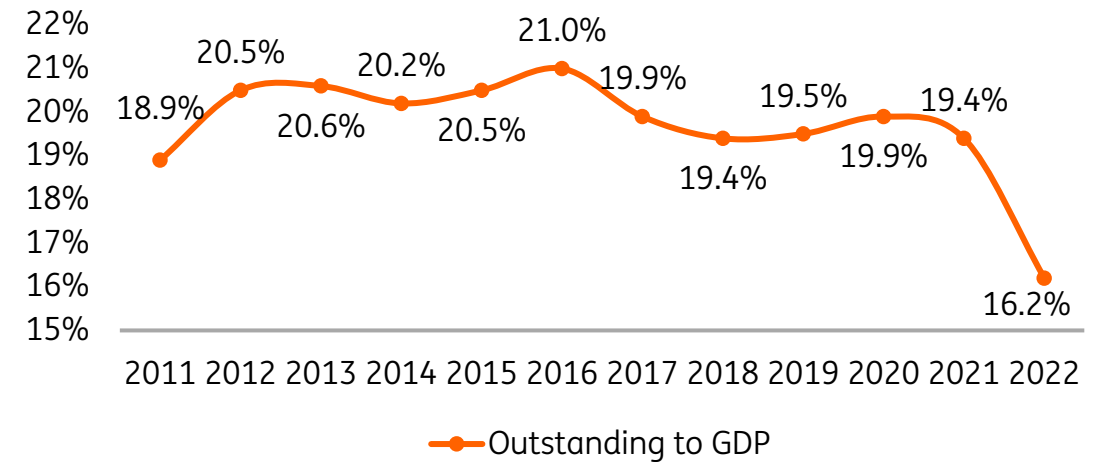
- New sales of mortgages reached minimum levels in 3Q - 4Q 2022 to slowly bounce back in the following months
- Rapid growth in 2H 2023 resulting from the launch of the government program of preferential loans
- Decrease in new mortgage loan sales of around 6.3% in 1Q 2024 compared to 4Q 2023. The decrease was insignificant due to the fact that the pool of loans granted included applications for the government program of preferential loans which were not finalised in the last quarter of 2023
- Despite the decrease the market remained ca. 40% higher compared to levels before the launch of the preferential loan program
- Sales are expected to stabilise in 2024. The growth rate of mortgages origination in 2H 2024 will largely depend on the inflation rate, interest rate cuts and possible implementation of the new government program of preferential loans

Mortgage market in Poland and EU

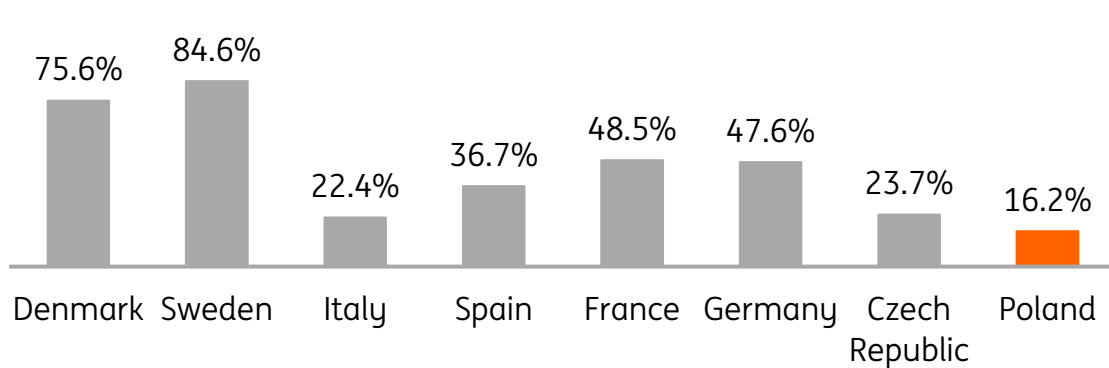
Outstanding residential mortgage loans (PLN bln)



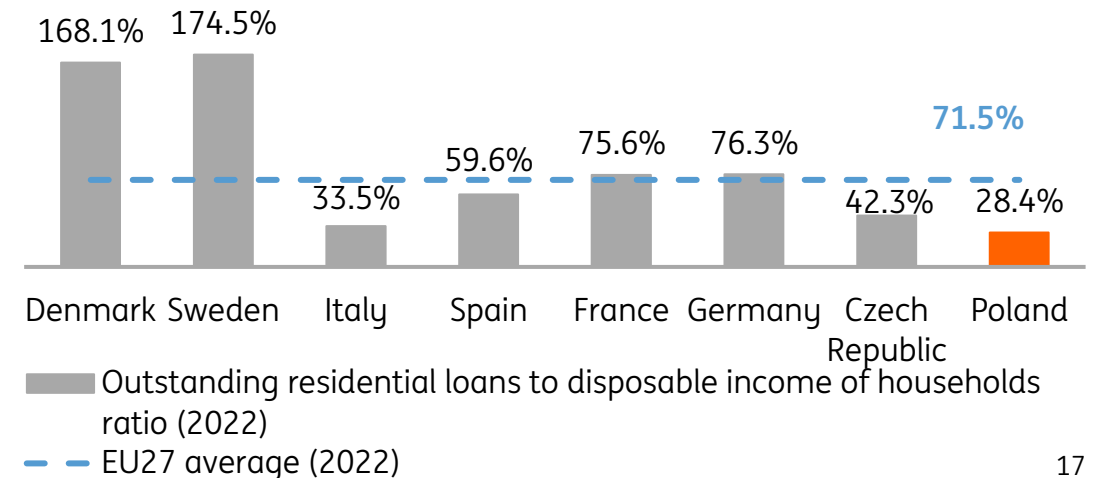
Outstanding residential loans to GDP in Poland



Outstanding residential loans to GDP (2022)



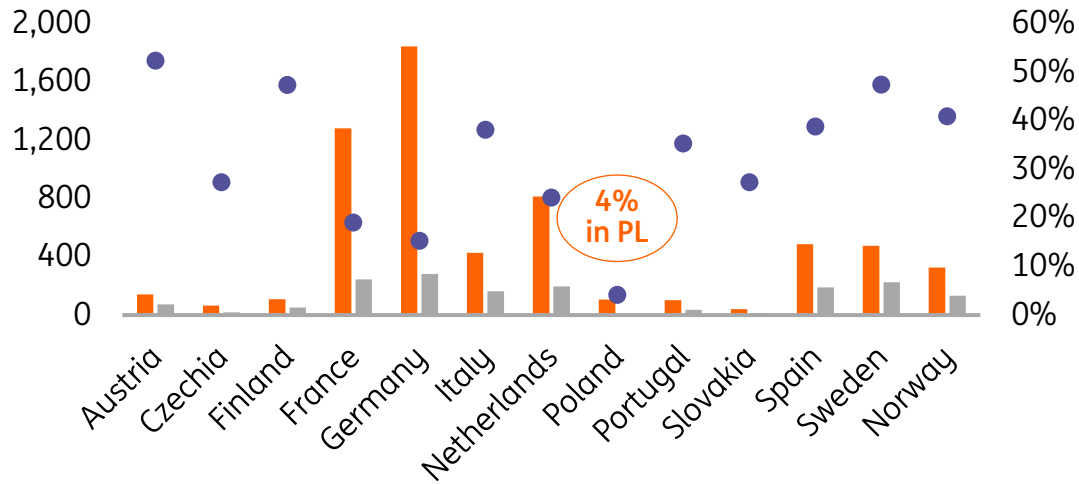
Outstanding residential loans to disposable income of households (2022)



