



## Issuer Guide Covered Bonds 2021

NORD/LB Markets Strategy & Floor Research

**NORD/LB  
ISSUER GUIDE  
COVERED BONDS  
2021**

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# Introduction

## Foreword

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### **Issuer Guide Covered Bonds in its ninth edition**

The annual Issuer Guide Covered Bonds is part of a product series published by NORD/LB Markets Strategy & Floor Research on individual issuers and market segments on the global bond market. This issue is the ninth publication in this format after its first edition in 2013 and has always provided a comprehensive overview of the covered bond market. The focus of the Issuer Guide Covered Bonds has always been on issuers of covered bonds and the corresponding cover pools. Listed in this year's edition are those institutions that had at least one outstanding publicly placed EUR benchmark ( $\geq$ EUR 500 million) and/or EUR subbenchmark ( $\text{EUR } 250 \text{ million} \leq X < \text{EUR } 500 \text{ million}$ ) with a fixed coupon at the end of July 2021. With 205 cover pools from 176 institutions from a total of 27 jurisdictions, we are convinced that this year's publication will once again provide you with a comprehensive insight into the global covered bond market.

### **Print run of NORD/LB Issuer Guide Covered Bonds geared to specific needs**

This year we have decided to make the Issuer Guide Covered Bonds available exclusively in PDF format for sustainability reasons. However, sustainable action always requires consideration. If you prefer the Issuer Guide in printed form for your work, please contact your account manager with the number of copies you would like and the mailing address. Alternatively, you can also contact [markets@nordlb.de](mailto:markets@nordlb.de).

### **NORD/LB Publications on Covered Bonds supplementary to the Issuer Guide**

In addition to the most comprehensive market overview possible, which the Issuer Guide is intended to provide you with, we also address specific market developments or changing framework conditions on the covered bond market within the scope of our range of publications. These regular publications, analyses and commentaries can be found as usual on our homepage (<https://www.nordlb.com/nordlb/floor-research>), in our Capital Market Portal Wholesale (<https://www.nordlb.com/my-nord/lb-portals/capital-market-portal-wholesale>) and in the NORD/LB Research Portal at Bloomberg ([RESP NRDR <GO>](#)). If you do not yet have access here, please contact your account manager or send an email to [markets@nordlb.de](mailto:markets@nordlb.de).

### **Covered bond market in 2021**

In 2021, the covered bond market will continue to be influenced by the COVID19 pandemic. In the context of the crisis, covered bonds have once again proven to be a crisis-proof product. Issuers were also able to hold their own during the crisis. At the same time, not least monetary policy conditions weighed on issuing activity, so that the market shrank significantly. On the other hand, we see the progressing harmonisation in Europe as a positive development of the market. The plan to standardise the legal requirements in the context of the European Capital Markets Union is entering the home stretch and will both strengthen existing frameworks for the placement of covered bonds and bring new issuers and jurisdictions into the picture. We hope you enjoy reading this issue and that the Issuer Guide Covered Bonds will continue to be of value to you in your daily work. Please do not hesitate to contact us if you have any questions or suggestions.

# Introduction

## Overview of issuers

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

Australia	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Australia & New Zealand Banking Group	M	10,157	6,368	59.5	BMK	2A / 20%	HB & SB	AAA / Aaa / - / -
Bank of Queensland	M	2,135	1,454	46.9	BMK	2A / 20%	CPT	AAA / Aaa / - / -
Commonwealth Bank of Australia	M	17,427	16,923	3.0	BMK	2A / 20%	SB	AAA / Aaa / - / -
National Australia Bank	M	15,386	11,900	29.3	BMK	2A / 20%	SB	AAA / Aaa / - / -
Westpac Banking Corporation	M	16,177	15,466	4.6	BMK	2A / 20%	SB	AAA / Aaa / - / -
Austria	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
BAWAG Group	M	5,693	4,965	14.7	BMK	1 / 10%	HB	- / Aaa / - / -
	P	1,668	1,503	10.9	BMK	1 / 10%	HB	- / Aaa / - / -
Erste Group Bank	M	22,232	16,805	32.3	BMK	1 / 10%	HB & SB	- / Aaa / - / -
	P	4,413	3,194	38.2	BMK	1 / 10%	HB & SB	- / Aa1 / - / -
HYPO NOE Landesbank für NÖ und Wien	M	2,585	1,625	59.1	BMK	1 / 10%	HB & SB	- / Aa1 / - / -
HYPO Oberösterreich	M	2,712	1,946	39.3	SBMK	2A / 10%	HB	- / - / AA+ / -
Hypo Tirol Bank	M	2,704	2,216	22.0	BMK	1 / 10%	SB	- / Aa1 / - / -
Hypo Vorarlberg Bank	M	4,407	3,256	35.3	BMK	1 / 10%	HB	- / Aaa / - / -
Oberbank	M	2,256	1,237	82.4	SBMK	2A / 10%	SB	- / - / AAA / -
Raiffeisen Bank International	M	2,923	1,950	49.9	BMK	1 / 10%	SB	- / Aa1 / - / -
	M	6,642	4,226	57.2	BMK	1 / 10%	HB & SB	- / Aaa / - / -
RLB Niederösterreich-Wien	P	2,375	1,700	39.7	BMK	1 / 10%	SB	- / Aaa / - / -
RLB Oberösterreich	M	3,753	1,962	91.3	BMK	1 / 10%	HB & SB	- / Aaa / - / -
RLB Steiermark	M	4,724	2,866	64.8	BMK	1 / 10%	HB	- / Aaa / - / -
RLB Vorarlberg	M	2,711	2,274	19.2	BMK	1 / 10%	HB	- / Aaa / - / -
UniCredit Bank Austria	M	15,604	8,154	91.4	BMK	1 / 10%	HB	- / Aaa / - / -
Volksbank Wien	M	3,439	2,528	36.0	BMK	1 / 10%	HB	- / Aaa / - / -
Belgium	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Argenta Spaarbank	M	607	500	21.4	BMK	1 / 10%	SB	- / - / AAA / -
Belfius Bank	M	8,807	7,292	20.8	BMK	1 / 10%	SB	AAA / - / AAA / -
	P	3,270	2,461	32.9	BMK	1 / 10%	SB	- / Aaa / AAA / -
BNP Paribas Fortis	M	2,920	2,250	29.8	BMK	1 / 10%	SB	- / Aaa / AAA / -
ING Belgium	M	11,559	8,750	32.1	BMK	1 / 10%	SB	AAA / Aaa / - / -
KBC Bank	M	16,277	11,670	39.5	BMK	1 / 10%	SB	AAA / Aaa / - / -
Canada	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Bank of Montreal	M	22,975	17,035	34.9	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Bank of Nova Scotia	M	42,694	28,116	51.9	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Canadian Imperial Bank of Commerce	M	21,502	18,720	14.9	BMK	2A / 20%	SB	AAA / Aaa / - / -
Fédération des Caisses Desjardins du Québec	M	8,452	7,369	14.7	BMK	2A / 20%	SB	AAA / Aaa / - / -
National Bank of Canada	M	11,750	7,984	47.2	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Royal Bank of Canada	M	61,383	42,649	43.9	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Toronto-Dominion Bank	M	46,272	30,439	52.0	BMK	2A / 20%	SB	- / Aaa / - / AAA
Czechia	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Komerční banka	M	641	500	25.0	BMK	1 / 10%	SB	AAA / - / - / -
Denmark	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Danish Ship Finance	S	1,068	872	22.5	BMK	2A / 20%	HB	- / - / A / -
Danske Bank	M	7,588	5,808	30.7	BMK	1 / 10%	SB	AAA / - / AAA / -
	M	15,643	12,847	21.8	BMK	1 / 10%	SB	AAA / - / AAA / -
Jyske Bank	M	42,464	39,916	6.4	BMK	1 / 10%	SB	- / - / AAA / -
Estonia	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
LHV Bank	M	467	350	33.4	SBMK	2A / 10%	SB	- / Aa1 / - / -
Luminor Bank	M	2,556	500	411.3	BMK	1 / 10%	SB	- / Aa1 / - / -

Finland	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Aktia Bank	M	2,355	1,840	28.0	BMK	1 / 10%	SB	- / Aaa / - / -
Ålandsbanken	M	1,223	850	43.8	SBMK	2A / 10%	SB	- / - / AAA / -
Danske Bank	M	5,173	3,750	37.9	BMK	1 / 10%	SB	- / Aaa / - / -
Nordea Bank	M	23,173	21,012	10.3	BMK	1 / 10%	HB	- / Aaa / - / -
Oma Savings Bank	M	1,500	1,150	30.4	SBMK	2A / 10%	SB	- / - / AAA / -
OP Financial Group	M	15,985	13,415	19.2	BMK	1 / 10%	SB	- / Aaa / AAA / -
Sp Mortgage Bank	M	2,073	1,500	38.2	BMK	1 / 10%	SB	- / - / AAA / -
Suomen Hypoteekkiyhdistys	M	2,311	1,750	32.1	SBMK	2A / 10%	SB	- / - / AAA / -
France	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
AXA Bank Belgium / AXA Bank Europe SCF	M	10,002	8,250	21.2	BMK	1 / 10%	SB	- / Aaa / - / -
AXA Banque / AXA Home Loan SFH	M	3,738	3,250	15.0	BMK	1 / 10%	SB	AAA / - / AAA / -
Banque Fédérative du Crédit Mutuel	M	35,281	21,887	61.2	BMK	1 / 10%	HB & SB	AAA / Aaa / AAA / -
BNP Paribas	M	39,063	32,054	21.9	BMK	1 / 10%	HB & SB	AAA / - / AAA / -
Caisse de Refinancement de l'Habitat	M	31,723	22,092	43.6	BMK	1 / 10%	HB	AAA / Aaa / - / -
Caisse Francaise de Financement Local	P	58,769	50,919	15.4	BMK	1 / 10%	HB	- / Aaa / AA+ / AAA
CIF Euromortgage	M	3,947	3,075	28.4	BMK	1 / 10%	HB	- / Aa2 / - / -
Cie de Financement Foncier	M	66,996	56,031	19.6	BMK	1 / 10%	HB	- / Aaa / AAA / -
Crédit Agricole	M	49,584	31,530	57.3	BMK	1 / 10%	SB	AAA / Aaa / AAA / -
	P	5,983	4,000	49.6	BMK	1 / 10%	HB & SB	- / Aaa / AAA / -
Crédit Mutuel Arkéa	M	12,045	9,536	26.3	BMK	1 / 10%	HB & SB	AAA / Aaa / - / -
	P	2,974	2,078	43.2	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Group BPCE	M	43,500	31,815	36.7	BMK	1 / 10%	HB & SB	- / Aaa / AAA / -
HSBC Continental Europe	M	4,000	3,250	23.1	BMK	1 / 10%	HB & SB	- / Aaa / AAA / -
La Banque Postale	M	23,000	17,216	33.6	BMK	1 / 10%	HB & SB	- / - / AAA / -
My Money Bank	M	1,955	1,600	22.2	BMK	1 / 10%	SB	- / - / AAA / -
Société Générale	P	15,098	11,470	31.6	BMK	1 / 10%	HB	- / Aaa / AAA / -
	M	43,745	37,790	15.8	BMK	1 / 10%	HB & SB	AAA / Aaa / - / -
Germany	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Aareal Bank	M	12,464	10,654	17.0	BMK	1 / 10%	SB	- / Aaa / - / -
Bausparkasse Schwäbisch Hall	M	1,046	506	106.8	BMK	1 / 10%	SB	- / Aaa / - / -
	M	10,575	5,815	81.9	BMK	1 / 10%	SB	- / Aaa / - / -
Bayerische Landesbank	P	22,790	19,185	18.8	BMK	1 / 10%	SB	AAA / Aaa / - / -
Berlin Hyp	M	16,589	16,155	2.7	BMK	1 / 10%	SB	- / Aaa / - / -
Commerzbank	M	34,540	21,498	60.7	BMK	1 / 10%	SB	- / Aaa / - / -
DekaBank Deutsche Girozentrale	P	4,093	3,217	27.2	SBMK	2A / 10%	SB	- / Aaa / - / -
Deutsche Apotheker-und Ärztebank	M	8,705	7,855	10.8	BMK	1 / 10%	SB	- / - / AAA / -
	M	15,337	10,837	41.5	BMK	1 / 10%	SB	- / Aaa / - / -
Deutsche Bank	M	3,498	2,310	51.4	BMK	- / 20%	CPT	- / Aa1 / - / AA
	M	7,173	5,209	37.7	BMK	1 / 10%	SB	- / Aaa / - / -
Deutsche Kreditbank	P	8,680	6,583	31.9	BMK	1 / 10%	SB	- / Aaa / - / -
	M	17,861	15,639	14.2	BMK	1 / 10%	SB	- / Aa1 / - / -
Deutsche Pfandbriefbank	P	12,018	10,066	19.4	BMK	1 / 10%	SB	- / Aa1 / - / -
	M	38,126	32,815	16.2	BMK	1 / 10%	SB	- / Aaa / AAA / -
DZ HYP	P	15,016	12,749	17.8	BMK	1 / 10%	SB	- / Aaa / AAA / -
Hamburg Commercial Bank	M	4,300	3,880	10.8	BMK	1 / 10%	SB	- / Aa1 / - / -
Hamburger Sparkasse	M	8,128	6,558	23.9	BMK	1 / 10%	SB	- / Aaa / - / -
ING-DiBa	M	7,293	3,685	97.9	BMK	1 / 10%	SB	- / Aaa / - / -
Kreissparkasse Köln	M	5,574	1,548	260.0	SBMK	2A / 10%	SB	- / Aaa / - / -
Landesbank Baden-Württemberg	M	15,389	12,716	21.0	BMK	1 / 10%	SB	- / Aaa / - / -
	P	11,976	10,462	14.5	BMK	1 / 10%	SB	- / Aaa / - / -
Landesbank Berlin	M	5,542	3,710	49.4	SBMK	2A / 10%	SB	- / Aaa / - / -
	M	16,109	10,025	60.7	BMK	1 / 10%	SB	AAA / - / - / -
Landesbank Hessen-Thüringen	P	32,289	29,447	9.6	BMK	1 / 10%	SB	AAA / Aaa / - / -
Landesbank Saar	P	3,410	2,314	47.4	SBMK	2A / 10%	SB	AAA / - / - / -
Münchener Hypothekenbank	M	30,630	29,576	3.6	BMK	1 / 10%	SB	- / Aaa / - / -
NATIXIS Pfandbriefbank	M	1,491	1,210	23.2	SBMK	2A / 10%	SB	- / Aaa / - / -
Norddeutsche Landesbank	M	13,630	10,278	32.6	BMK	1 / 10%	SB	- / Aa1 / - / -
	P	16,612	12,428	33.7	BMK	1 / 10%	SB	- / Aa1 / - / -
Oldenburgische Landesbank	M	632	531	19.0	SBMK	2A / 10%	SB	- / Aa1 / - / -
Santander Consumer Bank	M	1,180	1,000	18.0	BMK	1 / 10%	SB	AAA / Aaa / - / -
Sparkasse Hannover	M	1,901	1,358	40.0	SBMK	2A / 10%	SB	AAA / - / - / -
	P	921	738	24.8	SBMK	2B / 20%	SB	- / - / - / -
Sparkasse KölnBonn	M	6,490	2,076	212.6	BMK	1 / 10%	SB	- / Aaa / - / -
Sparkasse Pforzheim Calw	M	2,427	1,750	38.7	SBMK	2A / 10%	SB	AAA / - / - / -
Stadtsparkasse München	M	1,401	710	97.3	SBMK	2A / 10%	SB	AA+ / - / - / -
UniCredit Bank	M	29,536	23,004	28.4	BMK	1 / 10%	SB	- / Aaa / - / -
Wüstenrot Bausparkasse	M	2,675	2,227	20.1	BMK	1 / 10%	SB	- / - / AAA / -

Greece	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Alpha Bank	M	683	500	36.5	BMK	2B / 50%	SB	BB+ / Baa2 / - / -
Ireland	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Allied Irish Banks	M	15,385	10,175	51.2	BMK	1 / 10%	SB	- / Aaa / AAA / -
Bank of Ireland	M	12,176	5,408	125.1	BMK	1 / 10%	SB	- / Aaa / - / -
Italy	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Banca Monte dei Paschi di Siena	M	11,963	8,200	45.9	BMK	1 / 10%	CPT	A+ / Aa3 / - / AAL
Banca Popolare dell'Alto Adige	M	440	300	46.6	SBMK	2A / 10%	SB	AA- / - / - / -
Banca Popolare di Sondrio	M	1,714	500	242.8	BMK	1 / 10%	SB	AA- / - / - / -
Banco BPM	M	4,135	3,250	27.2	BMK	2A / 20%	SB	- / Aa3 / - / A
Banco Desio	M	5,551	4,250	30.6	BMK	1 / 10%	SB	- / Aa3 / - / -
BPER Banca	M	1,433	1,175	21.9	BMK	1 / 10%	SB	AA- / - / - / -
Crédit Agricole Italia	M	4,204	3,540	18.8	BMK	1 / 10%	SB	- / Aa3 / - / -
Credito Emiliano	M	12,159	10,500	15.8	BMK	1 / 10%	SB	- / Aa3 / - / -
Intesa Sanpaolo	M	3,854	1,600	140.9	BMK	1 / 10%	SB	AA- / Aa3 / - / -
Mediobanca	M	19,326	15,560	24.2	BMK	1 / 10%	SB	- / Aa3 / - / -
UniCredit	M	9,816	9,523	3.1	BMK	1 / 10%	SB	- / Aa3 / - / AA
	M	6,494	4,500	44.3	BMK	1 / 10%	SB	AA- / - / - / -
	M	7,455	4,606	61.9	BMK	1 / 10%	SB	AA- / Aa3 / AA- / -
	M	28,737	23,250	23.6	BMK	1 / 10%	CPT	- / Aa3 / - / -
Japan	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Sumitomo Mitsui Banking Corporation	M	5,956	4,540	31.2	BMK	- / 20%	SB	- / Aaa / - / -
Sumitomo Mitsui Trust Bank	M	1,444	850	71.6	BMK	- / 20%	SB	- / Aaa / - / -
Korea	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Hana Financial Group / KEB Hana Bank	M	2,651	500	433.6	BMK	2A / 20%	SB	AAA / - / AAA / -
KB Financial Group / KB Kookmin Bank	M	1,887	500	273.6	BMK	2A / 20%	SB	AAA / - / AAA / -
	M	616	500	27.4	BMK	2A / 20%	HB	- / Aa1 / - / -
	M	617	500	23.8	BMK	2A / 20%	HB	- / - / AAA / -
Korea Housing Finance Corporation	M	1,134	1,000	17.3	BMK	2A / 20%	HB	- / - / AAA / -
	M	600	500	19.3	BMK	2A / 20%	HB	- / - / AAA / -
	M	1,184	1,000	17.6	BMK	2A / 20%	HB	- / - / AAA / -
Luxembourg	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
NORD/LB Luxembourg Covered Bond Bank	P	4,987	4,029	23.8	BMK	1 / 20%	HB	- / Aa2 / - / -
	RE	365	300	21.5	SBMK	2A / 20%	HB	- / Aa2 / - / -
Netherlands	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
ABN AMRO	M	35,544	27,871	27.5	BMK	1 / 10%	SB	AAA / Aaa / - / -
Achmea Bank	M	1,855	1,500	23.6	BMK	1 / 10%	CPT	AAA / Aaa / - / -
AEGON Bank	M	2,385	2,000	19.2	BMK	1 / 10%	CPT	- / - / AAA / -
De Volksbank	M	611	500	22.2	BMK	1 / 10%	SB	- / - / AAA / -
ING Bank	M	4,456	3,690	20.7	BMK	1 / 10%	SB	AAA / Aaa / - / -
NIBC Bank	M	20,405	16,589	23.0	BMK	1 / 10%	SB	AAA / Aaa / AAA / -
NN Bank	M	4,172	3,500	19.2	BMK	1 / 10%	CPT	AAA / - / AAA / -
Rabobank	M	2,985	2,595	15.0	BMK	1 / 10%	CPT	- / - / AAA / -
Van Lanschot Kempen	M	1,917	1,750	9.5	BMK	1 / 10%	SB	- / - / AAA / -
	M	15,260	13,673	11.6	BMK	1 / 10%	SB	- / Aaa / - / -
	M	1,768	1,500	17.9	BMK	1 / 10%	CPT	AAA / - / AAA / -
New Zealand	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
ANZ Bank New Zealand	M	5,645	2,333	142.0	BMK	2A / 20%	SB	AAA / Aaa / - / -
ASB Bank	M	2,817	2,193	28.5	BMK	2A / 20%	SB	AAA / Aaa / - / -
Bank of New Zealand	M	3,794	2,314	64.0	BMK	2A / 20%	SB	AAA / Aaa / - / -
Westpac New Zealand	M	4,035	2,308	74.8	BMK	2A / 20%	SB	AAA / Aaa / - / -

Norway	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
DNB Bank	M	67,537	47,900	41.0	BMK	1 / 10%	SB	- / Aaa / AAA / -
Eika Boligkreditt	M	10,333	9,192	12.4	BMK	1 / 10%	SB	- / Aaa / - / -
Sbanken	M	4,212	3,653	15.3	BMK	1 / 10%	SB	- / Aaa / - / -
SpareBank 1	M	22,583	21,149	6.8	BMK	1 / 10%	SB	- / Aaa / - / -
SpareBank 1 SR-Bank	M	8,986	7,775	15.6	BMK	1 / 10%	SB	- / Aaa / - / -
Sparebanken Møre	M	3,100	2,508	23.6	SBMK	2A / 10%	SB	- / Aaa / - / -
Sparebanken Sør	M	4,630	3,987	16.1	BMK	1 / 10%	SB	- / Aaa / - / -
Sparebanken Vest	M	10,485	8,262	26.9	BMK	1 / 10%	SB	- / Aaa / - / -
Poland	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
mBank	M	2,126	1,614	31.8	SBMK	2A / 10%	SB/CPT	- / Aa1 / - / -
PKO Bank Polski	M	5,093	3,608	41.2	BMK	1 / 10%	SB/CPT	- / Aa1 / - / -
Portugal	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Banco BPI	M	8,619	7,300	18.1	BMK	1 / 10%	SB	- / Aa3 / - / AAL
Banco Comercial Português (Millennium bcp)	M	11,705	10,200	14.8	BMK	2A / 20%	SB	BBB+ / Aa3 / - / A
Banco Santander Totta	M	10,005	8,600	16.3	BMK	1 / 10%	SB	A+ / Aa3 / - / AAL
Caixa Económica Montepio Geral	M	2,742	2,300	19.2	BMK	2A / 20%	CPT	AA- / A1 / - / BBBH
Caixa Geral de Depósitos	M	6,094	4,250	43.4	BMK	1 / 10%	SB	A- / Aa3 / - / AA
Singapore	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
DBS Group Holdings	M	6,467	2,721	137.7	BMK	2A / 20%	SB	AAA / Aaa / - / -
Oversea-Chinese Banking Corporation	M	4,221	2,501	68.7	BMK	2A / 20%	SB	AAA / Aaa / - / -
United Overseas Bank	M	6,339	4,063	56.0	BMK	2A / 20%	SB	- / Aaa / AAA / -
Slovakia	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Prima Banka Slovensko	M	2,056	500	311.1	BMK	1 / 10%	SB	- / Aaa / - / -
Slovenská sporiteľňa	M	3,543	2,061	71.9	BMK	1 / 10%	SB	- / Aaa / - / -
Tatra Banka	M	2,845	1,994	42.7	SBMK	2A / 10%	SB	- / Aaa / - / -
Všeobecná úverová banka	M	4,183	3,872	8.0	BMK	1 / 10%	SB	- / Aa2 / - / -
Spain	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
ABANCA	M	15,480	2,990	417.8	BMK	1 / 10%	HB	- / Aa1 / AA+ / -
Banco de Sabadell	M	43,242	17,354	149.2	BMK	1 / 10%	HB	- / Aa1 / - / AAA
Banco Santander	M	74,401	44,409	67.5	BMK	1 / 10%	HB	AA / Aa1 / - / -
Bankinter	M	27,217	15,688	73.5	BMK	1 / 10%	HB	- / Aa1 / AA+ / -
BBVA	M	61,380	31,974	92.0	BMK	1 / 10%	HB	- / Aa1 / AA+ / AAA
CaixaBank	M	146,915	67,432	117.9	BMK	1 / 10%	HB	- / Aa1 / AA / AAA
Caja Rural de Navarra	M	5,028	2,450	105.2	BMK	1 / 10%	HB	- / Aa1 / - / -
Cajamar Caja Rural	M	13,274	5,750	130.9	BMK	1/2A / 10%/20%	HB	- / - / AA / AH
Deutsche Bank S.A.E.	M	7,600	5,400	40.7	BMK	1 / 10%	HB	- / Aa1 / - / -
Eurocaja Rural	M	2,917	1,000	191.7	BMK	1 / 10%	HB	- / Aa1 / - / -
Ibercaja Banco	M	18,701	4,400	325.0	BMK	1 / 10%	HB	- / Aa2 / AA / -
Kutxabank	M	24,009	2,397	901.8	BMK	1 / 10%	HB	- / Aa1 / AA+ / -
Liberbank	M	17,322	7,135	142.8	BMK	1 / 10%	HB	- / Aa2 / - / -
Sweden	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
LF Bank	M	25,958	19,280	34.6	BMK	1 / 10%	HB	- / Aaa / AAA / -
SBAB	M	35,516	27,526	29.0	BMK	1 / 10%	SB	- / Aaa / - / -
SEB	M	65,559	33,027	98.5	BMK	1 / 10%	HB	- / Aaa / - / -
	M	1,760	1,600	10.0	BMK	1 / 10%	SB	- / Aaa / - / -
Svenska Handelsbanken	M	4,300	3,834	12.1	BMK	1 / 10%	SB	- / Aaa / - / -
	M	57,603	52,366	10.0	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Swedbank	M	101,139	49,639	103.8	BMK	1 / 10%	HB	- / Aaa / AAA / -
Switzerland	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Credit Suisse Group	M	2,539	2,037	24.6	BMK	- / 20%	SB	AAA / Aaa / - / -
UBS Group	M	3,348	1,713	95.5	BMK	- / 20%	SB	AAA / Aaa / - / -

United Kingdom	Type	Cover Pool (EURm)	Outst. Volume (EURm)	OC (%)	(S)BMK	LCR level / Risk weight	Maturity Type	Covered Bond rating (Fitch / Moody's / S&P / DBRS)
Bank of Scotland	M	3,336	2,568	29.9	BMK	2A / 20%	SB	AAA / Aaa / AAA / -
Barclays	M	11,637	7,106	63.8	BMK	2A / 20%	SB	AAA / Aaa / AAA / -
Clydesdale Bank	M	5,390	1,320	308.3	BMK	2A / 20%	SB	AAA / Aaa / - / -
Coventry Building Society	M	7,834	5,381	45.6	BMK	2A / 20%	SB	AAA / Aaa / - / -
Leeds Building Society	M	2,673	1,912	39.8	BMK	2A / 20%	SB	AAA / Aaa / - / -
Lloyds Banking Group	M	35,706	22,278	60.3	BMK	2A / 20%	SB	AAA / Aaa / - / -
National Westminster Bank	M	10,844	3,267	231.9	BMK	2A / 20%	SB	AAA / Aaa / - / -
Nationwide Building Society	M	27,641	16,717	65.3	BMK	2A / 20%	SB	AAA / Aaa / AAA / -
Santander UK	M	26,309	17,076	54.1	BMK	2A / 20%	SB	AAA / Aaa / AAA / -
Skipton Building Society	M	3,158	2,205	43.3	BMK	2A / 20%	SB	AAA / Aaa / - / -
Yorkshire Building Society	M	5,723	3,878	47.6	BMK	2A / 20%	SB	AAA / Aaa / - / -

Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research;

Type: M = Mortgage, P = Public Sector, S = Ship, RE = Renewable Energy; Maturity Type: HB = Hard Bullet, SB = Soft Bullet, CPT = Conditional pass-through

LCR level: - = not eligible

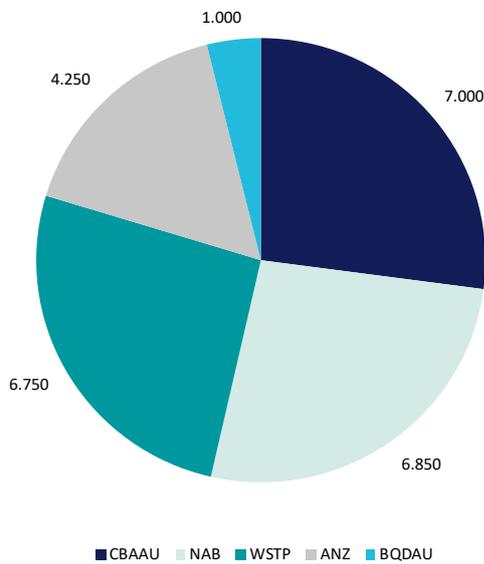
# Market Overview Covered Bonds

## Australia

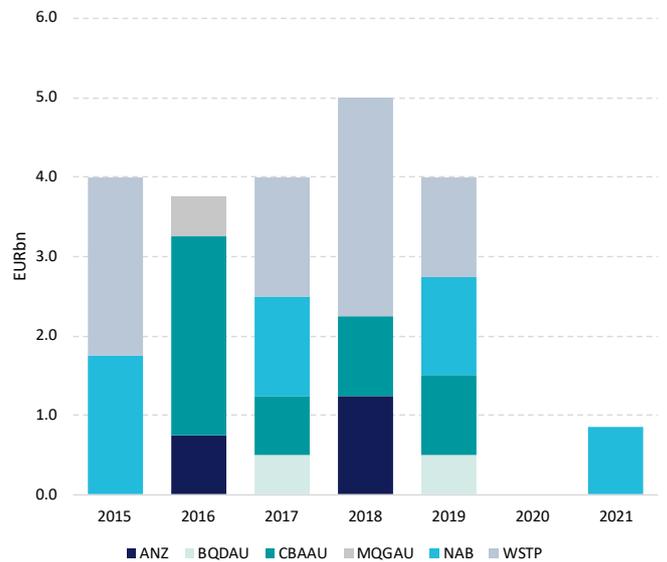
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 61.28bn	Outstanding volume (Bmk)	EUR 25.85bn
Amount outstanding	EUR 52.11bn	Number of benchmarks	27
Number of issuer	5	Outstanding ESG volume (Bmk)	-
No of cover pools	5	Number of ESG benchmarks	-
there of M / PS / others	5 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	HB, SB, CPT

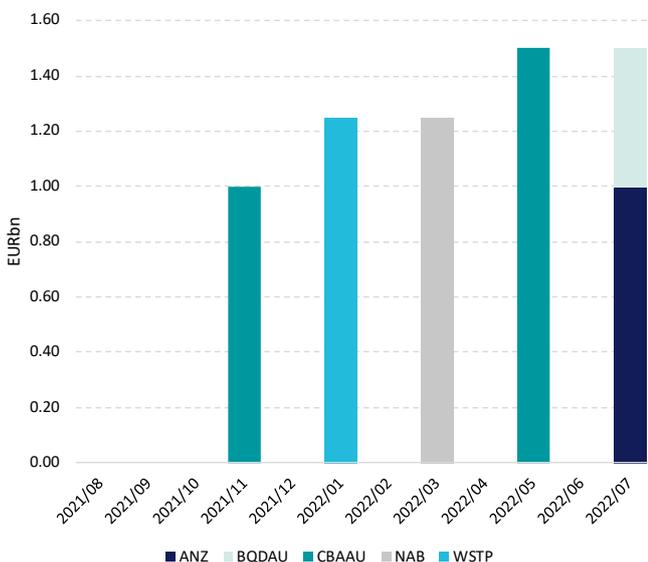
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



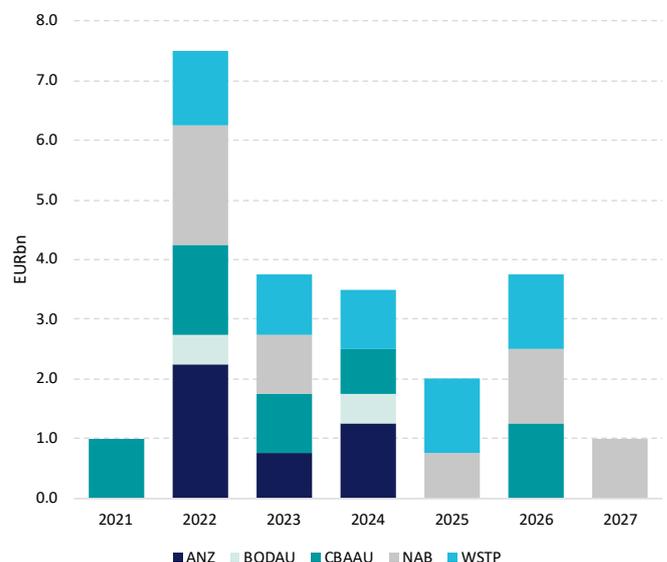
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Australia and New Zealand Banking Group

# Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa3	Stable
S&P	AA-	Stable

## Homepage

[www.anz.com](http://www.anz.com)

The Australia and New Zealand Banking Group (ANZ) is a bank with an international focus, headquartered in Melbourne, Australia. Measured by assets, ANZ is the largest of Australia's four major banks. Following the bank's strategic realignment over the past few years, it now reports across five segments: Australia Retail and Commercial, Institutional, New Zealand, Pacific and Technology, Service & Operations and Group Centre. ANZ has been classified as a domestic systemically important bank (D-SIB) by the Australian Prudential Regulation Authority (APRA), which is the country's financial supervisory authority. The Group has a strong market position in the Asia/Pacific region. Operating earnings are split between Australia (67%), New Zealand (just under 22%) and Asia/Pacific, Europe and the Americas (just under 11%). The previous financial year was characterised by further streamlining of the business (conclusion of the sale of the OnePath P&I business) as well as by increased credit provisions of AUD 2.7bn to AUD 5.9bn as a precautionary measure regarding the COVID-19 crisis. The Group's strategic target remains the consolidation of its market position in Australia and New Zealand in addition to streamlining the business structure. With a CET1 ratio of 11.3% (in line with APRA; September 2019), ANZ complied with the APRA capitalisation requirements that entered into force in 2020 (value of 16.7% in line with Basel III as at September 2020 for international comparison). The leverage ratio (in line with APRA: 5.4%; international comparison: 6.0 %) is also significantly in excess of the minimum requirement. In FY 2020, ANZ registered an LCR of 139% and an NSFR of 124%. Its financial year ends on 30 September each year.

## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	380,558	376,714	398,382
Total Securities	153,115	170,708	157,565
Total Deposits	339,166	357,033	390,060
Tier 1 Common Capital	29,291	29,731	32,932
Total Assets	606,866	636,280	660,343
Total Risk-weighted Assets	257,904	262,124	264,676

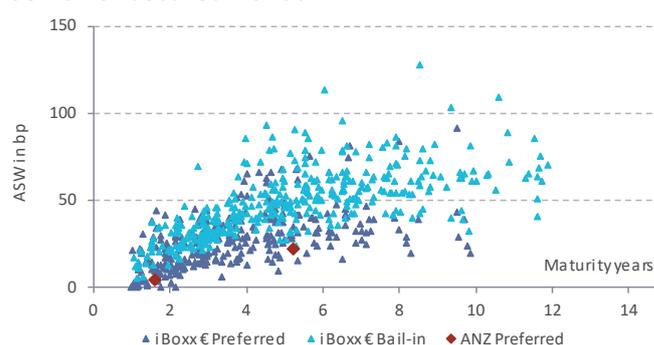
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	8,945	8,512	4,381
Net Fee & Commission Inc.	1,608	1,409	659
Net Trading Income	797	1,096	457
Operating Expense	5,656	5,637	2,762
Credit Commit. Impairment	495	1,659	-308
Pre-tax Profit	5,564	3,342	2,744

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.76	1.63	1.63	Liquidity Coverage Ratio	143.06	138.58	133.72
ROAE	9.93	5.86	9.50	IFRS Tier 1 Leverage Ratio	5.54	5.39	5.57
Cost-to-Income	48.27	50.42	52.64	Gr. Imp. Loans / Loans at Am. Costs	-	-	-
Core Tier 1 Ratio	11.36	11.34	12.44	Reserves/Loans at Amort. Cost	0.57	0.81	0.69

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Market position in Australia and New Zealand
- Capitalisation
- Asset quality

## Risks / Weaknesses

- Private household debt level
- Dependency on wholesale funding
- Competition in the core markets AU and NZ

# ANZ Banking Group – Mortgage

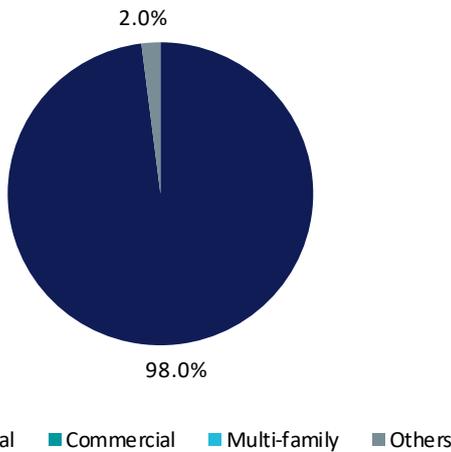
Australia

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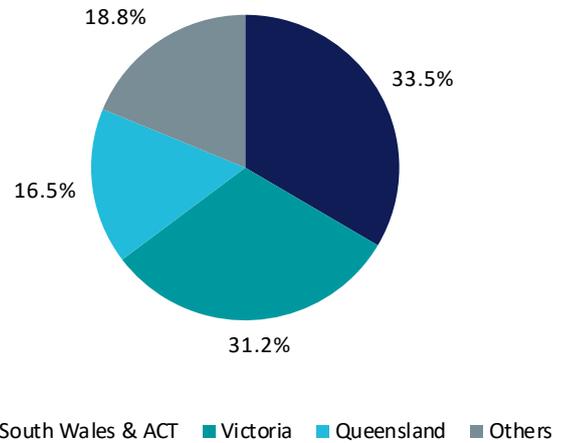
## Cover Pool Data

Cover pool volume (EURm)	10,157	Rating (Moody's)	Aaa
Amount outstanding (EURm)	6,368	Rating (S&P)	-
-thereof ≥ EUR 500m	66.7%	Rating (Fitch)	AAA
Current OC (nominal)	59.5%	Rating (DBRS)	-
Committed OC	10.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Australia	Collateral score	4.0%
Main region	34% New South Wales & ACT	RRL	-
Number of loans	66,274	JRL	-
Number of borrowers	56,022	Unused notches	-
Avg. exposure to borrowers (EUR)	181,304	AAA credit risk (%)	-
WAL (cover pool)	24.8y	PCU	6
WAL (covered bonds)	4.2y	Recovery uplift	1
Fixed interest (cover pool)	12.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	86.8%	CRR 129 (7)	Yes
LTV (indexed)	56.9%	LCR level (Bmk)	2A
LTV (unindexed)	61.1%	Risk weight	20%
Loans in arrears	0.9%	Maturity structure (Bmk)	HB & SB

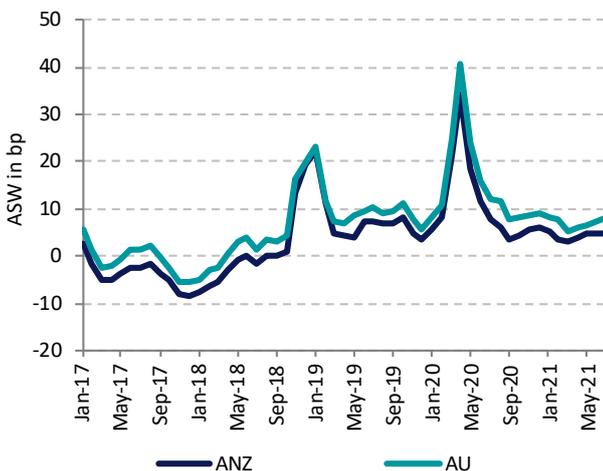
## Borrower Types



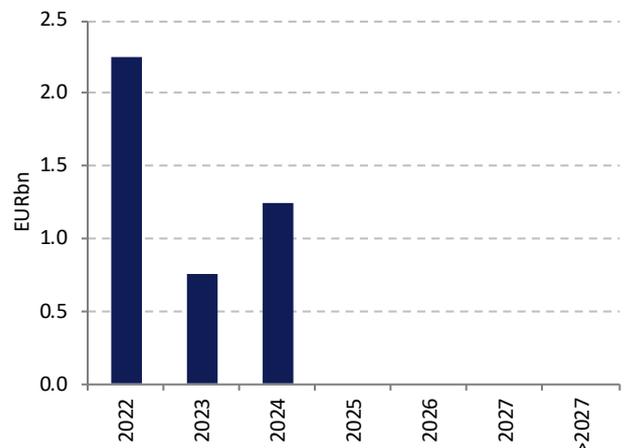
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Bank of Queensland

# Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A3	Stable
S&P	BBB+	Positive

## Homepage

[www.boq.com](http://www.boq.com)

Bank of Queensland (BOQ) is an independent, regional bank, which does not form part of any of the major Australian banks. The company, which is listed on the Australian Securities Exchange (ASX), has a network of more than 165 branches in Australia. As a universal bank, which employs more than 2,000 staff (FTE), BOQ serves both retail and corporate customers, offering traditional banking products such as a deposit business, mortgage loans and business loans. The business model is rounded off by niche products, such as asset and working capital financing. The bank's geographical focus is firmly fixed on its home state of Queensland, with 42% (FY 2020) of the loan portfolio attributable to this region. BOQ divides its business into the operational segments Retail Banking, BOQ Business and Others (comprising Group Treasury, St Andrew's Insurance and Head Office). The CET1 ratio stands at 9.78% (in line with APRA: FY 2020), with BOQ having defined a target value of 9.0% - 9.5%. Despite the COVID-19 crisis, BOQ concluded the first phase of its digitalisation programme in 2020 with its digital bank Virgin Money Australia, in so doing laying the foundations for the future migration of retail banking to the digital platform. Furthermore, BOQ specialises in various niche segments, such as the medical and dental segments, corporate healthcare, pensions, the hospitality industry as well as the tourism and agricultural sectors. With an LCR of 164% and an NSFR of 119% (end of August 2020 in each case), both values are above the threshold of 100% defined by APRA. BOQ's financial year ends on 31 August each year.

## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	28,150	28,844	30,437
Total Securities	3,912	4,044	4,284
Total Deposits	23,469	24,468	26,183
Tier 1 Common Capital	1,690	1,909	2,054
Total Assets	34,035	35,084	36,751
Total Risk-weighted Assets	18,691	19,513	20,485

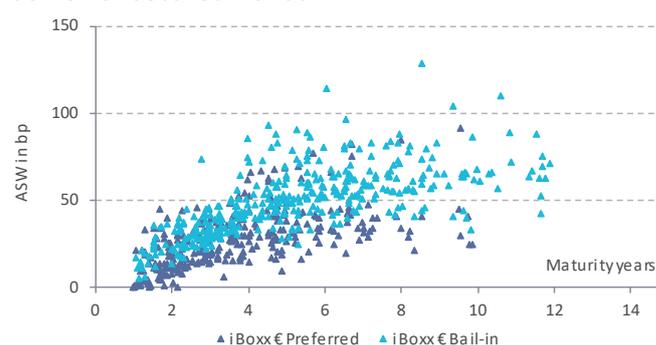
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	599	598	318
Net Fee & Commission Inc.	60	51	25
Net Trading Income	9	1	4
Operating Expense	364	428	204
Credit Commit. Impairment	43	106	15
Pre-tax Profit	271	105	138

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.93	1.90	1.93	Liquidity Coverage Ratio	139.51	159.64	150.01
ROAE	7.73	2.84	7.12	IFRS Tier 1 Leverage Ratio	5.11	5.61	5.75
Cost-to-Income	53.44	64.47	57.04	Gr. Imp. Loans / Loans at Am. Costs	-	-	-
Core Tier 1 Ratio	9.04	9.78	10.03	Reserves/Loans at Amort. Cost	0.50	0.78	0.78

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Liquidity position

## Risks / Weaknesses

- Risks in Australian property market
- Low interest rate environment
- Competition on domestic market

# Bank of Queensland – Mortgage

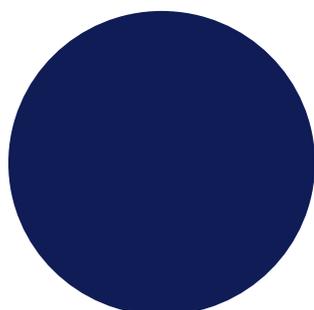
Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,135	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,454	Rating (S&P)	-
-thereof ≥ EUR 500m	68.8%	Rating (Fitch)	AAA
Current OC (nominal)	46.9%	Rating (DBRS)	-
Committed OC	10.0%	TPI	TPI-delinked
Cover type	Mortgage	TPI leeway	Not Applicable
Main country	100% Australia	Collateral score	4.2%
Main region	52% Queensland	RRL	-
Number of loans	13,331	JRL	-
Number of borrowers	8,205	Unused notches	-
Avg. exposure to borrowers (EUR)	260,175	AAA credit risk (%)	-
WAL (cover pool)	23.8y	PCU	8
WAL (covered bonds)	3.5y	Recovery uplift	2
Fixed interest (cover pool)	19.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	51.4%	LCR level (Bmk)	2A
LTV (unindexed)	56.5%	Risk weight	20%
Loans in arrears	1.4%	Maturity structure (Bmk)	CPT

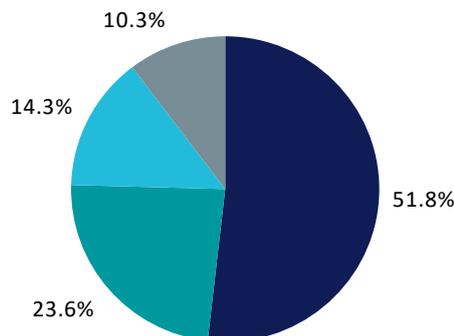
## Borrower Types



100.0%

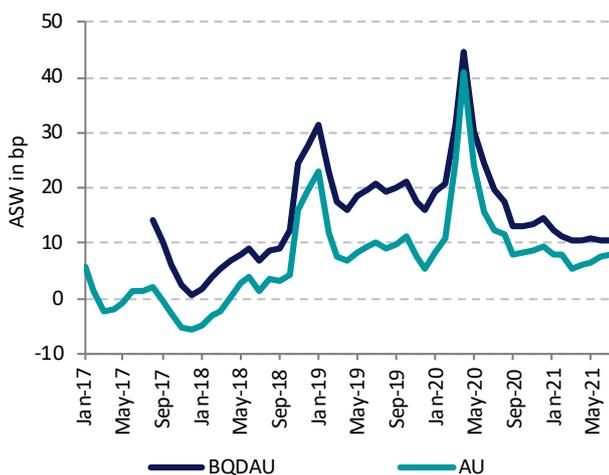
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

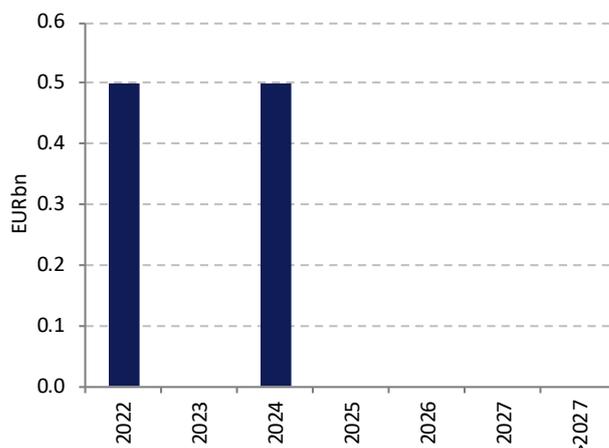


■ Queensland ■ New South Wales & ACT ■ Victoria ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Commonwealth Bank of Australia

# Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa3	Stable
S&P	AA-	Stable

## Homepage

[www.commbank.com.au](http://www.commbank.com.au)

The Commonwealth Bank of Australia (CBA) is the second largest banking group in Australia in terms of assets and is categorised as a D-SIB by the Australian Prudential Regulation Authority (APRA), which is the country's financial regulatory authority. CBA shares are listed on the Sydney Stock Exchange. The Vanguard Group Inc. and BlackRock Inc. hold 5% and just under 6% of the shares conferring voting rights, respectively. The Sydney-based financial institute offers the full spectrum of universal bank services to more than 17 million customers. CBA's activities are primarily concentrated on the domestic market of Australia, although it does also maintain a presence in New Zealand. According to information from the bank itself, CBA has one of the most extensively developed branch networks in Australia (approximately 1,100 branches). The bank reports across the following segments: Retail Banking Services, Business & Private Banking, Institutional Banking & Markets, Wealth Management, New Zealand and International Financial Services & Corporate Centre. The most important segment for CBA measured by net profit after tax (NPAT) is the retail banking business with a share of around 50% (FY 2020). In response to the COVID-19 crisis and its associated risks, CBA increased its risk provisioning. The banking strategy provides for restructuring and digitalisation processes. With a CET1 ratio of 12.6% (APRA: H1 2021), CBA complies with the APRA capitalisation requirements. CBA's liquidity management also exceeds the APRA requirements, with an LCR of 143% and an NSFR of 123% posted in H1 2021. Funding is above all covered by customer deposits (approximately 74% of total funding). The CBA financial year ends on 30 June each year.

## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	465,325	473,348	495,362
Total Securities	90,343	101,248	111,735
Total Deposits	380,148	420,325	453,991
Tier 1 Common Capital	29,803	32,254	36,009
Total Assets	601,704	622,130	667,102
Total Risk-weighted Assets	278,984	279,113	286,091

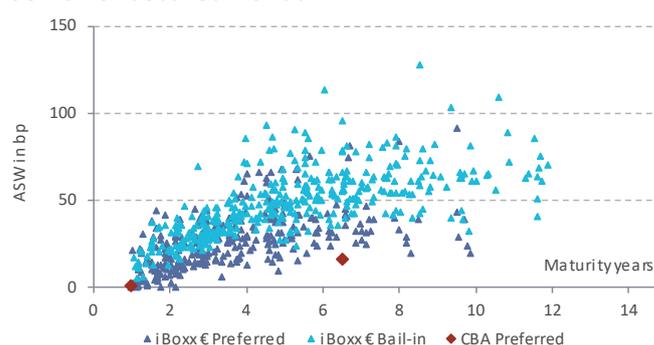
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	11,425	11,299	5,740
Net Fee & Commission Inc.	2,005	1,852	935
Net Trading Income	472	647	287
Operating Expense	6,415	6,202	3,178
Credit Commit. Impairment	753	1,529	540
Pre-tax Profit	7,132	6,362	3,300

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	2.09	2.07	2.03	Liquidity Coverage Ratio	131.75	154.43	142.72
ROAE	12.49	13.61	13.27	IFRS Tier 1 Leverage Ratio	5.11	5.39	5.61
Cost-to-Income	44.91	43.92	45.05	Gr. Imp. Loans / Loans at Am. Costs	0.86	0.41	0.83
Core Tier 1 Ratio	10.68	11.56	12.59	Reserves/Loans at Amort. Cost	0.62	0.80	0.84

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capital basis
- Credit quality
- Funding and liquidity management

## Risks / Weaknesses

- Dependency on wholesale funding
- Risks in Australian property market
- Competition and low interest rate environment

# Commonwealth Bank of Australia – Mortgage

Australia

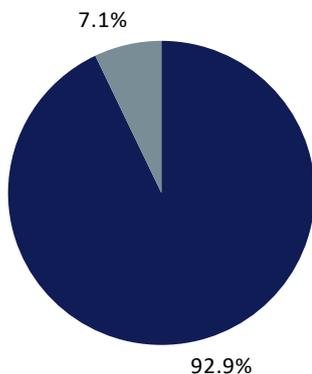
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	17,427
Amount outstanding (EURm)	16,923
-thereof ≥ EUR 500m	35.5%
Current OC (nominal)	3.0%
Committed OC	7.5%
Cover type	Mortgage
Main country	100% Australia
Main region	36% New South Wales
Number of loans	134,589
Number of borrowers	108,952
Avg. exposure to borrowers (EUR)	159,956
WAL (cover pool)	23.2y
WAL (covered bonds)	5.4y
Fixed interest (cover pool)	22.2%
Fixed interest (covered bonds)	85.1%
LTV (indexed)	45.5%
LTV (unindexed)	53.5%
Loans in arrears	0.5%

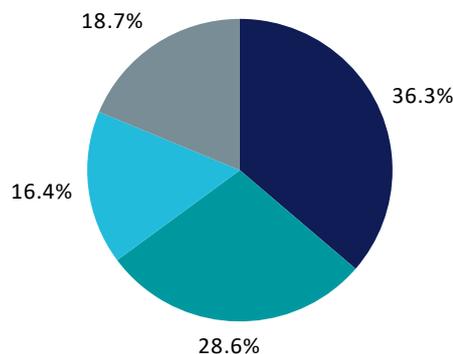
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



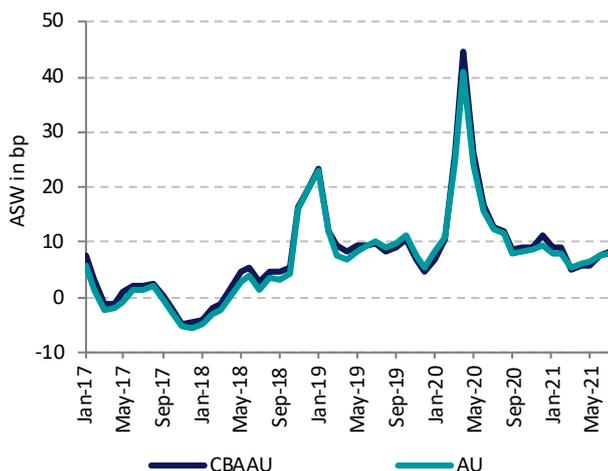
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

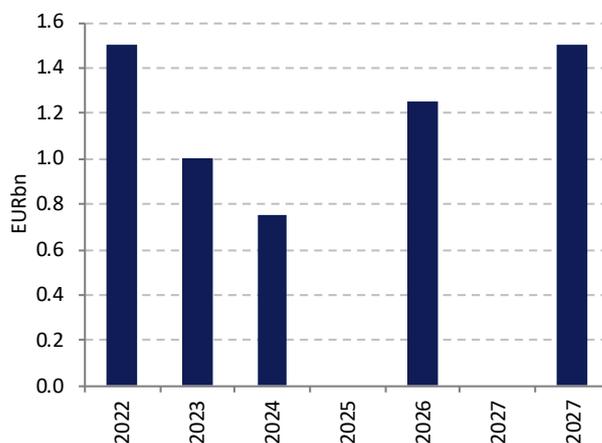


■ New South Wales ■ Victoria ■ Queensland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# National Australia Bank

# Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa3	Stable
S&P	AA-	Stable

## Homepage

[www.nab.com.au](http://www.nab.com.au)

National Australia Bank (NAB) is the fourth-largest bank in Australia measured in terms of assets. The bank serves more than nine million customers in around 850 branches around the world and is categorised as a D-SIB by the APRA, the financial regulatory authority of Australia. NAB shares are listed on the Sydney Stock Exchange. BlackRock Inc. and the Vanguard Group Inc., each hold just under 6% of the shares that confer voting rights. NAB operates in the form of a universal bank and focuses on financing small and medium-sized enterprises (SMEs) in addition to the agricultural sector. Group operations are split across the following segments: Business & Private Banking, Personal Banking, Corporate & Institutional Banking and New Zealand Banking in addition to the Corporate Functions and Other segment. In September 2020, NAB concluded its three-year plan aimed at streamlining the business segments and improving digitalisation. The plan included increased investment of AUD 1.671bn. As a result, it exceeded the figure that was previously set of AUD 1.5bn. The Group also concluded the sale of MLC Wealth to IOOF Holdings Limited (IOOF) for a price of AUD 1.440bn. In the wake of the COVID-19 crisis, NAB issued shares and in so doing generated AUS 4.25bn to strengthen its capital basis. The CET1 ratio of 11.7% (APRA; Q1 2021) exceeds the applicable minimum ratio of 10.5%. The NPL ratio rose year on year by 0.1 percentage points to 1.03% (FY 2020). Loan write-downs have also risen, with an increase of 18 percentage points registered in FY 2020. In Q1 2020, the LCR amounted to  $\emptyset$  147% and the NSFR 127%. NAB's financial year ends on 30 September each year.

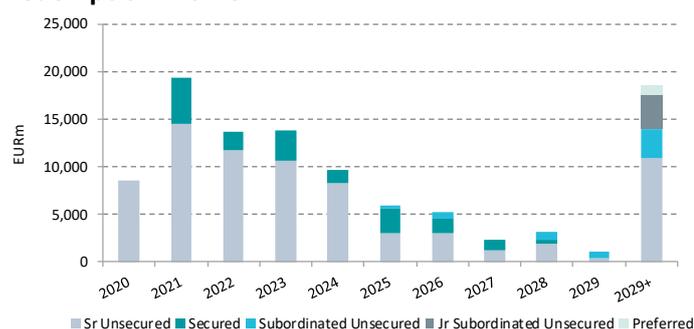
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	367,725	357,944	383,598
Total Securities	88,147	85,760	-
Total Deposits	287,917	307,545	334,765
Tier 1 Common Capital	26,682	29,760	33,491
Total Assets	523,975	529,008	565,173
Total Risk-weighted Assets	257,168	259,538	270,800

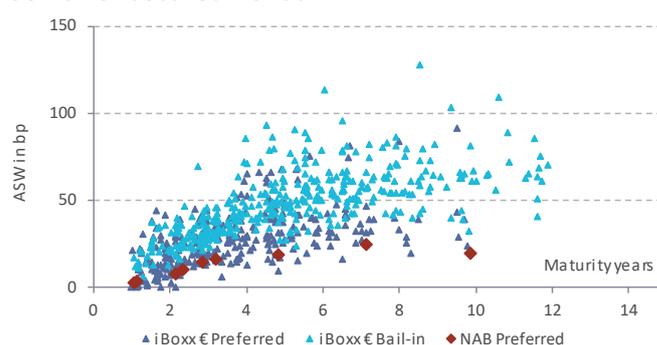
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	8,456	8,407	4,290
Net Fee & Commission Inc.	1,423	1,274	661
Net Trading Income	895	659	157
Operating Expense	5,113	5,497	2,409
Credit Commit. Impairment	578	1,667	-80
Pre-tax Profit	5,206	3,128	2,835

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.79	1.78	1.74	Liquidity Coverage Ratio	125.82	139.43	136.21
ROAE	8.86	4.39	10.45	IFRS Tier 1 Leverage Ratio	5.37	5.87	6.14
Cost-to-Income	46.87	52.71	46.65	Gr. Imp. Loans / Loans at Am. Costs	0.95	1.05	1.25
Core Tier 1 Ratio	10.38	11.47	12.37	Reserves/Loans at Amort. Cost	0.66	1.02	0.97

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Liquidity management
- Market position with SME
- Capitalisation

## Risks / Weaknesses

- Risk in Australian property market
- Dependency on wholesale funding
- Low interest rate environment

# National Australia Bank – Mortgage

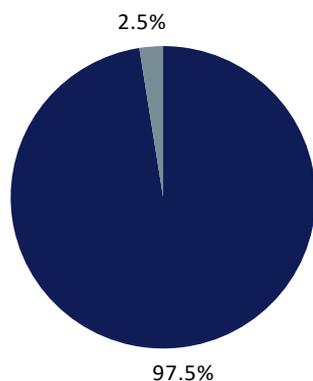
Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

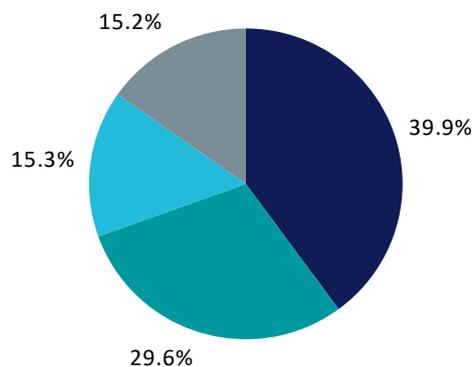
Cover pool volume (EURm)	15,386	Rating (Moody's)	Aaa
Amount outstanding (EURm)	11,900	Rating (S&P)	-
-thereof ≥ EUR 500m	57.6%	Rating (Fitch)	AAA
Current OC (nominal)	29.3%	Rating (DBRS)	-
Committed OC	8.7%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Australia	Collateral score	4.0%
Main region	40% New South Wales	RRL	-
Number of loans	91,343	JRL	-
Number of borrowers	81,188	Unused notches	-
Avg. exposure to borrowers (EUR)	189,508	AAA credit risk (%)	-
WAL (cover pool)	24.1y	PCU	6
WAL (covered bonds)	3.3y	Recovery uplift	1
Fixed interest (cover pool)	27.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	87.4%	CRR 129 (7)	Yes
LTV (indexed)	55.4%	LCR level (Bmk)	2A
LTV (unindexed)	55.7%	Risk weight	20%
Loans in arrears	1.6%	Maturity structure (Bmk)	SB

## Borrower Types



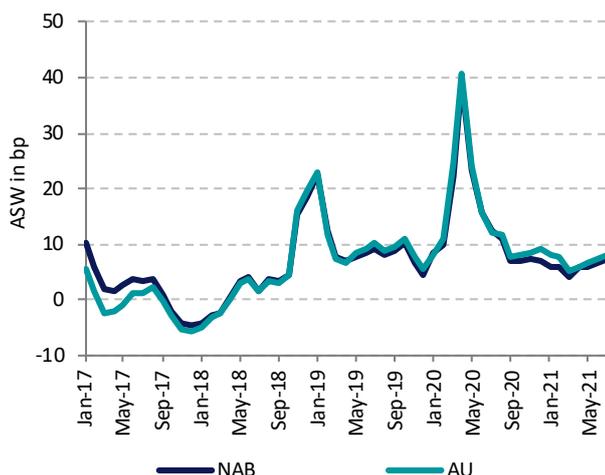
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

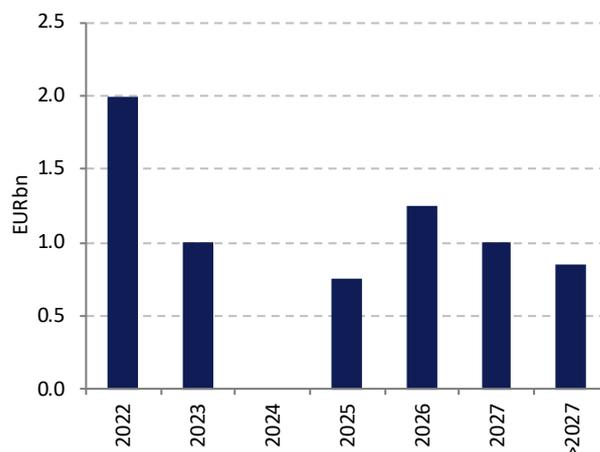


■ New South Wales ■ Victoria ■ Queensland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Westpac Banking Corporation

## Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa3	Stable
S&P	AA-	Stable

### Homepage

[www.westpac.com](http://www.westpac.com)

Westpac Banking Corporation (Westpac; headquarters in Sydney) is Australia's oldest bank and operates chiefly in Australia and New Zealand. In terms of total banking assets, Westpac is the third-largest banking group in Australia and is classified as one of the country's D-SIBs by APRA, the financial regulatory authority in Australia. Westpac is listed on the ASX and NZX, while it is also traded in New York in the form of an American Depositary Receipt. BlackRock Inc. and The Vanguard Group Inc., each hold more than 5% of the shares conferring voting rights (as at October 2020) via various subsidiaries. The universal bank serves nearly 14 million customers and, in so doing, it pursues a strategy that concentrates on corporate and retail customers, institutional investors in addition to high-net-worth individuals. The bank's activities are divided into four customer-orientated segments: Consumer, Business, Westpac Institutional Bank and Westpac New Zealand. In addition, the segment Group Businesses covers functions including treasury, technology, financing and HR, among other areas. In financial year 2020, Westpac launched the Specialist Business segment. This houses activities outside of the core business, such as the pensions and insurance business as well as its business in Fiji and Papua New Guinea. In addition, the bank is aiming to further streamline its business activities and with that has announced the sale of the Westpac General Insurance and Westpac Pacific segments. The CET1 ratio of 11.87 % in December 2020 (APRA; 17.6 % in an international comparison) exceeds the regulatory requirements. Westpac's financial year ends on 30 September each year.

### Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	442,109	423,089	446,276
Total Securities	84,571	96,411	87,284
Total Deposits	348,387	360,865	379,604
Tier 1 Common Capital	28,299	29,750	34,324
Total Assets	560,779	556,712	576,771
Total Risk-weighted Assets	265,224	267,326	278,120

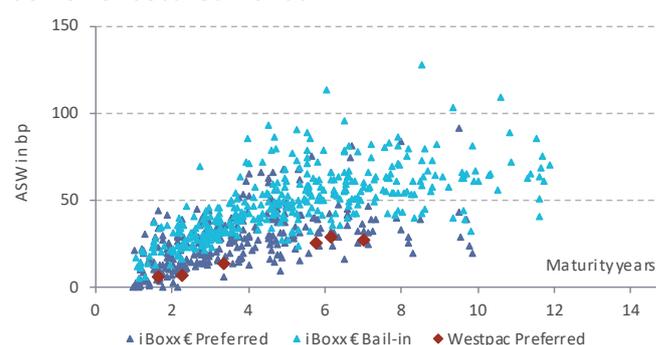
### Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	10,547	10,115	5,235
Net Fee & Commission Inc.	1,032	965	439
Net Trading Income	548	497	643
Operating Expense	6,289	7,614	3,761
Credit Commit. Impairment	495	1,913	-230
Pre-tax Profit	6,082	2,585	3,174

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	2.12	2.03	2.05	Liquidity Coverage Ratio	126.89	151.06	123.57
ROAE	10.44	3.43	9.83	IFRS Tier 1 Leverage Ratio	5.29	5.55	6.17
Cost-to-Income	48.91	63.26	56.16	NPL/ Loans at Amortised Cost	0.19	0.34	0.25
Core Tier 1 Ratio	10.67	11.13	12.34	Reserves/Loans at Amort. Cost	0.50	0.80	0.71

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Market position
- Profitability
- Capital ratios

### Risks / Weaknesses

- Risks in Australian property market
- Dependency on wholesale funding
- Competition in AU

# Westpac Banking Corporation – Mortgage

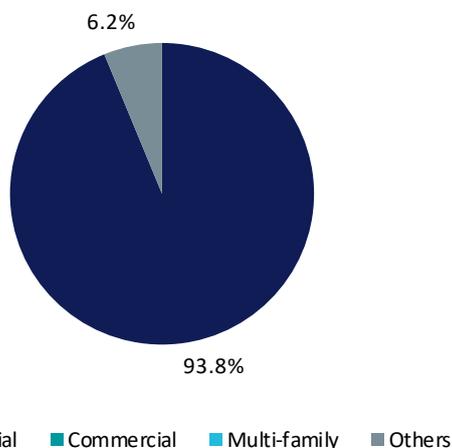
Australia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

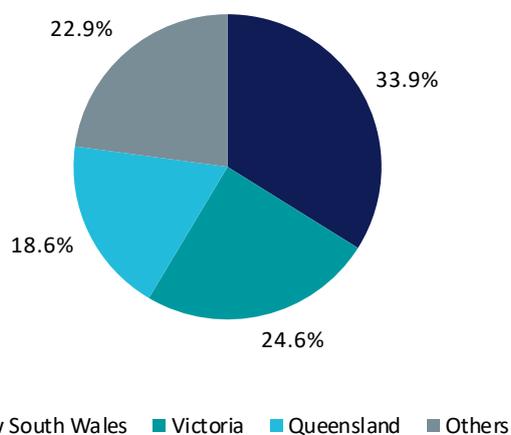
## Cover Pool Data

Cover pool volume (EURm)	16,177	Rating (Moody's)	Aaa
Amount outstanding (EURm)	15,466	Rating (S&P)	-
-thereof ≥ EUR 500m	43.6%	Rating (Fitch)	AAA
Current OC (nominal)	4.6%	Rating (DBRS)	-
Committed OC	9.9%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Australia	Collateral score	4.0%
Main region	34% New South Wales	RRL	-
Number of loans	93,654	JRL	-
Number of borrowers	89,961	Unused notches	-
Avg. exposure to borrowers (EUR)	179,827	AAA credit risk (%)	-
WAL (cover pool)	24.4y	PCU	6
WAL (covered bonds)	3.8y	Recovery uplift	1
Fixed interest (cover pool)	32.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	91.6%	CRR 129 (7)	Yes
LTV (indexed)	53.0%	LCR level (Bmk)	2A
LTV (unindexed)	58.7%	Risk weight	20%
Loans in arrears	0.4%	Maturity structure (Bmk)	SB

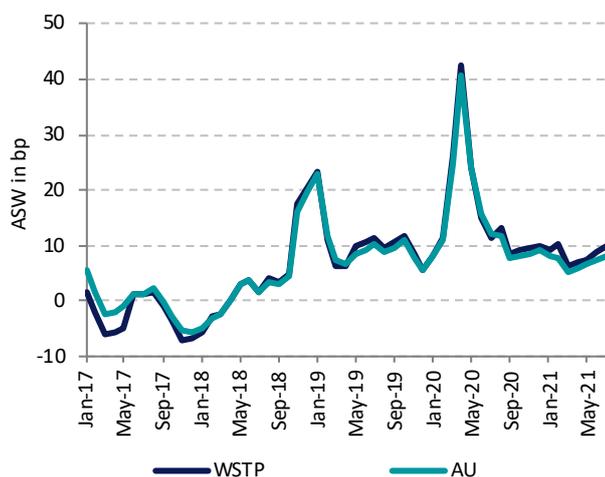
## Borrower Types



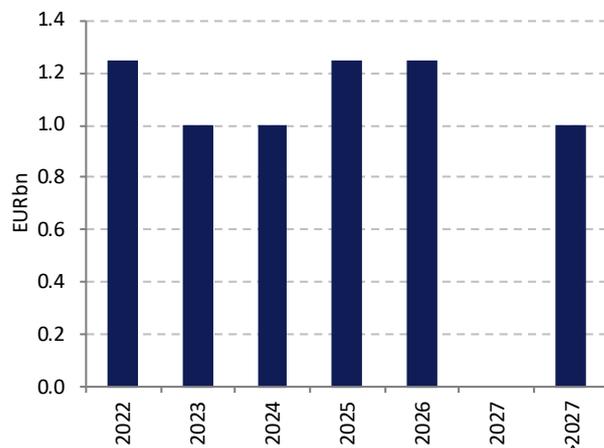
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



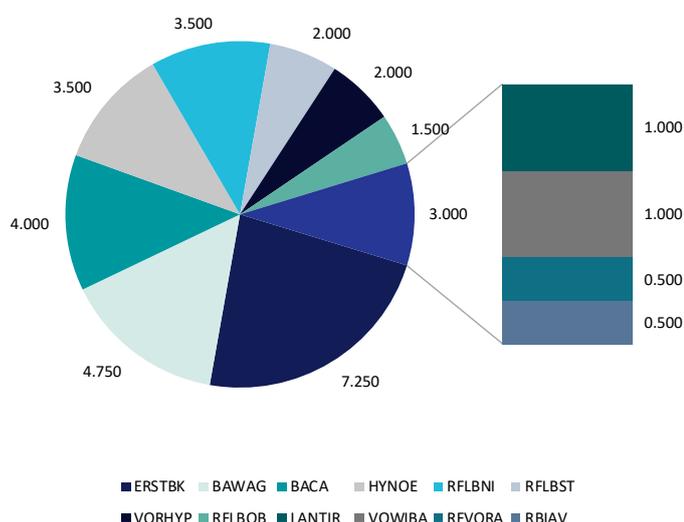
# Market Overview Covered Bonds

Austria

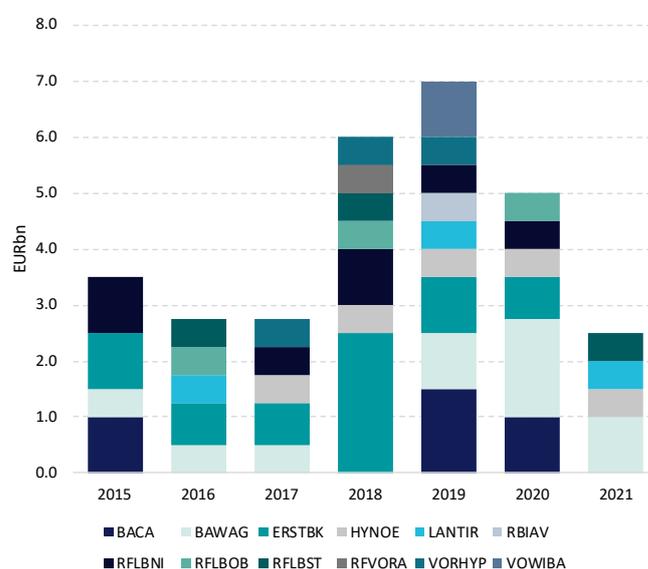
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 90.84bn	Outstanding volume (Bmk)	EUR 31.50bn
Amount outstanding	EUR 62.41bn	Number of benchmarks	58
Number of issuer	14	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	17	Number of ESG benchmarks	1
there of M / PS / others	14 / 3 / 0	Outstanding volume (SBmk)	EUR 2.30bn
Ratings (low / high)	AA+ / AAA	Number of subbenchmarks	8
Best possible LCR level	Level 1	Maturity types	HB, SB

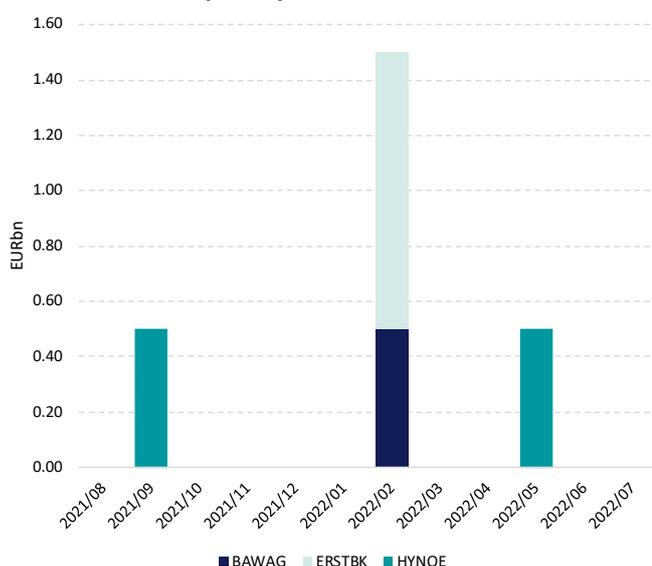
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



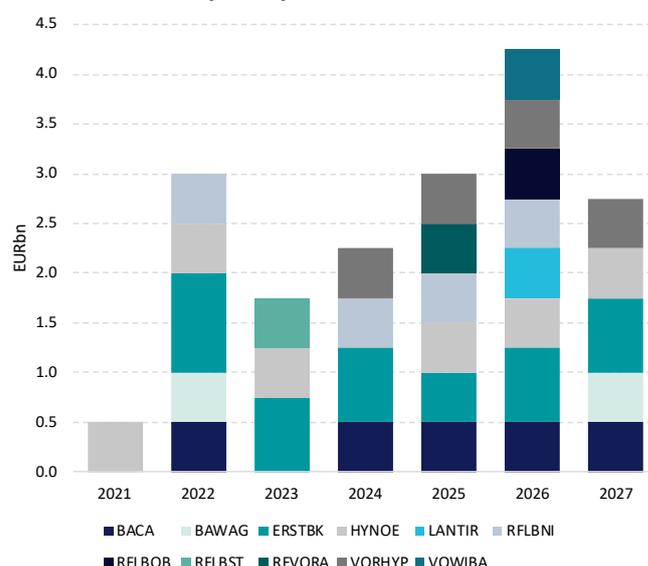
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# BAWAG Group

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	-	-
Moody's	A2	Stable
S&P	-	-

## Homepage

[www.bawaggroup.com](http://www.bawaggroup.com)

\*BAWAG PSK

The BAWAG Group is the holding company for BAWAG P.S.K. and is headquartered in Vienna. Its shares have been traded on the Vienna stock exchange since 2017 and are also listed on the ATX, the Austrian share index. Golden Tree Asset Management L.P. holds a stake of 21.8%, while the T. Rowe Price Group holds 5.6%, with the remaining shares in free float. The Group pursues a multi-brand strategy, although its regional focus is on the German-speaking DACH region (over 75% of customer business), with the remaining 25% attributable to western Europe and the USA. BAWAG offers its client base of more than 2.3 million customers in the DACH region a broad product portfolio in the area of Retail and Corporate Banking, while also offering international commercial real estate financing and capital market solutions. Business is split into the core segments of Retail & SME (76% of operating earnings; FY 2020), Corporates & Public (24%), Treasury (5%) and Corporates Center (-5%). The bank's strategic aim is to further expand its business in the Retail & SME segment as well as consolidating its position in the German market. In addition, the Group continues to work towards its aim of securing increased market shares of 20% for core products (including consumer loans and mortgages), as it has already achieved for current accounts. This should be supported by increased M&A activities, as has been the case in previous years too. In Q1 2020, the LCR stood at 135%, while the CET1 ratio amounted to 14% (16.3% before dividends). For 2021, BAWAG has defined various financial targets. For example, it is planning to achieve RoTE of >13 % and a cost-income ratio of below 41%.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	30,806	32,262	33,015
Total Securities	6,156	8,395	7,618
Total Deposits	30,384	32,415	32,041
Tier 1 Common Capital	2,705	2,807	-
Total Assets	45,662	53,128	52,975
Total Risk-weighted Assets	20,241	20,072	20,053

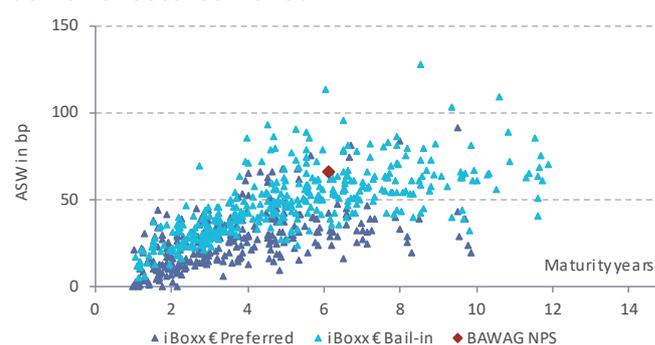
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	879	916	230
Net Fee & Commission Inc.	284	255	68
Net Trading Income	71	-29	19
Operating Expense	538	514	176
Credit Commit. Impairment	67	220	29
Pre-tax Profit	604	370	96

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.99	1.91	1.78	Liquidity Coverage Ratio	160.25	180.15	229.00
ROAE	11.40	7.07	6.73	IFRS Tier 1 Leverage Ratio	6.11	5.43	-
Cost-to-Income	44.53	45.98	58.34	NPL/ Loans at Amortised Cost	2.68	2.76	-
Core Tier 1 Ratio	13.36	13.98	-	Reserves/Loans at Amort. Cost	0.74	1.16	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Capitalisation
- Deposit basis
- Cost management

## Risks / Weaknesses

- Profit retention
- Non-retail exposure
- Niche position within the German market

# BAWAG P.S.K. – Mortgage

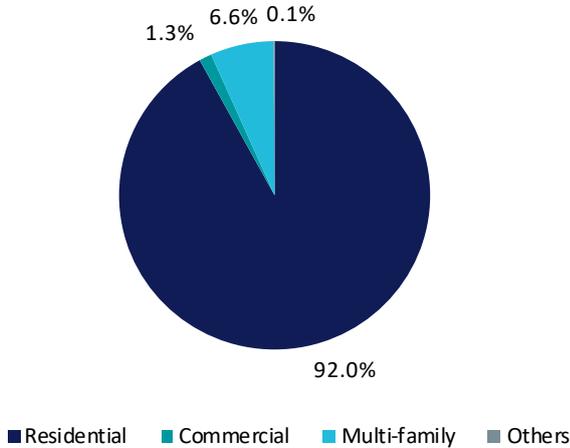
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

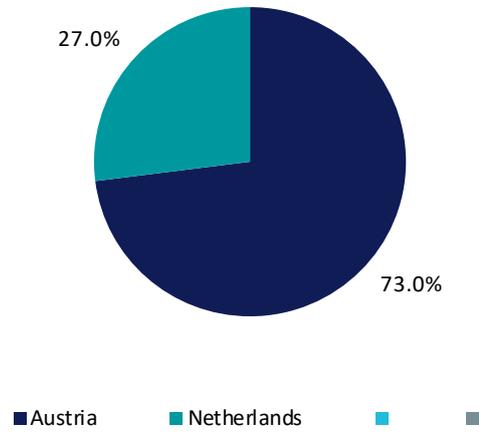
## Cover Pool Data

Cover pool volume (EURm)	5,693	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,965	Rating (S&P)	-
-thereof ≥ EUR 500m	85.6%	Rating (Fitch)	-
Current OC (nominal)	14.7%	Rating (DBRS)	-
Committed OC	0.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	73% Austria	Collateral score	5.6%
Main region	21% Lower Austria	RRL	-
Number of loans	48,686	JRL	-
Number of borrowers	40,054	Unused notches	-
Avg. exposure to borrowers (EUR)	142,133	AAA credit risk (%)	-
WAL (cover pool)	9.9y	PCU	-
WAL (covered bonds)	8.4y	Recovery uplift	-
Fixed interest (cover pool)	59.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	74.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

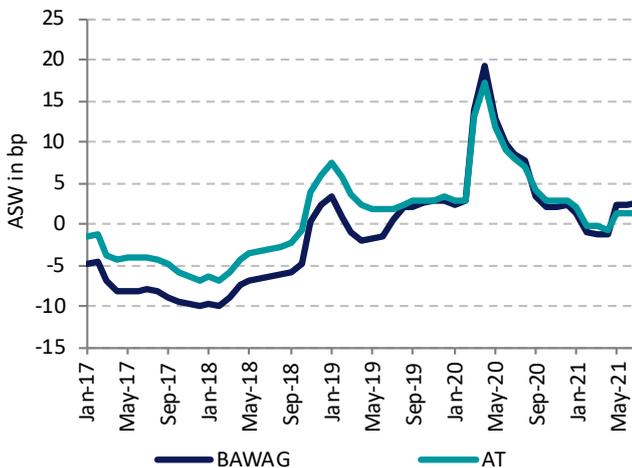
## Borrower Types



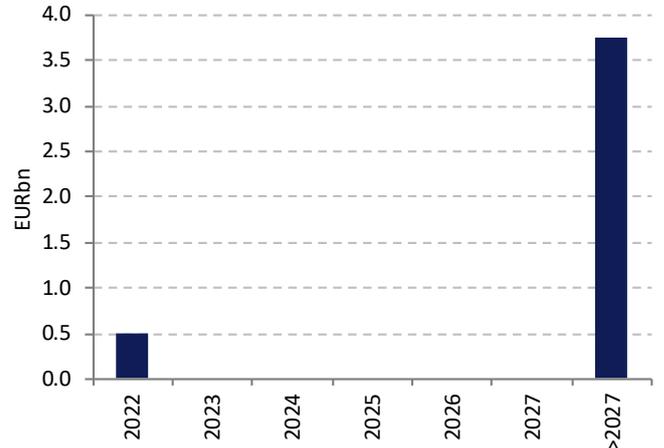
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# BAWAG P.S.K. – Public Sector

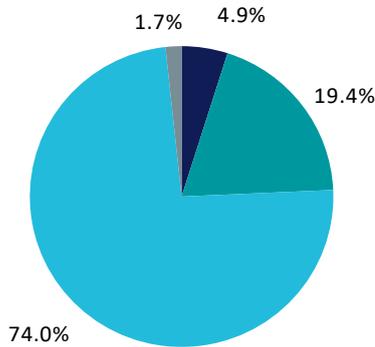
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

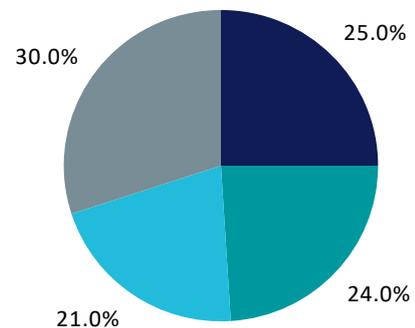
Cover pool volume (EURm)	1,668	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,503	Rating (S&P)	-
-thereof ≥ EUR 500m	33.3%	Rating (Fitch)	-
Current OC (nominal)	10.9%	Rating (DBRS)	-
Committed OC	0.0%	TPI	High
Cover type	Public Sector	TPI leeway	4
Main country	98% Austria	Collateral score	5.1%
Main region	25% Upper Austria	RRL	-
Number of loans	2,223	JRL	-
Number of borrowers	1,100	Unused notches	-
Avg. exposure to borrowers (EUR)	1,516,000	AAA credit risk (%)	-
WAL (cover pool)	13.7y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	54.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

## Borrower Types



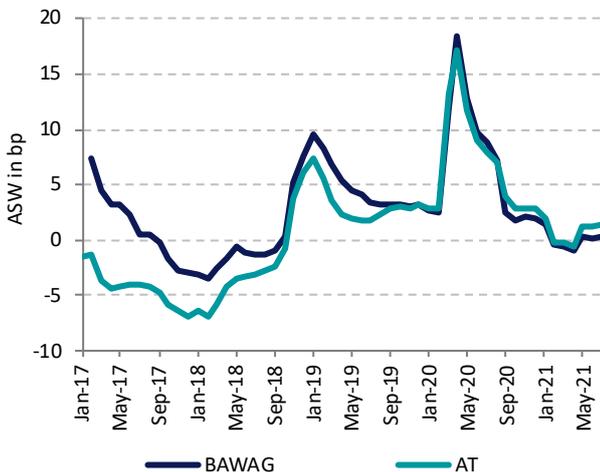
■ Sovereign  
■ Municipality  
■ Region / Federal state  
■ Supras & others

## Regional Distribution

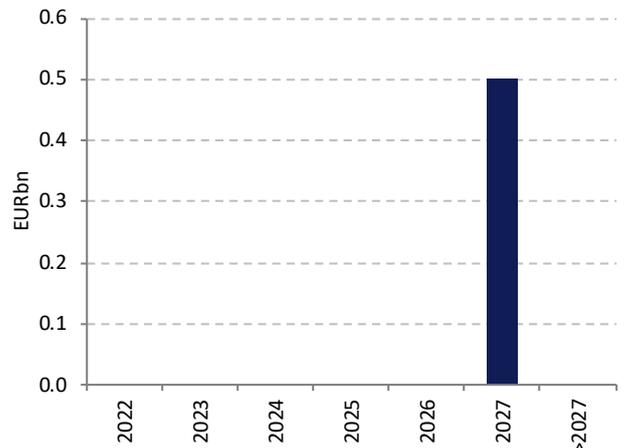


■ Upper Austria  
■ Styria  
■ Lower Austria  
■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Erste Group Bank

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Negative
Moody's	A2	Stable
S&P	A	Stable

## Homepage

[www.erstegroup.com](http://www.erstegroup.com)

Austria's Erste Group Bank AG (Erste) was founded in 1819 and was listed on the Vienna stock exchange for the first time in 1997. The largest individual shareholder is Sparkassen Beteiligungs GmbH & Co KG (10.6%), followed by the ERSTE Foundation with a stake of (5.9%). Geographically, the bank operates in Austria, Croatia, Romania, Serbia, Slovakia, Czech Republic and Hungary. Across its seven core markets, Erste serves more than 16 million customers (3 million of which are located in Austria) across nearly 2,200 branches. In addition, Erste maintains majority and minority stakes in banks located in Slovenia, Montenegro, Bosnia and Herzegovina, North Macedonia and Moldova. Erste is one of the market leaders in the fields of retail and corporate banking in certain CEE countries. Its market shares for loans and deposits are both just over 20% in the domestic market. With regard to business units, Erste operates across the following segments: Retail Customers, Corporate Clients, Capital Market Business, BSM & LLC, Savings Banks, Group Corporate Center and Consolidations. In this regard, Erste's focus is above all on retail customers and SMEs. The bank's market share in Austria for loans and deposits (retail and corporate clients) stands at approximately 20%. The credit-deposit ratio at Erste amounted to 86.9% as at year-end 2020. Together with local savings banks, Erste is represented across all nine Austrian Bundeslaender and is the country's largest banking group in terms of assets. Erste Bank Österreich (wholly owned subsidiary of the Erste Group) acts as the leading institution for savings banks in Austria, while the holding company Erste Group Bank AG is responsible for strategic management.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	158,861	164,705	166,239
Total Securities	44,421	47,060	48,531
Total Deposits	173,331	191,070	205,374
Tier 1 Common Capital	16,252	17,057	16,997
Total Assets	245,693	277,394	304,969
Total Risk-weighted Assets	118,105	118,005	119,038

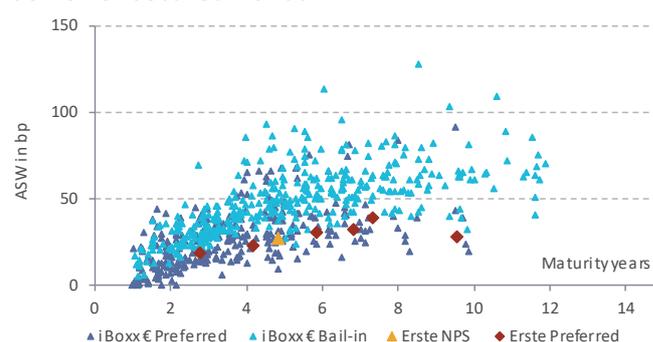
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	4,747	4,775	1,172
Net Fee & Commission Inc.	2,000	1,977	540
Net Trading Income	318	206	69
Operating Expense	4,283	4,220	1,103
Credit Commit. Impairment	35	1,284	36
Pre-tax Profit	2,330	1,368	565

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.00	1.86	1.66	Liquidity Coverage Ratio	147.98	189.30	-
ROAE	9.65	4.82	7.80	IFRS Tier 1 Leverage Ratio	6.71	6.23	5.63
Cost-to-Income	61.48	60.84	64.79	NPL/ Loans at Amortised Cost	2.62	2.76	2.71
Core Tier 1 Ratio	13.76	14.45	14.28	Reserves/Loans at Amort. Cost	1.92	2.35	2.31

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Franchise in Austria and CEE
- Capitalisation
- Deposit basis

## Risks / Weaknesses

- Low interest rate environment
- Credit quality
- High credit standards an obstacle to earning power

# Erste Group Bank – Mortgage

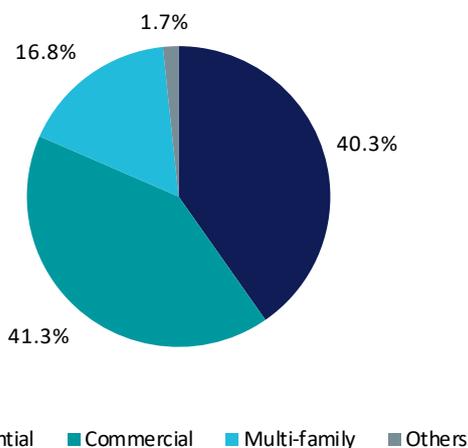
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

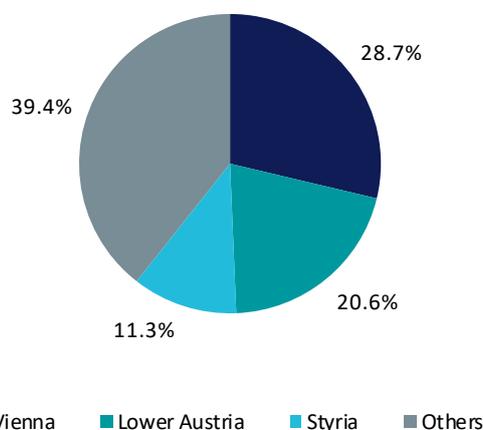
## Cover Pool Data

Cover pool volume (EURm)	22,232	Rating (Moody's)	Aaa
Amount outstanding (EURm)	16,805	Rating (S&P)	-
-thereof ≥ EUR 500m	43.1%	Rating (Fitch)	-
Current OC (nominal)	32.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	98% Austria	Collateral score	14.0%
Main region	29% Vienna	RRL	-
Number of loans	99,441	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	9.4y	PCU	-
WAL (covered bonds)	5.8y	Recovery uplift	-
Fixed interest (cover pool)	37.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	50.3%	CRR 129 (7)	Yes
LTV (indexed)	67.9%	LCR level (Bmk)	1
LTV (unindexed)	68.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

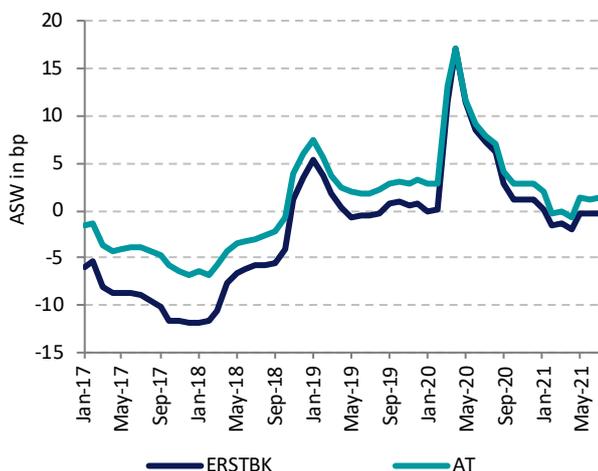
## Borrower Types



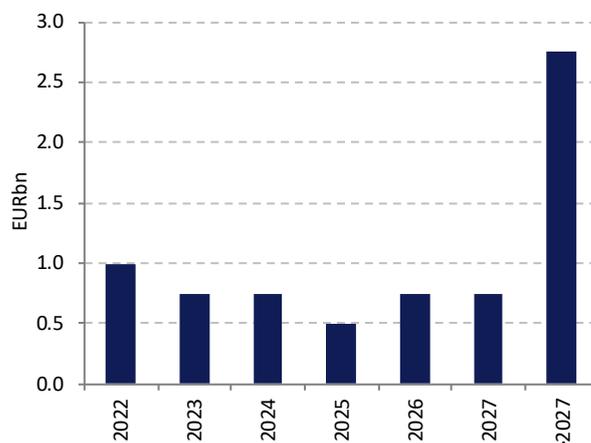
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# HYPO NOE Landesbank für NÖ und Wien

## Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	A	Stable

### Homepage

[www.hyponoe.at](http://www.hyponoe.at)

HYPO NOE Landesbank für Niederösterreich und Wien AG (HYPO NOE Landesbank) is a universal bank that specialises in mortgages. With over 700 employees and a balance sheet total exceeding EUR 16.4bn (FY 2020), HYPO NOE Landesbank ranks among the largest regional banks in Austria. Lower Austria, the largest Bundesland in Austria, is the sole owner of the banking group. HYPO NOE Landesbank has a strong regional focus on Lower Austria and Vienna, but is also active across the rest of Austria and selectively in neighbouring countries. The HYPO NOE Group divides its business into the segments Public Sector (45% of assets in FY 2020; focus on public sector financing, leasing, PPP, forfeiting/non-recourse financing), Real Estate Customers (16%; low-risk major housing construction projects in Austria), Retail and Corporate Customers (12%; mortgage financing and home-owner solutions), Treasury & ALM (26%) as well as Real Estate Services (<1%). In addition, there is the administrative Corporate Center segment (1%). The bank's funding mix comprises savings, demand and term deposits (34%), public sector and mortgage-backed Pfandbriefe (32%), and unsecured bonds (22%). In 2020, two benchmark bond deals each worth EUR 500m were launched. The first of these was a mortgage Pfandbrief in May 2020, which was then followed by a senior preferred deal in green bond format in June. The NPL ratio declined by 18 basis points to 0.78% (FY 2020) in comparison with the previous year. Although the CET1 ratio fell marginally, at 17.92% (FY 2020), it remains above the regulatory minimum requirements.