Source: ZBP Amron-SARFIN Reports, Hypostat 2023, NBP

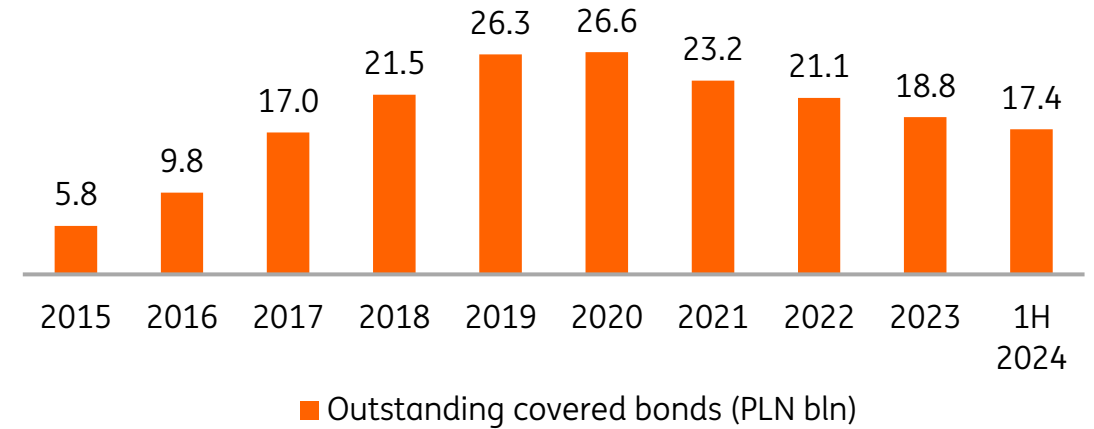
Covered bond market

Covered bonds funding of residential loans

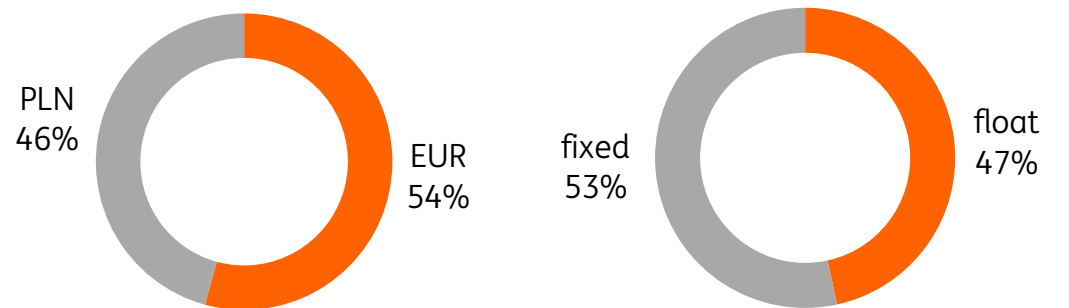


- Residential loans outstanding, EUR bln (2022)
- Covered Bonds outstanding, backed by mortgages, EUR bln (2022)
- Share of covered bonds funding (%) - RHS

Outstanding covered bonds issued by Polish mortgage banks



Polish covered bonds currency & interest rate breakdown



Long term funding ratio introduced by Polish FSA

In July 2024, the Polish FSA issued a recommendation on the Long-Term Funding Ratio. The aim of the recommendation is to increasing the share of long-term debt instruments in banks' liabilities, including covered bonds, in relation to the value of mortgage loans granted

A photograph of a family of three—a mother and two young girls—jumping on a trampoline in front of a house. The mother is in the center, wearing a white t-shirt and a blue jacket. The girl on the left is wearing a plaid shirt and jeans, and the girl on the right is wearing a pink sweater and white jeans. The house in the background has a brown roof and a chimney. The sky is blue with some clouds.

ING Bank Hipoteczny

Issuer of mortgage covered bonds

Business profile and strategy

Strategic fit within ING Bank Śląski Group

- ING Bank Hipoteczny (ING BH) is fully owned by ING Bank Śląski (ING BSK)
- ING BH's main strategic objective is to provide ING BSK Group with long term funding by issuing covered bonds, allowing for:
 - reducing maturity mismatch between its assets and liabilities
 - diversifying funding sources
 - lowering cost of long term funding
- Business & operational model based on:
 - pooling model – transfer of high quality residential mortgage loans from ING BSK to ING BH
 - leveraging on cooperation and synergies with the parent company - outsourcing of loans & customers' service as well as other operational activities to ING BSK, sharing IT systems & risk models, while leaving management & risk decisions at ING BH

Key highlights

Net profit

1H 2024	PLN 6.7 mln
FY 2023	PLN 41.3 mln

Total assets

1H 2024	PLN 3.8 bln
FY 2023	PLN 3.8 bln

Own funds

PLN 409 mln

TCR

26.07%

CET1

26.07%

No. of loans

1H 2024	20,340
FY 2023	20,232

Mortgage loans in Cover pool

1H 2024	PLN 2.5 bln
FY 2023	PLN 2.4 bln

Outstanding Covered bonds

PLN 400 mln

Low cost of risk

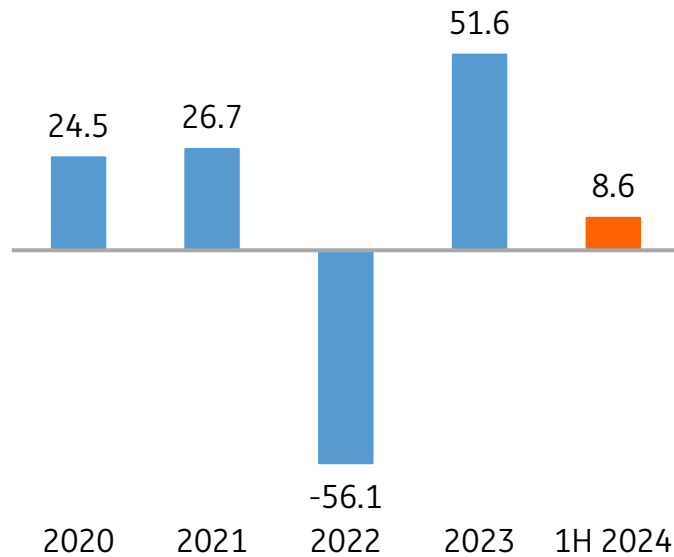
1H 2024	PLN -0.3 mln
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No. of employees

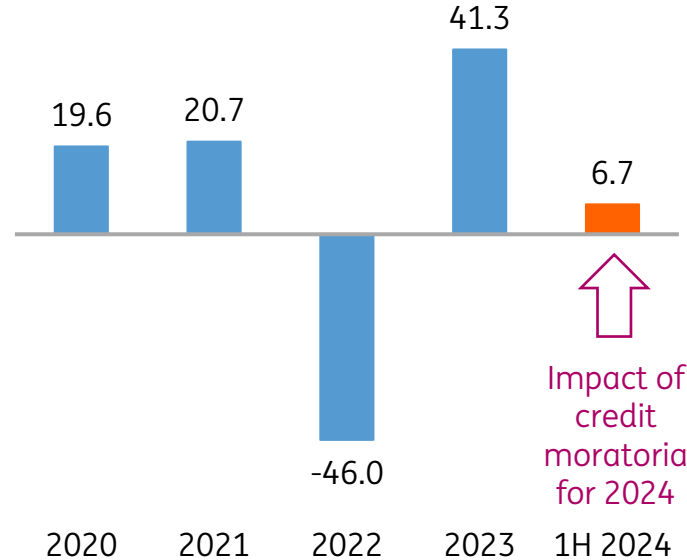
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Net profit and capital adequacy

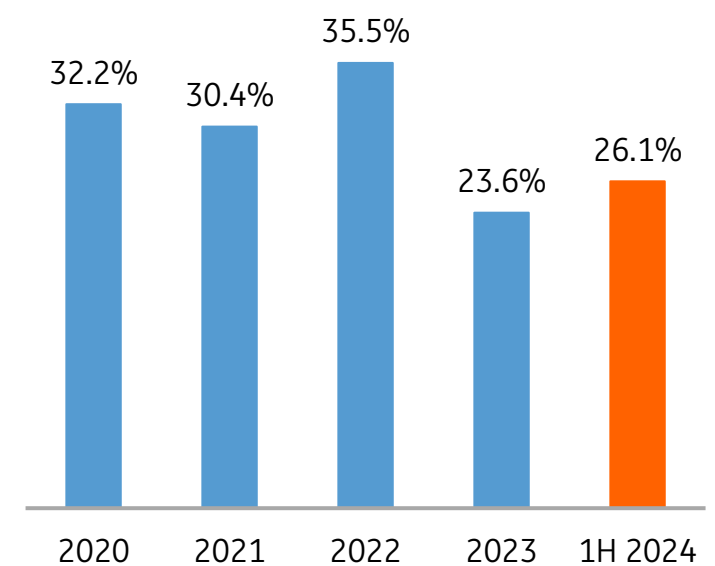
Operating profit (PLN mln)



Net profit (PLN mln)



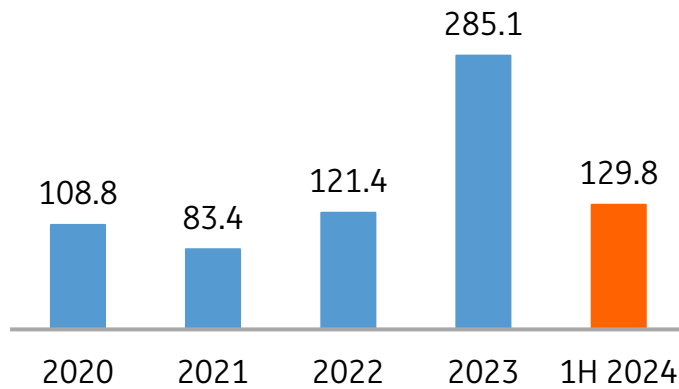
Total capital ratio (%)



- In the first half of 2024 the Bank achieved a net profit of PLN 6.7mln, including the negative effect of the prolonged credit moratoria for 2024, estimated at PLN 8.8mln
- In 2022, a net loss of PLN -46mln due to the first credit moratoria
- Stable and safe capital position, with Total Capital Ratio noticeably above regulatory requirements

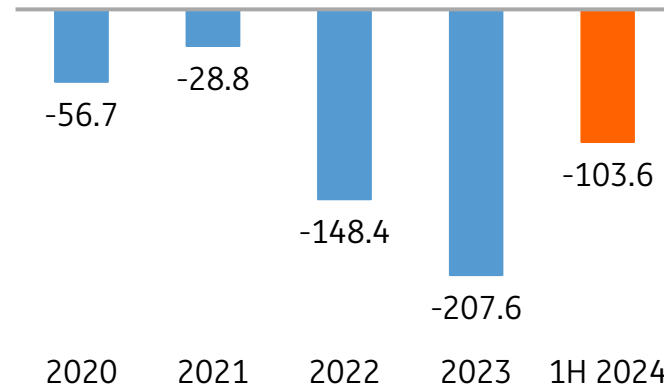
Interest income

Interest income (PLN mln)

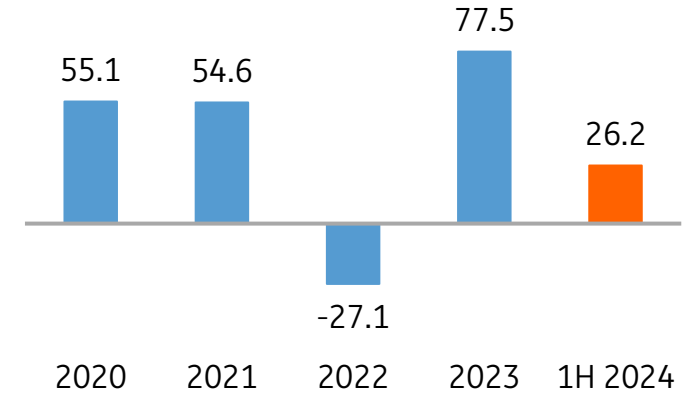


↑
Impact of
credit
moratoria
for 2024

Interest expenses (PLN mln)



Net interest income (PLN mln)



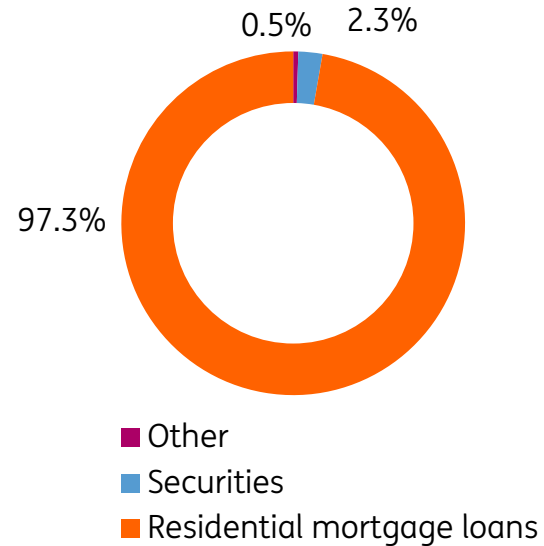
Capital and liquidity ratios

	2023	1H 2024	
Capital	CET1 ratio (%)	23.58%	26.07%
	Leverage ratio (%)	10.84%	10.71%
Liquidity	Net Stable Funding Ratio (%)	137%	157%
	Liquidity Coverage Ratio (%)	1,348%	1,626%

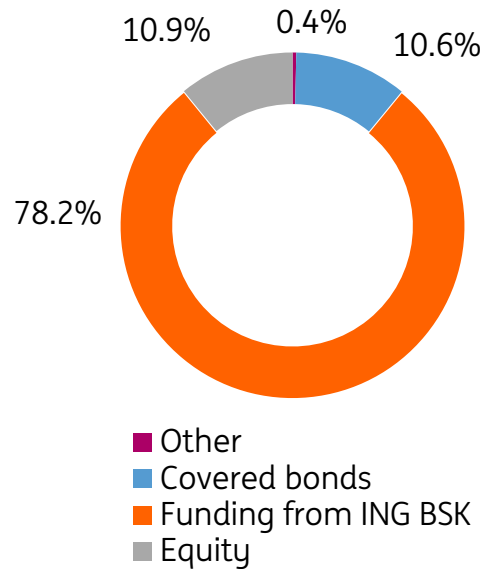
- Stable capital and liquidity ratios, considerably above regulatory limits
- Regulatory level for Bank's Total Capital Ratio is set at min. 12.48%
- Regulatory levels for:
 - LR – min. 5%
 - NSFR >100%
 - LCR >100%