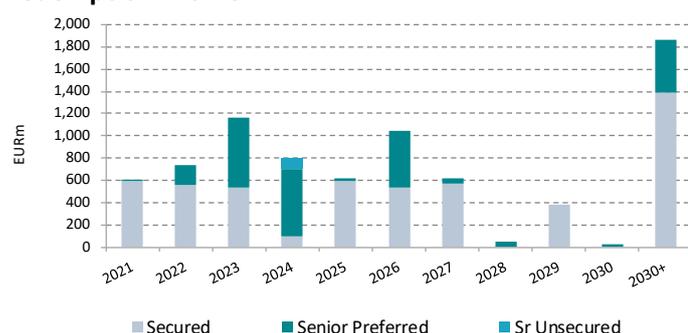
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	10,911	11,414	-
Total Securities	2,540	2,650	-
Total Deposits	4,174	4,228	-
Tier 1 Common Capital	666	691	691
Total Assets	14,572	16,417	16,501
Total Risk-weighted Assets	3,473	3,857	3,997

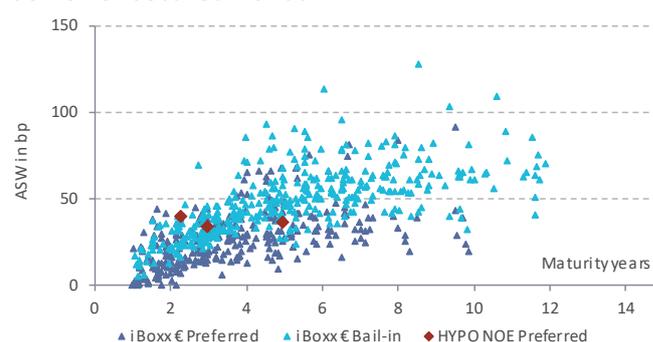
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	118	129	35
Net Fee & Commission Inc.	17	17	5
Net Trading Income	6	4	3
Operating Expense	110	105	33
Credit Commit. Impairment	10	20	-1
Pre-tax Profit	38	41	12

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.81	0.81	0.85	Liquidity Coverage Ratio	157.14	199.55	214.79
ROAE	4.52	4.61	5.14	IFRS Tier 1 Leverage Ratio	4.97	4.55	4.47
Cost-to-Income	70.01	63.07	75.72	NPL/ Loans at Amortised Cost	1.02	0.84	-
Core Tier 1 Ratio	19.19	17.92	17.28	Reserves/Loans at Amort. Cost	0.60	0.60	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

### Strengths / Opportunities

- State of Lower Austria is the owner (support)
- Capitalisation

### Risks / Weaknesses

- Geographical concentration
- Profitability

# HYPO NOE – Mortgage

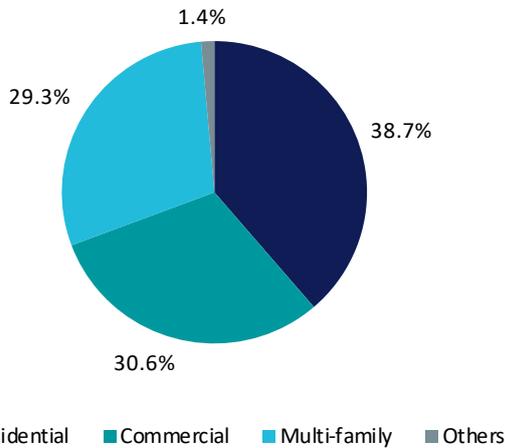
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

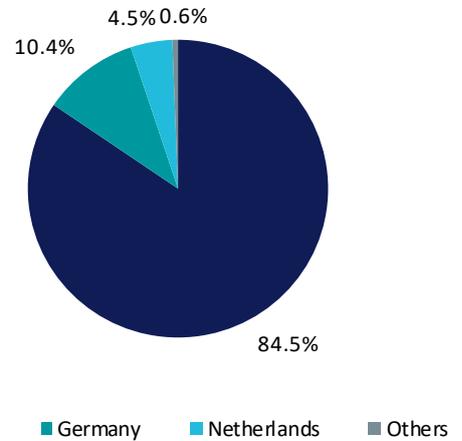
## Cover Pool Data

Cover pool volume (EURm)	2,585	Rating (Moody's)	Aa1
Amount outstanding (EURm)	1,625	Rating (S&P)	-
-thereof ≥ EUR 500m	30.8%	Rating (Fitch)	-
Current OC (nominal)	59.1%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	Unpublished
Main country	85% Austria	Collateral score	9.3%
Main region	53% Lower Austria	RRL	-
Number of loans	10,655	JRL	-
Number of borrowers	8,381	Unused notches	-
Avg. exposure to borrowers (EUR)	308,424	AAA credit risk (%)	-
WAL (cover pool)	9.7y	PCU	-
WAL (covered bonds)	4.1y	Recovery uplift	-
Fixed interest (cover pool)	39.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	66.5%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	57.0%	Risk weight	10%
Loans in arrears	0.3%	Maturity structure (Bmk)	HB & SB

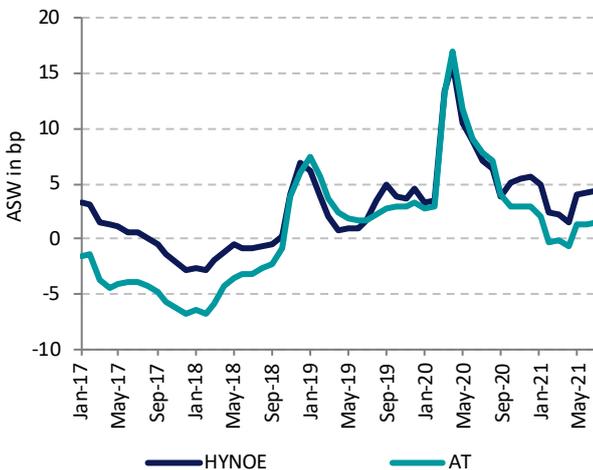
## Borrower Types



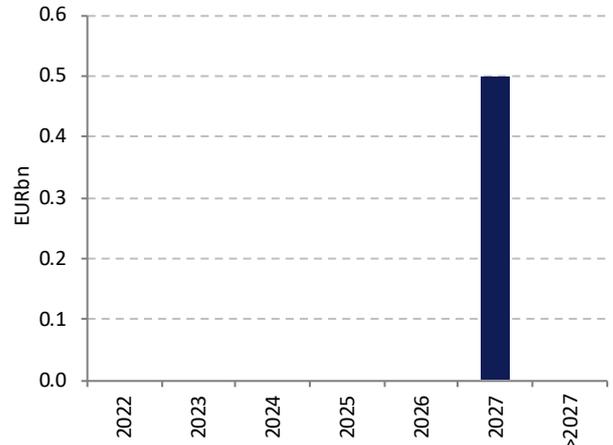
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# HYPO NOE – Public Sector

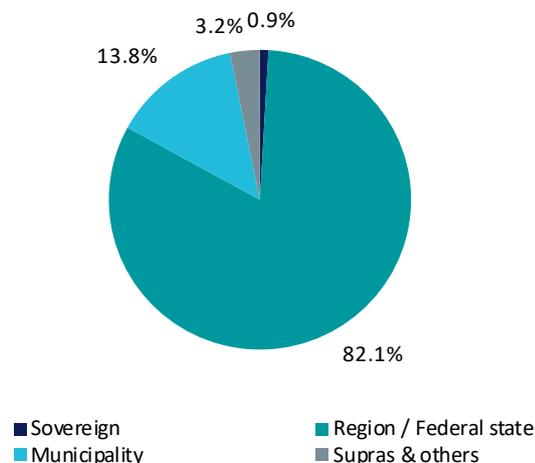
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

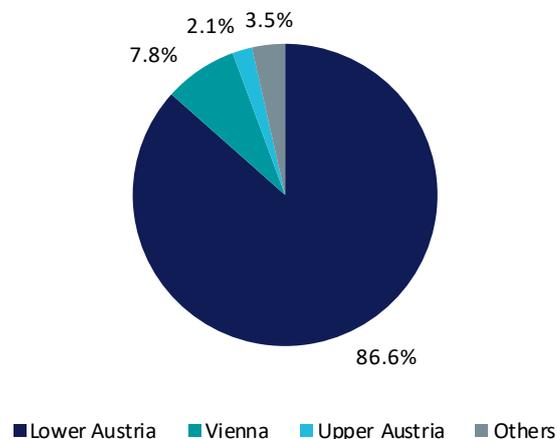
## Cover Pool Data

Cover pool volume (EURm)	4,413	Rating (Moody's)	Aa1
Amount outstanding (EURm)	3,194	Rating (S&P)	-
-thereof ≥ EUR 500m	78.3%	Rating (Fitch)	-
Current OC (nominal)	38.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	Unpublished
Main country	100% Austria	Collateral score	14.0%
Main region	87% Lower Austria	RRL	-
Number of loans	49,032	JRL	-
Number of borrowers	43,169	Unused notches	-
Avg. exposure to borrowers (EUR)	102,228	AAA credit risk (%)	-
WAL (cover pool)	9.9y	PCU	-
WAL (covered bonds)	5.5y	Recovery uplift	-
Fixed interest (cover pool)	51.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	96.3%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

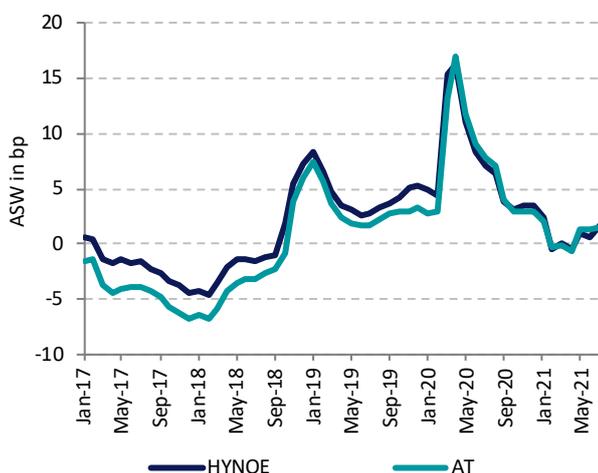
## Borrower Types



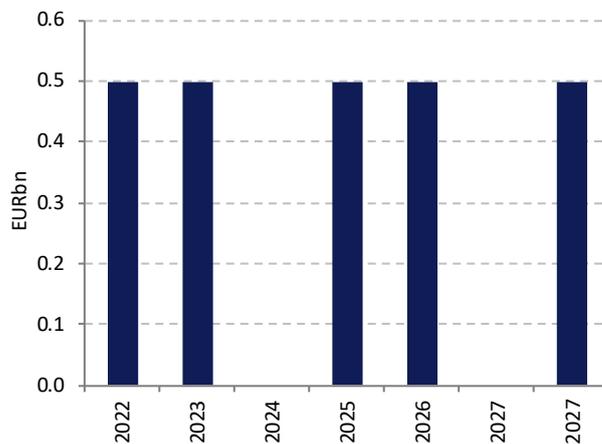
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# HYPO Oberösterreich

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	A+	Negative

## Homepage

[www.hypo.at](http://www.hypo.at)

Hypo Oberösterreich (HO) was established in 1891 as a public-sector special bank. HO operates as a regional bank in Upper Austria and Vienna with a total of 12 branches. It employs around 420 employees and serves more than 100,000 customers. Furthermore, HO is the house bank for Upper Austria and market leader in sponsored and not-for-profit residential construction projects in Upper Austria. The majority owner is the Bundesland of Upper Austria (50.6%: FY 2020), followed by Raiffeisenlandesbank Oberösterreich AG (41.1%) and Oberösterreichische Versicherung AG (7.5%). In terms of business activities, the bank operates across the following defined segments: Major Clients (Major Housing Construction Projects, Public Institutions, Corporate Customers and Church & Social; 72% of pre-tax profit in FY 2020), Retail and Residential Housing (Home-Owner Support and Private, Medical & Independent Professions; 48%), Financial Markets (Asset-Liability Management; -74%) in addition to Other (Fully Consolidated Subsidiaries, Investments; 3%). At 51.8%, the Retail and Residential Housing segment is responsible for the majority of the loan portfolio as at year-end 2020, followed by Major Clients at 48.2%. The CET1 ratio of 14.8% (FY 2020) continues to exceed the regulatory requirements. The leverage ratio increased by 20 basis points to stand at 6.1% (FY/2020), while the LCR amounted to 165.7% and the NSFR was stated at 104.4%. The NPL ratio rose marginally by 16 basis points to 0.41% as at FY 2020. The decline in the profit for the year was influenced by the management of HO's own investments (liquidity portfolio investment totalling EUR 86.3m) and significantly increased risk provisioning.

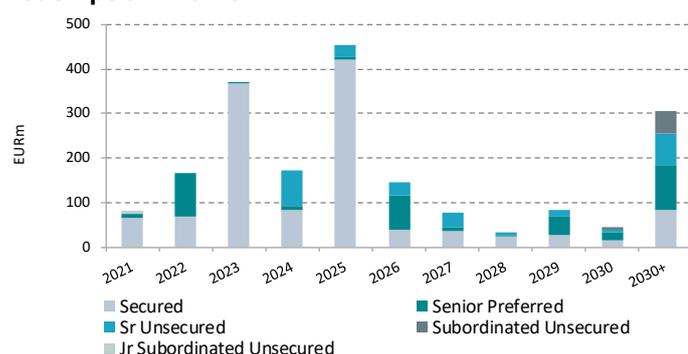
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	5,552	5,436	5,460
Total Securities	1,530	1,560	1,593
Total Deposits	1,754	1,744	1,737
Tier 1 Common Capital	427	445	458
Total Assets	7,770	7,768	7,825
Total Risk-weighted Assets	2,985	3,180	3,104

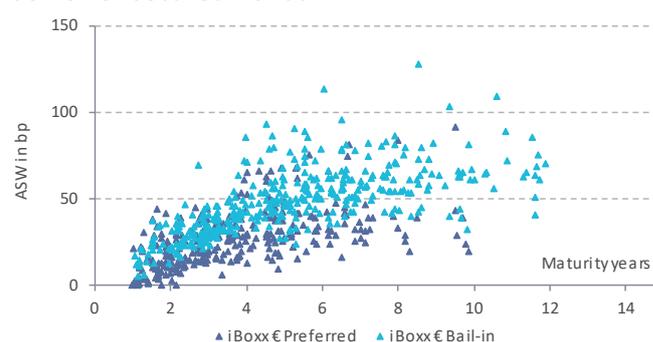
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	46	57	57
Net Fee & Commission Inc.	14	14	15
Net Trading Income	1	-3	-5
Operating Expense	53	55	55
Credit Commit. Impairment	-5	-1	6
Pre-tax Profit	20	14	11

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.60	0.75	0.74	Liquidity Coverage Ratio	147.90	139.50	165.70
ROAE	3.47	2.79	2.02	IFRS Tier 1 Leverage Ratio	5.57	5.80	5.94
Cost-to-Income	77.98	80.49	77.11	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	14.32	14.00	14.76	Reserves/Loans at Amort. Cost	0.18	0.15	0.21

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Diversification in refinancing structure
- Capitalisation
- Regional market position

## Risks / Weaknesses

- Risk-driven low-margin business model
- Concentration risks in lending segment
- Operating profitability

# Hypo Oberösterreich – Mortgage

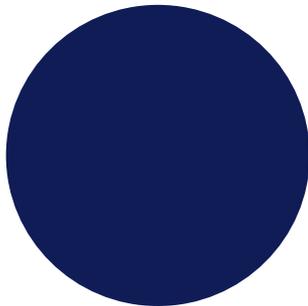
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,712	Rating (Moody's)	-
Amount outstanding (EURm)	1,946	Rating (S&P)	AA+
-thereof ≥ EUR 250m	30.8%	Rating (Fitch)	-
Current OC (nominal)	39.3%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Austria	Collateral score	-
Main region	92% Upper Austria	RRL	a+
Number of loans	n/a	JRL	aa+
Number of borrowers	49,940	Unused notches	0
Avg. exposure to borrowers (EUR)	54,305	AAA credit risk (%)	20.22
WAL (cover pool)	8.5y	PCU	-
WAL (covered bonds)	7.4y	Recovery uplift	-
Fixed interest (cover pool)	13.6%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	77.3%	CRR 129 (7)	Yes
LTV (indexed)	31.2%	LCR level (SBmk)	2A
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB

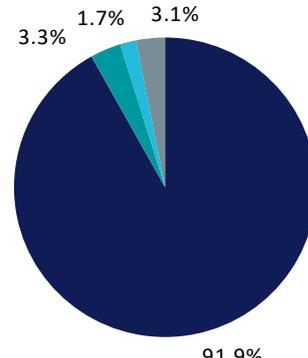
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

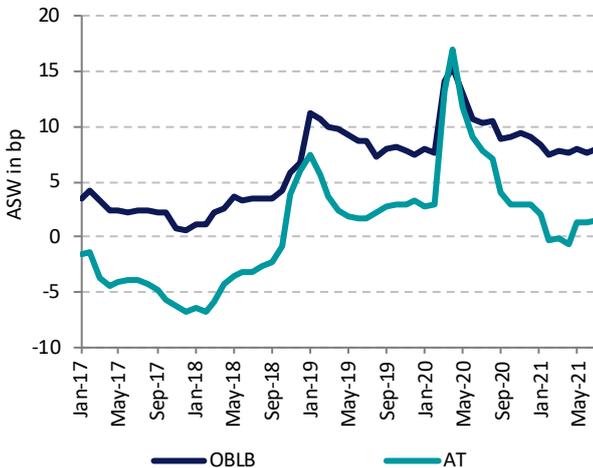
## Regional Distribution



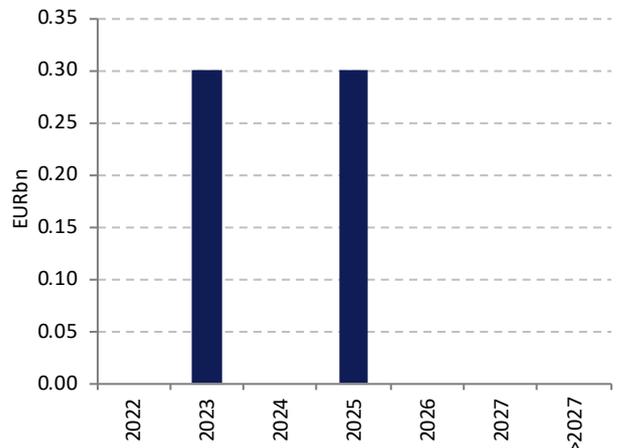
91.9%

■ Upper Austria ■ Styria ■ Vienna ■ Others

## Spread Development (>1y)



## Redemption Profile (SBmk)



# Hypo Tirol Bank

Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	A	Negative

## Homepage

[www.hypotiro.com](http://www.hypotiro.com)

Hypo Tirol Bank AG (Hypo Tirol), headquartered in Innsbruck, is a regional universal bank founded in 1901. Since being founded, it has been wholly owned by the Bundesland of Tyrol. Hypo Tirol's strategic alignment as a universal bank is, on the one hand, clearly focused on the core market of North, East and South Tyrol. On the other hand, however, the bank is also active in the metropolitan area of Vienna, and pursues a varied customer and product focus here. The Hypo Group employs 565 staff members and comprises 22 business centres in addition to a specialist unit for private banking and independent professionals in Tyrol, a representative branch in Bolzano as well as a business centre in Vienna. The broad portfolio of financial services for retail and corporate customers is supplemented by Hypo Tirol Versicherung GmbH, Hypo Immobilien Betriebs GmbH and Hypo Tirol Leasing GmbH. Internal reporting was adapted in line with the Management Board of Hypo Tirol in 2019. As a result, the bank has since reported across the segments of Retail Customers, Corporate Clients, Treasury, Real Estate and Participations and Corporate Center. In financial year 2020, Hypo Tirol was successful in its efforts to further expand the lending volume in the defined core markets and to reduce this outside of its core markets. In this respect, business in the bank's domestic market in FY 2020 increased by nearly 7%, while foreign business was cut by 9.4%. The NPL ratio has been reduced substantially over recent years, and most recently fell to 3%. ROE, in accordance with IFRS, stands at 2.13% (FY 2020), while the LCR value was approximately 205%. The CET1 ratio was 14.52%, which comfortably exceeds the regulatory minimum requirements.

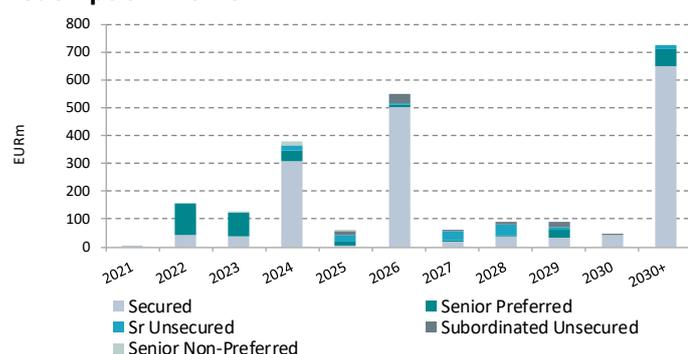
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	5,642	5,725	6,020
Total Securities	1,281	1,295	1,250
Total Deposits	3,364	3,594	3,727
Tier 1 Common Capital	530	543	558
Total Assets	7,327	7,449	8,771
Total Risk-weighted Assets	3,613	3,726	3,843

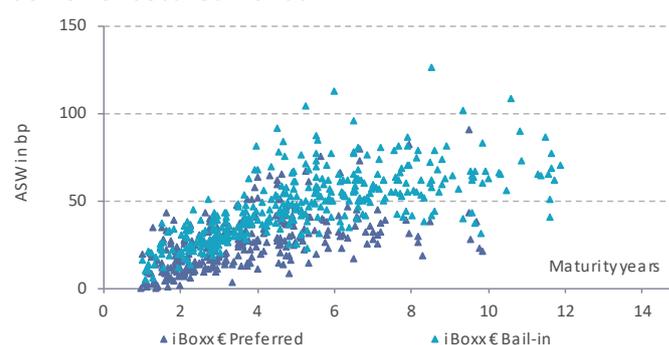
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	91	84	78
Net Fee & Commission Inc.	27	26	29
Net Trading Income	6	10	2
Operating Expense	72	71	71
Credit Commit. Impairment	5	16	23
Pre-tax Profit	41	27	12

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.30	1.16	0.99	Liquidity Coverage Ratio	147.96	-	227.81
ROAE	5.78	4.13	1.38	IFRS Tier 1 Leverage Ratio	7.31	7.39	6.43
Cost-to-Income	60.49	62.39	66.92	NPL/ Loans at Amortised Cost	4.10	3.16	3.21
Core Tier 1 Ratio	14.67	14.58	14.52	Reserves/Loans at Amort. Cost	1.65	1.46	1.59

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Market position (for corporate clients in Tyrol)
- Liquidity portfolio
- Capitalisation

## Risks / Weaknesses

- Credit risk/geographical concentration
- Profitability
- Dependency on wholesale funding

# Hypo Tirol Bank – Mortgage

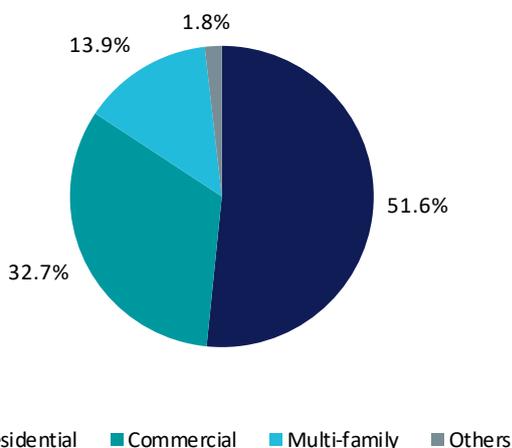
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

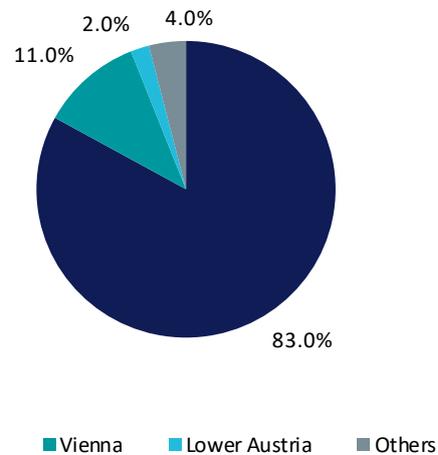
## Cover Pool Data

Cover pool volume (EURm)	2,704	Rating (Moody's)	Aa1
Amount outstanding (EURm)	2,216	Rating (S&P)	-
-thereof ≥ EUR 500m	45.1%	Rating (Fitch)	-
Current OC (nominal)	22.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	97% Austria	Collateral score	10.7%
Main region	83% Tyrol	RRL	-
Number of loans	13,977	JRL	-
Number of borrowers	9,676	Unused notches	-
Avg. exposure to borrowers (EUR)	279,454	AAA credit risk (%)	-
WAL (cover pool)	9.4y	PCU	-
WAL (covered bonds)	6.0y	Recovery uplift	-
Fixed interest (cover pool)	17.2%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	97.4%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	62.0%	Risk weight	10%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

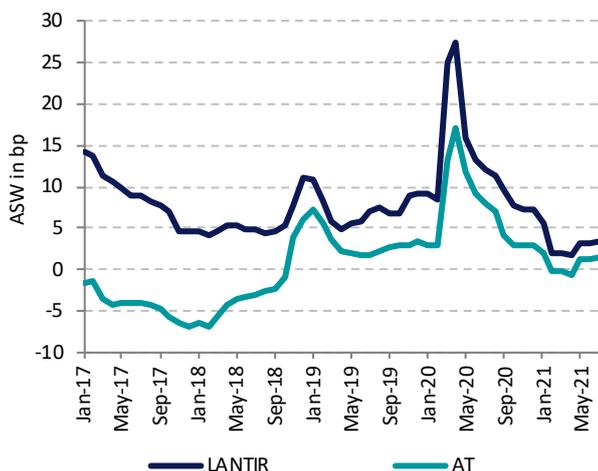
## Borrower Types



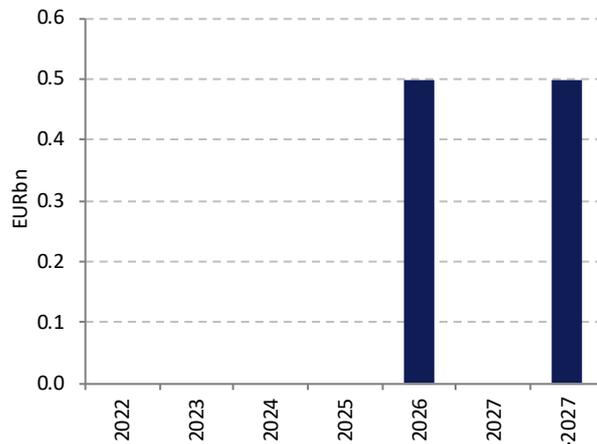
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Hypo Vorarlberg Bank

Austria 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A3	Stable
S&P	A+	Negative

## Homepage

[www.hypovbg.at](http://www.hypovbg.at)

Founded in 1897, Hypo Vorarlberg Bank AG (Hypo VBG), formerly known as Vorarlberger Landes- und Hypothekenbank, focuses its business activities on the Austrian federal state of Vorarlberg. Here, Hypo VBG is the largest bank in terms of assets (balance sheet total: EUR 15.3bn; as at Dec. 2020). The institute is also active in southern Germany, eastern Switzerland and in South Tyrol. It serves around 90,000 retail customers and 11,000 corporate clients. A glance at the regional diversification of the loan portfolio reveals that around 40% is attributable to Vorarlberg, while the rest of Austria accounts for a share of 33%, with Germany taking a share of 13% as well. Hypo VBG employs more than 700 staff (FTEs) and operates 19 branches in Austria, of which 15 are located in Vorarlberg. The state of Vorarlberg holds a stake of nearly 77% in Hypo VBG via Vorarlberger Landesbank-Holding. Approximately 23% is held by Austria Beteiligungsgesellschaft (indirectly LBBW holds 15% and L-Bank 8%). The bank reports across the following four segments: Corporate Clients, Retail Customers, Treasury/Financial Markets and Corporate Center. Hypo VBG has its own subsidiaries for specialised products, such as leasing and insurance. At 1.4%, non-performing loans are at a low level. On the funding side, the largest share is accounted for by mortgage Pfandbriefe (share 49%), followed by senior unsecured bonds (36%) and public Pfandbriefe (7%). With regard to the funding currencies, the Euro dominates (share: 85%). The other shares are accounted for by Swiss francs (14%) as well as Czech crowns, US dollars, Japanese yen and other currencies (share <1% each). Hypo VBG consistently has capital ratios that are above the required minimum values.

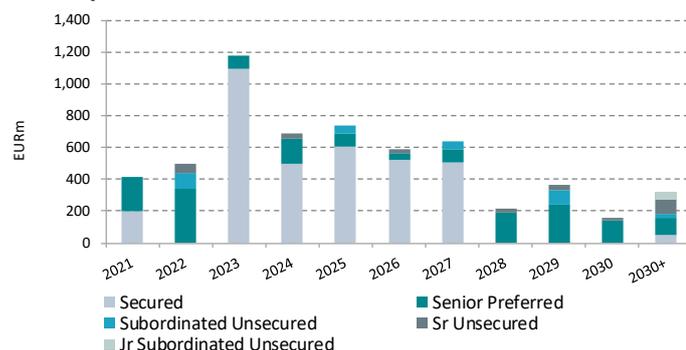
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	9,653	10,042	10,340
Total Securities	3,162	3,130	3,163
Total Deposits	5,682	5,435	5,647
Tier 1 Common Capital	1,130	1,190	1,240
Total Assets	13,755	13,980	15,297
Total Risk-weighted Assets	7,756	8,456	8,645

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	167	170	174
Net Fee & Commission Inc.	32	36	35
Net Trading Income	16	12	-7
Operating Expense	105	104	103
Credit Commit. Impairment	5	22	41
Pre-tax Profit	49	92	49

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.27	1.23	1.21	Liquidity Coverage Ratio	162.11	123.60	151.15
ROAE	2.52	6.03	3.07	IFRS Tier 1 Leverage Ratio	8.38	8.69	8.26
Cost-to-Income	52.33	47.47	52.60	NPL/ Loans at Amortised Cost	2.51	2.71	2.70
Core Tier 1 Ratio	14.57	14.07	14.34	Reserves/Loans at Amort. Cost	0.94	1.06	1.23

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Asset quality
- Capital ratios
- Market shares in Vorarlberg

## Risks / Weaknesses

- Low interest rate environment and fierce competition
- Profitability
- Geographical risk concentration

# Hypo Vorarlberg Bank – Mortgage

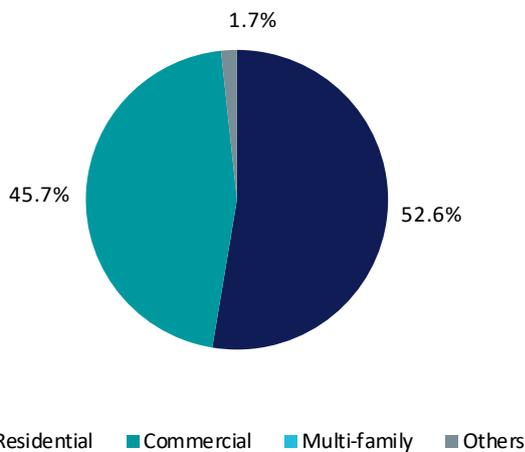
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

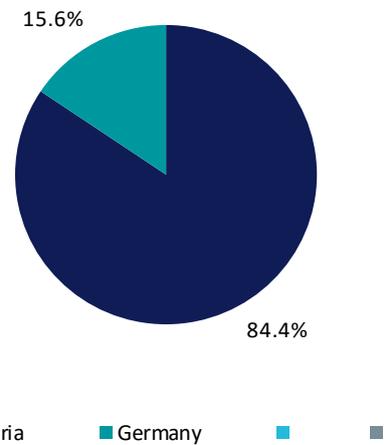
## Cover Pool Data

Cover pool volume (EURm)	4,407	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,256	Rating (S&P)	-
-thereof ≥ EUR 500m	61.4%	Rating (Fitch)	-
Current OC (nominal)	35.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	84% Austria	Collateral score	19.1%
Main region	48% Vorarlberg	RRL	-
Number of loans	18,276	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	16.6y	PCU	-
WAL (covered bonds)	4.0y	Recovery uplift	-
Fixed interest (cover pool)	34.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	66.2%	CRR 129 (7)	Yes
LTV (indexed)	61.7%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.2%	Maturity structure (Bmk)	HB

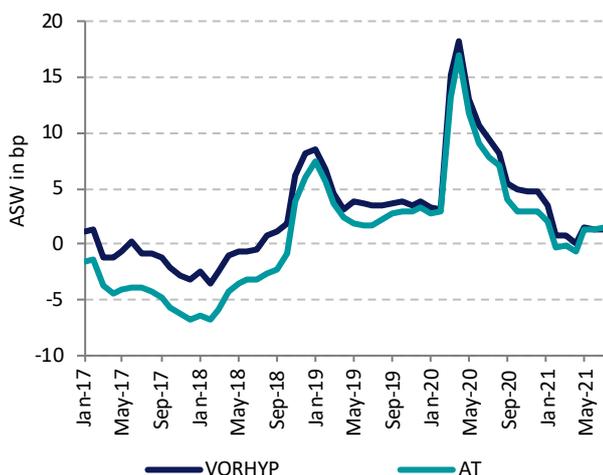
## Borrower Types



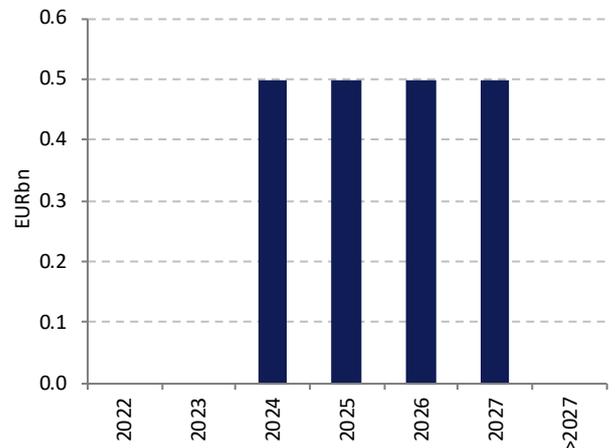
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Oberbank

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	A	Negative

## Homepage

[www.oberbank.de](http://www.oberbank.de)

Austria's Oberbank AG (founded in 1869) offers its customer base the full spectrum of universal banking services. It benefits from synergy effects as a result of being part of the 3 Banken Gruppe (3BG). This association is composed of the regional banks BKS Bank (BKS), Bank für Tirol und Vorarlberg (BTV) and Oberbank. Mutual participations exist between all three banks and they cooperate across various fields. For example, the banks have joint participations in the areas of EDP, insurance, investment and the housing sector. Oberbank employs just under 2,170 members of staff, who serve around 284,000 retail banking customers and over 56,000 corporate customers across approximately 176 branches in five countries (Austria, Germany, Czech Republic, Hungary and Slovakia). The bank's major shareholders can be broken down by voting rights as follows: around 24% for CABO Beteiligungsgesellschaft, 17% for BTV, 15% for BKS and 5% for Wüstenrot Wohnungswirtschaft. Finally, 32% of the shares conferring voting rights are held in free float. The bank reports across the following four segments: Corporate Clients, Retail Customers, Financial Markets and Other. Corporate Clients is the main business segment, having recorded net profit (before tax) of EUR 163m as at year-end 2020. Although Oberbank is active across various regions, banking services are mainly offered in three central locations. Organic growth continues to be a priority for the bank, which can be seen in the expansion of the branch network. The NPL ratio (gross) has risen by 9 basis points to 2.05% year on year. The institute reported a CET1 ratio of 17.8% as at year-end 2020. It, therefore, satisfies the statutory requirement of 7.05%.

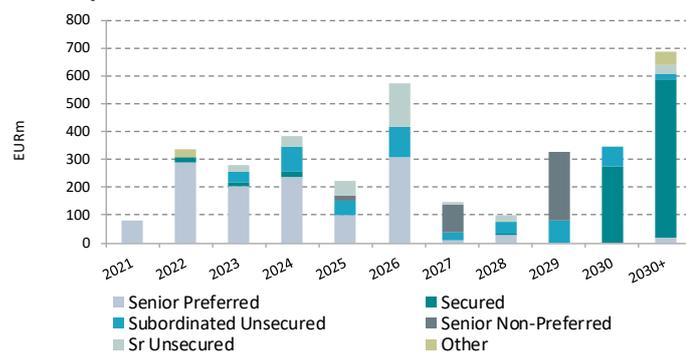
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	16,570	17,265	17,779
Total Securities	2,889	2,708	2,577
Total Deposits	11,981	13,087	13,586
Tier 1 Common Capital	2,659	2,705	2,729
Total Assets	22,829	24,433	25,927
Total Risk-weighted Assets	15,115	15,167	15,554

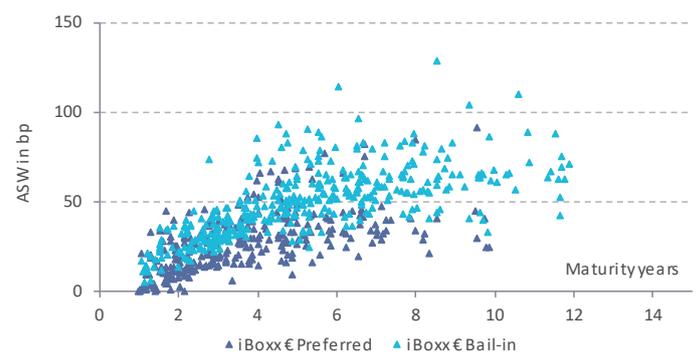
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	346	337	83
Net Fee & Commission Inc.	163	171	49
Net Trading Income	32	11	5
Operating Expense	301	306	75
Credit Commit. Impairment	12	42	6
Pre-tax Profit	276	168	59

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.66	1.49	1.39	Liquidity Coverage Ratio	170.38	131.66	140.56
ROAE	7.46	4.18	6.43	IFRS Tier 1 Leverage Ratio	11.69	11.11	10.55
Cost-to-Income	51.08	59.38	53.52	NPL/ Loans at Amortised Cost	2.31	2.27	-
Core Tier 1 Ratio	17.59	17.84	17.55	Reserves/Loans at Amort. Cost	1.21	1.23	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Capitalisation
- Cost efficiency

## Risks / Weaknesses

- Concentration risks
- High credit losses

# Oberbank – Mortgage

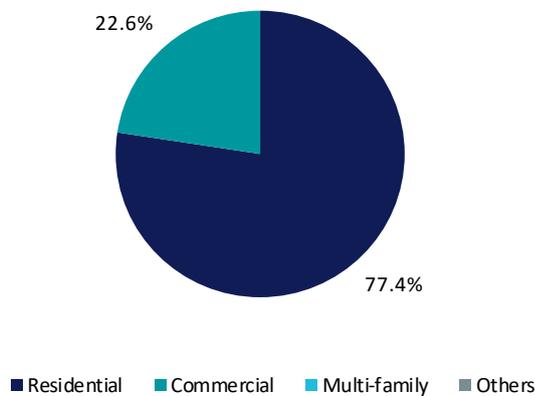
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

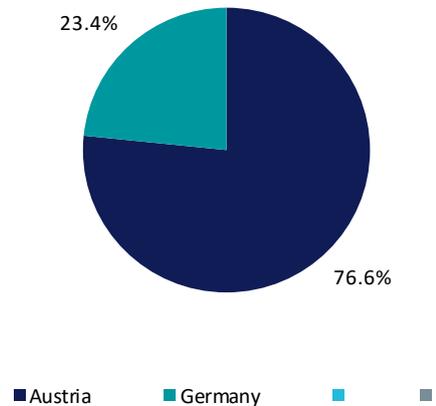
## Cover Pool Data

Cover pool volume (EURm)	2,256	Rating (Moody's)	-
Amount outstanding (EURm)	1,237	Rating (S&P)	AAA
-thereof ≥ EUR 250m	64.7%	Rating (Fitch)	-
Current OC (nominal)	82.4%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	77% Austria	Collateral score	-
Main region	30% Upper Austria	RRL	aa-
Number of loans	12,920	JRL	aa+
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	11.61
WAL (cover pool)	15.8y	PCU	-
WAL (covered bonds)	7.6y	Recovery uplift	-
Fixed interest (cover pool)	38.0%	Outstanding ESG SBmk	Yes
Fixed interest (covered bonds)	56.0%	CRR 129 (7)	Yes
LTV (indexed)	62.7%	LCR level (SBmk)	2A
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

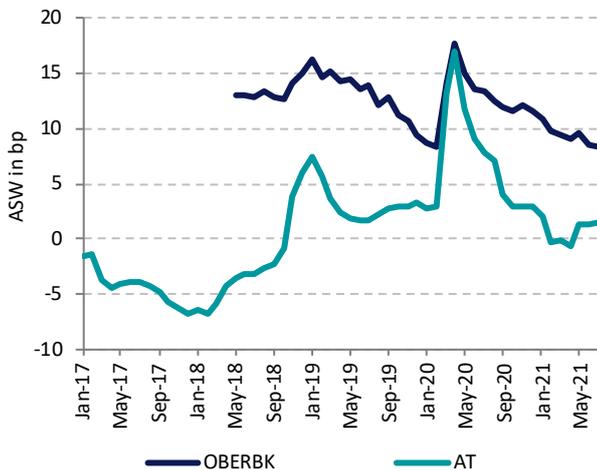
## Borrower Types



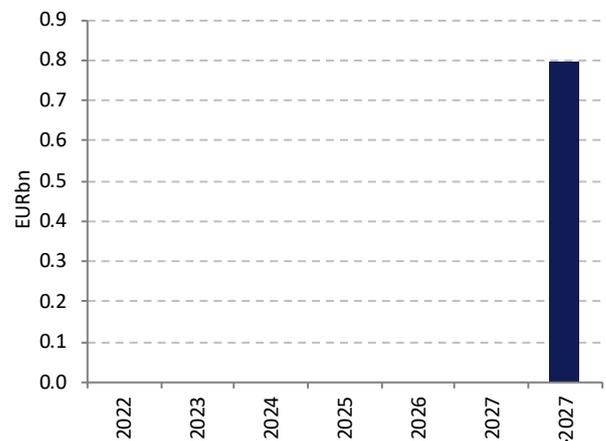
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Raiffeisen Bank International

## Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A3	Stable
S&P	A-	Negative

### Homepage

[www.rbinternational.com](http://www.rbinternational.com)

Raiffeisen Bank International AG (RBI) is a leading commercial and investment bank in Austria headquartered in Vienna. The institute, which is listed on the Vienna stock exchange, is roughly 59% owned by the eight Raiffeisenlandesbanken (regional Raiffeisen banks) in Austria, while 41% of its shares are held in free float. A total of 342 Raiffeisen banks are represented via the eight Raiffeisenlandesbanken with around 1,850 branches and approximately 1.75 million members. Raiffeisenlandesbank NÖ-Wien holds the largest single share in RBI with 22.6%. Although RBI has a presence in more than 20 countries around the world, its primary focus is on the CEE region. Around 17.2 million customers are served by just under 45,000 employees overall. In addition to its diverse primary banking services, RBI also offers products in the Leasing, Asset Management and M&A segments. These are provided via many different subsidiaries, such as Raiffeisen-Leasing GmbH and Raiffeisen Factor GmbH AG, among others. RBI reports in the segments Central Europe (share of pre-tax profit FY 2020: 20%), Southern Europe (26%), Eastern Europe (66%), Group Corporates & Markets (30%), Corporate Center (10%) and Transition (-52%). RBI is part of the Raiffeisen-Kundengarantiegemeinschaft Österreich (RKÖ; customer guarantee association). This draws upon the economic reserves of all participating banks if needed in order to safeguard customer deposits. Additionally, RBI is part of the Bundes-IPS (institutional security system), which ensures the solvency and liquidity of the participating banks if required. RBI's NPL ratio stood at 2.1%, while the NPL coverage ratio was 61% (FY 2020). The CET1 ratio amounted to 13.65% as at the same point in time.

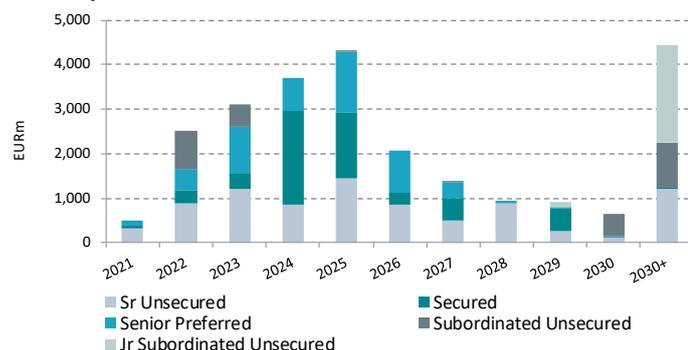
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	91,204	90,671	91,859
Total Securities	22,058	24,984	25,582
Total Deposits	96,214	102,112	104,211
Tier 1 Common Capital	10,862	10,762	10,798
Total Assets	152,200	165,959	176,152
Total Risk-weighted Assets	77,966	78,864	81,362

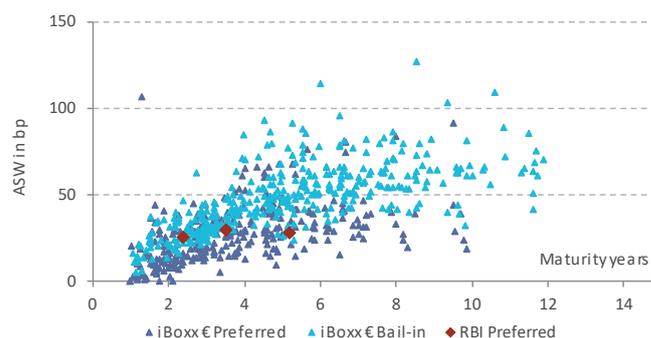
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	3,412	3,241	767
Net Fee & Commission Inc.	1,797	1,738	434
Net Trading Income	20	52	18
Operating Expense	3,304	3,144	822
Credit Commit. Impairment	235	622	76
Pre-tax Profit	1,767	1,233	321

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	2.38	2.08	1.84	Liquidity Coverage Ratio	140.38	164.23	165.22
ROAE	10.46	6.63	6.74	IFRS Tier 1 Leverage Ratio	7.28	6.61	6.23
Cost-to-Income	61.30	61.26	67.88	NPL/ Loans at Amortised Cost	3.23	3.14	3.18
Core Tier 1 Ratio	13.93	13.65	13.27	Reserves/Loans at Amort. Cost	2.48	2.75	2.78

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

### Strengths / Opportunities

- Capitalisation
- Access to the Raiffeisen sector, function as core bank
- Liquidity

### Risks / Weaknesses

- Profitability
- Concentration in CEE region
- Loan quality

# Raiffeisen Bank International – Mortgage

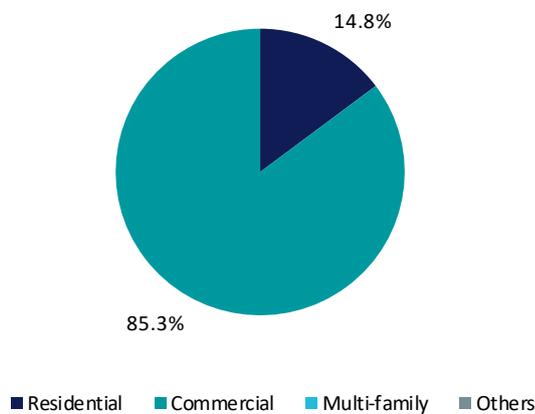
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

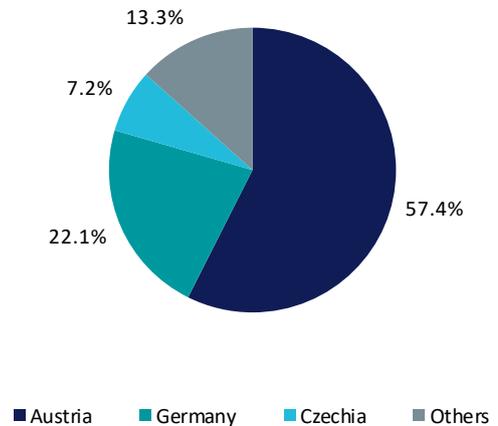
## Cover Pool Data

Cover pool volume (EURm)	2,923	Rating (Moody's)	Aa1
Amount outstanding (EURm)	1,950	Rating (S&P)	-
-thereof ≥ EUR 500m	25.6%	Rating (Fitch)	-
Current OC (nominal)	49.9%	Rating (DBRS)	-
Committed OC	0.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	57% Austria	Collateral score	16.9%
Main region	43% Vienna	RRL	-
Number of loans	4,172	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	5.3y	PCU	-
WAL (covered bonds)	4.9y	Recovery uplift	-
Fixed interest (cover pool)	20.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	25.6%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

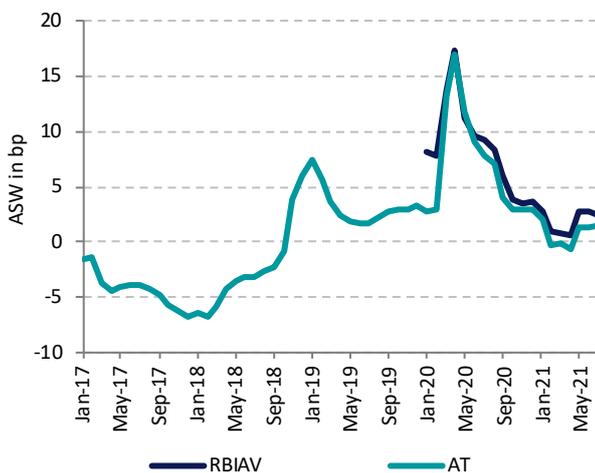
## Borrower Types



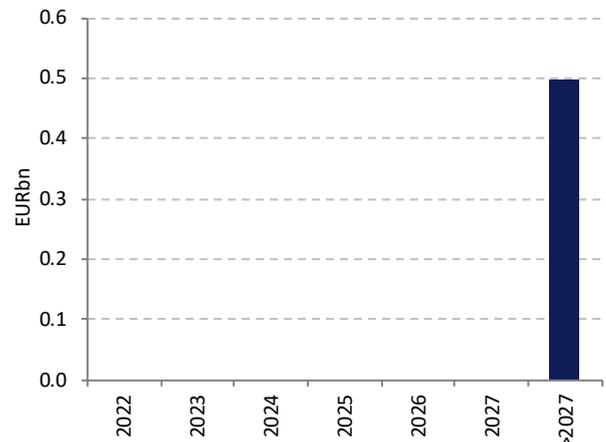
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# RLB Niederösterreich-Wien

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.raiffeisen.at](http://www.raiffeisen.at)

Raiffeisenlandesbank Niederösterreich-Wien AG (RLB NÖW), is a regional and commercial bank, wholly owned by Raiffeisen-Holding NÖ-Wien. The holding company is active in the business fields of agriculture, infrastructure and media in addition to its banking activities. RLB NÖW is the third-largest bank out of the eight regional Raiffeisen banks of Lower Austria. In the Austrian capital of Vienna, the bank serves around 270,000 customers. The independent Raiffeisen banks serve approximately one million customers and constitute the leading banking group within Lower Austria. RLB NÖW holds a stake of 22.6% in Raiffeisen Bank International AG (RBI), which makes it the lead shareholder of the commercial and investment bank active in the CEE region. In so doing, RBI covers other areas in addition to its banking operations such as leasing via its subsidiaries and serves a total of 16.8 million customers overall. The operating segments at RLB NÖW include: Retail/Raiffeisen Association Services (RAS), Corporate Clients (CC), Financial Markets (FM), RBI, Raiffeisen Association (RA), Other Investments (OI) and Other. Customer deposits account for just under one third of the bank's funding, followed by bond issuances and SSDs, which together also make up roughly one third of the funding mix. In 2020, RLB NÖW continued the implementation of its digitalisation drive and also intends to strengthen its customer-oriented approach moving forwards, with the aim of confronting the challenges related to the banking business head-on. In terms of the regulatory equity capital, the CET1 ratio increased to 18.24% (FY 2020). At 155%, the LCR exceeds the regulatory minimum requirement.

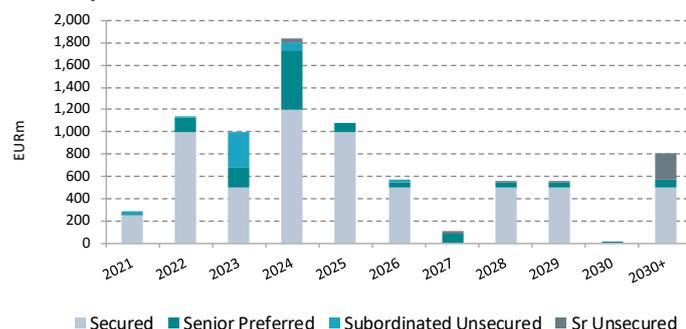
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	12,778	13,460	13,788
Total Securities	5,850	5,648	4,897
Total Deposits	8,182	8,972	9,177
Tier 1 Common Capital	2,477	2,902	2,475
Total Assets	26,958	27,604	28,663
Total Risk-weighted Assets	13,950	15,359	13,567

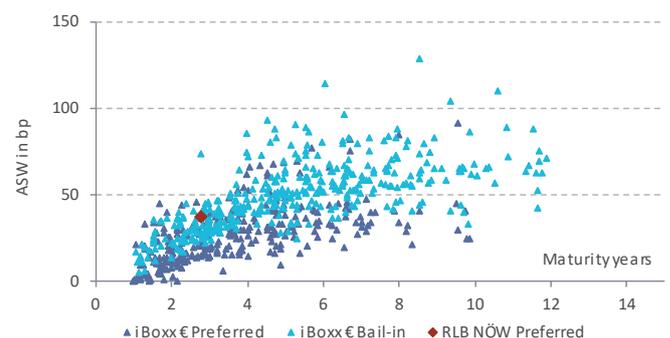
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	155	161	182
Net Fee & Commission Inc.	62	61	57
Net Trading Income	-7	11	-28
Operating Expense	236	224	223
Credit Commit. Impairment	13	7	91
Pre-tax Profit	193	250	-274

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.65	0.65	0.71	Liquidity Coverage Ratio	126.82	137.50	155.00
ROAE	8.66	9.55	-11.26	IFRS Tier 1 Leverage Ratio	9.52	10.88	8.95
Cost-to-Income	44.62	33.39	55.91	NPL/ Loans at Amortised Cost	2.32	1.77	2.32
Core Tier 1 Ratio	17.76	18.90	18.24	Reserves/Loans at Amort. Cost	1.27	1.03	1.55

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Capitalisation
- Liquidity
- Asset quality

## Risks / Weaknesses

- Dependency on income from RBI
- Cost basis
- Capital market funding

# RLB Niederösterreich-Wien – Mortgage

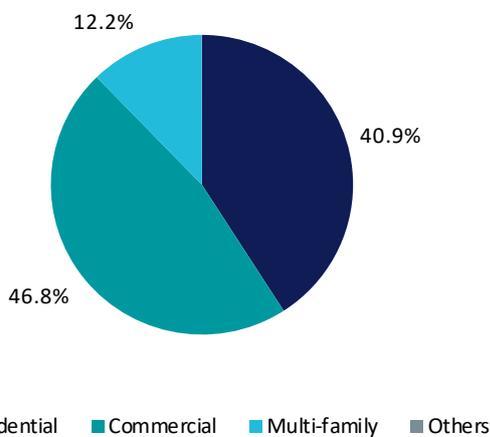
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

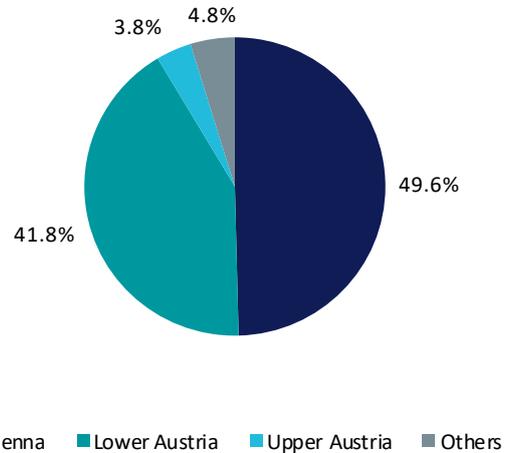
## Cover Pool Data

Cover pool volume (EURm)	6,642	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,226	Rating (S&P)	-
-thereof ≥ EUR 500m	71.0%	Rating (Fitch)	-
Current OC (nominal)	57.2%	Rating (DBRS)	-
Committed OC	0.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Austria	Collateral score	8.0%
Main region	50% Vienna	RRL	-
Number of loans	28,696	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.7y	PCU	-
WAL (covered bonds)	5.0y	Recovery uplift	-
Fixed interest (cover pool)	38.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	82.8%	CRR 129 (7)	Yes
LTV (indexed)	55.0%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

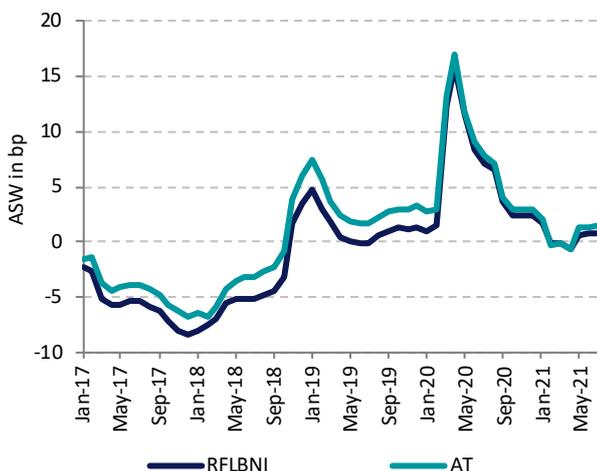
## Borrower Types



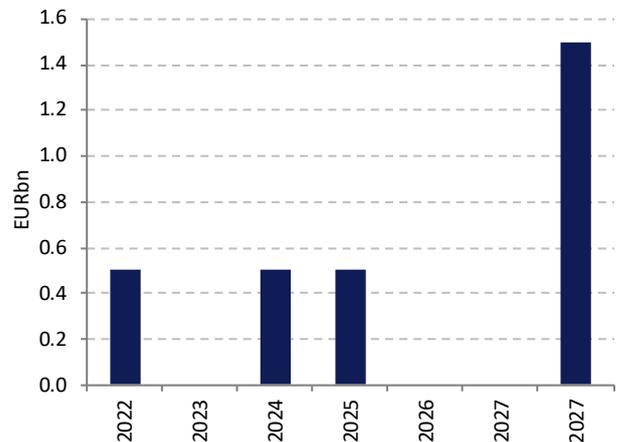
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# RLB Niederösterreich-Wien – Public Sector

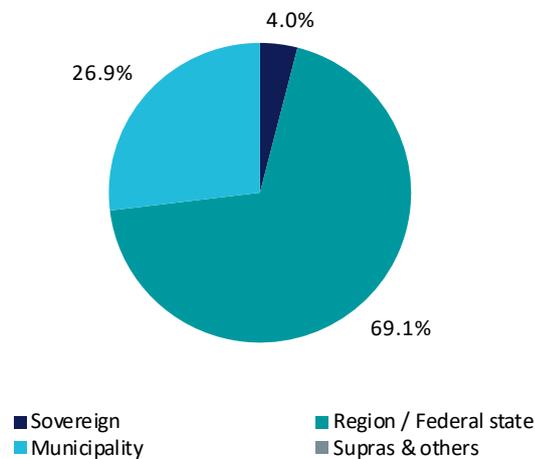
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

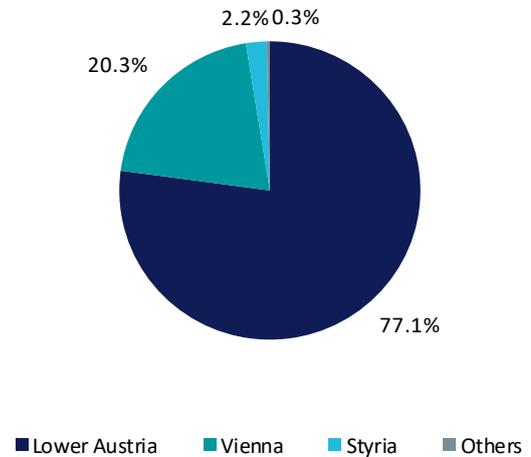
## Cover Pool Data

Cover pool volume (EURm)	2,375	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,700	Rating (S&P)	-
-thereof ≥ EUR 500m	29.4%	Rating (Fitch)	-
Current OC (nominal)	39.7%	Rating (DBRS)	-
Committed OC	0.0%	TPI	High
Cover type	Public Sector	TPI leeway	2
Main country	100% Austria	Collateral score	25.3%
Main region	77% Lower Austria	RRL	-
Number of loans	2,876	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	6.3y	PCU	-
WAL (covered bonds)	3.6y	Recovery uplift	-
Fixed interest (cover pool)	30.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	84.3%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

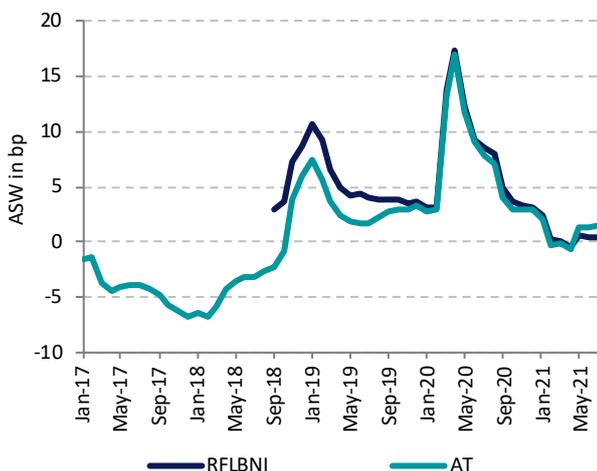
## Borrower Types



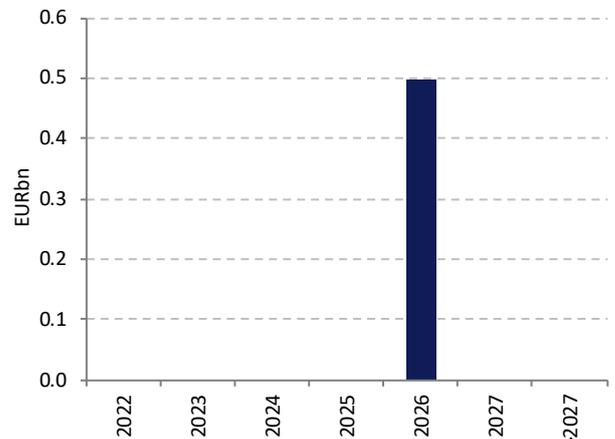
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# RLB Oberösterreich

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.raiffeisen.at](http://www.raiffeisen.at)

Raiffeisenlandesbank Oberösterreich AG (RLB OÖ) is a cooperative, headquartered in Linz, which was founded in 1898. RLB OÖ is Austria's fifth-largest bank by assets. It is part of Raiffeisen Bankengruppe Österreich and is majority-owned by 75 independent regional Raiffeisen banks (with over 400 branches). Along with the local Raiffeisen banks and the regional Raiffeisen state banks (Landesbanken), the three-tier structure of the banking group is completed by Raiffeisen Bank International (RBI) at the head of the group. The eight Raiffeisen state banks own around 59% of RBI, with RLB OÖ being one of the larger shareholders with 9.5%. Within the Group, RLB OÖ acts as the largest of the eight state banks in Austria. As a regional and commercial bank with approximately 6,150 staff, it provides services to both retail and corporate clients. Reporting takes place in the following segments: Corporates, Retail and Private Banking, Financial Markets, Investments and Corporate Center. RLB OÖ continues to operate a series of subsidiaries including Vivatis and activ factoring (Munich), for example, in addition to a handful of equity participations such as Salinen AG (41.25%) in Austria. At Group level, the CET1 ratio stands at 14.64% (FY 2020). The NPL ratio has developed positively, falling from 2.60% in 2018 to 1.79% by year-end 2020. In terms of risk provisions, RLB OÖ has an NPL cover ratio of just 40.25% (FY 2020). The Group's loan portfolio is focused mainly on Austria (around 60% as at FY 2020), Germany (24%) and the Czech Republic (5%).

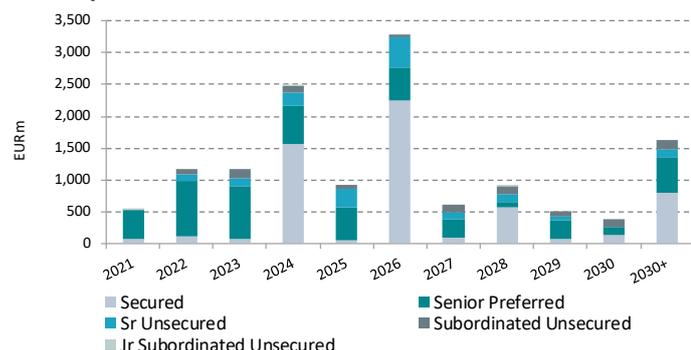
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	22,375	23,464	24,745
Total Securities	7,403	7,767	8,165
Total Deposits	12,720	12,675	12,618
Tier 1 Common Capital	3,977	4,118	4,333
Total Assets	41,988	44,357	48,569
Total Risk-weighted Assets	26,276	28,124	27,907

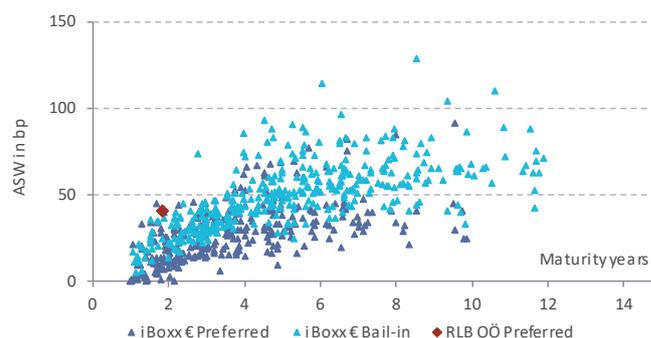
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	402	401	422
Net Fee & Commission Inc.	166	173	189
Net Trading Income	64	37	-10
Operating Expense	795	839	836
Credit Commit. Impairment	58	18	157
Pre-tax Profit	369	319	182

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.08	1.02	1.00	Liquidity Coverage Ratio	124.36	126.58	147.86
ROAE	6.76	5.61	3.45	IFRS Tier 1 Leverage Ratio	9.81	9.66	9.30
Cost-to-Income	63.67	63.46	65.05	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	15.13	14.64	15.53	Reserves/Loans at Amort. Cost	1.38	1.23	1.49

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Diversification of funding mix
- Capitalisation
- Liquidity buffer

## Risks / Weaknesses

- NPL ratio (falling trend)
- RBI share (income volatility)
- Profitability

# RLB Oberösterreich – Mortgage

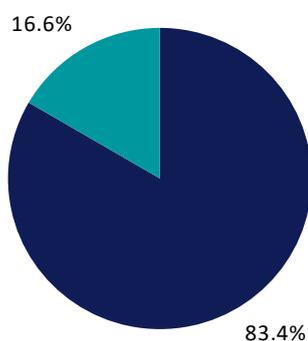
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

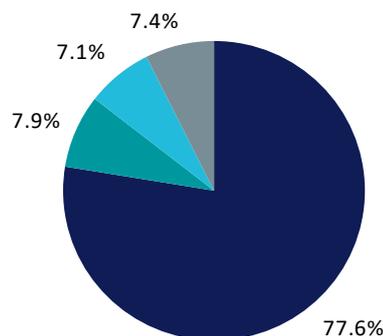
Cover pool volume (EURm)	3,753	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,962	Rating (S&P)	-
-thereof ≥ EUR 500m	76.5%	Rating (Fitch)	-
Current OC (nominal)	91.3%	Rating (DBRS)	-
Committed OC	0.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Austria	Collateral score	8.5%
Main region	78% Upper Austria	RRL	-
Number of loans	30,888	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	12.2y	PCU	-
WAL (covered bonds)	9.8y	Recovery uplift	-
Fixed interest (cover pool)	45.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	98.1%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	63.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

## Borrower Types



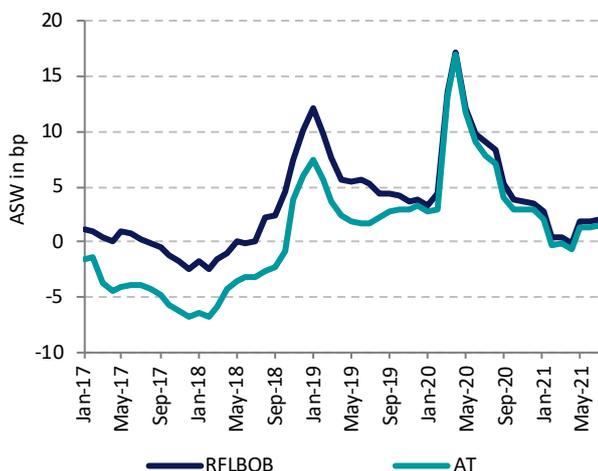
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

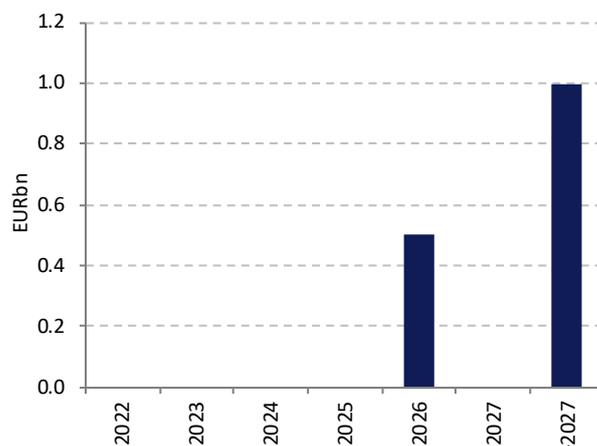


■ Upper Austria ■ Vienna ■ Salzburg ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# RLB Steiermark

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.raiffeisen.at](http://www.raiffeisen.at)

Raiffeisen-Landesbank Steiermark (RLBS) is a cooperative, based in Graz, that was formed in 1927. It has since been reorganised into the legal form of an Aktiengesellschaft (joint stock company). It acts as sector bank and associate bank for the Raiffeisen banks in the Federal State of Styria, where it has carved out a leading market position. According to information from RLBS itself, it is the leading bank in the south of Austria, where its 636 employees serve over 70,000 customers. RLBS is active in the areas of Corporate Clients, Retail Customers, Capital Market, Treasury, Investments and Other. In this context, Corporate Clients accounts for 28.6% of lending at RLBS (FY 2020), with Retail Customers (11.5%), Real Estate (43.3%) in addition to Public Sector and Regional Authorities (16.6%) accounting for further shares. Landes-Hypothekenbank Steiermark is also part of the RLBS Group. It is used as an independent brand name in addition to RLBS for marketing purposes. The majority shareholder of RLBS is the association of 48 Raiffeisen banks, which holds an overall stake of over 93% in the bank. RLBS acts as the central institution of the regional Raiffeisen banks, thereby assuming responsibility for various tasks within the Raiffeisen sector of Styria. Raiffeisen Bank International AG (RBI) sits at the top of the Raiffeisen banking Group structure, which, following a merger with Raiffeisen Zentralbank Österreich (RZB) in 2017, replaced this institute as the Group's central entity. With a share of 9.95%, RLBS is the second-largest shareholder in RBI. The CIR was 44.9% (FY 2020). The NPL ratio was reported at 1.8% for the reporting year (2019: 2.5%). The CET1 ratio was significantly above the regulatory requirements at year-end 2020.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	6,481	7,081	7,156
Total Securities	3,931	4,003	4,137
Total Deposits	4,281	4,138	3,966
Tier 1 Common Capital	1,449	1,496	1,386
Total Assets	15,118	15,305	17,697
Total Risk-weighted Assets	7,273	7,637	7,615

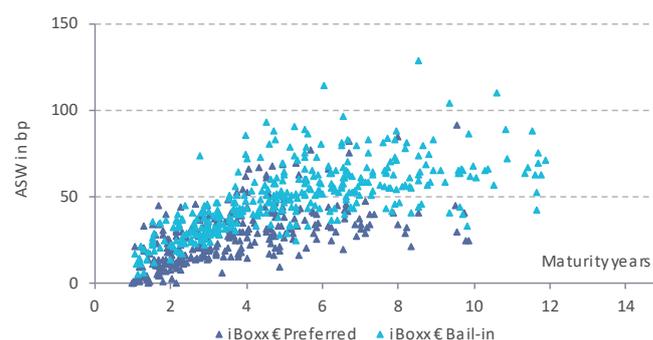
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	103	101	114
Net Fee & Commission Inc.	39	40	41
Net Trading Income	-14	88	99
Operating Expense	164	166	176
Credit Commit. Impairment	-8	3	53
Pre-tax Profit	129	117	38

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.76	0.73	0.76	Liquidity Coverage Ratio	167.00	163.40	213.50
ROAE	8.76	6.60	1.70	IFRS Tier 1 Leverage Ratio	9.72	9.96	8.00
Cost-to-Income	50.51	40.08	44.90	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	19.92	19.58	18.20	Reserves/Loans at Amort. Cost	2.57	2.13	2.43

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Capitalisation
- Liquidity buffer

## Risks / Weaknesses

- Sectoral risk concentration
- Profitability

# RLB Steiermark – Mortgage

Austria

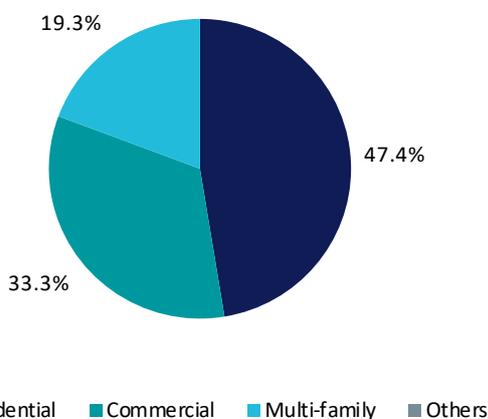
Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

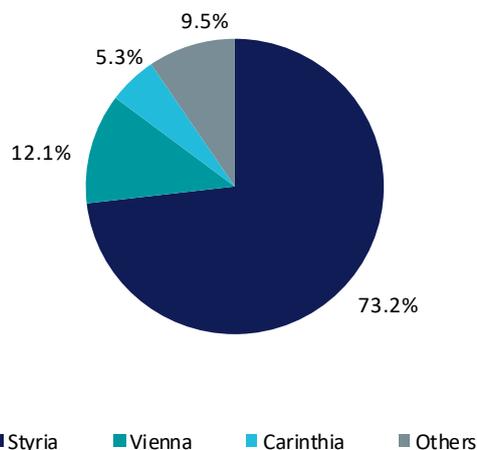
Cover pool volume (EURm)	4,724
Amount outstanding (EURm)	2,866
-thereof ≥ EUR 500m	69.8%
Current OC (nominal)	64.8%
Committed OC	0.0%
Cover type	Mortgage
Main country	96% Austria
Main region	73% Styria
Number of loans	29,619
Number of borrowers	24,846
Avg. exposure to borrowers (EUR)	190,131
WAL (cover pool)	16.9y
WAL (covered bonds)	6.4y
Fixed interest (cover pool)	28.4%
Fixed interest (covered bonds)	56.0%
LTV (indexed)	62.1%
LTV (unindexed)	n/a
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	1
Collateral score	7.6%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

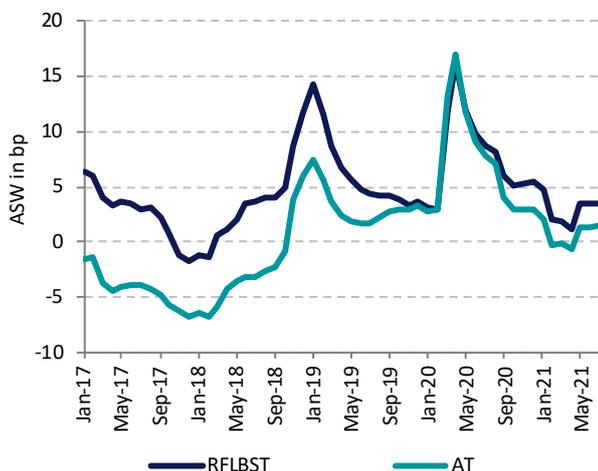
## Borrower Types



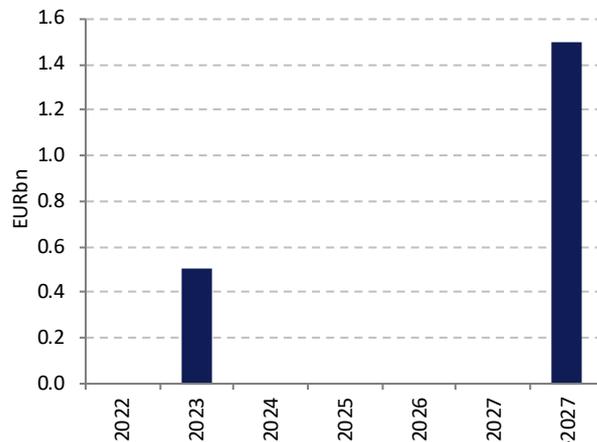
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# RLB Vorarlberg

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.raiffeisen.at](http://www.raiffeisen.at)

Raiffeisenlandesbank Vorarlberg (RLBV), headquartered in Bregenz, was founded in 1895 as "Verband der Sparkassen und Darlehenskassenvereine in Vorarlberg". It is the lead institute of Raiffeisen Bankengruppe Vorarlberg (RBGV) and a regional bank in its own right. Raiffeisen Bankengruppe Österreich is structured in three tiers and comprises the local Raiffeisen banks, the regional Raiffeisen state banks and Raiffeisen Bank International (RBI), with the latter heading up the Group structure. The eight Raiffeisen state banks own roughly 59% of the lead institute RBI (RLBV holds a 2.9% stake in RBI). The 16 regional Raiffeisen banks hold a cumulative stake of 99.8% in RLBV. With the local Raiffeisen banks, RLBV serves 21,000 corporate customers and 246,500 retail customers across 71 bank branches. According to the bank's own information, it is the market leader in Vorarlberg. RLBV operates as a business bank in the retail and corporate client business, while it also operates as a service bank for the Raiffeisen banks. Additional business areas include the Own business (Treasury, Real Estate/Participations) in addition to the RLBV audit association. In its function as lead institute, RLBV is responsible for liquidity balancing within the Group and also handles surplus settlement revenues on the financial and capital markets. Within RBGV, RLBV assumes responsibility for regulatory coordination, i.e. compliance with the regulations. For example, an application for a Group-level waiver for the NSFR has been submitted with the aim of complying with the LCR. The Raiffeisen Group has a market share of 41% for customer deposits and 38% for customer loans. With a CET1 ratio of 15.7% (FY 2020), the regulatory requirements have been satisfied.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	1,526	1,659	1,648
Total Securities	1,926	1,772	1,879
Total Deposits	807	706	693
Tier 1 Common Capital	308	344	347
Total Assets	6,604	6,423	7,017
Total Risk-weighted Assets	2,038	2,305	2,210

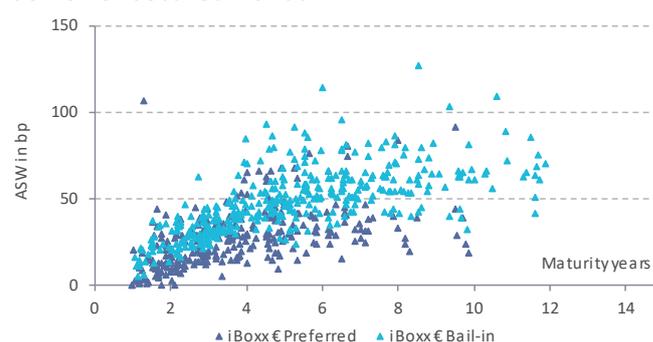
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	44	45	39
Net Fee & Commission Inc.	10	10	10
Net Trading Income	0	1	1
Operating Expense	42	49	50
Credit Commit. Impairment	-	-	-
Pre-tax Profit	25	25	12

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	0.70	0.72	0.60	Liquidity Coverage Ratio	180.30	164.90	160.60
ROAE	5.84	6.55	2.37	IFRS Tier 1 Leverage Ratio	4.68	5.39	4.96
Cost-to-Income	60.62	66.24	68.81	NPL/ Loans at Amortised Cost	1.77	1.54	-
Core Tier 1 Ratio	15.09	14.94	15.71	Reserves/Loans at Amort. Cost	1.02	1.01	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Capitalisation
- Credit quality
- Access to the Raiffeisen sector

## Risks / Weaknesses

- Profitability (dependent on participations)
- Wholesale funding
- Credit risk concentration

# RLB Vorarlberg – Mortgage

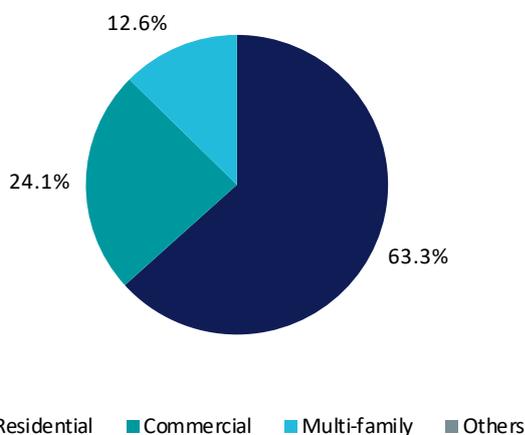
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

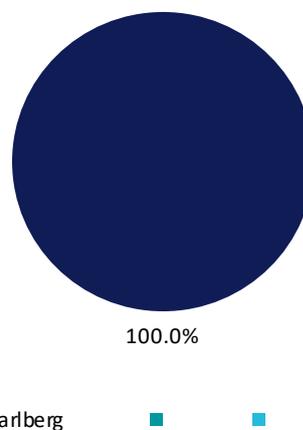
## Cover Pool Data

Cover pool volume (EURm)	2,711	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,274	Rating (S&P)	-
-thereof ≥ EUR 500m	22.0%	Rating (Fitch)	-
Current OC (nominal)	19.2%	Rating (DBRS)	-
Committed OC	0.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Austria	Collateral score	7.8%
Main region	100% Vorarlberg	RRL	-
Number of loans	16,537	JRL	-
Number of borrowers	13,075	Unused notches	-
Avg. exposure to borrowers (EUR)	207,350	AAA credit risk (%)	-
WAL (cover pool)	22.0y	PCU	-
WAL (covered bonds)	10.7y	Recovery uplift	-
Fixed interest (cover pool)	28.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	74.1%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	55.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

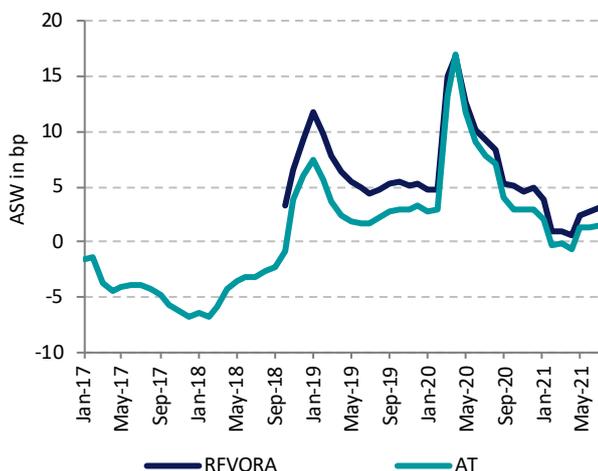
## Borrower Types



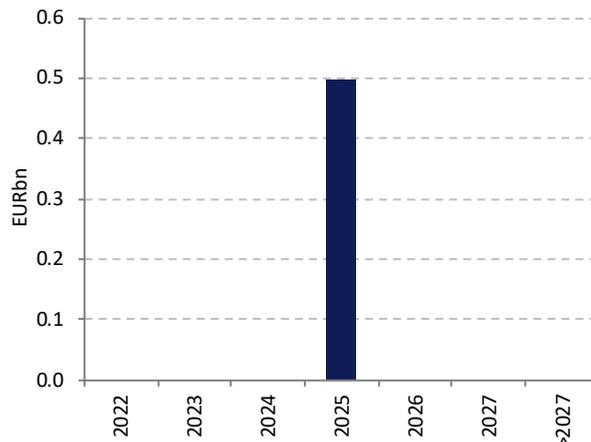
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# UniCredit Bank Austria

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	BBB	Negative

## Homepage

[www.bankaustria.at](http://www.bankaustria.at)

UniCredit Bank Austria AG (BA; brand name: Bank Austria) is one of the leading retail banks in Austria. It has been part of the Italian UniCredit Group (UC) since 2005. With total assets of EUR 931bn (as at Dec. 2020), the Group is among the largest banks in the world and is considered a global systemically important bank (G-SIB) in line with the Financial Stability Board's definition. UC has 16 million customers around the world, of which 1.6 million are in Austria. After practically all eastern European subsidiaries of BA were transferred to UC in the fourth quarter of 2016, the operating business of BA has been restricted almost exclusively to the Italian (47% of operating earnings in FY 2020) and German (25%) markets. BA offers a wide-ranging portfolio of banking and financial services, including corporate and investment banking, foreign trade financing, capital and money market services, private banking, asset management and leasing. It boasts high market shares for corporate and retail banking, and is considered a leading bank in the Austrian private banking sector. BA is divided into the segments Private Clients Bank (Privatkundenbank), Corporate Banking (Unternehmer Bank) and Corporate & Investment Banking (CIB). The Private Clients Bank has the highest share of operating income by division at about 49%. BA issues public Pfandbriefe and mortgage Pfandbriefe (with cover pool almost exclusively in Austria) as well as Fundierte Bankschuldverschreibungen (cover pool in the EU area and Switzerland). The NPL ratio amounted to 2.9% (FY/2020). The CET1 ratio was 20.1% at year-end 2020. The leverage ratio was 5.2% at year-end 2020.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	62,924	63,588	62,236
Total Securities	16,325	18,440	17,082
Total Deposits	55,651	57,080	61,497
Tier 1 Common Capital	6,376	6,338	6,324
Total Assets	99,039	101,663	118,510
Total Risk-weighted Assets	34,366	33,493	31,464

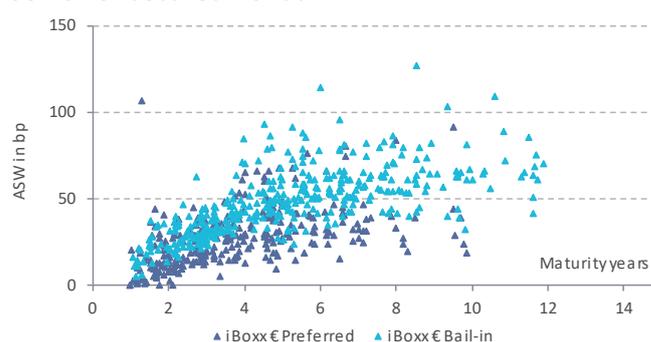
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	963	960	907
Net Fee & Commission Inc.	706	692	653
Net Trading Income	103	57	51
Operating Expense	1,413	1,418	1,334
Credit Commit. Impairment	-82	33	398
Pre-tax Profit	718	519	-32

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.00	1.00	0.86	Liquidity Coverage Ratio	132.60	143.43	192.15
ROAE	7.84	8.43	0.18	IFRS Tier 1 Leverage Ratio	6.59	6.44	5.51
Cost-to-Income	68.19	71.44	73.42	NPL/ Loans at Amortised Cost	3.49	3.30	3.50
Core Tier 1 Ratio	18.55	18.92	20.10	Reserves/Loans at Amort. Cost	2.41	2.15	2.26

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Funding profile (deposit basis)
- Capitalisation
- Position in domestic market (corporate banking)

## Risks / Weaknesses

- Risk from interactions with UC
- Risk concentration (real estate)
- Investment portfolio

# UniCredit Bank Austria – Mortgage

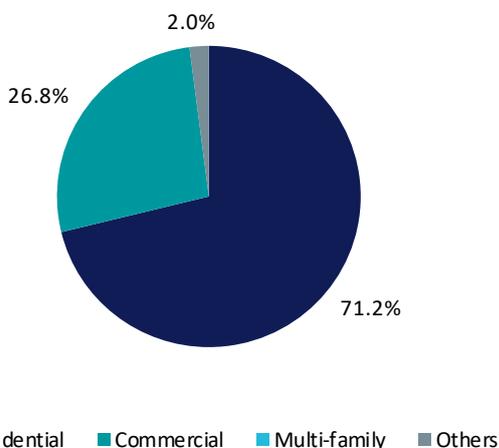
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

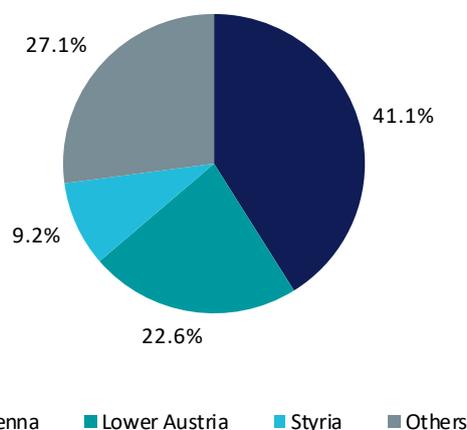
## Cover Pool Data

Cover pool volume (EURm)	15,604	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,154	Rating (S&P)	-
-thereof ≥ EUR 500m	49.1%	Rating (Fitch)	-
Current OC (nominal)	91.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Austria	Collateral score	9.2%
Main region	41% Vienna	RRL	-
Number of loans	51,175	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	9.4y	PCU	-
WAL (covered bonds)	5.1y	Recovery uplift	-
Fixed interest (cover pool)	35.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	58.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	49.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

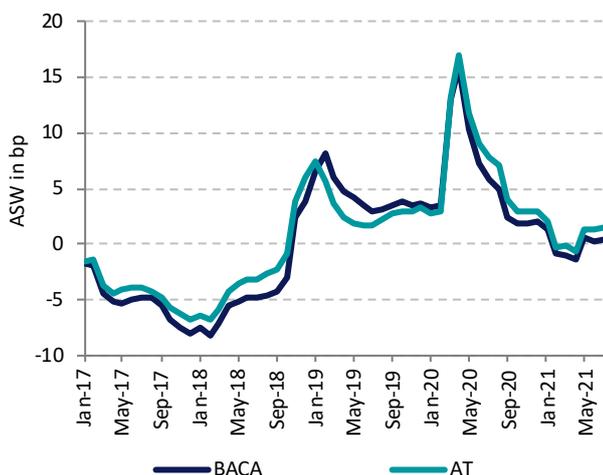
## Borrower Types



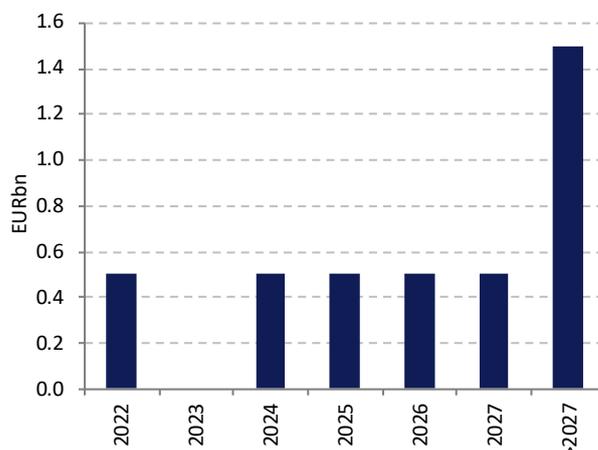
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Volksbank Wien

# Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB	Negative
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.volksbankwien.at](http://www.volksbankwien.at)

Volksbank Wien AG (VBW) is the central organisation of the Austrian Volksbanks and is the largest regional Volksbank by total assets. VBW is responsible for control and monitoring functions for the association of Volksbanks (VB-Verbund) as a whole. The association's member banks and participation investment and administrative cooperatives hold 75% of the shares, with the Austrian government holding 25% plus a single share. SPARDA-Bank, which was taken over in 2017, remains active under the SPARDA brand within the Group structure. As at year-end 2020, VBW employed 3,268 members of staff across 249 branches. Reporting is conducted across the following segments: Retail (comprises private customers, SMEs and commercial customers), ZO (Central Organisation; VBW's activities as the central institute for the Group are bundled here) in addition to Consolidation. The business model contains a focus on private customers and SMEs. At 34% in the portfolio breakdown by customer segments, banks are the dominant entity, followed by the public sector with 29% (FY 2020). The geographical focus is on Austria, where the majority of customer loans are granted. Together with the regional Volksbanks and Ärzte- und Apothekerbank, VBW has formed a joint liability association. This association's funding is overwhelmingly drawn from customer deposits (87%), meaning its wholesale funding requirement is low (FY 2020). Following the merger with Volksbank Horn, VBW brought to a close a comprehensive programme of M&A in mid-2018, as a result of which VBW gained 1,540 employees and over 80 locations in the Vienna and Burgenland regions, among others. The CET1 ratio fulfilled the regulatory requirements (FY 2020).