Assets and liabilities structure

Assets (%) 1H 2024



Liabilities (%) 1H 2024

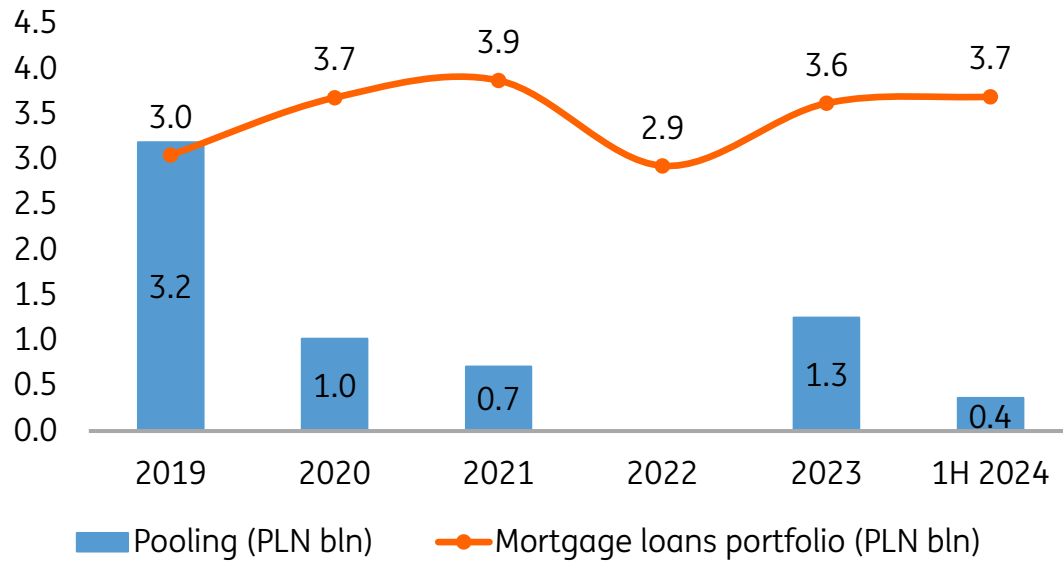


Key points

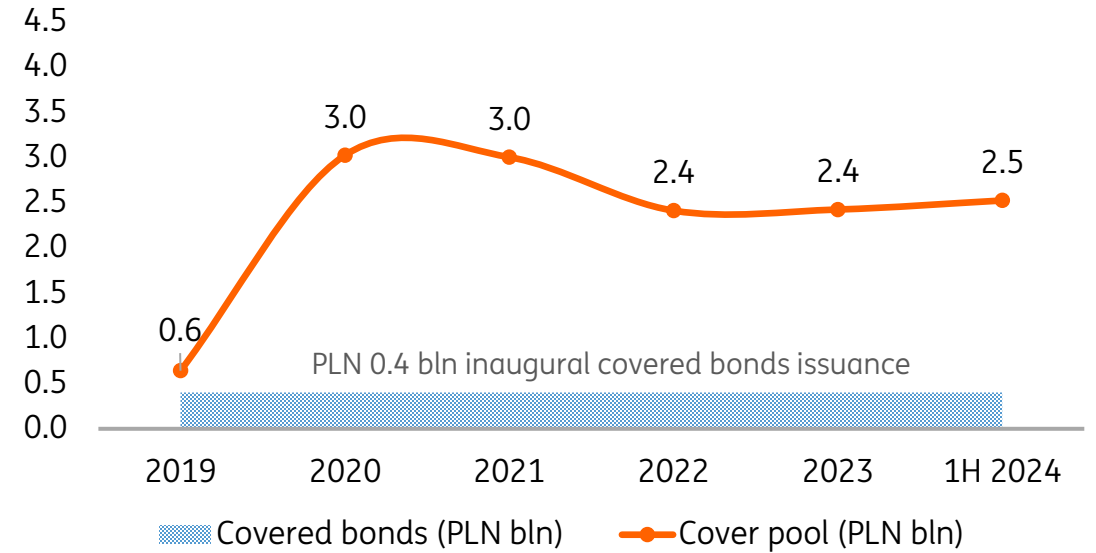
- Total balance sheet of **PLN 3.8 bln**
- Assets are primarily PLN residential mortgage loans (PLN 3.7 bln, over 97% of total assets)
- Funding currently consists in major part out of drawings under revolving credit facility provided by ING BSK
- In 2Q 2024 Bank received approval from the PFSA (Polish Financial Supervision Authority - KNF) to count undrawn funds under the loan agreement mentioned above as liquidity inflows in the LCR measurement and to include the undrawn funds under the committed revolving credit line as available stable funding in the NSFR measure

Business volumes

Mortgage loans portfolio and pooling

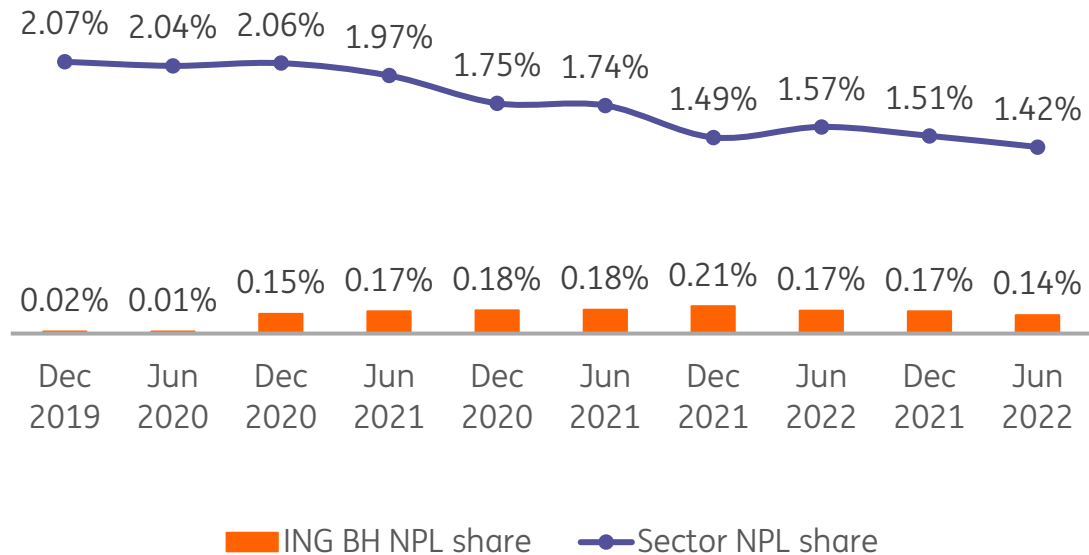


Cover pool & covered bonds



Low risk mortgage loans' portfolio

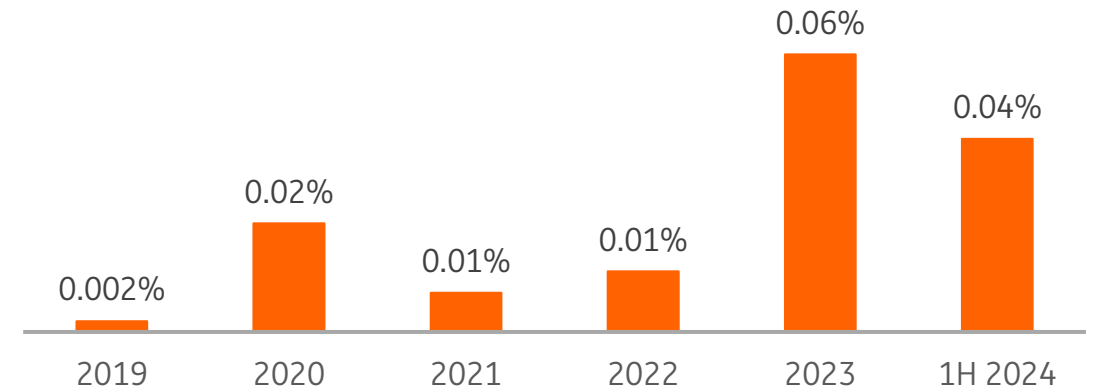
NPL's share vs sector (mortgage loans)