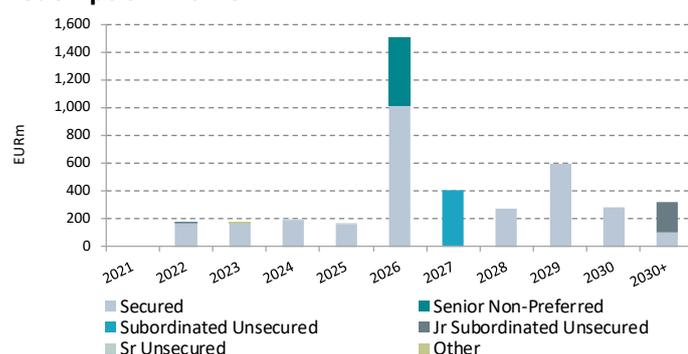
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	5,366	5,471	5,372
Total Securities	2,239	2,382	2,475
Total Deposits	6,344	6,439	6,637
Tier 1 Common Capital	594	625	656
Total Assets	11,505	12,704	14,281
Total Risk-weighted Assets	4,161	4,196	3,909

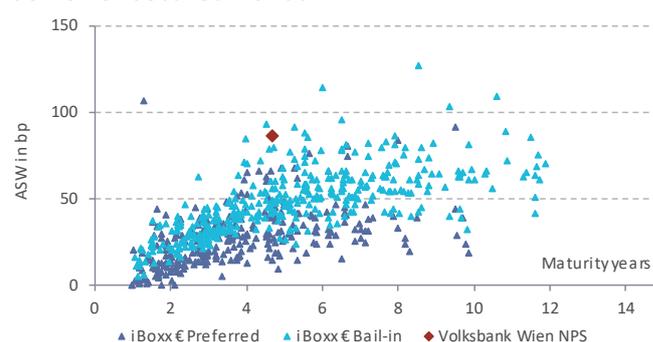
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	125	120	116
Net Fee & Commission Inc.	54	56	57
Net Trading Income	3	13	-1
Operating Expense	221	213	206
Credit Commit. Impairment	-	-	-
Pre-tax Profit	72	68	50

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.16	1.03	0.89	Liquidity Coverage Ratio	133.90	130.52	206.00
ROAE	11.89	7.54	3.42	IFRS Tier 1 Leverage Ratio	5.39	5.12	4.77
Cost-to-Income	80.37	74.01	72.68	NPL/ Loans at Amortised Cost	2.44	2.51	2.21
Core Tier 1 Ratio	14.28	14.89	16.78	Reserves/Loans at Amort. Cost	0.97	1.04	1.45

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Asset quality
- Low level of non-performing loans
- Funding and liquidity profile

## Risks / Weaknesses

- Possibilities of strengthening capitalisation
- Concentration in the property sector
- NPLs expected (due to Association SME portfolio)

# Volksbank Wien – Mortgage

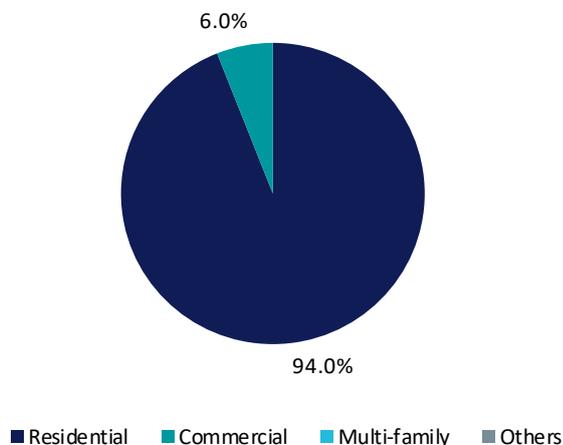
Austria

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

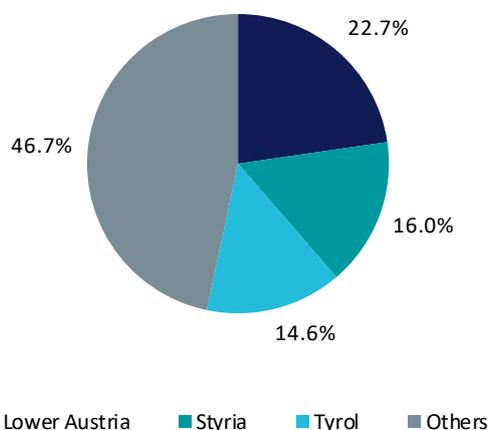
## Cover Pool Data

Cover pool volume (EURm)	3,439	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,528	Rating (S&P)	-
-thereof ≥ EUR 500m	39.6%	Rating (Fitch)	-
Current OC (nominal)	36.0%	Rating (DBRS)	-
Committed OC	0.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Austria	Collateral score	5.5%
Main region	23% Lower Austria	RRL	-
Number of loans	33,090	JRL	-
Number of borrowers	28,282	Unused notches	-
Avg. exposure to borrowers (EUR)	121,586	AAA credit risk (%)	-
WAL (cover pool)	19.5y	PCU	-
WAL (covered bonds)	5.7y	Recovery uplift	-
Fixed interest (cover pool)	48.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	51.7%	CRR 129 (7)	Yes
LTV (indexed)	62.7%	LCR level (Bmk)	1
LTV (unindexed)	62.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

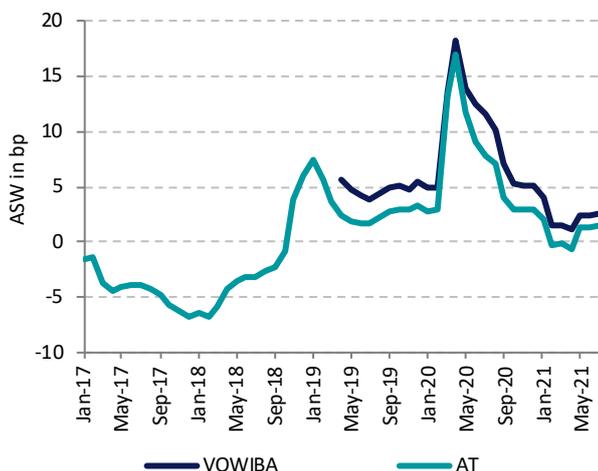
## Borrower Types



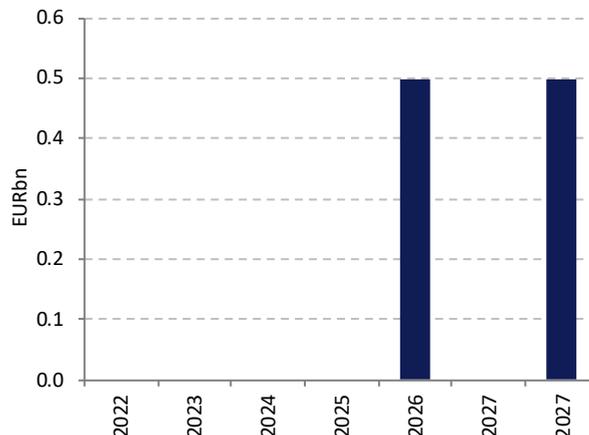
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



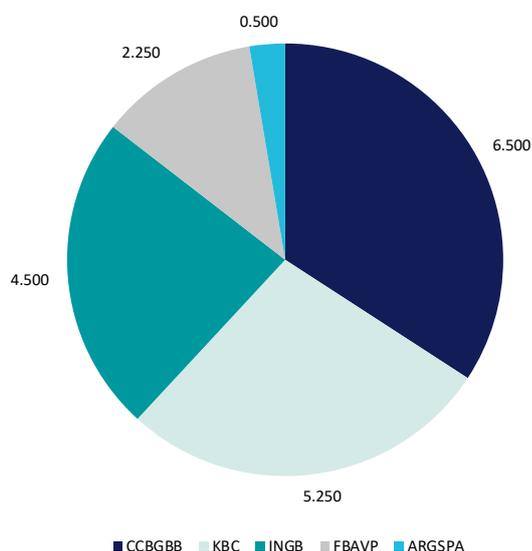
# Market Overview Covered Bonds

Belgium

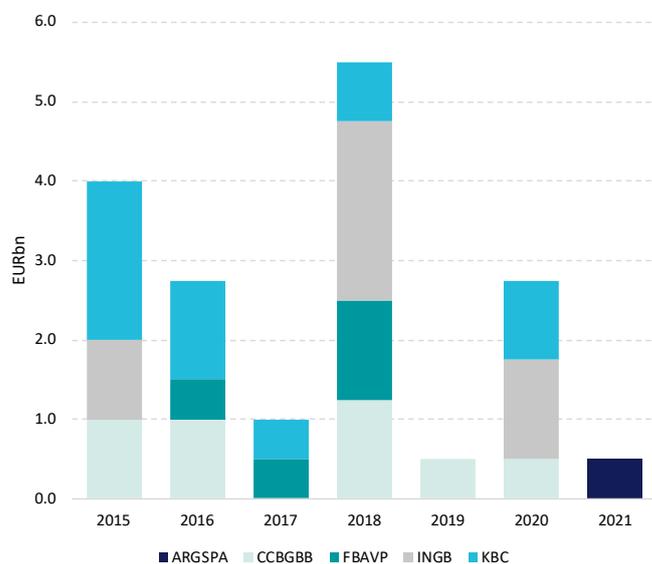
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 43.44bn	Outstanding volume (Bmk)	EUR 19.00bn
Amount outstanding	EUR 32.92bn	Number of benchmarks	25
Number of issuer	5	Outstanding ESG volume (Bmk)	-
No of cover pools	6	Number of ESG benchmarks	-
there of M / PS / others	5 / 1 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB

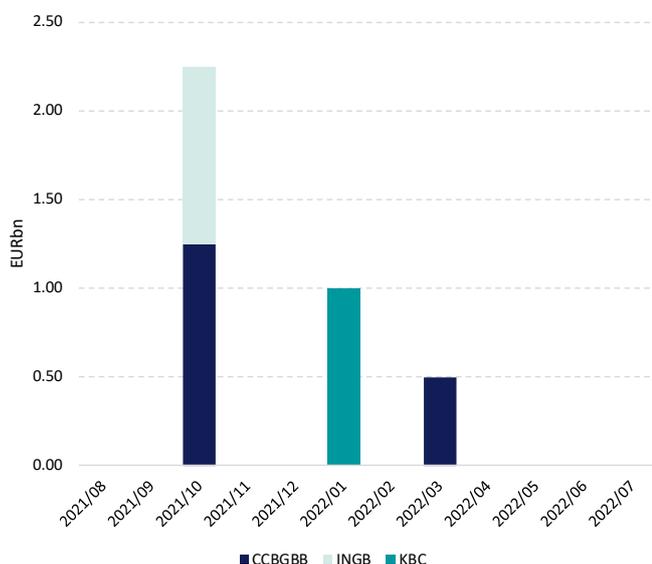
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



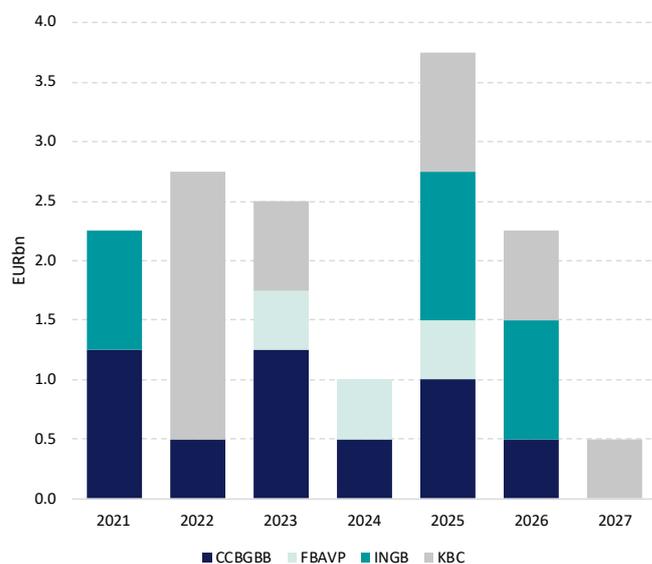
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Argenta Spaarbank

## Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	A-	Stable

### Homepage

[www.argenta.eu](http://www.argenta.eu)

Argenta Spaarbank N.V. is part of the Belgian Argenta Group (Argenta Bank- en Verzekeringsgroep N. V.), which offers retail banking and insurance services in Belgium and the Netherlands. Argenta was founded in 1956 and operates out of 428 branches. Measured by customer deposits, Argenta is the fifth-largest bank in Belgium. It serves more than 1.7 million customers, split between Belgium (0.31 million) and the Netherlands (1.4 million). Within the Group, Argenta Spaarbank focuses on the banking business. The two shareholders of the Argenta Group are Investar (holding company of the founder family; stake of 86.71%) and Argen-Co (via cooperative capital provided by approximately 67,000 employees and customers; share 13.29%). Within the Argenta Group, Argenta Spaarbank is the unit via which capital market funding activities are conducted. The balance sheet total of Argenta Spaarbank amounts to EUR 46.2bn (FY 2020). Loans account for the largest share of assets, with EUR 17.4bn in mortgage loans attributable to the Netherlands and EUR 15.1bn to Belgium. Looking at the source of funding, customer deposits (EUR 38.3bn) dominate, followed by the category of wholesale funding (EUR 4.1bn), equity (EUR 2.3bn) and other funding types (including interbank liabilities and derivatives; EUR 1.5bn). Argenta Spaarbank most recently posted ROE of 6.4% (FY 2020; previous year: 5.8%). The bank states that its long-term aim here is a value of >7%. It is also striving to achieve a CIR of <60%, with the level currently standing at 63% (FY 2020).

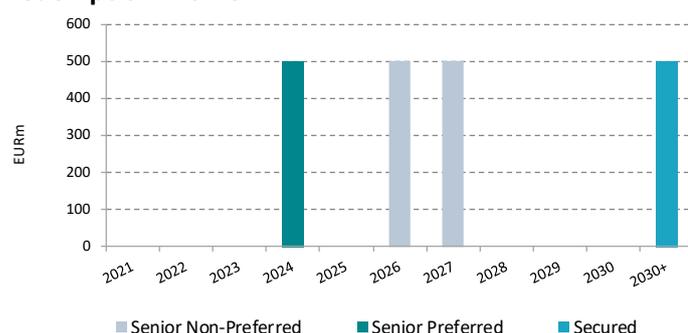
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	30,905	33,045	35,241
Total Securities	11,304	10,556	10,764
Total Deposits	33,847	35,968	38,188
Tier 1 Common Capital	2,082	2,282	2,459
Total Assets	45,857	49,995	52,992
Total Risk-weighted Assets	9,049	9,004	10,382

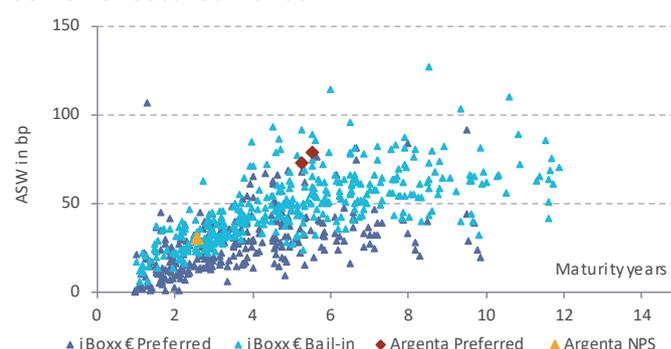
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	623	631	669
Net Fee & Commission Inc.	-12	-10	10
Net Trading Income	0	11	5
Operating Expense	411	424	434
Credit Commit. Impairment	-3	2	15
Pre-tax Profit	233	234	281

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.47	1.40	1.39	Liquidity Coverage Ratio	171.21	173.29	160.48
ROAE	6.41	6.28	7.32	IFRS Tier 1 Leverage Ratio	4.59	4.64	4.73
Cost-to-Income	64.13	64.13	61.09	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	23.00	25.34	23.69	Reserves/Loans at Amort. Cost	0.08	0.07	0.11

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalisation and liquidity
- Low credit risks
- Focus on retail banking

### Risks / Weaknesses

- Limited regional focus
- Digitalisation costs
- Interest rate change risk from savings deposits

# Argenta Spaarbank – Mortgage

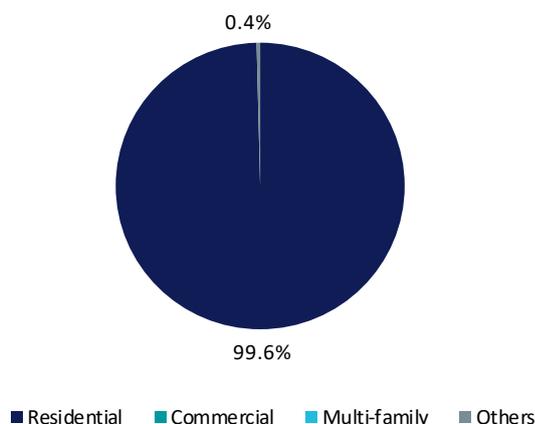
Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

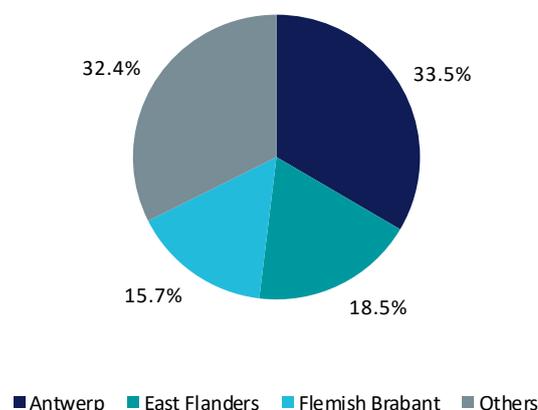
## Cover Pool Data

Cover pool volume (EURm)	607	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	21.4%	Rating (DBRS)	-
Committed OC	5.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Belgium	Collateral score	-
Main region	33% Antwerp	RRL	a+
Number of loans	7,032	JRL	aa
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	9.6y	PCU	-
WAL (covered bonds)	9.9y	Recovery uplift	-
Fixed interest (cover pool)	36.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	59.0%	LCR level (Bmk)	1
LTV (unindexed)	64.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

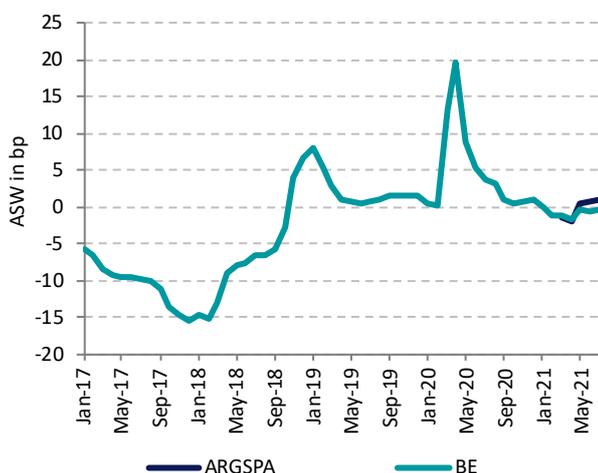
## Borrower Types



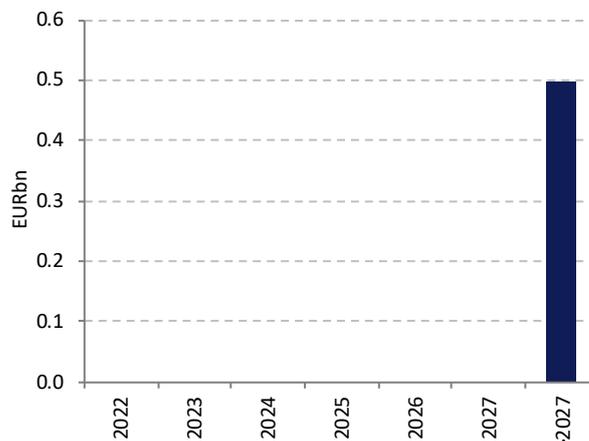
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Belfius Bank

# Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A1	Stable
S&P	A-	Stable

## Homepage

[www.belfius.be](http://www.belfius.be)

Belfius Bank (Belfius) is a domestic systemically important bank (D-SIB) and insurance group. Since October 2011, it has been wholly owned by the Belgian state. However, it is seeking to partially re-privatise the bank over the medium-term. The Group, which serves more than 3.6 million retail customers, around 11,500 corporate customers and approximately 12,000 public sector customers, is active exclusively in Belgium. The Group also includes six important subsidiaries (Belfius Insurance, Crefius, Belfius Auto Lease, Belfius Lease, Belfius Investment Partners and Belfius Commercial Finance). Belfius boasts a diversified income profile from the deposit, investment and insurance businesses. Additionally, the bank grants loans to private customers (mostly mortgages), SMEs, other corporate customers as well as public institutions and social services. The Group is one of the largest banks in Belgium by market share in various sectors. Business is divided into the "Retail and Commercial", "Public and Corporate" and "Group Center" segments. Group Center contains the run-off portfolio in addition to the ALM portfolio. Overall, the Group focuses on retail customers and the public sector. In 2020, Return on Equity (ROE) for the Group amounted to 5.6% (2019: 7.4%). Belfius meets the regulatory requirements with a CET1 ratio (fully loaded) of 17.1%, a LCR of 158% and a NSFR of 128% as at financial year-end 2020. At 5.9%, the leverage ratio also exceeds the requirement of 3%. Despite increased revenues, the CIR remained almost constant at 56% due to investments in IT and digitalisation as well as special vocational training programmes.

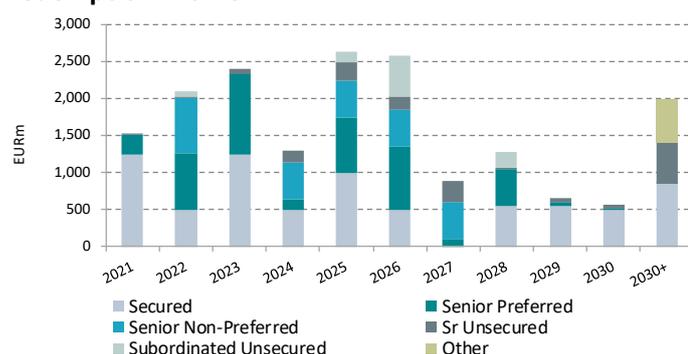
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	91,123	94,944	98,108
Total Securities	48,765	51,347	49,482
Total Deposits	79,661	85,450	95,338
Tier 1 Common Capital	8,329	8,941	10,150
Total Assets	164,165	172,439	187,991
Total Risk-weighted Assets	52,065	56,398	59,309

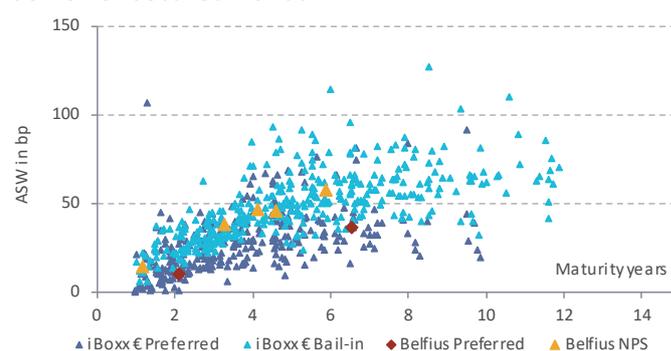
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,872	1,900	1,992
Net Fee & Commission Inc.	556	580	641
Net Trading Income	52	146	37
Operating Expense	1,442	1,474	1,489
Credit Commit. Impairment	66	111	453
Pre-tax Profit	867	918	679

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.15	1.15	1.12	Liquidity Coverage Ratio	134.67	129.48	159.57
ROAE	6.67	6.51	5.01	IFRS Tier 1 Leverage Ratio	5.71	5.83	6.01
Cost-to-Income	60.66	58.72	56.44	NPL/ Loans at Amortised Cost	2.09	1.99	2.06
Core Tier 1 Ratio	16.00	15.85	17.11	Reserves/Loans at Amort. Cost	1.63	1.60	1.85

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Diversified sources of revenue
- Capitalisation
- Conservative lending business

## Risks / Weaknesses

- Profitability
- Geographical risk concentration
- Market risk fluctuations

# Belfius Bank – Mortgage

Belgium

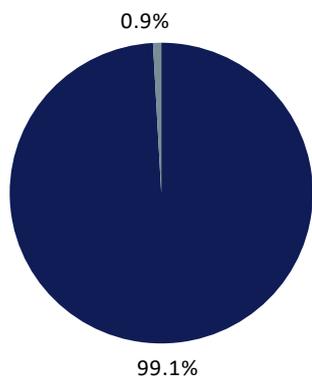
Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

Cover pool volume (EURm)	8,807
Amount outstanding (EURm)	7,292
-thereof ≥ EUR 500m	58.3%
Current OC (nominal)	20.8%
Committed OC	n/a
Cover type	Mortgage
Main country	100% Belgium
Main region	14% Antwerp
Number of loans	187,006
Number of borrowers	108,413
Avg. exposure to borrowers (EUR)	81,239
WAL (cover pool)	12.2y
WAL (covered bonds)	6.4y
Fixed interest (cover pool)	85.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	47.0%
LTV (unindexed)	76.9%
Loans in arrears	0.2%

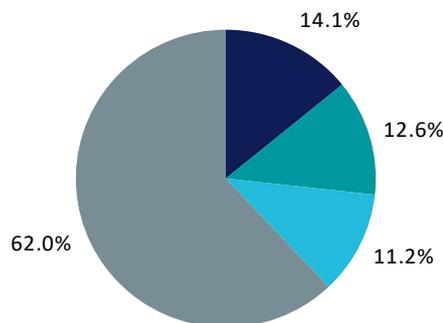
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	aa
Unused notches	1
AAA credit risk (%)	2.5
PCU	5
Recovery uplift	2
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



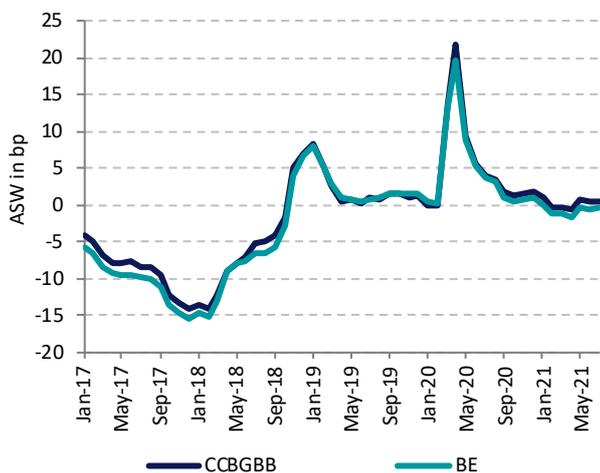
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

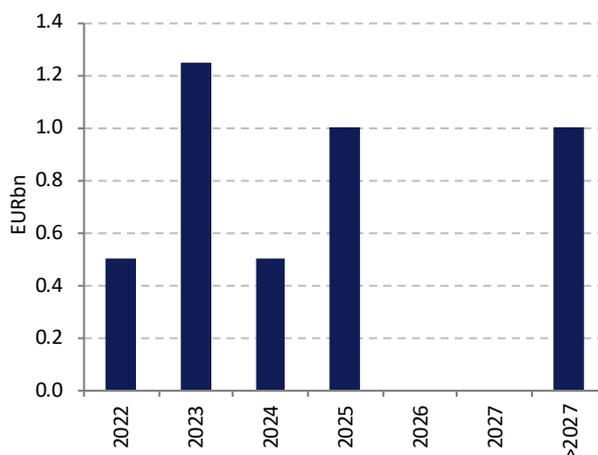


■ Antwerp ■ East Flanders ■ Liege ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Belfius Bank – Public Sector

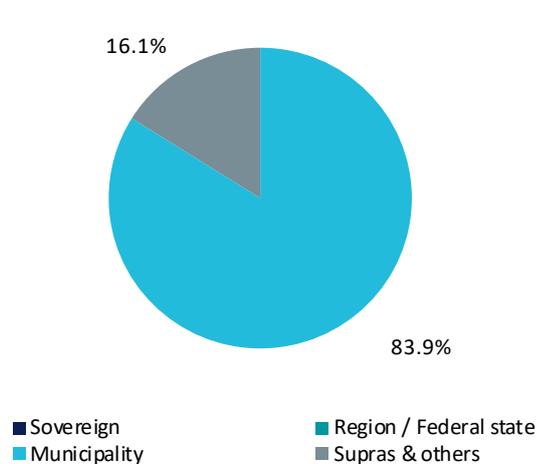
Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

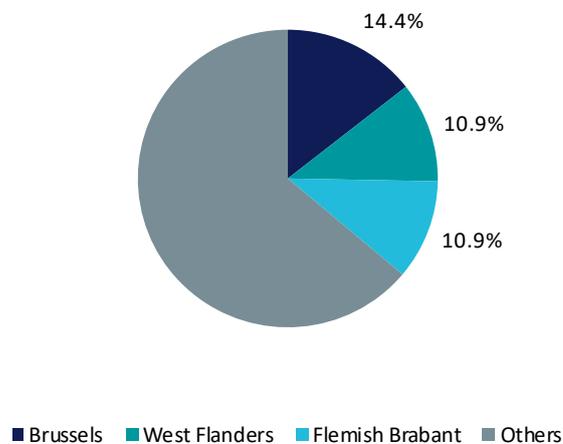
## Cover Pool Data

Cover pool volume (EURm)	3,270	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,461	Rating (S&P)	AAA
-thereof ≥ EUR 500m	40.6%	Rating (Fitch)	-
Current OC (nominal)	32.9%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	4
Main country	100% Belgium	Collateral score	7.9%
Main region	14% Brussels	RRL	a+
Number of loans	28,916	JRL	aa
Number of borrowers	854	Unused notches	2
Avg. exposure to borrowers (EUR)	3,829,602	AAA credit risk (%)	2.5
WAL (cover pool)	12.5y	PCU	-
WAL (covered bonds)	4.3y	Recovery uplift	-
Fixed interest (cover pool)	89.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

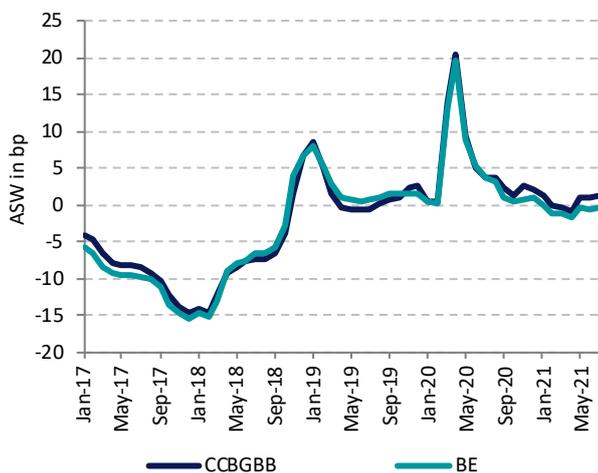
## Borrower Types



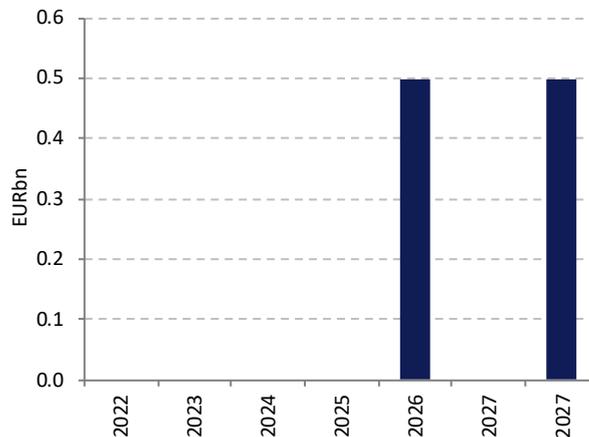
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# BNP Paribas Fortis

## Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A+	Negative
Moody's	A2	Stable
S&P	A+	Negative

### Homepage

[www.bnpparibasfortis.com](http://www.bnpparibasfortis.com)

BNP Paribas Fortis SA (BNPPF), which has its headquarters in Brussels and employs approximately 11,000 staff, was formed from Fortis Bank Belgium SA, which was taken over by the Belgian state in the wake of the global financial crisis in 2008. It has traded under its current name since 2009 and is wholly owned by the French bank BNP Paribas SA, one of the largest financial groups in Europe (global systemically important bank [G-SIB] with additional capital buffer of 1.5%). BNPPF covers both the Retail Banking and Corporate & Institutional Banking activities of the BNP Group in Belgium. The business is divided into the following segments: Banking Activities in Belgium, Banking Activities in Luxembourg, Banking Activities in Turkey, Other Domestic Markets and Other. The business focus of BNPPF is on Belgium, where it serves 3.4 million retail customers in almost 460 branches and 18 entrepreneur centres. It also has a strong market position for all retail products in Belgium. Following the bank's digitalisation efforts, BNPPF's online offering has been increased, with a focus here on the digital bank Hello Bank! BNPPF is represented by its subsidiary Arval in the mobility and vehicle leasing segment. In 2020, Arval was represented in 30 countries with approximately 7,200 employees. In December 2020, Greenval Insurance DAC, a car fleet insurance company registered in the Republic of Ireland, was sold by BNP Paribas Ireland to Arval Service Lease. Moreover, BNPP Asset Management Holding acquired 6.3% of the shares in Allfunds UK Ltd, a European market leader for fund sales platforms. As at FY 2020, the CET1 ratio totals 15.9%.

### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	179,372	188,129	188,846
Total Securities	41,560	43,542	46,774
Total Deposits	174,389	184,378	193,770
Tier 1 Common Capital	19,186	18,145	21,504
Total Assets	291,320	313,195	335,135
Total Risk-weighted Assets	138,259	137,430	135,506

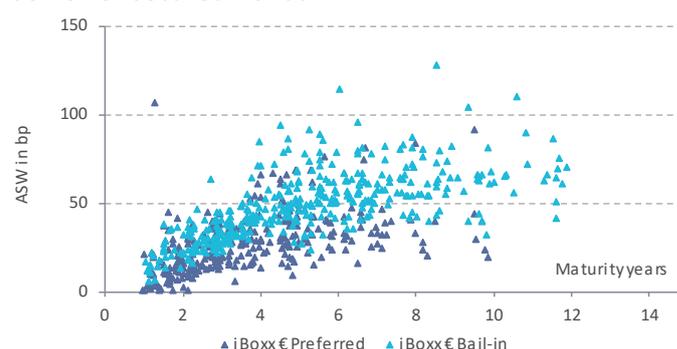
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	4,874	4,792	4,752
Net Fee & Commission Inc.	1,357	1,278	1,274
Net Trading Income	270	291	182
Operating Expense	4,847	4,754	4,542
Credit Commit. Impairment	400	459	662
Pre-tax Profit	3,028	3,238	2,883

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.96	1.82	1.68	Liquidity Coverage Ratio	-	-	191.00
ROAE	8.42	9.43	7.91	IFRS Tier 1 Leverage Ratio	6.82	6.10	6.78
Cost-to-Income	58.62	56.29	56.07	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.88	13.20	15.87	Reserves/Loans at Amort. Cost	1.55	1.52	1.60

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Core unit within the Group
- Capitalisation
- Deposit basis

### Risks / Weaknesses

- Dependency on BNP Group strategies
- Turkey exposure
- Low interest rate environment

# BNP Paribas Fortis – Mortgage

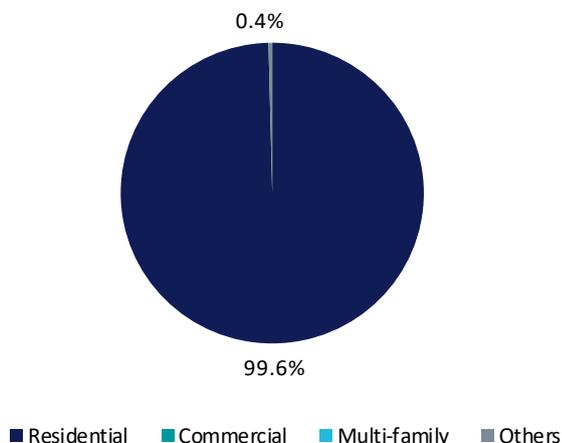
Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

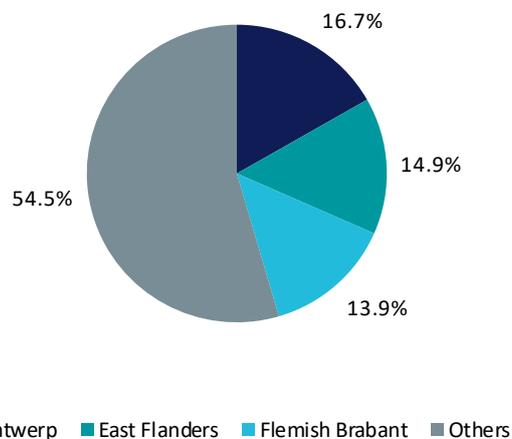
## Cover Pool Data

Cover pool volume (EURm)	2,920	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,250	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	29.8%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Belgium	Collateral score	5.0%
Main region	17% Antwerp	RRL	aa
Number of loans	41,894	JRL	aa
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	7.2y	PCU	-
WAL (covered bonds)	4.5y	Recovery uplift	-
Fixed interest (cover pool)	93.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	49.7%	LCR level (Bmk)	1
LTV (unindexed)	56.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

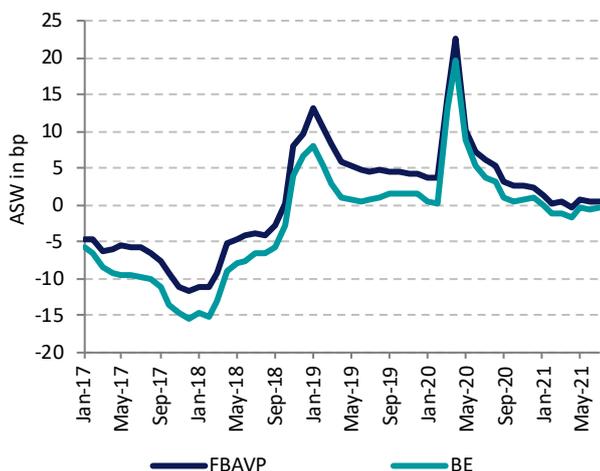
## Borrower Types



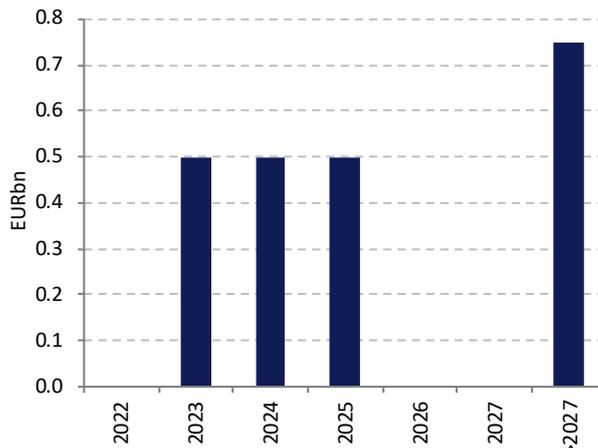
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# ING Belgium

# Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's*	A1	Stable
S&P	-	-

## Homepage

[www.ing.be](http://www.ing.be)

\*LT Bank Deposit Rating

ING Belgium SA/NV (headquarters: Brussels) operates as a universal bank and is a wholly owned subsidiary of the Dutch ING Bank (ING: global systemically important bank [G-SIB]) and, therefore, forms part of the ING Group. It is one of the five largest banks in Belgium and ranks as a domestic systemically important bank (D-SIB). ING Belgium employs 7,925 staff (FTEs; FY 2020) who serve approximately 2.9 million customers. It is also an important strategic unit within the ING Group. Although ING Bank has provided neither a letter of comfort (LoC) nor implemented a loss absorption mechanism, due to the high level of relevance of ING Belgium within the Group, support from the parent company is still likely. In Q4 2020, the domestic market accounted for roughly 70% of credit exposure at Group level. Here, the bank offers numerous financial products and services, focusing on retail banking and the corporate customer business. The focus on retail banking can be seen in this segment's high contribution to pre-tax profit of around 76%. In 2020, the Geneva branch of ING Belgium was transferred to the parent company (balance sheet reduction of ING Belgium of EUR 10.1bn). ING Belgium continued to follow its new business model in 2020. This was introduced with the aim of strengthening customer communication through improved online and mobile banking, improved telephone customer service and more targeted consulting in the branches and "client houses". In this way, the number of mobile banking users was increased by 25% in 2020 (1.7 million as at Q4 2020). Its financial year ends on 31 December each year.

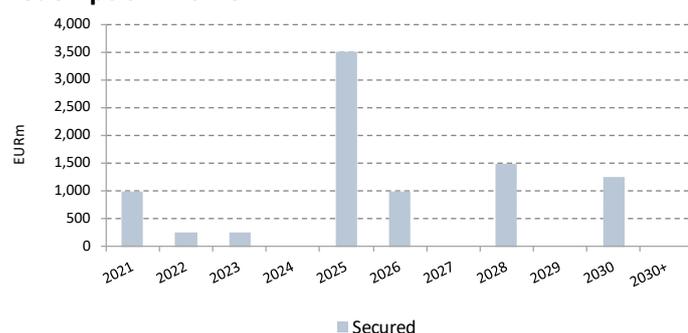
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	110,713	114,328	102,392
Total Securities	21,056	22,041	23,464
Total Deposits	103,331	107,387	109,052
Tier 1 Common Capital	9,005	9,736	8,785
Total Assets	154,360	160,832	162,258
Total Risk-weighted Assets	64,127	66,006	57,811

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	2,323	2,363	2,080
Net Fee & Commission Inc.	584	574	526
Net Trading Income	251	93	117
Operating Expense	1,958	1,961	1,946
Credit Commit. Impairment	158	278	589
Pre-tax Profit	1,177	970	268

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.54	1.52	1.30	Liquidity Coverage Ratio	112.86	119.11	-
ROAE	8.17	7.03	1.77	IFRS Tier 1 Leverage Ratio	6.20	6.44	5.78
Cost-to-Income	59.51	61.02	69.13	NPL/ Loans at Amortised Cost	2.33	2.95	3.96
Core Tier 1 Ratio	14.04	14.75	15.20	Reserves/Loans at Amort. Cost	0.69	0.79	1.19

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Market position
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Profitability
- Risk concentration
- Restructuring

# ING Belgium – Mortgage

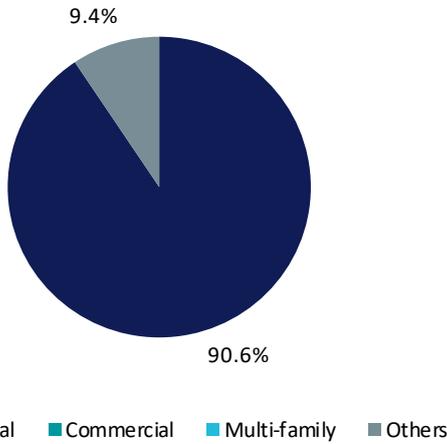
Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

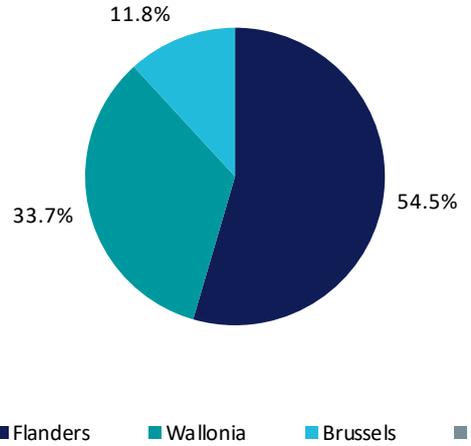
## Cover Pool Data

Cover pool volume (EURm)	11,559	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,750	Rating (S&P)	-
-thereof ≥ EUR 500m	40.0%	Rating (Fitch)	AAA
Current OC (nominal)	32.1%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Belgium	Collateral score	5.0%
Main region	55% Flanders	RRL	-
Number of loans	106,624	JRL	-
Number of borrowers	120,260	Unused notches	-
Avg. exposure to borrowers (EUR)	96,118	AAA credit risk (%)	-
WAL (cover pool)	4.7y	PCU	5
WAL (covered bonds)	4.8y	Recovery uplift	2
Fixed interest (cover pool)	82.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	57.3%	LCR level (Bmk)	1
LTV (unindexed)	82.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

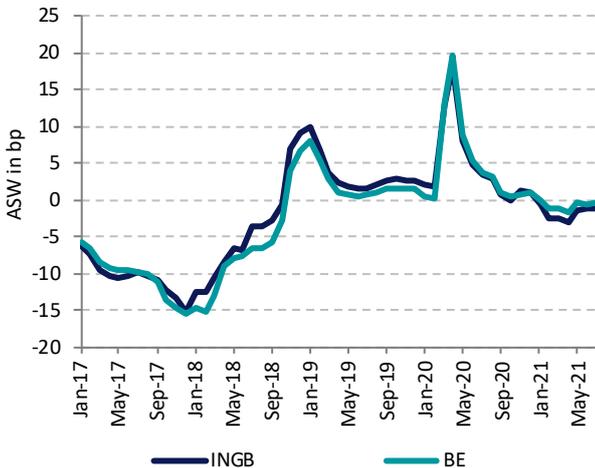
## Borrower Types



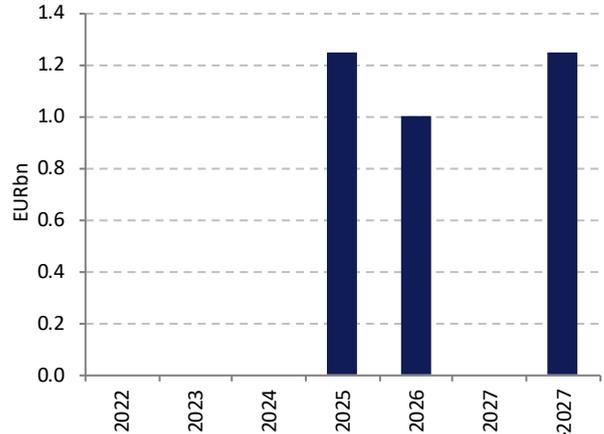
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# KBC Bank

## Belgium

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A+	Negative
Moody's	A1	Stable
S&P	A+	Stable

### Homepage

[www.kbc.com](http://www.kbc.com)

KBC Bank NV (KBC) is the banking arm of KBC Group NV, to which KBC Insurance NV also belongs. The largest shareholders of the listed KBC Group as at December 2020 are KBC Ancora (18.6%: cooperative investment company) and MRBB (11.5%: Belgian farmers union group). KBC is one of the leading banking groups in Belgium and is categorised as a domestic systemically important bank (D-SIB). KBC operates across 1,265 bank branches and serves approximately 12 million customers via its workforce of 41,000 employees. According to its own information, KBC has a market share of around 19% for banking products and 28% for investment funds as at FY 2020. In Czech Republic, the Group boasts a market share of 21% on the loans and deposit market via Ceskoslovenská Obchodní Banka. KBC operates as a multi-channel bank, focusing on retail and private banking clients in addition to SMEs. In geographical terms, there is a focus on Belgium, Ireland and Central and Eastern Europe (CEE). The Group reports in the segments "Belgium", "Czech Republic", "International Markets" and "Group Center". With a share of 53%, the significance of the Belgian domestic market is clear from a geographical breakdown of the loan portfolio. The CET1 ratio of 17.6% (FY 2020) exceeds both, the required regulatory minimum for 2020 (10.45%) and the bank's self-defined target (15.5%). Liquidity also complies with the regulatory requirements; the LCR stands at 147% and the NSFR totals 146% (FY 2020). With its comprehensive branch network, the bank largely relies on deposits from private individuals and SMEs (just under 75% in FY 2020) for refinancing purposes.

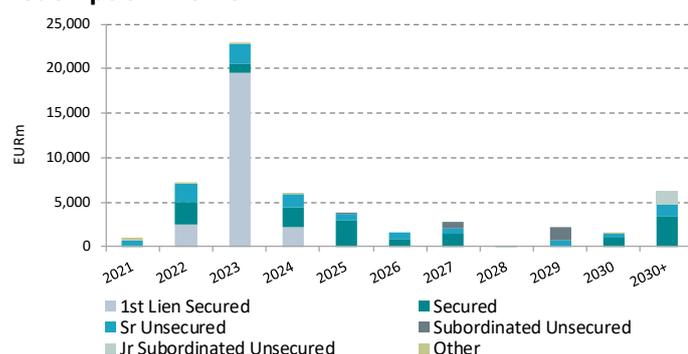
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	145,951	154,729	158,075
Total Securities	51,621	53,133	61,170
Total Deposits	160,697	174,314	191,629
Tier 1 Common Capital	12,618	13,204	14,085
Total Assets	248,940	253,917	284,399
Total Risk-weighted Assets	85,474	89,838	92,903

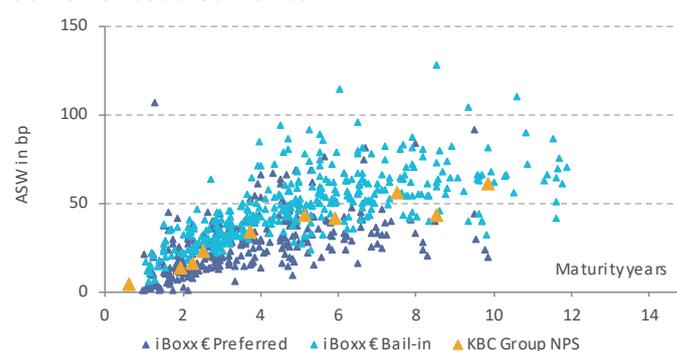
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	4,033	4,153	4,015
Net Fee & Commission Inc.	2,062	2,085	1,975
Net Trading Income	184	99	50
Operating Expense	3,712	3,797	3,809
Credit Commit. Impairment	-58	203	1,069
Pre-tax Profit	2,779	2,541	1,188

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.64	1.70	1.53	Liquidity Coverage Ratio	138.64	137.62	146.88
ROAE	13.48	12.27	5.72	IFRS Tier 1 Leverage Ratio	5.21	5.36	5.10
Cost-to-Income	57.86	58.57	62.12	NPL/ Loans at Amortised Cost	4.90	3.99	3.74
Core Tier 1 Ratio	14.76	14.70	15.16	Reserves/Loans at Amort. Cost	2.36	1.81	2.29

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Market position (in BE and CZ)
- Asset quality
- Earning power

### Risks / Weaknesses

- Low interest rate environment
- Exposure in CEE, IE and HU
- Shareholder value

# KBC Bank – Mortgage

Belgium

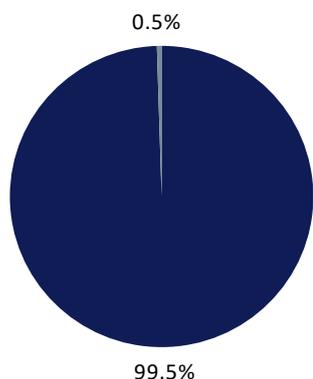
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	16,277
Amount outstanding (EURm)	11,670
-thereof ≥ EUR 500m	45.0%
Current OC (nominal)	39.5%
Committed OC	12.0%
Cover type	Mortgage
Main country	100% Belgium
Main region	28% Antwerp
Number of loans	217,255
Number of borrowers	138,767
Avg. exposure to borrowers (EUR)	117,296
WAL (cover pool)	15.4y
WAL (covered bonds)	4.2y
Fixed interest (cover pool)	86.7%
Fixed interest (covered bonds)	99.2%
LTV (indexed)	53.7%
LTV (unindexed)	65.1%
Loans in arrears	0.8%

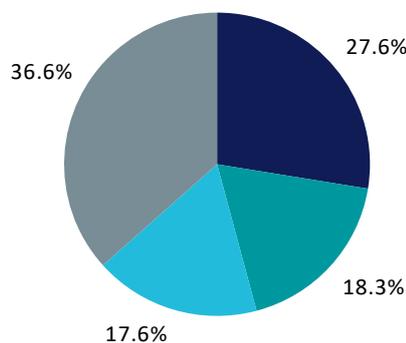
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	6.9%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	5
Recovery uplift	2
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



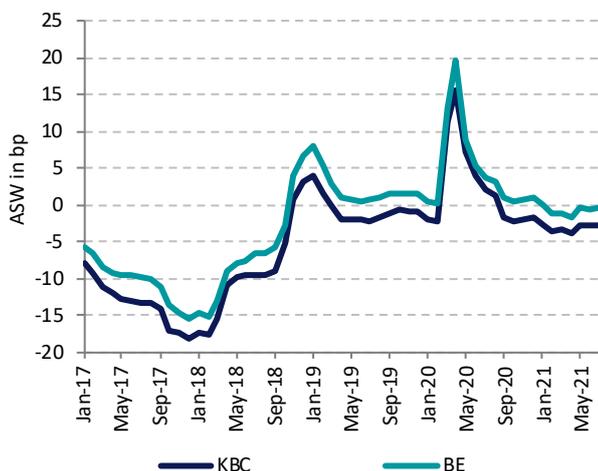
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

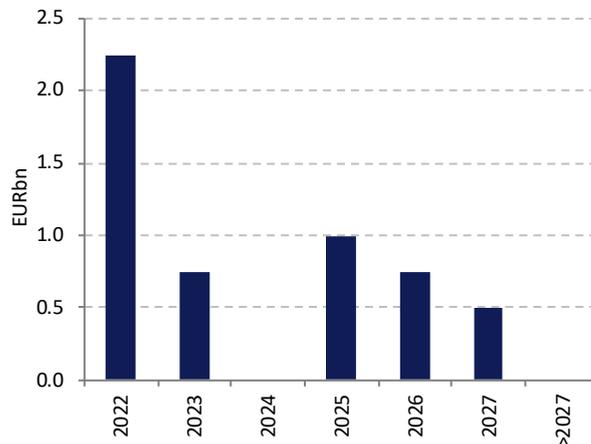


■ Antwerp ■ East Flanders ■ Flemish Brabant ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



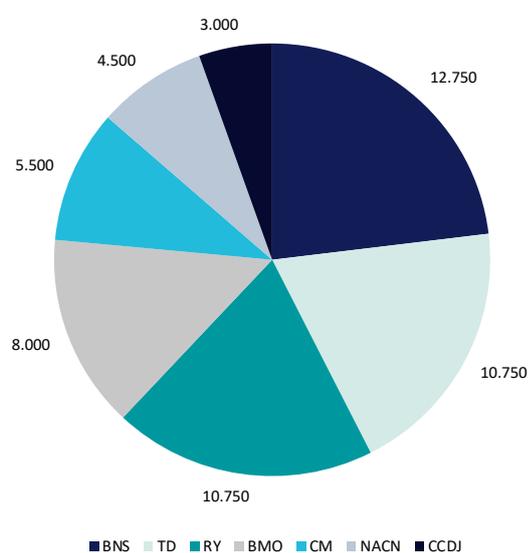
# Market Overview Covered Bonds

## Canada

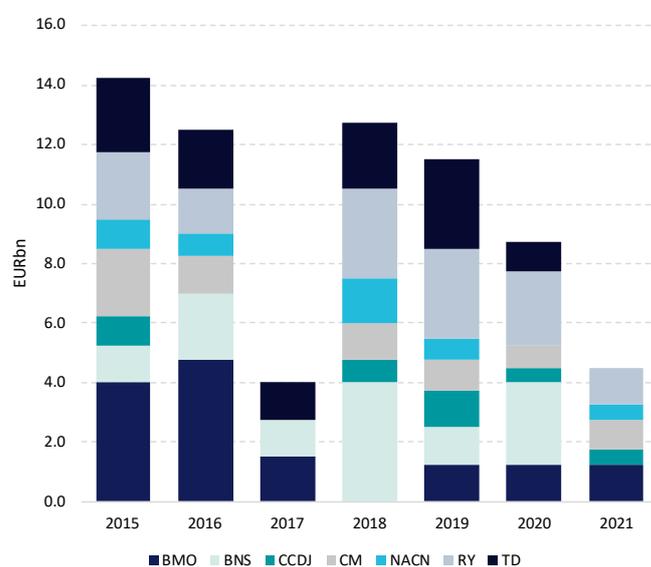
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 215.03bn	Outstanding volume (Bmk)	EUR 55.25bn
Amount outstanding	EUR 152.31bn	Number of benchmarks	48
Number of issuer	7	Outstanding ESG volume (Bmk)	-
No of cover pools	7	Number of ESG benchmarks	-
there of M / PS / others	7 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	SB

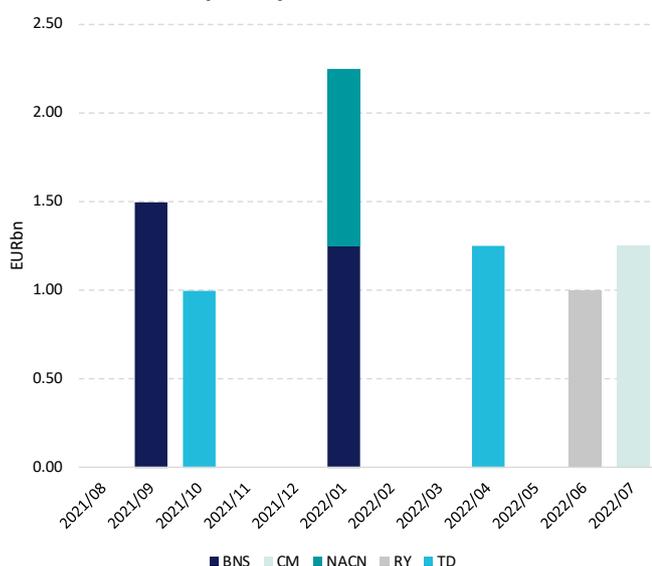
### Outstanding benchmark volume<sup>1</sup> (EURbn)



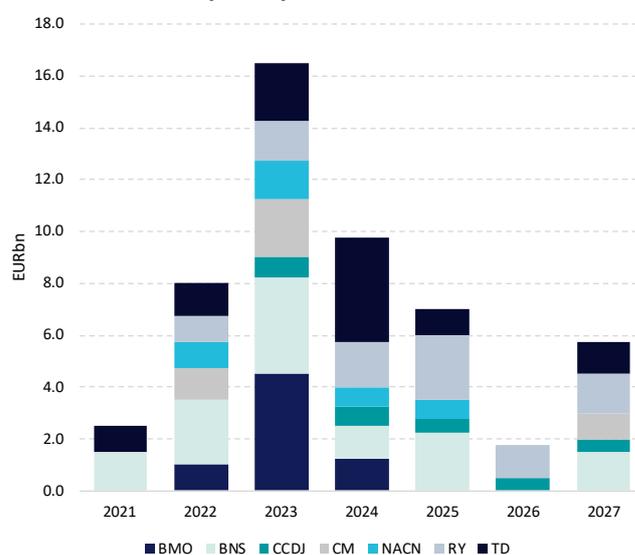
### Benchmark issuance volume<sup>1</sup>



### Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022



### Benchmark redemption profile<sup>1 2</sup>



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Bank of Montreal

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa2	Stable
S&P	A+	Stable

## Homepage

[www.bmo.com](http://www.bmo.com)

Bank of Montreal (BMO) is Canada's oldest bank. In terms of assets, BMO is one of the four largest banks in Canada and is the eighth largest bank across North America as a whole. BMO is one of the six domestic systemically important banks (D-SIBs) defined by the Canadian government. In geographical terms, the bank focuses on North America, with Canada contributing 59% and the USA 30% to operating earnings (data as at FY 2020). BMO offers customers in these markets a broadly diversified product portfolio, ranging from retail and commercial banking to asset management, all the way through to investment banking and insurance business. BMO serves more than 12 million customers worldwide via roughly 1,500 branches and more than 45,000 employees. Outside of North America, BMO operates in the areas of Capital Markets and Asset Management in select markets within Europe, the Middle East and the Asia-Pacific region. The bank's activities are divided into four segments: Canadian Personal and Commercial Banking (P&C), U.S. P&C, BMO Wealth Management and BMO Capital Markets. The Corporate Services segment is additionally managed for the purposes of general expenses. At 28% (Q4 2020), BMO's share in mortgage lending is comparatively low. In contrast, its share in the area of corporate lending (54%; Q4 2020) is somewhat higher than at other banks. This means that BMO is less susceptible to stress scenarios in the private mortgage sector than its competitors. The high quality of credit exposures was reflected above all in the low problem loan ratio typical of Canada. The CET1 ratio was most recently 13.0% (Q2/2021), while RoE was reported at 16.7% (Q2/2021) (previous quarter: 13.5%).

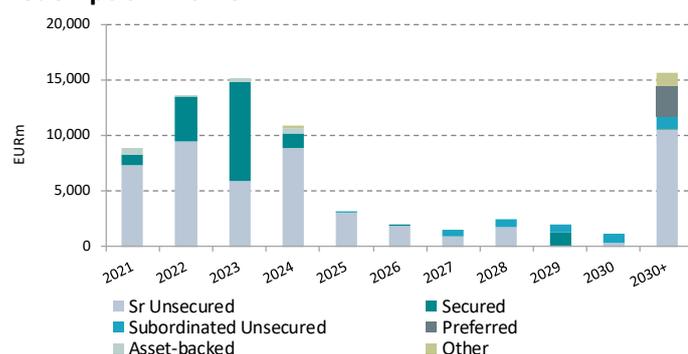
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	291,166	288,570	300,100
Total Securities	214,505	246,276	234,846
Total Deposits	371,094	399,953	426,031
Tier 1 Common Capital	24,591	25,844	27,947
Total Assets	580,983	612,148	640,952
Total Risk-weighted Assets	216,134	217,067	215,802

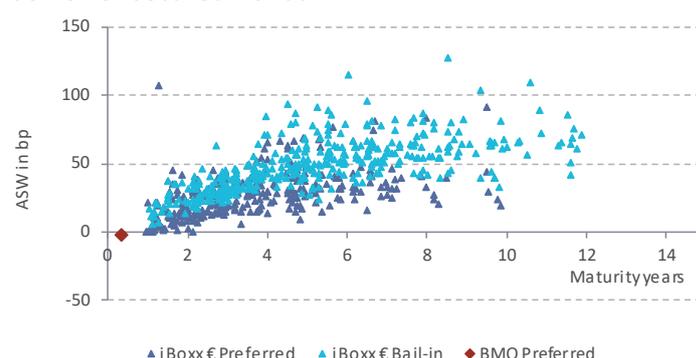
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	8,627	9,230	4,599
Net Fee & Commission Inc.	5,353	5,420	2,935
Net Trading Income	478	177	366
Operating Expense	9,443	9,356	5,242
Credit Commit. Impairment	586	1,940	144
Pre-tax Profit	4,868	4,194	2,939

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.65	1.58	1.52	Liquidity Coverage Ratio	138.19	131.06	129.37
ROAE	11.76	9.45	11.84	IFRS Tier 1 Leverage Ratio	4.40	4.40	4.56
Cost-to-Income	61.95	60.32	62.96	Gr. Imp. Loans/ Loans at Am. Cost	-	-	-
Core Tier 1 Ratio	11.38	11.91	12.95	Reserves/Loans at Amort. Cost	-	0.74	0.69

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- National market position
- Geographic diversification (US expansion)
- Liquidity position and capitalisation

## Risks / Weaknesses

- Private household debt levels in Canada
- Risks from weaker US loan portfolio
- Dependency on wholesale funding

# Bank of Montreal – Mortgage

Canada

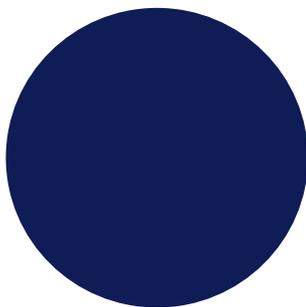
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	22,975
Amount outstanding (EURm)	17,035
-thereof ≥ EUR 500m	47.0%
Current OC (nominal)	34.9%
Committed OC	5.3%
Cover type	Mortgage
Main country	100% Canada
Main region	53% Ontario
Number of loans	120,355
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	2.7y
WAL (covered bonds)	1.6y
Fixed interest (cover pool)	81.0%
Fixed interest (covered bonds)	70.3%
LTV (indexed)	49.4%
LTV (unindexed)	n/a
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	AAA
TPI	Probable
TPI leeway	4
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

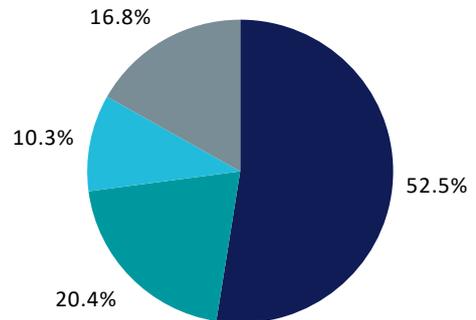
## Borrower Types



100.0%

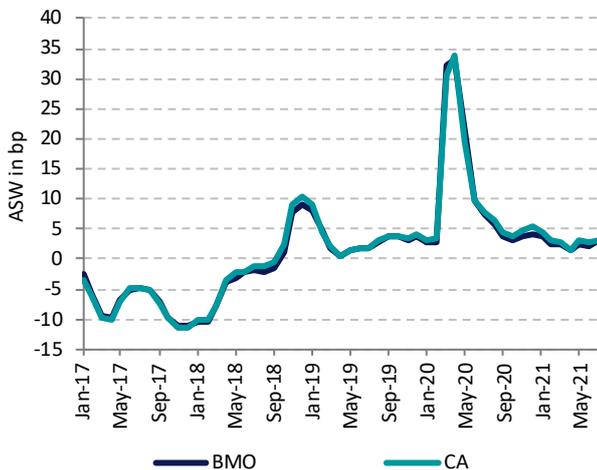
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

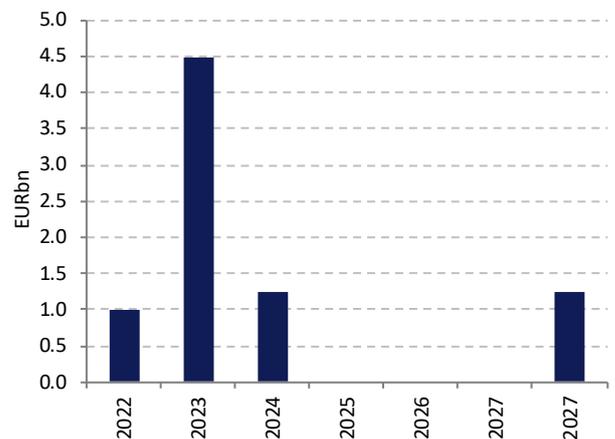


■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Bank of Nova Scotia

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's*	Aa2	Stable
S&P	A+	Stable

## Homepage

[www.scotiabank.com](http://www.scotiabank.com)

\* LT Deposits

Bank of Nova Scotia (BNS; brand name: Scotiabank) is Canada's third-largest bank, measured by assets, and is assessed as a D-SIB. Its activities are globally diversified, with a focus on Canada (64% of earnings; FY20), the US (11%) and the Pacific Alliance comprising Mexico, Peru, Chile and Colombia (16%). BNS organises its segments as follows: Canadian Banking (net profit contribution of 37%; FY20), International Banking (approx. 16%), Global Banking and Markets (approx. 29%) and Global Wealth Management (GWM; 18%), a segment, which was newly created in 11/2019. Maintaining a presence in Latin America, the Caribbean and Central America as well as Asia, BNS's International Banking segment is of greater importance than its Canadian counterparts. The service portfolio offered to BNS's client base of more than 25 million customers includes retail and corporate banking, investment banking and capital market operations in addition to wealth management and private banking. In strategic terms, BNS is increasingly focused on growth in international markets and profitable business areas. Set up as an independent operating segment since 2019, GWM will maintain an international focus on asset consultancy services and investment solutions in addition to supporting the bank's acquisition strategy. Since 2019, BNS has moved to strengthen its presence in South America with the acquisition of, among others, Banco del Progreso (Dominican Republic). While the acquisitions, made over the past few years, have served to diversify income sources and offer new growth prospects, they have also had a negative impact on the strong CET1 ratio (11.8%; Q4/20) and increased the Group's risk exposure. The financial year ends on 31 October each year.

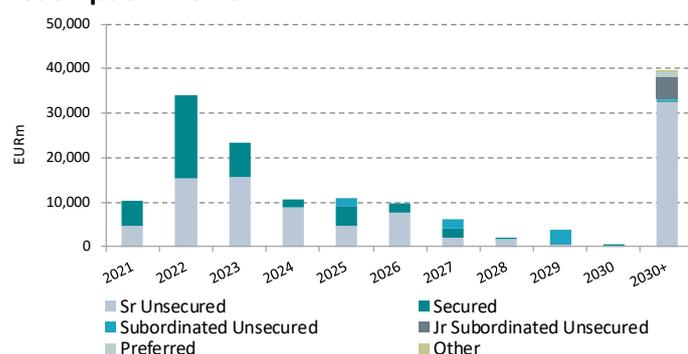
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	413,353	394,411	414,798
Total Securities	251,582	249,479	266,566
Total Deposits	476,465	470,530	496,751
Tier 1 Common Capital	31,755	31,705	33,536
Total Assets	740,489	732,871	759,318
Total Risk-weighted Assets	287,142	268,999	273,110

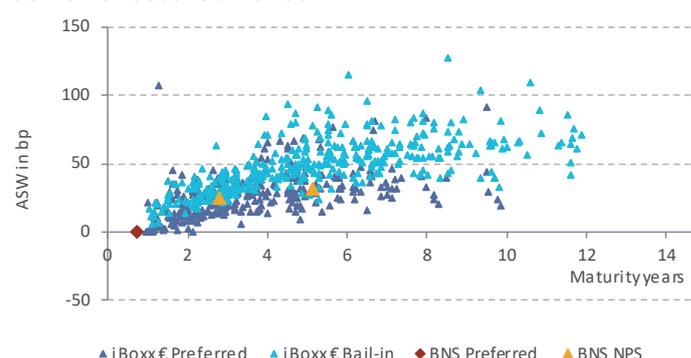
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	11,498	11,442	5,576
Net Fee & Commission Inc.	6,689	6,313	3,442
Net Trading Income	1,231	1,994	917
Operating Expense	11,006	10,949	5,359
Credit Commit. Impairment	1,926	4,020	824
Pre-tax Profit	7,544	5,547	4,118

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1	2019FY	2020FY	2021H1	
Net Interest Margin	1.73	1.58	1.56	Liquidity Coverage Ratio	124.95	138.10	129.20
ROAE	12.64	9.75	13.71	IFRS Tier 1 Leverage Ratio	4.53	4.56	4.65
Cost-to-Income	52.77	53.41	51.90	Gr. Imp. Loans/ Loans at Am. Cost	-	0.92	0.91
Core Tier 1 Ratio	11.06	11.79	12.28	Reserves/Loans at Amort. Cost	0.85	1.25	1.09

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Diversified earnings profile
- Market position and stable earnings
- Liquidity situation

## Risks / Weaknesses

- Expansion into volatile markets
- Dependency on wholesale funding
- Risk affinity

# Bank of Nova Scotia – Mortgage

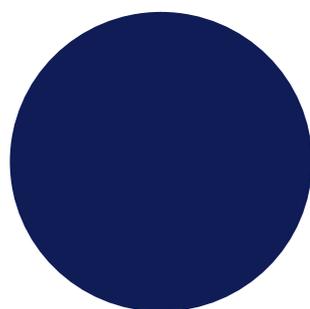
Canada 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	42,694	Rating (Moody's)	Aaa
Amount outstanding (EURm)	28,116	Rating (S&P)	-
-thereof ≥ EUR 500m	40.0%	Rating (Fitch)	AAA
Current OC (nominal)	51.9%	Rating (DBRS)	AAA
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Canada	Collateral score	5.0%
Main region	60% Ontario	RRL	-
Number of loans	248,548	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	2.6y	PCU	6
WAL (covered bonds)	2.0y	Recovery uplift	2
Fixed interest (cover pool)	83.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	59.2%	CRR 129 (7)	Yes
LTV (indexed)	49.3%	LCR level (Bmk)	2A
LTV (unindexed)	n/a	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

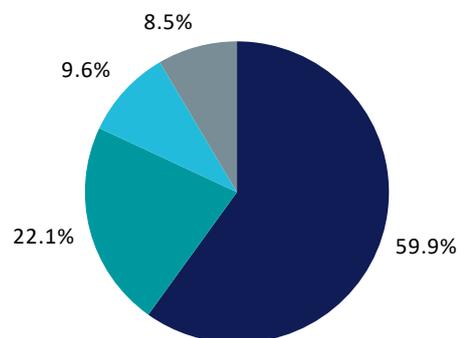
## Borrower Types



100.0%

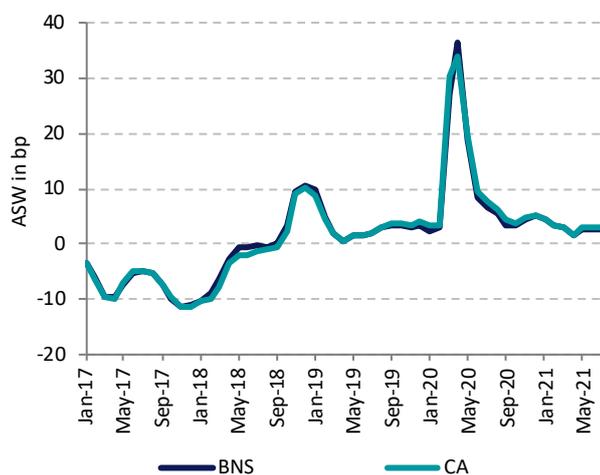
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



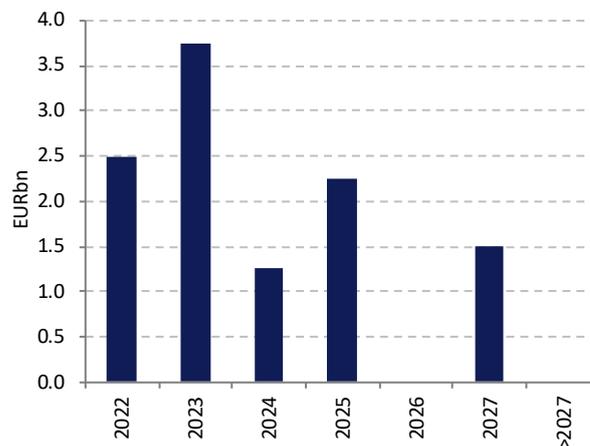
■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development (>1y)



— BNS — CA

## Redemption Profile (Bmk)



# Canadian Imperial Bank of Commerce

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA	Stable
Moody's	Aa2	Stable
S&P	A+	Stable

## Homepage

[www.cibc.com](http://www.cibc.com)

By assets, the Canadian Imperial Bank of Commerce (CIBC) is the fifth-largest financial institute in Canada and has been assessed as a domestic systemically important bank (D-SIB) by the Canadian financial supervisory authority (Office of the Superintendent of Financial Institutions; OSFI). Approximately 45,000 employees serve around 10 million customers. The bank's strategic focus is on North America, although within Canada, Ontario is of particular importance to CIBC. The four business segments are: Canadian Personal and Business Banking, Canadian Commercial Banking and Wealth Management, U.S. Commercial Banking and Wealth Management in addition to Capital Markets. Measured in terms of pre-tax profit, just under 44% of earnings is attributable (FY 2020) to the Canadian retail and KMU business. In November 2019, the sale of its stake in FirstCaribbean International Bank Ltd. for a total of USD 797m was announced. The sale was not completed in 2020 due to a lengthy regulatory process and the onset of the COVID-19 pandemic. In the wake of the global pandemic, valuation discounts of USD 200m (as at Q4 2020) had to be accepted for this transaction. At 12.1% (Q4 2020), the Basel III CET1 ratio is close to the national average. After standing at around 0.5% for several years, the NPL ratio was reduced to 0.26% in 2020. The share of residential mortgages in the loan portfolio amounts to nearly 54%. CIBC has defined a minimum target of 15% for return-on-equity (10% in FY 2020) as well as a target of 52% (55.8% in FY 2020) for the cost-income ratio, applicable from 2022 onwards in each case. CIBC's financial year ends on 31 October each year. The TLAC minimum from 2022 is 23.5% and 6.75% for leverage exposure.

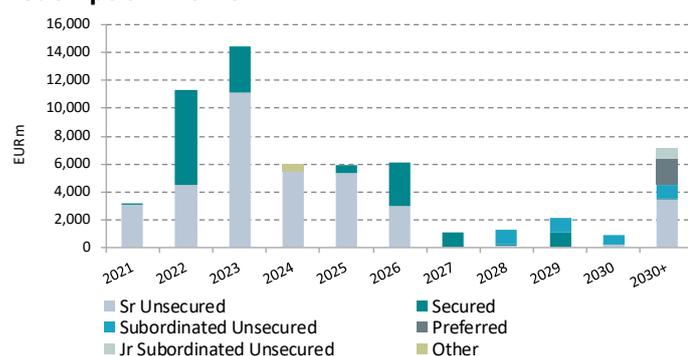
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	265,160	262,321	284,171
Total Securities	139,745	165,033	178,899
Total Deposits	323,482	357,082	377,499
Tier 1 Common Capital	18,889	19,911	21,536
Total Assets	444,230	496,259	528,286
Total Risk-weighted Assets	163,526	164,358	174,096

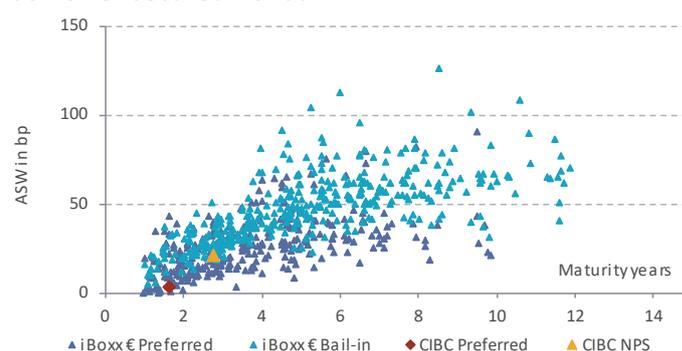
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	7,062	7,296	3,653
Net Fee & Commission Inc.	4,312	4,225	2,324
Net Trading Income	738	624	390
Operating Expense	7,054	7,118	3,585
Credit Commit. Impairment	861	1,644	117
Pre-tax Profit	4,330	3,230	2,768

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.84	1.69	1.57	Liquidity Coverage Ratio	125.48	144.64	134.34
ROAE	13.83	9.51	15.61	IFRS Tier 1 Leverage Ratio	4.48	4.22	4.30
Cost-to-Income	56.62	57.47	55.40	Gr. Imp. Loans/ Loans at Am. Cost	-	0.42	0.56
Core Tier 1 Ratio	11.55	12.11	12.37	Reserves/Loans at Amort. Cost	0.52	0.92	0.80

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Market position for Canadian retail banking
- Stable earnings
- Quality of loan portfolio and asset quality

## Risks / Weaknesses

- Involvement in private mortgage lending
- Private household debt levels in Canada
- Geographical diversification

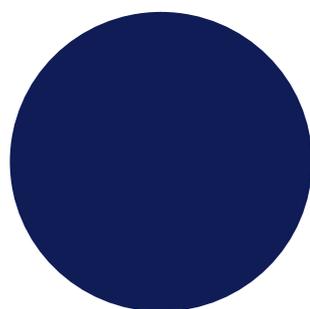
# Canadian Imperial Bank of Commerce – Mortgage Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	21,502	Rating (Moody's)	Aaa
Amount outstanding (EURm)	18,720	Rating (S&P)	-
-thereof ≥ EUR 500m	29.4%	Rating (Fitch)	AAA
Current OC (nominal)	14.9%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Canada	Collateral score	5.0%
Main region	58% Ontario	RRL	-
Number of loans	117,679	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	2.3y	PCU	6
WAL (covered bonds)	1.9y	Recovery uplift	2
Fixed interest (cover pool)	81.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	56.6%	CRR 129 (7)	Yes
LTV (indexed)	46.4%	LCR level (Bmk)	2A
LTV (unindexed)	n/a	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

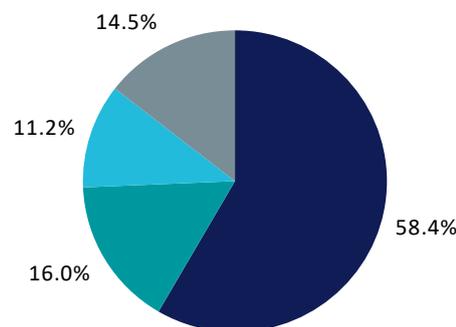
## Borrower Types



100.0%

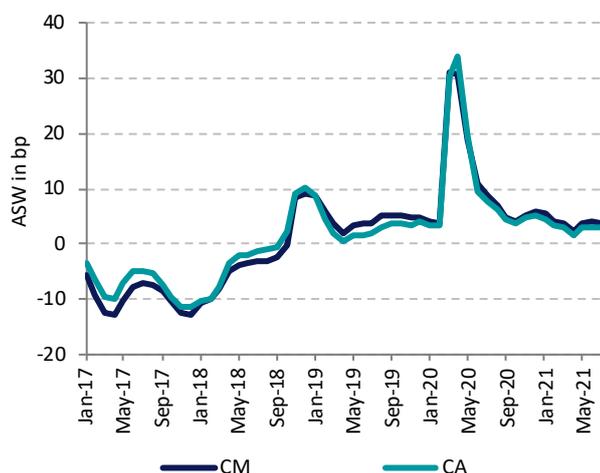
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

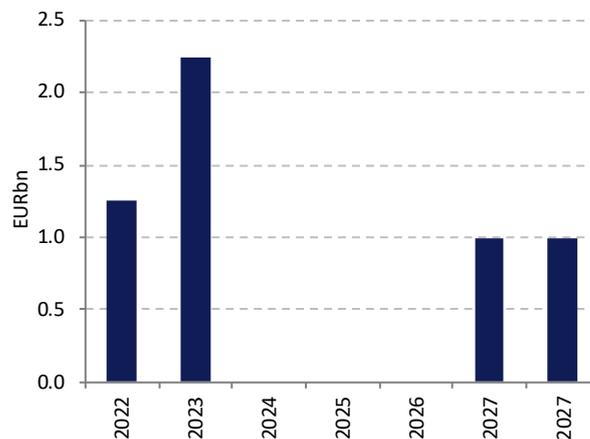


■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Fédération des Caisses Desjardins du Québec

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	A1	Stable
S&P	A+	Stable

## Homepage

[www.desjardins.com](http://www.desjardins.com)

Fédération des Caisses Desjardins du Québec (FCDQ) is an institute within the Desjardins Group. The Group opened its first bank branch in 1900 and today comprises just under 230 cooperative banks with approximately 900 business and service centres. Measured in terms of assets, it is, therefore, the country's largest cooperative banking group and the sixth-largest bank in Canada. It provides services to over 7 million members and customers. Within the group, FCDQ operates as a central unit, assuming responsibility for management and control functions. In addition to this, FCDQ reports across three business segments focused on private banking and corporate services, asset management in connection with life and medical insurance as well as non-life and accident insurance. FCDQ can also boast shares of around 40% for savings deposits, agricultural loans and residential mortgages in the Quebec region. The loan portfolio is broadly diversified, although the corporate loan segment (57%) dominates here. With a share of 37% (FY 2020), the area of financing and insurance represents the largest sub-segment. In January 2021, a high-quality mortgage loan portfolio worth CAD 474m (6,376 mortgage loans) was acquired from the insurance and financial services firm La Capitale. The CET1 ratio of 21.9% (FY 2020) is well above the average value of Canada's largest banks (11.7%). The NPL ratio of below 0.74% (gross impaired loan ratio; FY 2020) affirms FCDQ's impressive credit quality. Funding is dominated by deposits, although the share of wholesale funding is increasing. The end of the financial year is December 31.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	39,580	44,734	35,716
Total Securities	43,607	45,055	60,254
Total Deposits	37,160	40,515	46,454
Tier 1 Common Capital	6,335	16,866	16,884
Total Assets	100,849	112,956	125,154
Total Risk-weighted Assets	40,448	76,202	76,941

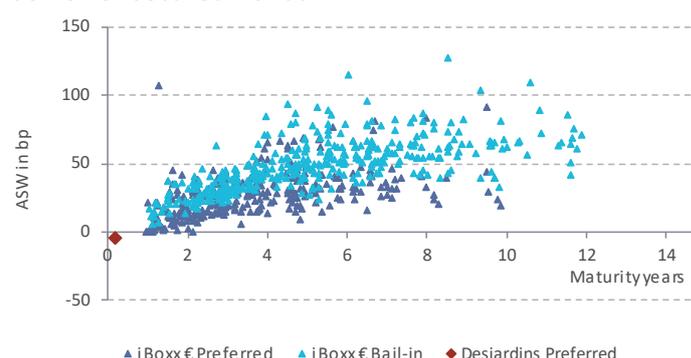
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	981	1,010	1,065
Net Fee & Commission Inc.	1,427	1,534	1,463
Net Trading Income	513	1,917	1,954
Operating Expense	4,179	4,694	4,733
Credit Commit. Impairment	-	-	-
Pre-tax Profit	1,019	971	861

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.18	1.12	1.06	Liquidity Coverage Ratio	122.10	130.20	157.50
ROAE	8.04	7.62	5.82	IFRS Tier 1 Leverage Ratio	6.44	15.43	14.02
Cost-to-Income	77.59	79.91	79.59	Gr. Imp. Loans/ Loans at Am. Cost	-	0.56	0.64
Core Tier 1 Ratio	15.66	22.13	21.94	Reserves/Loans at Amort. Cost	0.79	0.71	1.13

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Market position in main market of Quebec
- Capitalisation and asset quality
- Diversified earnings from insurance business

## Risks / Weaknesses

- Regional competition (Québec)
- Level of debt among private Canadian households
- Dependency on wholesale funding

# Desjardins – Mortgage

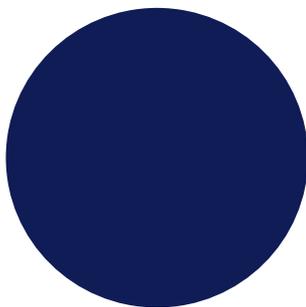
Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	8,452	Rating (Moody's)	Aaa
Amount outstanding (EURm)	7,369	Rating (S&P)	-
-thereof ≥ EUR 500m	40.7%	Rating (Fitch)	AAA
Current OC (nominal)	14.7%	Rating (DBRS)	-
Committed OC	3.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Canada	Collateral score	5.0%
Main region	100% Quebec	RRL	-
Number of loans	79,036	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	2.6y	PCU	6
WAL (covered bonds)	2.3y	Recovery uplift	2
Fixed interest (cover pool)	78.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	63.1%	CRR 129 (7)	Yes
LTV (indexed)	48.6%	LCR level (Bmk)	2A
LTV (unindexed)	59.8%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

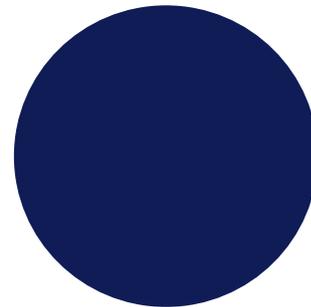
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

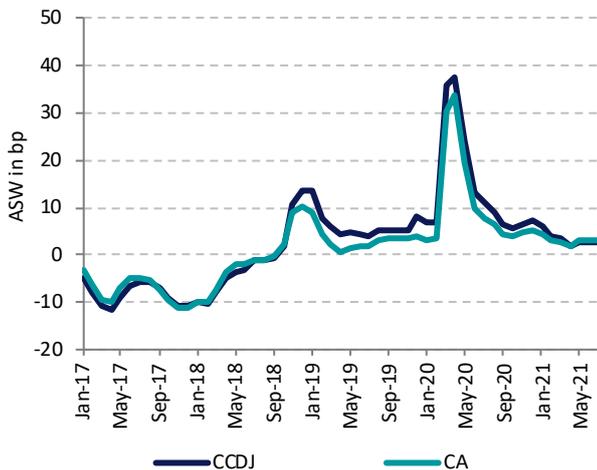
## Regional Distribution



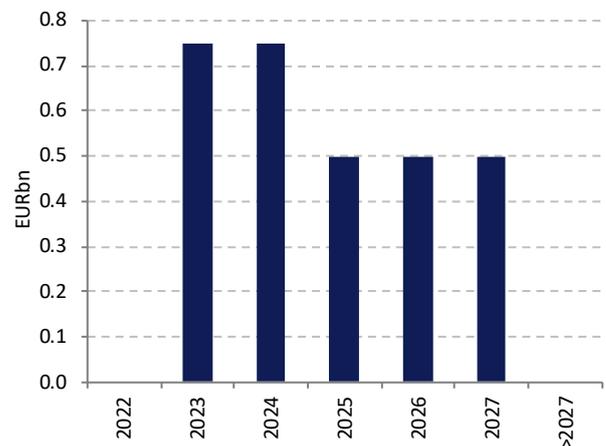
100.0%

■ Quebec ■ ■ ■

## Spread Development (>1y)



## Redemption Profile (Bmk)



# National Bank of Canada

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	A3	Stable
S&P	A	Stable

## Homepage

[www.nbc.ca](http://www.nbc.ca)

The National Bank of Canada (NBC; brand name: National Bank) was formed following a number of mergers and ranks among the domestic systemically important banks (D-SIBs) in Canada. NBC employs more than 26,000 staff and serves around 2.7 million customers across just under 500 branches (Q4 2020; of which 403 in Canada). The bank's geographic focus is on Canada, with the province of Quebec (54% of total income as at FY 2020) assuming a particularly prominent role for NBC. According to information from NBC, it is one of the market leaders in Quebec. Growth in the area of asset management will continue to drive forward the diversification of NBC's business. Income from business operations in 2020 totalled USD 7.9m, with this total spread across four segments: Personal & Commercial Banking (PCB), Wealth Management (WM), Financial Markets (FM) and US Specialty Finance & International (USSF&I). As at FY 2020, PCB accounts for 42% of net income, with FM bringing in 25%, WM contributing 23% and USSF&I 10%. The tense market environment within the financial sector in addition to the rapidly changing banking market has also forced NBC into an organisational restructuring project. In this context, NBC is focused on tapping into certain new customer groups, for example millennials and SMEs, in addition to targeting its core business areas and driving forward the digitalisation process. As at Q4 2020, the CET1 ratio stands at 11.8% and the leverage ratio amounts to 4.4%. Moreover, RoE totalled 15.8% in FY 2020, which is well within the target corridor of 15%-20%. According to the bank's own data, this makes it the leader among Canadian banks for this metric. NBC's financial year ends on 31 October each year.

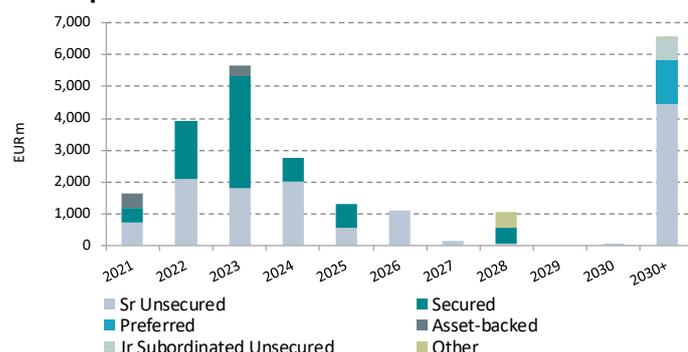
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	104,479	106,236	115,817
Total Securities	73,682	83,875	90,414
Total Deposits	126,349	136,252	152,804
Tier 1 Common Capital	6,608	7,201	8,096
Total Assets	191,884	213,854	236,681
Total Risk-weighted Assets	56,612	61,139	66,606

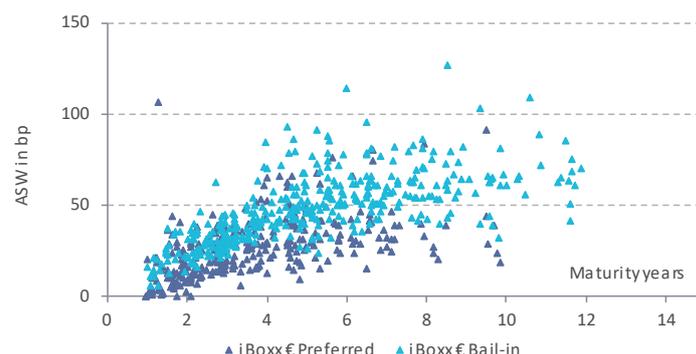
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	2,407	2,811	1,545
Net Fee & Commission Inc.	1,615	1,725	988
Net Trading Income	671	529	244
Operating Expense	2,797	2,915	1,556
Credit Commit. Impairment	232	555	58
Pre-tax Profit	1,863	1,675	1,306

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.37	1.51	1.53	Liquidity Coverage Ratio	144.92	160.28	149.44
ROAE	15.77	13.33	18.27	IFRS Tier 1 Leverage Ratio	3.57	3.54	3.62
Cost-to-Income	56.95	55.50	53.32	Gr. Imp. Loans/ Loans at Am. Cost	-	1.57	1.32
Core Tier 1 Ratio	11.67	11.78	12.15	Reserves/Loans at Amort. Cost	0.46	0.73	0.68

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Regional market position (Quebec)
- Profitability and credit quality
- Capitalization

## Risks / Weaknesses

- Geographical concentration risks
- Private household debt level
- Risks from capital market-related sources of income

# National Bank of Canada – Mortgage

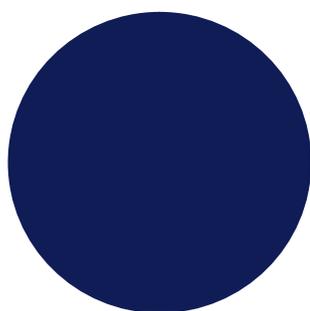
Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	11,750	Rating (Moody's)	Aaa
Amount outstanding (EURm)	7,984	Rating (S&P)	-
-thereof ≥ EUR 500m	56.4%	Rating (Fitch)	AAA
Current OC (nominal)	47.2%	Rating (DBRS)	AAA
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Canada	Collateral score	5.0%
Main region	65% Quebec	RRL	-
Number of loans	128,705	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	2.5y	PCU	6
WAL (covered bonds)	2.3y	Recovery uplift	2
Fixed interest (cover pool)	82.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	68.5%	CRR 129 (7)	Yes
LTV (indexed)	47.8%	LCR level (Bmk)	2A
LTV (unindexed)	n/a	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

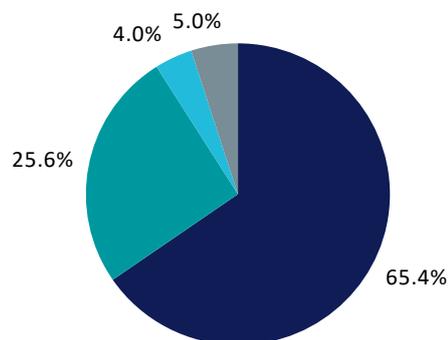
## Borrower Types



100.0%

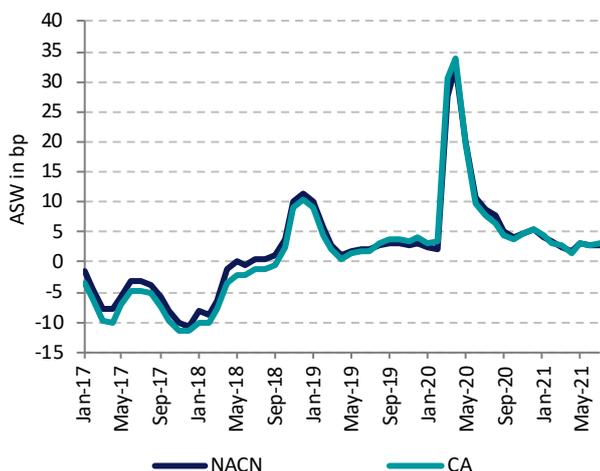
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

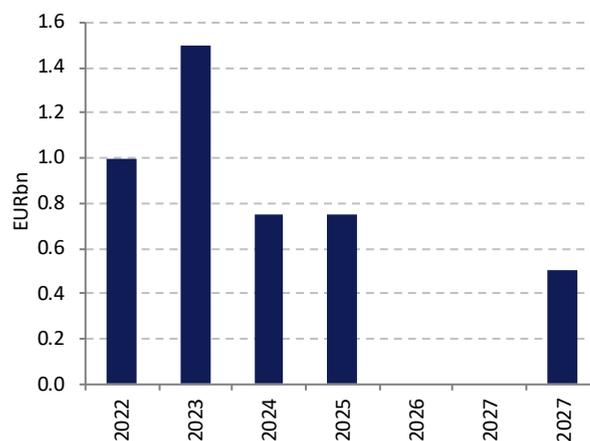


■ Quebec ■ Ontario ■ British Columbia ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Royal Bank of Canada

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	A2	Stable
S&P	AA-	Stable

## Homepage

[www.rbcroyalbank.com](http://www.rbcroyalbank.com)

Headquartered in Toronto, Royal Bank of Canada (RBC) is the second-largest Canadian bank by assets. It has been declared a global systemically important bank (G SIB) by the Financial Stability Board. RBC is, therefore, subject to the more stringent capital requirements of the lowest G-SIB category (additional capital buffer: 1%). As a universal bank with over 86,000 employees, RBC boasts a customer base in excess of 17 million, to whom it offers a broad spectrum of financial products and services. Furthermore, RBC is ranked in tenth place among investment banks in the USA (measured against global investment bank provisions; source: Dealogic). RBC reports across five main segments: Personal & Commercial Banking (PCB; 44% of earnings in FY 2020), Capital Markets (24%), Wealth Management (19%), Insurance (7%), Investor & Treasury Services (5%) and the Corporate Support segment. RBC is among the market leaders in all core areas of Canadian PCB. In geographic terms, RBC is active across a total of 36 countries, with Canada and the USA representing the bank's most important markets. The domestic market also plays a major role in the lending business, with 82% of loans awarded here. Ontario is an important market in its own right within Canada. Despite the fact that the CET1 ratio fell by 5 basis points to 12.0% quarter on quarter (Q1 2020), RBC still complies with the regulatory requirements. This decline is above all due to the introduction of IFRS 16, which goes hand in hand with an increase in the balance sheet total. At 18.6% in Q1 2021, RBC again hit its self-defined ROE target of over 16%. RBC's financial year ends on 31 October each year.

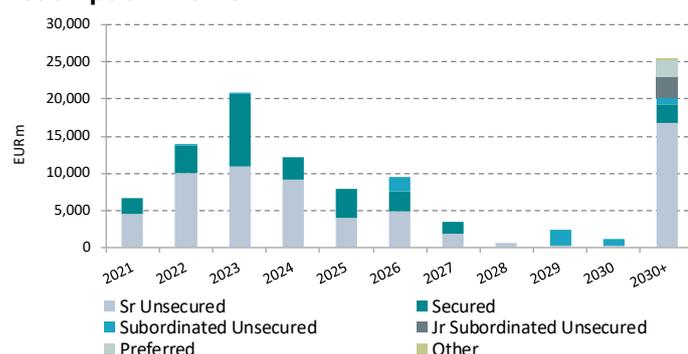
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	421,905	426,253	454,485
Total Securities	448,267	452,902	445,651
Total Deposits	586,450	623,821	669,670
Tier 1 Common Capital	42,394	43,904	47,891
Total Assets	974,175	1,047,619	1,090,016
Total Risk-weighted Assets	349,639	352,254	374,924

## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	13,219	13,764	6,466
Net Fee & Commission Inc.	11,208	11,695	6,387
Net Trading Income	1,410	1,547	1,046
Operating Expense	16,083	16,325	8,447
Credit Commit. Impairment	1,266	2,795	25
Pre-tax Profit	10,652	9,506	6,585

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.45	1.34	1.36	Liquidity Coverage Ratio	127.10	144.61	132.64
ROAE	15.76	13.43	17.47	IFRS Tier 1 Leverage Ratio	4.73	4.54	4.71
Cost-to-Income	57.32	56.81	56.15	Gr. Imp. Loans/ Loans at Am. Cost	-	0.38	0.51
Core Tier 1 Ratio	12.13	12.46	12.77	Reserves/Loans at Amort. Cost	0.51	0.86	0.77

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Earnings (low volatility)
- Loan quality
- Liquidity profile

## Risks / Weaknesses

- Private household debt level
- Capital market exposure
- Dependency on wholesale funding

# Royal Bank of Canada – Mortgage

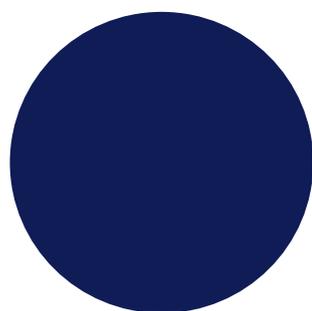
Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	61,383	Rating (Moody's)	Aaa
Amount outstanding (EURm)	42,649	Rating (S&P)	-
-thereof ≥ EUR 500m	25.2%	Rating (Fitch)	AAA
Current OC (nominal)	43.9%	Rating (DBRS)	AAA
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Canada	Collateral score	5.0%
Main region	51% Ontario	RRL	-
Number of loans	422,097	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	2.3y	PCU	6
WAL (covered bonds)	2.9y	Recovery uplift	2
Fixed interest (cover pool)	79.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	36.9%	CRR 129 (7)	Yes
LTV (indexed)	48.0%	LCR level (Bmk)	2A
LTV (unindexed)	n/a	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

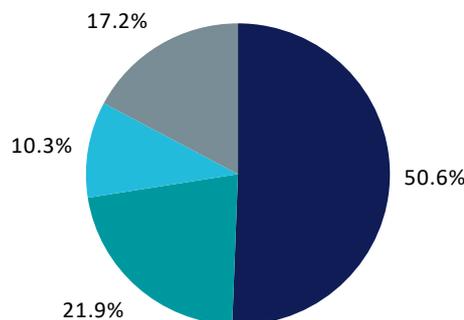
## Borrower Types



100.0%

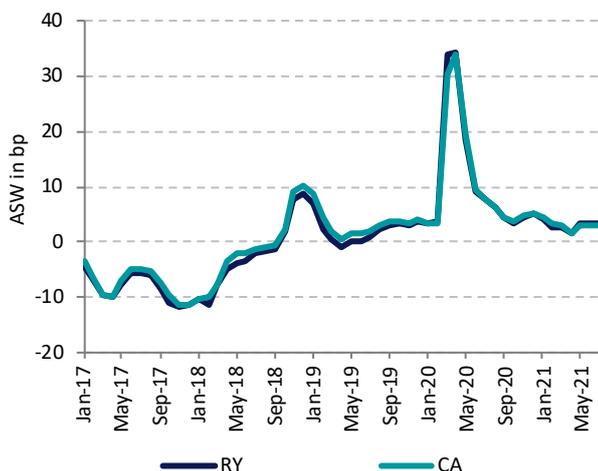
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

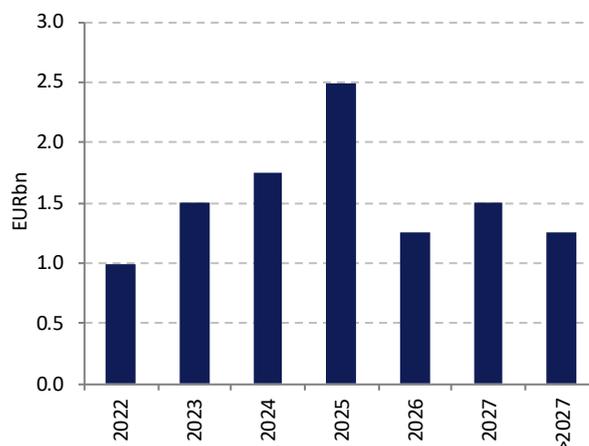


■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Toronto-Dominion Bank

Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	A1	Stable
S&P	AA-	Stable

## Homepage

[www.td.com](http://www.td.com)

Toronto-Dominion Bank (TD) and its subsidiaries together form the TD Bank Group, headquartered in Toronto. The Group is Canada's largest bank as measured by assets and is regarded as a global systemically important bank (G-SIB; additional capital buffer: 1%). According to its own information, TD is the fifth-largest bank in North America – again measured by assets. With around 90,000 employees, TD serves more than 26.5 million customers. The North American focus of the banking group is reflected in its reporting, which concentrates on the following segments: Canadian Retail (57% of net earnings; FY 2020; brand name: TD Canada Trust) and U.S. Retail (29%; brand name: TD Bank; includes profit participation of around 43% in TD Ameritrade as at FY 2020). The remaining 14% is attributable to the third main segment of Wholesale Banking (investment banking as well as capital market products and services). Both retail segments include private and corporate banking, asset consultancy services, vehicle financing in addition to insurance and credit card portfolios in Canada. With the retail segments jointly contributing 86% of net income, TD's main focus is clearly directed towards this sector. The purchase of TD Ameritrade Holding by the Charles Schwab Corporation endorsed by TD in 2019 was finally concluded in October 2020. As a result of this, TD's 43% stake in TD Ameritrade was exchanged for a stake of 13.5% in Schwab. The CET1 ratio stands at 11.7% (Q1 2020). The bank's strategy is to further strengthen its diversified retail focus and to concentrate on the North American market. TD's financial year ends on 31 October each year.

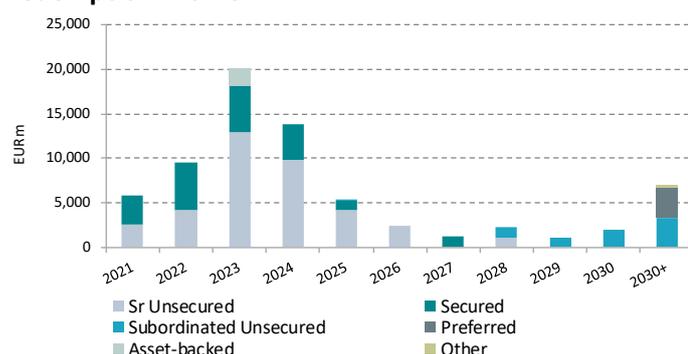
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	477,913	475,076	489,929
Total Securities	406,712	449,340	440,265
Total Deposits	683,278	764,301	804,528
Tier 1 Common Capital	37,525	40,379	43,611
Total Assets	964,873	1,106,506	1,126,281
Total Risk-weighted Assets	310,862	308,833	307,041

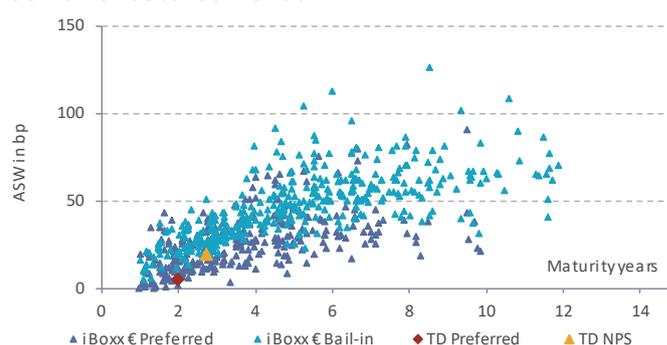
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	15,945	16,183	7,758
Net Fee & Commission Inc.	7,705	7,589	4,053
Net Trading Income	999	1,152	222
Operating Expense	14,251	14,195	7,491
Credit Commit. Impairment	2,027	4,784	-42
Pre-tax Profit	8,855	7,871	5,473

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	1.95	1.72	1.53	Liquidity Coverage Ratio	133.01	144.74	128.35
ROAE	13.88	12.99	14.64	IFRS Tier 1 Leverage Ratio	4.09	3.81	4.06
Cost-to-Income	55.62	54.62	57.80	Gr. Imp. Loans/ Loans at Am. Cost	-	0.55	0.55
Core Tier 1 Ratio	12.07	13.07	14.20	Reserves/Loans at Amort. Cost	0.65	1.14	0.98

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Market position in Canada
- Quality of loan portfolio
- Risk management

## Risks / Weaknesses

- Competitive pressure in the USA (expansion)
- Level of debt among private Canadian households
- Earnings concentration on retail banking

# Toronto-Dominion Bank – Mortgage

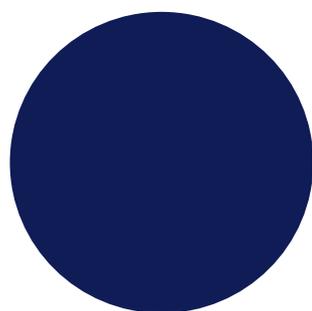
Canada

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	46,272	Rating (Moody's)	Aaa
Amount outstanding (EURm)	30,439	Rating (S&P)	-
-thereof ≥ EUR 500m	32.0%	Rating (Fitch)	-
Current OC (nominal)	52.0%	Rating (DBRS)	AAA
Committed OC	3.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Canada	Collateral score	5.0%
Main region	56% Ontario	RRL	-
Number of loans	235,411	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	2.6y	PCU	-
WAL (covered bonds)	1.5y	Recovery uplift	-
Fixed interest (cover pool)	77.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	64.1%	CRR 129 (7)	Yes
LTV (indexed)	51.6%	LCR level (Bmk)	2A
LTV (unindexed)	n/a	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

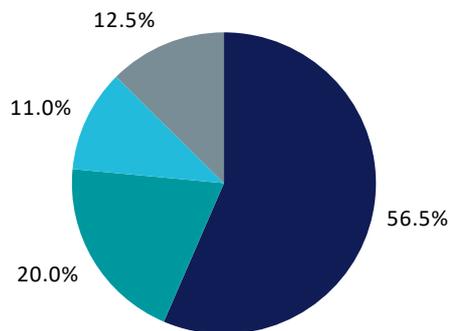
## Borrower Types



100.0%

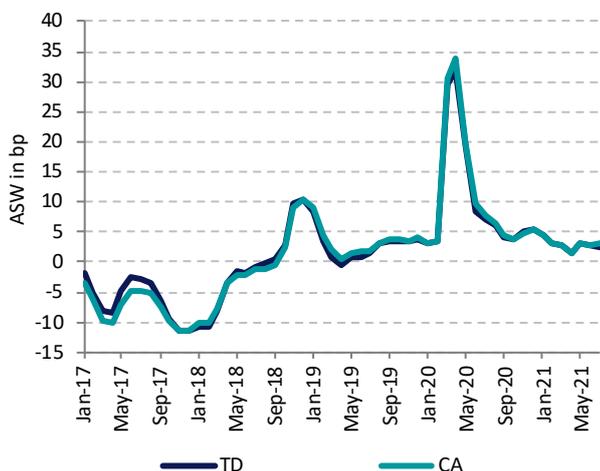
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

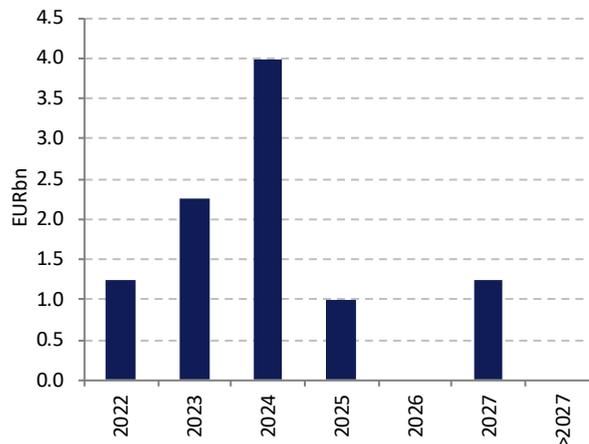


■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



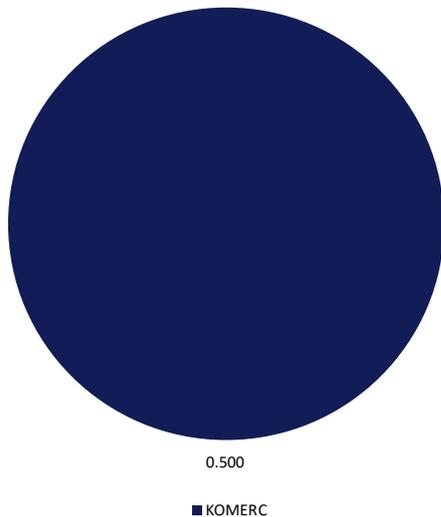
## Market Overview Covered Bonds

Czechia

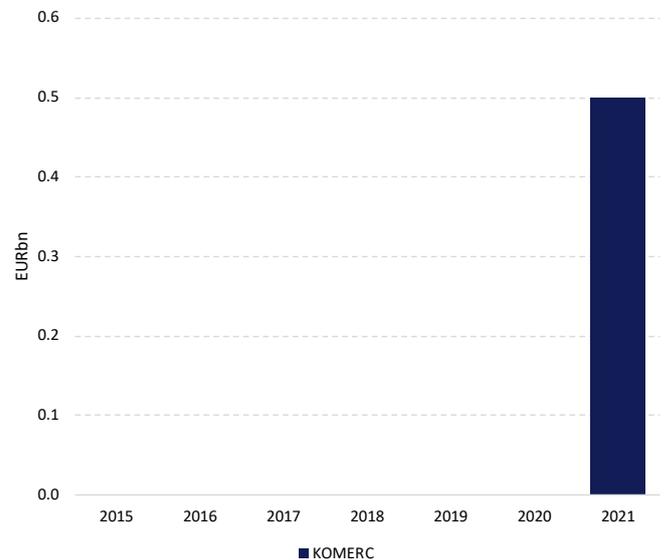
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 0.64bn	Outstanding volume (Bmk)	EUR 0.50bn
Amount outstanding	EUR 0.51bn	Number of benchmarks	1
Number of issuer	1	Outstanding ESG volume (Bmk)	-
No of cover pools	1	Number of ESG benchmarks	-
there of M / PS / others	1 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB

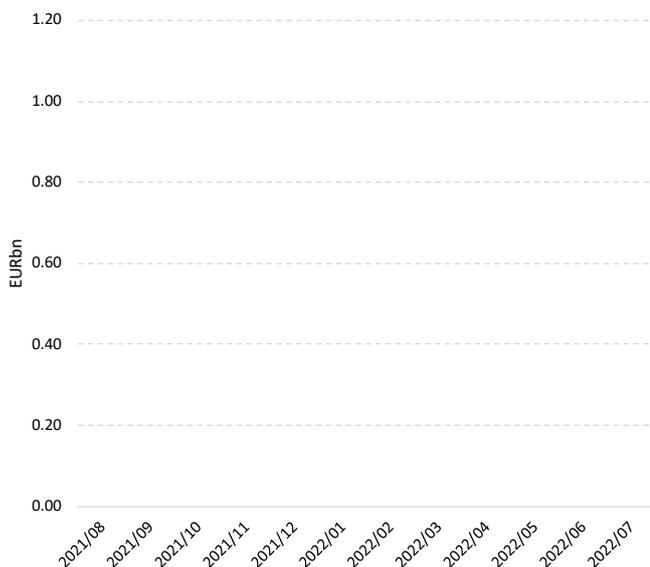
### Outstanding benchmark volume<sup>1</sup> (EURbn)



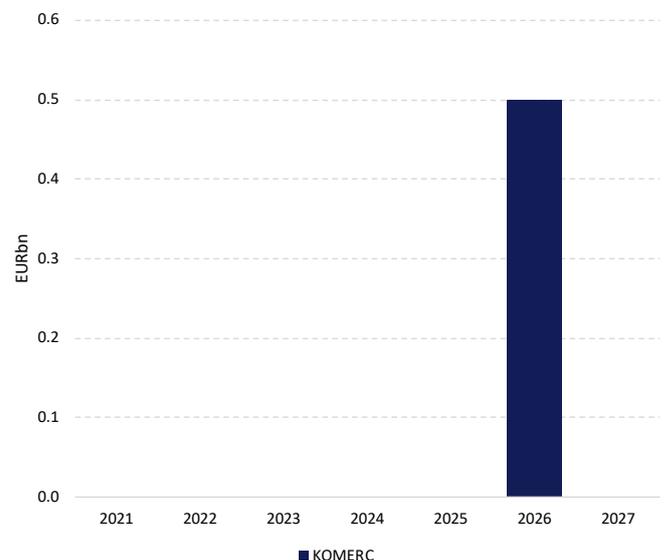
### Benchmark issuance volume<sup>1</sup>



### Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022



### Benchmark redemption profile<sup>1 2</sup>



# Komerční banka

Czechia 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Negative
Moody's	A1	Stable
S&P	A	Stable

## Homepage

[www.kb.cz](http://www.kb.cz)

Komerční Banka, a.s. (KB), founded in 1990 and operating as a joint stock company since 1992, has been part of the international Société Générale Group since 2001, which as a strategic investor holds 60.4% of the bank's outstanding shares. With almost 1.7 million customers in the Czech Republic alone, KB operates as one of the country's leading credit institutions (around 8,000 employees and more than 240 branches). As a universal bank, KB offers a wide range of retail, corporate and investment banking services. The bank also offers some of its services in Slovakia. In 2018, the institution launched its transformation program "KB Change", among other things with the aim of simplifying management and sales structures as well as converting key central functions of the bank to agile working. Following on from this plan, its implementation was followed by the announcement of the follow-up program "KB Change 2025". Komerční Banka says it is pursuing the goal of maintaining its own leading position in the new era of digital banking. KB also aims to achieve climate neutrality by 2026 with regard to its own operating activities. The institution's assets totaled CZK 1,284 billion as of March 31, 2021, with the loans and advances to customer's category accounting for the largest share at CZK 680 billion. The CIR was reported at 58.5% (previous year: 56.2%). Gross loans increased by 4.0% in the period Q1/2020 to Q1/2021. Customer deposits increased by 10.1% in the same period. The NPL ratio was reported at 2.9% for Q1/2021.

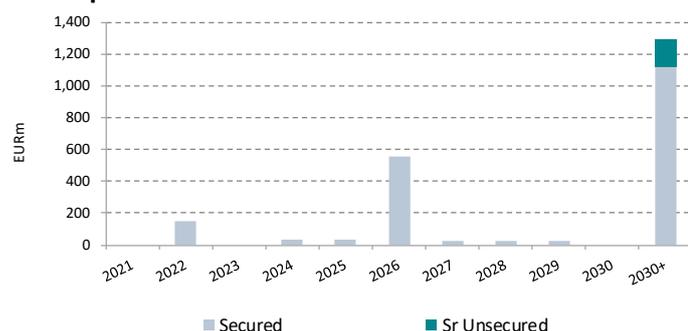
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	25,460	25,893	26,031
Total Securities	5,539	6,570	6,997
Total Deposits	32,314	34,509	38,786
Tier 1 Common Capital	3,307	3,728	3,743
Total Assets	42,378	44,445	49,168
Total Risk-weighted Assets	17,278	17,160	17,149

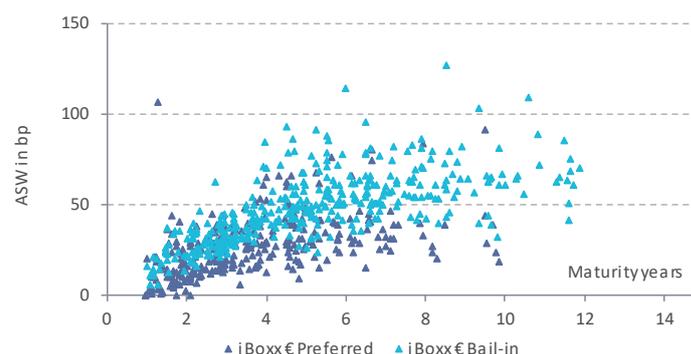
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	919	808	192
Net Fee & Commission Inc.	233	197	53
Net Trading Income	109	109	38
Operating Expense	581	566	167
Credit Commit. Impairment	-22	173	22
Pre-tax Profit	724	389	98

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	2.09	1.79	1.67	Liquidity Coverage Ratio	-	200.00
ROAE	14.52	7.37	6.99	IFRS Tier 1 Leverage Ratio	8.07	8.72
Cost-to-Income	45.37	50.08	58.00	NPL/ Loans at Amortised Cost	2.16	2.67
Core Tier 1 Ratio	19.14	21.73	21.82	Reserves/Loans at Amort. Cost	1.54	1.87
						2.18

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Liquidity profile
- Cost efficiency

## Risks / Weaknesses

- Geographical concentration
- Credit concentration

# Komerční banka – Mortgage

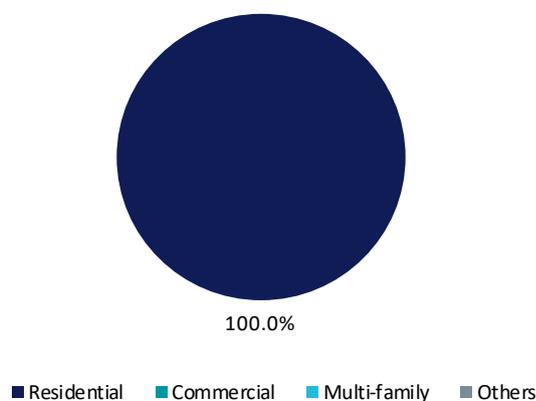
Czechia 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

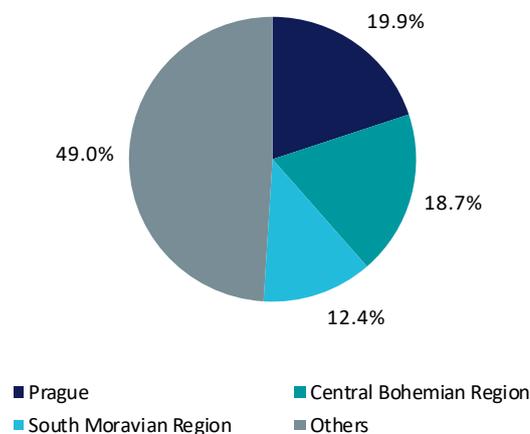
## Cover Pool Data

Cover pool volume (EURm)	641	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	25.0%	Rating (DBRS)	-
Committed OC	5.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Czechia	Collateral score	-
Main region	20% Prague	RRL	-
Number of loans	12,412	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	11.4y	PCU	5
WAL (covered bonds)	4.8y	Recovery uplift	1
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	63.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

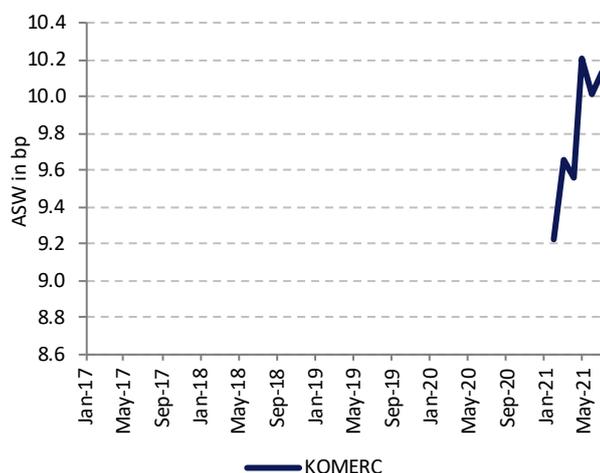
## Borrower Types



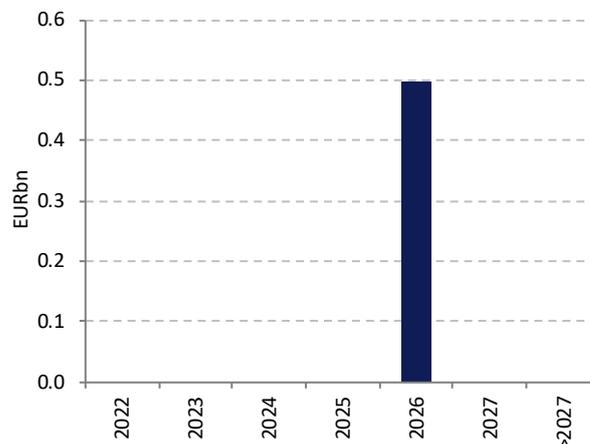
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



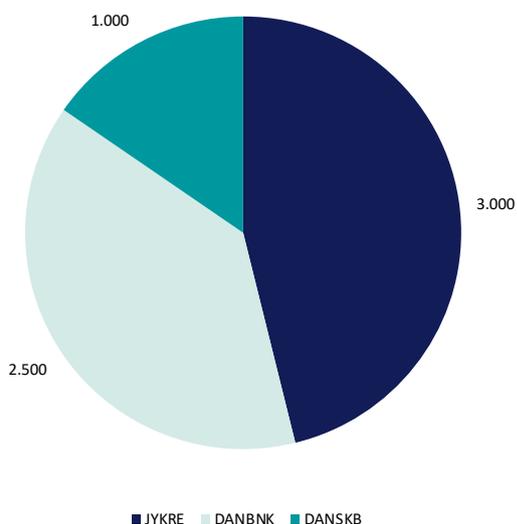
# Market Overview Covered Bonds

Denmark

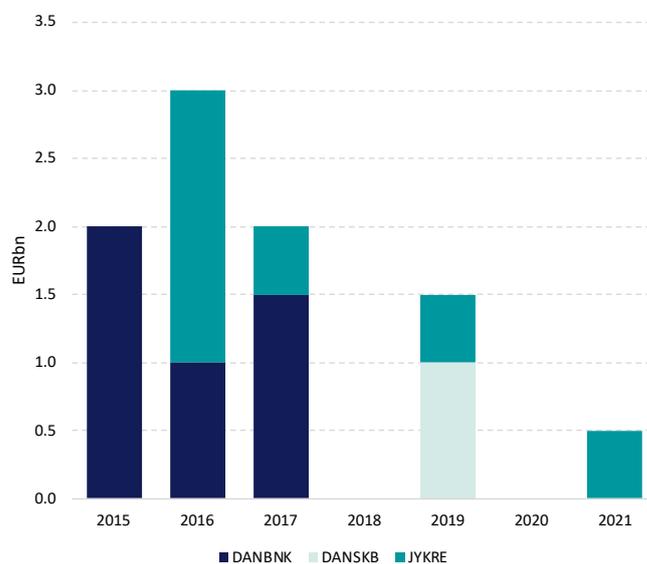
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 66.76bn	Outstanding volume (Bmk)	EUR 6.50bn
Amount outstanding	EUR 59.44bn	Number of benchmarks	10
Number of issuer	3	Outstanding ESG volume (Bmk)	-
No of cover pools	4	Number of ESG benchmarks	-
there of M / PS / others	3 / 0 / 1	Outstanding volume (SBmk)	-
Ratings (low / high)	A / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	HB, SB

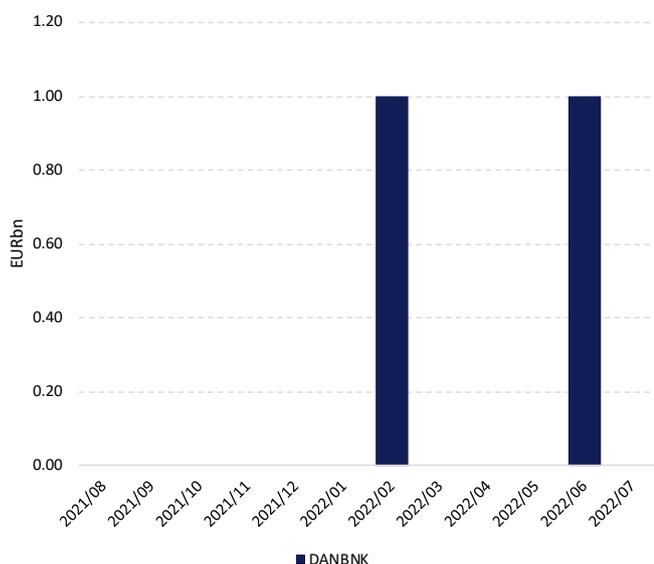
Outstanding benchmark volume<sup>1</sup> (EURbn)



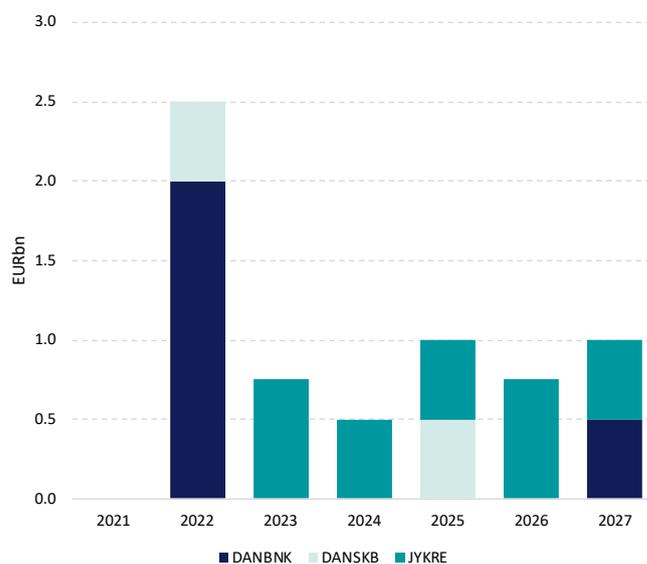
Benchmark issuance volume<sup>1</sup>



Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022



Benchmark redemption profile<sup>1 2</sup>



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Danish Ship Finance

# Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa2	Stable
S&P	BBB+	Stable

## Homepage

[www.shipfinance.dk](http://www.shipfinance.dk)

Danish Ship Finance (DSF, Danmarks Skibskredit) is a special financier for the maritime industry and ranks among the top 20 ship financiers worldwide. The bank is listed on the Nasdaq Copenhagen and has two relevant owners: The Danish Maritime Fund (10%) and Danish Ship Finance Holding (86.6%; also features several owners) in addition to several other minority shareholders (3.4%). Around 90% of the loan portfolio is attributable to customers headquartered in Europe. The business model of DSF is based on the following three pillars: lending (financing provided to ship owners), investments (investments in equity capital) and funding (financing for lending business and macro hedging). The loan portfolio of around EUR 4.5bn (DKK 33.576bn) is managed from a single office in Copenhagen by a team of 79 employees. Refinancing of the mortgage portfolio takes place almost exclusively by way of covered bond issuances on the Danish bond market. Following an inaugural issue of two EUR-dominated covered bonds in benchmark format (2019: EUR 1bn), a volume of DDK 7.9bn (EUR 1.06m) was placed in 2020. Strategically, DSF plans to focus on and strengthen its core business, streamline processes and, in so doing, increase profitability and diversify income sources. Additionally, the high-risk shipping lending segment is also reflected in an NPL ratio of 7.2% for 2020 (FY 2019: 10.2%), which in comparison with universal banks is a high value. The LTV of the loan book stands at 53%. In addition, all loans are secured by primary mortgages and insurance policies. The CET1 ratio amounts to 22.3% (FY 2020; previous year: 18.5%).

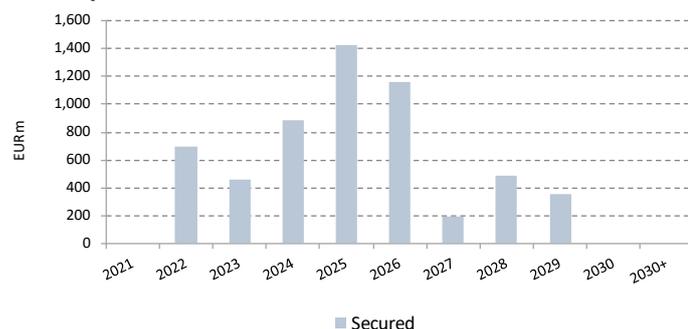
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	4,921	5,230	4,292
Total Securities	3,183	3,523	3,492
Total Deposits	-	-	-
Tier 1 Common Capital	1,202	1,213	1,230
Total Assets	8,352	8,943	8,035
Total Risk-weighted Assets	6,327	6,560	5,514

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	86	85	73
Net Fee & Commission Inc.	4	3	3
Net Trading Income	-18	-26	-20
Operating Expense	19	21	21
Credit Commit. Impairment	5	-0	13
Pre-tax Profit	46	40	21

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	357.38	724.42	571.82
ROAE	2.83	2.46	1.26	IFRS Tier 1 Leverage Ratio	14.55	13.73	15.59
Cost-to-Income	27.00	34.27	37.53	NPL/ Loans at Amortised Cost	14.62	10.87	7.53
Core Tier 1 Ratio	19.00	18.49	22.31	Reserves/Loans at Amort. Cost	6.39	4.93	3.95

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capitalisation
- Funding and liquidity

## Risks / Weaknesses

- Cyclical risks on the ship financing market
- No recourse to central bank funding possible

# Danish Ship Finance – Ship (Capital Centre A)

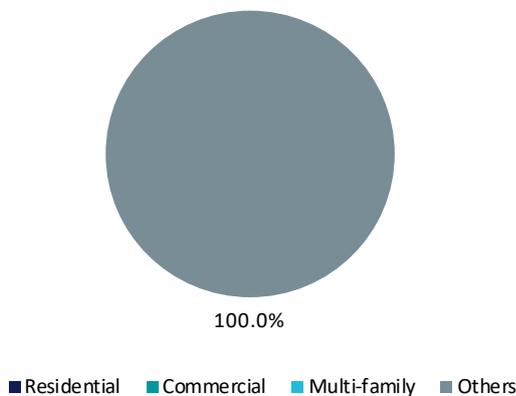
Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

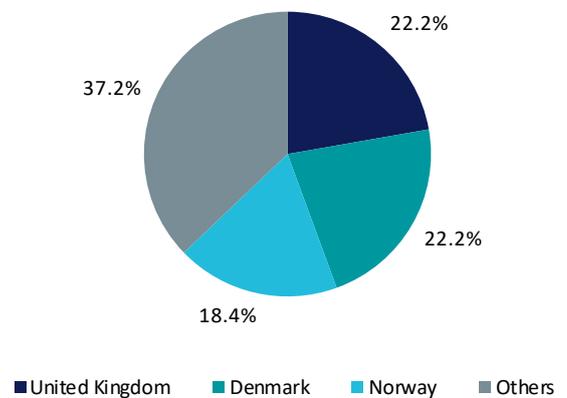
## Cover Pool Data

Cover pool volume (EURm)	1,068	Rating (Moody's)	-
Amount outstanding (EURm)	872	Rating (S&P)	A
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	22.5%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Ship	TPI leeway	-
Main country	22% United Kingdom	Collateral score	-
Main region	n/a	RRL	a-
Number of loans	88	JRL	a
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	n/a
WAL (cover pool)	2.1y	PCU	-
WAL (covered bonds)	2.7y	Recovery uplift	-
Fixed interest (cover pool)	1.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	2A
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

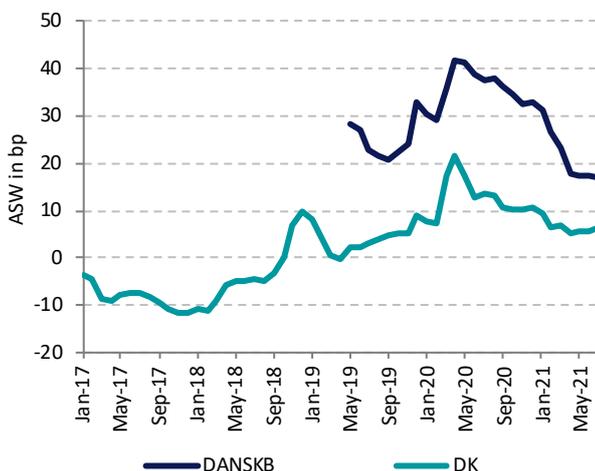
## Borrower Types



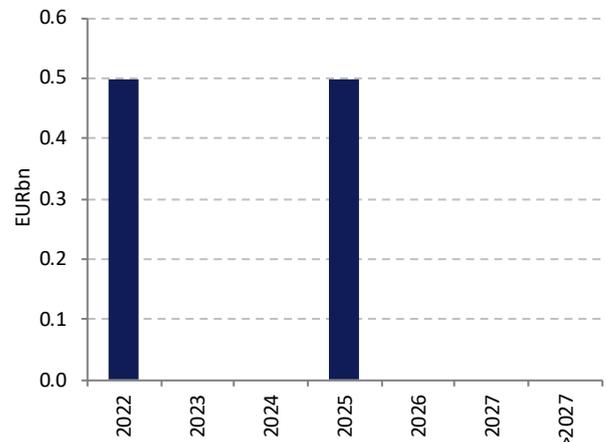
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Danske Bank

# Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Stable
Moody's	A3	Stable
S&P	A	Stable

## Homepage

[www.danskebank.com](http://www.danskebank.com)

Danske Bank A/S (Danske; headquarters: Copenhagen) is the largest bank in Denmark and functions as parent company for the Group. Danske is listed on the Nasdaq Copenhagen. The largest shareholder is AP Moller Holding (Mærsk Group) with a stake of 21.3%. The universal bank, which was founded in 1871, lists Denmark (DK), Finland (FI), Norway (NO) and Sweden (SE) as its primary markets. With combined pre-tax earnings of DKK 15bn, its key segments are Banking Denmark (43%), Banking Nordic (25%), Corporates & Institutions (11%) and Wealth Management (20%). The segments Non-core and Other Activities have posted losses totalling DKK 1.67bn. Important strategic goals for Danske include strengthening franchises in the Nordic countries (market shares for loans: DK: 25.5%, FI: 9.9%, SE: 5.4% and NO: 6.5%) in addition to digitalisation. The announced discontinuation of banking activities in Estonia, Lithuania, Latvia and Russia has been implemented. The investigations carried out both, internally and by the US authorities, regarding the money laundering scandal have now been closed. State investigations in Estonia, Denmark and France in addition to civil suits from current and former investors are still pending at present. In 2020, DKK 4.1bn was spent to cover the costs incurred by this. As at the end of 2020, Danske's CET1 ratio stood at 18.3% (own target: 16%). The national supervisory authority has set the MREL requirement at 36.1% of REA. The MREL ratio of the Group as at the end of FY 2020 stood at 43.9%, while at 1.2%, the NPL ratio has fallen by 0.2 percentage point's year on year. As at the reporting date, the LCR amounted to 154%.

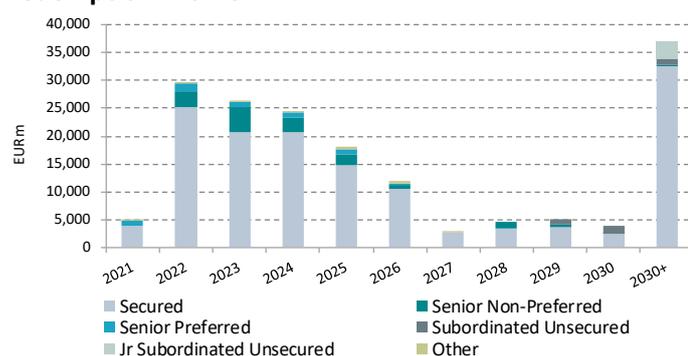
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	287,732	275,138	274,845
Total Securities	104,410	131,625	128,415
Total Deposits	152,658	179,193	185,939
Tier 1 Common Capital	17,754	19,310	19,432
Total Assets	503,324	552,073	547,564
Total Risk-weighted Assets	102,668	105,355	107,249

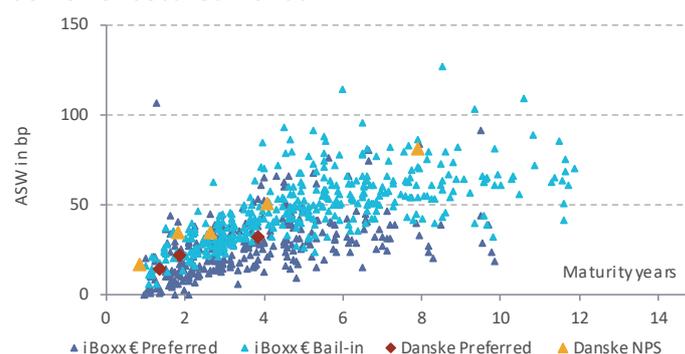
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	3,736	3,772	882
Net Fee & Commission Inc.	1,411	1,533	426
Net Trading Income	4,077	2,606	1,037
Operating Expense	3,919	4,352	1,003
Credit Commit. Impairment	171	951	60
Pre-tax Profit	1,851	846	545

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	0.89	0.84	0.77	Liquidity Coverage Ratio	140.26	153.35	151.10
ROAE	9.22	2.75	7.40	IFRS Tier 1 Leverage Ratio	3.84	3.85	3.83
Cost-to-Income	63.11	69.33	62.38	NPL/ Loans at Amortised Cost	3.48	3.22	4.74
Core Tier 1 Ratio	17.29	18.33	18.12	Reserves/Loans at Amort. Cost	2.03	2.23	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Franchise in Denmark and the Nordics
- Diversified income sources
- Capitalisation

## Risks / Weaknesses

- Dependency on wholesale funding
- Money laundering scandal and associated costs
- Cost base

# Danske Bank – Mortgage (Pool I)

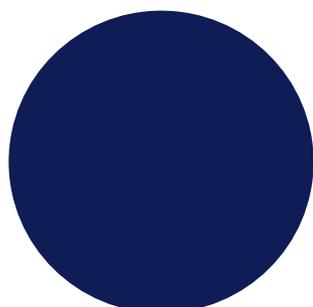
Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

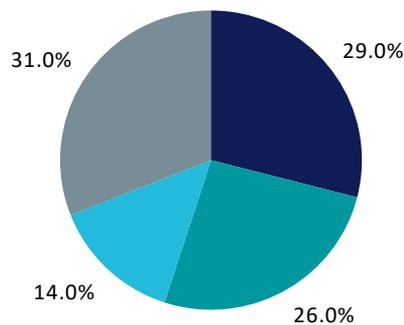
Cover pool volume (EURm)	15,643	Rating (Moody's)	-
Amount outstanding (EURm)	12,847	Rating (S&P)	AAA
-thereof ≥ EUR 500m	7.8%	Rating (Fitch)	AAA
Current OC (nominal)	21.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	97% Norway	Collateral score	-
Main region	29% Vestfold, Telemark & Viken	RRL	aa-
Number of loans	72,548	JRL	aaa
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	5.98
WAL (cover pool)	22.1y	PCU	5
WAL (covered bonds)	3.2y	Recovery uplift	1
Fixed interest (cover pool)	12.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	49.2%	CRR 129 (7)	Yes
LTV (indexed)	55.0%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



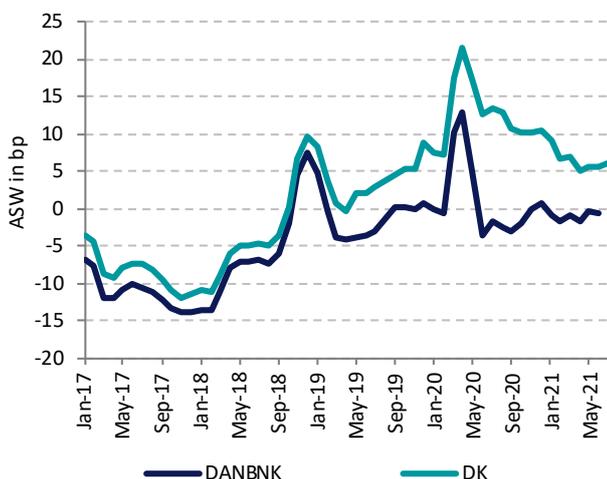
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

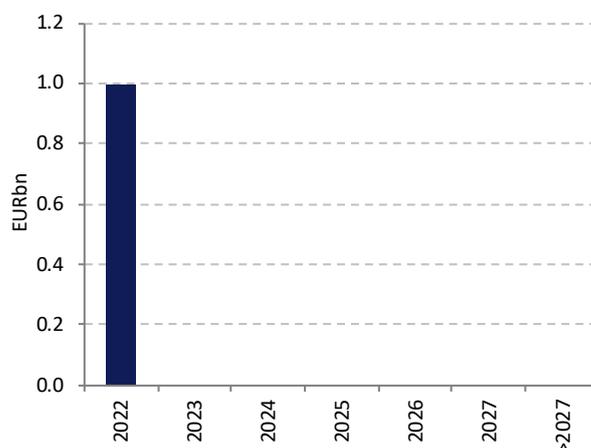


■ Vestfold, Telemark & Viken ■ Oslo ■ Trondelag ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Danske Bank – Mortgage (Pool C)

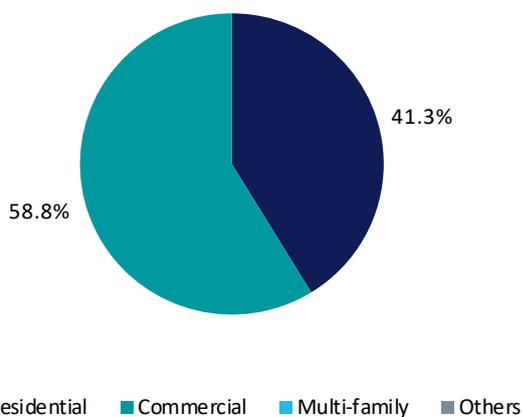
Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

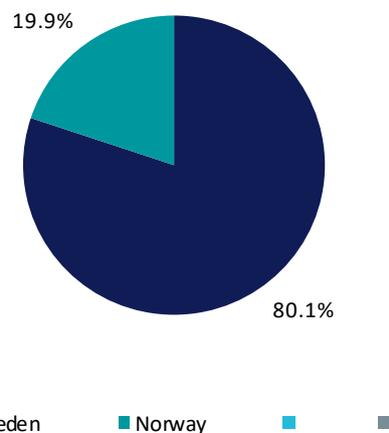
## Cover Pool Data

Cover pool volume (EURm)	7,588	Rating (Moody's)	-
Amount outstanding (EURm)	5,808	Rating (S&P)	AAA
-thereof ≥ EUR 500m	25.8%	Rating (Fitch)	AAA
Current OC (nominal)	30.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	80% Sweden	Collateral score	-
Main region	22% Greater Stockholm	RRL	aa-
Number of loans	5,125	JRL	aaa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	12.31
WAL (cover pool)	2.0y	PCU	5
WAL (covered bonds)	2.9y	Recovery uplift	2
Fixed interest (cover pool)	43.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	47.0%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

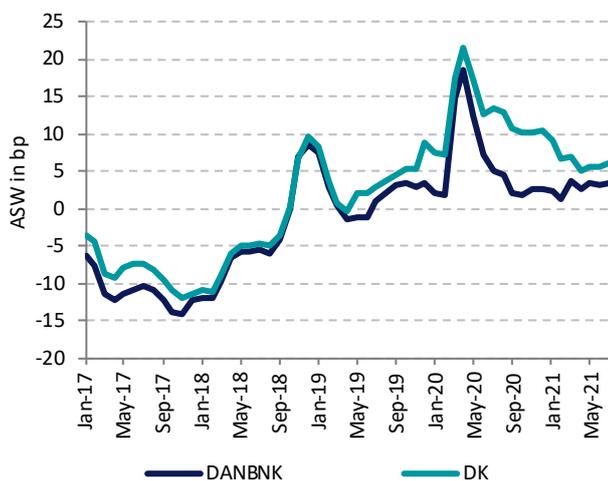
## Borrower Types



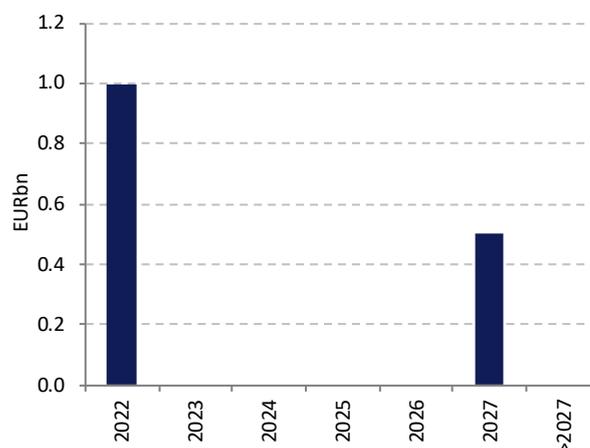
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Jyske Bank

## Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A2	Stable
S&P	A	Stable

### Homepage

[www.jyskebank.com](http://www.jyskebank.com)

The Jyske Bank Group (Jyske), headquartered in Silkeborg, is a domestic systemically important bank (D-SIB) in Denmark and employs around 3,300 staff. The Group serves approximately 865,000 customers. Alongside Denmark (78% of the loan portfolio: FY 2020), where the Group is represented by just under 100 branches, Jyske also operates selectively in other countries. The Jyske Group's market share on the domestic market stands at around 12% for both the loan and deposit businesses. The Jyske Group reports across three segments: Banking (28% of pre-tax profit: FY 2020), Mortgage (55%) and Leasing (16%). Like many other banks, Jyske is focusing on digitalisation and developing close ties to its customers. Additionally, Jyske is seeking to expand its business operations in the areas of asset management and trade. However, the customer focus lies on retail customers and SMEs. The sale of the subsidiary Jyske Bank (Gibraltar) that was started in 2019 was completed in April 2020. The mortgage lending business is conducted via the subsidiary Jyske Realkredit, which is funded through the placement of covered bonds. Jyske Finans is responsible for leasing and Jyske Bank covers the banking business. The bank's mortgage loan portfolio, as at year-end 2020, is predominantly composed of owner-occupied houses (48%), followed by private rental property (16%) and subsidised housing (16%). The CET1 ratio as at year-end 2020 stood at 17.9%. The CET1 target for the coming two to three years has been set at 15%-17%. In view of the full subordination of MREL requirements from 2022 onwards in Denmark, senior preferred bonds that are falling due are being replaced by NPS issuances.

### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	65,026	66,016	65,707
Total Securities	15,631	16,772	16,672
Total Deposits	18,205	17,853	18,221
Tier 1 Common Capital	4,236	4,325	4,430
Total Assets	86,951	90,370	91,791
Total Risk-weighted Assets	24,282	24,106	24,648

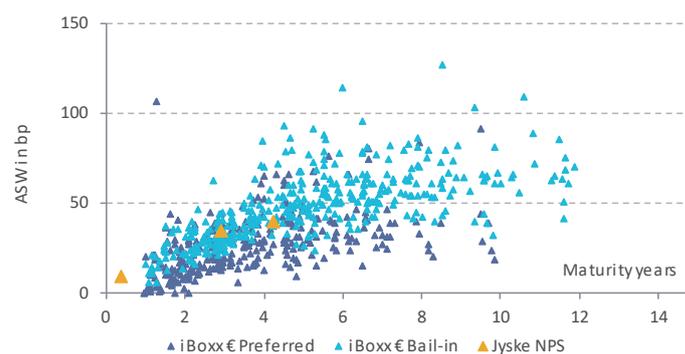
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	711	677	166
Net Fee & Commission Inc.	310	281	77
Net Trading Income	21	77	58
Operating Expense	730	710	176
Credit Commit. Impairment	-14	130	1
Pre-tax Profit	412	283	152

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	0.85	0.78	0.74	Liquidity Coverage Ratio	251.65	339.00	173.00
ROAE	6.94	4.55	9.56	IFRS Tier 1 Leverage Ratio	5.08	5.04	5.04
Cost-to-Income	64.37	62.22	53.51	NPL/ Loans at Amortised Cost	6.93	5.82	5.64
Core Tier 1 Ratio	17.45	17.94	17.97	Reserves/Loans at Amort. Cost	3.22	3.44	3.40

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Group franchise in Denmark
- Capitalisation and liquidity
- Income sources and profitability

### Risks / Weaknesses

- Dependency on capital market funding
- Geographical risk concentration (Denmark)
- Low interest rate environment

# Jyske Realkredit – Mortgage (Pool E)

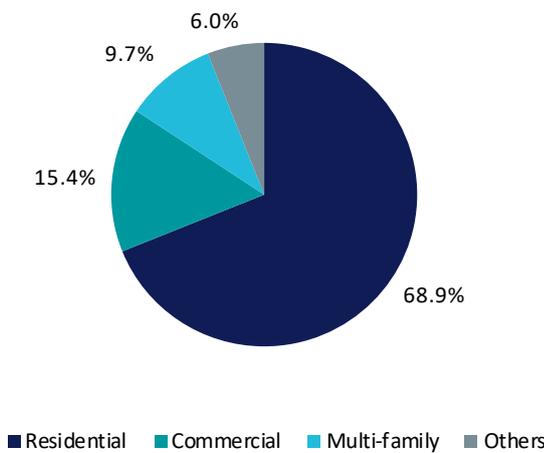
Denmark

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

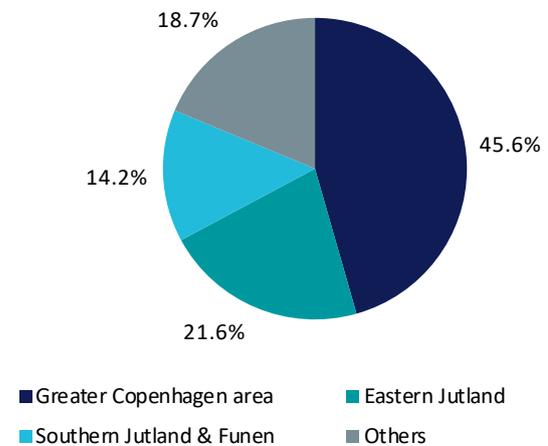
## Cover Pool Data

Cover pool volume (EURm)	42,464	Rating (Moody's)	-
Amount outstanding (EURm)	39,916	Rating (S&P)	AAA
-thereof ≥ EUR 500m	7.5%	Rating (Fitch)	-
Current OC (nominal)	6.4%	Rating (DBRS)	-
Committed OC	0.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	99% Denmark	Collateral score	-
Main region	46% Greater Copenhagen area	RRL	aa-
Number of loans	139,666	JRL	aaa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	24.4y	PCU	-
WAL (covered bonds)	11.8y	Recovery uplift	-
Fixed interest (cover pool)	68.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	85.6%	CRR 129 (7)	Yes
LTV (indexed)	55.5%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

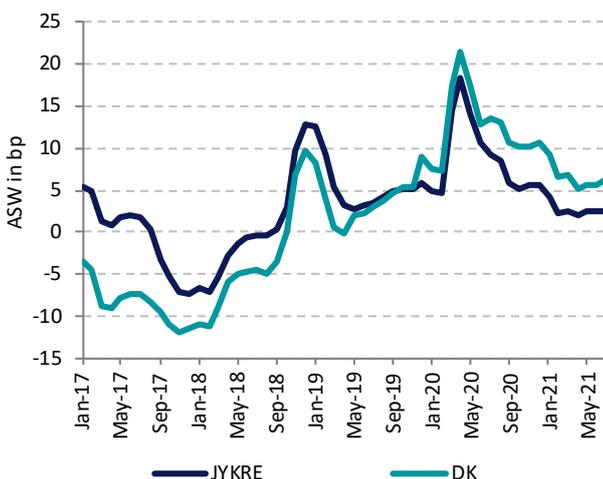
## Borrower Types



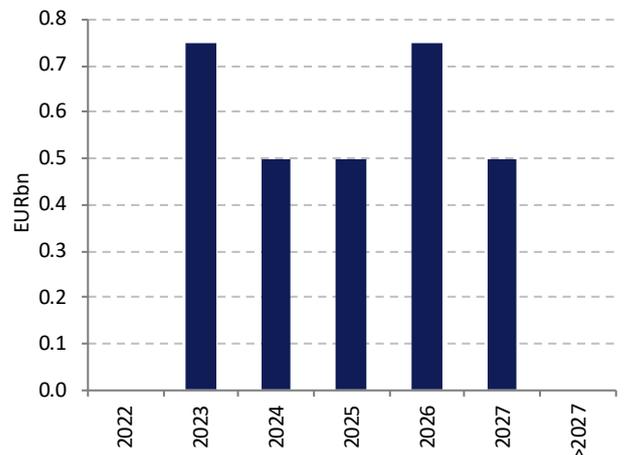
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



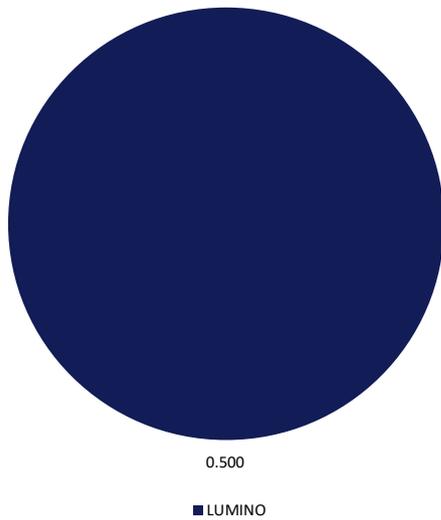
# Market Overview Covered Bonds

Estonia

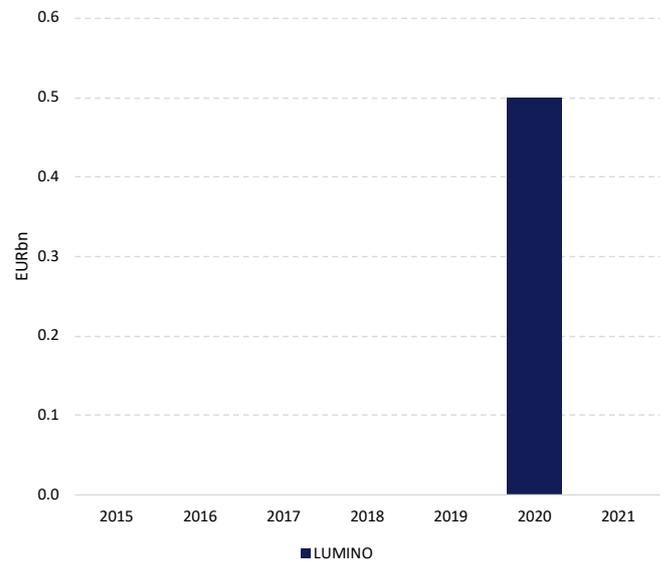
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 3.02bn	Outstanding volume (Bmk)	EUR 0.50bn
Amount outstanding	EUR 0.85bn	Number of benchmarks	1
Number of issuer	2	Outstanding ESG volume (Bmk)	-
No of cover pools	2	Number of ESG benchmarks	-
there of M / PS / others	2 / 0 / 0	Outstanding volume (SBmk)	EUR 0.25bn
Ratings (low / high)	AA+ / AA+	Number of subbenchmarks	1
Best possible LCR level	Level 1	Maturity types	SB

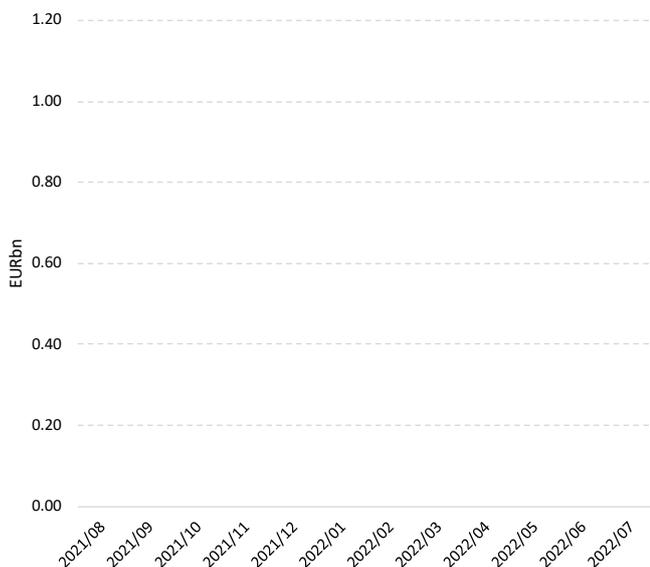
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



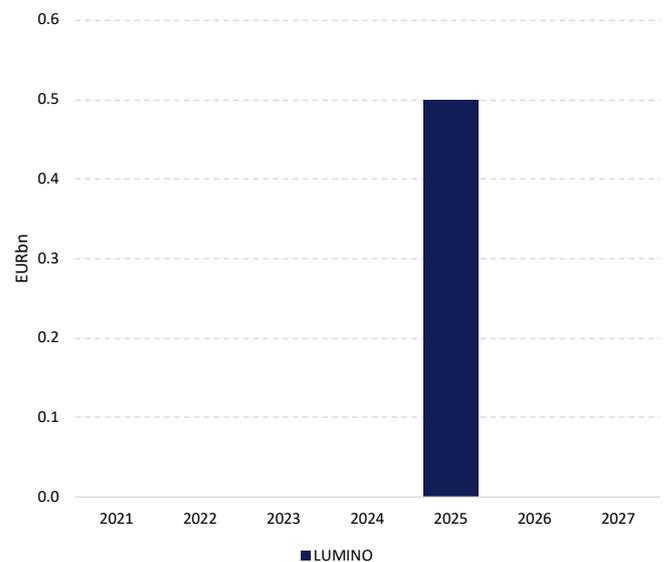
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# LHV Pank

# Estonia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Positive
S&P	-	-

## Homepage

[www.lhv.ee](http://www.lhv.ee)

\*LT Deposits

LHV Pank was established in 1999 and is a wholly owned subsidiary of the LHV Group, which has been listed on the Nasdaq Tallinn since 2015. The major shareholders of the Group are AS Lõhmus Holdings, with a stake of 12.43%, and Rain Lõhmus, with 8.72% (as at: 30 April 2021). In addition to LHV Pank, LHV Varahaldus (asset management) and Cuber Technology (payment transactions) are also important subsidiaries of the Group. LHV Pank employs more than 470 staff, who serve a total of around 259,000 customers from branches in Tallinn, Tartu and London. In addition to daily payment transaction services, it also offers services in the area of residential financing and asset investments. In addition, corporate clients are offered payment transaction services as well as individual financial solutions. According to data from the bank itself, LHV Pank held a market share of 10% in retail loans and 16% in corporate loans as at year-end 2020, making it one of the three largest banks in Estonia in these segments. Overall, LHV Pank has experienced a phase of expansion over the past few years, which is reflected in growth of customer numbers (+28% in FY 2020), deposit volume (+52%) and loan volume (+32%). This can be attributed to various acquisitions, among other aspects. For example, in January 2020, LHV Pank took over the loan portfolio of Versobank and in October 2020, it acquired the remaining municipal and corporate client portfolio of Danske Estonia. In March 2020, LHV Pank was authorised by the ECB to issue covered bonds, enabling it to diversify its capital market funding.

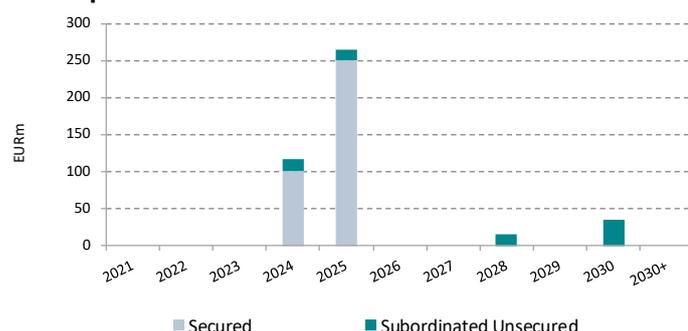
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	919	1,687	2,209
Total Securities	39	33	323
Total Deposits	1,470	2,739	4,610
Tier 1 Common Capital	114	159	201
Total Assets	1,649	3,005	4,939
Total Risk-weighted Assets	839	1,300	1,472

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	39	48	69
Net Fee & Commission Inc.	11	13	18
Net Trading Income	0	0	1
Operating Expense	26	33	36
Credit Commit. Impairment	5	3	11
Pre-tax Profit	21	25	41

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.21	2.08	1.85	Liquidity Coverage Ratio	143.90	142.60	146.50
ROAE	16.09	15.51	18.35	IFRS Tier 1 Leverage Ratio	6.91	5.28	4.07
Cost-to-Income	49.94	53.22	40.97	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.56	12.19	13.65	Reserves/Loans at Amort. Cost	1.11	0.36	0.76

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Liquidity profile
- Cost efficiency

## Risks / Weaknesses

- Volatile funding
- Regional concentration

# LHV Pank – Mortgage

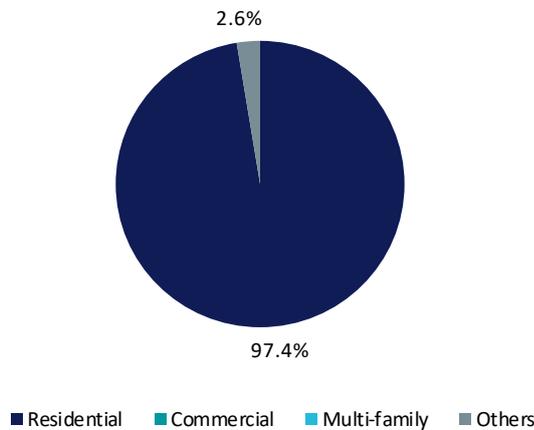
Estonia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

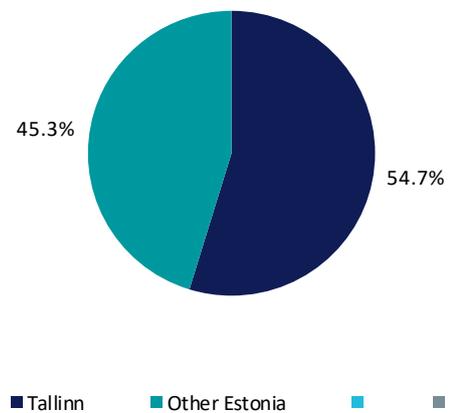
## Cover Pool Data

Cover pool volume (EURm)	467	Rating (Moody's)	Aa1
Amount outstanding (EURm)	350	Rating (S&P)	-
-thereof ≥ EUR 250m	71.4%	Rating (Fitch)	-
Current OC (nominal)	33.4%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	0
Main country	100% Estonia	Collateral score	10.0%
Main region	55% Tallinn	RRL	-
Number of loans	8,331	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	10.5y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	0.1%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	49.0%	LCR level (SBmk)	2A
LTV (unindexed)	57.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

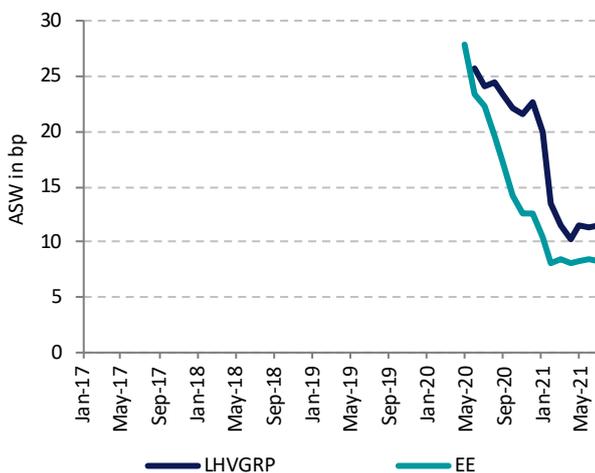
## Borrower Types



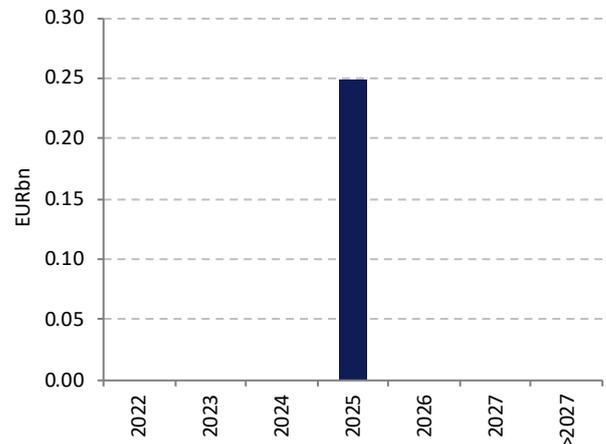
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Luminor Bank

## Estonia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	Baa1	Positive
S&P	-	-

### Homepage

[www.luminor.ee](http://www.luminor.ee)

\*LT Deposits

Luminor Bank AS (Luminor) operates as a pan-Baltic credit institute in Estonia (headquarters), Latvia and Lithuania, with business activities being carried out via subsidiaries in the latter two countries since 02 January 2019. The bank was formed in 2017 following the merger of the business activities of DNB Bank and Nordea Bank in the three Baltic countries. According to data from Luminor itself, the institute is the third largest bank in the Baltic region. With around 2,380 staff, it offers roughly 900,000 retail and corporate clients a broad spectrum of financial products and services. As at Q4 2020, its market shares amounted to 16.1% in the deposit business and 17.2% for loans. As at year-end 2020, customer deposits dominated the funding of the institute, with a share of around 80%. Having received approval for the issuance of covered bonds, funding will be diversified to a greater extent in the future. As such, Luminor is one of two Estonian credit institutes which are authorised to issue covered bonds. In March 2020, Luminor placed a EUR 500m covered bond with a five-year term to maturity. In February 2020, Luminor announced the purchase of part of the Latvian corporate client portfolio of Danske Bank worth EUR 35m. Moreover, in February, corporate client loans worth EUR 54m were acquired from Nordea. The problem loan ratio was 3.1% in Q1/2021 (Q1/2020: 3.9%). The CET1 ratio was 23.4% in Q1/2021 (Q1/2020: 20.5%). The LCR (197%) and the NSFR (160%) exceeded the regulatory requirements.

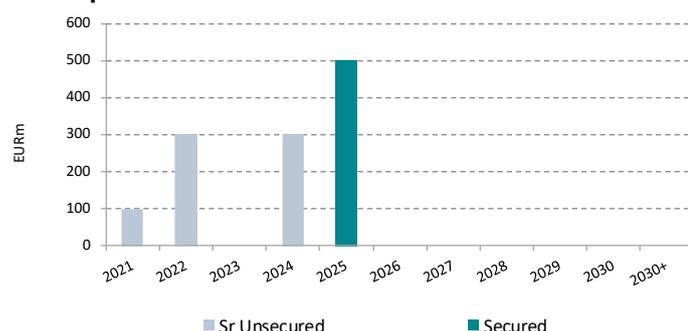
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	11,472	10,223	9,431
Total Securities	198	290	331
Total Deposits	9,070	10,235	11,822
Tier 1 Common Capital	1,661	1,567	1,586
Total Assets	15,306	13,739	14,924
Total Risk-weighted Assets	9,206	7,969	7,086

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	259	254	227
Net Fee & Commission Inc.	84	77	74
Net Trading Income	29	34	28
Operating Expense	224	290	275
Credit Commit. Impairment	-	-	-
Pre-tax Profit	140	59	36

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	4.98	1.82	1.66	Liquidity Coverage Ratio	189.00	149.80	197.20
ROAE	19.57	3.18	2.03	IFRS Tier 1 Leverage Ratio	10.88	11.46	10.67
Cost-to-Income	61.46	77.41	83.62	NPL/ Loans at Amortised Cost	5.52	3.81	3.24
Core Tier 1 Ratio	18.04	19.66	22.39	Reserves/Loans at Amort. Cost	1.75	1.78	1.43

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalisation
- Funding profile

### Risks / Weaknesses

- Profitability
- NPL ratio

# Luminor Bank – Mortgage

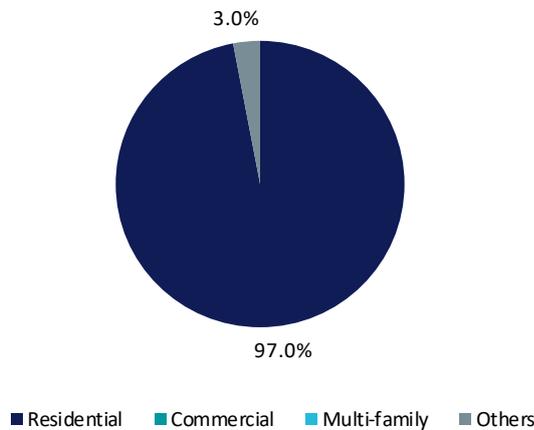
Estonia

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

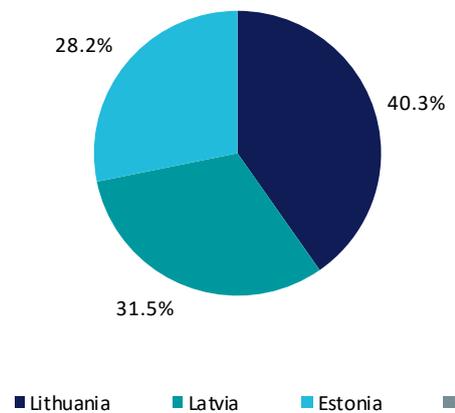
## Cover Pool Data

Cover pool volume (EURm)	2,556	Rating (Moody's)	Aa1
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	411.3%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	0
Main country	40% Lithuania	Collateral score	10.0%
Main region	22% Other Lithuania	RRL	-
Number of loans	58,289	JRL	-
Number of borrowers	54,230	Unused notches	-
Avg. exposure to borrowers (EUR)	47,138	AAA credit risk (%)	-
WAL (cover pool)	10.5y	PCU	-
WAL (covered bonds)	4.0y	Recovery uplift	-
Fixed interest (cover pool)	2.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	53.6%	LCR level (Bmk)	1
LTV (unindexed)	60.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

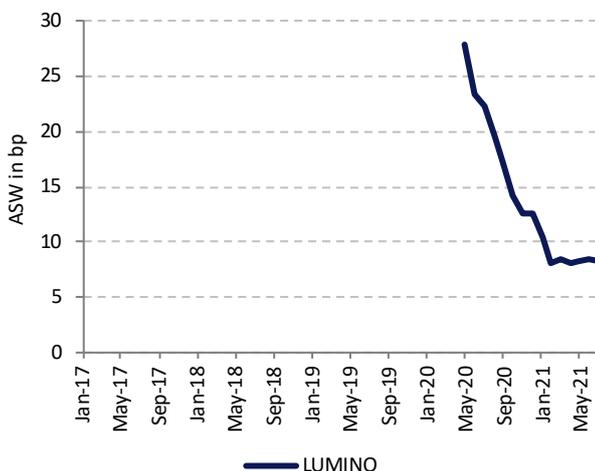
## Borrower Types



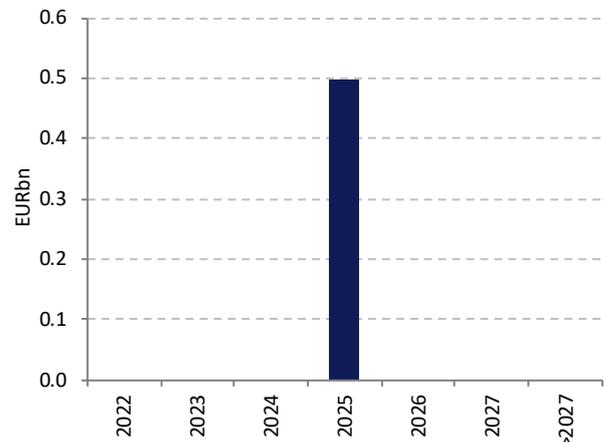
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



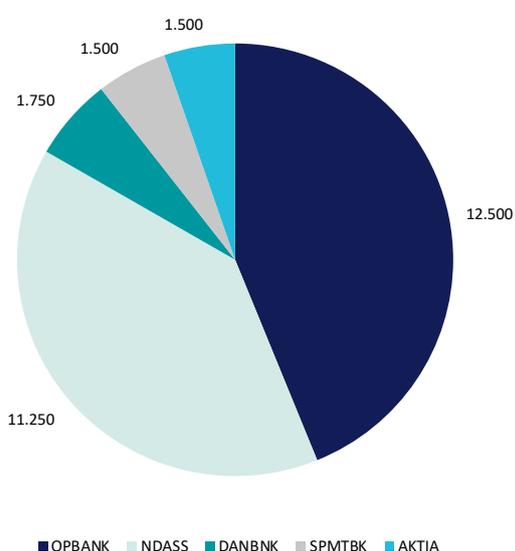
# Market Overview Covered Bonds

Finland

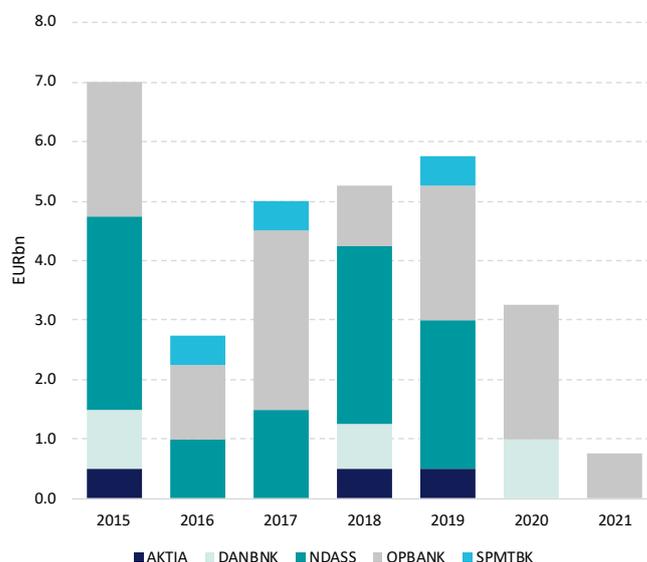
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 53.79bn	Outstanding volume (Bmk)	EUR 28.50bn
Amount outstanding	EUR 45.27bn	Number of benchmarks	30
Number of issuer	8	Outstanding ESG volume (Bmk)	EUR 0.75bn
No of cover pools	8	Number of ESG benchmarks	1
there of M / PS / others	8 / 0 / 0	Outstanding volume (SBmk)	EUR 3.05bn
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	10
Best possible LCR level	Level 1	Maturity types	HB, SB

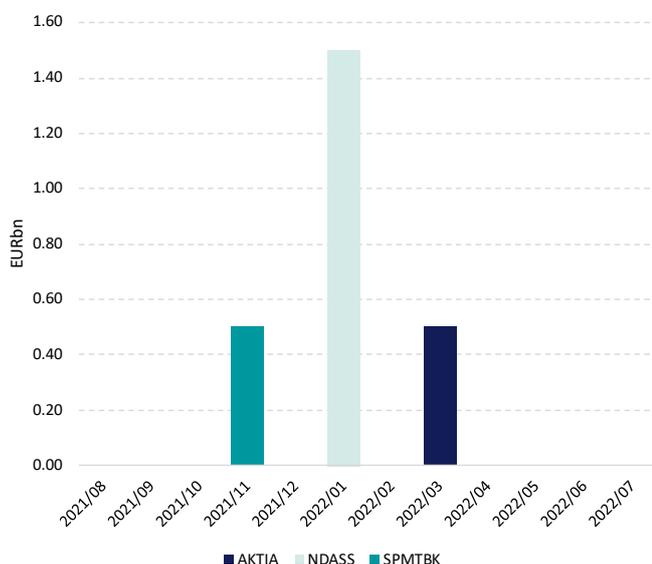
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



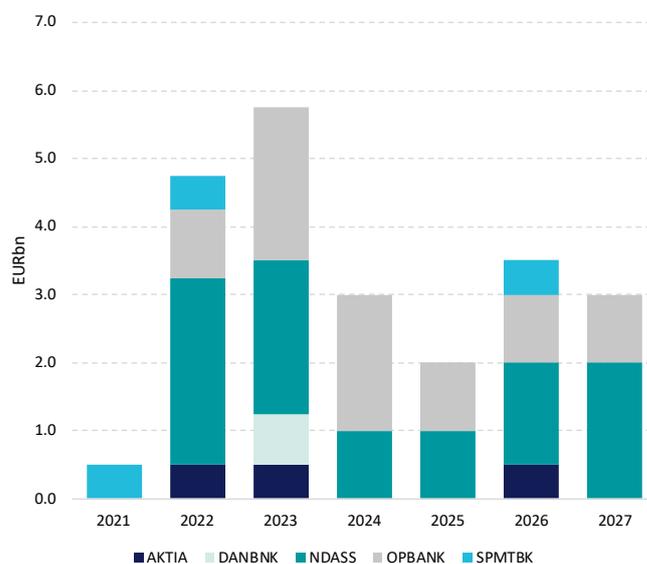
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

## Aktia Bank

Finland 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A1	Stable
S&P	A-	Stable

## Homepage

[www.aktia.com](http://www.aktia.com)

The roots of Aktia Bank plc (Aktia) extend back to 1826. Aktia, the Group's parent company, is listed on the Helsinki Stock Exchange. Aktia focuses on the following three business areas: retail customers (260,000), corporate and institutional customers (20,000) and asset management. In total, the bank serves some 310,000 customers. Following a restructuring programme focused on its business segments, these are now split between Banking Business (BB; 65% of operating income in FY 2020), Asset Management (AM; 27%) and Group Functions (administrative functions: 8%). BB contains the business areas of Private Customers and Corporate Customers, while AM combines the areas of Asset Management and Life Insurance. The subsidiary Aktia Asset Management Ltd., which is wholly owned by Aktia at present, was taken over in full during the first quarter of 2020. A total of around 73.8% of the loan portfolio is concentrated in the retail area, followed by corporate clients at 13.3% (FY 2020). In geographic terms, the bank focuses exclusively on Finland. Its market shares for deposits and mortgage loans stand at 3.1% and 4.1% respectively. Aktia's strategy up to 2023 was reworked in September 2019. The focus will now be on expanding activities in the area of asset management, the increased acquisition of customers in Finland's growing cities in addition to further efficiency gains by way of automation and standardised processes. The aim here is to increase ROE to above 11% (6.7% as at FY 2020), bring the cost-income ratio to below 60% (71% in FY 2020) and post a CET1 ratio of 1.5% to 3.0% above the minimum regulatory requirements (14.0% as at year-end 2020).