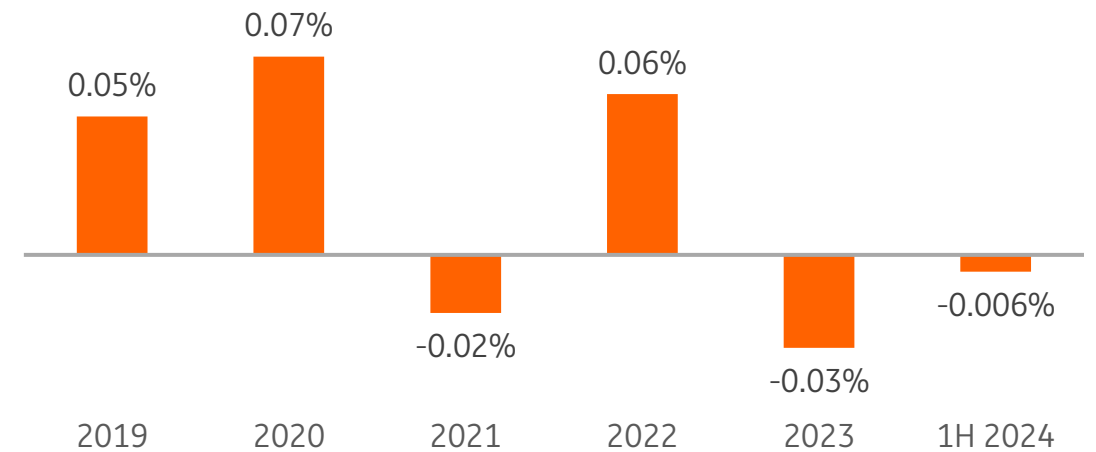
- Stable NPL ratio, significantly below the sector level for PLN mortgage loans, due to active management of the impaired loan portfolio already at the early stages
- Very low DPD +30 (days-past-due) levels despite increased interests rates
- Low costs of risk, resulting from strict lending policy and very good quality of the loan portfolio

Source: ING Bank Hipoteczny financial statements, KNF

Share of DPD +30 (%)



Credit risk costs margin (%)



Prudent pooling criteria

Regulatory

- LTV (market value) $\leq 80\%$
- LTV (mortgage bank lending value) $\leq 100\%$
- First-ranking lien in mortgage register
- Legal title: ownership or perpetuity

Internal

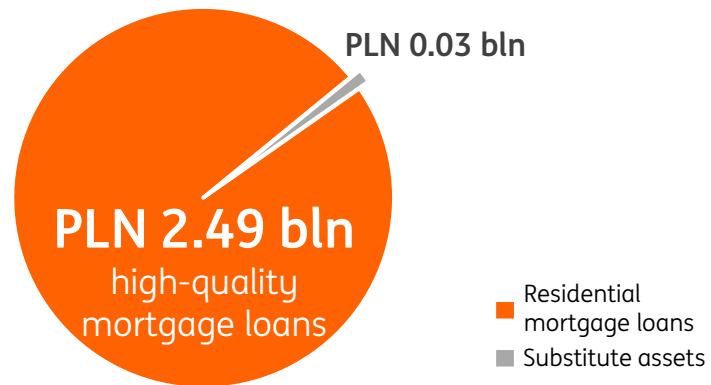
- PLN loans only
- Residential mortgage loans only
- Contractual maturity: up to 35 years
- Collateral: flats or houses
- Construction process completed
- Interest rate: floating
- Low risk loans only:
 - defaults rejected
 - IFRS9 Stage 1 level
 - PD & LGD cap

Registration of transferred loans in bank's cover pool only after Cover Pool Monitor's approval

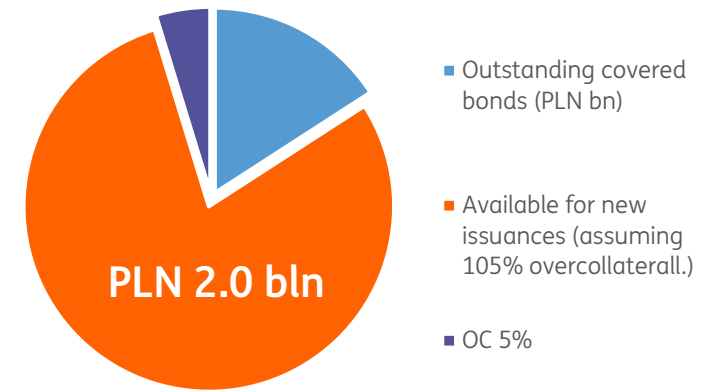
Cover pool

High quality cover pool of residential mortgage loans in PLN ...

PLN 2.5 bln cover pool structure 1H 2024



Collateral available for new issuances



Main cover pool characteristics

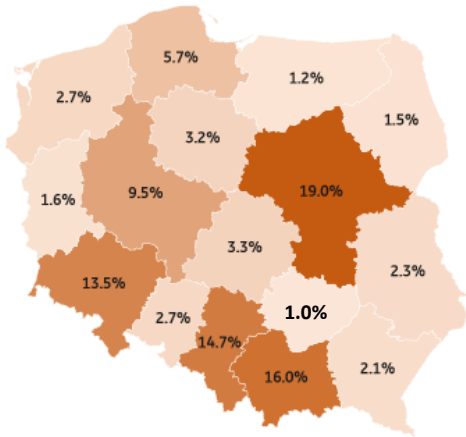
Overcollateralization level (staturory limit: 5%)	530%
Number of loans	15,370
Average loan amount outstanding (PLN '000)	162
Average LtV – mortgage bank lending value	56.74%
Average LtV – market value	47.94%
10 largest exposures	0.28%

Standardized mortgage loans in the cover pool

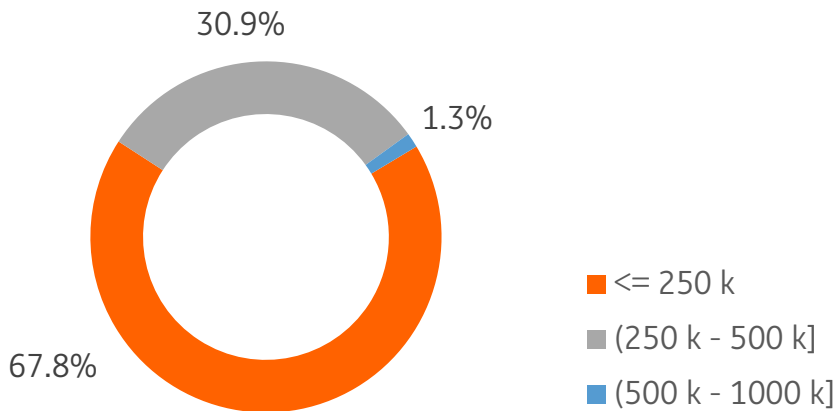
- PLN residential loans only
- Max. 80% LTV (market value)
- 100% variable interest rate based on 6M WIBOR
- Amortizing monthly (no interest only)
- For own housing purposes (no buy-to-let)