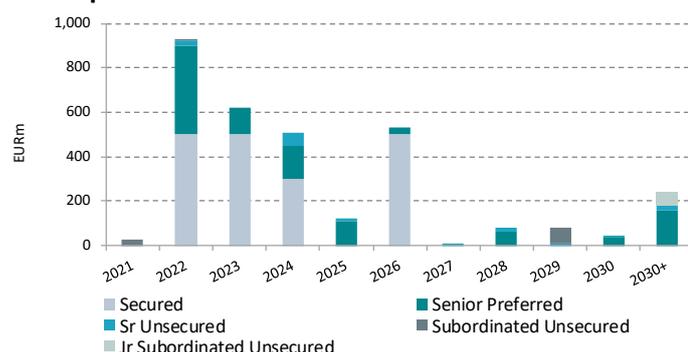
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	6,429	7,000	7,139
Total Securities	1,812	2,011	1,915
Total Deposits	4,210	4,616	4,471
Tier 1 Common Capital	388	424	418
Total Assets	9,697	10,573	10,674
Total Risk-weighted Assets	2,637	3,030	3,036

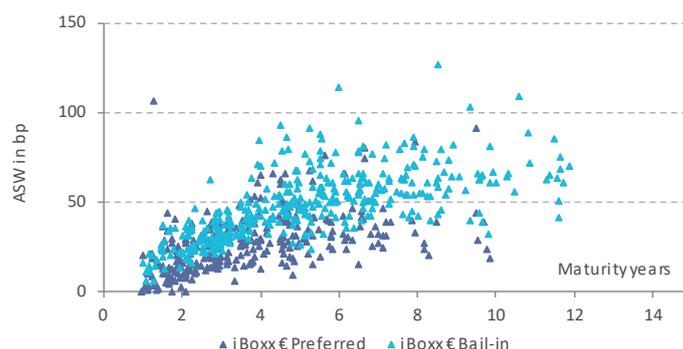
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	78	81	21
Net Fee & Commission Inc.	99	98	25
Net Trading Income	3	1	1
Operating Expense	140	142	38
Credit Commit. Impairment	4	4	2
Pre-tax Profit	75	55	17

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.90	0.88	0.91	Liquidity Coverage Ratio	117.53	138.36	139.00
ROAE	10.28	6.77	8.58	IFRS Tier 1 Leverage Ratio	4.03	4.04	3.94
Cost-to-Income	65.90	70.80	64.88	NPL/ Loans at Amortised Cost	1.13	0.99	1.58
Core Tier 1 Ratio	14.72	14.00	13.77	Reserves/Loans at Amort. Cost	0.45	0.44	0.44

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Asset quality and strong capitalisation
- Established and expanding franchise in Finland

## Risks / Weaknesses

- Concentration risk: private mortgage financing in Finland
- Dependency on capital market funding

# Aktia Bank – Mortgage (Pool 2)

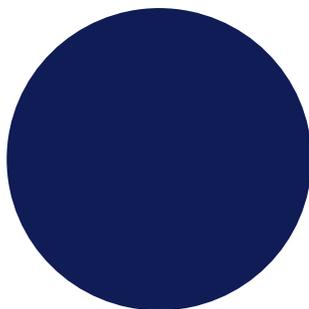
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,355	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,840	Rating (S&P)	-
-thereof ≥ EUR 500m	81.5%	Rating (Fitch)	-
Current OC (nominal)	28.0%	Rating (DBRS)	-
Committed OC	10.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% Finland	Collateral score	5.0%
Main region	65% Uusimaa	RRL	-
Number of loans	35,280	JRL	-
Number of borrowers	24,297	Unused notches	-
Avg. exposure to borrowers (EUR)	96,926	AAA credit risk (%)	-
WAL (cover pool)	7.6y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	3.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	45.1%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

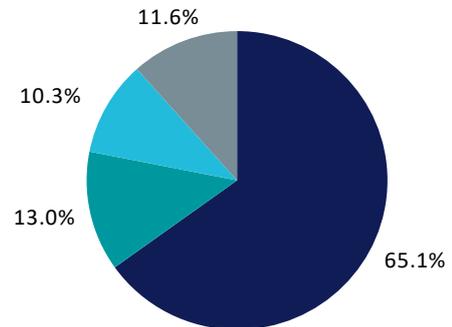
## Borrower Types



100.0%

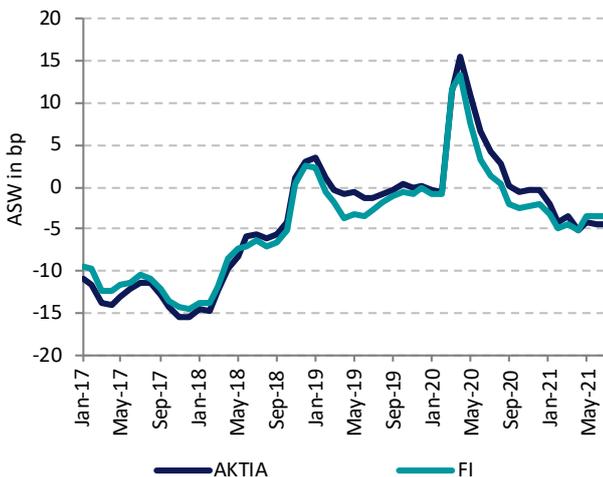
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

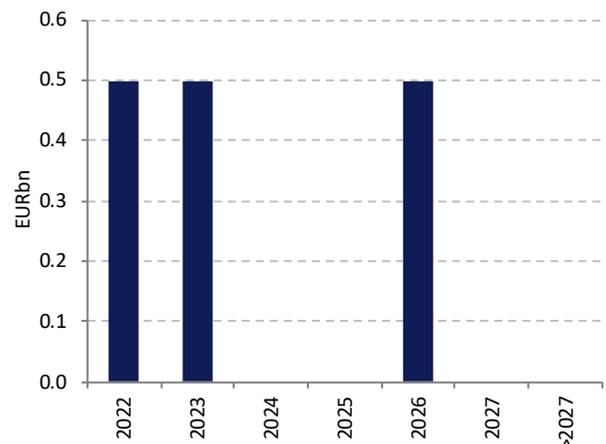


■ Uusimaa ■ Ostrobothnia ■ Southwest Finland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Ålandsbanken

Finland 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BBB	Positive

## Homepage

[www.alandsbanken.com](http://www.alandsbanken.com)

The headquarters of Ålandsbanken Abp (Bank of Åland Plc), which was founded in 1919 by farmers and sailors, are located on the Åland islands, an autonomous region of Finland located off the country's south-west coast. Wiklöf Anders and companies (21.3%) and Alandia Insurance (6.8%) are among the major shareholders in the bank, which is listed on the Helsinki Stock Exchange. There are many private and small-scale investors among the 11,000 or so shareholders. Wholly owned subsidiaries of Ålandsbanken Abp include Ålandsbanken Fondbolag (funds management) and Crosskey Banking Solutions AB (IT). In 2020, additional partnerships with Fintech companies were launched. In future, Ålandsbanken is set to act as a payment service provider for the Swedish start-up Dreams. Moreover, Ålandsbanken Abp holds a stake of 25% in the Swedish mortgage bank IISÅ Holdco AB, which in 2020 increased its share in the joint venture Borgo to 100%. The geographic focus of the bank is on Finland, where 70% of net profit is generated, followed by Sweden at 30%. On the Åland islands, the bank offers a wide-ranging portfolio of banking services, while it focuses on business banking and high net worth private customers on the Finnish mainland and in Sweden. The bank reports in the four segments Private Banking, Premium Banking, IT and Corporate and Other. The loan portfolio consists of private lending (74%), of which 76% are residential mortgage loans. Deposits contribute a total of around 62% to the bank's funding, while covered bonds account for 15% (FY 2020). The CET1 ratio (14.3% as at year-end 2020) complies with the regulatory minimum requirements as well as the LCR (158%) and NSFR (105%).

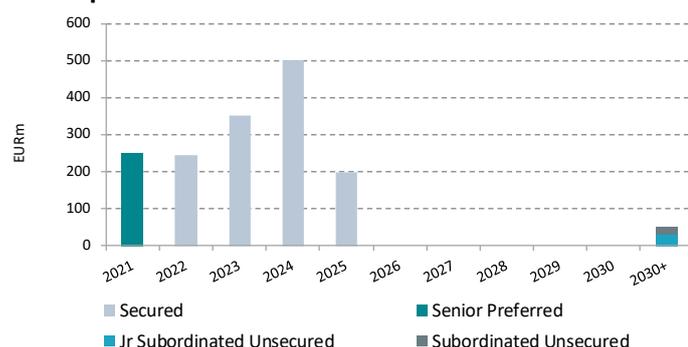
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	4,110	4,378	4,419
Total Securities	820	815	733
Total Deposits	3,368	3,605	3,529
Tier 1 Common Capital	212	239	240
Total Assets	5,608	6,035	6,089
Total Risk-weighted Assets	1,583	1,671	1,688

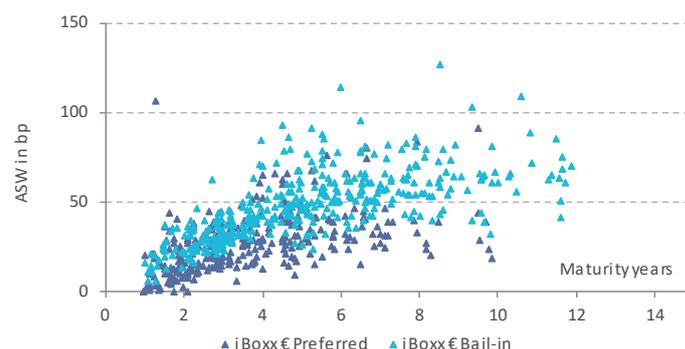
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	54	59	15
Net Fee & Commission Inc.	58	66	20
Net Trading Income	4	2	0
Operating Expense	97	106	31
Credit Commit. Impairment	3	5	0
Pre-tax Profit	33	40	11

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.99	1.05	1.02	Liquidity Coverage Ratio	138.77	159.03	165.00
ROAE	10.67	11.61	11.65	IFRS Tier 1 Leverage Ratio	3.80	3.98	3.96
Cost-to-Income	72.55	70.35	73.67	NPL/ Loans at Amortised Cost	0.84	0.92	0.95
Core Tier 1 Ratio	13.36	14.27	14.19	Reserves/Loans at Amort. Cost	0.31	0.28	0.27

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Economic situation in Sweden and Finland
- Capitalisation and funding
- Loan quality

## Risks / Weaknesses

- Private customer concentration within lending segment
- Market position outside of the Åland islands
- Low interest rate environment

# Ålandsbanken – Mortgage (Pool FI)

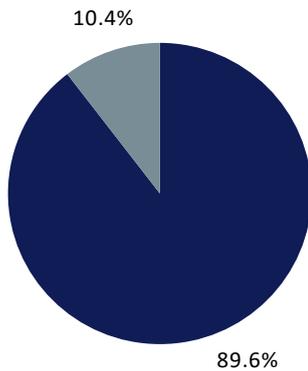
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

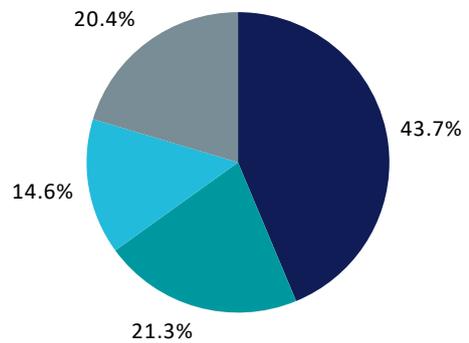
Cover pool volume (EURm)	1,223	Rating (Moody's)	-
Amount outstanding (EURm)	850	Rating (S&P)	AAA
-thereof ≥ EUR 250m	64.7%	Rating (Fitch)	-
Current OC (nominal)	43.8%	Rating (DBRS)	-
Committed OC	18.4%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	44% Helsinki	RRL	a-
Number of loans	12,687	JRL	aa-
Number of borrowers	7,955	Unused notches	1
Avg. exposure to borrowers (EUR)	153,690	AAA credit risk (%)	7.64
WAL (cover pool)	6.7y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	3.0%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	76.5%	CRR 129 (7)	Yes
LTV (indexed)	53.1%	LCR level (SBmk)	2A
LTV (unindexed)	54.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



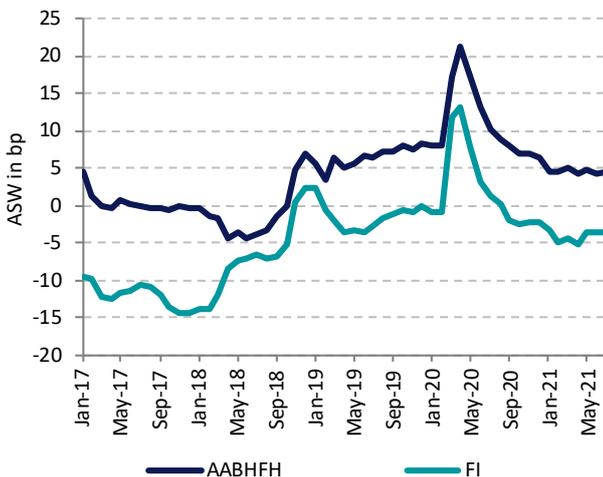
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



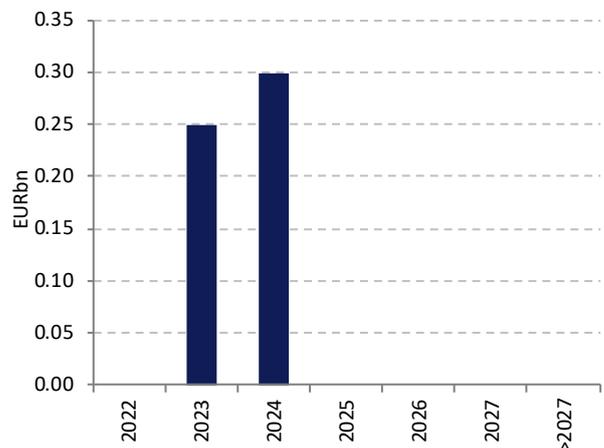
■ Helsinki ■ Aland ■ Southwest Finland ■ Others

## Spread Development (>1y)



— AABHFH — FI

## Redemption Profile (SBmk)



# Danske Bank

## Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A	Stable
Moody's	A3	Stable
S&P	A	Stable

### Homepage

[www.danskebank.com](http://www.danskebank.com)

Danske Bank A/S (Danske; headquarters: Copenhagen) is the largest bank in Denmark and functions as parent company for the Group. Danske is listed on the Nasdaq Copenhagen. The largest shareholder is AP Moller Holding (Mærsk Group) with a stake of 21.3%. The universal bank, which was founded in 1871, lists Denmark (DK), Finland (FI), Norway (NO) and Sweden (SE) as its primary markets. With combined pre-tax earnings of DKK 15bn, its key segments are Banking Denmark (43%), Banking Nordic (25%), Corporates & Institutions (11%) and Wealth Management (20%). The segments Non-core and Other Activities have posted losses totalling DKK 1.67bn. Important strategic goals for Danske include strengthening franchises in the Nordic countries (market shares for loans: DK: 25.5%, FI: 9.9%, SE: 5.4% and NO: 6.5%) in addition to digitalisation. The announced discontinuation of banking activities in Estonia, Lithuania, Latvia and Russia has been implemented. The investigations carried out both, internally and by the US authorities, regarding the money laundering scandal have now been closed. State investigations in Estonia, Denmark and France in addition to civil suits from current and former investors are still pending at present. In 2020, DKK 4.1bn was spent to cover the costs incurred by this. As at the end of 2020, Danske's CET1 ratio stood at 18.3% (own target: 16%). The national supervisory authority has set the MREL requirement at 36.1% of REA. The MREL ratio of the Group as at the end of FY 2020 stood at 43.9%, while at 1.2%, the NPL ratio has fallen by 0.2 percentage point's year on year. As at the reporting date, the LCR amounted to 154%.

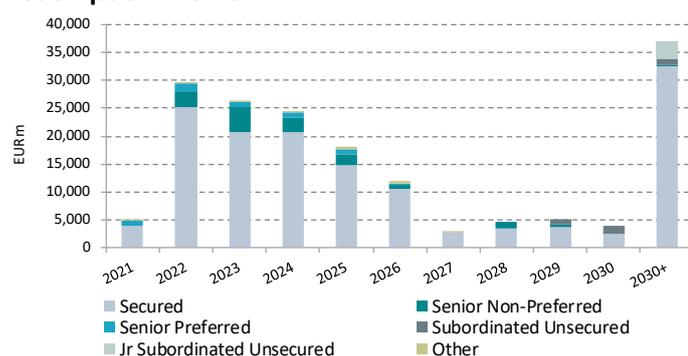
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	287,732	275,138	274,845
Total Securities	104,410	131,625	128,415
Total Deposits	152,658	179,193	185,939
Tier 1 Common Capital	17,754	19,310	19,432
Total Assets	503,324	552,073	547,564
Total Risk-weighted Assets	102,668	105,355	107,249

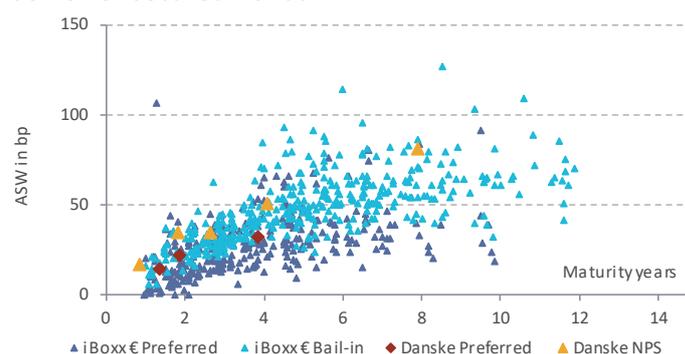
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	3,736	3,772	882
Net Fee & Commission Inc.	1,411	1,533	426
Net Trading Income	4,077	2,606	1,037
Operating Expense	3,919	4,352	1,003
Credit Commit. Impairment	171	951	60
Pre-tax Profit	1,851	846	545

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	0.89	0.84	0.77	Liquidity Coverage Ratio	140.26	153.35	151.10
ROAE	9.22	2.75	7.40	IFRS Tier 1 Leverage Ratio	3.84	3.85	3.83
Cost-to-Income	63.11	69.33	62.38	NPL/ Loans at Amortised Cost	3.48	3.22	4.74
Core Tier 1 Ratio	17.29	18.33	18.12	Reserves/Loans at Amort. Cost	2.03	2.23	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Franchise in Denmark and the Nordics
- Diversified income sources
- Capitalisation

### Risks / Weaknesses

- Dependency on wholesale funding
- Money laundering scandal and associated costs
- Cost base

# Danske Bank – Mortgage

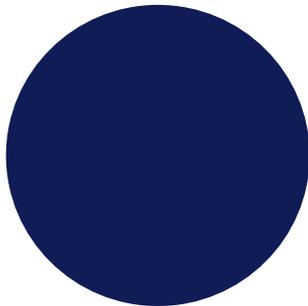
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	5,173	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,750	Rating (S&P)	-
-thereof ≥ EUR 500m	46.7%	Rating (Fitch)	-
Current OC (nominal)	37.9%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	2
Main country	100% Finland	Collateral score	5.0%
Main region	57% Uusimaa	RRL	-
Number of loans	69,760	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.9y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	2.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	73.3%	CRR 129 (7)	Yes
LTV (indexed)	51.5%	LCR level (Bmk)	1
LTV (unindexed)	53.9%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

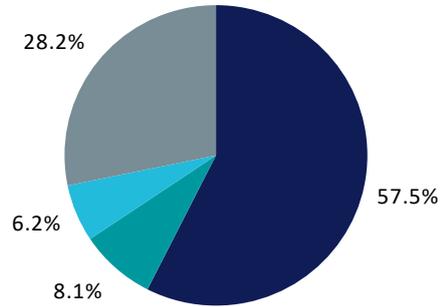
## Borrower Types



100.0%

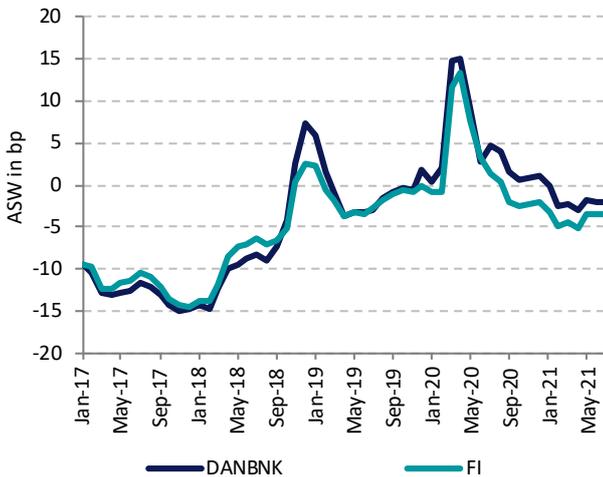
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

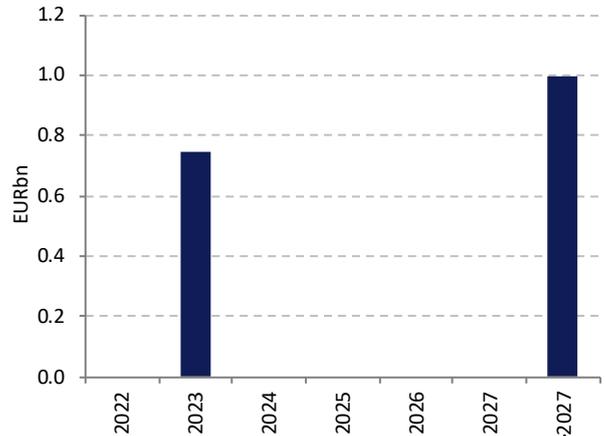


■ Uusimaa ■ Pirkanmaa ■ Southwest Finland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Nordea Bank / Nordea Mortgage Bank

## Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa3	Stable
S&P	AA-	Stable

### Homepage

[www.nordea.com](http://www.nordea.com)

Nordea Bank Abp (headquarters: Helsinki) is the largest financial services group in Scandinavia and ranks as a domestic systemically important bank (D-SIB). The bank serves around 9.2 million retail customers, 540,000 SMEs as well as 2,350 corporates and institutions around the world. The largest shareholder in the Group, which is listed on the Nasdaq Helsinki, Stockholm and Copenhagen, is the Finnish insurance group Sampo plc, which holds a stake of 15.9%. In Denmark, Sweden and Norway, Nordea operates via regional branches and boasts a leading market position in all four Nordic countries. The bank operates various subsidiaries to conduct covered bond issuances. For example, the Finnish mortgage business is refinanced via the wholly owned subsidiary Nordea Mortgage Bank (NMB). In 2020, NMB issued covered bonds worth EUR 8.4bn, equating to a share of 36% of total issuance activity of the bank. The bank divides its business into the four core segments of Personal Banking, Business Banking, Large Corporates & Institutions and Asset & Wealth Management, in addition to administrative business units (Group Finance, Other Operating Segments and Reconciliation). The CET1 ratio has increased by 80 basis points year on year to 17.1%. This, therefore, exceeds the statutory minimum requirements of 13.1% in addition to the bank's self-imposed requirement (+1.5%-2.0% above the legal requirement). This ratio also stands out positively in a European comparison. In 2020, a decision was taken to cease all activities in Russia as part of the banking strategy in order to increase the focus on core business in the Nordics. The winding-down process has now been initiated.

### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	323,091	329,765	333,622
Total Securities	125,593	124,082	126,233
Total Deposits	168,725	183,431	198,169
Tier 1 Common Capital	24,421	26,553	26,964
Total Assets	554,848	552,160	591,101
Total Risk-weighted Assets	150,215	155,440	154,037

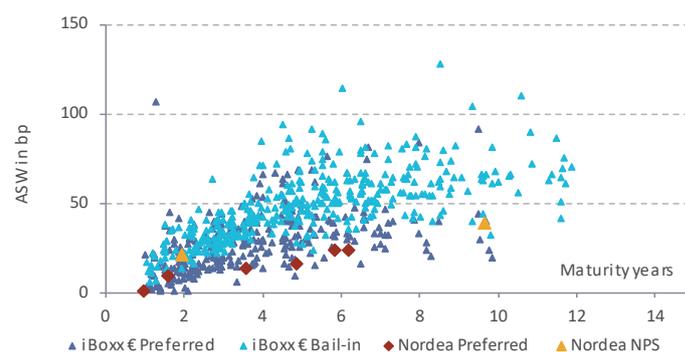
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	4,318	4,515	1,212
Net Fee & Commission Inc.	3,011	2,959	827
Net Trading Income	881	868	354
Operating Expense	4,935	4,591	1,317
Credit Commit. Impairment	254	908	63
Pre-tax Profit	2,113	2,963	1,049

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	0.83	0.86	0.95	Liquidity Coverage Ratio	165.79	158.43	158.81
ROAE	4.96	7.05	9.24	IFRS Tier 1 Leverage Ratio	4.82	5.32	4.92
Cost-to-Income	58.53	53.99	54.18	NPL/ Loans at Amortised Cost	0.94	0.85	0.86
Core Tier 1 Ratio	16.26	17.08	17.50	Reserves/Loans at Amort. Cost	0.88	0.94	0.94

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Market position in Scandinavia
- Capitalisation and diversified income
- Liquidity reserves

### Risks / Weaknesses

- Dependency on capital market funding
- Efficiency with potential for improvement
- Possible burdens due to pandemic

# Nordea Mortgage Bank – Mortgage

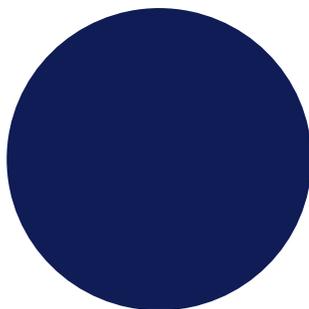
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	23,173	Rating (Moody's)	Aaa
Amount outstanding (EURm)	21,012	Rating (S&P)	-
-thereof ≥ EUR 500m	53.5%	Rating (Fitch)	-
Current OC (nominal)	10.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Finland	Collateral score	5.1%
Main region	47% Uusimaa	RRL	-
Number of loans	324,323	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	9.1y	PCU	-
WAL (covered bonds)	2.8y	Recovery uplift	-
Fixed interest (cover pool)	1.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	58.7%	CRR 129 (7)	Yes
LTV (indexed)	51.0%	LCR level (Bmk)	1
LTV (unindexed)	52.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

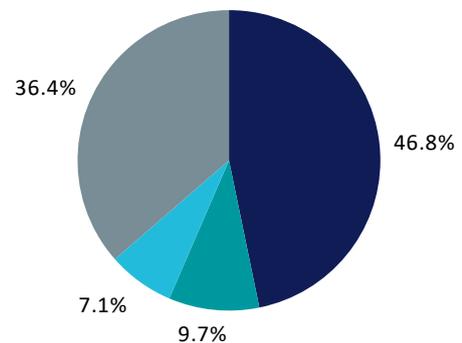
## Borrower Types



100.0%

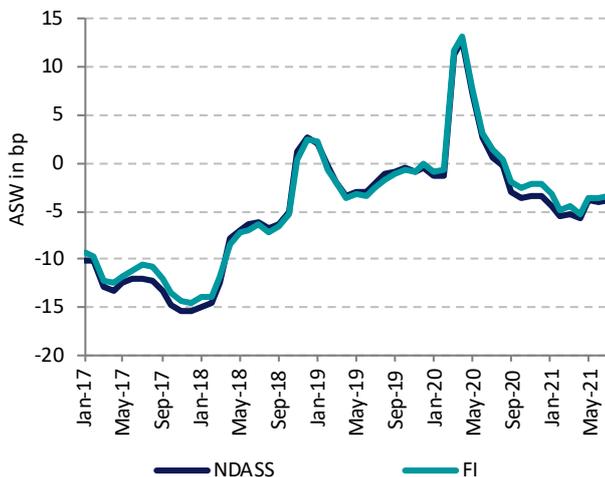
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

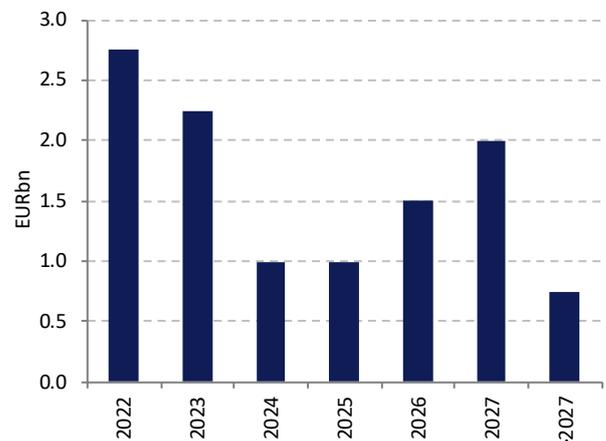


■ Uusimaa ■ Pirkanmaa ■ Southwest Finland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Oma Savings Bank

Finland 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BBB+	Negative

## Homepage

[www.omasp.fi](http://www.omasp.fi)

Oma Säästöpankki Oyj (Oma Savings Bank Plc, Oma) is Finland's largest savings bank, employing 300 staff to serve around 140,000 customers. The institute serves retail and corporate customers in the areas of payment transactions, mortgage loans, corporate financing, investments and insurance products across 32 locations in Finland. Oma, which has been trading on the Helsinki Stock Exchange since 2018, is owned by several savings bank associations. Moreover, a significant number of shares are held by the employees of the bank. Etelä-Karjalan Säästöpankkisäätiö is the largest shareholder, with a stake of 34.1%. In addition to the parent company Oma Savings Bank Plc, the Oma Group also comprises the subsidiaries Lappeenrannan Säästökeskus (real estate company; wholly owned) and SAV-Rahoitus Oyi (car finance and insurance; stake of 50.7%). The business focus lies on retail customers, SMEs and agricultural enterprises. Around 60% of the loan portfolio totalling EUR 3.5bn (FY 2020) is attributable to private households, while commercial customers and agribusinesses account for shares of around 21% and just under 8%, respectively. The bank has been licensed as a mortgage bank since 2017 and can therefore also issue covered bonds. In November 2020, negotiations began regarding a possible merger with the savings banks Eurajoen and Mietonien, which was initially earmarked for mid-2021. This development would see growth and earnings continue to rise, primarily in the core business. Over the long term, Oma is targeting ROE of more than 10% (9.1% in FY 2020), a CIR of below 55% (46.6%), a CET1 ratio of at least 14% (15.9%) and annual growth in operating earnings of 10%-15% (20% in FY 2020).

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	2,960	3,434	3,589
Total Securities	329	523	538
Total Deposits	2,006	2,377	2,415
Tier 1 Common Capital	299	324	325
Total Assets	3,417	4,382	4,459
Total Risk-weighted Assets	1,784	2,037	2,162

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	58	68	18
Net Fee & Commission Inc.	27	29	8
Net Trading Income	7	13	1
Operating Expense	48	52	14
Credit Commit. Impairment	9	22	2
Pre-tax Profit	33	38	12

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.83	1.82	1.67	Liquidity Coverage Ratio	149.57	140.41	139.40
ROAE	8.88	9.24	10.45	IFRS Tier 1 Leverage Ratio	8.79	7.41	7.31
Cost-to-Income	50.50	46.63	49.94	NPL/ Loans at Amortised Cost	1.26	1.29	-
Core Tier 1 Ratio	16.78	15.90	15.04	Reserves/Loans at Amort. Cost	0.61	0.75	0.76

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capitalisation and earnings
- Business model
- Regional franchise

## Risks / Weaknesses

- Focus of business (inter alia SME)
- Dependency on partner products
- Reliance wholesale funding

# Oma Säästöpankki – Mortgage

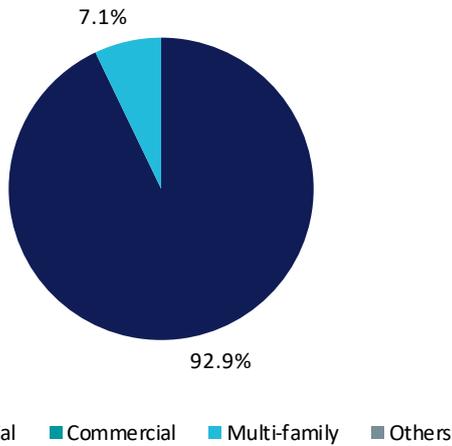
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

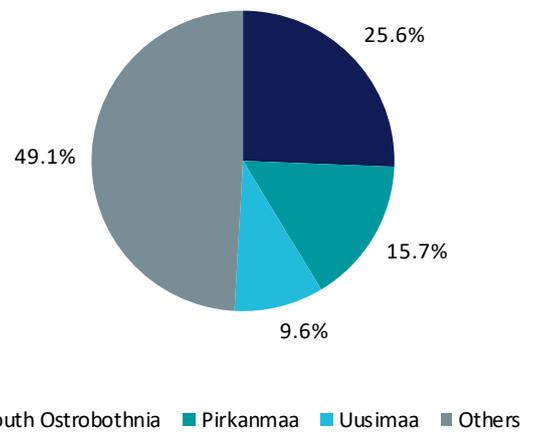
## Cover Pool Data

Cover pool volume (EURm)	1,500	Rating (Moody's)	-
Amount outstanding (EURm)	1,150	Rating (S&P)	AAA
-thereof ≥ EUR 250m	100.0%	Rating (Fitch)	-
Current OC (nominal)	30.4%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	26% South Ostrobothnia	RRL	a
Number of loans	23,043	JRL	aa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	8.47
WAL (cover pool)	7.7y	PCU	-
WAL (covered bonds)	3.2y	Recovery uplift	-
Fixed interest (cover pool)	7.9%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	64.4%	LCR level (SBmk)	2A
LTV (unindexed)	65.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

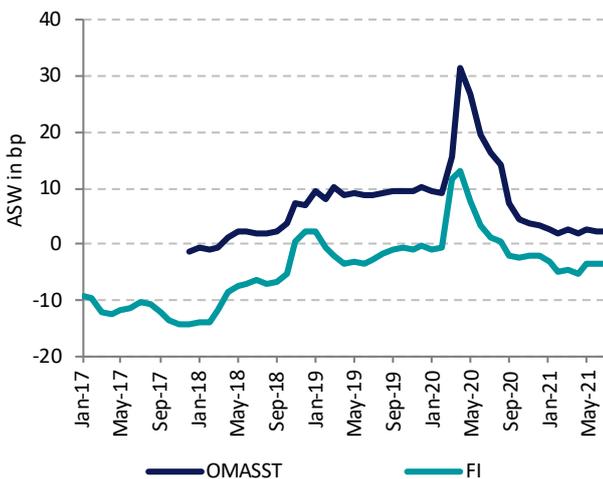
## Borrower Types



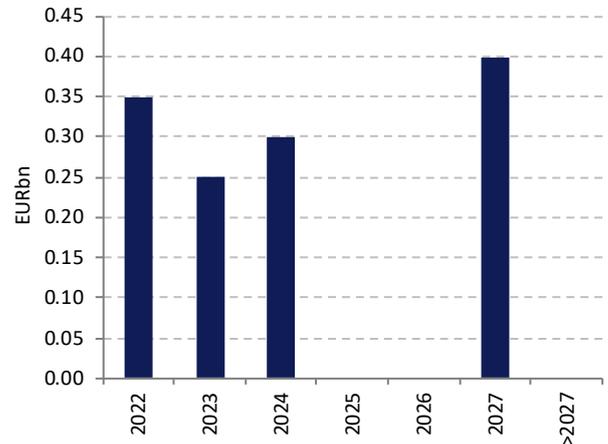
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# OP Financial Group

## Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings\*

	Rating	Outlook
Fitch	-	-
Moody's	Aa3	Stable
S&P	AA-	Stable

### Homepage

[www.op.fi](http://www.op.fi)

\*OP Corporate Bank

The OP Financial Group (OP FG) is a leading provider of financial services in Finland, consisting of various subsidiaries and currently 137 independent member institutions (member cooperative banks [MCBs]; owner-customer ownership structure). In turn, these are the owners of the OP Cooperative (OPC), under which the subsidiaries, such as OP Corporate Bank (OP CB), among others, are included. Following the restructuring of the business segments in 2019, the Group has since reported in Banking for private and SME customers (2020; 14% of pre-tax profit), Banking for Corporate and Institutional Customers (43%) and Insurance Customers (43%). The restructuring should generate cost savings of around EUR 100m each year. In this context, Baltic Banking and the former non-life insurance segment were integrated within OPC. OP CB is responsible for the international business and central liquidity of the Group. As well as its role as lead bank, OP CB also operates as a universal bank. Unsecured funding is managed via OP CB and secured funding by OP Mortgage Bank (OP MB). OP FG operates 342 branches across the country, serving a client base of nearly 4 million customers (2 million of which are members). There is a joint and several liability within OP FG. OP CB, Helsinki Area Cooperative Bank, OP MB and the MCBs, among others, all assume liability. The insurance segment and other group entities are excluded. OP FG is a domestic systemically relevant bank (D-SIB); as at year-end 2020, the CET1 ratio stood at 18.9%. An MREL ratio of 27% has been defined for OP FG (basis: FY 2018), although the ratio stands at 40% as at FY 2020. The LCR stood at 197% and the NSFR was 123%.

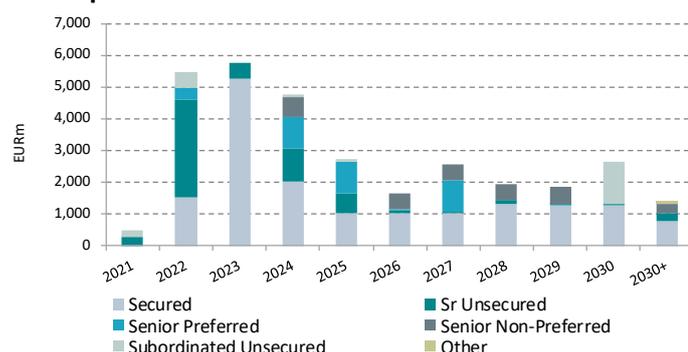
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	2,960	3,434	3,589
Total Securities	329	523	538
Total Deposits	2,006	2,377	2,415
Tier 1 Common Capital	299	324	325
Total Assets	3,417	4,382	4,459
Total Risk-weighted Assets	1,784	2,037	2,162

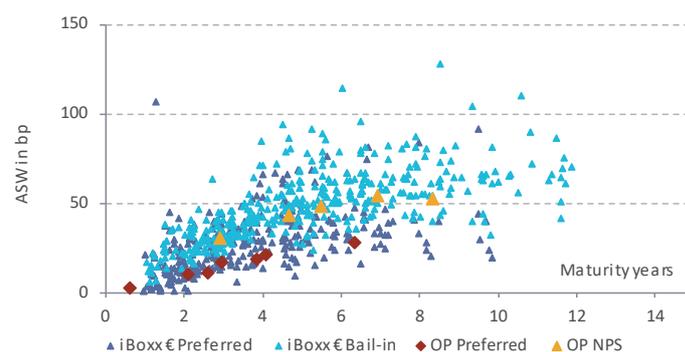
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	58	68	18
Net Fee & Commission Inc.	27	29	8
Net Trading Income	7	13	1
Operating Expense	48	52	14
Credit Commit. Impairment	9	22	2
Pre-tax Profit	33	38	12

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.83	1.82	1.67	Liquidity Coverage Ratio	149.57	140.41	139.40
ROAE	8.88	9.24	10.45	IFRS Tier 1 Leverage Ratio	8.79	7.41	7.31
Cost-to-Income	50.50	46.63	49.94	NPL/ Loans at Amortised Cost	1.26	1.29	-
Core Tier 1 Ratio	16.78	15.90	15.04	Reserves/Loans at Amort. Cost	0.61	0.75	0.76

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Market penetration in Finland
- Capitalisation and cooperative association
- Loan quality

### Risks / Weaknesses

- Dependency on capital market funding
- Geographical concentration
- Risk provisions

# OP Mortgage Bank – Mortgage

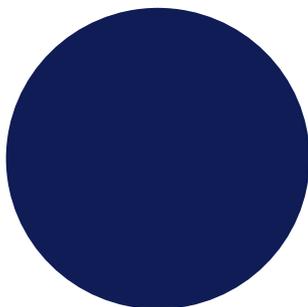
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	15,985	Rating (Moody's)	Aaa
Amount outstanding (EURm)	13,415	Rating (S&P)	AAA
-thereof ≥ EUR 500m	93.2%	Rating (Fitch)	-
Current OC (nominal)	19.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Finland	Collateral score	5.0%
Main region	35% Uusimaa	RRL	aa+
Number of loans	287,485	JRL	aa+
Number of borrowers	n/a	Unused notches	5
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	6.5y	PCU	-
WAL (covered bonds)	5.1y	Recovery uplift	-
Fixed interest (cover pool)	1.6%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	94.0%	CRR 129 (7)	Yes
LTV (indexed)	48.5%	LCR level (Bmk)	1
LTV (unindexed)	49.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

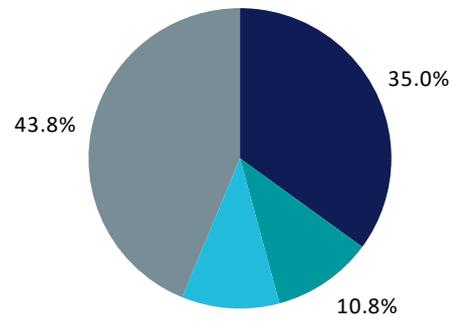
## Borrower Types



100.0%

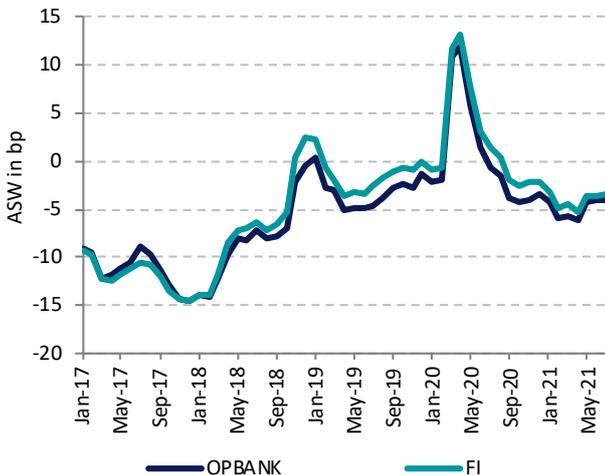
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

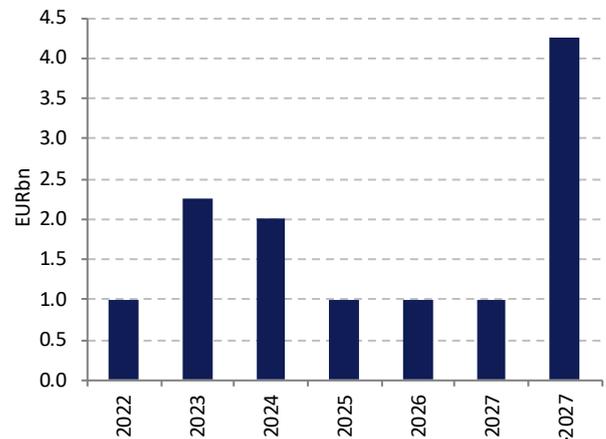


■ Uusimaa ■ Pirkanmaa ■ Southwest Finland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Sp Mortgage Bank

## Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

### Homepage

[www.sastopankki.fi](http://www.sastopankki.fi)

Sp Mortgage Bank (SP-Kiinnitysluottopankki) is the covered bond funding vehicle for the Finnish Savings Bank Group. The bank does not have its own customer base or distribution network, with its operating activities and mortgage loan business offered instead via the Savings Bank Group. Finland's oldest banking group, which has around 1,400 employees, comprises a total of 18 savings banks. It focuses exclusively on Finland and in particular on the economically stronger regions in the south and west of the country. The member banks offer all the services of a universal bank, with insurance policies also part of the product portfolio. In accordance with the Amalgamation Act, the 20 savings banks, the Central Bank of Savings Banks Finland (CBSBF) and Sp Mortgage Bank are liable for debts and liabilities on a joint and several basis. The Savings Bank Group reports across the following segments: Banking (around 52% of net earnings; FY 2020) and Asset Management Services (48%). The loan portfolio is composed of private loans (72.2%) and corporate loans (19.8%), in addition to agricultural and other loans (8.1%). The NPL ratio totals 0.8%. As at year-end 2020, the Group posted a CET1 ratio of 19%, while the equivalent value for Sp Mortgage Bank itself was 14.2%. The leverage ratio of the Group was 8.7%, with 4.9% recorded for SP Mortgage. While CBSBF is responsible for the Group's unsecured funding and liquidity management, Sp Mortgage Bank takes charge of secured funding and, as such, the issuance of covered bonds. The majority of Group-level refinancing is, however, covered by the extensive deposit basis.

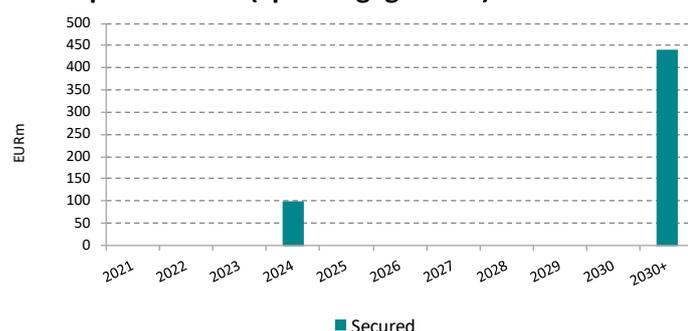
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	2,960	3,434	3,589
Total Securities	329	523	538
Total Deposits	2,006	2,377	2,415
Tier 1 Common Capital	299	324	325
Total Assets	3,417	4,382	4,459
Total Risk-weighted Assets	1,784	2,037	2,162

### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	58	68	18
Net Fee & Commission Inc.	27	29	8
Net Trading Income	7	13	1
Operating Expense	48	52	14
Credit Commit. Impairment	9	22	2
Pre-tax Profit	33	38	12

### Redemption Profile (Sp Mortgage Bank)



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.83	1.82	1.67	Liquidity Coverage Ratio	149.57	140.41	139.40
ROAE	8.88	9.24	10.45	IFRS Tier 1 Leverage Ratio	8.79	7.41	7.31
Cost-to-Income	50.50	46.63	49.94	NPL/ Loans at Amortised Cost	1.26	1.29	-
Core Tier 1 Ratio	16.78	15.90	15.04	Reserves/Loans at Amort. Cost	0.61	0.75	0.76

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Joint and several liability of the Group
- Assets and capitalisation

### Risks / Weaknesses

- Geographic diversification (West Finland)
- Low interest rate environment

# Sp Mortgage Bank – Mortgage

Finland

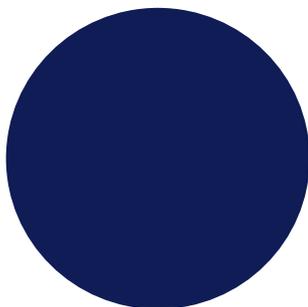
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,073
Amount outstanding (EURm)	1,500
-thereof ≥ EUR 500m	66.7%
Current OC (nominal)	38.2%
Committed OC	8.6%
Cover type	Mortgage
Main country	100% Finland
Main region	26% Uusimaa
Number of loans	25,684
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	8.8y
WAL (covered bonds)	2.5y
Fixed interest (cover pool)	7.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	55.3%
LTV (unindexed)	56.5%
Loans in arrears	0.0%

Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	aa+
Unused notches	1
AAA credit risk (%)	4.31
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

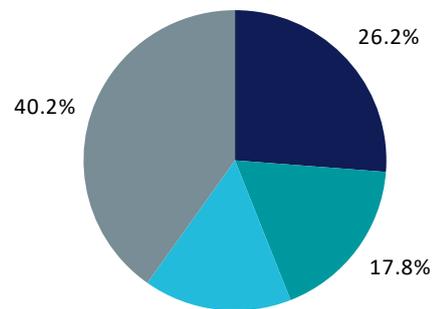
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



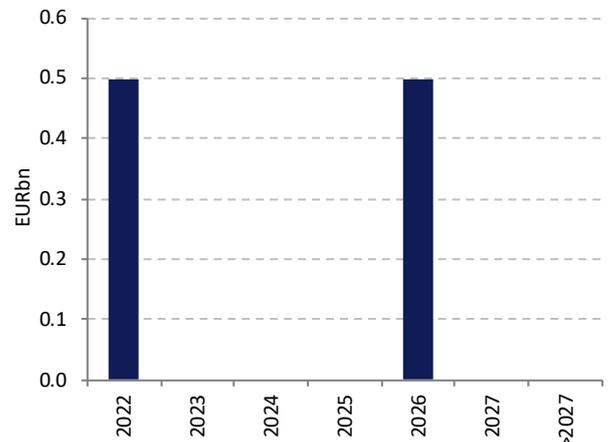
15.8%

■ Uusimaa ■ Southwest Finland ■ Pirkanmaa ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Suomen Hypoteekkiyhdistys

Finland 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BBB	Negative

## Homepage

[www.hypo.fi](http://www.hypo.fi)

Founded in 1860, Suomen Hypoteekkiyhdistys (Hypo) is the only bank in Finland to exclusively specialise in the financing of residential property. Since 2002, private customer deposits and retail banking services have also been offered by way of subsidiaries. In total, 58 employees serve a client base of approximately 28,000 customers from the headquarters in Helsinki. Moreover, Asunto Hypo Pankki Oy (deposits, credit cards and trustee business) is a wholly owned subsidiary of the Hypo Group, while Hypo retains a stake of 54.6% in Bostadsaktiebolaget Taos (property management). As a cooperative bank, Hypo is owned by its members, who are also customers. As at FY 2020, the volume of the loan portfolio totalled EUR 2.51bn and was of excellent asset quality with an NPL ratio of 0.11%. Lending is above all focused on property companies (67% in FY 2020) and private households (32%). Corporate loans are not granted. Hypo's business is predominantly focused on growth regions, for example the metropolitan regions of Helsinki, Espoo, Vantaa and Kauniainen. These metropolitan areas account for approximately 71% of the loan portfolio (Q1 2021). All loans are secured by residential real estate. Funding is based 47% on deposits and 48% on covered bonds (Q1 2021). The share of covered bonds shows an increasing trend. In 2020, Hypo focused on the planned strengthening of its core business. According to its own information, the restructuring of the core banking system (system provider change) proceeded according to plan.

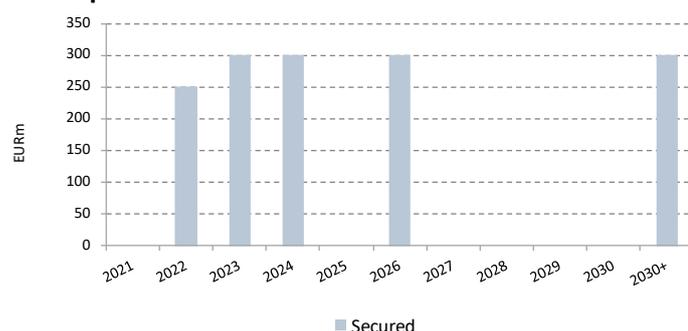
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	2,586	2,511	2,586
Total Securities	302	246	261
Total Deposits	1,643	1,574	1,575
Tier 1 Common Capital	120	124	124
Total Assets	3,231	3,213	3,503
Total Risk-weighted Assets	896	887	913

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	14	15	4
Net Fee & Commission Inc.	4	4	1
Net Trading Income	-0	1	1
Operating Expense	12	14	5
Credit Commit. Impairment	-0	0	-0
Pre-tax Profit	8	8	1

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.46	0.47	0.49	Liquidity Coverage Ratio	163.80	169.77	213.70
ROAE	5.48	4.97	2.32	IFRS Tier 1 Leverage Ratio	3.73	3.87	3.55
Cost-to-Income	59.58	63.91	82.37	NPL/ Loans at Amortised Cost	0.11	0.12	0.10
Core Tier 1 Ratio	13.39	13.95	13.54	Reserves/Loans at Amort. Cost	0.01	0.01	0.01

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Loan quality
- Business model
- Risk profile and capitalisation

## Risks / Weaknesses

- Concentration risks in lending business
- Dependency on wholesale funding
- Diversification of income sources (monoliner)

# Suomen Hypo – Mortgage

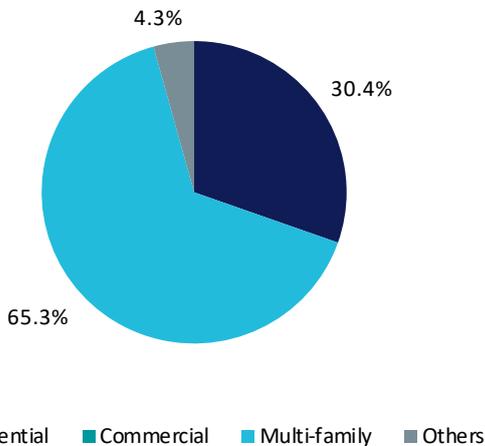
Finland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

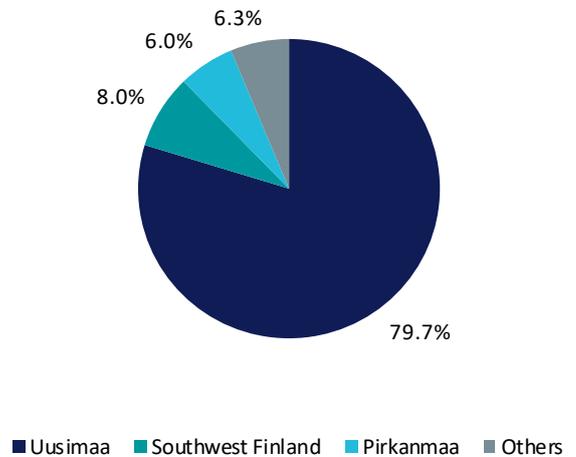
## Cover Pool Data

Cover pool volume (EURm)	2,311	Rating (Moody's)	-
Amount outstanding (EURm)	1,750	Rating (S&P)	AAA
-thereof ≥ EUR 250m	68.6%	Rating (Fitch)	-
Current OC (nominal)	32.1%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	80% Uusimaa	RRL	a-
Number of loans	9,845	JRL	aa-
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	9.1y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	1.6%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	32.5%	LCR level (SBmk)	2A
LTV (unindexed)	34.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

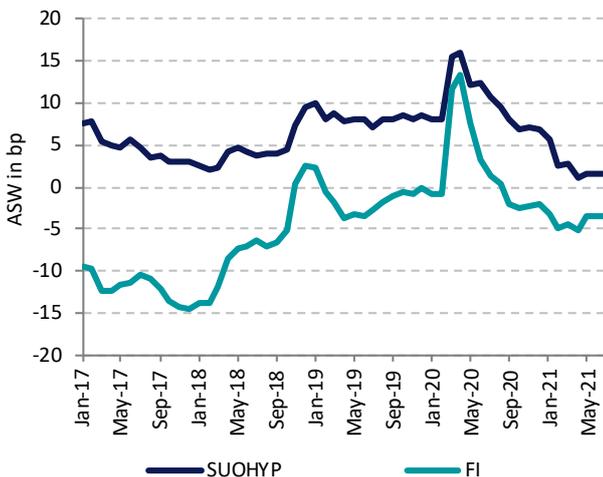
## Borrower Types



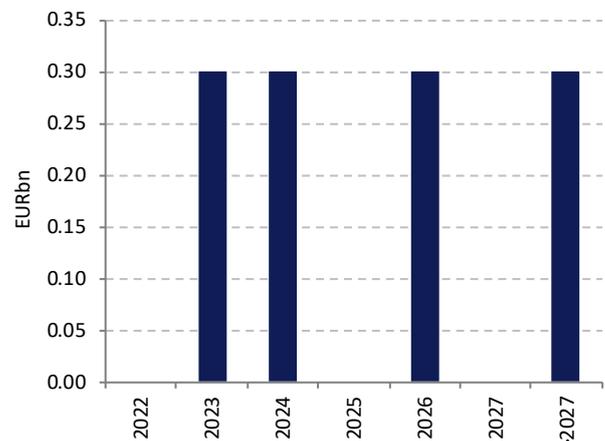
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



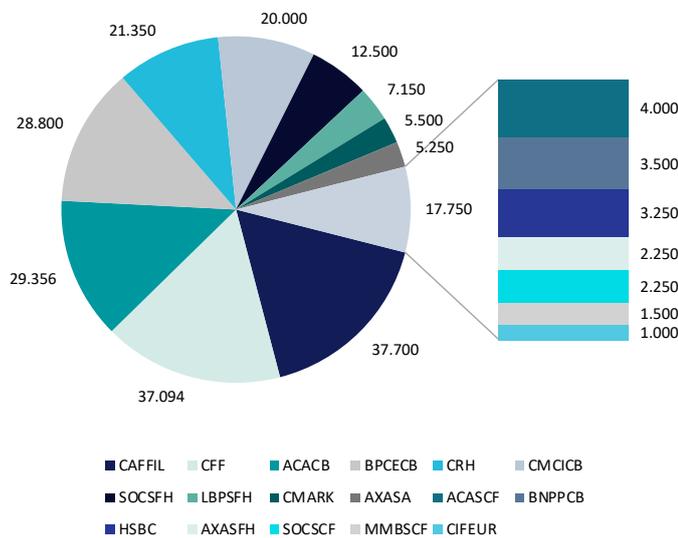
# Market Overview Covered Bonds

France

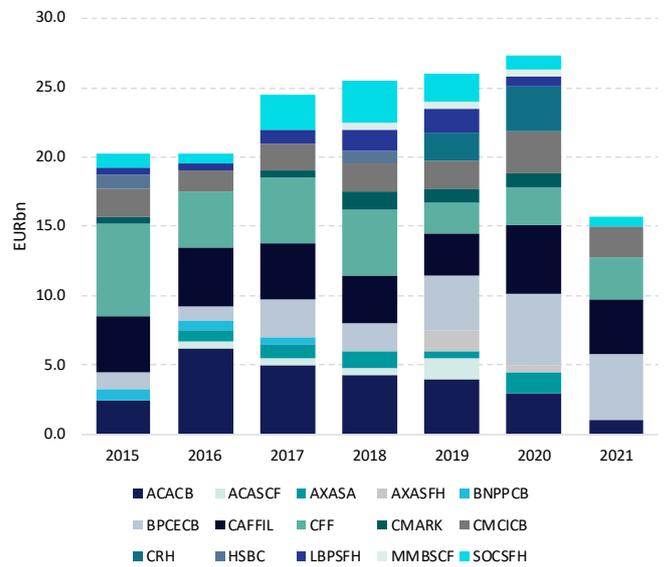
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 451.40bn	Outstanding volume (Bmk)	EUR 222.45bn
Amount outstanding	EUR 347.84bn	Number of benchmarks	208
Number of issuer	15	Outstanding ESG volume (Bmk)	EUR 10.50bn
No of cover pools	18	Number of ESG benchmarks	10
there of M / PS / others	14 / 4 / 0	Outstanding volume (SBmk)	EUR 0.25bn
Ratings (low / high)	AA / AAA	Number of subbenchmarks	1
Best possible LCR level	Level 1	Maturity types	HB, SB

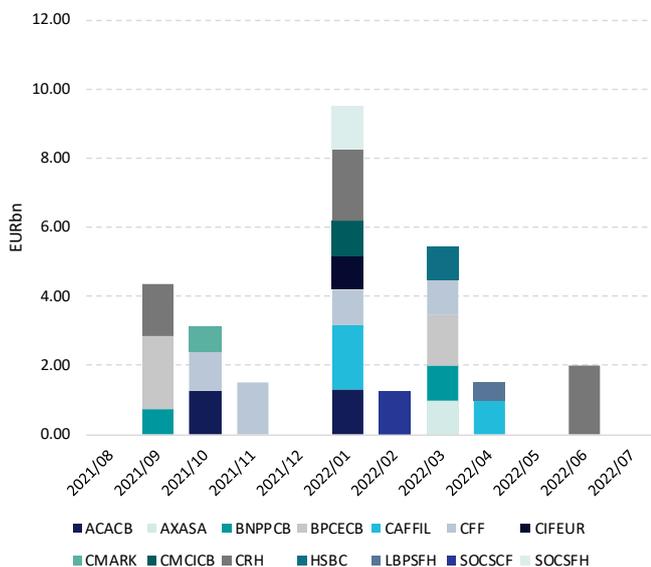
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



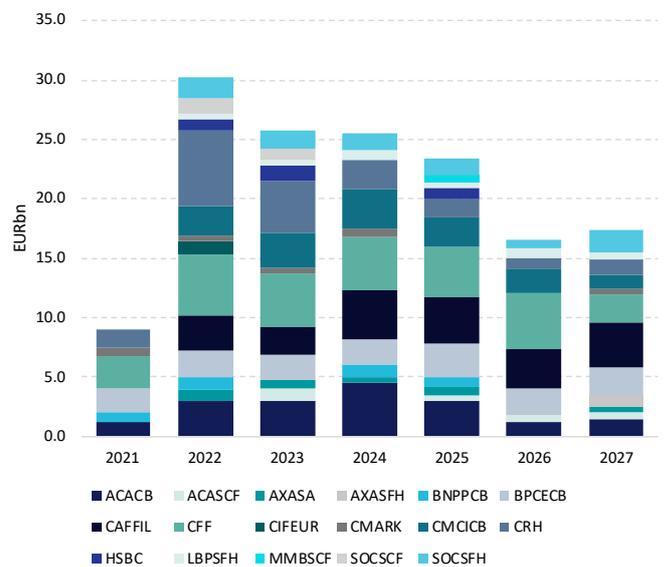
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# AXA Bank Belgium / AXA Bank Europe SCF

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A2*	**
S&P	A-	Negative

## Homepage

[www.axabank.be](http://www.axabank.be)

\* LT Bank Deposits;

\*\* rating under review

AXA Bank Europe Société de Crédit Foncier (AXA SCF) is a French subsidiary of the Belgian AXA Bank Belgium SA/NV, which holds 99.9% of its shares. In turn, AXA Bank Belgium (ABB) is a wholly owned subsidiary of the insurance group AXA Group, which has its headquarters in France and which, along with AXA Banque, is the key banking arm within the AXA Group structure. It was founded in 2010 as a funding platform for ABB and since 2014, it has also performed this role for AXA Banque. With the implementation of AXA SCF, banking operations could be expanded in countries in which AXA already had a presence as an insurance company. Since AXA SCF does not conduct any operating business of its own accord, the figures shown are those of the liable parent company, ABB. It was established at the end of 2007, creating a European banking platform within the Group in the process. ABB ranks as a domestic systemically important bank (D-SIB) in Belgium and is subject to direct ECB supervision. Funding is mainly covered by client deposits and covered bond issuances. Its business activities have been restructured in recent years and ABB once again has placed a stronger focus on Belgian retail banking. The foreign lending business was brought to a close in 2016. In the 2020 financial year, it was announced that the Life & Savings and Property & Casualty business segments at the AXA Group in Poland, Czech Republic and Slovakia were to be sold off to the UNIQA Insurance Group. Moreover, the Group's insurance business in the Gulf Region is also in the process of being sold, with the same segment in Greece also being transferred to Generali.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	21,778	23,313	24,100
Total Securities	3,690	3,427	1,987
Total Deposits	18,188	19,572	21,351
Tier 1 Common Capital	1,012	1,037	1,102
Total Assets	26,953	28,790	30,458
Total Risk-weighted Assets	6,716	6,324	5,995

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	283	367	273
Net Fee & Commission Inc.	13	-0	13
Net Trading Income	2	-80	20
Operating Expense	241	227	211
Credit Commit. Impairment	20	9	25
Pre-tax Profit	60	70	87

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.05	1.33	0.93	Liquidity Coverage Ratio	227.95	198.07	196.66
ROAE	3.89	4.29	5.50	IFRS Tier 1 Leverage Ratio	3.82	3.67	3.64
Cost-to-Income	75.21	74.20	65.42	NPL/ Loans at Amortised Cost	1.46	1.22	1.48
Core Tier 1 Ratio	15.08	16.39	18.38	Reserves/Loans at Amort. Cost	0.37	0.33	0.37

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Part of the banking group
- Refinancing structure

## Risks / Weaknesses

- Risk concentration (mortgages in BE)
- Profitability

# AXA Bank Europe SCF – Mortgage

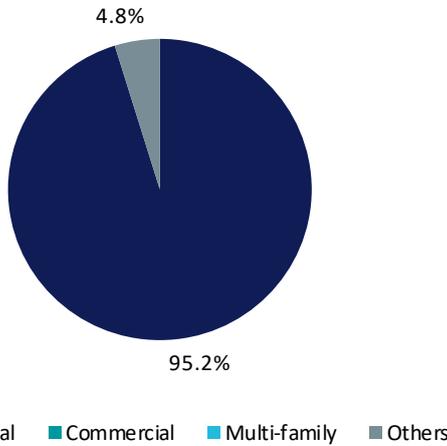
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

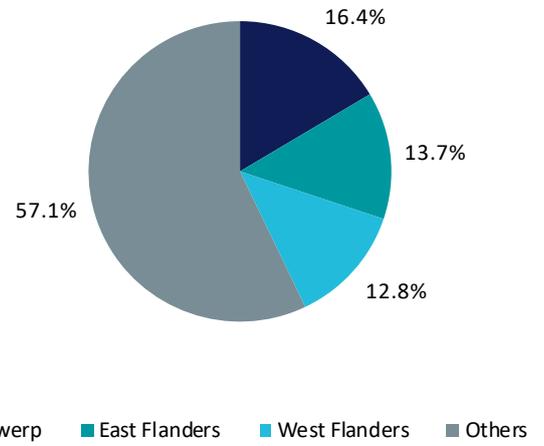
## Cover Pool Data

Cover pool volume (EURm)	10,002	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,250	Rating (S&P)	-
-thereof ≥ EUR 500m	63.6%	Rating (Fitch)	-
Current OC (nominal)	21.2%	Rating (DBRS)	-
Committed OC	12.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Belgium	Collateral score	6.1%
Main region	16% Antwerp	RRL	-
Number of loans	114,091	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.7y	PCU	-
WAL (covered bonds)	7.0y	Recovery uplift	-
Fixed interest (cover pool)	94.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	66.7%	CRR 129 (7)	Yes
LTV (indexed)	54.0%	LCR level (Bmk)	1
LTV (unindexed)	64.0%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



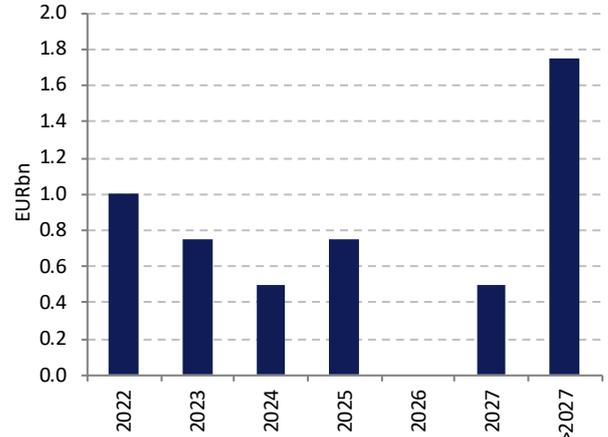
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# AXA Banque / AXA Home Loan SFH

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Positive
Moody's	-	-
S&P	A+	Stable

## Homepage

[www.axa.fr](http://www.axa.fr)

AXA Home Loan SFH is a 99.99% subsidiary of the French AXA Banque SA. AXA Banque is the strategic banking entity of AXA France, which in turn is a wholly owned subsidiary of the insurance group AXA Group. Along with AXA Bank Belgium, it is the main subsidiary of the French AXA Group. Therefore, AXA Banque benefits from the financial strength of the AXA insurance group. As part of this financial support, AXA France has mandated a gradual increase of AXA Banque's capital in order that there may be adequate capitalisation in light of its continued growth. AXA Banque is a universal bank with a strong focus on retail customers. AXA Banque employs roughly 750 staff and benefits from the sales and distribution network of AXA France. Alongside day-to-day banking activities, the financial institution also offers loans, private banking and wealth management as well as savings and investments. Most of AXA Banque's loan portfolio consists of building finance (100% France), followed by Lombard loans (asset backed loans for which the underlying assets tend to be insurance policies or real estate). AXA Banque's building finance portfolio consists almost exclusively of guaranteed loans. In contrast, consumer loans play a more minor role. On the financing side, the highest shares are attributable to customer and demand deposits as well as term deposits. AXA Home Loan SFH is the funding platform for AXA Banque, which is also a shareholder (0.01%) in AXA Bank Europe Société de Crédit Foncier (AXA SCF).

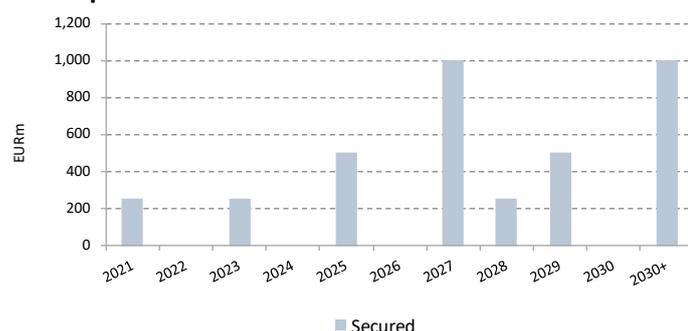
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	9,722	11,561	11,499
Total Securities	1,069	1,639	1,792
Total Deposits	5,224	5,011	4,999
Tier 1 Common Capital	415	517	485
Total Assets	12,288	15,027	16,657
Total Risk-weighted Assets	4,310	4,761	4,504

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	126	150	163
Net Fee & Commission Inc.	21	19	17
Net Trading Income	-20	7	-20
Operating Expense	131	149	176
Credit Commit. Impairment	-	-	-
Pre-tax Profit	-16	5	-42

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.11	1.12	1.05	Liquidity Coverage Ratio	189.61	208.05	198.43
ROAE	-4.00	-0.99	-7.45	IFRS Tier 1 Leverage Ratio	3.42	3.51	2.99
Cost-to-Income	106.85	86.62	111.60	NPL/ Loans at Amortised Cost	1.31	1.35	3.09
Core Tier 1 Ratio	9.63	10.86	10.77	Reserves/Loans at Amort. Cost	0.79	0.67	0.81

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Integrated part of the AXA Group
- Funding structure and asset quality

## Risks / Weaknesses

- Downgrade risk for parent company
- Earning power

# AXA Home Loan SFH – Mortgage

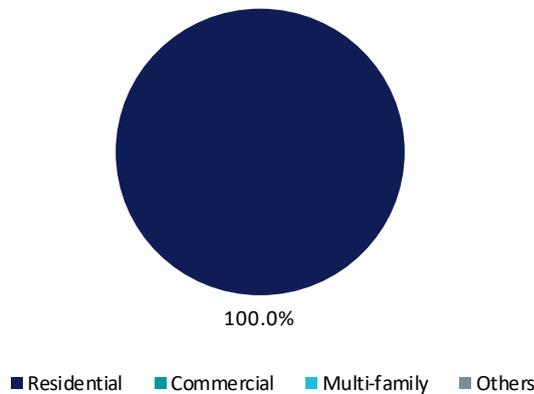
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

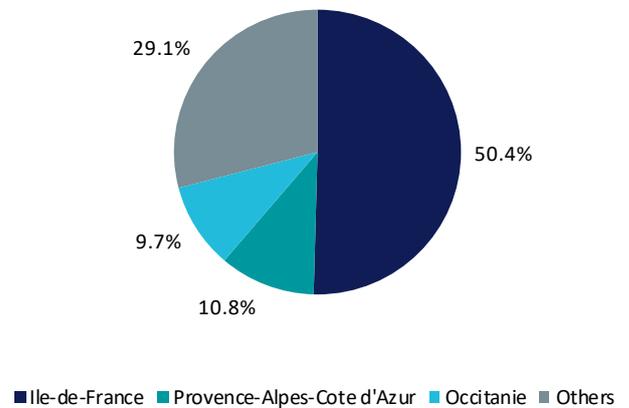
## Cover Pool Data

Cover pool volume (EURm)	3,738	Rating (Moody's)	-
Amount outstanding (EURm)	3,250	Rating (S&P)	AAA
-thereof ≥ EUR 500m	69.2%	Rating (Fitch)	AAA
Current OC (nominal)	15.0%	Rating (DBRS)	-
Committed OC	8.1%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	50% Ile-de-France	RRL	aa
Number of loans	25,356	JRL	aa
Number of borrowers	n/a	Unused notches	5
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	9.1y	PCU	6
WAL (covered bonds)	6.9y	Recovery uplift	2
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	63.3%	LCR level (Bmk)	1
LTV (unindexed)	71.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

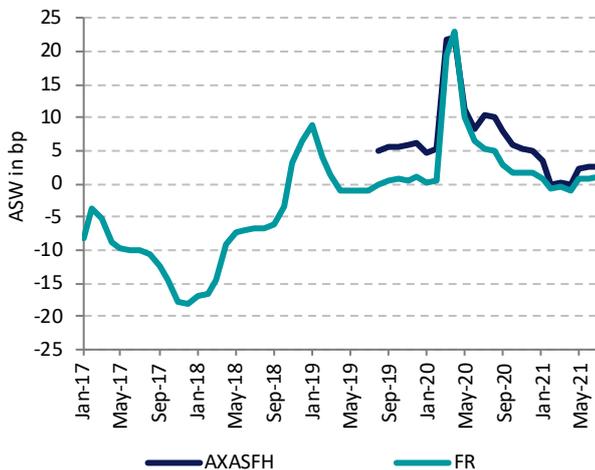
## Borrower Types



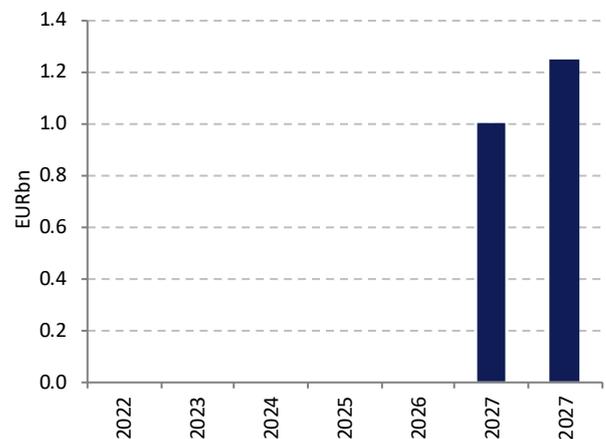
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banque Fédérative du Crédit Mutuel

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa3	Stable
S&P	A	Stable

## Homepage

[www.bfcm.creditmutuel.fr](http://www.bfcm.creditmutuel.fr)

\* LT Senior Preferred

As part of the Crédit Mutuel Group, Banque Fédérative du Crédit Mutuel SA (BFCM) constitutes the holding and funding unit for the units of the Crédit Mutuel Alliance Fédérale (CMAF). The main shareholders of BFCM are Caisse Fédérale de Crédit Mutuel (around 93%), which belongs to CMAF, in addition to Caisses locales and Caisses régionales (4.92%). BFCM also owns the CIC Group (Crédit Industriel et Commercial), several specialist subsidiaries, a series of financial institutions such as Targobank as well as the covered bond issuer Crédit Mutuel-CIC Home Loan SFH. As such, the range of products and services offered by BFCM is highly diverse as, in addition to conventional financial services such as banking, insurance and property business, it also provides services in the technology, media and logistics segments via specialist subsidiaries. CMAF has around 5 million members in total. As at December 2020, the Crédit Mutuel Group served 34 million customers, of which 8 million are members, and employed some 83,000 staff. CMAF's main area of business is France, where overall 75% of net sales is generated, followed by Germany with 13% as well as Spain and Portugal with approximately 5% (FY 2020). It also conducts business activities elsewhere in Europe as well as further afield. CMAF reports across the following segments: Retail banking (69% of net earnings in FY 2020), Insurance (9%), Specialized business lines (10%) and IT-media logistics (12%). CMAF's loan portfolio consists mainly of construction loans (50%) as well as equipment and leasing contracts (approximately 27%). At 17.8%, the CET1 ratio comfortably exceeds the regulatory minimum requirement.

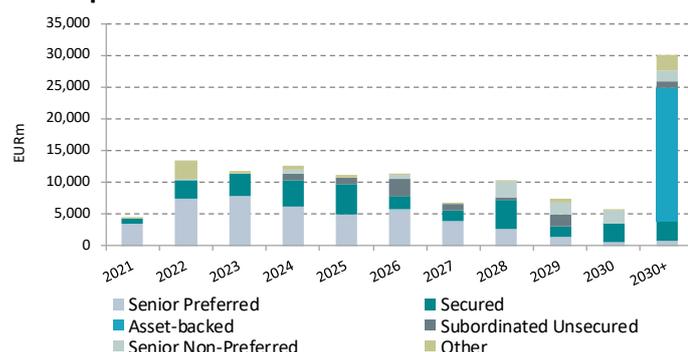
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	244,000	262,632	279,531
Total Securities	52,196	56,896	60,048
Total Deposits	193,459	217,103	268,802
Tier 1 Common Capital	-	-	-
Total Assets	535,112	569,947	627,244
Total Risk-weighted Assets	-	-	-

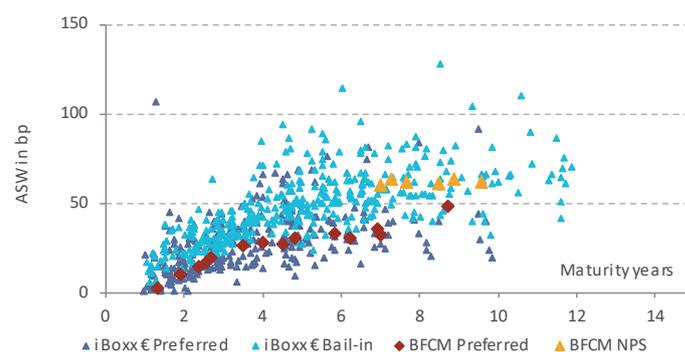
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	4,783	5,147	5,522
Net Fee & Commission Inc.	2,598	2,588	2,597
Net Trading Income	769	805	61
Operating Expense	6,106	6,228	6,279
Credit Commit. Impairment	751	990	1,750
Pre-tax Profit	3,664	3,786	2,229

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.09	1.22	1.19	Liquidity Coverage Ratio	-	-	-
ROAE	8.52	8.63	4.67	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	58.04	56.56	60.36	NPL/ Loans at Amortised Cost	3.89	4.04	3.86
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	2.73	2.80	2.91

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Core member of the Group
- Risk profile
- Liquidity

## Risks / Weaknesses

- Profitability
- Economic environment
- Dependency on wholesale funding

# Crédit Mutuel – CIC Home Loan SFH – Mortgage

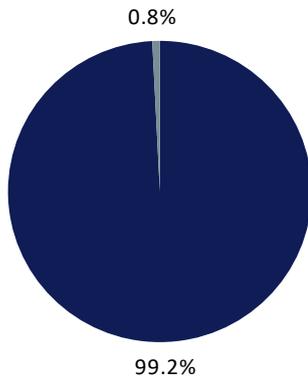
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

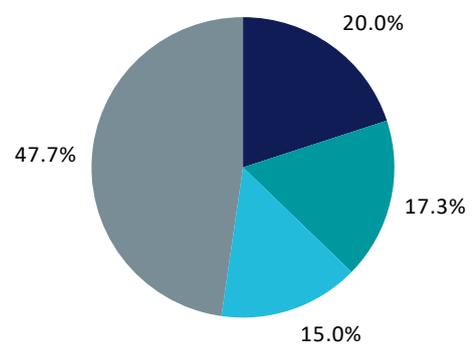
Cover pool volume (EURm)	35,281	Rating (Moody's)	Aaa
Amount outstanding (EURm)	21,887	Rating (S&P)	AAA
-thereof ≥ EUR 500m	91.4%	Rating (Fitch)	AAA
Current OC (nominal)	61.2%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% France	Collateral score	5.0%
Main region	20% Ile-de-France	RRL	aa-
Number of loans	392,237	JRL	aa
Number of borrowers	n/a	Unused notches	4
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	5.23
WAL (cover pool)	7.5y	PCU	4
WAL (covered bonds)	4.7y	Recovery uplift	2
Fixed interest (cover pool)	96.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	95.4%	CRR 129 (7)	Yes
LTV (indexed)	60.0%	LCR level (Bmk)	1
LTV (unindexed)	65.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

## Borrower Types



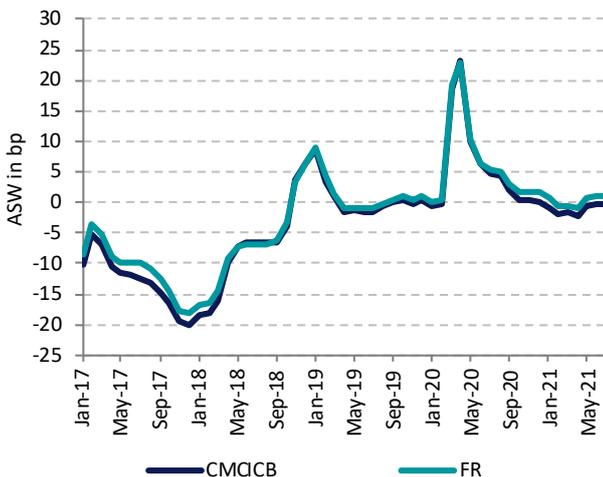
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

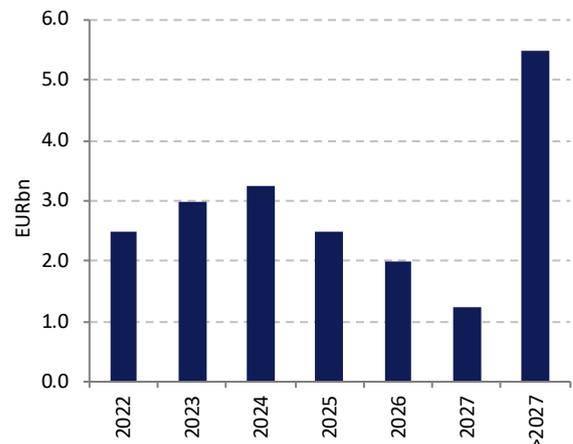


■ Ile-de-France ■ Grand Est ■ Auvergne-Rhone-Alpes ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# BNP Paribas

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa3	Stable
S&P	A+	Stable

## Homepage

[www.bnpparibas.com](http://www.bnpparibas.com)

With around 200,000 employees across 68 countries, BNP Paribas SA (BNP) is one of the world's largest banks and is classified as a global systemically important bank (G-SIB; additional capital buffer: 1.5%) by the Financial Stability Board. With a stake of 7.7%, the largest shareholder is Société Fédérale de Participations et d'Investissement (SFPI), which is wholly owned by the Belgian state, followed by BlackRock Inc. with around 6% (Dec. 2020). In organisational terms, BNP Paribas is divided into three main operating segments: Domestic Markets (DM; 34% of sales as at FY 2020), International Financial Services (35%) and Corporate & Institutional Banking (31%). The Domestic Markets segment incorporates retail banking in France, Belgium, Italy and Luxembourg, among others. The International Financial Services segment comprises various specialist departments such as asset management, while CIB covers the segments Corporate Banking, Global Markets and Securities Services, and is active in the regions EMEA (Europe, Middle East, Africa), Americas and APAC (Asia-Pacific). Overall, the bank is well diversified both in geographical and industrial terms, although approximately three quarters of all business is attributable to Europe. BNP's 2020 Transformation Plan recently saw the bank implement strategies aimed at advancing digitisation. At the same time, BNP committed to improving its focus on sustainability goals, having already discontinued financing of new coal projects as early as 2017. In comparison with the previous year, return on equity fell by 90 basis points to 7.6%. In contrast, the CET1 ratio rose by 70 basis points to 12.8 % (as at Dec. 2020).

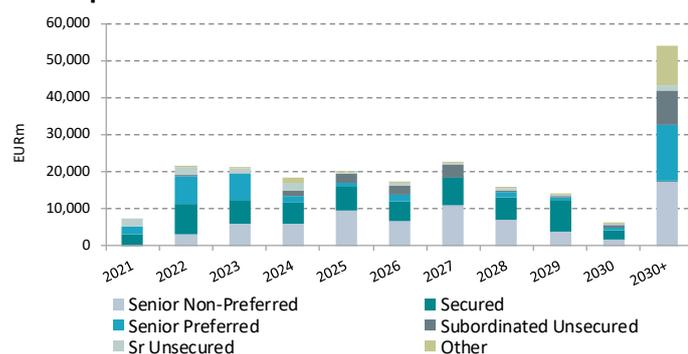
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	769,784	810,479	814,772
Total Securities	678,311	749,325	881,928
Total Deposits	796,548	834,667	940,991
Tier 1 Common Capital	76,230	81,204	88,767
Total Assets	2,040,836	2,164,713	2,488,491
Total Risk-weighted Assets	647,001	668,828	695,523

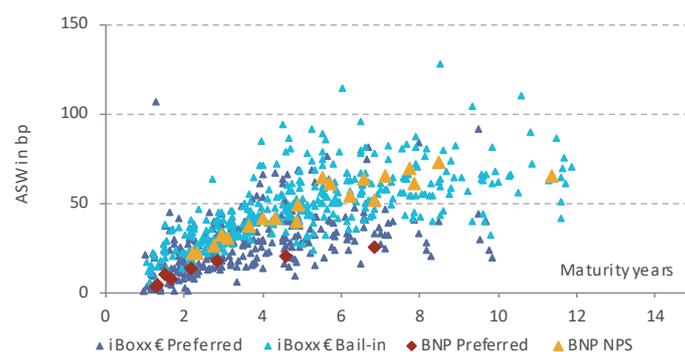
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	21,062	21,127	21,312
Net Fee & Commission Inc.	9,207	9,365	9,862
Net Trading Income	6,016	7,348	7,093
Operating Expense	30,581	31,145	29,785
Credit Commit. Impairment	2,668	3,209	5,474
Pre-tax Profit	10,208	11,394	9,822

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.19	1.11	1.01	Liquidity Coverage Ratio	116.41	122.79	135.15
ROAE	7.62	7.83	6.44	IFRS Tier 1 Leverage Ratio	4.26	4.28	4.08
Cost-to-Income	70.93	68.90	66.35	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	11.78	12.14	12.76	Reserves/Loans at Amort. Cost	3.05	2.56	2.58

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Earning power
- Liquidity profile
- Loan quality

## Risks / Weaknesses

- Low interest rate environment
- Risks in Italy-based business
- Dependency on capital markets

# BNP Home Loan SFH – Mortgage

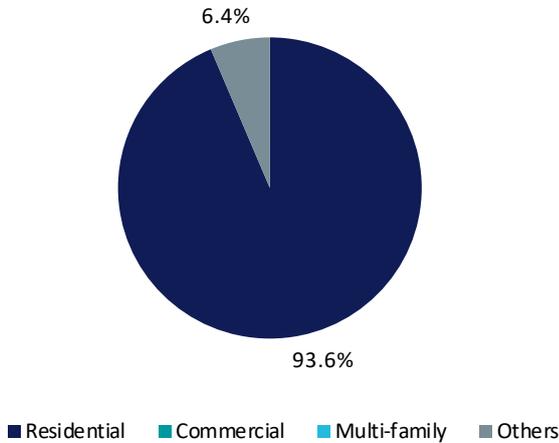
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

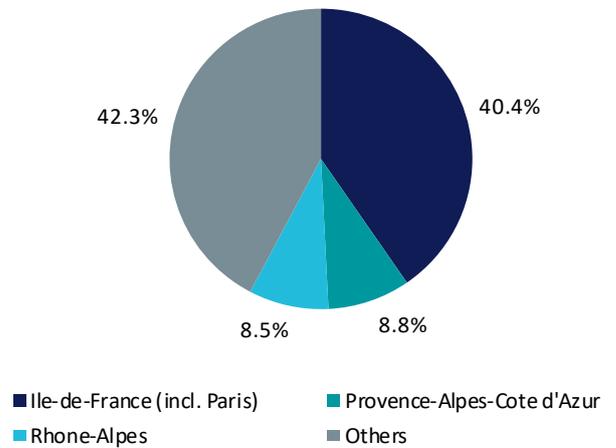
## Cover Pool Data

Cover pool volume (EURm)	39,063	Rating (Moody's)	-
Amount outstanding (EURm)	32,054	Rating (S&P)	AAA
-thereof ≥ EUR 500m	8.6%	Rating (Fitch)	AAA
Current OC (nominal)	21.9%	Rating (DBRS)	-
Committed OC	8.1%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	40% Ile-de-France (incl. Paris)	RRL	aa
Number of loans	322,618	JRL	aa
Number of borrowers	n/a	Unused notches	5
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	9.78
WAL (cover pool)	7.3y	PCU	3
WAL (covered bonds)	5.7y	Recovery uplift	2
Fixed interest (cover pool)	96.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	99.7%	CRR 129 (7)	Yes
LTV (indexed)	59.6%	LCR level (Bmk)	1
LTV (unindexed)	64.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

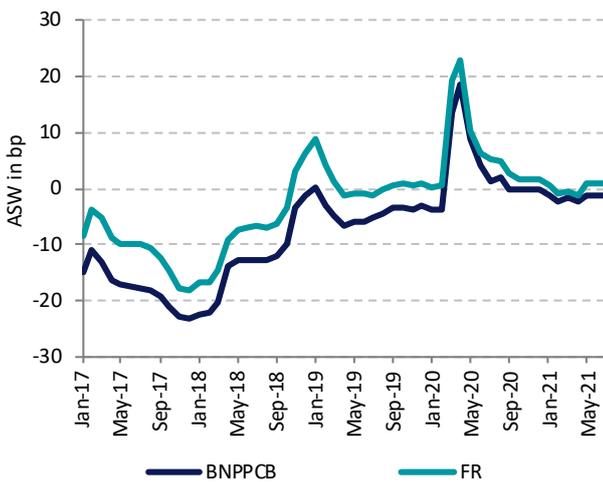
## Borrower Types



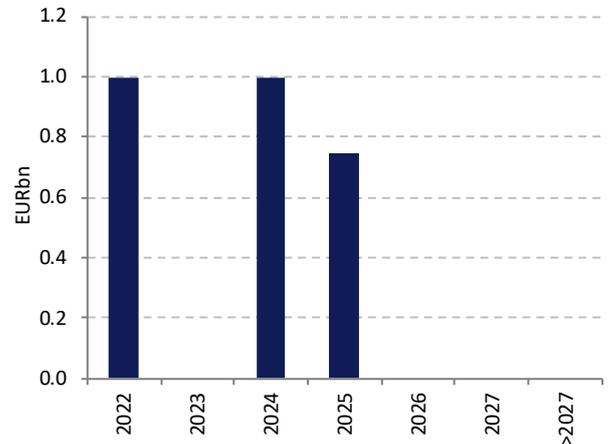
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Caisse de Refinancement de l'Habitat

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

## Homepage

[www.crh-bonds.com](http://www.crh-bonds.com)

Caisse de Refinancement de l'Habitat (CRH) was established by the French government in 1985. As a non-profit credit institution, the role of CRH is to refinance French financial institutions' residential construction loans. Today, the specialist institution is a private company owned by French banks, which contribute equity and benefit from funding in accordance with their stake. As at December 2020, the largest shareholders in CRH were Crédit Mutuel (35.1%), the Crédit Agricole Group (22.7%), Société Générale (16.5%), BNP Paribas (11.8%) and BPCE (13.9%). CRH does not charge a margin for its refinancing activity. CRH's only task is to issue bonds in accordance with French law (article 13 de la loi du 11 juillet 1985). CRH's cover pool consists of secured SSDs issued by participating banks. In the event of a bank defaulting, the pledged cover assets pass directly to CRH, which can then sell the portfolio in order to buy back the underlying bonds. The pledged assets are solely French property loans, which are backed by first mortgages or the guarantees that are standard in France. In addition to the legal requirements, the loans must comply with CRH's far more stringent conditions. According to the institute's principle of congruity, bonds issued by CRH have identical maturities and interest rates to loans granted by its shareholders. CRH has been subject to supervision by the ECB since 2014 because of the volume of its total assets. At 18.52%, the CET1 ratio exceeds the regulatory minimum requirement of 8%.

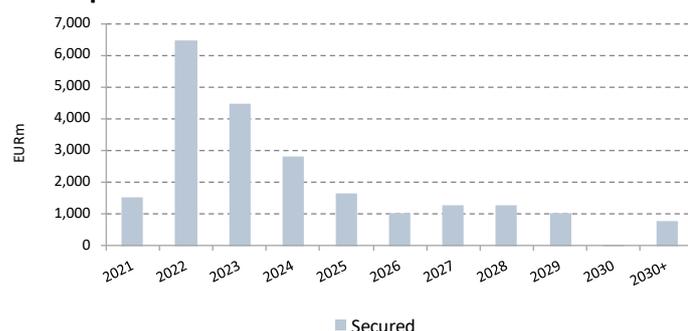
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	-	-	-
Total Securities	27,699	25,902	24,948
Total Deposits	-	-	-
Tier 1 Common Capital	557	556	555
Total Assets	28,103	26,290	25,352
Total Risk-weighted Assets	3,212	3,057	2,997

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1	-5	-8
Net Fee & Commission Inc.	-0	-0	-0
Net Trading Income	-	-	-
Operating Expense	10	10	10
Credit Commit. Impairment	-	-	-
Pre-tax Profit	4	3	3

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.00	-0.02	-0.03	Liquidity Coverage Ratio	-	-	-
ROAE	0.00	-	0.01	IFRS Tier 1 Leverage Ratio	1.98	2.12	2.19
Cost-to-Income	73.13	74.33	76.17	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	17.35	18.19	18.52	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Member association
- Asset quality

## Risks / Weaknesses

- Risk concentration on French property market
- Nominal degree of debt

# CRH – Mortgage

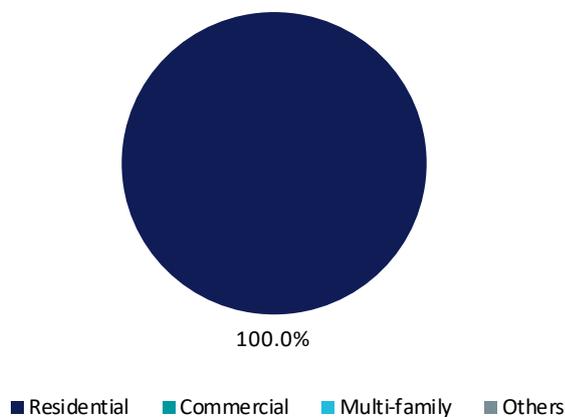
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

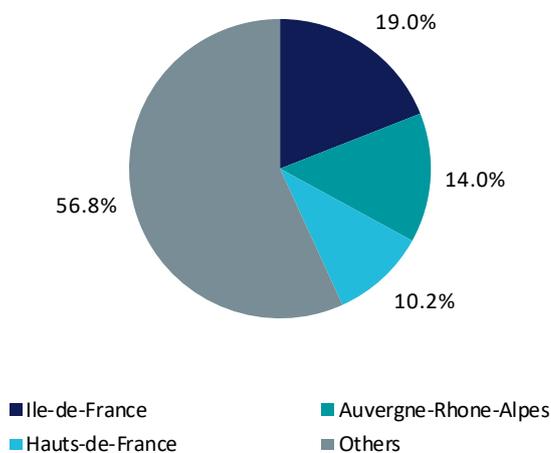
## Cover Pool Data

Cover pool volume (EURm)	31,723	Rating (Moody's)	Aaa
Amount outstanding (EURm)	22,092	Rating (S&P)	-
-thereof ≥ EUR 500m	89.9%	Rating (Fitch)	AAA
Current OC (nominal)	43.6%	Rating (DBRS)	-
Committed OC	25.0%	TPI	n/a
Cover type	Mortgage	TPI leeway	n/a
Main country	100% France	Collateral score	n/a
Main region	19% Ile-de-France	RRL	-
Number of loans	557,829	JRL	-
Number of borrowers	494,709	Unused notches	-
Avg. exposure to borrowers (EUR)	64,125	AAA credit risk (%)	-
WAL (cover pool)	6.9y	PCU	1
WAL (covered bonds)	3.3y	Recovery uplift	2
Fixed interest (cover pool)	90.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	33.2%	LCR level (Bmk)	1
LTV (unindexed)	36.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

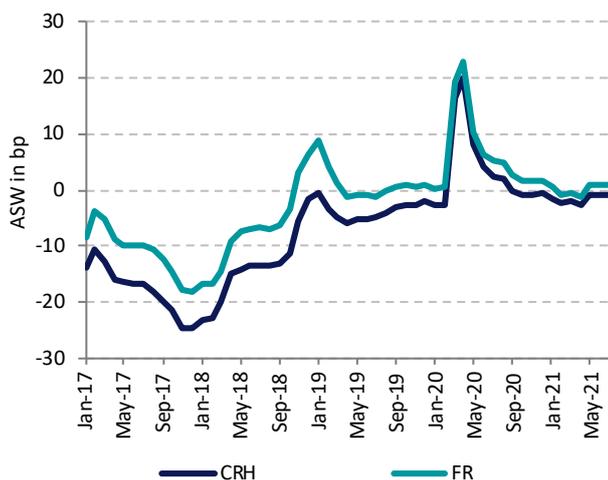
## Borrower Types



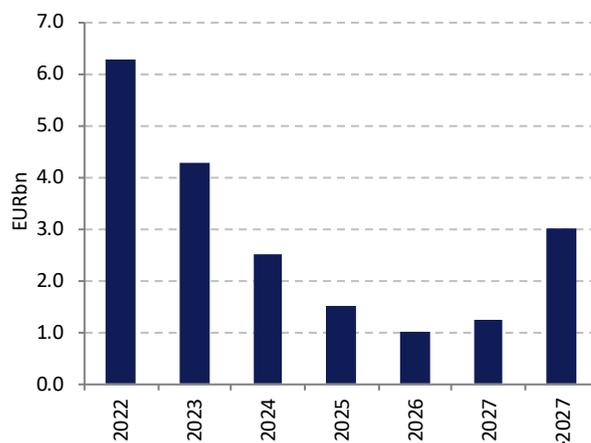
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Caisse Française de Financement Local

France 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

## Homepage

[www.caissefrancaisedefinancementlocal.fr](http://www.caissefrancaisedefinancementlocal.fr)

Caisse Française de Financement Local (CAFFIL) was formed in 2013 following the purchase of Dexia Municipal Agency (Dexia MA) by the newly established public sector credit institute Société de Financement Local (SFIL; banking licence since Q1 2013). In the wake of this, Dexia MA was renamed as CAFFIL and operates today as an accredited Société de Crédit Foncier (SCF). SFIL used to be owned by the French government (75%) as well as Caisse des Dépôts (20%) and La Banque Postale (5%), but has been practically wholly owned by Caisse des Dépôts (99.99%) since September 2020. The French government continues to hold one share and has the right to elect a board member without voting rights. CAFFIL remains a 100% subsidiary of SFIL and its sphere of activities will not change. While lending to French regions, departments and local authorities as well as public hospitals is incumbent upon La Banque Postale, it is the task of CAFFIL to secure capital market funding by way of covered bond issuances. To be able to fulfil this role at all times, SFIL has provided both a statement of support and a declaration that it will provide funding. In order to fulfil this role at all times, SFIL has provided both a statement of support and a declaration that it will provide funding. CAFFIL issues obligations foncières (covered bonds), as well as other covered debt instruments backed solely by a public sector cover pool (local authority loans). Its field of activity was expanded in 2015 to include export loan funding. The funding loan is guaranteed by the French government. CAFFIL issues between EUR 4bn and EUR 6bn on the covered bond market annually, and has an outstanding covered bond volume of approximately EUR 58bn at present.

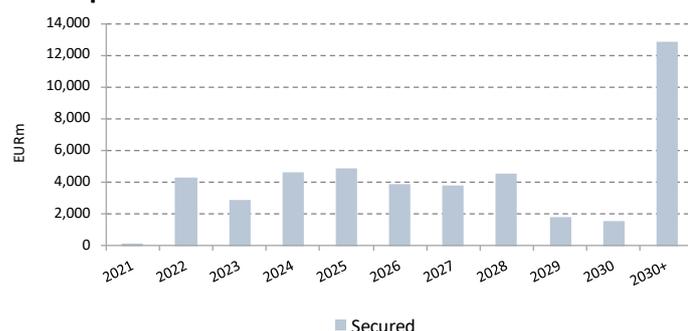
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	49,353	49,695	50,366
Total Securities	16,206	16,862	16,430
Total Deposits	-	-	-
Tier 1 Common Capital	-	-	-
Total Assets	69,056	70,233	72,461
Total Risk-weighted Assets	5,084	5,549	4,672

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	128	119	126
Net Fee & Commission Inc.	-7	-3	16
Net Trading Income	55	38	20
Operating Expense	101	97	104
Credit Commit. Impairment	-2	3	-9
Pre-tax Profit	66	51	59

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.19	0.17	0.18	Liquidity Coverage Ratio	603.00	NM	176.00
ROAE	4.40	2.77	2.98	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	57.39	62.99	64.20	NPL/ Loans at Amortised Cost	0.79	2.14	0.98
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	0.08	0.08	0.06

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Indirectly owned by the government
- Strategic unit within the Group

## Risks / Weaknesses

- Profitability
- Leverage

# CAFFIL – Public Sector

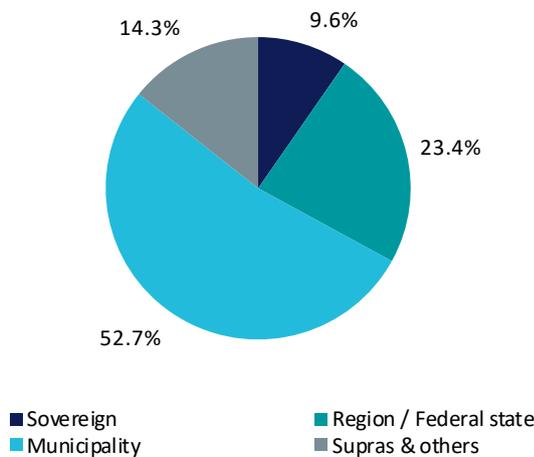
France

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

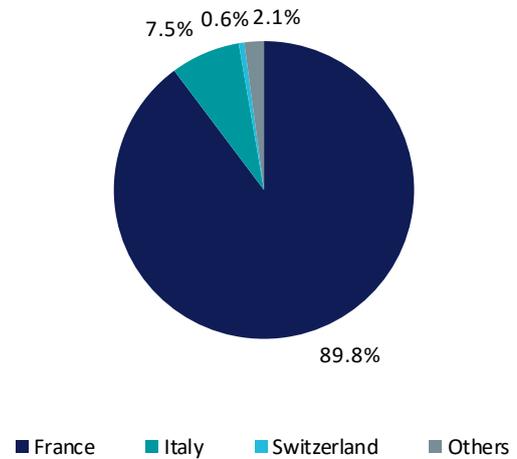
## Cover Pool Data

Cover pool volume (EURm)	58,769	Rating (Moody's)	Aaa
Amount outstanding (EURm)	50,919	Rating (S&P)	AA+
-thereof ≥ EUR 500m	74.0%	Rating (Fitch)	-
Current OC (nominal)	15.4%	Rating (DBRS)	AAA
Committed OC	5.0%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	4
Main country	90% France	Collateral score	7.5%
Main region	21% Ile-de-France	RRL	aa
Number of loans	41,608	JRL	aa
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	n/a
WAL (cover pool)	7.3y	PCU	-
WAL (covered bonds)	7.2y	Recovery uplift	-
Fixed interest (cover pool)	71.6%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	92.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.4%	Maturity structure (Bmk)	HB

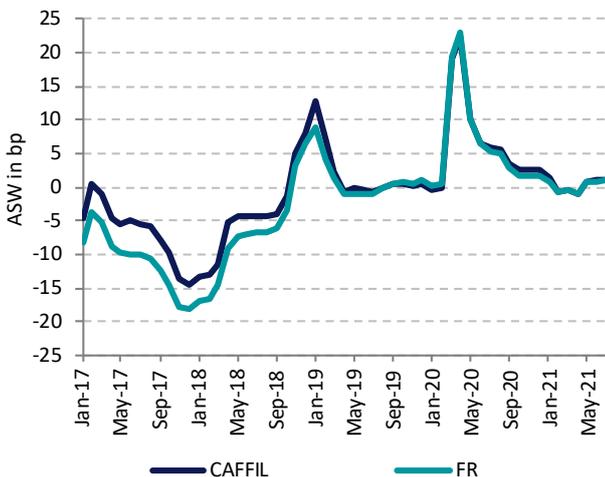
## Borrower Types



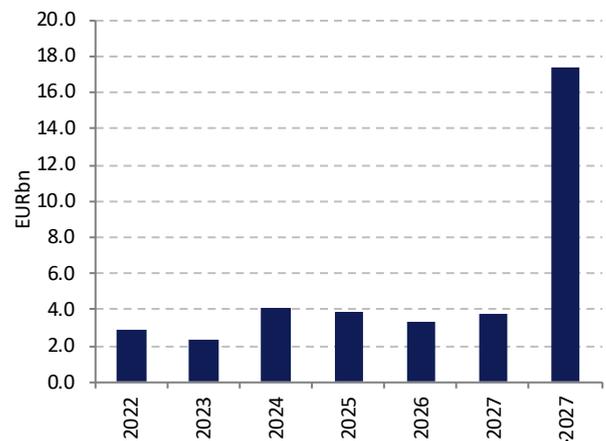
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# CIF Euromortgage

France 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

## Homepage

[www.cif-euromortgage.com](http://www.cif-euromortgage.com)

CIF Euromortgage (CIFE) is a Société de Crédit Foncier (SCF) and part of the Crédit Immobilier de France (CIF) Group, which belongs to a group of specialist companies for private property finance targeting the niche segment of low-moderate income customers. In autumn 2012, the CIF Group encountered financial difficulties and was consequently forced to seek government guarantees. A temporary guarantee for six months was approved by the European Commission on 21 February 2013. On 27 November 2013, the European Commission authorised a permanent guarantee in the amount of EUR 28bn. The winding-up of CIF was a precondition for the guarantee. Accordingly, CIF may not conduct any new business and must liquidate its assets over a period of 22 years (i.e. by the end of 2035). As at the end of June 2020, the cover pool amounted to just under EUR 5bn. Since then, 3CIF has been wholly responsible for the Group's funding, meaning that CIFE is not involved in any new business in the market. CIFE is 99.99% owned by Crédit Immobilier de France Développement (CIFD, Group holding), which, in turn, is 99.67% owned by SACICAPs (Sociétés Anonymes Coopératives d'Intérêt Collectif pour l'Accession à la Propriété; regional authorities or social housing construction authorities). The French government holds one ordinary share in CIFD and is therefore entitled to vote. The Group had the task of implementing the construction of government housing. Funding was covered in the form of covered bonds issued by CIFE and unsecured funding from Caisse Centrale du Crédit Immobilier de France (3CIF), a subsidiary of CIFD.

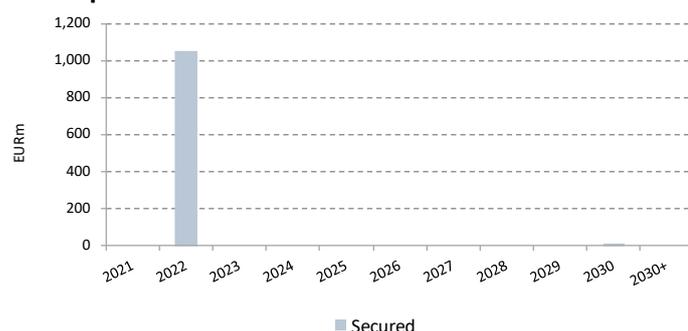
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	-	-	-
Total Securities	-	-	-
Total Deposits	-	-	-
Tier 1 Common Capital	-	-	-
Total Assets	8,125	6,217	-
Total Risk-weighted Assets	-	-	-

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	8	8	-
Net Fee & Commission Inc.	0	-0	-
Net Trading Income	-	0	-
Operating Expense	3	2	-
Credit Commit. Impairment	-	-	-
Pre-tax Profit	5	6	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.09	0.11	-	Liquidity Coverage Ratio	-	-	-
ROAE	1.85	2.76	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	40.00	26.94	-	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Government guarantee ensures liquidation

## Risks / Weaknesses

- No new business

# CIF Euromortgage – Mortgage

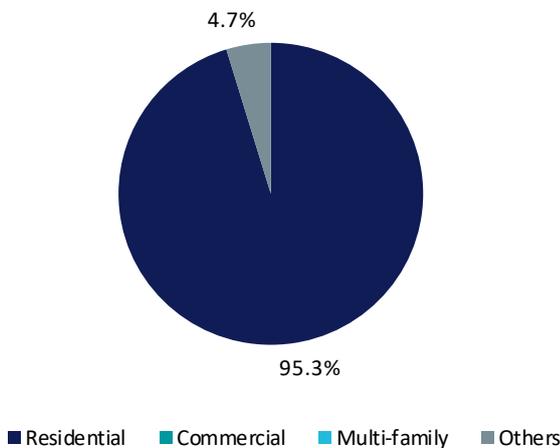
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

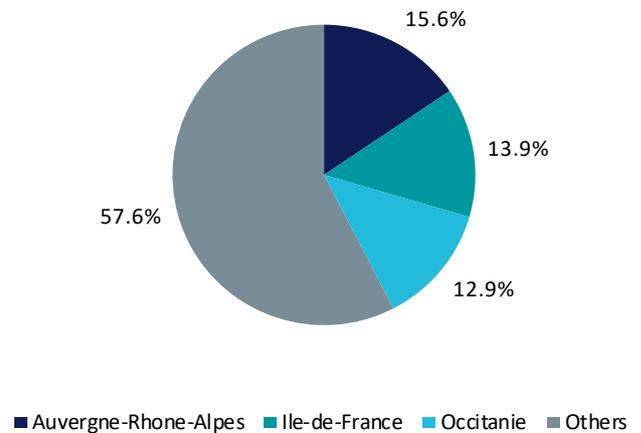
## Cover Pool Data

Cover pool volume (EURm)	3,947	Rating (Moody's)	Aa2
Amount outstanding (EURm)	3,075	Rating (S&P)	-
-thereof ≥ EUR 500m	32.5%	Rating (Fitch)	-
Current OC (nominal)	28.4%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	0
Main country	100% France	Collateral score	7.6%
Main region	16% Auvergne-Rhone-Alpes	RRL	-
Number of loans	71,446	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	6.0y	Recovery uplift	-
Fixed interest (cover pool)	60.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	93.5%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	73.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

## Borrower Types



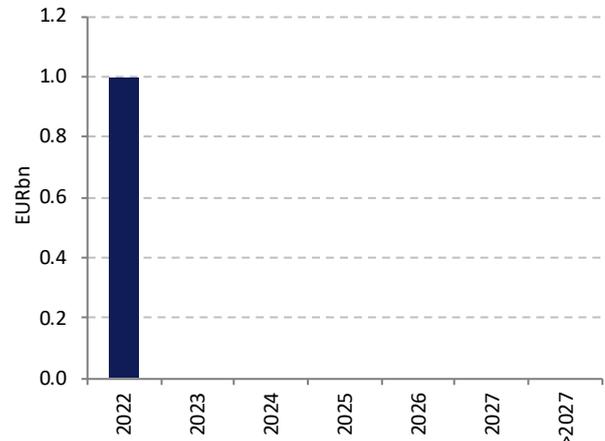
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Compagnie de Financement Foncier

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

## Homepage

[www.foncier.fr](http://www.foncier.fr)

The financial institution Compagnie de Financement Foncier (CFF) was established in 1999 by Crédit Foncier de France (CF) in response to changes to the legislative framework. The roots of the parent group (100%) can be traced back to 1852, when CF was established by the French government. Since 1999, CF has operated as a private sector financial institution and has been a wholly owned subsidiary of BPCE S.A. since 2010. Then, as now, CF's main role is to provide property financing, including funding for the construction of social housing and the public sector. The institute has total assets of EUR 68.5bn (FY 2020). Once established, CFF was integrated completely within the Group, taking over responsibility for funding CF as well as the BPCE Group later on. As a result of this, previously issued covered bonds including the corresponding suitable assets and liabilities were transferred. The assets (88% France) reveal an obvious geographic focus, with the rest of the European Union following thereafter at 7%. In terms of asset type, the focus is on mortgage loans at around 53% and the public sector at 36% (FY 2020). As at 31 March 2021, the total volume of outstanding covered bonds stood at EUR 56.03bn, which equates to a share of 68% of total liabilities. In 2020, bonds in a total amount of EUR 3.03bn were issued, while a total of EUR 1.8bn has been issued so far in 2021. CFF is one of the largest issuers in France and is a major issuer of European benchmark bonds. The financial institution exceeds the regulatory CET1 requirements with a ratio of 25.38% (FY 2020).

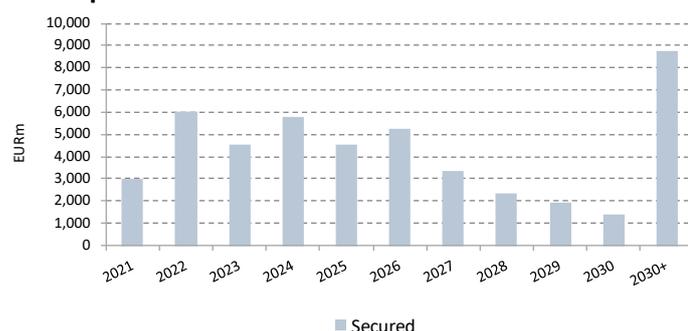
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	39,643	37,627	35,339
Total Securities	7,837	7,331	6,417
Total Deposits	-	-	-
Tier 1 Common Capital	3,107	3,107	3,107
Total Assets	76,665	71,462	68,455
Total Risk-weighted Assets	14,343	13,051	12,244

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	228	190	117
Net Fee & Commission Inc.	43	40	34
Net Trading Income	0	10	20
Operating Expense	95	80	93
Credit Commit. Impairment	16	-11	-4
Pre-tax Profit	157	169	78

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.30	0.26	0.17	Liquidity Coverage Ratio	-	-	-
ROAE	2.82	3.47	1.48	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	35.37	33.70	55.77	NPL/ Loans at Amortised Cost	3.96	3.72	3.61
Core Tier 1 Ratio	21.66	23.81	25.38	Reserves/Loans at Amort. Cost	0.23	0.17	0.17

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Integration in the banking group
- Positioning on the French covered bond market

## Risks / Weaknesses

- Concentrated credit risk in the retail business
- Competition among French real estate financiers

# CFF – Mortgage

France

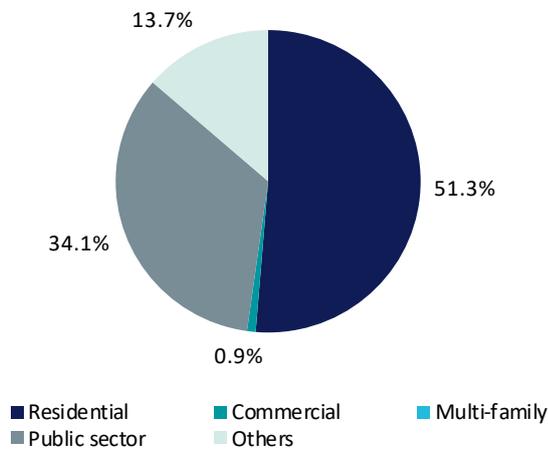
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

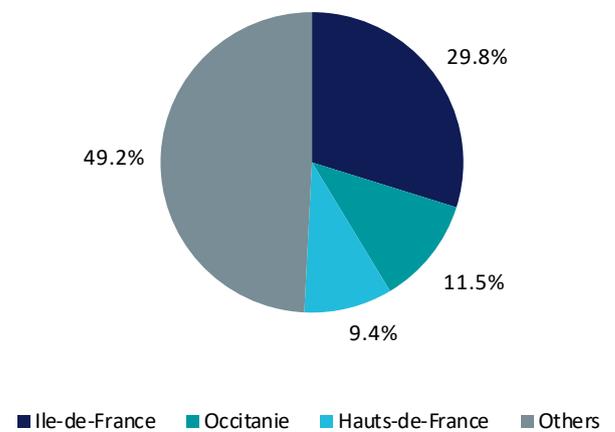
Cover pool volume (EURm)	66,996
Amount outstanding (EURm)	56,031
-thereof ≥ EUR 500m	61.5%
Current OC (nominal)	19.6%
Committed OC	5.0%
Cover type	Mortgage
Main country	98% France
Main region	30% Ile-de-France
Number of loans	426,232
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	8.2y
WAL (covered bonds)	6.7y
Fixed interest (cover pool)	92.0%
Fixed interest (covered bonds)	93.4%
LTV (indexed)	72.8%
LTV (unindexed)	76.6%
Loans in arrears	1.6%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	12.9%
RRL	aa-
JRL	aa
Unused notches	4
AAA credit risk (%)	7.16
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

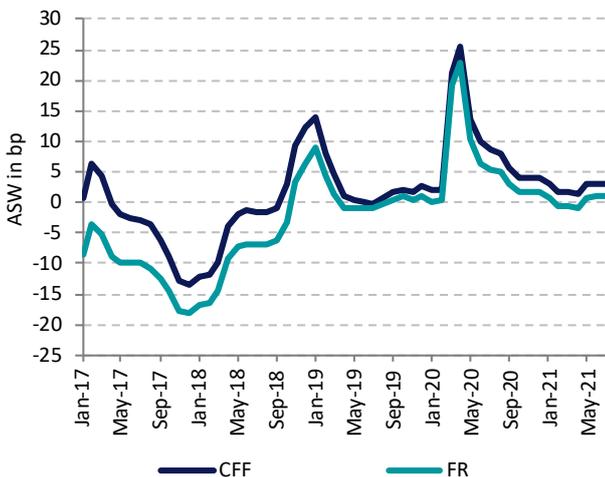
## Borrower Types



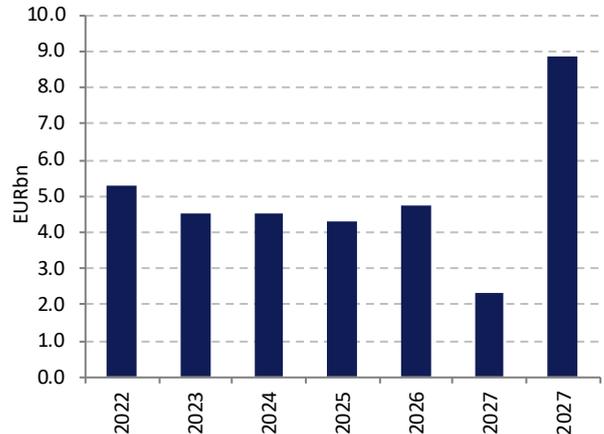
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Crédit Agricole

France 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Negative
Moody's	Aa3	Stable
S&P	A+	Negative

## Homepage

[www.credit-agricole.com](http://www.credit-agricole.com)

Crédit Agricole S.A. (CASA) can boast a cooperative tradition which retains strong links to agriculture. Today, CASA heads up a group of 39 regional banks which hold 55.3% of the shares in CASA via the holding company SAS La Boétie and which alongside CASA and its subsidiaries form the Crédit Agricole Group. The financial institution holds several top positions within the French banking sector and is among the group of global systemically important banks (G-SIBs) in France. CASA offers its 52 million customers, 30 million of which are retail customers based in France, all the products of a universal bank. The business areas of CASA are divided into the following operating units: Retail Banking, Asset Gathering, Large Corporates, Specialised Financial Services and Corporate Center. At 30% (FY 2020), the Retail Banking segment makes the largest contribution to net earnings. The Crédit Agricole Group operates in 48 countries worldwide in the regions of Europe, the Middle East, Asia-Pacific and America. The majority of income is attributable to the domestic market, France, at 55% (FY 2020), followed by Italy (11%), the rest of Europe (12%) and North America (5%). The targets defined in CASA's Medium-Term Plan 2022 were achieved sooner than expected. This included ROTE and a CET1 ratio of at least 11%. As at December 2020, CASA has a CET1 ratio of 13.1% (17.2% at Group level) and a leverage ratio of 5.8%. The G-SIB is obliged to fulfil a TLAC of 24.5%, which with a value of 24.8% at present is achieved. Net income was EUR 4.7 billion (FY/2020; previous year: EUR 7.2 billion).

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	400,283	410,253	416,300
Total Securities	754,666	808,220	818,300
Total Deposits	660,933	733,659	733,600
Tier 1 Common Capital	39,211	44,180	44,300
Total Assets	1,767,643	1,961,062	2,031,500
Total Risk-weighted Assets	323,678	336,044	348,400

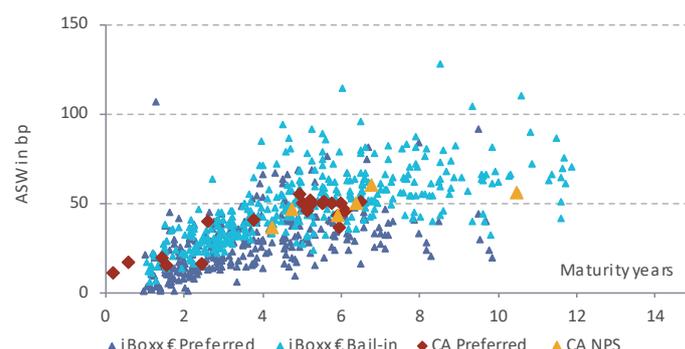
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	11,444	11,818	-
Net Fee & Commission Inc.	4,056	4,221	-
Net Trading Income	15,614	1,868	-
Operating Expense	12,841	12,952	-
Credit Commit. Impairment	949	2,521	-
Pre-tax Profit	5,952	4,588	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.70	0.64	-	Liquidity Coverage Ratio	131.65	148.21	153.81
ROAE	7.98	4.51	6.71	IFRS Tier 1 Leverage Ratio	2.41	2.44	-
Cost-to-Income	62.40	61.75	-	NPL/ Loans at Amortised Cost	3.32	3.30	3.23
Core Tier 1 Ratio	12.11	13.15	12.72	Reserves/Loans at Amort. Cost	2.28	2.31	2.28

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Growth across all business units
- Capitalisation
- Market position in France (retail banking)

## Risks / Weaknesses

- Low interest rate environment (interest income)
- Dependency on capital market funding
- Concentration risks (Italy)

# Crédit Agricole Home Loan SFH – Mortgage

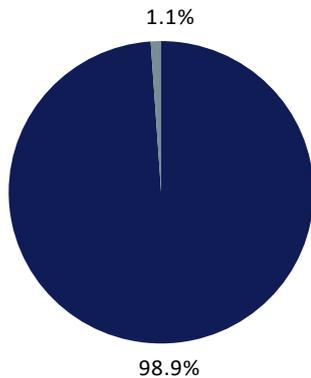
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

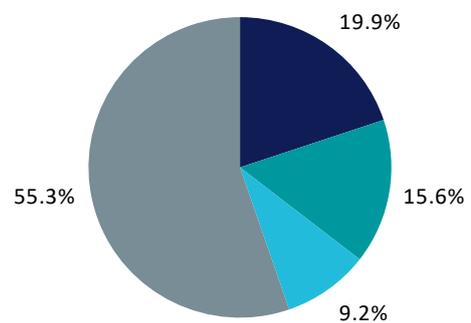
Cover pool volume (EURm)	49,584	Rating (Moody's)	Aaa
Amount outstanding (EURm)	31,530	Rating (S&P)	AAA
-thereof ≥ EUR 500m	89.1%	Rating (Fitch)	AAA
Current OC (nominal)	57.3%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% France	Collateral score	5.0%
Main region	20% Ile-de-France	RRL	aa
Number of loans	751,383	JRL	aa
Number of borrowers	n/a	Unused notches	5
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3.74
WAL (cover pool)	7.3y	PCU	6
WAL (covered bonds)	6.1y	Recovery uplift	2
Fixed interest (cover pool)	95.5%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	57.4%	LCR level (Bmk)	1
LTV (unindexed)	61.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



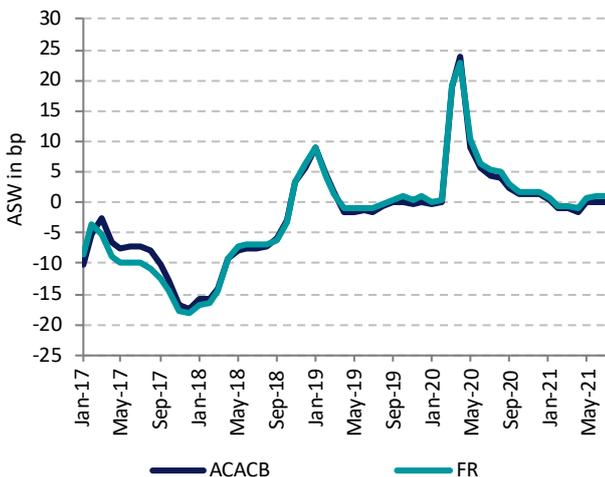
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

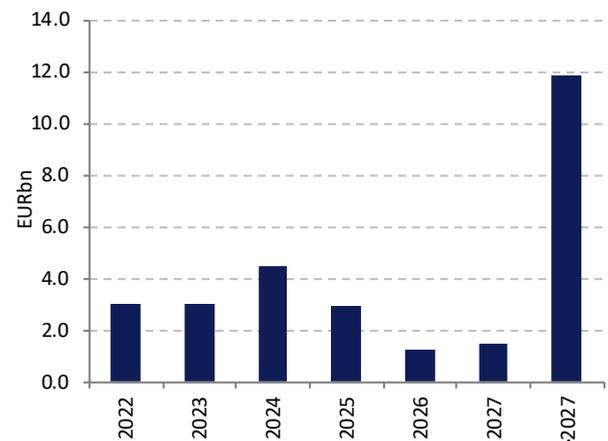


■ Ile-de-France ■ Auvergne-Rhone-Alpes ■ Occitanie ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Crédit Agricole Public Sector SCF – Public Sector

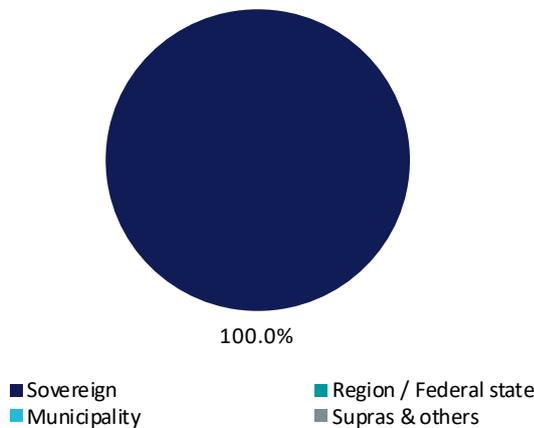
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

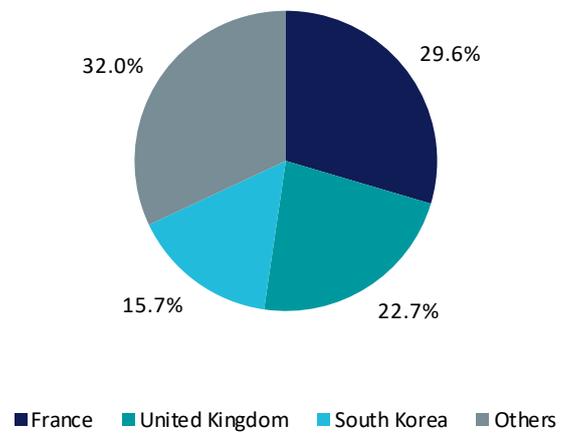
## Cover Pool Data

Cover pool volume (EURm)	5,983	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,000	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	49.6%	Rating (DBRS)	-
Committed OC	5.3%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	5
Main country	30% France	Collateral score	13.6%
Main region	n/a	RRL	aa
Number of loans	155	JRL	aa
Number of borrowers	85	Unused notches	5
Avg. exposure to borrowers (EUR)	70,391,765	AAA credit risk (%)	n/a
WAL (cover pool)	4.0y	PCU	-
WAL (covered bonds)	5.5y	Recovery uplift	-
Fixed interest (cover pool)	36.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

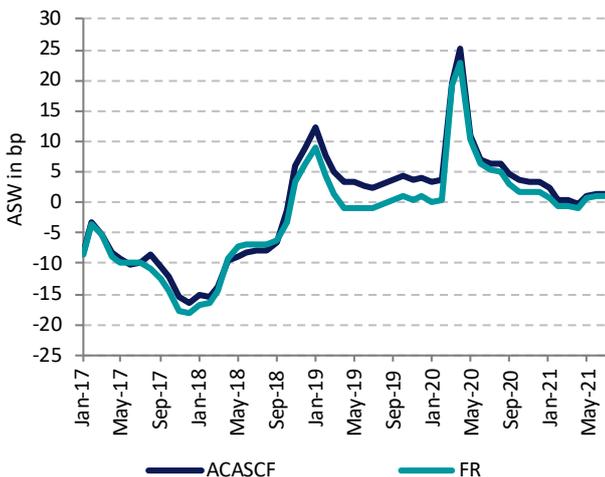
## Borrower Types



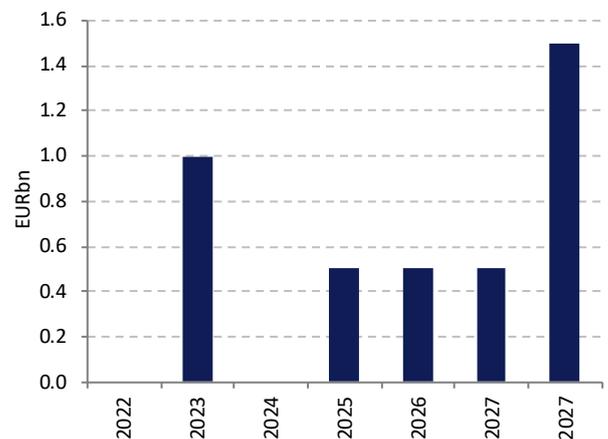
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Crédit Mutuel Arkéa

France 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	Aa3	Stable
S&P	-	-

## Homepage

[www.arkea.com](http://www.arkea.com)

The Crédit Mutuel Arkéa Group (Arkéa) is a cooperative banking and insurance company and the second-largest merger of regional associations within the Crédit Mutuel Group after Crédit Mutuel Alliance Fédérale. Arkéa includes the two legally independent regional associations Crédit Mutuel de Bretagne and Crédit Mutuel du Sud-Ouest, in addition to 40 specialist subsidiaries. A solidarity mechanism exists within the Arkéa Group, which makes payments to loss-making member banks via a solidarity fund and a reserve fund. The universal bank maintains a strong regional presence in Brittany and the south-west of France via a network of 404 local branches. Business activities in France comprise retail banking, corporate banking, asset management and insurance. Various subsidiaries in other European countries are also represented: these include Belgium (Keytrade Bank and Procapital Securities Services), the UK, Germany, Spain and Luxembourg (Leetchi and Mangopay). The strategic plan dubbed "Transitions 2024" adopted in January 2021 focuses on modernising the business model, primarily with regard to improving the sustainability of Crédit Mutuel Arkéa's own products and services. The Group has a CET1 ratio of 16.8% and a leverage ratio of 6.8% (as at year-end 2020). Since the start of January 2020, the regional association Crédit Mutuel Massif Central has no longer formed part of Arkéa. Following on from the issuance of an inaugural social bond in October 2019, Crédit Mutuel Arkéa placed an additional social bond worth EUR 750m in June 2020.

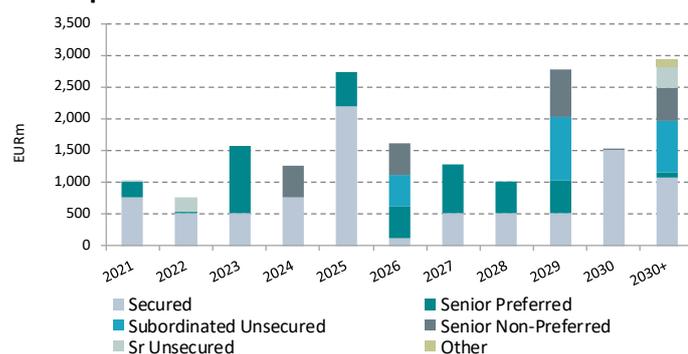
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	55,590	62,452	67,263
Total Securities	13,578	13,584	16,090
Total Deposits	54,561	61,705	68,366
Tier 1 Common Capital	5,594	6,164	6,744
Total Assets	134,920	157,142	169,376
Total Risk-weighted Assets	32,020	37,614	40,039

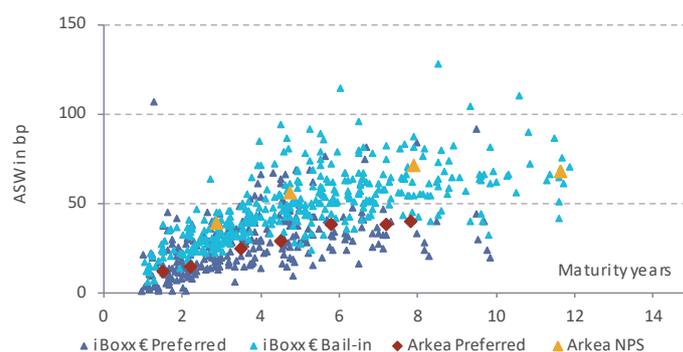
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	679	591	651
Net Fee & Commission Inc.	480	468	490
Net Trading Income	102	99	15
Operating Expense	1,514	1,582	1,493
Credit Commit. Impairment	56	97	159
Pre-tax Profit	593	643	493

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.66	0.67	0.63	Liquidity Coverage Ratio	130.77	135.87	153.18
ROAE	6.65	7.27	4.72	IFRS Tier 1 Leverage Ratio	4.21	4.00	4.06
Cost-to-Income	70.37	74.40	72.11	NPL/ Loans at Amortised Cost	2.57	2.34	2.14
Core Tier 1 Ratio	17.47	16.39	16.84	Reserves/Loans at Amort. Cost	1.86	1.73	1.65

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Risk profile
- Funding structure
- Capitalisation

## Risks / Weaknesses

- Split from CMG could have an adverse impact
- Profitability
- Concentration risks

# Crédit Mutuel Arkéa SFH – Mortgage

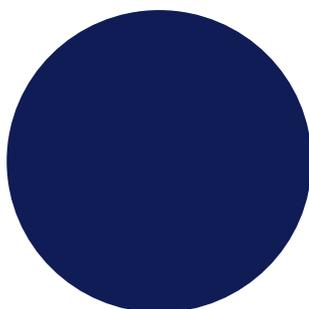
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	12,045	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,536	Rating (S&P)	-
-thereof ≥ EUR 500m	44.6%	Rating (Fitch)	AAA
Current OC (nominal)	26.3%	Rating (DBRS)	-
Committed OC	10.7%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% France	Collateral score	6.0%
Main region	62% Brittany	RRL	-
Number of loans	224,497	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	4.8y	PCU	4
WAL (covered bonds)	5.1y	Recovery uplift	2
Fixed interest (cover pool)	99.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	62.1%	LCR level (Bmk)	1
LTV (unindexed)	69.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

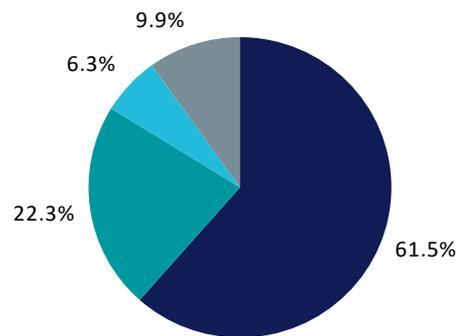
## Borrower Types



100.0%

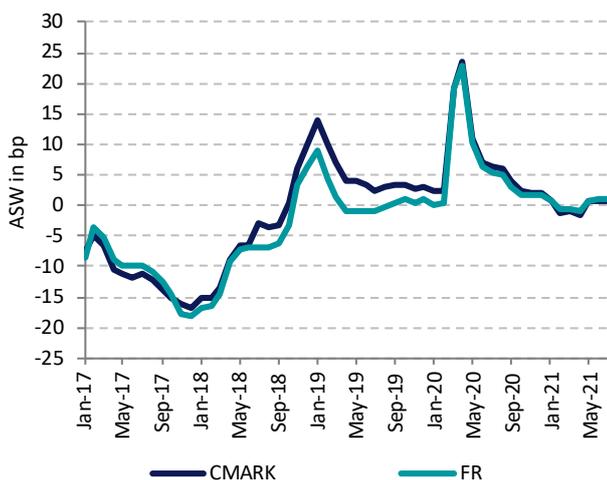
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

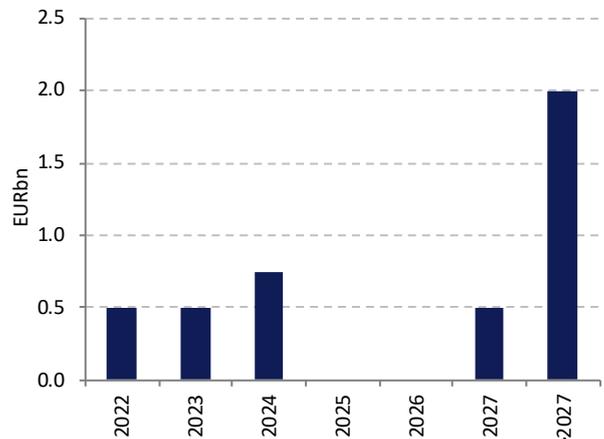


■ Brittany ■ Nouvelle-Aquitaine ■ Ile-de-France ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Crédit Mutuel Arkéa SCF – Public Sector

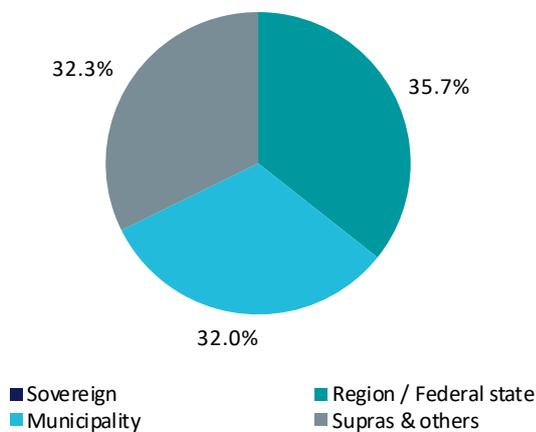
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

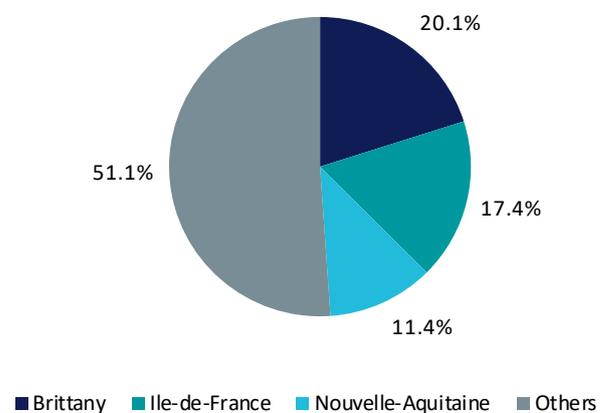
## Cover Pool Data

Cover pool volume (EURm)	2,974	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,078	Rating (S&P)	-
-thereof ≥ EUR 500m	24.1%	Rating (Fitch)	-
Current OC (nominal)	43.2%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	5
Main country	100% France	Collateral score	10.3%
Main region	20% Brittany	RRL	-
Number of loans	1,132	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.6y	PCU	-
WAL (covered bonds)	7.5y	Recovery uplift	-
Fixed interest (cover pool)	51.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

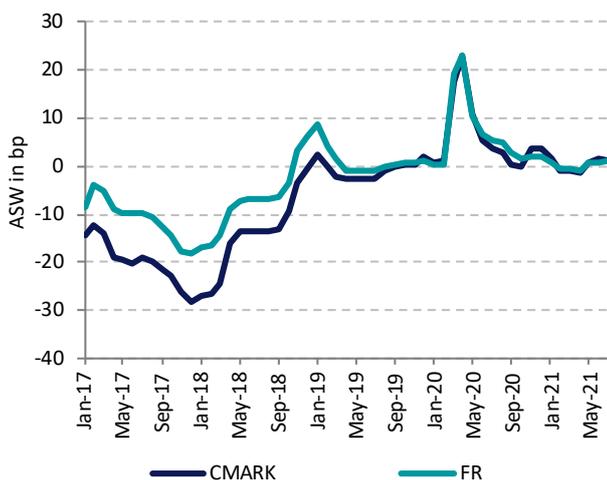
## Borrower Types



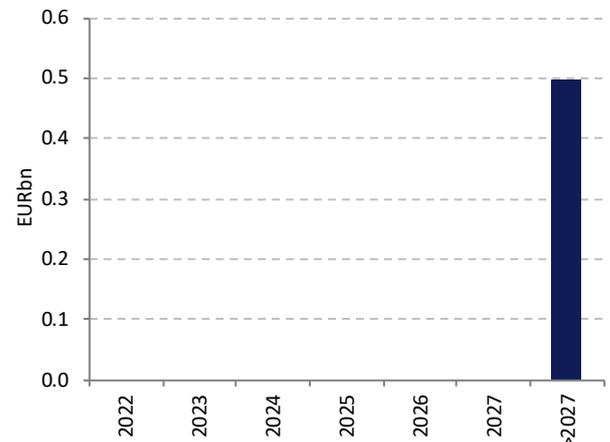
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Groupe BPCE

France 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Negative
Moody's	A1	Stable
S&P	A	Stable

## Homepage

[www.groupebpce.com](http://www.groupebpce.com)

Groupe BPCE is the second largest banking group in France and a global systemically important bank (G-SIB; additional capital buffer: 1%). It serves the retail and insurance business in France by way of a distribution network comprising Banque Populaire and Caisse d'Epargne, Natixis Assurances as well as Oney Bank. With Natixis, it has been active worldwide in corporate and investment banking, asset management and payment flows since 2020, serving approximately 36 million customers across 40 countries in the process. BPCE SA (BPCE) is the central bank within the French Groupe BPCE. In total, 50% of shares of BPCE are held by 15 Caisses d'Epargne (savings banks), while the other 50% is held by 14 Banques Populaires (cooperative banks). Within the Group, BPCE is responsible for strategy, coordination and management as well as liquidity management, capitalisation and risk management. The bank operates in the Retail Banking & Insurance (74% of operating income as at FY 2020), Asset & Wealth Management (14%) and Corporate & Investment Banking (12%) business segments. In addition to the above-mentioned Natixis (71% share, 29% in free float), and a 50.1% share in Oney Bank SA (consumer finance, retail), the Group also maintains a number of other equity participations, including the wholly owned subsidiaries Crédit Foncier de France (CFF) and Banque Palatine. In November 2020, the merger between the asset management firm Ostrum and La Banque Postale was concluded. Natixis holds 55% of the shares in Ostrum (EUR 430bn assets under management; EUR 590bn via service platform). As at December 2020, the CET1 ratio of 16% comfortably exceeds the regulatory requirements of 9.32%.

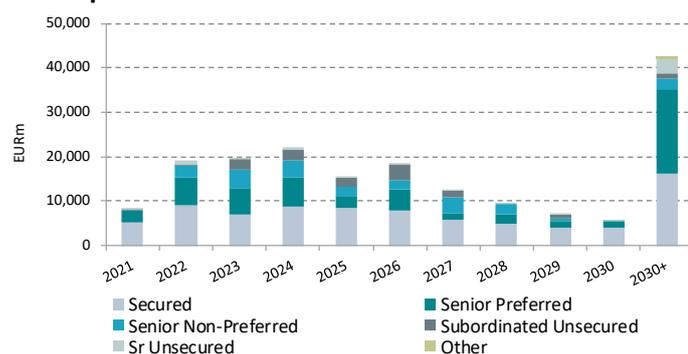
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	781,985	818,907	-
Total Securities	212,378	219,050	-
Total Deposits	559,853	630,957	645,169
Tier 1 Common Capital	65,992	68,969	69,700
Total Assets	1,321,648	1,446,269	1,487,257
Total Risk-weighted Assets	421,599	431,222	434,000

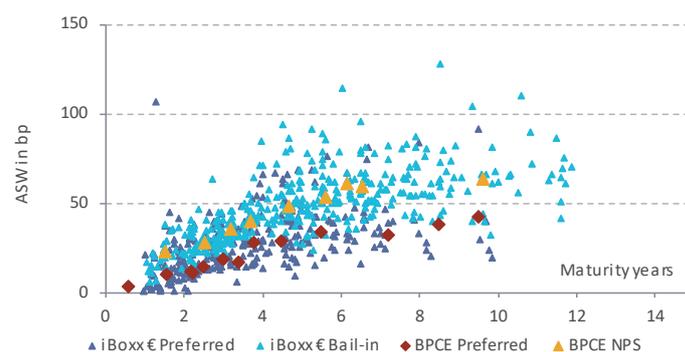
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	8,660	9,170	-
Net Fee & Commission Inc.	9,585	9,187	-
Net Trading Income	2,262	1,250	-
Operating Expense	17,582	16,644	-
Credit Commit. Impairment	1,312	2,936	-
Pre-tax Profit	5,538	2,789	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	0.74	0.74	-	Liquidity Coverage Ratio	140.69	156.12	165.00
ROAE	4.98	2.27	3.22	IFRS Tier 1 Leverage Ratio	5.23	4.97	-
Cost-to-Income	71.56	74.20	-	NPL/ Loans at Amortised Cost	3.02	2.78	2.94
Core Tier 1 Ratio	15.65	15.99	16.06	Reserves/Loans at Amort. Cost	1.81	1.78	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position and capitalisation
- Solidarity mechanism within the Group

## Risks / Weaknesses

- Earnings situation (low interest rate environment)
- Cost efficiency

# BPCE SFH – Mortgage

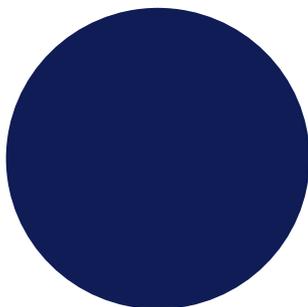
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	43,500	Rating (Moody's)	Aaa
Amount outstanding (EURm)	31,815	Rating (S&P)	AAA
-thereof ≥ EUR 500m	83.9%	Rating (Fitch)	-
Current OC (nominal)	36.7%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% France	Collateral score	5.5%
Main region	16% Ile-de-France	RRL	aa-
Number of loans	611,991	JRL	aa
Number of borrowers	n/a	Unused notches	4
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3.95
WAL (cover pool)	7.3y	PCU	-
WAL (covered bonds)	6.8y	Recovery uplift	-
Fixed interest (cover pool)	99.3%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	99.6%	CRR 129 (7)	Yes
LTV (indexed)	62.9%	LCR level (Bmk)	1
LTV (unindexed)	70.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

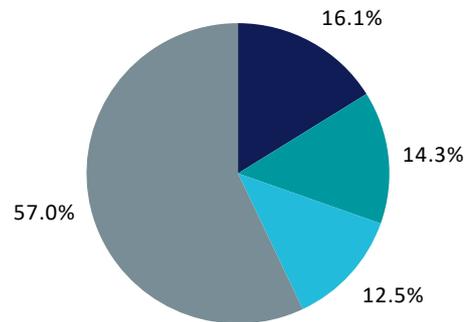
## Borrower Types



100.0%

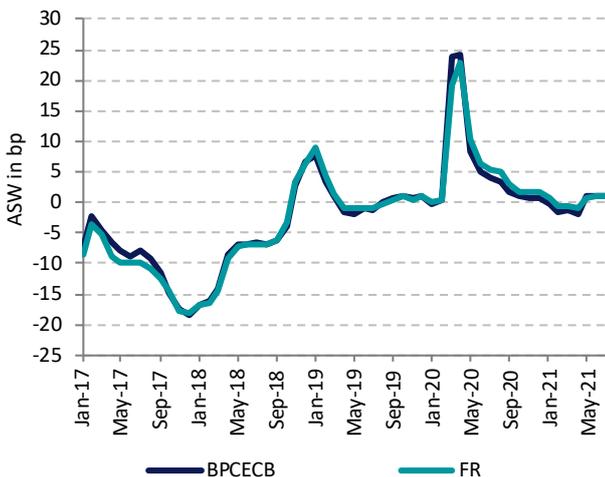
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

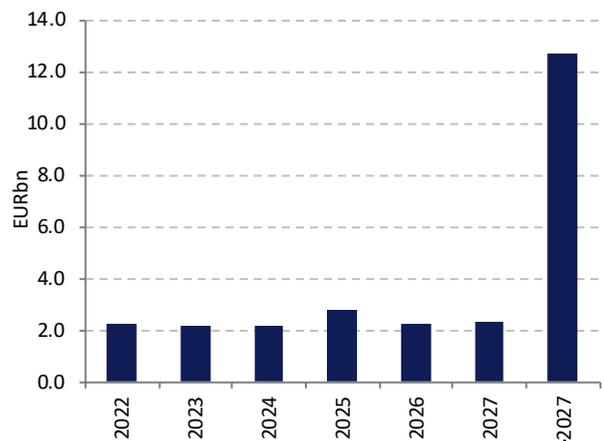


■ Ile-de-France ■ Auvergne-Rhone-Alpes  
■ Provence-Alpes-Cote d'Azur ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# HSBC Continental Europe

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa3	Negative
S&P	A+	Stable

## Homepage

[www.hsbc.fr](http://www.hsbc.fr)

HSBC France (HSBCF) was renamed HSBC Continental Europe at the end of 2020. The bank is headquartered in Paris and belongs to the HSBC Group, thereby forming part of one of the world's leading banking groups. The HSBC Group ranks as one of the 30 global systemically important banks (G-SIB; 2% additional capital buffer). The bank, which formerly operated under the name Crédit Commercial de France (CCF), became part of the HSBC Group in 2005 and changed its name to HSBCF within the same year. The origins of HSBCF date back to 1894. Today, the bank employs just under 9,000 staff who serve more than one million retail and corporate clients in France and 11 other European markets. The business areas are divided into the segments Wealth and Personal Banking, Commercial Banking and Global Banking & Markets, in addition to the Corporate Centre. Business is particularly focused on capital market operations, since Paris is the second centre for capital market activities for the HSBC Group in Europe after London. In this context, HSBC Continental Europe is the Group's strategic platform for activities within the eurozone. Due to internal restructuring process shaping events in 2020, at EUR 237bn the balance sheet total remained practically on a par with the previous year. In funding and liquidity management, HSBC Continental Europe operates independently from the parent group. Covered bonds are issued via the wholly owned subsidiary HSBC SFH (France). Following Brexit, HSBC Continental Europe became the centre of European operations. Further corporate segments are to be integrated in the Group and the product portfolio is to be expanded, while some customers and employees will be transferred to HSBC Continental.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	46,997	56,956	56,298
Total Securities	108,153	135,159	121,525
Total Deposits	42,004	57,651	61,483
Tier 1 Common Capital	4,747	6,464	5,818
Total Assets	180,946	237,680	237,099
Total Risk-weighted Assets	36,248	48,051	46,113

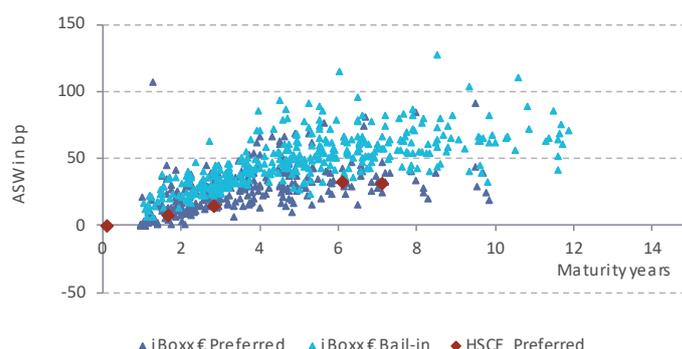
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,011	1,095	1,053
Net Fee & Commission Inc.	593	778	858
Net Trading Income	-489	1,471	330
Operating Expense	1,652	1,854	2,068
Credit Commit. Impairment	-10	128	287
Pre-tax Profit	45	-22	-945

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	0.60	0.56	0.49	Liquidity Coverage Ratio	128.00	152.00	143.00
ROAE	-0.29	-0.52	-12.87	IFRS Tier 1 Leverage Ratio	3.19	3.37	3.22
Cost-to-Income	95.16	83.25	97.50	NPL/ Loans at Amortised Cost	2.07	2.10	2.40
Core Tier 1 Ratio	13.10	13.45	12.62	Reserves/Loans at Amort. Cost	1.25	1.18	1.44

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Core Group location in the eurozone

## Risks / Weaknesses

- Trading business
- Dependency on capital market funding

# HSBC SFH – Mortgage

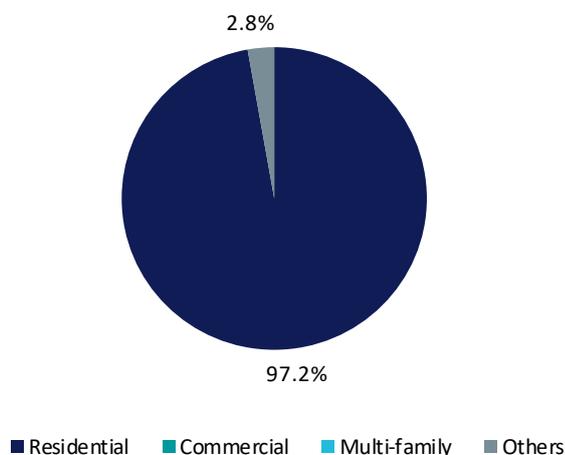
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

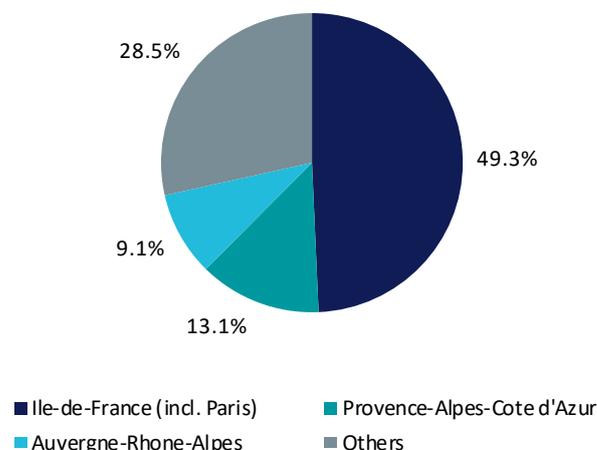
## Cover Pool Data

Cover pool volume (EURm)	4,000	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,250	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	23.1%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% France	Collateral score	5.0%
Main region	49% Ile-de-France (incl. Paris)	RRL	aa
Number of loans	39,017	JRL	aa
Number of borrowers	n/a	Unused notches	5
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	5.0y	PCU	-
WAL (covered bonds)	2.5y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	43.9%	LCR level (Bmk)	1
LTV (unindexed)	48.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

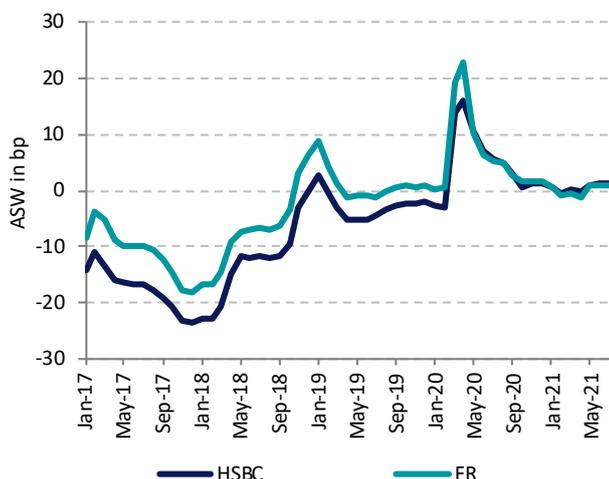
## Borrower Types



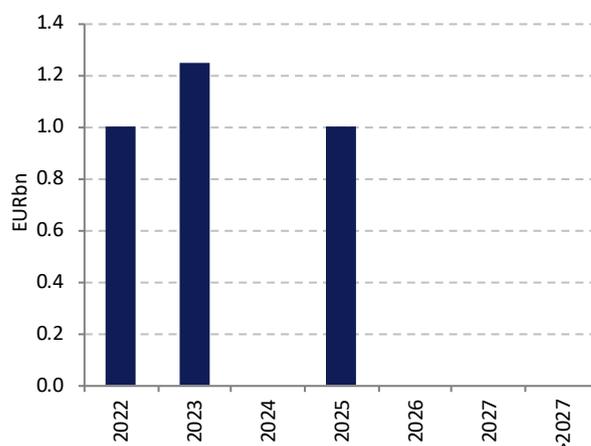
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# La Banque Postale

France 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Stable
Moody's	-	-
S&P	A	Stable

## Homepage

[www.labanquepostale.com](http://www.labanquepostale.com)

La Banque Postale (LBP), which is headquartered in Paris, was established in 2005 and is a wholly owned subsidiary of Le Groupe La Poste. While LBP focused on marketing home finance in the early days of its operations, the institution has evolved into a provider of a diverse range of products, concentrating primarily on retail banking (64% of net bank earnings for FY 2020). Accordingly, LBP's client base now includes around 10.8 million retail banking customers. LBP organises its business activities via a large number of subsidiaries and investments, which are allocated to the three core business areas, namely Asset Management, Retail Banking and Insurance. Within this structure, LBP operates as the central unit, which firstly operates the core business area retail banking and secondly is responsible for administrative tasks. In 2020, LBP became the largest shareholder (62%) in CNP Assurance (CNP), for which 21% of the shares are held in free float. In so doing, LBP extended its sphere of activities in the French and international insurance business, particularly in the area of pension products. In addition, CNP stands to benefit from the advantages offered by Groupe BPCE, with which LBP cooperates. The shareholder agreement reached by LBP and CNP runs until 2030. As a result of the acquisition, the share of the retail segment is set to decline in favour of the insurance business, with increased commission income being targeted as a result. After the acquisitions were included in reporting for the first time, net income increased by EUR 780m in 2019 to EUR 4,155m as at FY 2020.

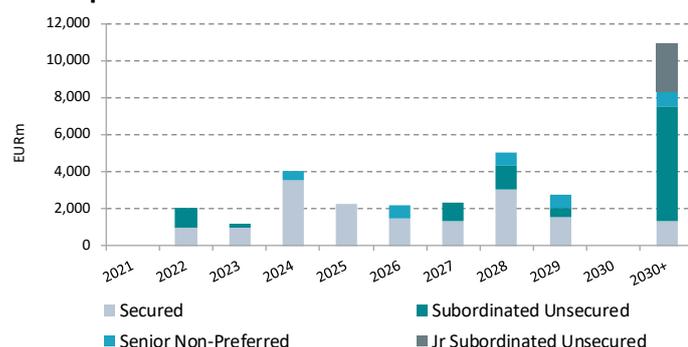
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	97,307	115,596	134,546
Total Securities	49,868	53,758	442,941
Total Deposits	185,811	191,016	230,393
Tier 1 Common Capital	8,155	9,400	17,461
Total Assets	245,201	271,683	737,176
Total Risk-weighted Assets	69,889	76,867	85,532

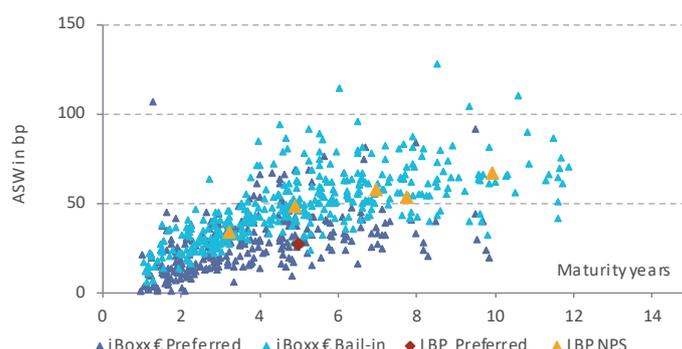
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	2,270	2,338	2,586
Net Fee & Commission Inc.	2,445	2,339	-778
Net Trading Income	344	534	3,826
Operating Expense	4,615	4,692	5,711
Credit Commit. Impairment	133	176	942
Pre-tax Profit	1,039	1,059	5,107

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.03	0.98	0.69	Liquidity Coverage Ratio	145.28	152.79	179.00
ROAE	7.75	7.33	21.20	IFRS Tier 1 Leverage Ratio	3.36	3.50	2.40
Cost-to-Income	79.06	79.13	82.60	NPL/ Loans at Amortised Cost	1.51	1.21	1.29
Core Tier 1 Ratio	11.67	12.23	20.42	Reserves/Loans at Amort. Cost	0.79	0.72	0.96

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Domestic market position
- Liquidity profile
- Integration in the Group

## Risks / Weaknesses

- Geographical diversification
- Low interest rate environment (interest income)
- Cost efficiency

# La Banque Postale Home Loan SFH – Mortgage

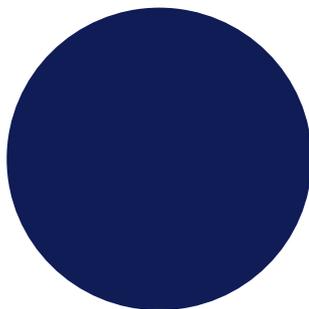
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	23,000	Rating (Moody's)	-
Amount outstanding (EURm)	17,216	Rating (S&P)	AAA
-thereof ≥ EUR 500m	41.5%	Rating (Fitch)	-
Current OC (nominal)	33.6%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	25% Ile-de-France	RRL	aa-
Number of loans	302,765	JRL	aa
Number of borrowers	n/a	Unused notches	4
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	7.9y	PCU	-
WAL (covered bonds)	6.0y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	57.7%	LCR level (Bmk)	1
LTV (unindexed)	65.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

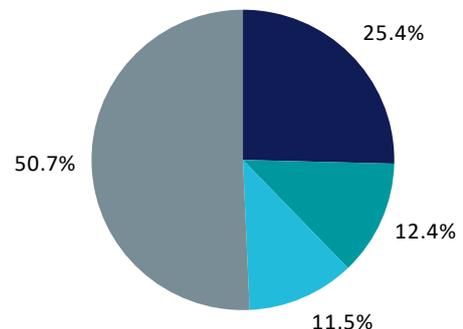
## Borrower Types



100.0%

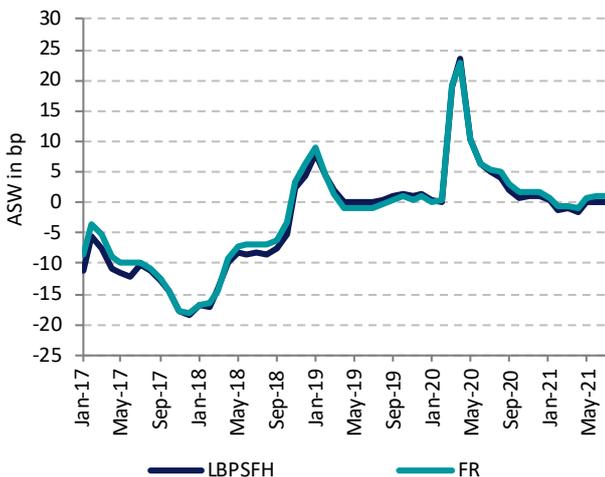
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

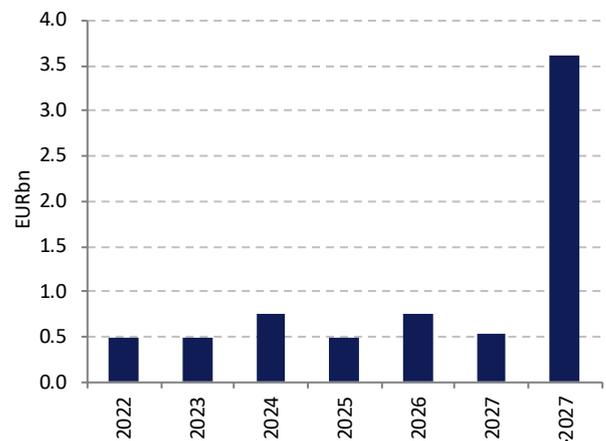


■ Ile-de-France ■ Auvergne-Rhone-Alpes  
■ Provence-Alpes-Cote d'Azur ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# My Money Bank

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BBB-	Negative

## Homepage

[www.mymoneybank.com](http://www.mymoneybank.com)

Headquartered in Paris, My Money Bank SA (MMBG) is an independent banking group which emerged in 2017 from GE Money Bank (subsidiary of GE Capital) and which is wholly owned by the private equity company Cerberus Capital Management. The Group includes My Money Bank (MMB; funding of secured and unsecured private loans and insurance on the French market), My Money Outremer (DOM; car and consumer loans and insurance in overseas territories) and My Partner Bank (MPB; property and specialised financing products for wholesale customers). MPB and MMB were merged within the Group structure in December 2020 following efforts aimed at streamlining the business as well as cost-cutting exercises. MPB was formerly known as Banque Espírito Santo et de la Vénétie (BESV), which was purchased in December 2018. This small commercial bank, which is active in France, is set to primarily expand the mortgage business. MMBG functions as an independent financial institution active on the French market and in French overseas territories via its subsidiaries Somafi Sogouafi (Martinique, French Guiana and Guadeloupe), Sorefi (La Réunion) and Socalfi (New Caledonia). According to its own information, MMBG has high market shares in mortgage funding in France and car finance in France's overseas territories. The Group's strategic plan includes digitisation and the selective expansion of business segments as well as diversification of the funding mix. As at year-end 2020, deposits accounted for the majority of funding (61%). The covered bond issuer MMB SCF is also part of MMBG. The Group is well capitalised with a CET1 ratio of 17.1% (fully loaded).

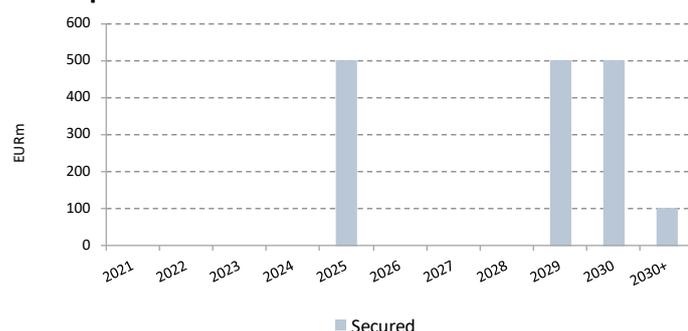
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	1,247	2,239	4,169
Total Securities	548	592	735
Total Deposits	1,441	2,862	3,645
Tier 1 Common Capital	-	-	-
Total Assets	2,805	4,826	6,544
Total Risk-weighted Assets	-	-	-

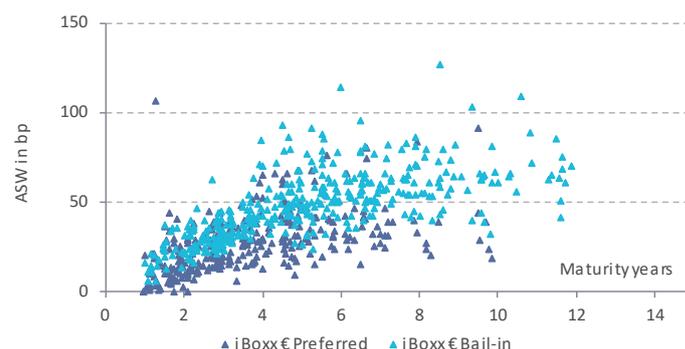
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	49	61	-
Net Fee & Commission Inc.	-6	-16	-
Net Trading Income	84	53	-
Operating Expense	103	91	-
Credit Commit. Impairment	-	-	-
Pre-tax Profit	56	28	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.35	1.66	-	Liquidity Coverage Ratio	-	-	-
ROAE	17.75	9.88	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	62.27	94.90	-	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	5.49	0.96	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Management structures
- Management team

## Risks / Weaknesses

- Concentration of earnings
- Dependency on wholesale funding
- Demanding transformation process

# MMB SCF – Mortgage

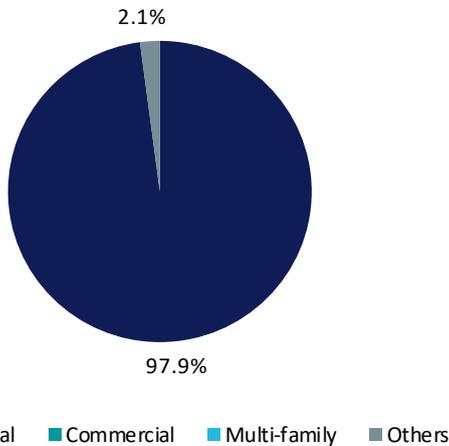
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

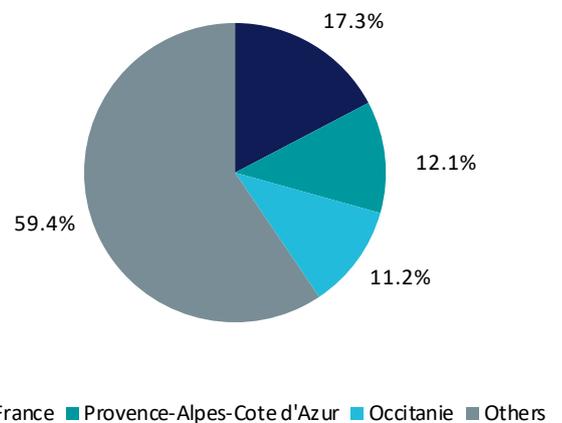
## Cover Pool Data

Cover pool volume (EURm)	1,955	Rating (Moody's)	-
Amount outstanding (EURm)	1,600	Rating (S&P)	AAA
-thereof ≥ EUR 500m	93.8%	Rating (Fitch)	-
Current OC (nominal)	22.2%	Rating (DBRS)	-
Committed OC	5.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	17% Ile-de-France	RRL	bbb+
Number of loans	20,618	JRL	a+
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3.57
WAL (cover pool)	9.4y	PCU	-
WAL (covered bonds)	8.0y	Recovery uplift	-
Fixed interest (cover pool)	90.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	51.0%	LCR level (Bmk)	1
LTV (unindexed)	54.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

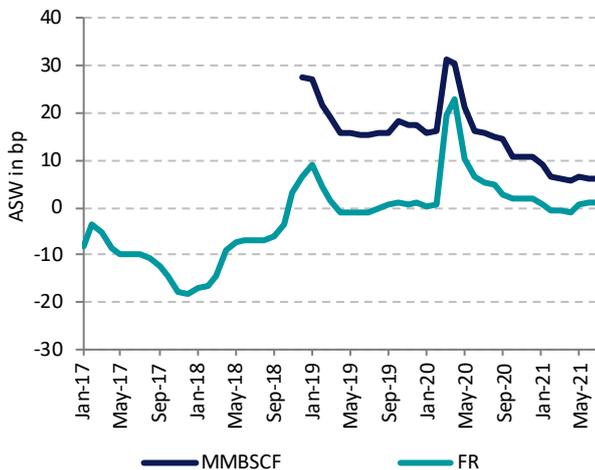
## Borrower Types



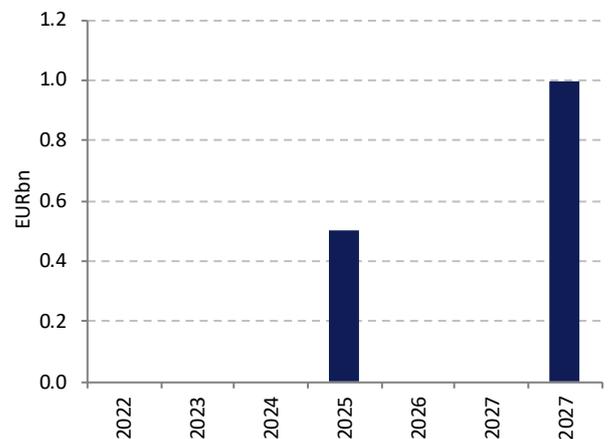
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Société Générale

France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Stable
Moody's	A1	Stable
S&P	A	Negative

## Homepage

[www.societegenerale.com](http://www.societegenerale.com)

The French Société Générale (SocGen), headquartered in Paris, is one of the largest financial institutions in Europe and is classified as a global systemically important bank (G-SIB; additional capital buffer: 1.0%). Around 138,000 employees provide services to approximately 29 million customers in 62 countries worldwide. SocGen has a strong position in French retail banking and, due to its franchise network, in corporate and investment banking as well. It is also worth mentioning its leading position in the corporate vehicle fleet and equipment financing segment. In addition to the three core business areas French Retail Banking (33% of net income in FY 2020), International Retail Banking and Financial Services (64%) as well as Global Banking and Investor Solutions (3%), the Corporate Centre (financial result: EUR -2.3bn) is a further segment which is responsible for the bank's treasury operations, among other aspects. At 33% (9M 2020), the French domestic market makes the strongest contribution to net income from the banking business. SocGen is active in Europe (80%), as well as Africa and the Middle East (4%), North and South America (11%) and Asia-Oceania (5%). In total, 46% of the funding mix consists of deposits, 30% is made up of short-term wholesale funding and loans from other banks account for 30% of long-term funding. At the end of 2020, the CET1 ratio amounted to 13.2%, while the LR and CIR stood at 4.7% and 73.4%, respectively. Key challenges include the restructuring of Global Banking and Investor Solutions as well as the withdrawal from non-core franchises. For this reason, SocGen is striving to finance green transitional technologies to the tune of EUR 120bn up to 2023.

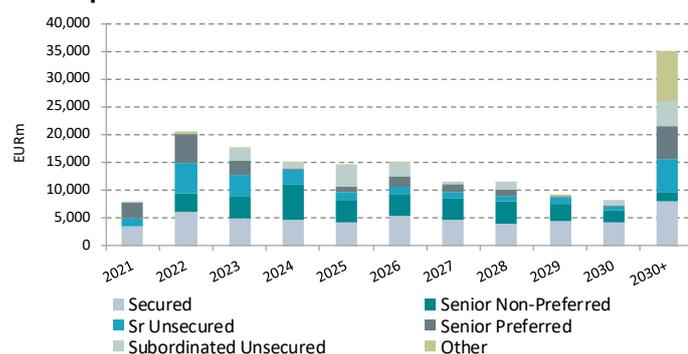
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	590,674	599,578	456,474
Total Securities	328,292	367,381	528,288
Total Deposits	418,612	456,059	467,711
Tier 1 Common Capital	45,764	47,290	47,082
Total Assets	1,356,495	1,461,952	1,502,982
Total Risk-weighted Assets	345,010	351,852	353,063

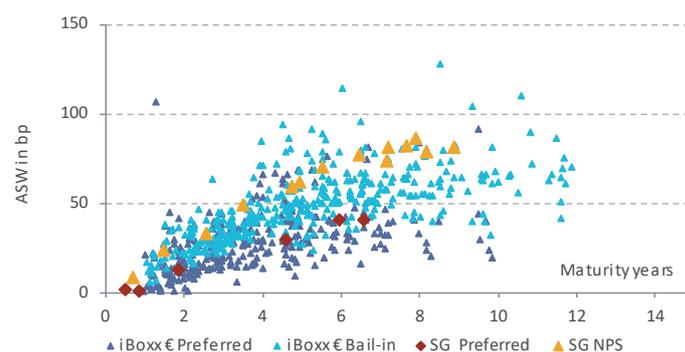
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	11,185	10,473	-
Net Fee & Commission Inc.	5,257	4,917	-
Net Trading Income	4,419	2,851	-
Operating Expense	17,715	17,019	-
Credit Commit. Impairment	1,274	2,981	-
Pre-tax Profit	5,210	1,400	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.02	0.89	-	Liquidity Coverage Ratio	133.77	159.54	157.48
ROAE	5.85	0.29	5.60	IFRS Tier 1 Leverage Ratio	3.83	3.71	-
Cost-to-Income	71.29	75.44	-	NPL/ Loans at Amortised Cost	3.55	3.75	3.81
Core Tier 1 Ratio	13.26	13.44	13.34	Reserves/Loans at Amort. Cost	2.33	2.52	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Diversification and earnings
- Capitalisation
- Liquidity and funding

## Risks / Weaknesses

- High cost base
- Cyclical impact on income
- Challenges in investment banking

# Société Générale SFH – Mortgage

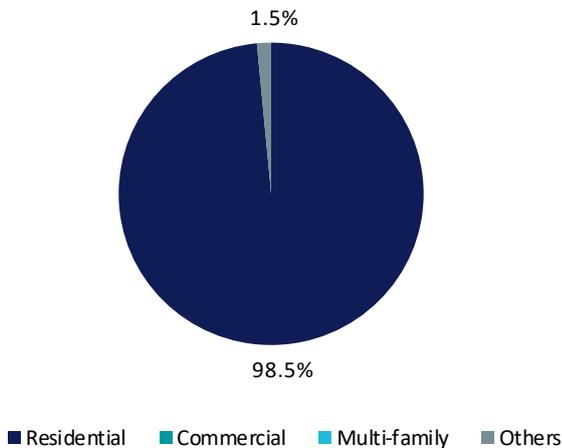
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

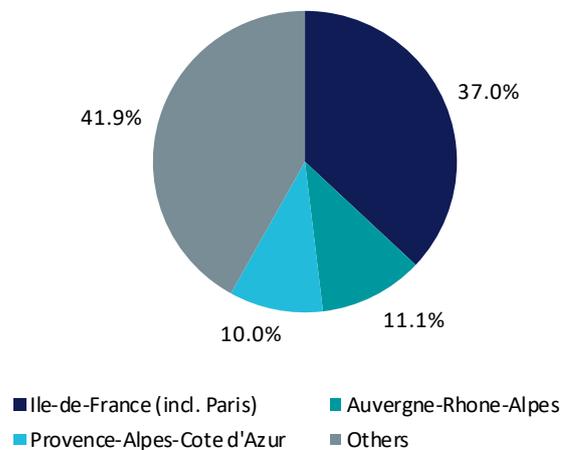
## Cover Pool Data

Cover pool volume (EURm)	43,745	Rating (Moody's)	Aaa
Amount outstanding (EURm)	37,790	Rating (S&P)	-
-thereof ≥ EUR 500m	33.1%	Rating (Fitch)	AAA
Current OC (nominal)	15.8%	Rating (DBRS)	-
Committed OC	8.5%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% France	Collateral score	5.0%
Main region	37% Ile-de-France (incl. Paris)	RRL	-
Number of loans	348,891	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.9y	PCU	6
WAL (covered bonds)	5.6y	Recovery uplift	2
Fixed interest (cover pool)	98.9%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	98.4%	CRR 129 (7)	Yes
LTV (indexed)	62.4%	LCR level (Bmk)	1
LTV (unindexed)	68.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

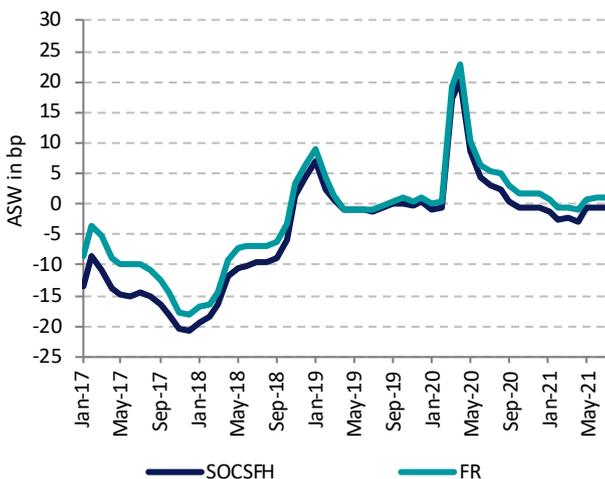
## Borrower Types



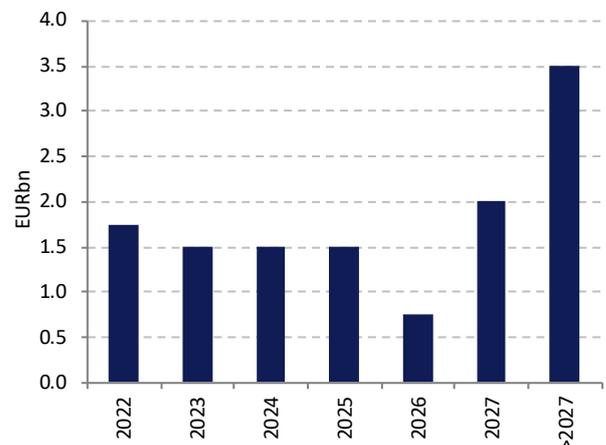
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Société Générale SCF – Public Sector

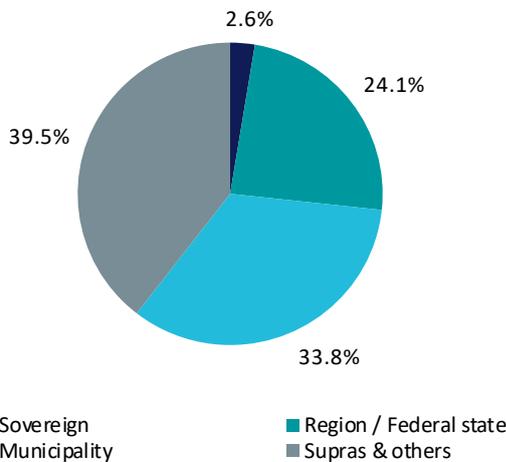
France

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

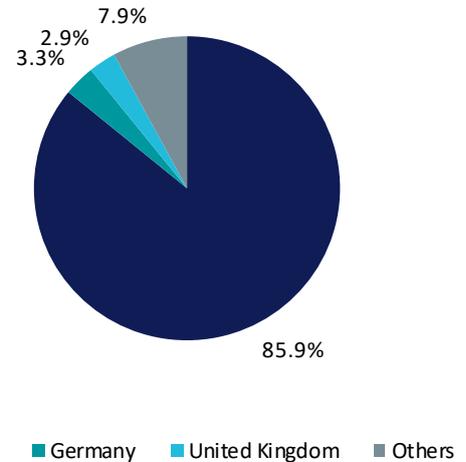
## Cover Pool Data

Cover pool volume (EURm)	15,098	Rating (Moody's)	Aaa
Amount outstanding (EURm)	11,470	Rating (S&P)	AAA
-thereof ≥ EUR 500m	19.6%	Rating (Fitch)	-
Current OC (nominal)	31.6%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	3
Main country	86% France	Collateral score	6.9%
Main region	18% Exposure on sovereign	RRL	aa-
Number of loans	1,446	JRL	aa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	n/a
WAL (cover pool)	6.3y	PCU	-
WAL (covered bonds)	4.6y	Recovery uplift	-
Fixed interest (cover pool)	66.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	47.7%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

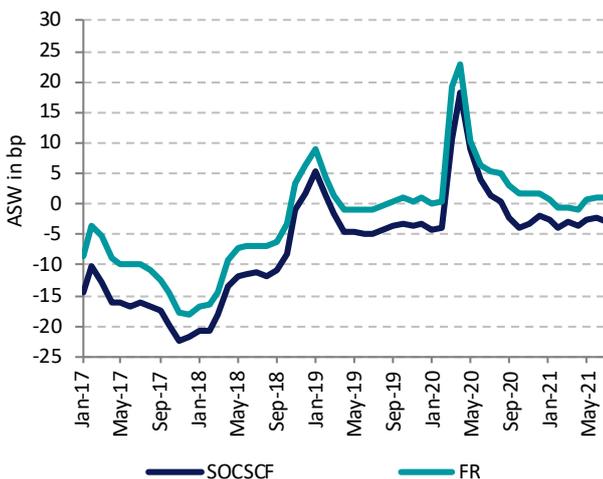
## Borrower Types



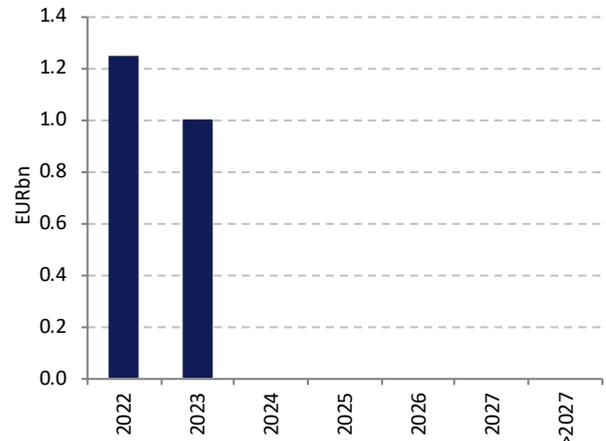
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



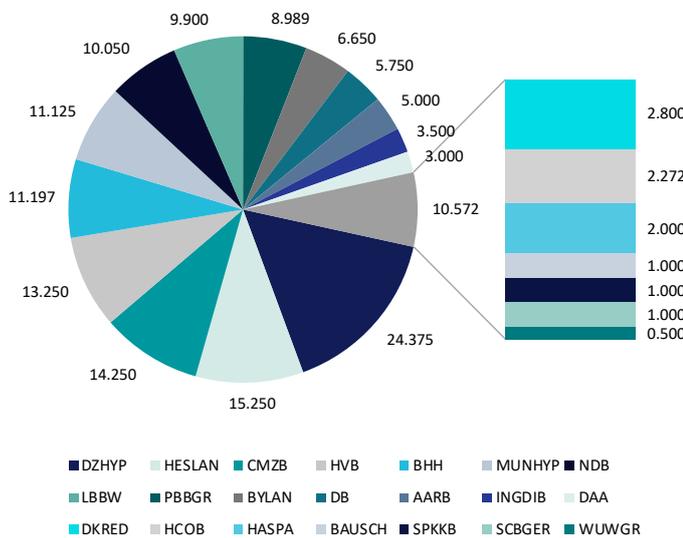
# Market Overview Covered Bonds

Germany

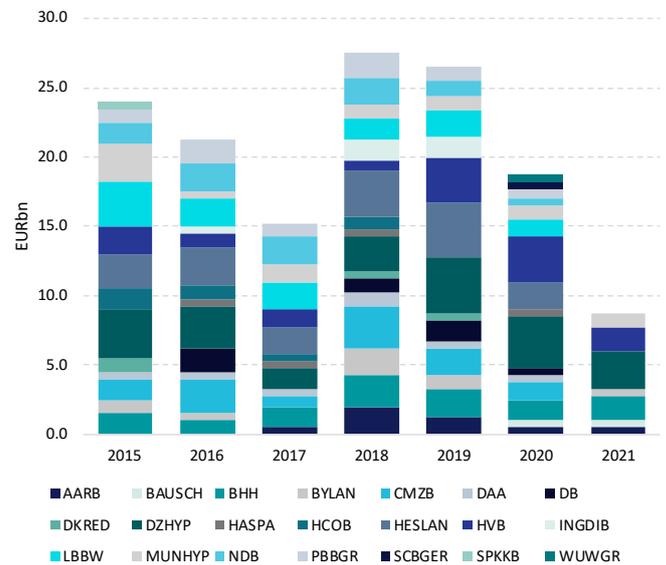
Authors: Dr. Frederik Kunze // Henning Walten, CIAA

Cover Pool Volume	EUR 448.05bn	Outstanding volume (Bmk)	EUR 152.86bn
Amount outstanding	EUR 352.32bn	Number of benchmarks	228
Number of issuer	30	Outstanding ESG volume (Bmk)	EUR 6.50bn
No of cover pools	39	Number of ESG benchmarks	13
there of M / PS / others	29 / 10 / 0	Outstanding volume (SBmk)	EUR 9.19bn
Ratings (low / high)	AA / AAA	Number of subbenchmarks	35
Best possible LCR level	Level 1	Maturity types	SB, CPT

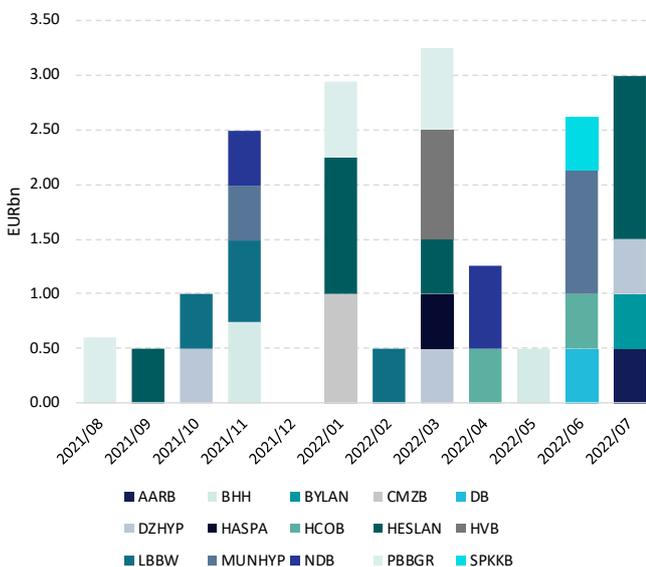
Outstanding benchmark volume<sup>1</sup> (EURbn)



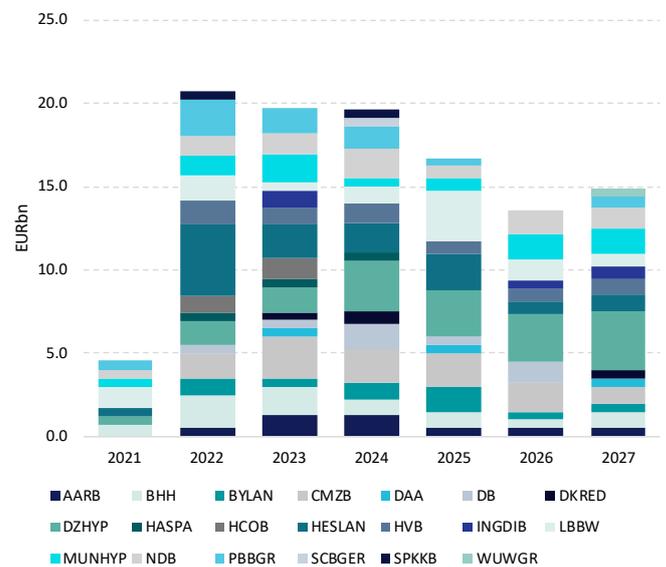
Benchmark issuance volume<sup>1</sup>



Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022



Benchmark redemption profile<sup>1 2</sup>



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Aareal Bank

Germany 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB+	Negative
Moody's	A3	Negative
S&P	-	-

## Homepage

[www.aareal-bank.com](http://www.aareal-bank.com)

Aareal Bank AG (Aareal) is the parent company of the Aareal Bank Group and an international supplier of financing, software products and digital solutions for the commercial real estate sector and adjacent industries. The Frankfurt-based institute is listed on the SDAX stock index, with 100% of the shares held in free float. The largest shareholders in Aareal (as at 01 April 2020) are DekaBank with 9.60% and Petrus Advisers with 9.42%. Aareal comprises the business segments of Structured Property Financing (SPF), Banking & Digital Solutions and Aareon. The segment SPF deals with financing commercial real estate. Banking & Digital Solutions offers customers a joint package of consultancy services focused on digitalisation and corporate banking. Aareon, the third operating segment, offers ERP software solutions and digital solutions for the European real estate sector. In Q1 2021, operating profit for SPF totalled EUR 20.0m, EUR -1.0m for Banking & Digital Solutions and EUR 4.0m for Aareon. The sectoral breakdown for SPF, is as follows: Office buildings (48% of transaction volume in FY 2020), Retail (17%), Industry and Logistics (30%) as well as Hotels (5%). The liabilities side of the balance sheet in accordance with IFRS as at 31 March 2021 comprises the categories money market transactions (EUR 9.0bn), customer deposits from the housing sector (EUR 10.7bn) in addition to long-term refinancing capital and equity (EUR 24.0bn; other assets: EUR 2.8bn). Pfandbriefe account for EUR 12.6bn, while senior unsecured bonds contributed EUR 7.8bn. With a CET1 ratio of 19.5% (Q1 2021), Aareal's capitalisation is comfortable.