...marked by good diversification and low LTV

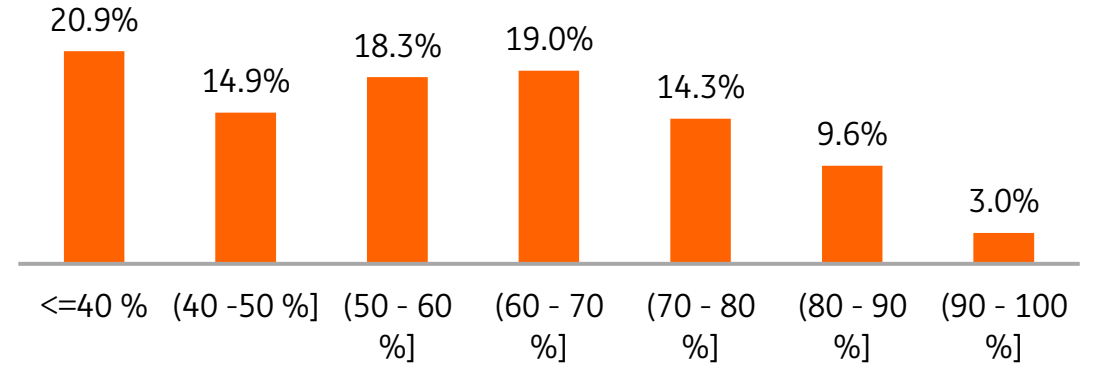
Geographical distribution in cover pool as % of residential loans



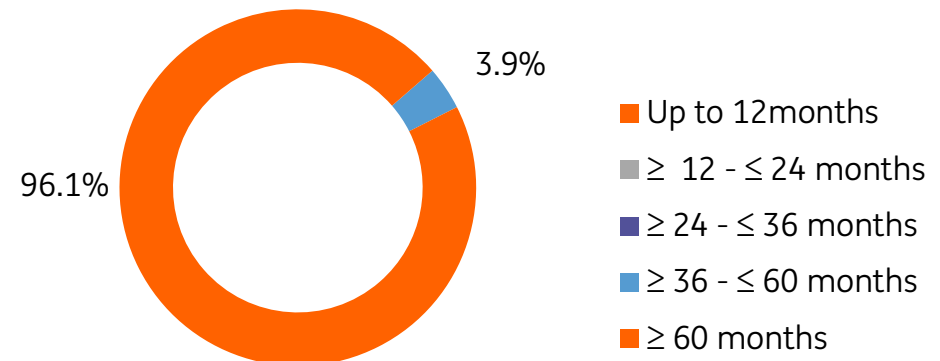
Cover pool composition by loan size as % of residential loans



Cover pool composition by LTV in relation to mortgage bank lending value (as % of residential loans)



Cover pool composition by loan seasoning as % of residential loans



Source: ING Bank Hipoteczny financial statement and Cover pool reports

A vibrant night cityscape with neon lights and a grid overlay. The scene is dominated by bright red and orange lights, with some blue and white lights visible in the background. A grid of small, glowing dots is overlaid on the image, creating a digital or data-like aesthetic. The text "Covered Bond Programme" is prominently displayed in the center-left area.

Covered Bond Programme

ING Bank Hipoteczny Covered Bond Programme

EUR 5 bln Covered Bond Programme

- **CRD/CRR compliant with Aa1 rating assigned by Moody's**
- Cover pool consists of 100% prime Polish residential mortgage loans in PLN only
- Safe mortgage bank lending values of underlying assets
- Polish Covered Bond legislation with minimum legally required overcollateralisation (OC) 5%



- Base prospectus **approved by CSSF (Commission de Surveillance du Secteur Financier) on 20 August 2024**
- ING Bank N.V. & ING BSK will act as arrangers and dealers to the Programme
- Covered bonds to be listed on the Luxembourg Stock Exchange and the Warsaw Stock Exchange
- Issuances to be cleared through Euroclear / Clearstream
- Deutsche Bank Luxembourg as listing agent and Deutsche Bank AG London Branch as issuing and paying agent

Key Programme features

Size	up to EUR 5 bln
Currency	no restrictions
Coupon	fixed / floating
Tenor	up to 20 Y
Governing law	Polish
Investors	Professional and Reg S compliant investors

Strong rating profile

Moody's rating

Government of Poland A2 / P1
stable outlook

ING Bank Hipoteczny A3 / P2
stable outlook

+ 4 notches



+ 5 notches



ING Bank Hipoteczny

Covered bonds rating
(Moody's)

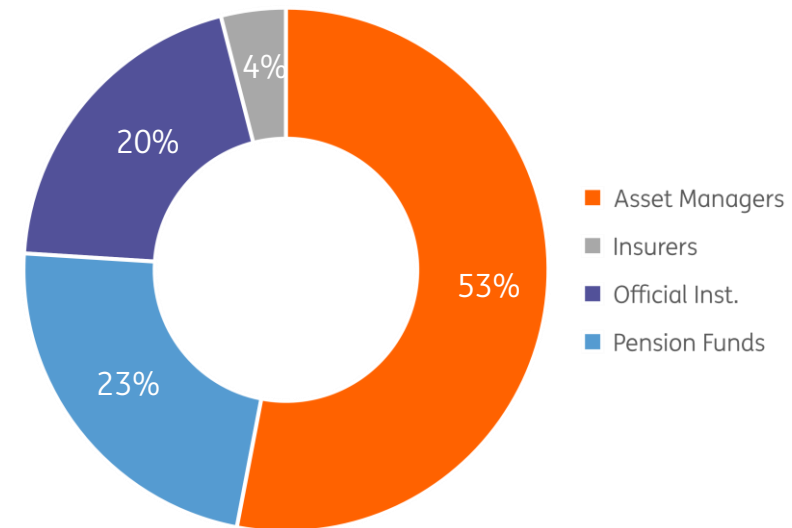
Aa1

Covered bond rating at Poland's
country ceiling level **Aa1**

Summary of Bank's PLN inaugural green covered bond issuance in 2019

Key parameters	
Currency	PLN
Size	400 mln
Series #	1
Issue date	10 Oct 2019
Maturity date	10 Oct 2024
Coupon	6M WIBOR + 0.53%
Rating	Aa3 → Aa1 (from Dec 2020) – rating by Moodys
Listing	LuxSE / WSE
ISIN code	XS2063297423
Joint Bookrunners	ING N.V. & ING BSK

Investors' distribution



Summary

- Inaugural green covered bond issuance was secured with eligible green residential mortgages (defined in the Bank's Green Bond Framework set up in line with ING NV standards)
- Green covered bonds were certified by Climate Bond Initiative
- Book was opened at 2 Oct'19 with price guidance set at 0.55% above 6M WIBOR and with indicated issue size ~PLN 300 mln
- Strong investors' interest (local FIs bidding for almost PLN 600 mln) allowed for price tightening to 0.53% and issue size increase up to PLN 400 mln (by 33%)