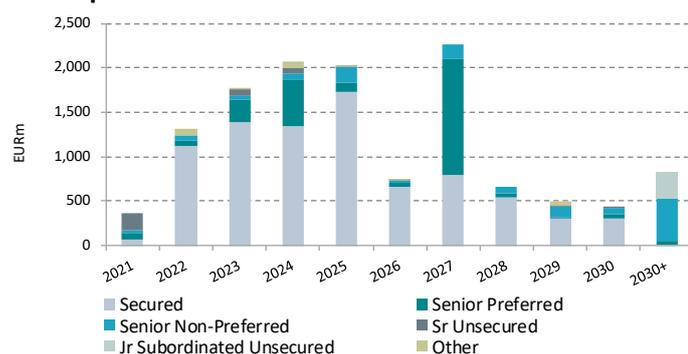
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	26,453	27,552	27,781
Total Securities	12,038	11,950	11,470
Total Deposits	9,744	10,592	10,729
Tier 1 Common Capital	2,191	2,286	2,248
Total Assets	41,137	45,478	46,482
Total Risk-weighted Assets	11,195	12,138	11,906

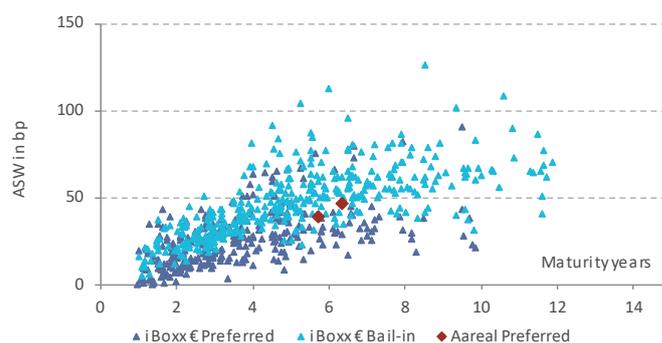
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	533	512	138
Net Fee & Commission Inc.	229	234	59
Net Trading Income	61	2	-4
Operating Expense	488	469	150
Credit Commit. Impairment	90	344	7
Pre-tax Profit	248	-75	32

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.28	1.21	1.23	Liquidity Coverage Ratio	221.36	263.50	263.60
ROAE	5.69	-2.41	2.80	IFRS Tier 1 Leverage Ratio	5.65	5.27	5.07
Cost-to-Income	59.08	63.55	79.37	NPL/ Loans at Amortised Cost	4.27	6.15	-
Core Tier 1 Ratio	19.57	18.83	18.88	Reserves/Loans at Amort. Cost	1.47	2.13	2.03

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Diversified funding profile, solid deposit volume
- Capitalisation
- Loan quality

## Risks / Weaknesses

- Concentration risks in the funding portfolio
- Increased sensitivity in the cyclical CRE market
- Wholesale funding dependency

# Aareal Bank – Mortgage

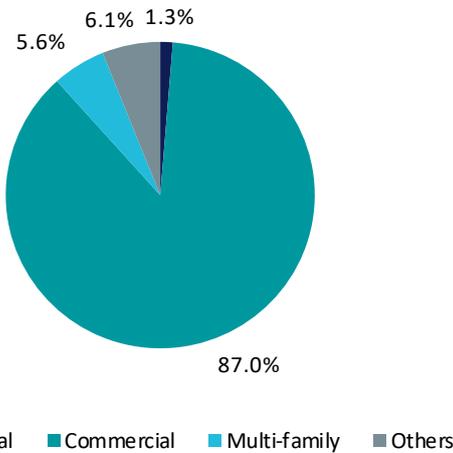
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

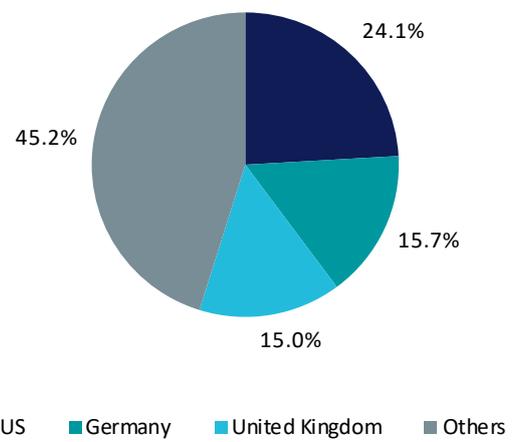
## Cover Pool Data

Cover pool volume (EURm)	12,464	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,654	Rating (S&P)	-
-thereof ≥ EUR 500m	46.9%	Rating (Fitch)	-
Current OC (nominal)	17.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	2
Main country	24% US	Collateral score	12.8%
Main region	n/a	RRL	-
Number of loans	4,353	JRL	-
Number of borrowers	4,312	Unused notches	-
Avg. exposure to borrowers (EUR)	2,890,608	AAA credit risk (%)	-
WAL (cover pool)	3.1y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	54.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	76.8%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	55.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

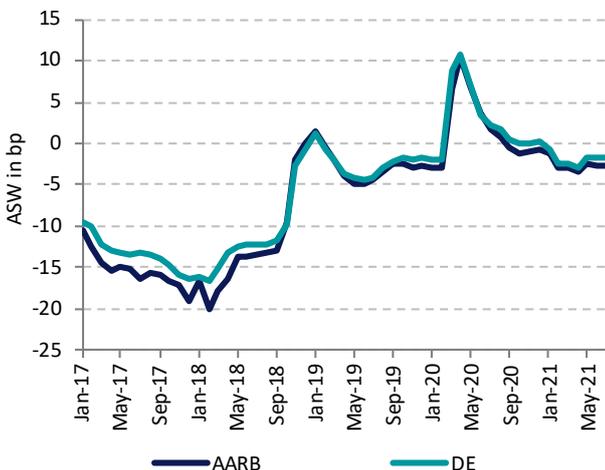
## Borrower Types



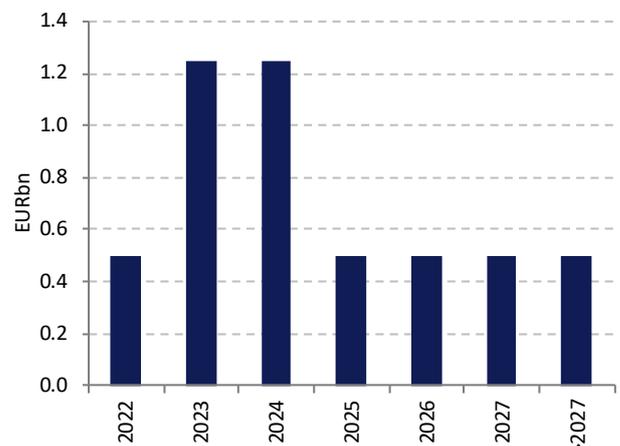
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Bausparkasse Schwäbisch Hall

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch*	AA-	Stable
Moody's	Aa1	Negative
S&P*	A+	Stable

### Homepage

[www.schwaebisch-hall.de](http://www.schwaebisch-hall.de)

\* Rating FinanzGruppe

Founded in 1931, Bausparkasse Schwäbisch Hall (BSH) is part of the Genossenschaftliche FinanzGruppe (Cooperative Financial Network), which comprises more than 800 cooperative banks and around 18.6 million members. A profit and loss transfer agreement exists between DZ BANK AG, as the cooperative central institution, and BSH. BSH's business activities comprise the two core business areas of home savings and mortgage lending and the cross-selling and international business areas. The business activities are carried out, among other things, by the approximately 3,300 employees in the sales force as well as the nationwide cooperation with the cooperative banks. According to its own figures, BSH is Germany's largest home loan and savings bank and has a market share of 30% in Germany. It serves around 8.7 million customers in Germany and abroad (around 7 million of them in Germany). BSH has around 8 million home savings contracts in its portfolio (volume of home savings EUR 316 billion; FY/2020). Refinancing is largely carried out independently of the capital markets through the savings deposits of BSH's customers, but is supplemented by Pfandbrief issues. In perspective, funding via Pfandbriefe is expected to further complement growth in the construction financing business, which leads to balance sheet expansion. The EUR benchmark debut in the form of a mortgage Pfandbrief (EUR 500m; 10y) took place in October 2020. BSH's total assets amounted to EUR 81.673bn (FY/2020; previous year: EUR 77.469bn). The CET1 ratio was 31.6% (FY/2020). The cost-income ratio was reported at 82.7% and a RORAC of 3.0% (FY/2020).

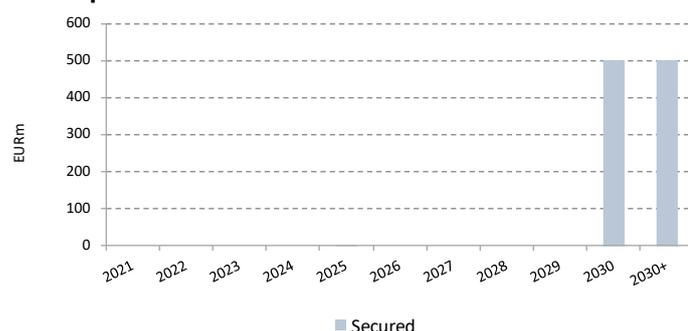
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	47,826	53,868	58,862
Total Securities	10,737	11,805	12,856
Total Deposits	60,335	63,607	65,074
Tier 1 Common Capital	4,373	4,555	4,967
Total Assets	71,667	77,469	81,673
Total Risk-weighted Assets	14,365	14,528	15,707

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	760	462	531
Net Fee & Commission Inc.	-40	-28	-9
Net Trading Income	27	88	76
Operating Expense	480	486	526
Credit Commit. Impairment	11	3	27
Pre-tax Profit	295	189	81

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.10	0.62	0.67	Liquidity Coverage Ratio	-	271.19	508.33
ROAE	4.14	3.05	1.00	IFRS Tier 1 Leverage Ratio	6.11	5.89	6.10
Cost-to-Income	61.06	83.85	82.75	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	30.44	31.35	31.62	Reserves/Loans at Amort. Cost	0.35	0.30	0.31

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Member of genossenschaftliche FinanzGruppe
- Asset quality and capitalization

### Risks / Weaknesses

- Low interest rate environment
- Focused business model

# Bausparkasse Schwäbisch Hall – Mortgage

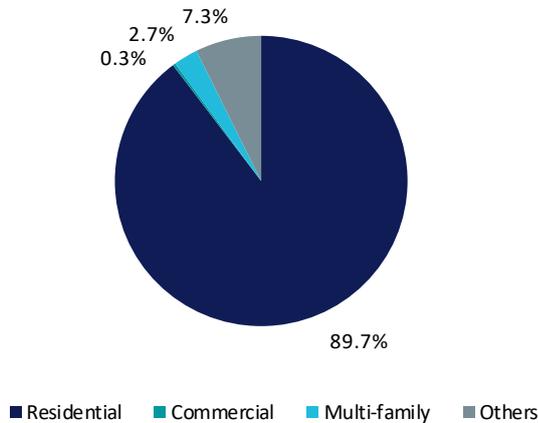
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

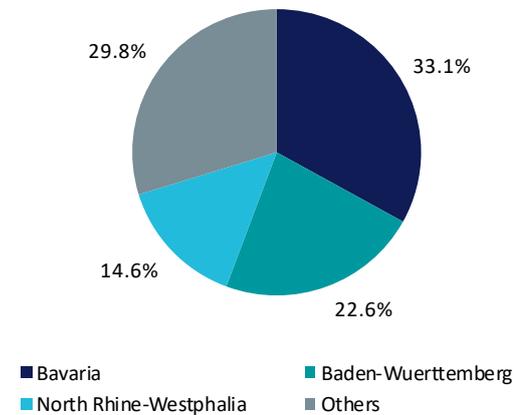
## Cover Pool Data

Cover pool volume (EURm)	1,046	Rating (Moody's)	Aaa
Amount outstanding (EURm)	506	Rating (S&P)	-
-thereof ≥ EUR 500m	92.2%	Rating (Fitch)	-
Current OC (nominal)	106.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	7
Main country	100% Germany	Collateral score	5.0%
Main region	33% Bavaria	RRL	-
Number of loans	7,156	JRL	-
Number of borrowers	11,832	Unused notches	-
Avg. exposure to borrowers (EUR)	88,430	AAA credit risk (%)	-
WAL (cover pool)	10.6y	PCU	-
WAL (covered bonds)	9.5y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	51.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

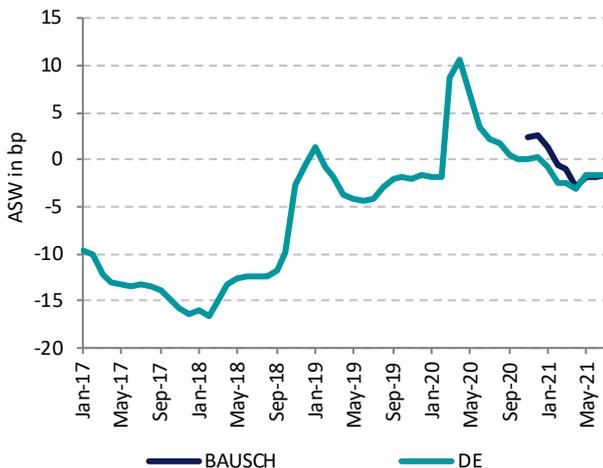
## Borrower Types



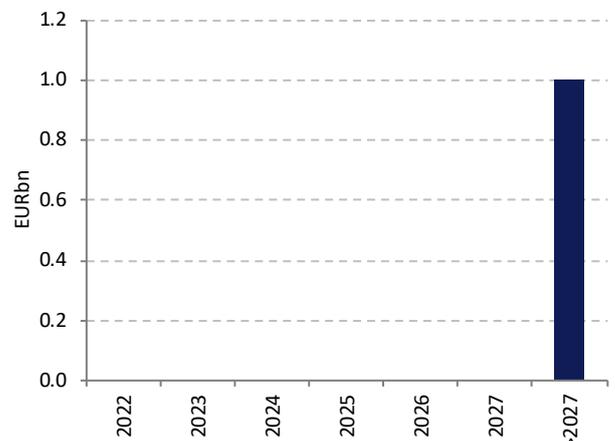
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Bayerische Landesbank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	Aa3	Stable
S&P	-	-

### Homepage

[www.bayernlb.de](http://www.bayernlb.de)

Bayerische Landesbank (BayernLB) is the second-largest Landesbank (state bank) in Germany. It is approximately 75% owned by the Free State of Bavaria, with the Association of Bavarian Savings Banks (Sparkassenverband Bayern) holding around 25%. The group employs around 8,500 staff (FY 2020). BayernLB focuses on lending to large and medium-sized customers in Germany as well as on real estate financing. It also operates as the lead bank (clearing house) for the Bavarian savings banks. BayernLB's operating activities are divided into the following segments: Corporates & Markets (CM), Real Estate & Savings Banks/Financial Institutions and DKB. BayernLB is represented internationally via branches in London, Milan, New York and Paris as well as a representative office in Moscow. Its core business is based in Germany (around 83 % of gross credit volume in FY 2020). The subsidiary Deutsche Kreditbank (DKB) is Germany's second-largest direct bank with more than 4.6 million retail customers. Another subsidiary is the promotional bank BayernLabo, which has secured a full state guarantee from the Free State of Bavaria. BayernInvest is an asset management arm and the Group's master capital management company. Funding via Pfandbrief issuances is conducted at Group level via four separate programmes, two of which are attributable to BayernLB and two to Deutsche Kreditbank. Alongside covered issuances, uncovered bonds are also used for capital market refinancing purposes. The CET1 ratio stands at 15.4% (as at Q1 2021; SREP requirement for 2021: 8.625%). The financial regulatory authority in Germany has pre-scribed an MREL requirement of 22.1% of RWAs, which amounts to 54.85%. As at 31 March 2021, the leverage ratio totals 3.8%.

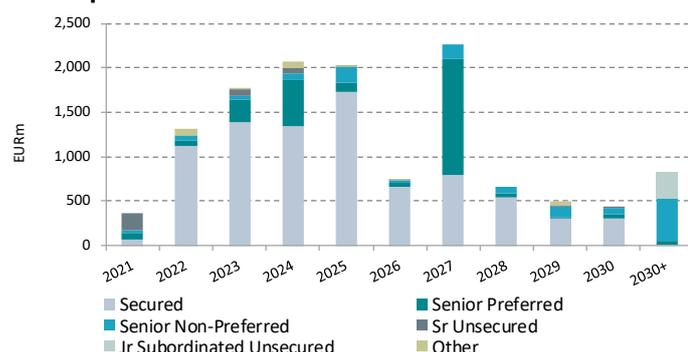
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	146,112	152,678	-
Total Securities	36,879	34,506	-
Total Deposits	100,436	109,779	115,600
Tier 1 Common Capital	10,264	10,301	10,136
Total Assets	225,965	256,271	286,300
Total Risk-weighted Assets	64,604	64,974	65,781

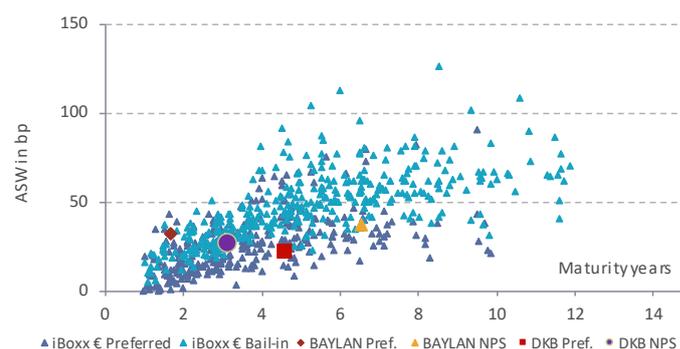
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,726	1,772	476
Net Fee & Commission Inc.	287	331	94
Net Trading Income	29	127	100
Operating Expense	1,580	1,682	538
Credit Commit. Impairment	-251	142	-32
Pre-tax Profit	656	195	164

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.79	0.75	-	Liquidity Coverage Ratio	174.22	212.16	239.31
ROAE	4.12	2.02	3.82	IFRS Tier 1 Leverage Ratio	4.74	4.18	-
Cost-to-Income	71.95	72.91	80.42	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	15.89	15.85	15.41	Reserves/Loans at Amort. Cost	0.67	0.70	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Asset quality
- Capital ratios
- Liquidity profile

### Risks / Weaknesses

- Concentration of business activities
- Concentration risk in the CRE sector
- Cost trend from restructuring programme

# Bayerische Landesbank – Mortgage

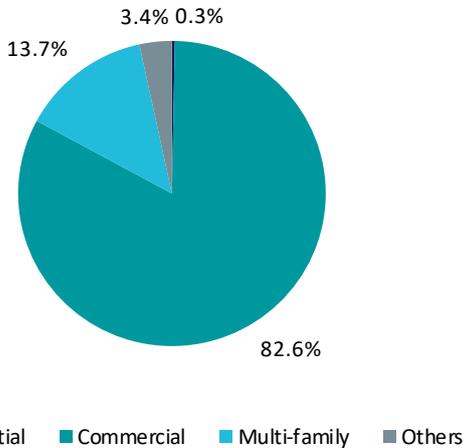
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

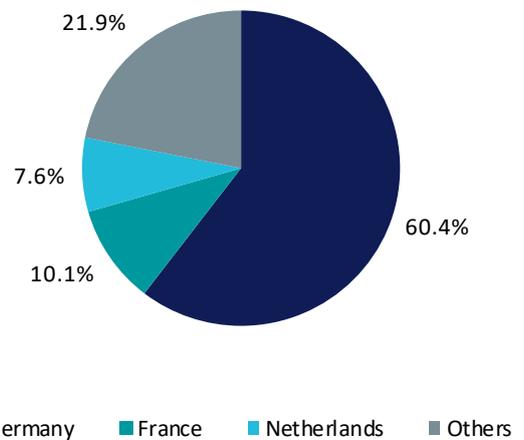
## Cover Pool Data

Cover pool volume (EURm)	10,575	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,815	Rating (S&P)	-
-thereof ≥ EUR 500m	34.4%	Rating (Fitch)	-
Current OC (nominal)	81.9%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	60% Germany	Collateral score	10.0%
Main region	43% Bavaria	RRL	-
Number of loans	641	JRL	-
Number of borrowers	463	Unused notches	-
Avg. exposure to borrowers (EUR)	22,841,037	AAA credit risk (%)	-
WAL (cover pool)	4.0y	PCU	-
WAL (covered bonds)	3.0y	Recovery uplift	-
Fixed interest (cover pool)	70.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	51.8%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	57.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

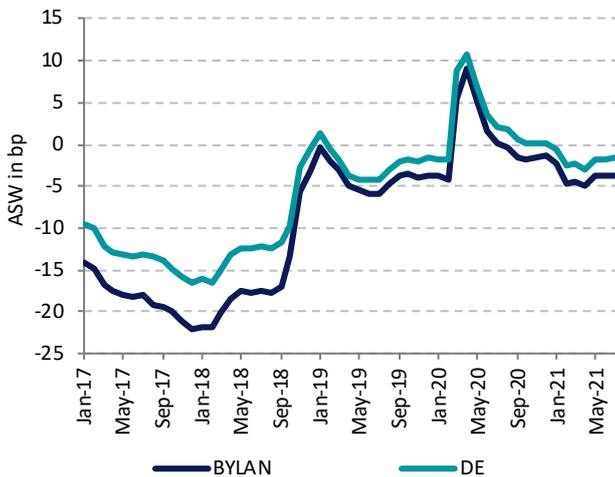
## Borrower Types



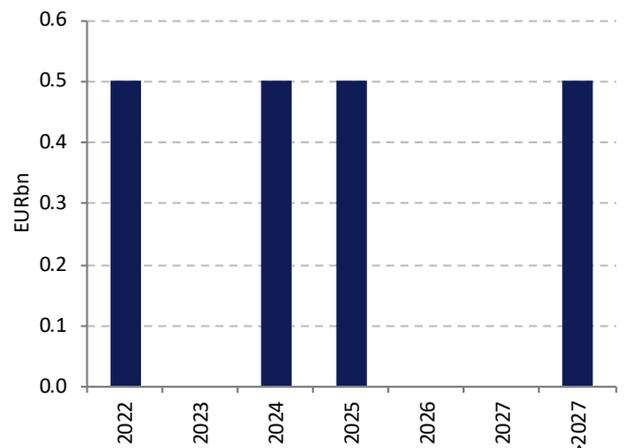
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Bayerische Landesbank – Public Sector

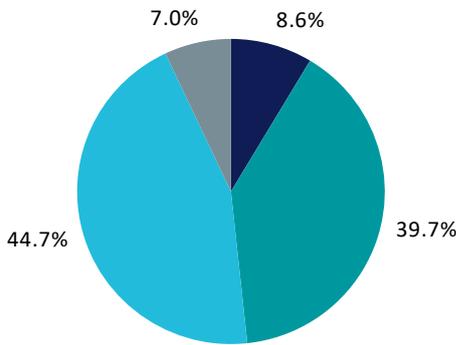
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

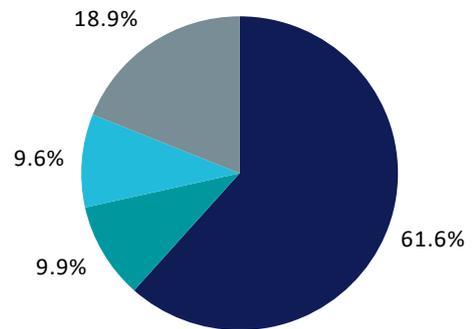
Cover pool volume (EURm)	22,790	Rating (Moody's)	Aaa
Amount outstanding (EURm)	19,185	Rating (S&P)	-
-thereof ≥ EUR 500m	24.2%	Rating (Fitch)	AAA
Current OC (nominal)	18.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	5
Main country	93% Germany	Collateral score	6.0%
Main region	62% Bavaria	RRL	-
Number of loans	82,973	JRL	-
Number of borrowers	54,816	Unused notches	-
Avg. exposure to borrowers (EUR)	415,756	AAA credit risk (%)	-
WAL (cover pool)	9.0y	PCU	5
WAL (covered bonds)	5.0y	Recovery uplift	2
Fixed interest (cover pool)	90.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	87.6%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



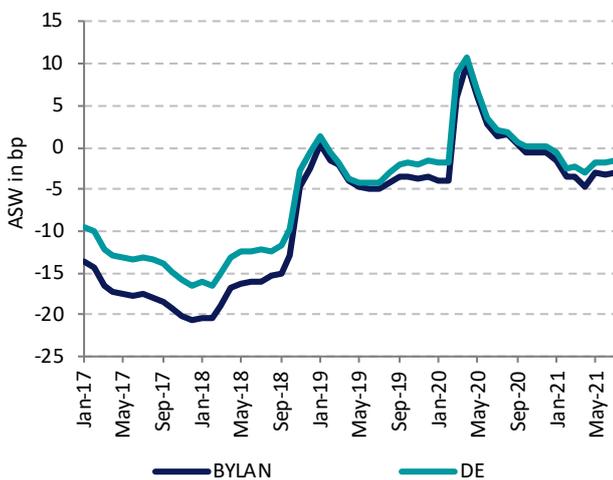
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

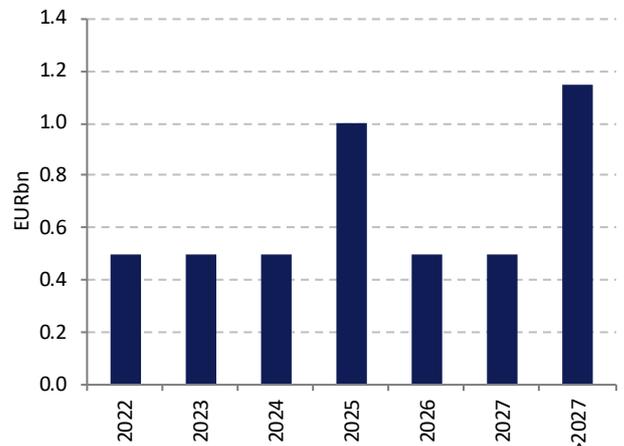


■ Bavaria  
■ North Rhine-Westphalia  
■ Hamburg  
■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Berlin Hyp

# Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa2	Stable
S&P		

## Homepage

[www.berlinhyp.de](http://www.berlinhyp.de)

Established in 1868, Berlin Hyp AG is one of the leading commercial real estate financiers in Germany. It is wholly owned by LBB Holding, which, in turn, is owned by the acquisitions arm (89.37%) and investment company (10.63%) affiliated to S-Finanzgruppe. Berlin Hyp is, therefore, a member of the S-Finanzgruppe's joint liability scheme (institutional guarantee). There has been a profit transfer agreement in place between Berlin Hyp and LBB Holding since 2015. The bank, which boasts a workforce of some 600 employees (FY 2020), maintains a geographic focus on the economically strong conurbations in Germany, which account for more than 70% of the real estate portfolio. This is supplemented by way of a selective foreign business strategy that includes locations in Amsterdam, Paris and Warsaw. In addition, Berlin Hyp functions as an arranger for, among other things, club deals, leading syndicates, placements and SSD deals from the real estate sector. Capital market refinancing operations are primarily covered by the issuance of mortgage Pfandbriefe and senior unsecured bonds in both preferred and non-preferred format. Since 2015, Berlin Hyp has placed a strategic focus on the area of green financing, and issued its inaugural green Pfandbrief deal in the same year. The volume of the green finance portfolio has since been increased to around EUR 7.0bn (as at May 2021). As part of its sustainability agenda, Berlin Hyp is committed to the Paris Climate Agreement and is striving to operate on a zero carbon (climate neutral) basis by 2050. In comparison with the previous year, the CET1 ratio has risen slightly from 13.3% to 13.4%. In contrast, the leverage ratio fell from 4.6% to 4.1%. At just 0.6% (FY 2020), the NPL ratio has also declined to a low level.

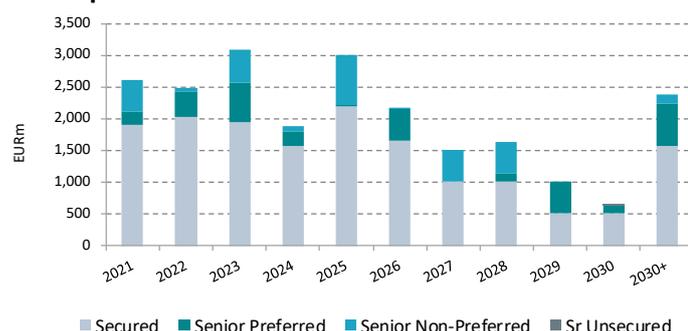
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	20,865	22,403	24,383
Total Securities	3,067	3,699	6,223
Total Deposits	4,907	4,325	4,476
Tier 1 Common Capital	1,244	1,324	1,387
Total Assets	27,178	27,021	33,423
Total Risk-weighted Assets	9,215	9,984	10,321

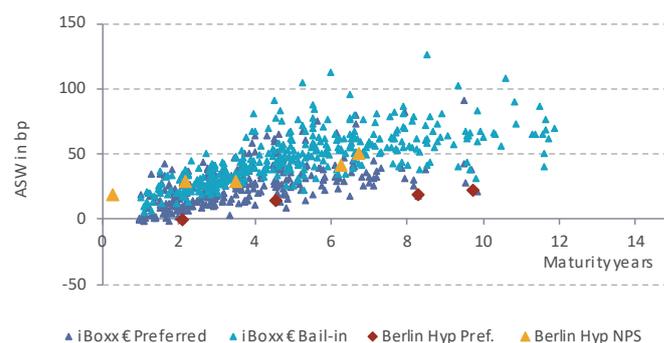
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	315	310	313
Net Fee & Commission Inc.	23	18	20
Net Trading Income	-	-	-
Operating Expense	151	172	173
Credit Commit. Impairment	-16	7	81
Pre-tax Profit	117	62	24

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.18	1.17	1.06	Liquidity Coverage Ratio	193.24	222.67	171.10
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	42.88	51.85	50.95	NPL/ Loans at Amortised Cost	0.88	0.81	0.58
Core Tier 1 Ratio	13.50	13.26	13.43	Reserves/Loans at Amort. Cost	0.98	0.97	1.23

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capitalisation
- Asset quality
- Profitability

## Risks / Weaknesses

- Dependency on wholesale funding
- Exposure to cyclical commercial property markets
- Economic environment:

# Berlin Hyp – Mortgage

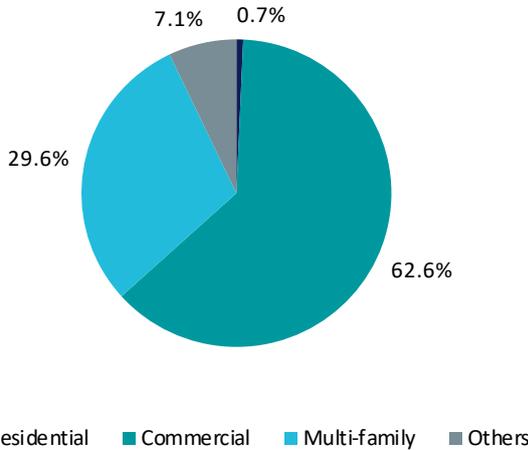
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

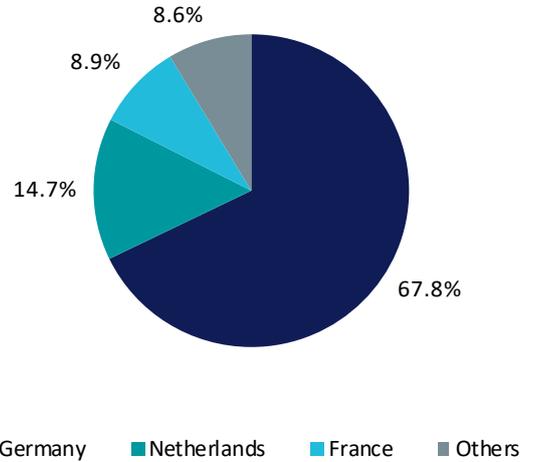
## Cover Pool Data

Cover pool volume (EURm)	16,589	Rating (Moody's)	Aaa
Amount outstanding (EURm)	16,155	Rating (S&P)	-
-thereof ≥ EUR 500m	64.7%	Rating (Fitch)	-
Current OC (nominal)	2.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	68% Germany	Collateral score	13.6%
Main region	23% Berlin	RRL	-
Number of loans	1,630	JRL	-
Number of borrowers	1,542	Unused notches	-
Avg. exposure to borrowers (EUR)	10,758,236	AAA credit risk (%)	-
WAL (cover pool)	4.9y	PCU	-
WAL (covered bonds)	5.0y	Recovery uplift	-
Fixed interest (cover pool)	75.1%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	82.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	56.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

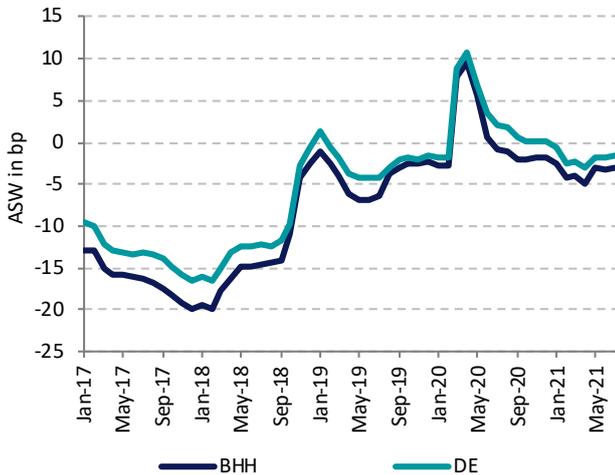
## Borrower Types



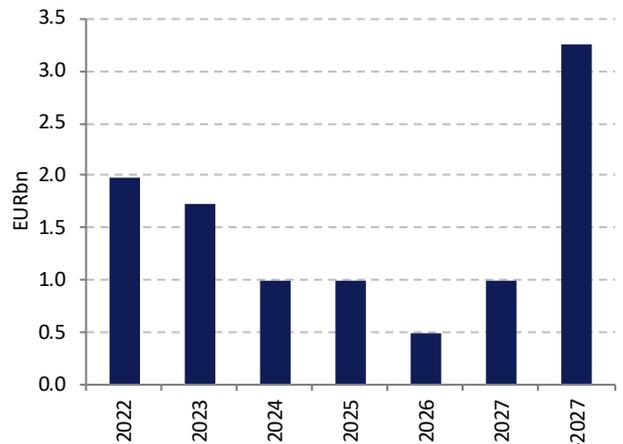
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Commerzbank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A1	Stable
S&P	BBB+	Negative

### Homepage

[www.commerzbank.de](http://www.commerzbank.de)

Commerzbank AG (Coba) is Germany's leading bank for SMEs, serving a total of 11 million retail and commercial customers in addition to 30,000 corporate customers across the country from its two core segments. Its shares are listed on the MDAX, with the federal German government the largest shareholder at over 15%. On an international basis, Coba operates across nearly 50 countries. In Germany, Coba employs nearly 48,000 staff, although is working to scale down its branch network from a current level of 790 business centres to just 450 by 2024. Following the merger with comdirect Bank AG, Commerz Real AG is the most important domestic subsidiary, while there are also an additional six other relevant subsidiaries based outside of Germany. In February 2021, Coba adopted its new programme "Strategy 2024". The transformation in progress can be broken down into four core themes: profitability, sustainability, digitalisation and customer orientation. The restructuring programme aims to combine the benefits of a fully digitalised bank with three other core issues related to "Strategy 2024". As at 31 March 2021, a total volume of EUR 59.7bn had been raised in capital market funding. The largest share of this was attributable to covered bond deals (Pfandbriefe; 49%). A total of 40% of this volume is accounted for by senior unsecured bonds (in both preferred and non-preferred format). Despite the restructuring expenses and ongoing pandemic, Coba recorded a positive operating income of EUR 538m (Q1 2021). Coba reported an NPE ratio for the Group as a whole of 0.9% in Q1 2021. The leverage ratio amounted to 4.7%, while capitalisation (CET1 ratio) came in at 13.4%.

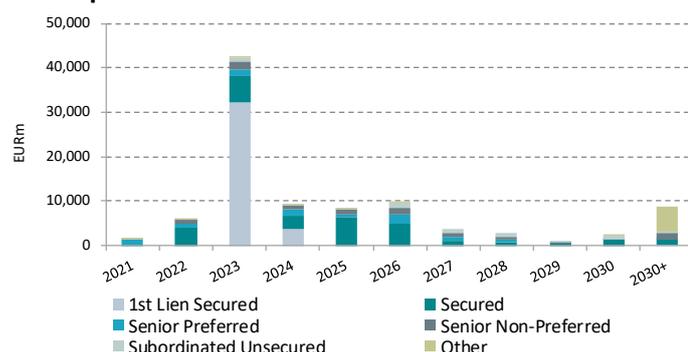
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	248,657	251,554	-
Total Securities	113,591	134,478	53,010
Total Deposits	277,951	293,201	-
Tier 1 Common Capital	24,366	23,611	23,968
Total Assets	463,450	506,916	537,804
Total Risk-weighted Assets	181,765	178,581	178,471

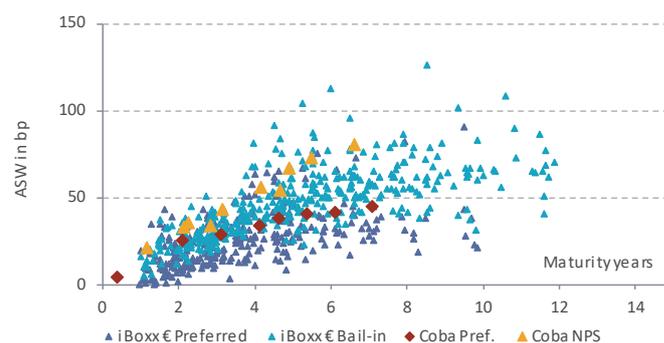
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	5,070	4,975	1,254
Net Fee & Commission Inc.	3,056	3,317	951
Net Trading Income	372	455	331
Operating Expense	6,861	7,477	2,270
Credit Commit. Impairment	641	1,734	149
Pre-tax Profit	1,124	-2,626	73

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.07	0.98	0.98	Liquidity Coverage Ratio	132.52	135.50	141.27
ROAE	2.29	-9.24	2.16	IFRS Tier 1 Leverage Ratio	5.84	5.18	-
Cost-to-Income	80.30	88.77	91.09	NPL/ Loans at Amortised Cost	1.59	2.03	-
Core Tier 1 Ratio	13.41	13.22	13.43	Reserves/Loans at Amort. Cost	0.89	1.27	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Market position in Germany (SMEs)
- Funding and liquidity profile
- Capitalisation

### Risks / Weaknesses

- Moderate profitability
- Uncertainty linked to strategic restructuring
- Pandemic-related pressure on asset quality

# Commerzbank – Mortgage

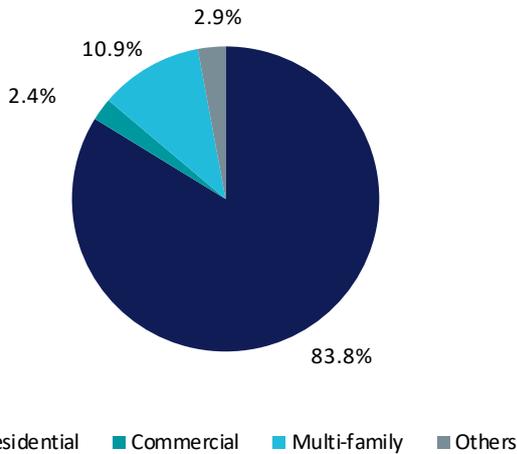
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

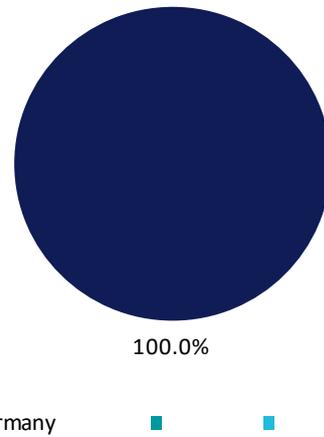
## Cover Pool Data

Cover pool volume (EURm)	34,540	Rating (Moody's)	Aaa
Amount outstanding (EURm)	21,498	Rating (S&P)	-
-thereof ≥ EUR 500m	66.3%	Rating (Fitch)	-
Current OC (nominal)	60.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Germany	Collateral score	5.6%
Main region	n/a	RRL	-
Number of loans	267,683	JRL	-
Number of borrowers	213,330	Unused notches	-
Avg. exposure to borrowers (EUR)	161,908	AAA credit risk (%)	-
WAL (cover pool)	5.7y	PCU	-
WAL (covered bonds)	4.8y	Recovery uplift	-
Fixed interest (cover pool)	98.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	81.4%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	52.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

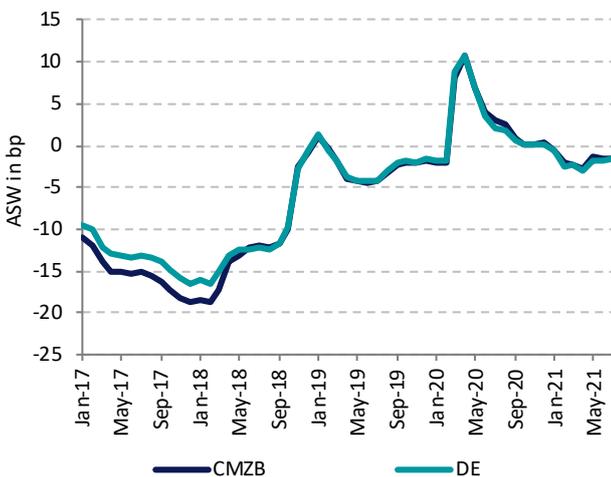
## Borrower Types



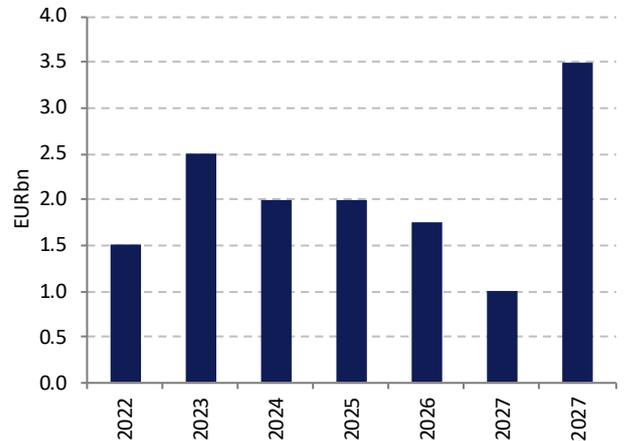
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# DekaBank Deutsche Girozentrale

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Aa2	Stable
S&P	A	Stable

### Homepage

[www.deka.de](http://www.deka.de)

The current structure of DekaBank Deutsche Girozentrale (DekaBank) was created in 1999 following the merger between DekaBank GmbH and Deutsche Girozentrale. Together with its subsidiaries, these all form the Deka Group. The group employs 4,711 staff (FY 2020). The institute functions as an investment firm for the German Savings Bank Finance Group. DekaBank trades in the legal form of a public law institution (Anstalt öffentlichen Rechts) and is headquartered in Frankfurt and Berlin. DekaBank is fully owned by the German Savings Bank Finance Group. A total of 50% of the shares are held by Deka Erwerbsgesellschaft, while the other 50% is held by the German association of savings banks (DSGV), a public law institution. In organisational terms, DekaBank divides its activities into five business fields: both of the asset management business units (AM Securities and AM Real Estate) are focused on funds-based products and services from the respective areas. The business unit Asset Management Services concentrates on the provision of banking services for asset management activities. In addition, the banking business is modelled on the business areas of capital market and financing. DekaBank's target customer groups include savings banks, customers of savings banks and institutional investors. In terms of pre-tax earnings, the core business is located in Germany (around 90% in FY 2020), followed by Luxembourg (roughly 10%). The CET1 ratio stands at 14.2%, while the LCR totals 185.6% (FY 2020). A leverage ratio (fully loaded) of 5.6% was posted, while the MREL ratio totalled 25.2%. In addition, the NPE ratio came in at 0.63%, while at the same time an NPE coverage ratio of 91.45% was recorded.

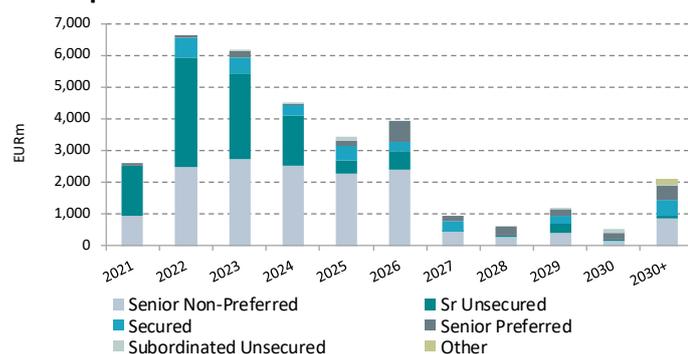
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	26,135	29,848	25,328
Total Securities	34,139	39,843	33,477
Total Deposits	25,723	23,700	21,660
Tier 1 Common Capital	4,460	4,579	4,437
Total Assets	100,444	97,282	85,509
Total Risk-weighted Assets	29,021	32,229	31,307

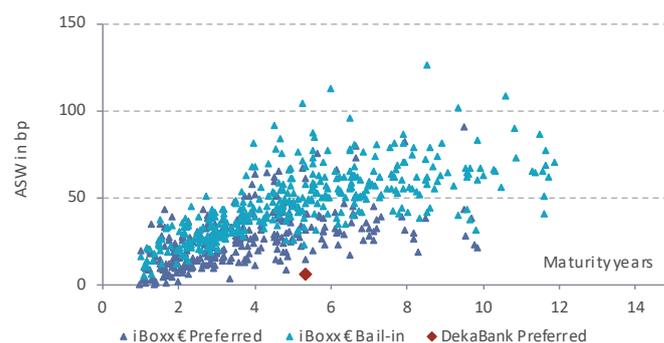
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	122	170	157
Net Fee & Commission Inc.	1,218	1,344	1,309
Net Trading Income	228	172	266
Operating Expense	1,039	1,086	1,099
Credit Commit. Impairment	-15	9	162
Pre-tax Profit	517	411	386

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.13	0.17	0.17	Liquidity Coverage Ratio	144.64	144.33	178.06
ROAE	5.31	3.83	3.81	IFRS Tier 1 Leverage Ratio	4.72	5.05	5.68
Cost-to-Income	67.74	65.92	65.15	NPL/ Loans at Amortised Cost	0.89	0.86	2.18
Core Tier 1 Ratio	15.37	14.21	14.17	Reserves/Loans at Amort. Cost	0.34	0.31	0.75

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Member and strategic unit of S-FinanzGruppe
- Capitalisation and liquidity situation
- Diversified income sources

### Risks / Weaknesses

- Dependency on wholesale funding
- Earnings volatility due to capital market links
- Low interest rate environment dampening interest

# DekaBank – Public Sector

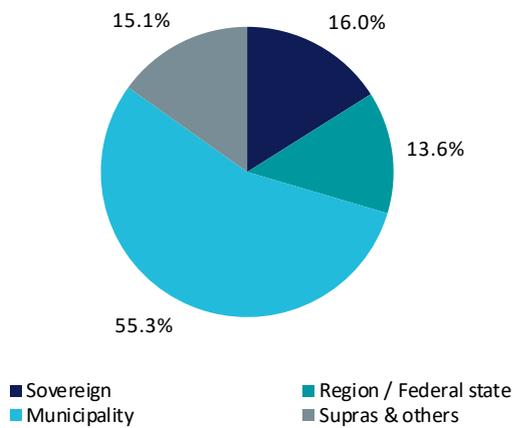
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

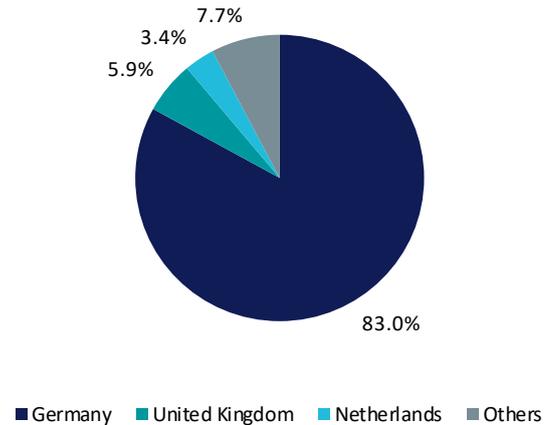
## Cover Pool Data

Cover pool volume (EURm)	4,093	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,217	Rating (S&P)	-
-thereof ≥ EUR 250m	62.2%	Rating (Fitch)	-
Current OC (nominal)	27.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	6
Main country	83% Germany	Collateral score	6.8%
Main region	n/a	RRL	-
Number of loans	245	JRL	-
Number of borrowers	88	Unused notches	-
Avg. exposure to borrowers (EUR)	46,512,500	AAA credit risk (%)	-
WAL (cover pool)	6.5y	PCU	-
WAL (covered bonds)	4.7y	Recovery uplift	-
Fixed interest (cover pool)	75.4%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

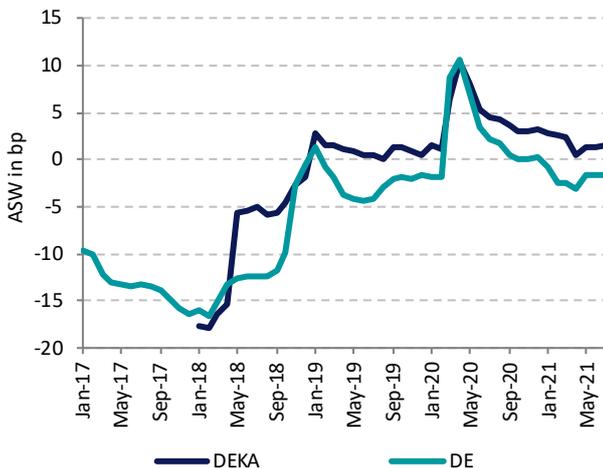
## Borrower Types



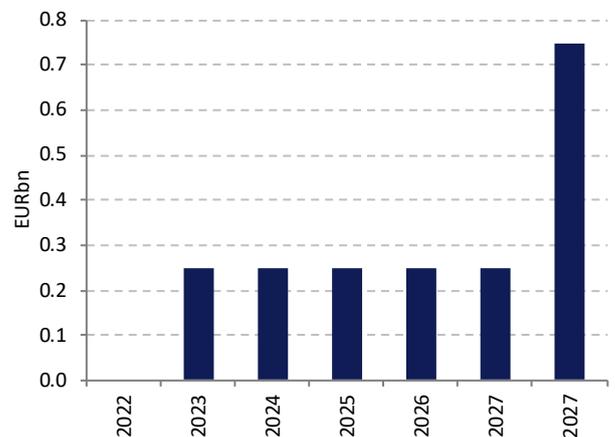
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Deutsche Apotheker- und Ärztebank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch*	AA-	Stable
Moody's**	Aa1	Negative
S&P	A+	Stable

### Homepage

[www.apobank.de](http://www.apobank.de)

\* Rating FinanzGruppe

\*\* LT Bank Deposits

Deutsche Apotheker- und Ärztebank (apoBank), which operates as a cooperative, has specialised in providing economic assistance and support for health professionals as well as their organisations for more than 110 years in Germany. The institute, which is headquartered in Düsseldorf, works closely with the professional bodies and professional associations. Moreover, its members also own the bank and are actively involved in shaping the cooperative. It has approximately 481,000 customers, of which just under 116,000 are members of apoBank (data as at December 2020). The bank is a member of the cooperative FinanzGruppe, and as a result, a member of the cooperative protection scheme. Moreover, apoBank benefits from the protection scheme of the National Association of German Cooperative Banks. Reporting is conducted in the following segments: Retail Customers, Professional Bodies and Key Clients, Treasury as well as Participations and Corporate Center. The CET1 ratio rose to 16.3% in FY 2020 (FY 2019: 15.2%), which means apoBank is in excess of the regulatory requirement. At 4.7% (FY 2020), the leverage ratio has remained stable (4.4% in FY 2019). The loan portfolio totalled EUR 36.7bn as at the end of 2020. The portfolio quality is reflected, among other aspects, in an NPL ratio of 1.4% (FY 2019: 1.3%), although it should be mentioned that the coverage ratio stands at 42.1%. The bank is supplementing its loans for start-ups by way of a comprehensive consultancy service, and has carved out a market share of 60% in this area. Refinancing is predominantly covered by deposits, although the product portfolio in the area of funding is set to be expanded further in future. At 185.7%, the LCR is above the regulatory minimum.

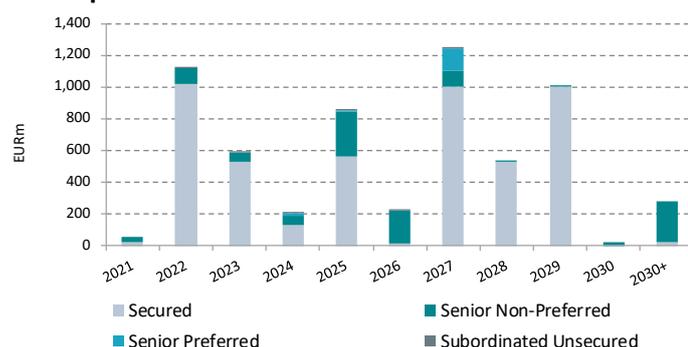
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	34,652	37,291	38,240
Total Securities	5,653	5,880	8,034
Total Deposits	27,449	29,237	33,241
Tier 1 Common Capital	2,310	2,325	2,459
Total Assets	45,376	49,603	59,440
Total Risk-weighted Assets	13,861	15,294	15,095

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	632	691	750
Net Fee & Commission Inc.	165	175	184
Net Trading Income	2	2	6
Operating Expense	635	701	799
Credit Commit. Impairment	54	18	6
Pre-tax Profit	113	117	111

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.48	1.47	1.39	Liquidity Coverage Ratio	136.31	131.29	150.75
ROAE	2.56	2.49	2.42	IFRS Tier 1 Leverage Ratio	5.10	4.70	4.15
Cost-to-Income	73.11	76.30	81.23	NPL/ Loans at Amortised Cost	1.30	1.27	1.64
Core Tier 1 Ratio	16.66	15.20	16.29	Reserves/Loans at Amort. Cost	0.77	0.72	0.79

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Memb. of coop. FinanzGruppe protection scheme
- Unique business model in Germany
- Capitalisation and risk management

### Risks / Weaknesses

- Profitability in the low interest rate environment
- Developments in the healthcare sector
- Increasing importance of wholesale funding

# apoBank – Mortgage

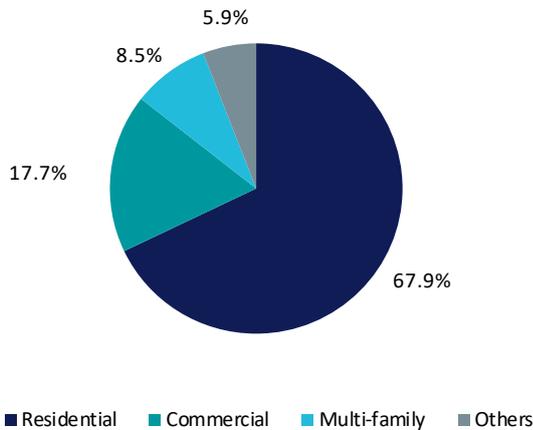
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

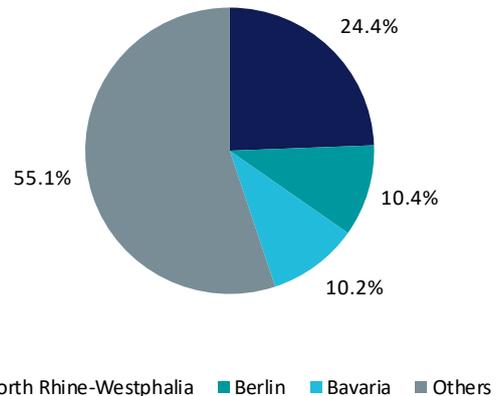
## Cover Pool Data

Cover pool volume (EURm)	8,705	Rating (Moody's)	-
Amount outstanding (EURm)	7,855	Rating (S&P)	AAA
-thereof ≥ EUR 500m	38.2%	Rating (Fitch)	-
Current OC (nominal)	10.8%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	24% North Rhine-Westphalia	RRL	aa
Number of loans	81,981	JRL	aaa
Number of borrowers	46,375	Unused notches	4
Avg. exposure to borrowers (EUR)	187,718	AAA credit risk (%)	6.09
WAL (cover pool)	5.2y	PCU	-
WAL (covered bonds)	6.4y	Recovery uplift	-
Fixed interest (cover pool)	92.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	69.9%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	55.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

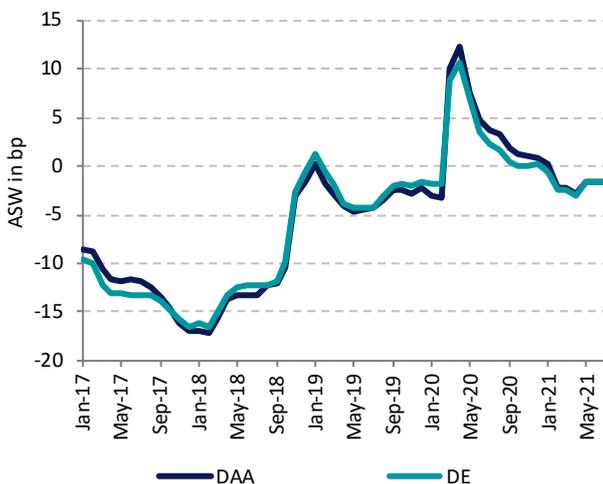
## Borrower Types



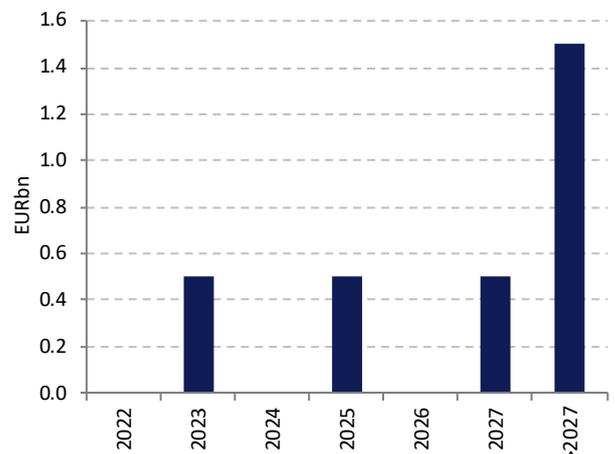
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Deutsche Bank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	BBB	Positive
Moody's	A3	*
S&P	BBB+	Positiv

### Homepage

[www.db.com](http://www.db.com)

\* rating under review

Deutsche Bank AG (DB) is Germany's largest financial institution and is the only German bank classified as a global systemically important bank (G-SIB). Around the world, DB employs approximately 85,000 staff across nearly 1,860 branches, of which 500 are located in Germany. Reporting at the core bank can be broken down into four key business units: Corporate Bank (transaction bank and German corporate client business), Investment Bank (corporate finance, fixed income and currencies, DB Research), Retail Bank (national and international retail clients, small commercial customers and self-employed people in addition to corporate clients and businesses in Italy, Spain, Belgium and India; Wealth Management) and Asset Management (DWS). In addition, DB operates the segment Corporate & Other and the Capital Release Unit (winding-down segment), which as the name suggests, serves the purposes of freeing-up capital. In essence, four overarching objectives are pursued within the Group strategy: First, focusing on the four core areas and discontinuing operations within unprofitable divisions; second, restructuring of business with improved infrastructure; third, ensuring a more streamlined and efficient decision-making process; and fourth, releasing capital for shareholder repayments. By the end of 2020, DB had already incurred 85% of the expected restructuring costs, according to the bank's own information. Moreover, a partnership was agreed with Google that will see the IT infrastructure transition to a cloud-based platform. DB has defined the following financial targets for 2022: CET1 ratio of >12.5% (Q1/20: 13.7%) and ROE of 8%. Adjusted costs should fall to EUR 16.7bn, while CIR of 70% should be achieved (Q1/21: 77.1%).

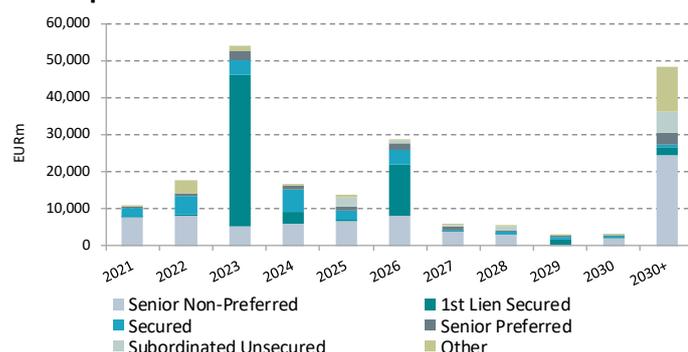
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	444,048	437,520	435,362
Total Securities	572,817	579,572	534,924
Total Deposits	495,352	492,599	-
Tier 1 Common Capital	44,148	44,885	45,294
Total Assets	1,297,674	1,325,259	1,317,126
Total Risk-weighted Assets	324,015	328,951	329,819

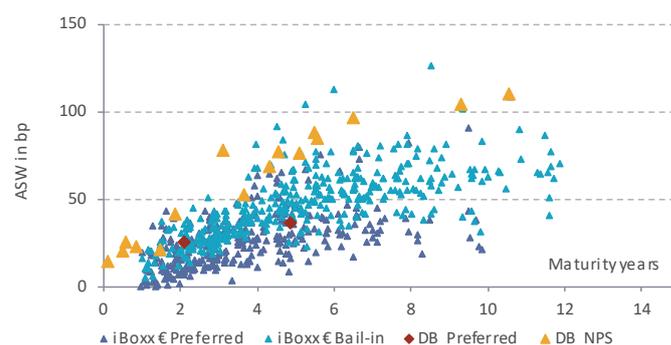
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	13,749	11,526	2,801
Net Fee & Commission Inc.	9,520	9,424	2,739
Net Trading Income	-179	2,793	1,431
Operating Expense	22,990	21,000	5,513
Credit Commit. Impairment	723	1,792	69
Pre-tax Profit	-2,634	1,021	1,589

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.08	0.94	0.95	Liquidity Coverage Ratio	144.35	144.80	146.00
ROAE	-7.97	1.00	6.60	IFRS Tier 1 Leverage Ratio	4.54	4.54	-
Cost-to-Income	99.25	87.40	76.22	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.63	13.64	13.73	Reserves/Loans at Amort. Cost	0.94	1.13	1.05

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Adequate liquidity position
- Focus on less capital-intensive business areas
- Enhanced leverage ratio

### Risks / Weaknesses

- Strategy implementation posing a challenge
- Dependency on volatile capital market income
- Profitability & efficiency (with room for improvement)

# Deutsche Bank – Mortgage

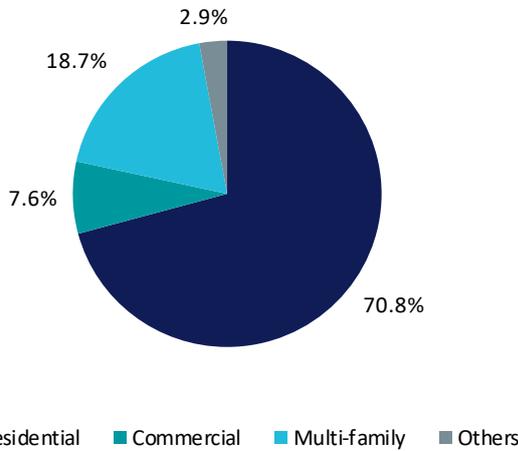
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

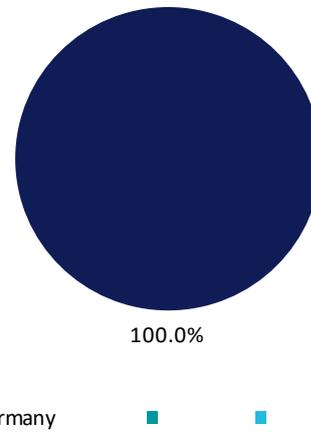
## Cover Pool Data

Cover pool volume (EURm)	15,337	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,837	Rating (S&P)	-
-thereof ≥ EUR 500m	48.4%	Rating (Fitch)	-
Current OC (nominal)	41.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	2
Main country	100% Germany	Collateral score	5.4%
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	99.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	74.6%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	53.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

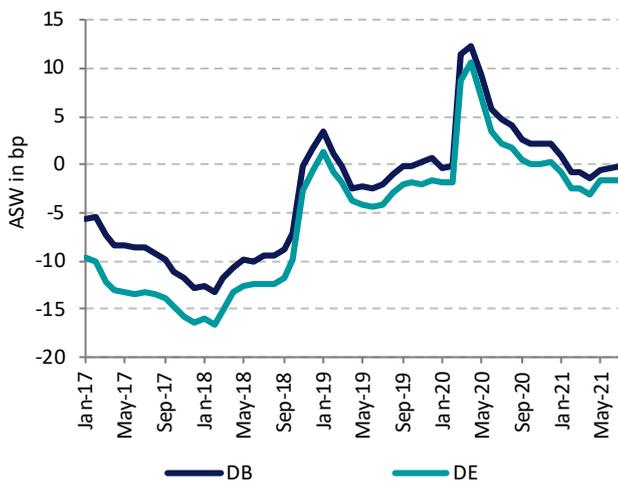
## Borrower Types



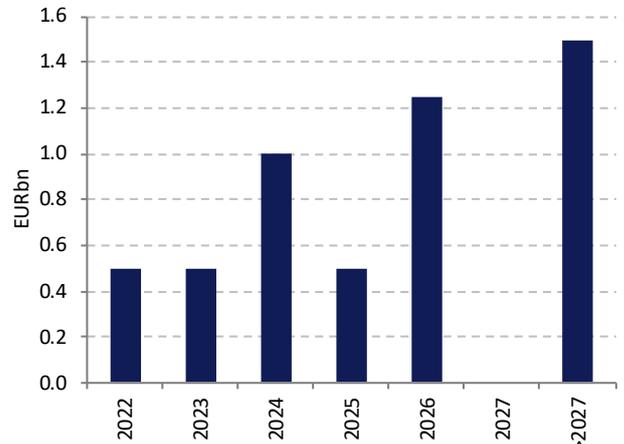
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Deutsche Bank – Mortgage (CPT)

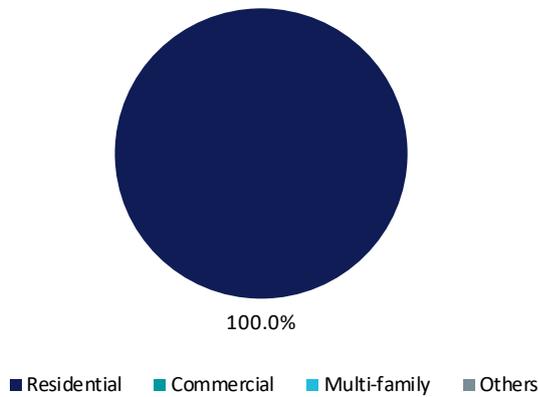
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

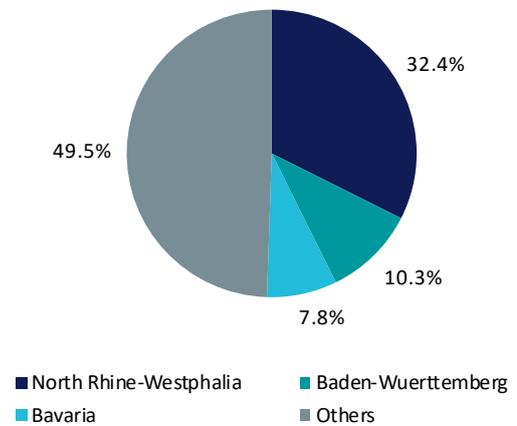
## Cover Pool Data

Cover pool volume (EURm)	3,498	Rating (Moody's)	Aa1
Amount outstanding (EURm)	2,310	Rating (S&P)	-
-thereof ≥ EUR 500m	21.6%	Rating (Fitch)	-
Current OC (nominal)	51.4%	Rating (DBRS)	AA
Committed OC	15.0%	TPI	High
Cover type	Mortgage	TPI leeway	2
Main country	100% Germany	Collateral score	8.9%
Main region	32% North Rhine-Westphalia	RRL	-
Number of loans	42,578	JRL	-
Number of borrowers	34,203	Unused notches	-
Avg. exposure to borrowers (EUR)	102,280	AAA credit risk (%)	-
WAL (cover pool)	16.7y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	98.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	Not eligible
LTV (unindexed)	70.3%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

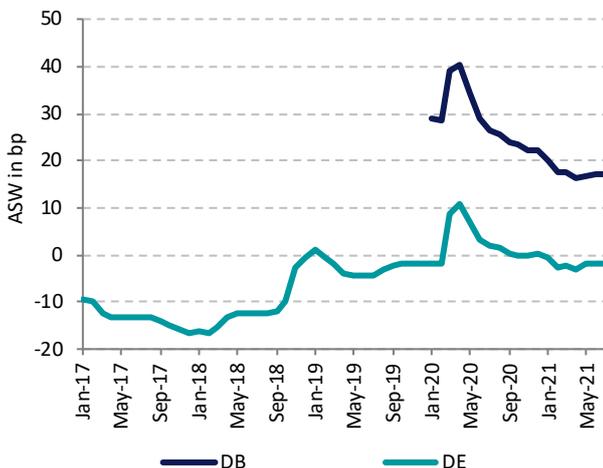
## Borrower Types



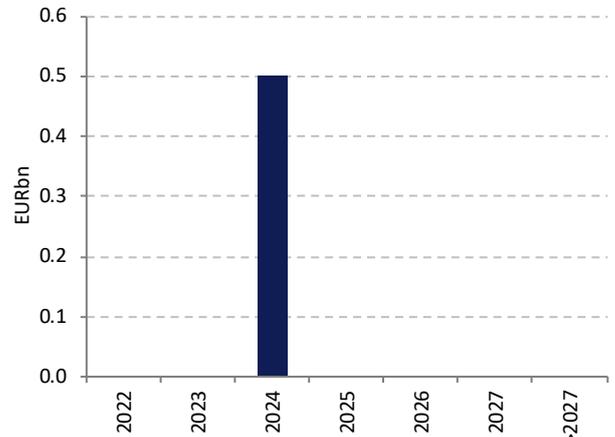
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Deutsche Kreditbank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A1	Stable
S&P	-	-

### Homepage

[www.dkb.de](http://www.dkb.de)

Deutsche Kreditbank AG (DKB), headquartered in Berlin, is a wholly owned subsidiary of Bayerische Landesbank (BayernLB) and an integral part of its core banking activities. A control and profit transfer agreement has additionally been agreed between the two banks. BayernLB has also issued a Letter of Comfort for DKB liabilities. DKB's business model is based on two pillars. First, direct banking business for retail clients, in which over 4.6 million customers are served on a digital basis across Germany. Second, corporate customers that are advised directly across 26 different locations. DKB employs around 4,500 staff overall. The DKB Group comprises DKB AG and various subsidiaries, such as DKB Service GmbH, DKB Grund GmbH and DKB Finance GmbH. DKB reports across three market segments: Retail Customers, Corporate Clients and Infrastructure in addition to Financial Markets and Other. In geographical terms, DKB concentrates on Germany. In terms of investments in renewable energies, DKB boasts one of the largest credit portfolios in Germany, totalling more than EUR 11bn overall. In 2020, refinancing was covered by customer deposits (61.7%) and the promotional business (11.6%). Capital market refinancing activities account for a share of 7.9% of the funding mix. In this context, the key refinancing instruments are Pfandbriefe and uncovered bonds. Since 2016, the funding mix has been supplemented by green bonds, before a social bond framework was added in 2018, from which the first "blue social bond" was placed in the form of a social Pfandbrief. In 2020, DKB revised and updated its green bond programme in line with the EU Taxonomy.

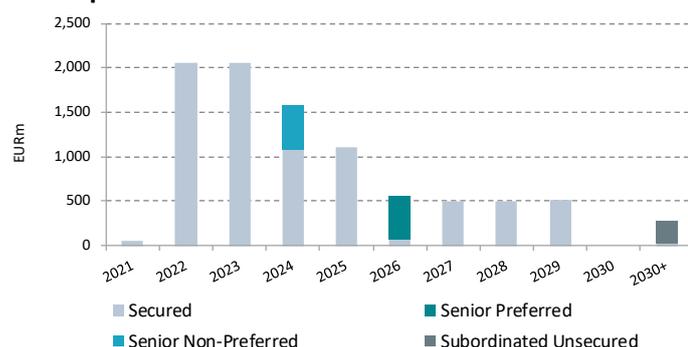
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	65,512	69,116	76,140
Total Securities	6,773	6,972	6,705
Total Deposits	54,366	60,767	72,409
Tier 1 Common Capital	3,178	3,144	3,291
Total Assets	77,388	83,754	109,840
Total Risk-weighted Assets	32,846	34,740	35,282

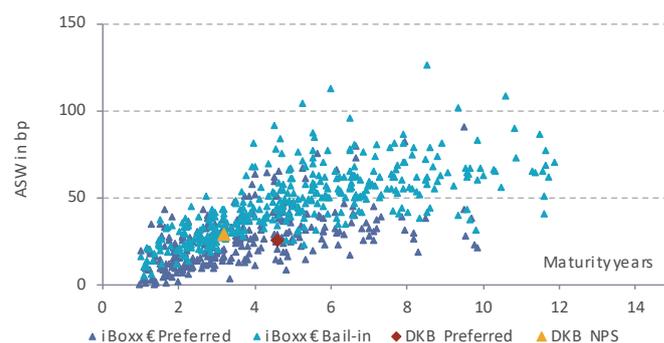
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	945	954	954
Net Fee & Commission Inc.	-34	-35	-22
Net Trading Income	-9	42	61
Operating Expense	515	593	719
Credit Commit. Impairment	105	64	44
Pre-tax Profit	301	298	250

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.23	1.19	0.99	Liquidity Coverage Ratio	161.54	154.82	258.77
ROAE	9.13	8.80	6.95	IFRS Tier 1 Leverage Ratio	4.11	3.76	3.00
Cost-to-Income	55.50	62.65	71.34	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	9.67	9.05	9.33	Reserves/Loans at Amort. Cost	0.64	0.59	0.55

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Funding and liquidity profile
- Asset quality
- Sustainable business model

### Risks / Weaknesses

- Moderate capitalisation
- Regional and sectoral concentration risks
- Profitability (interest rate environment challenging)

# Deutsche Kreditbank – Mortgage

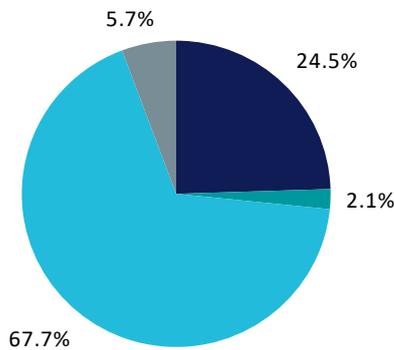
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

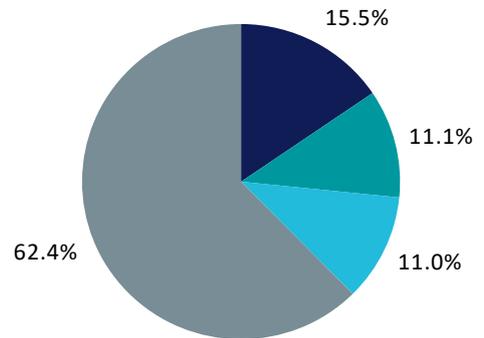
Cover pool volume (EURm)	7,173	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,209	Rating (S&P)	-
-thereof ≥ EUR 500m	25.0%	Rating (Fitch)	-
Current OC (nominal)	37.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Germany	Collateral score	8.6%
Main region	16% North Rhine-Westphalia	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	93.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	98.9%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	51.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



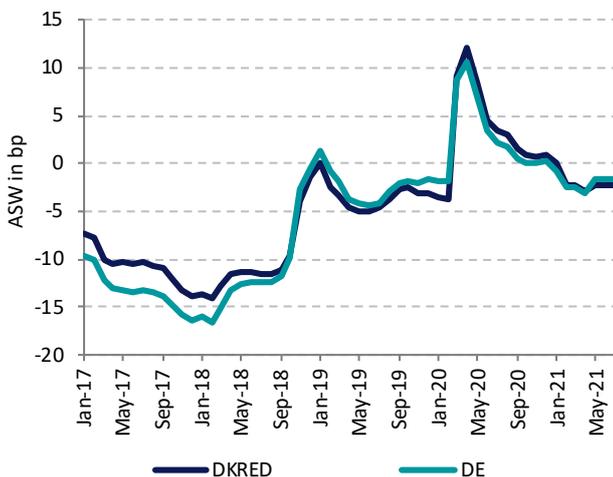
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

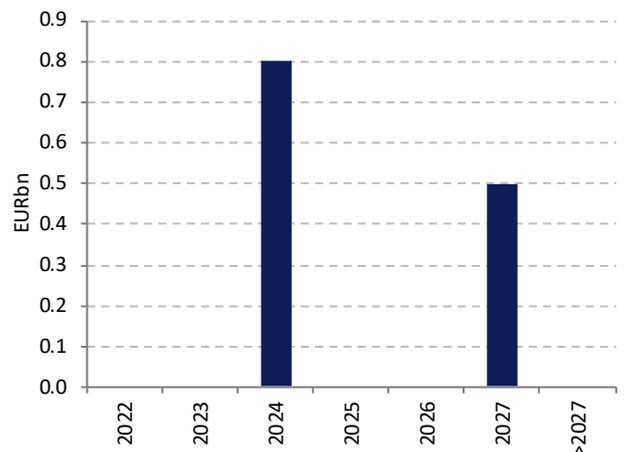


■ North Rhine-Westphalia ■ Berlin ■ Saxony ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Deutsche Kreditbank – Public Sector

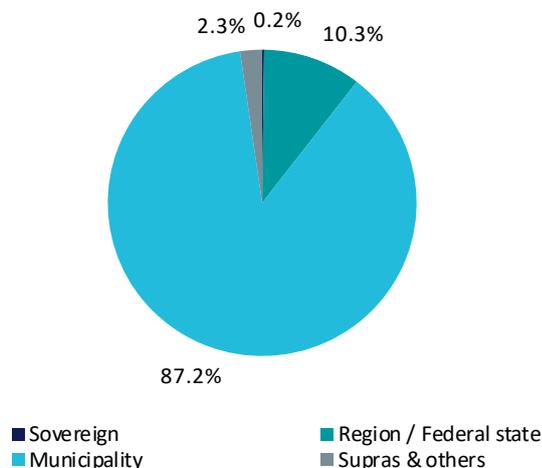
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

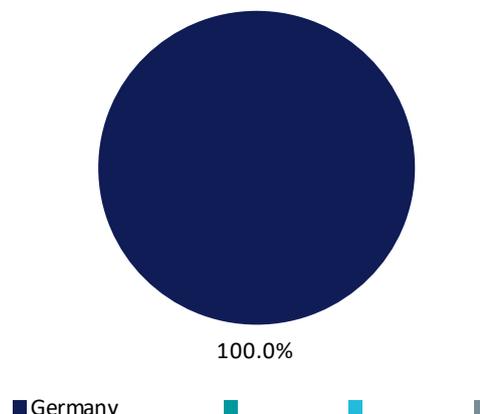
## Cover Pool Data

Cover pool volume (EURm)	8,680	Rating (Moody's)	Aaa
Amount outstanding (EURm)	6,583	Rating (S&P)	-
-thereof ≥ EUR 500m	22.8%	Rating (Fitch)	-
Current OC (nominal)	31.9%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	4
Main country	100% Germany	Collateral score	2.4%
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	95.2%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	96.2%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

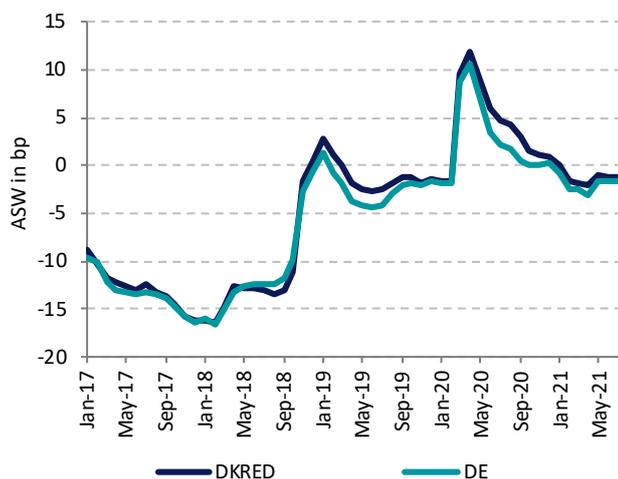
## Borrower Types



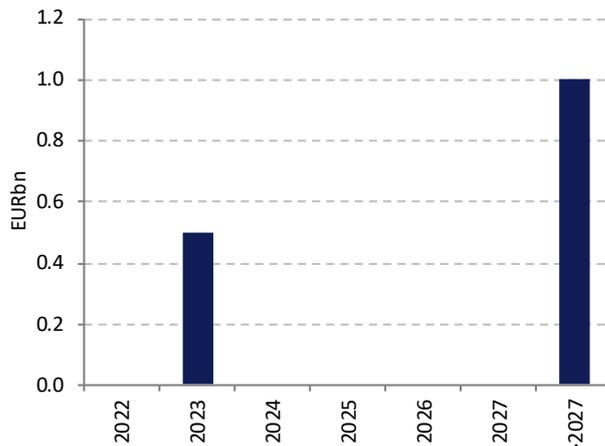
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Deutsche Pfandbriefbank

Germany 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BBB+	Negative

## Homepage

[www.pfandbriefbank.com](http://www.pfandbriefbank.com)

Deutsche Pfandbriefbank AG (pbb) is a leading European specialist bank for commercial real estate financing (GI) and public-sector investment projects (ÖI), with a focus on Pfandbrief-eligible operations. The bank was formed in 2009 from a merger of two Pfandbrief issuers, namely Hypo Real Estate Bank AG and DEPFA Deutsche Pfandbrief-bank AG, and today employs 779 staff (Q1 2021). In 2015, pbb, which is headquartered in Garching (Munich), was successfully re-privatised by way of an IPO, following which its shares are listed on the Frankfurt Stock Exchange. The Federal Republic of Germany holds a stake of 3.5% in pbb (as at FY 2020). The core business of pbb involves granting loans, with the bank offering traditional customised financing solutions to its customers in addition to derivative financial instruments to hedge risks from credit operations. To this end, the GI business unit covers national and international real estate investors as well as SMEs and regional stakeholders in Germany in particular. Within ÖI, Pfandbrief-eligible projects for public infrastructure are financed. Core pbb markets include Germany, the UK, France, the Nordics, certain countries in the CEE region as well as the USA. In terms of refinancing, Pfandbrief issuances account for a significant portion, followed by uncovered funding. Having placed regular benchmark deals in EUR, USD, GBP in addition to SEK and CHF, pbb ranks among the largest issuers of Pfandbriefe in Germany. Since 2013, uncovered funding has been supplemented by the deposit business with retail customers. In February 2021, pbb also issued its first green bond (volume: EUR 500m; format: senior preferred).