ING Bank Śląski Group overview

ING Bank Śląski Group

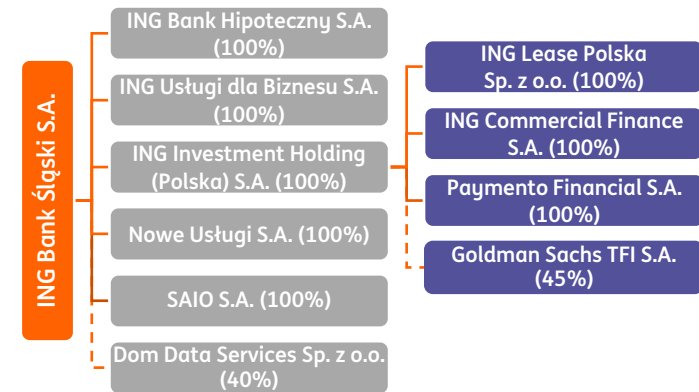
About the Group

ING Bank Śląski S.A. has been present in the Polish market since 1989. Since 1994 it has been quoted on the Warsaw Stock Exchange. In its over 30-year history, ING Bank Śląski S.A. has become one of the largest banks in Poland. The Group renders services in the following areas: retail and corporate banking, leasing and factoring as well as money and capital markets. The Group serves 5.0 million clients via a fledged network of branches and state-of-the-art remote service channels

Competitive edge

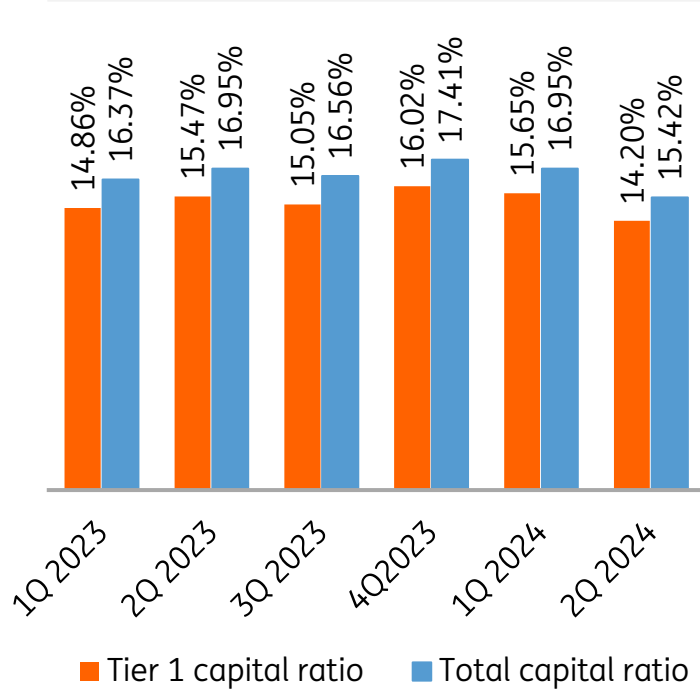
- Fast organic growth capacity
- Trailblazing, innovative client service channels
- High ING brand recognition
- Strong capital base and high liquidity
- High ROE

Group structure

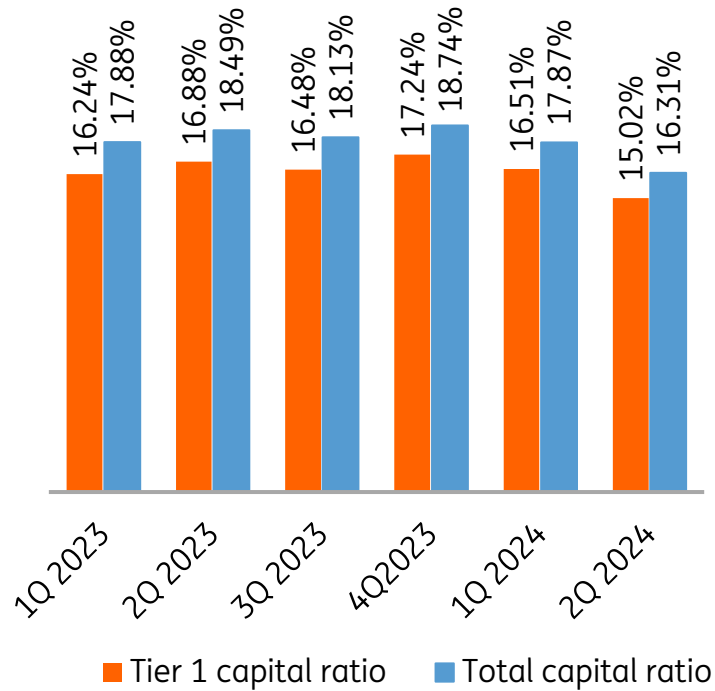


Solid capital position and strong rating

Capital ratios for the ING Bank Śląski S.A. Group



Capital ratios for ING Bank Śląski S.A.



Bank LT rating (7 August 2024)

	Fitch	Moody's
Poland	A-	A2
ING Bank Śląski S.A.	A+	A2
ING Bank N.V.	AA-	A1

*Source: ING BSK Management Board Report for 1H 2024

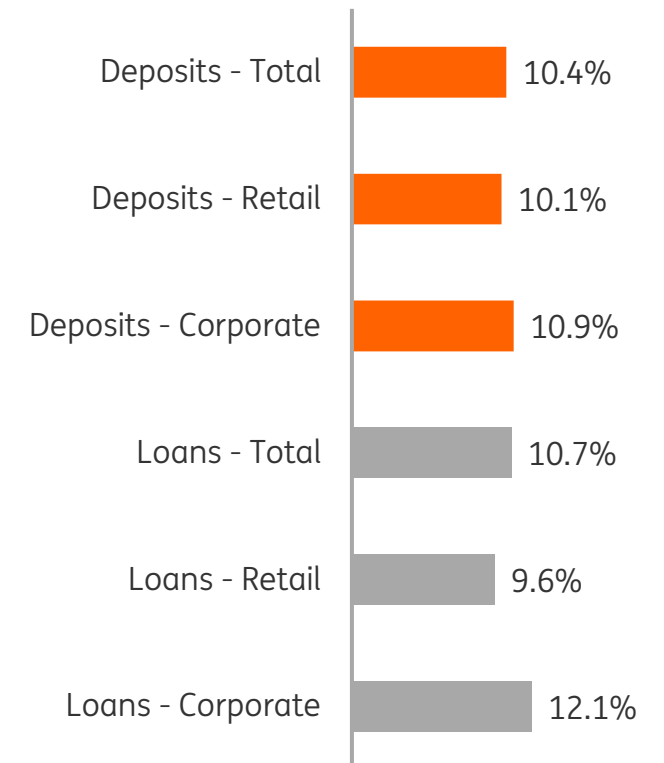
Market position

ING Bank Śląski market position (2023)

- Fourth bank in Poland based on the size of assets, deposits and receivables from clients – on a consolidated basis at the end of 4Q 2023.
- In terms of profitability – among Polish banks listed on the WSE – fourth place based on MCFH-adjusted return on equity.

Our competitive position (2023)			
Measure	Value		Market position
Number of clients (mln)	5.01	31 Dec 2023	4
Total assets (PLN bn)	245.4	31 Dec 2023	4
Client deposit portfolio (PLN bn)	202.2	31 Dec 2023	4
Gross receivables portfolio from clients (PLN bn)	158.3	31 Dec 2023	4
Commercial balance (PLN bn)	360.5	31 Dec 2023	4
Return on equity (ROE) *	22.9%	2023	4
Capitalisation (PLN bn)	33.3	31 Dec 2023	4
P/BV ratio	2,0x	29 Dec 2023 **	1

Market shares (2Q 2024)



* Calculated as the sum of net profit for 2023 to the average equity (MCFH-adjusted) for the five consecutive quarters ending Q4 2023

** Ratio calculated based on the share price as at 2023 year end.

Source: ING Bank Śląski Financial statement



Polish covered bonds legal framework

Polish legal framework



Robust regulatory framework

- Polish covered bonds and mortgage banks are regulated by the Polish Covered Bond Act
- Only specialised mortgage banks are entitled to issue covered bonds
- Dual recourse principle
- Special supervision by the local FSA
- Independent Cover Pool Monitor supervision of the cover pool (Cover Pool Monitor appointed by and responsible before the FSA)
- Conservative approach to the mortgage lending value (through-the-cycle) of real estate securing underlying assets
- Regulatory limits involving (among others): min. 5% overcollateralisation, liquidity buffer to cover the maximum cumulative net liquidity outflow in 180 days, obligatory coverage and liquidity testing regimes



Eligible assets only

- First lien Polish residential mortgage loans
- Legal title to the property located in Poland
- Mortgage lending value LTV limit for residential mortgages $\leq 100\%$
- High quality substitute assets
- Derivatives inclusion



Preferential treatment

- UCITS/CRR Compliant
- Bail-in exempt
- Bankruptcy remoteness
- NBP repo eligible
- LCR eligible
- Premium Covered bonds label complaint

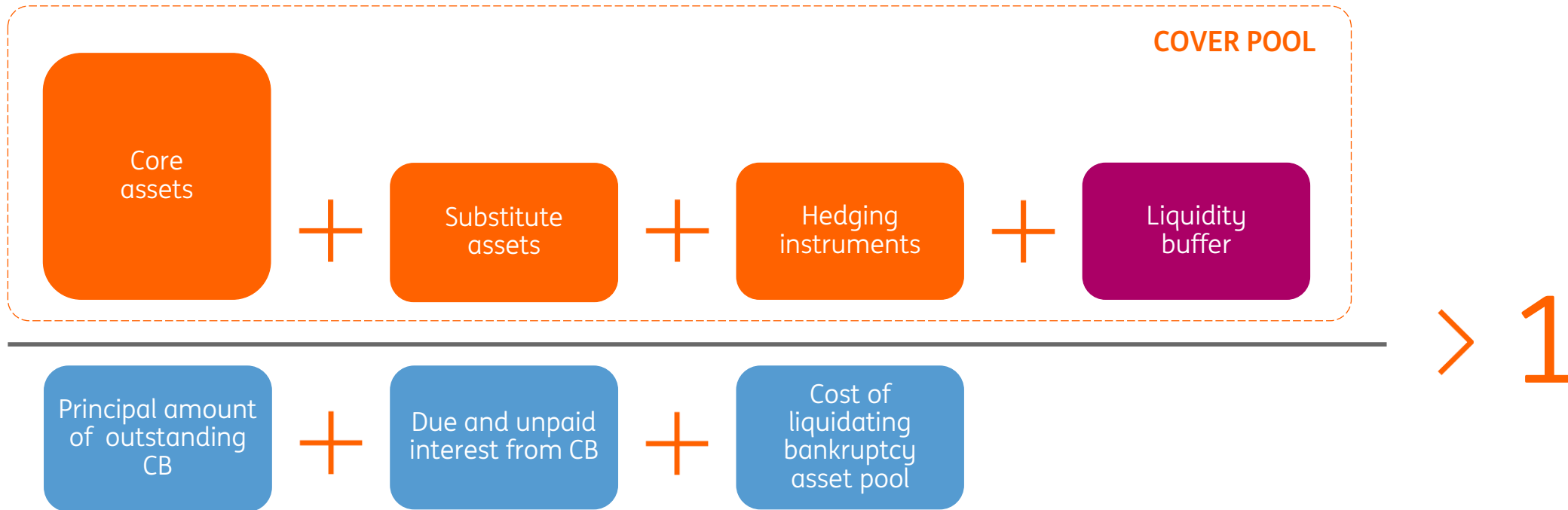


Insolvency proceedings

- Legally defined and predictable bankruptcy procedure
- In case of insolvency strict procedure driven by coverage/liquidity test results
- Covered bond maturity extension by 12M (Soft Bullet), or
- Further Covered bonds maturity extension (Conditional Pass Through)

Covered Bond Directive compliant

Coverage test required to ensure the safety of covered bonds ...



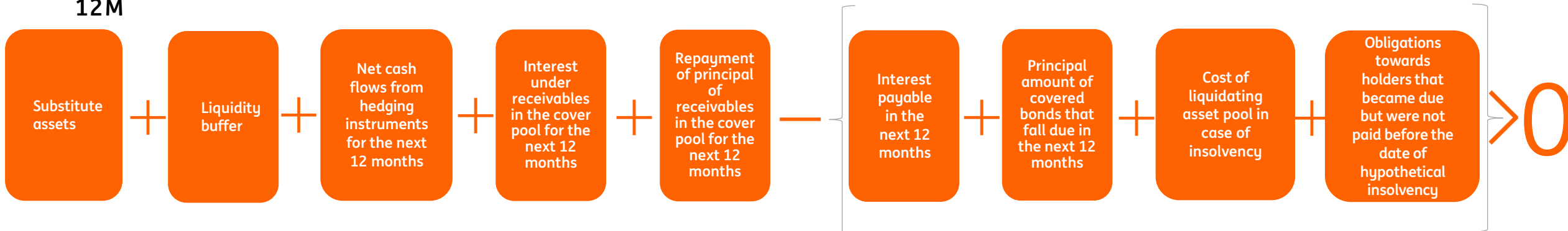
- The coverage test **verifies whether the value of assets** in a cover pool **allows for outstanding covered bonds claims**
- Is performed based on the following sets of data:
 - real data as of day testing
 - scenarios concerning changes of FX rates
- Test must be performed minimum each 6 months

...as well as liquidity tests

6M



12M



- The purpose of the liquidity test is to **verify that assets in a cover pool allows for full satisfaction of all claims** under outstanding covered bonds, even if their maturity is extended in case of issuer insolvency
- Liquidity test is run separately for 6m and 12M time horizon
- The test is performed based on the following sets of data:
 - real data as of day of testing,
 - scenarios concerning changes of FX rates,
 - scenarios concerning the shift of interest rate curves
- The liquidity test must be **performed at least every three months**

Experienced management team

ING Bank Hipoteczny Management Board

- **Jacek Frejlich** - President of the Management Board

graduate of Faculty of Economics at the Cracow University of Economics and Lancaster University Management School. Responsible for the Management Department including Internal Audit, HR, Legal and Compliance

- **Marek Byczek** - Vice President of the Management Board

graduate of Faculty of Law and Finance at the WSB University in Poznań. Responsible for the Finance, Treasury, Operations and IT Departments

- **Katarzyna Majchrzak** - Vice President of the Management Board

graduate of Faculty of Management at the University of Economics in Poznań with specialization of capital investments and financial strategies of enterprises. Responsible for the Risk Department



Thank you

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