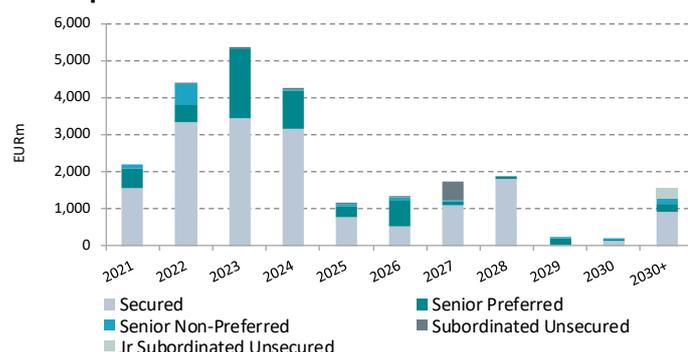
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	41,004	39,955	40,234
Total Securities	12,069	11,415	10,708
Total Deposits	23,985	22,583	21,674
Tier 1 Common Capital	2,811	2,854	2,800
Total Assets	56,822	58,859	58,059
Total Risk-weighted Assets	17,721	17,744	18,300

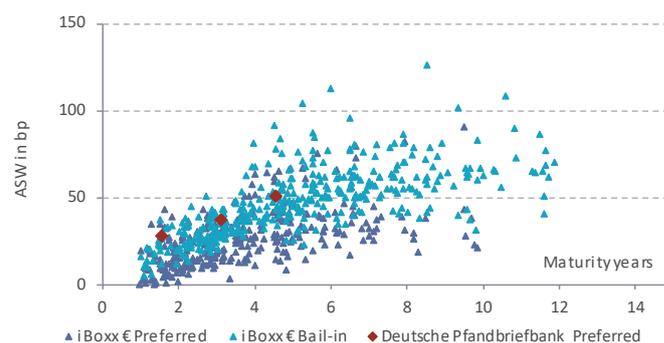
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	458	476	123
Net Fee & Commission Inc.	6	6	2
Net Trading Income	-2	23	22
Operating Expense	241	249	84
Credit Commit. Impairment	49	126	10
Pre-tax Profit	216	151	52

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.77	0.81	0.85	Liquidity Coverage Ratio	227.02	286.01	281.00
ROAE	5.55	3.50	5.07	IFRS Tier 1 Leverage Ratio	5.27	5.08	5.03
Cost-to-Income	47.63	47.34	57.53	NPL/ Loans at Amortised Cost	1.27	1.20	1.28
Core Tier 1 Ratio	15.86	16.08	15.30	Reserves/Loans at Amort. Cost	0.31	0.61	0.67

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Loan quality
- Capitalisation

## Risks / Weaknesses

- Loan concentration
- Commercial real estate (cyclical market)

# Deutsche Pfandbriefbank – Mortgage

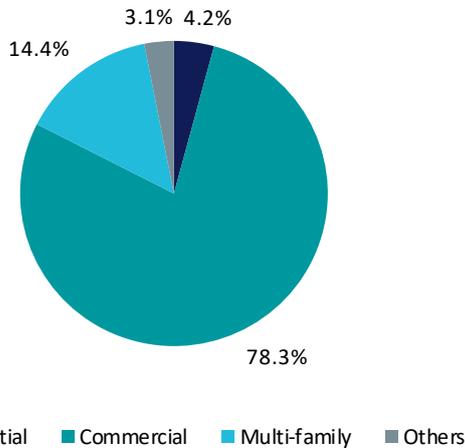
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

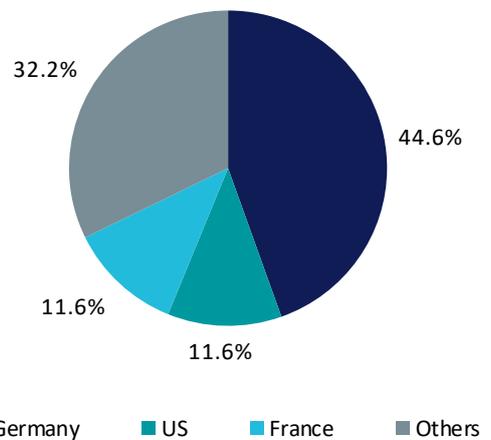
## Cover Pool Data

Cover pool volume (EURm)	17,861	Rating (Moody's)	Aa1
Amount outstanding (EURm)	15,639	Rating (S&P)	-
-thereof ≥ EUR 500m	44.1%	Rating (Fitch)	-
Current OC (nominal)	14.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	Unpublished
Main country	45% Germany	Collateral score	13.7%
Main region	29% Berlin	RRL	-
Number of loans	1,573	JRL	-
Number of borrowers	1,974	Unused notches	-
Avg. exposure to borrowers (EUR)	9,047,974	AAA credit risk (%)	-
WAL (cover pool)	3.7y	PCU	-
WAL (covered bonds)	5.5y	Recovery uplift	-
Fixed interest (cover pool)	53.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	89.5%	CRR 129 (7)	Yes
LTV (indexed)	32.0%	LCR level (Bmk)	1
LTV (unindexed)	54.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

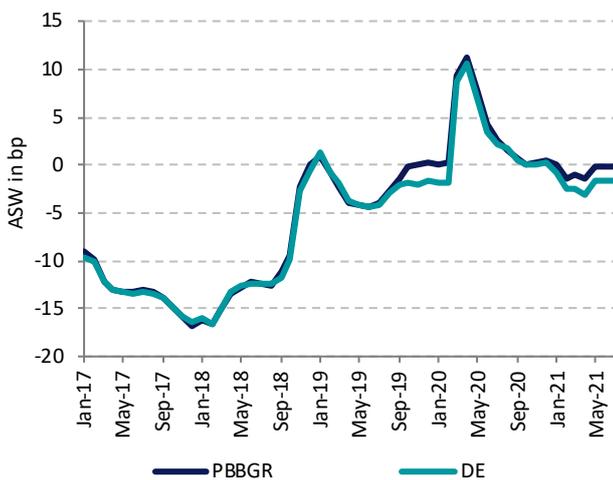
## Borrower Types



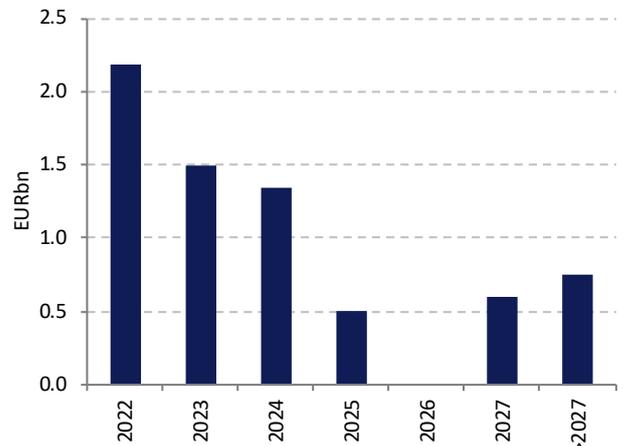
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Deutsche Pfandbriefbank – Public Sector

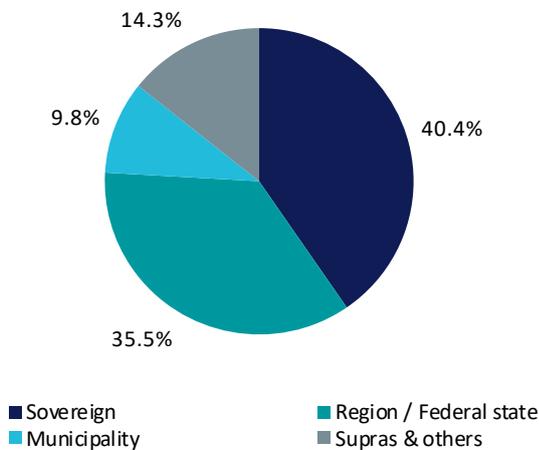
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

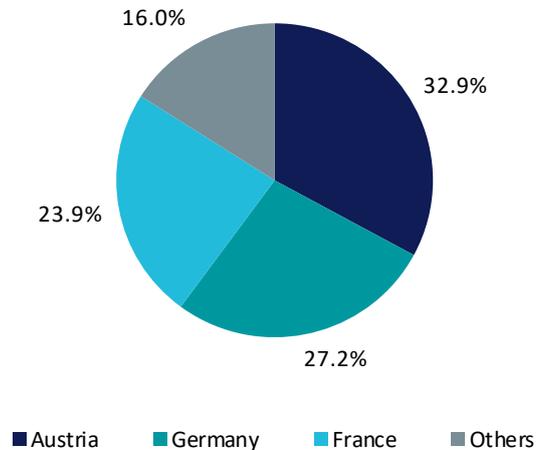
## Cover Pool Data

Cover pool volume (EURm)	12,018	Rating (Moody's)	Aa1
Amount outstanding (EURm)	10,066	Rating (S&P)	-
-thereof ≥ EUR 500m	14.9%	Rating (Fitch)	-
Current OC (nominal)	19.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	Unpublished
Main country	33% Austria	Collateral score	14.4%
Main region	98% Vienna	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	537	Unused notches	-
Avg. exposure to borrowers (EUR)	223	AAA credit risk (%)	-
WAL (cover pool)	9.1y	PCU	-
WAL (covered bonds)	7.7y	Recovery uplift	-
Fixed interest (cover pool)	70.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	78.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

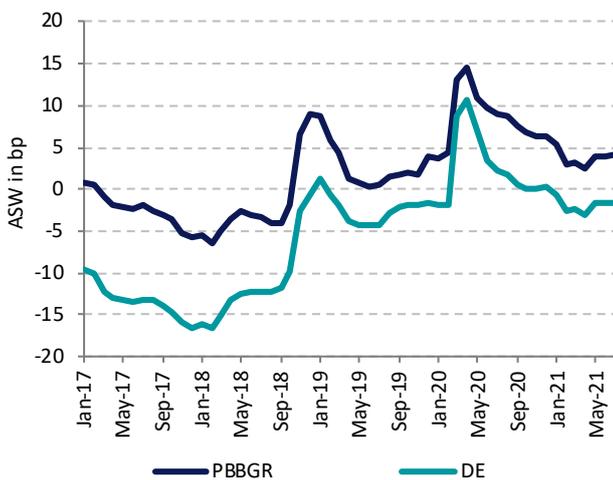
## Borrower Types



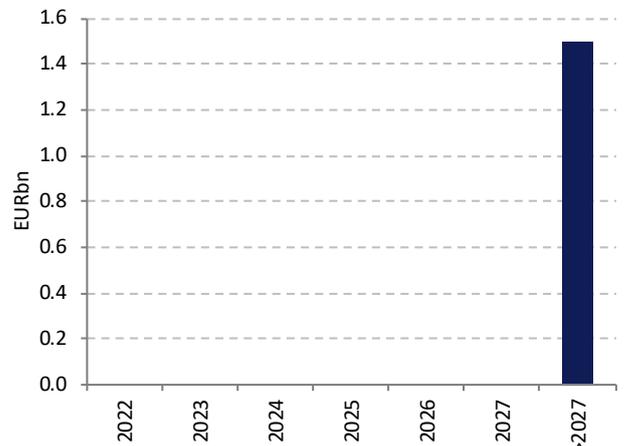
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# DZ HYP

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa1	Negative
S&P	A+	Stable

### Homepage

[www.dzhyp.de](http://www.dzhyp.de)

DZ HYP AG is a leading German real estate bank headquartered in Hamburg and Münster. In 2020, around 819 staff were employed at both main locations in addition to regional centres and offices across the country. Following the merger of DG HYP and WL BANK, both of which are subsidiaries of the cooperative central institution DZ BANK, one of the largest Pfandbrief issuers in Germany was created upon entry into the commercial register at the end of July 2018. The merger took retroactive effect from 01 January 2018. A control and profit transfer agreement is in place between DZ BANK AG and DZ HYP AG, while DZ BANK has issued a letter of comfort for DZ HYP as well (issued before merger and continues to be effective). At the same time, DZ HYP makes use of the waiver regulation, according to which equity requirements can be managed at Group level. A strategic goal of the new institute is to serve both partners and customers from a single source, with a particular aim of increasing the benefits leveraged for the Volksbanks and Raiffeisenbanks. This focus ensures that the FinanzGruppe (cooperative financial services group) is structured efficiently by centrally bundling the real estate funding activities of the two predecessor banks. In the summer of 2020, a restructuring of the business units took place. Since this time, market activities have been concentrated on the segments Corporate Customers (commercial customers and housing sector bundled here), Retail Customers (merger of the front and back office units to bundle loan processing) and Public Sector Customers. Funding is covered by mortgage Pfandbriefe (EUR 3.8bn in FY 2020; FY 2019: EUR 3.5bn) and public sector Pfandbriefe, supplemented by uncovered refinancing.

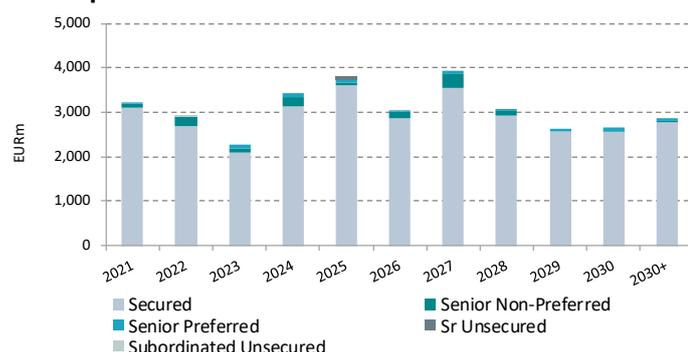
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	60,040	63,779	66,124
Total Securities	11,083	9,890	10,518
Total Deposits	19,534	17,667	15,770
Tier 1 Common Capital	1,540	1,493	1,588
Total Assets	75,891	79,437	81,920
Total Risk-weighted Assets	17,113	17,770	17,644

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	521	552	602
Net Fee & Commission Inc.	-27	-36	-38
Net Trading Income	-	-	-
Operating Expense	314	273	272
Credit Commit. Impairment	69	4	55
Pre-tax Profit	135	148	199

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.93	0.71	0.75	Liquidity Coverage Ratio	305.30	253.00	212.00
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	59.95	50.19	45.53	NPL/ Loans at Amortised Cost	0.21	0.16	0.23
Core Tier 1 Ratio	9.00	8.40	9.00	Reserves/Loans at Amort. Cost	0.35	0.34	0.41

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Group integration
- Loan quality

### Risks / Weaknesses

- Restricted ability to generate capital
- Commercial properties: cyclical market

# DZ HYP – Mortgage

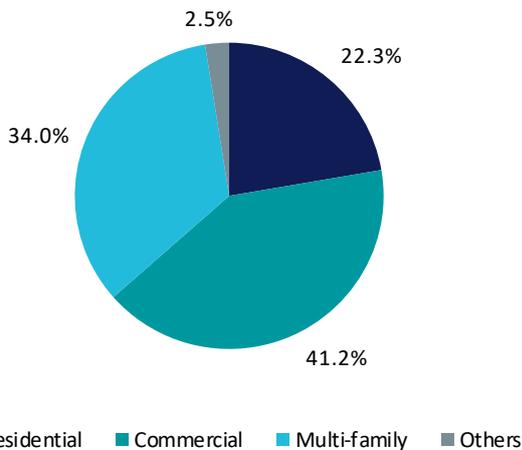
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

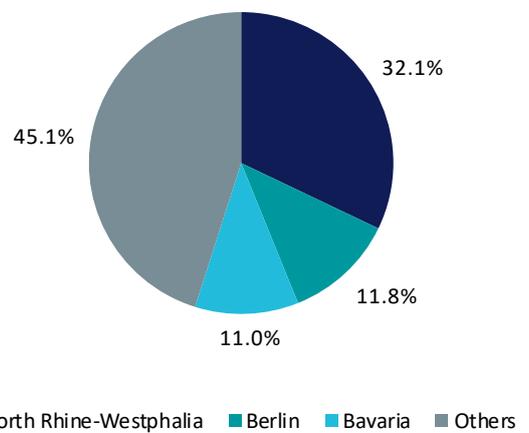
## Cover Pool Data

Cover pool volume (EURm)	38,126	Rating (Moody's)	Aaa
Amount outstanding (EURm)	32,815	Rating (S&P)	AAA
-thereof ≥ EUR 500m	71.2%	Rating (Fitch)	-
Current OC (nominal)	16.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	7
Main country	97% Germany	Collateral score	11.8%
Main region	32% North Rhine-Westphalia	RRL	aa
Number of loans	109,720	JRL	aaa
Number of borrowers	94,354	Unused notches	4
Avg. exposure to borrowers (EUR)	404,074	AAA credit risk (%)	6.87
WAL (cover pool)	6.9y	PCU	-
WAL (covered bonds)	5.5y	Recovery uplift	-
Fixed interest (cover pool)	88.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	98.5%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	54.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

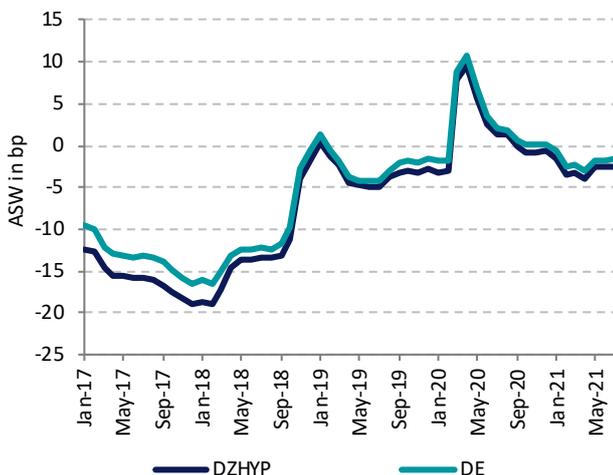
## Borrower Types



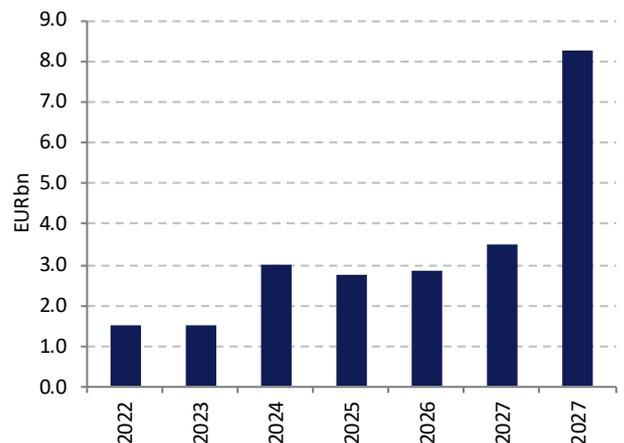
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# DZ HYP – Public Sector

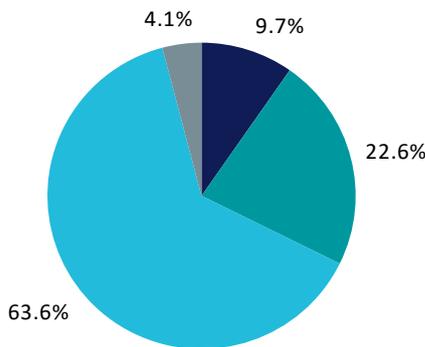
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

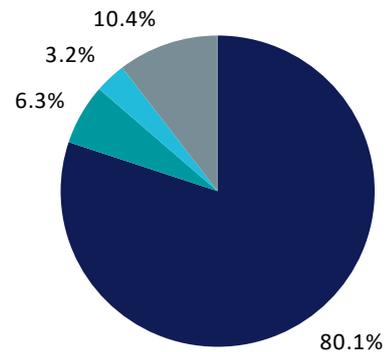
Cover pool volume (EURm)	15,016	Rating (Moody's)	Aaa
Amount outstanding (EURm)	12,749	Rating (S&P)	AAA
-thereof ≥ EUR 500m	3.9%	Rating (Fitch)	-
Current OC (nominal)	17.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	7
Main country	80% Germany	Collateral score	4.2%
Main region	22% North Rhine-Westphalia	RRL	aa
Number of loans	17,905	JRL	aaa
Number of borrowers	5,210	Unused notches	4
Avg. exposure to borrowers (EUR)	2,882,150	AAA credit risk (%)	n/a
WAL (cover pool)	8.4y	PCU	-
WAL (covered bonds)	7.3y	Recovery uplift	-
Fixed interest (cover pool)	96.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	95.4%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



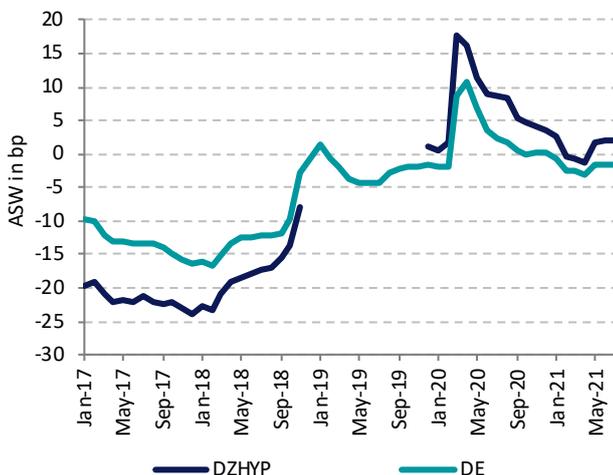
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

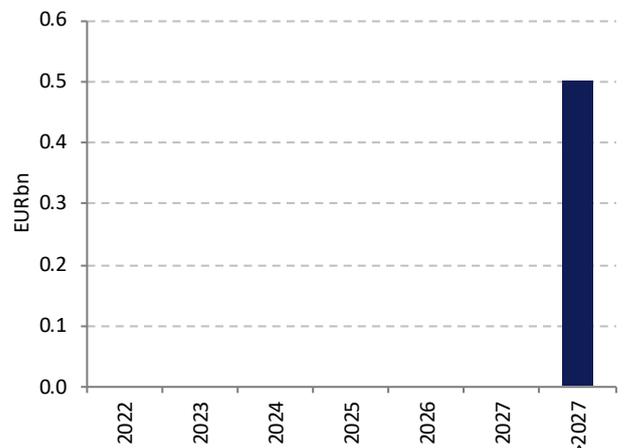


■ Germany  
■ Spain  
■ Portugal  
■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Hamburg Commercial Bank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Positive
S&P	BBB	*

### Homepage

[www.hcob-bank.de](http://www.hcob-bank.de)

\* Developing

Hamburg Commercial Bank (HCOB), which was still trading as HSH Nordbank up to 4 February 2019, is headquartered in Hamburg, and became the first state bank in Germany to be successfully privatised on 28 November 2018. Since then, the shareholders have been Cerberus Capital Management (42.48% stake), J. C. Flowers & Co. (34.98%), Golden-Tree Asset Management (12.49%), an acquisitions arm of Centaurus Capital (7.5%), BAWAG P.S.K (2.5%) and HCOB itself (0.05%). The sale finally brought to an end the EU state aid proceedings, which had been ongoing for a number of years. The second loss guarantee granted to the bank by its former state owners Hamburg and Schleswig-Holstein was revoked in return for an equalisation payment of EUR 100m. HCOB will remain part of the protection system of the Sparkassen financial group until the end of 2021, with a plan in place to ensure a seamless transition into the deposit protection scheme for private banks effective from 01 January 2022. HCOB's business activities are focused on larger SMEs in its home region of northern Germany. Across Germany, the bank is involved in project financing, real estate, shipping and corporate client business in addition to lending. On an international basis, HCOB's activities are focused on selected markets, with shipping customers above all taking a prominent role here. Segment re-reporting was adjusted in the wake of the reversal of the separation between core bank and wind-down bank. The bank is divided into the segments of Corporate & Structured Finance, Real Estate, Shipping, Diversified Lending & Markets in addition to the Other and Transition business unit. By 2022, HCOB is targeting a CET1 ratio above 20%, an NPE ratio below 2% and a CIR of 40-45%.

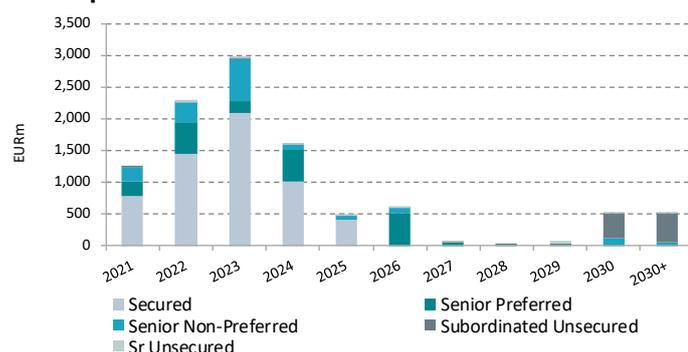
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	31,960	30,000	21,909
Total Securities	13,569	9,044	7,113
Total Deposits	28,093	23,966	13,104
Tier 1 Common Capital	4,064	3,893	4,193
Total Assets	55,121	47,712	33,815
Total Risk-weighted Assets	22,139	21,005	15,523

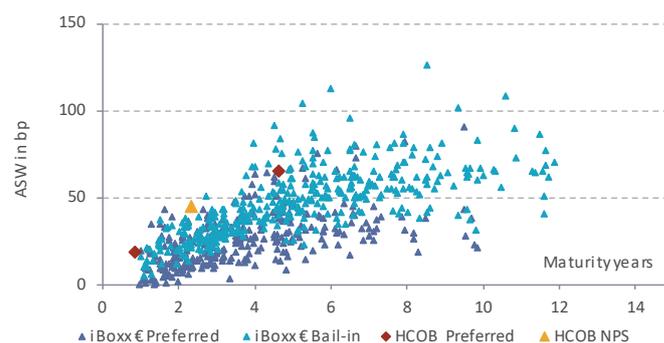
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,621	321	629
Net Fee & Commission Inc.	35	61	48
Net Trading Income	-70	81	-21
Operating Expense	642	463	397
Credit Commit. Impairment	318	-7	189
Pre-tax Profit	97	77	257

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.65	0.64	1.60	Liquidity Coverage Ratio	172.72	192.86	169.67
ROAE	1.78	0.27	2.35	IFRS Tier 1 Leverage Ratio	7.92	8.70	12.89
Cost-to-Income	43.41	77.68	56.55	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.36	18.53	27.01	Reserves/Loans at Amort. Cost	2.76	2.49	2.70

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Risk reduction in the asset portfolio
- Good capitalisation
- Sound liquidity ratios

### Risks / Weaknesses

- Switch to private deposit protection system
- Low interest rate environment
- Restructuring

# Hamburg Commercial Bank – Mortgage

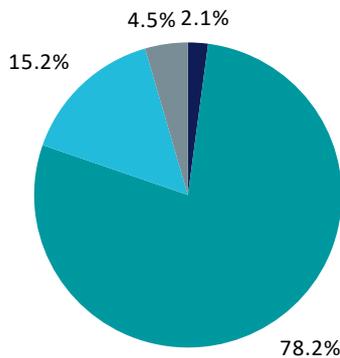
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

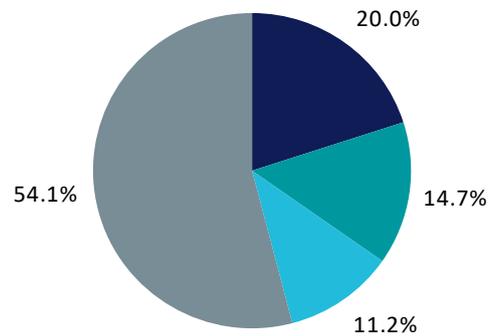
Cover pool volume (EURm)	4,300	Rating (Moody's)	Aa1
Amount outstanding (EURm)	3,880	Rating (S&P)	-
-thereof ≥ EUR 500m	58.5%	Rating (Fitch)	-
Current OC (nominal)	10.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	2
Main country	95% Germany	Collateral score	17.1%
Main region	20% North Rhine-Westphalia	RRL	-
Number of loans	490	JRL	-
Number of borrowers	290	Unused notches	-
Avg. exposure to borrowers (EUR)	14,827,931	AAA credit risk (%)	-
WAL (cover pool)	3.4y	PCU	-
WAL (covered bonds)	1.9y	Recovery uplift	-
Fixed interest (cover pool)	48.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	76.5%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	57.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



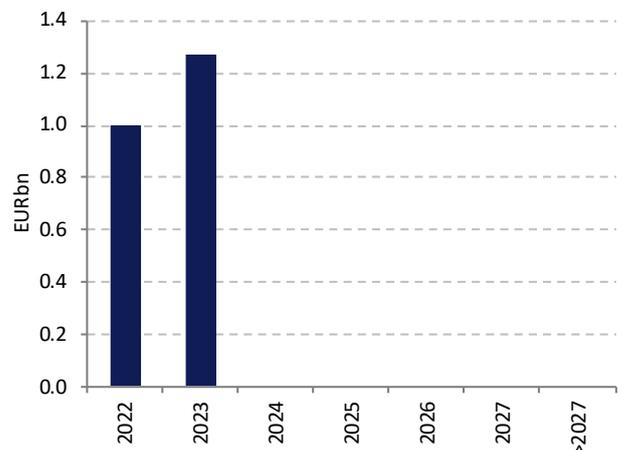
■ North Rhine-Westphalia ■ Hesse ■ Berlin ■ Others

## Spread Development (>1y)



— HCOB — DE

## Redemption Profile (Bmk)



# Hamburger Sparkasse

Germany 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	-	-
S&P	-	-

## Homepage

[www.haspa.de](http://www.haspa.de)

Established in 1827, Hamburger Sparkasse AG (Haspa) is the leading bank for retail customers and SMEs in the Hamburg metropolitan region, according to data from the bank itself. HASPA Finanzholding holds 100% of the shares in Haspa, with the articles of association obliging the bank to perform the role of a savings bank. The bank is active in the fields of retail customers, corporate customers and private banking. It is one of the few independent savings banks in Germany, and is a member of both the Hanseatische Sparkassen- und Giroverband (HSGV=Hanseatic Savings Bank and Clearing House Association) and the Verband der Freien Sparkassen (Association of Independent Savings Banks) in Frankfurt. Its membership of the HSGV means Haspa is part of the DSGV. Hence, Haspa is fully integrated into the comprehensive protection system of the German savings banks. In terms of future alignment, Haspa will turn to its comprehensive branch network. For example, 20 further branches were redesigned in line with an innovative concept in 2020. As at year-end, there were 83 (Haspa target: 100) of these "neighbourhood branches". Increased earnings and cost-cutting exercises are the focus of the future strategy "Haspa Spring – Sparkasse richtig neu gedacht", which should be achieved on the back of improved digitalisation and streamlining processes in addition to a socially acceptable level of redundancies. With its level of customer deposits, the bank is only limitedly dependent on capital market funding. The minimum requirements for the liquidity metrics LCR (194%) and NSFR (124%) are satisfied (FY/2020). The CET1 ratio is also above the requirements (13.3%). Leverage ratio stands at around 7.0% (future target: 3%).

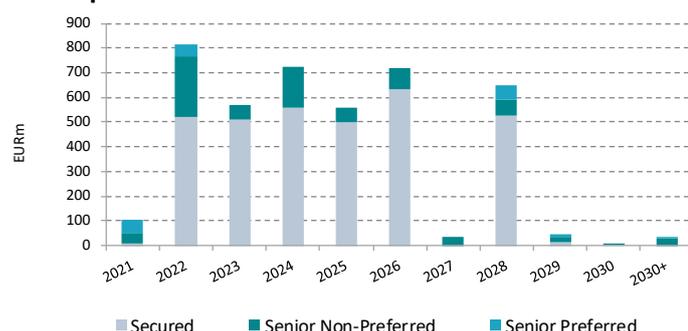
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	32,743	34,362	35,797
Total Securities	7,200	5,562	6,932
Total Deposits	33,627	34,631	36,741
Tier 1 Common Capital	3,396	3,470	-
Total Assets	45,093	46,581	55,157
Total Risk-weighted Assets	24,910	26,225	-

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	707	621	567
Net Fee & Commission Inc.	308	335	316
Net Trading Income	-1	-1	-0
Operating Expense	864	916	817
Credit Commit. Impairment	101	30	61
Pre-tax Profit	129	43	45

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.60	1.36	1.12	Liquidity Coverage Ratio	180.63	316.79	194.00
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	7.54	7.45	-
Cost-to-Income	78.93	92.60	89.91	NPL/ Loans at Amortised Cost	0.26	0.21	-
Core Tier 1 Ratio	13.63	13.23	13.30	Reserves/Loans at Amort. Cost	0.32	0.25	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Integration the S-Finanzgruppe
- Low loan default rate
- Capitalisation

## Risks / Weaknesses

- Regional credit risk concentration
- Low interest rate environment posing a challenge
- High cost ratio

# Hamburger Sparkasse – Mortgage

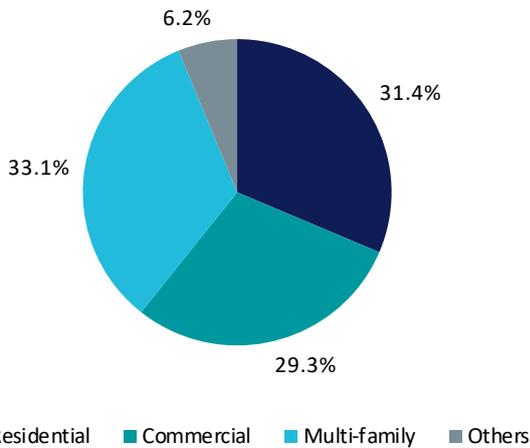
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

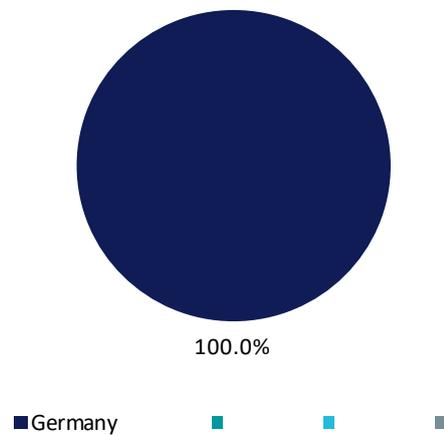
## Cover Pool Data

Cover pool volume (EURm)	8,128	Rating (Moody's)	Aaa
Amount outstanding (EURm)	6,558	Rating (S&P)	-
-thereof ≥ EUR 500m	30.5%	Rating (Fitch)	-
Current OC (nominal)	23.9%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	100% Germany	Collateral score	9.9%
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	82.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	99.7%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	52.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

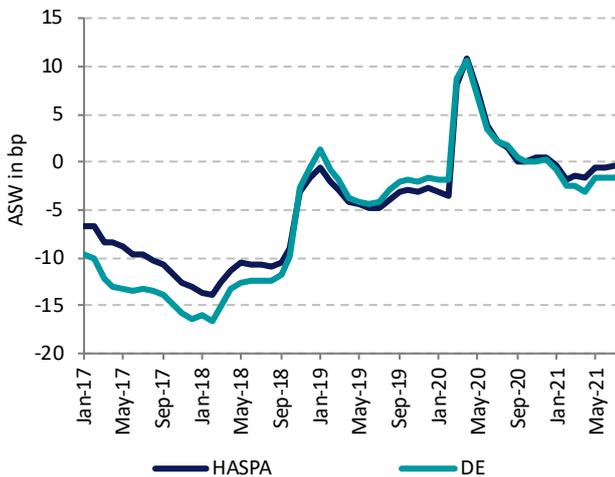
## Borrower Types



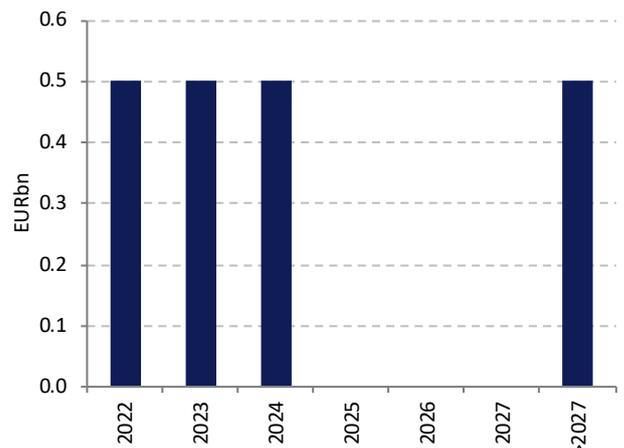
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# ING-DiBa

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	A2	Stable
S&P	-	-

### Homepage

[www.ing.de](http://www.ing.de)

\*LT Deposit Rating

Since 2003, ING-DiBa AG (ING) has been wholly owned by the Dutch ING Group (global systemically important bank; G-SIB) via the holding company ING Deutschland GmbH. Since 2018, the Group has operated under the brand name ING, which represents a commitment to the international nature of the ING Group. There is no formal declaration of support from the parent bank ING Bank N.V. in the form of a letter of comfort or similar. With more than 9.5 million customers, ING is an established retail bank and one of the largest direct banks in Germany. The headquarters of ING are located in Frankfurt am Main and it operates branches in Hanover and Nuremberg, in addition to a representative office in Berlin. The business activities of ING-DiBa are focused on direct banking with retail customers (in the Retail Banking business unit) as well as financing corporate customers (in the Wholesale Banking business unit). In so doing, the Wholesale Banking segment focuses on globally operating corporate customers with annual turnover of more than EUR 250m, while the Retail Banking segment comprises retail banking products, the lending business and the arrangement of credit operations. In addition, the bank offers loans to SMEs and self-employed people, with a yearly turnover of up to EUR 50.0m. The bank's main sales market for retail banking is Germany, while it is Austria for ING-DiBa Austria. Refinancing is predominantly covered by deposits. Since July 2020, ING-DiBa has been cooperating with Amazon in the area of lending. Loans to Amazon sellers (SMEs and self-employed people) has opened up a new, digital sales channel for the bank.

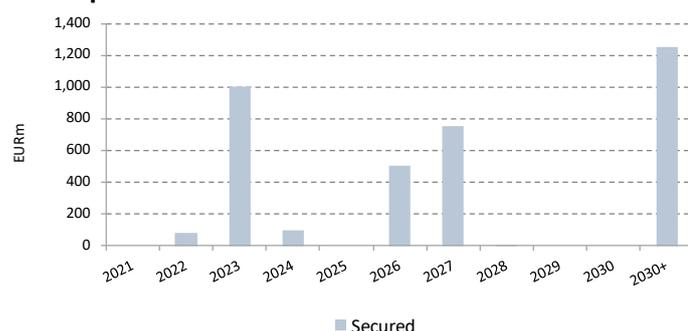
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	-	-	-
Total Securities	-	-	-
Total Deposits	138,000	138,500	144,300
Tier 1 Common Capital	-	-	-
Total Assets	171,439	176,192	190,070
Total Risk-weighted Assets	46,999	-	-

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	2,139	2,078	2,041
Net Fee & Commission Inc.	283	325	479
Net Trading Income	-	-	-
Operating Expense	1,187	1,229	1,301
Credit Commit. Impairment	5	-40	264
Pre-tax Profit	1,322	1,352	1,042

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	-	-	-
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	47.22	48.37	49.88	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Profitability
- Funding covered primarily by deposits

### Risks / Weaknesses

- Negative effect from low interest rate environment
- Asset quality in dynamically growing lending segment (particularly wholesale)

# ING-DiBa – Mortgage

Germany

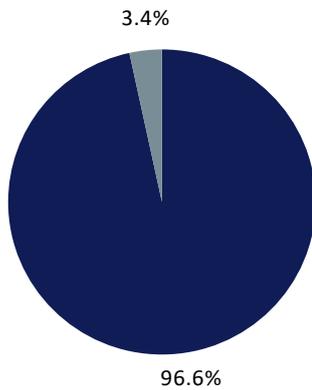
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	7,293
Amount outstanding (EURm)	3,685
-thereof ≥ EUR 500m	95.0%
Current OC (nominal)	97.9%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Germany
Main region	20% North Rhine-Westphalia
Number of loans	70,318
Number of borrowers	69,516
Avg. exposure to borrowers (EUR)	104,910
WAL (cover pool)	7.2y
WAL (covered bonds)	8.2y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	97.3%
LTV (indexed)	n/a
LTV (unindexed)	47.6%
Loans in arrears	0.0%

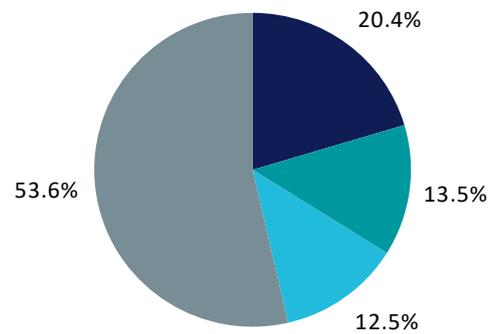
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	6
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



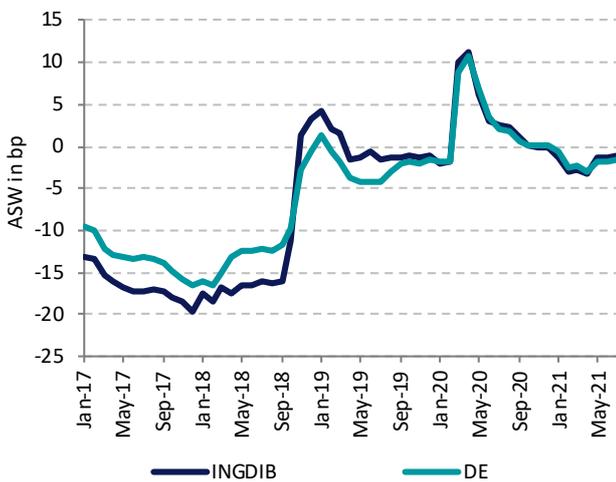
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



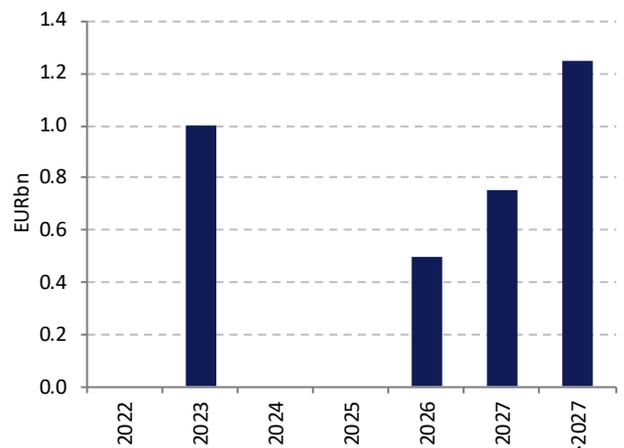
■ North Rhine-Westphalia ■ Bavaria ■ Hesse ■ Others

## Spread Development (>1y)



— INGDiB — DE

## Redemption Profile (Bmk)



# Kreissparkasse Köln

Germany 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's*	Aa3	Negative
S&P	-	-

## Homepage

[www.ksk-koeln.de](http://www.ksk-koeln.de)

\*LT Deposit Rating

Kreissparkasse Köln (KSK) was established in 1853 and operates under the legal status of a public law institution. The responsible body is the special purpose association for regional savings banks in Cologne, covering the districts of Rhein-Erft-, Rhein-Sieg-, Rheinisch-Bergischen- and Oberbergischen Kreis. KSK is a member of the protection system of the Sparkassen financial group in Germany. As a universal bank, KSK's workforce of approximately 3,500 employees serve around one million customers in the Cologne region. A total of 42 cities and municipalities in the area around Cologne form the focus of KSK's operations. KSK business activities are supported by a customer base that covers a broad section of the economy and population. KSK focuses its activities on providing financial services to people, companies and communities across the region in which it operates. The business strategy is focused on client business and the reduction of risk positions. In accordance with the principle of "quality before growth", KSK is aiming for moderate growth in the retail and corporate client markets. KSK promotes customer loyalty through a balanced blend of a local and digital presence. The bank's core business is the financing of residential property. It also works closely with local municipalities. In 2020, the share of retail current accounts activated for online banking rose to 66%, with the equivalent share for business current accounts accordingly rising to 82%. Moreover, the bank has offered mobile payments via smartphone and smartwatch since the end of August 2020.

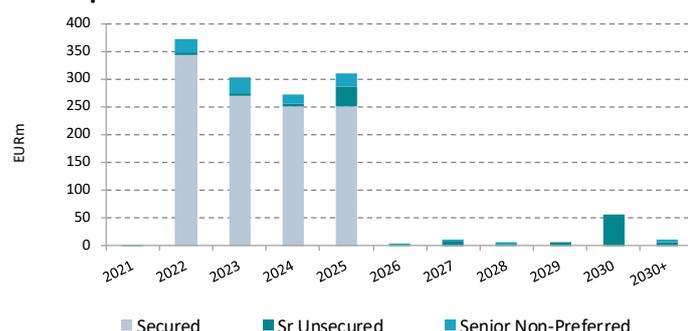
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	19,635	20,631	21,521
Total Securities	2,172	2,315	2,484
Total Deposits	18,979	20,151	21,794
Tier 1 Common Capital	1,934	2,029	-
Total Assets	25,937	26,854	28,604
Total Risk-weighted Assets	12,422	13,398	-

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	352	361	376
Net Fee & Commission Inc.	149	157	163
Net Trading Income	4	4	4
Operating Expense	449	476	460
Credit Commit. Impairment	-27	-14	28
Pre-tax Profit	108	48	53

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.40	1.40	1.39	Liquidity Coverage Ratio	-	-	-
ROAE	3.12	0.57	0.44	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	82.54	83.95	78.34	NPL/ Loans at Amortised Cost	0.40	0.29	-
Core Tier 1 Ratio	15.57	15.15	14.69	Reserves/Loans at Amort. Cost	0.39	0.35	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capitalisation and liquidity situation
- Deposit basis

## Risks / Weaknesses

- Low interest rate environment
- Concentration risks in the CRE sector

# Kreissparkasse Köln – Mortgage

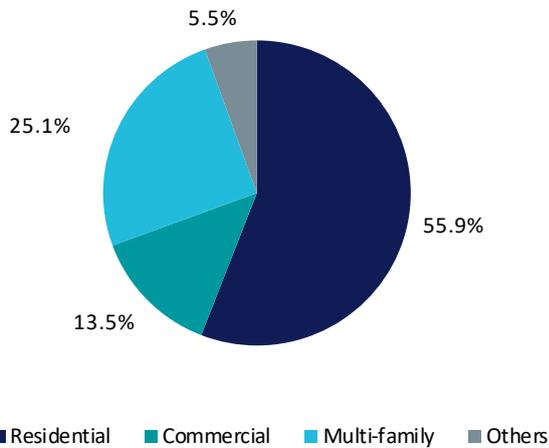
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

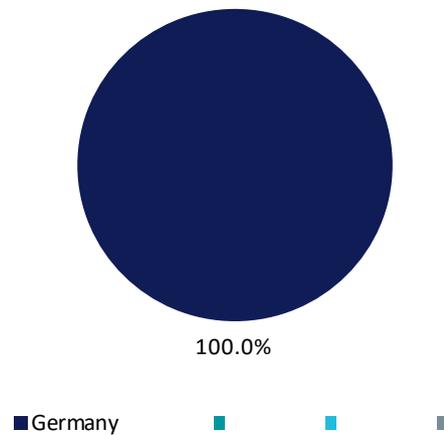
## Cover Pool Data

Cover pool volume (EURm)	5,574	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,548	Rating (S&P)	-
-thereof ≥ EUR 250m	48.4%	Rating (Fitch)	-
Current OC (nominal)	260.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	7
Main country	100% Germany	Collateral score	5.9%
Main region	n/a	RRL	-
Number of loans	43,791	JRL	-
Number of borrowers	34,207	Unused notches	-
Avg. exposure to borrowers (EUR)	162,943	AAA credit risk (%)	-
WAL (cover pool)	5.6y	PCU	-
WAL (covered bonds)	3.0y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	98.7%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	52.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



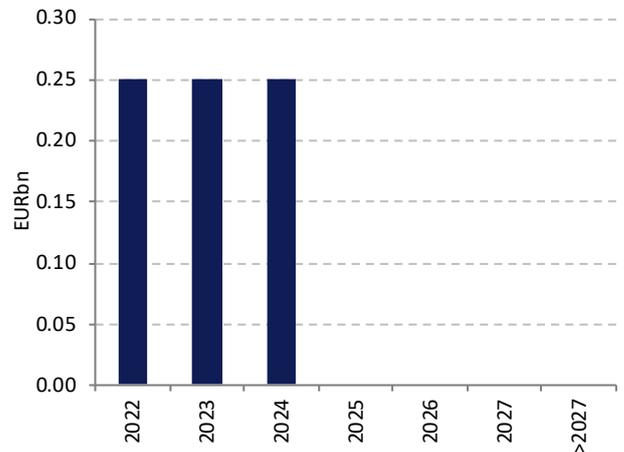
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Landesbank Baden-Württemberg

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	Aa3	Stable
S&P	-	-

### Homepage

[www.lbbw.de](http://www.lbbw.de)

Landesbank Baden-Württemberg (LBBW) is an independent public law institution and the largest Landesbank in Germany. It is the parent company of the LBBW Group and operates out of four main offices (Stuttgart, Karlsruhe, Mannheim and Mainz). Its shareholders are Sparkassenverband Baden-Württemberg (40.53% stake of share capital), Landeshauptstadt Stuttgart (18.93 %) and Baden-Württemberg (BW; 40.53%). BW holds its shares both directly and indirectly via the Landesbeteiligungen Baden-Württemberg GmbH. The LBBW Group has approximately 10,500 employees and offers its retail and corporate customers the comprehensive product and service portfolio of a universal bank. Its range of products is supplemented by Group companies for special segments such as Leasing, Factoring, Asset Management and Real Estate. LBBW also performs the role of savings bank central bank for the savings banks located in BW, Saxony and Rhineland-Palatinate. LBBW reports across the following five segments: Corporate Clients, Real Estate/Project Financing, Capital Market Operations, Private Customers/Savings Banks and Corporate Items. In addition to the core regions of BW, Rhineland-Palatinate and Saxony, LBBW has identified further target markets in the form of various growth areas within NRW, Bavaria and the Hamburg metropolitan region, among others. Moreover, the bank also operates in select foreign markets. According to information from LBBW itself, it is one of the most sustainable universal banks in Europe as well as one of the largest ESG bank issuers. In total, 26% of assets under management and 60% of project financing also meet sustainable criteria.

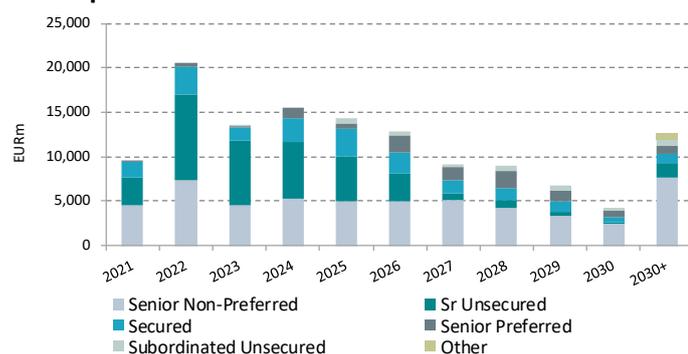
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	114,109	115,252	113,561
Total Securities	50,645	61,417	74,642
Total Deposits	82,481	90,319	95,288
Tier 1 Common Capital	12,119	11,790	12,406
Total Assets	241,197	256,667	276,449
Total Risk-weighted Assets	80,348	80,484	82,042

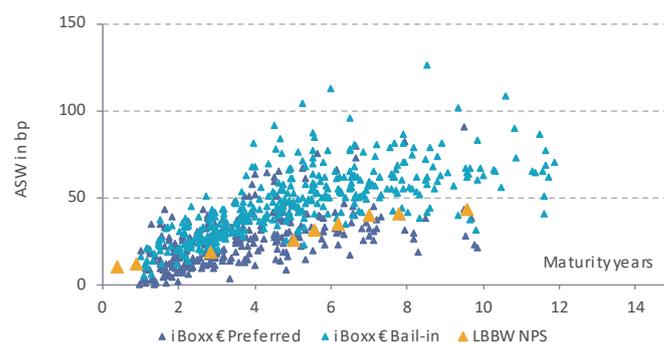
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,558	1,676	1,771
Net Fee & Commission Inc.	513	558	538
Net Trading Income	330	316	179
Operating Expense	1,874	1,943	1,893
Credit Commit. Impairment	141	151	544
Pre-tax Profit	549	610	252

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.66	0.69	0.68	Liquidity Coverage Ratio	136.08	134.27	142.04
ROAE	3.11	3.28	1.24	IFRS Tier 1 Leverage Ratio	5.43	4.99	4.89
Cost-to-Income	73.46	71.41	70.16	NPL/ Loans at Amortised Cost	0.78	0.88	0.86
Core Tier 1 Ratio	15.08	14.65	15.12	Reserves/Loans at Amort. Cost	0.77	0.79	0.99

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalisation
- NPL ratio and liquidity

### Risks / Weaknesses

- Credit risk concentration in cyclical sectors
- Profitability under pressure

# LBBW – Mortgage

Germany

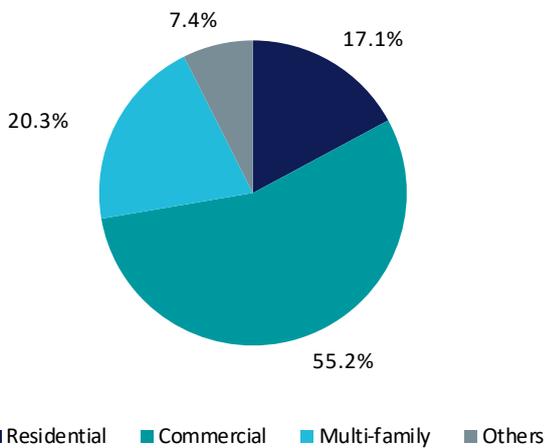
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

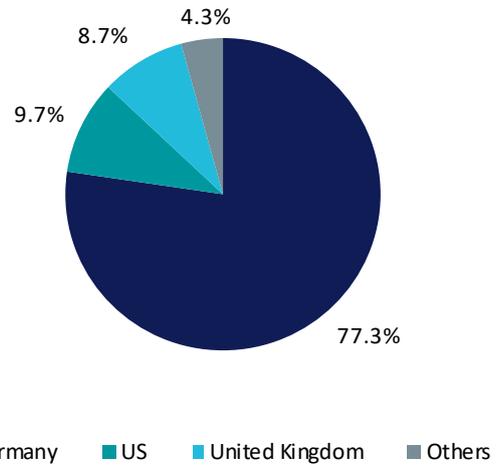
Cover pool volume (EURm)	15,389
Amount outstanding (EURm)	12,716
-thereof ≥ EUR 500m	43.3%
Current OC (nominal)	21.0%
Committed OC	2.0%
Cover type	Mortgage
Main country	77% Germany
Main region	35% Baden-Wuerttemberg
Number of loans	38,552
Number of borrowers	29,280
Avg. exposure to borrowers (EUR)	525,570
WAL (cover pool)	4.6y
WAL (covered bonds)	3.7y
Fixed interest (cover pool)	77.4%
Fixed interest (covered bonds)	66.4%
LTV (indexed)	n/a
LTV (unindexed)	54.9%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	5
Collateral score	9.1%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	Yes
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

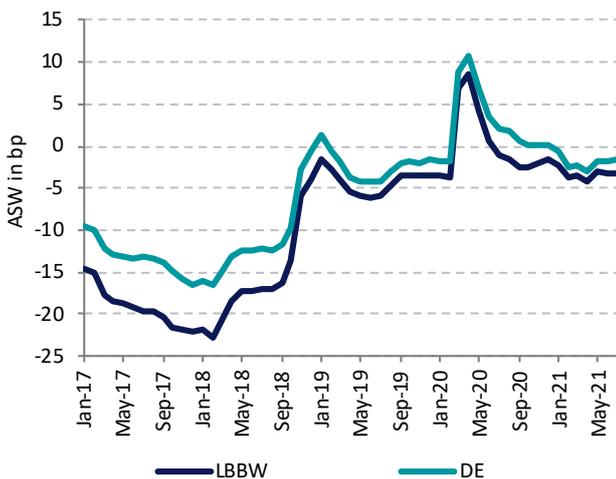
## Borrower Types



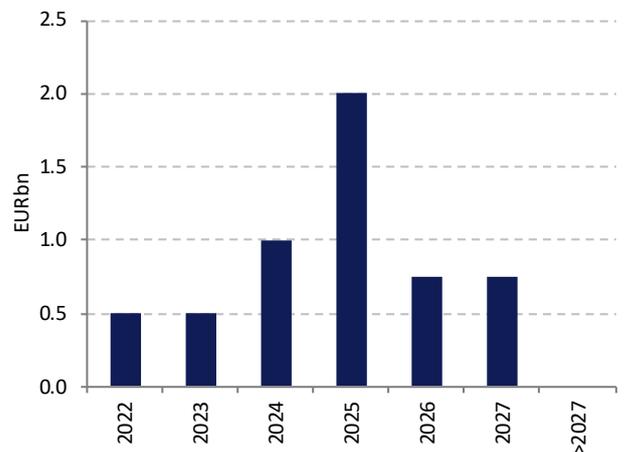
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# LBBW – Public Sector

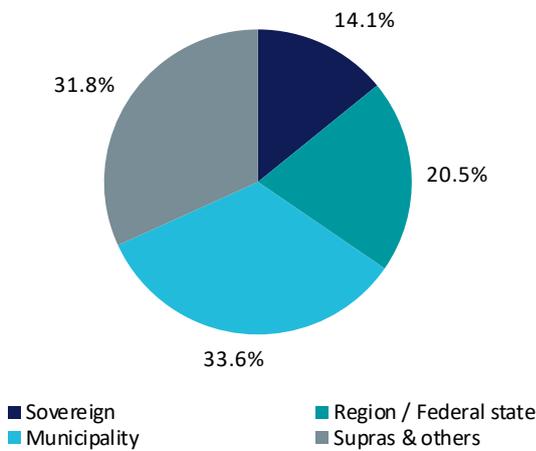
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

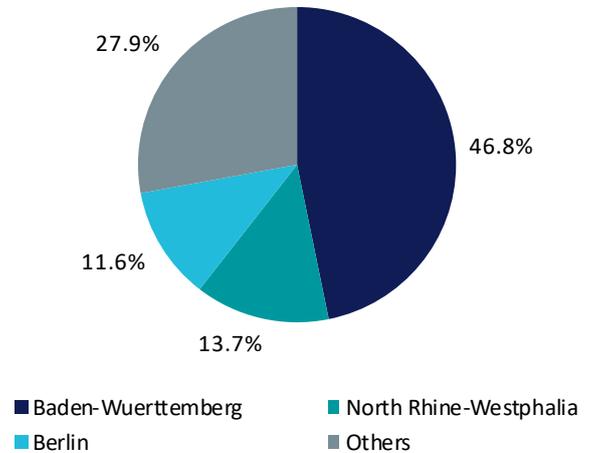
## Cover Pool Data

Cover pool volume (EURm)	11,976	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,462	Rating (S&P)	-
-thereof ≥ EUR 500m	30.1%	Rating (Fitch)	-
Current OC (nominal)	14.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	5
Main country	94% Germany	Collateral score	4.6%
Main region	47% Baden-Wuerttemberg	RRL	-
Number of loans	7,300	JRL	-
Number of borrowers	2,871	Unused notches	-
Avg. exposure to borrowers (EUR)	4,171,230	AAA credit risk (%)	-
WAL (cover pool)	6.7y	PCU	-
WAL (covered bonds)	5.3y	Recovery uplift	-
Fixed interest (cover pool)	81.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	67.5%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

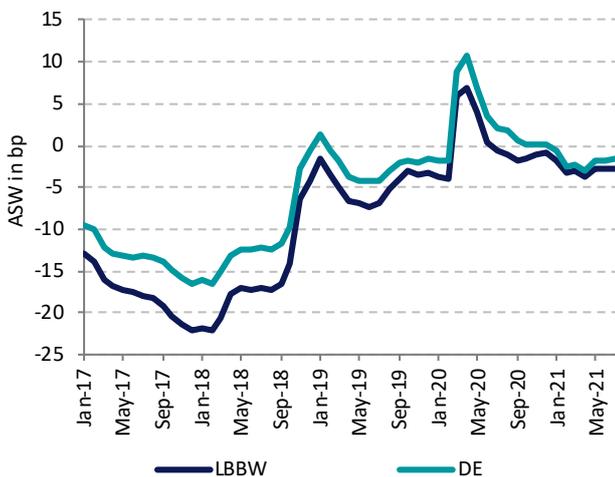
## Borrower Types



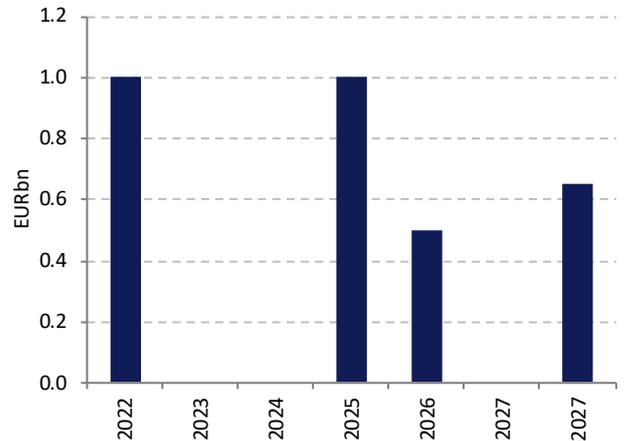
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Landesbank Berlin

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Aa2	Stable
S&P	-	-

### Homepage

[www.lbb.de](http://www.lbb.de)

Landesbank Berlin AG (LBB) is a non-listed joint stock company and the parent company of Berliner Sparkasse (BSK). In accordance with the Berlin Savings Banks Act, LBB is considered its own savings bank association and is, therefore, a member of the DSGVO. As a member of the Sparkassen-Finanzgruppe, the Bank benefits from the associated security system. LBB/BSK is a wholly owned subsidiary of Landebank Berlin Holding AG (LBBH), as a result of which it is indirectly owned by Erwerbgesellschaft der S-Finanzgruppe mbH & Co. KG. The latter holds a direct interest of 89.37 % in LBBH and also acts as general partner in Beteiligungsgesellschaft der S-Finanzgruppe mbH & Co. KG (10.63 % of LBBH). LBB/BSK is divided into the following business areas: Retail Banking, Direct Banking (credit card business), Corporate Banking, Commercial Real Estate Finance, and Treasury and Corporate Banking. In addition, there are central divisions and back-office units. In Berlin, LBB/BSK is operating its entire retail and corporate customer business for the first time in what is now a joint business area. In real estate financing, the institute acts with a regional focus on the Berlin market for investors up to housing companies. Commercial property is financed with a loan volume of up to EUR 50m. LBB supports major projects in cooperation with its syndicate partners from the Savings Banks Finance Group and its sister company Berlin Hyp AG. The "Z25" program, for the future, is designed to respond to low interest rates, digitization challenges and the associated increase in administrative expenses. Cost savings of EUR 250 million are to be achieved by 2025.

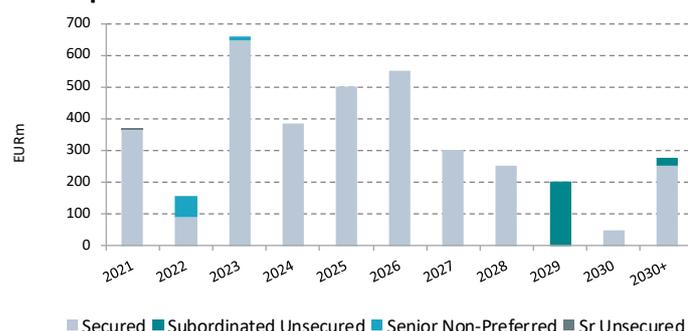
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	25,460	25,893	26,031
Total Securities	5,539	6,570	6,997
Total Deposits	32,314	34,509	38,786
Tier 1 Common Capital	3,307	3,728	3,743
Total Assets	42,378	44,445	49,168
Total Risk-weighted Assets	17,278	17,160	17,149

### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	919	808	192
Net Fee & Commission Inc.	233	197	53
Net Trading Income	109	109	38
Operating Expense	581	566	167
Credit Commit. Impairment	-22	173	22
Pre-tax Profit	724	389	98

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	2.09	1.79	1.67	Liquidity Coverage Ratio	-	200.00
ROAE	14.52	7.37	6.99	IFRS Tier 1 Leverage Ratio	8.07	8.72
Cost-to-Income	45.37	50.08	58.00	NPL/ Loans at Amortised Cost	2.16	2.67
Core Tier 1 Ratio	19.14	21.73	21.82	Reserves/Loans at Amort. Cost	1.54	1.87
						2.18

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalisation
- Liquidity profile

### Risks / Weaknesses

- Geographical concentration in Berlin-Brandenburg
- CRE exposure

# Landesbank Berlin – Mortgage

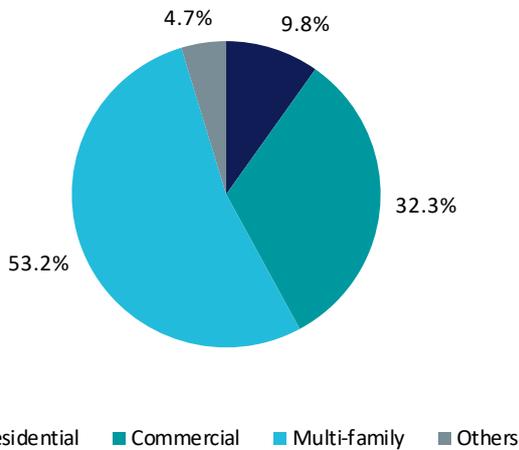
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

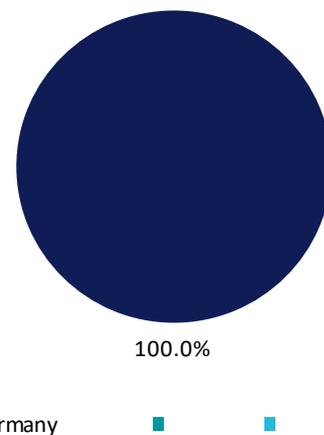
## Cover Pool Data

Cover pool volume (EURm)	5,542	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,710	Rating (S&P)	-
-thereof ≥ EUR 250m	35.0%	Rating (Fitch)	-
Current OC (nominal)	49.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	100% Germany	Collateral score	14.9%
Main region	n/a	RRL	-
Number of loans	6,955	JRL	-
Number of borrowers	6,236	Unused notches	-
Avg. exposure to borrowers (EUR)	888,759	AAA credit risk (%)	-
WAL (cover pool)	8.7y	PCU	-
WAL (covered bonds)	5.3y	Recovery uplift	-
Fixed interest (cover pool)	87.0%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	96.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	55.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

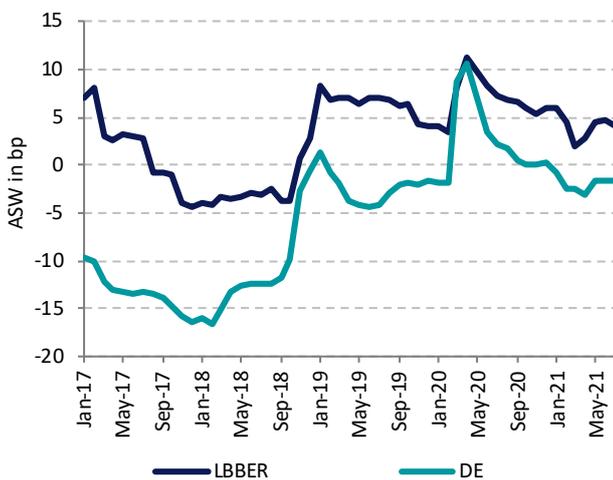
## Borrower Types



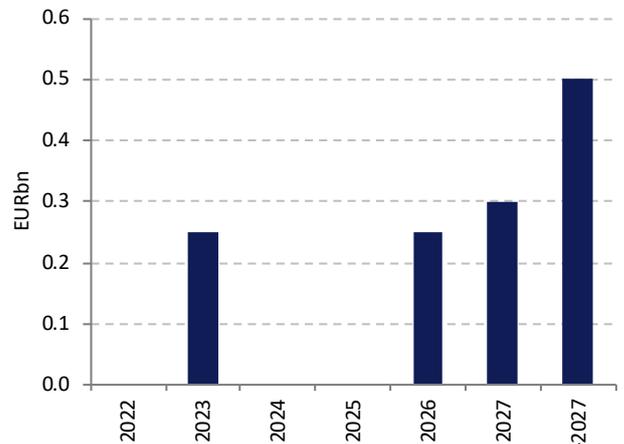
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Landesbank Hessen-Thüringen

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa3	Stable
S&P	A-	Stable

### Homepage

[www.helaba.com](http://www.helaba.com)

Landesbank Hessen-Thüringen Girozentrale (Helaba) was established in 1953 as Hessische Landesbank. The majority shareholder (88%) is the savings bank sector, followed by the Bundeslaender of Hesse and Thuringia (12% on joint basis). With around 6,200 employees, the bank is not only one of the leading banks in the financial centre of Frankfurt am Main, but also deeply integrated within the Sparkassen financial group owing to its function as savings bank central bank and associate bank for approximately 40% of all German savings banks. Helaba pursues a universal bank business model, with a strong regional focus and selective international presence. Helaba is active across four operating business units: Real Estate, Corporate & Markets, Retail & Asset Management and WIBank. These are supplemented by the segments Consolidation/Transition and Other. The latter includes the treasury function, among others. In March 2020, a new organisational structure featuring streamlined management levels was introduced as part of the "Scope – Growth from Efficiency" strategic project. Helaba uses the anchor funding sources resulting from its membership of the S-Group, namely direct and indirect Sparkasse business as well as funding raised via WIBank and Pfandbrief issues. The CET1 ratio was 14.7% (FY/2020), meeting the regulatory requirements for 2020, and the LCR was 201.6%, exceeding the regulatory requirement (100%) as well as the bank's own target (>125%). Loan loss provisions were increased by EUR 305 million (FY/2020), while according to the company's own data there were no significant defaults to report yet. The NPL ratio was 0.5%.

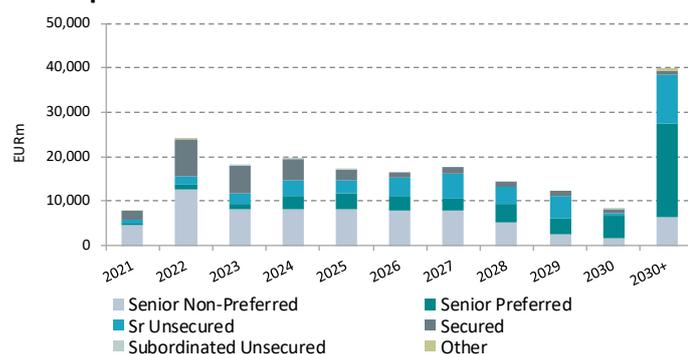
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	97,729	119,451	119,736
Total Securities	42,183	50,831	49,801
Total Deposits	56,167	73,528	74,535
Tier 1 Common Capital	8,108	8,483	8,882
Total Assets	162,968	207,018	219,324
Total Risk-weighted Assets	54,281	59,779	60,542

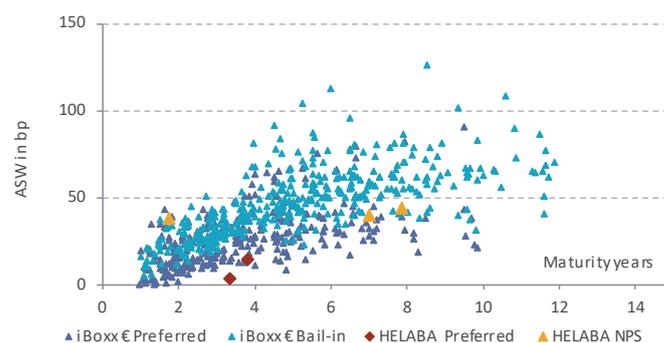
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,072	1,191	1,172
Net Fee & Commission Inc.	349	395	435
Net Trading Income	51	136	13
Operating Expense	1,451	1,521	1,468
Credit Commit. Impairment	-45	86	304
Pre-tax Profit	443	518	223

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	0.66	0.61	0.56	Liquidity Coverage Ratio	150.45	177.78	186.24
ROAE	3.45	5.46	2.02	IFRS Tier 1 Leverage Ratio	5.30	4.51	4.49
Cost-to-Income	79.81	72.74	76.26	NPL/ Loans at Amortised Cost	0.63	0.43	0.64
Core Tier 1 Ratio	14.94	14.19	14.67	Reserves/Loans at Amort. Cost	0.31	0.25	0.48

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalisation
- Risk management
- Part of the S-Finanzgruppe

### Risks / Weaknesses

- Risk concentration (commercial loan portfolio)
- Dependency on wholesale funding
- High cost basis

# Landesbank Hessen-Thüringen – Mortgage

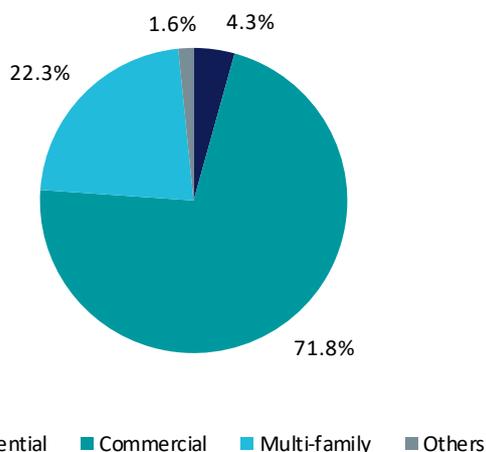
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

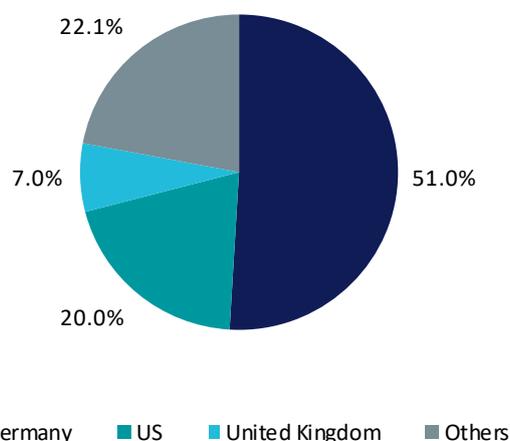
## Cover Pool Data

Cover pool volume (EURm)	16,109	Rating (Moody's)	-
Amount outstanding (EURm)	10,025	Rating (S&P)	-
-thereof ≥ EUR 500m	62.3%	Rating (Fitch)	AAA
Current OC (nominal)	60.7%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	51% Germany	Collateral score	-
Main region	25% Hesse	RRL	-
Number of loans	7,686	JRL	-
Number of borrowers	6,443	Unused notches	-
Avg. exposure to borrowers (EUR)	2,500,279	AAA credit risk (%)	-
WAL (cover pool)	3.9y	PCU	4
WAL (covered bonds)	2.2y	Recovery uplift	2
Fixed interest (cover pool)	61.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	84.1%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	59.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

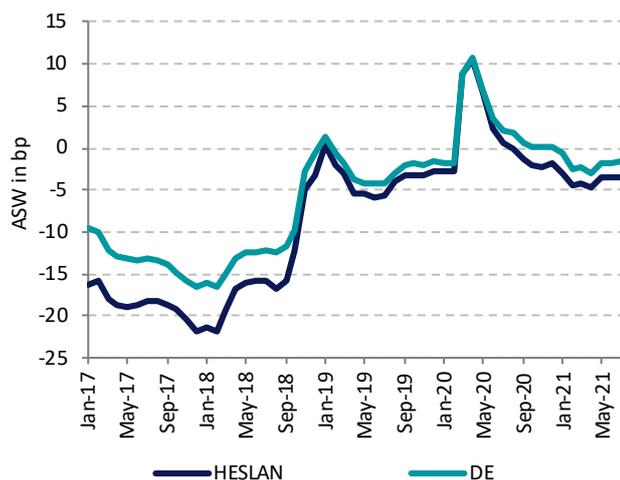
## Borrower Types



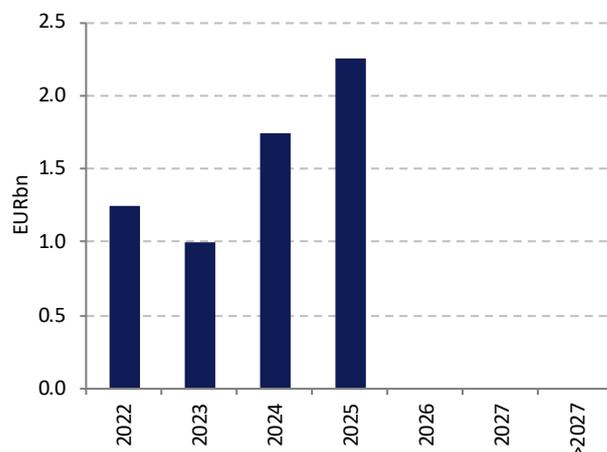
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Landesbank Hessen-Thüringen – Public Sector

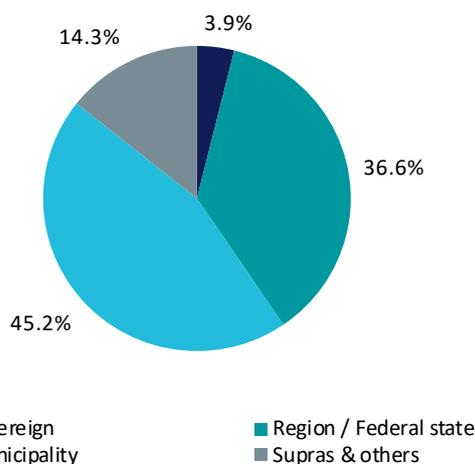
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

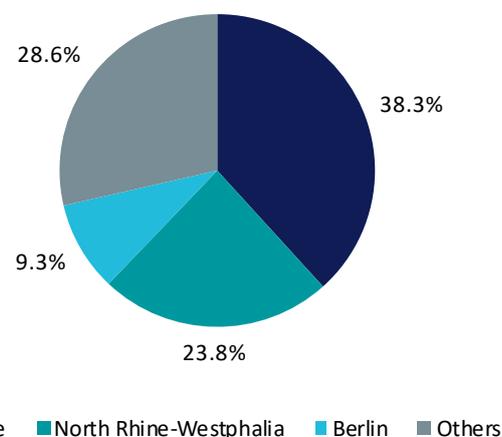
## Cover Pool Data

Cover pool volume (EURm)	32,289	Rating (Moody's)	Aaa
Amount outstanding (EURm)	29,447	Rating (S&P)	-
-thereof ≥ EUR 500m	28.9%	Rating (Fitch)	AAA
Current OC (nominal)	9.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	5
Main country	92% Germany	Collateral score	2.9%
Main region	38% Hesse	RRL	-
Number of loans	20,473	JRL	-
Number of borrowers	5,085	Unused notches	-
Avg. exposure to borrowers (EUR)	6,349,813	AAA credit risk (%)	-
WAL (cover pool)	7.6y	PCU	5
WAL (covered bonds)	5.6y	Recovery uplift	2
Fixed interest (cover pool)	94.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	82.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

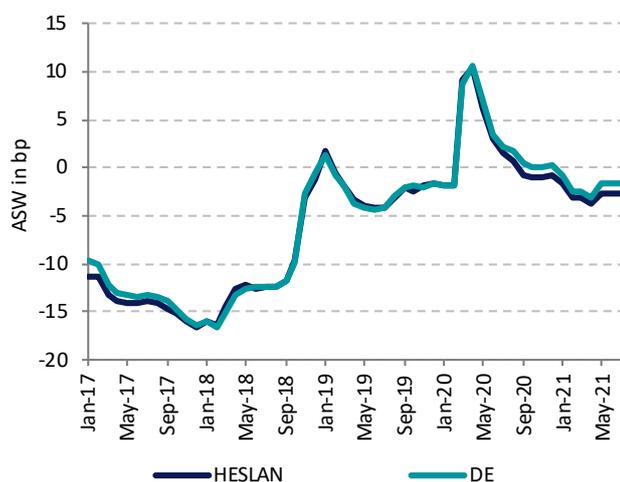
## Borrower Types



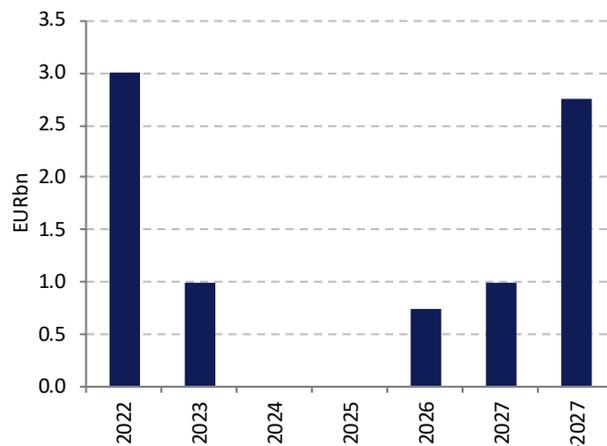
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Landesbank Saar

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A1	Stable
S&P	-	-

### Homepage

[www.saarlb.de](http://www.saarlb.de)

Landesbank Saar (SaarLB) sees itself as a Franco-German regional bank and is backed by the public sector. SaarLB, which is headquartered in Saarbrücken, has its roots not only in Saarland and neighboring areas in Germany, but also in neighboring France. The institution maintains a branch office in Strasbourg (SaarLB France) and a sales office in Paris. The Federal State of Saarland holds 74.9% of the shares, while the Savings Banks Association Saar (Sparkassenverband Saar) holds 25.1%. The institute employs around 500 people. According to its own information, SaarLB concentrates on medium-sized customers from Germany and France and serves the customer segments corporate customers, real estate investors and project financing, high net worth individuals and institutional customers. In project financing, the focus is on renewable energies. As part of its own funding strategy, SaarLB focuses on Pfandbrief issues for long-term refinancing and supplements these with uncovered bank bonds. SaarLB made its debut in the subbenchmark segment for covered bonds in September 2020. On the short-term funding side, customer deposits, refinancing via the banking market and open market transactions with the ECB ensure funding. SaarLB has a framework for issuing green bonds, which is geared towards refinancing projects in the renewable energies segment (wind power, photovoltaics and geothermal energy). SaarLB reported a CET1 ratio of 13.11% (FY/2020). The CIR is reported at 56.9% (FY/2020) after 58.33% in the previous year. The ROE was most recently 4.93% (FY/2020).

### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	10,771	11,802	12,116
Total Securities	1,887	1,132	1,030
Total Deposits	6,084	6,083	6,085
Tier 1 Common Capital	700	734	752
Total Assets	14,919	14,670	15,157
Total Risk-weighted Assets	5,822	5,636	5,739

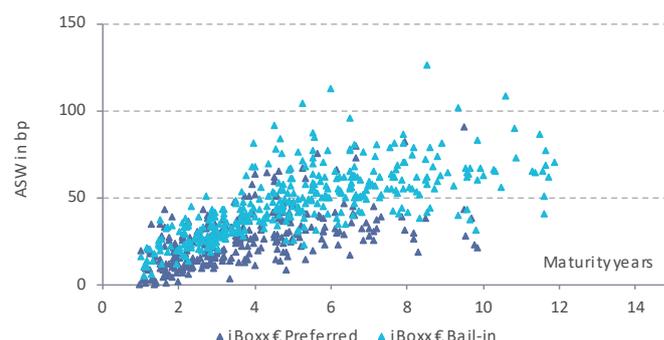
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	125	128	133
Net Fee & Commission Inc.	4	10	7
Net Trading Income	0	0	1
Operating Expense	90	88	85
Credit Commit. Impairment	-6	17	25
Pre-tax Profit	39	44	37

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.86	0.87	0.90	Liquidity Coverage Ratio	223.07	181.06	218.42
ROAE	2.48	2.41	2.28	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	67.49	60.55	58.80	NPL/ Loans at Amortised Cost	1.18	1.00	-
Core Tier 1 Ratio	12.02	13.01	13.10	Reserves/Loans at Amort. Cost	0.55	0.45	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalization, liquidity and funding profile
- Asset quality
- Part of S-Finanzgruppe

### Risks / Weaknesses

- Concentration risk
- Profitability
- Tail risks project finance exposures

# Landesbank Saar – Public Sector

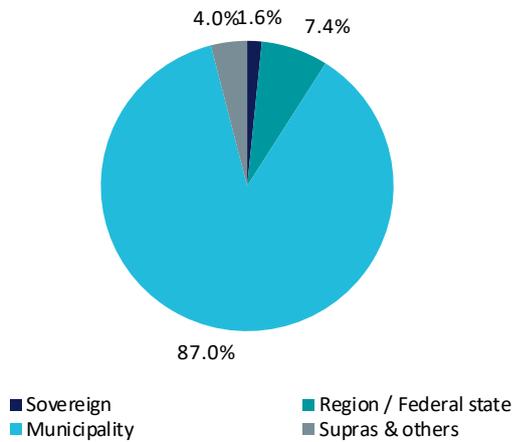
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

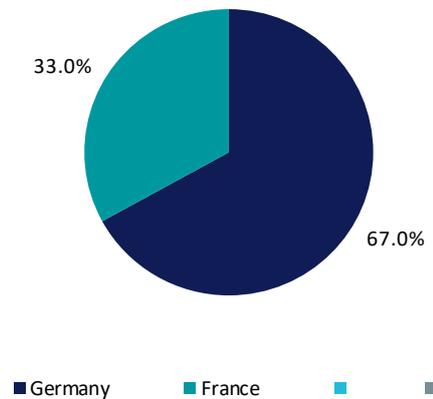
## Cover Pool Data

Cover pool volume (EURm)	3,410	Rating (Moody's)	-
Amount outstanding (EURm)	2,314	Rating (S&P)	-
-thereof ≥ EUR 250m	21.6%	Rating (Fitch)	AAA
Current OC (nominal)	47.4%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Public Sector	TPI leeway	-
Main country	67% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	5
WAL (covered bonds)	n/a	Recovery uplift	2
Fixed interest (cover pool)	75.9%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	95.8%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

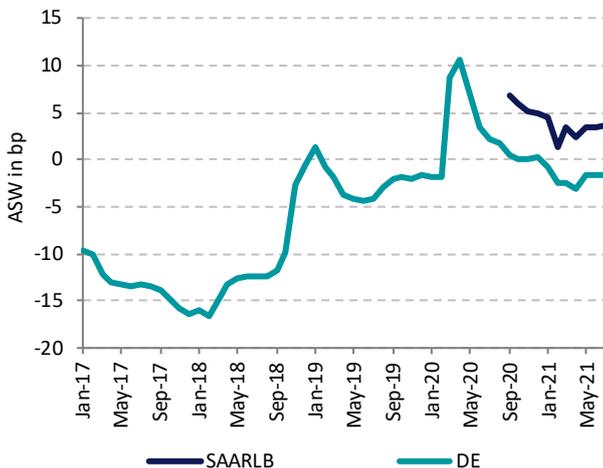
## Borrower Types



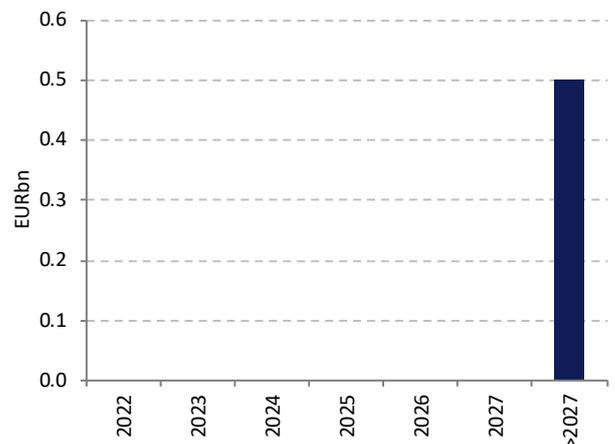
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Münchener Hypothekbank

Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa3	Negative
S&P	-	-

## Homepage

[www.muenchenerhyp.de](http://www.muenchenerhyp.de)

Münchener Hypothekbank eG (MünchenerHyp), established in 1896, is one of the few mortgage banks which operates in the legal form of a registered cooperative (around 64,000 members as at FY 2020). It has a broadly-based ownership structure and is a member of the cooperative FinanzGruppe, one of the largest banking groups in Germany. As an independent real estate bank, the institute is focused on long-term property funding. Its core areas of business include financing for residential and commercial property in Germany and abroad. In addition, lending to banks and states constitutes a third business segment. In total, 80.2% of the mortgage loans and other types of loans are attributable to Germany, with the remaining 19.8% based abroad, with notable shares here for Switzerland (11.6%) and the USA (1.9%). The bank's partners include around 800 institutes from the Volksbank and Raiffeisenbank sectors. Mortgage Pfandbriefe constitute MünchenerHyp's main source of funding. The bank has also built up a more modest deposit business (EUR 364.0m as at FY 2020), which plays a role in diversifying its funding. Unsecured bank bonds are issued on the capital market in addition to funding via the money markets. As a domestic systemically important bank (D-SIB), MünchenerHyp is subject to direct ECB supervision. The asset quality is excellent, as reflected by the NPL ratio of 0.45% (FY 2020). MünchenerHyp's CET1 ratio stands at 20.64% (previous year: 19.8%), significantly exceeding the SREP requirement (7.86%) in the process. The LCR and NSFR liquidity ratios (average of 300% and average of 101.2%, respectively) also satisfy the regulatory minimum requirement, as does the leverage ratio (3.6%; data as at FY 2020).

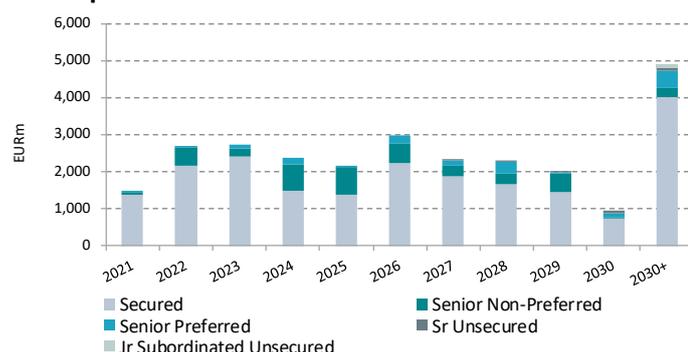
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	34,285	37,627	40,265
Total Securities	3,613	2,793	5,804
Total Deposits	15,238	15,725	14,848
Tier 1 Common Capital	1,370	1,407	1,517
Total Assets	40,391	42,872	48,558
Total Risk-weighted Assets	6,301	7,121	7,350

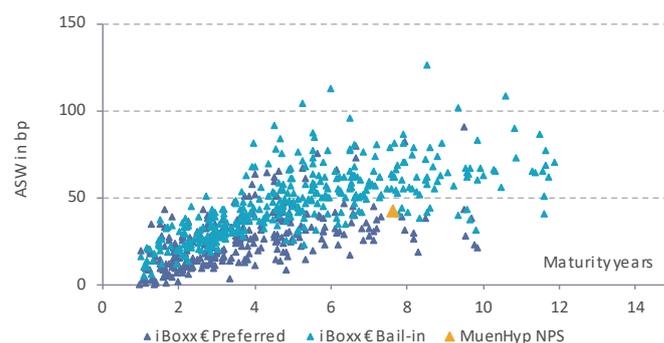
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	280	300	348
Net Fee & Commission Inc.	-73	-95	-109
Net Trading Income	-	-	-
Operating Expense	122	137	135
Credit Commit. Impairment	13	-5	11
Pre-tax Profit	76	74	75

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.71	0.73	0.77	Liquidity Coverage Ratio	199.70	291.01	247.20
ROAE	3.48	2.47	2.47	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	57.96	66.60	55.85	NPL/ Loans at Amortised Cost	0.34	0.55	0.52
Core Tier 1 Ratio	21.74	19.76	20.64	Reserves/Loans at Amort. Cost	0.16	0.09	0.11

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capitalisation
- Credit quality in the domestic market
- High likelihood of support from FinanzGruppe

## Risks / Weaknesses

- Cyclical nature of commercial property markets
- Relatively high leverage
- Dependency on wholesale funding

# Münchener Hypothekenbank – Mortgage

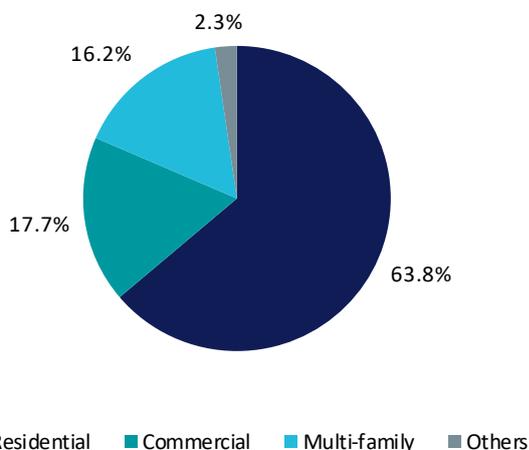
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

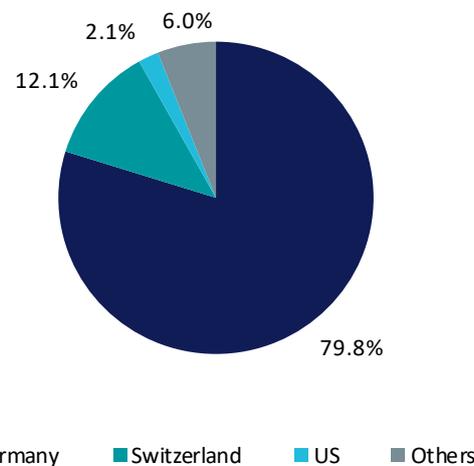
## Cover Pool Data

Cover pool volume (EURm)	30,630	Rating (Moody's)	Aaa
Amount outstanding (EURm)	29,576	Rating (S&P)	-
-thereof ≥ EUR 500m	35.9%	Rating (Fitch)	-
Current OC (nominal)	3.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	80% Germany	Collateral score	8.1%
Main region	n/a	RRL	-
Number of loans	192,834	JRL	-
Number of borrowers	199,254	Unused notches	-
Avg. exposure to borrowers (EUR)	153,721	AAA credit risk (%)	-
WAL (cover pool)	8.0y	PCU	-
WAL (covered bonds)	8.0y	Recovery uplift	-
Fixed interest (cover pool)	96.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	86.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	52.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

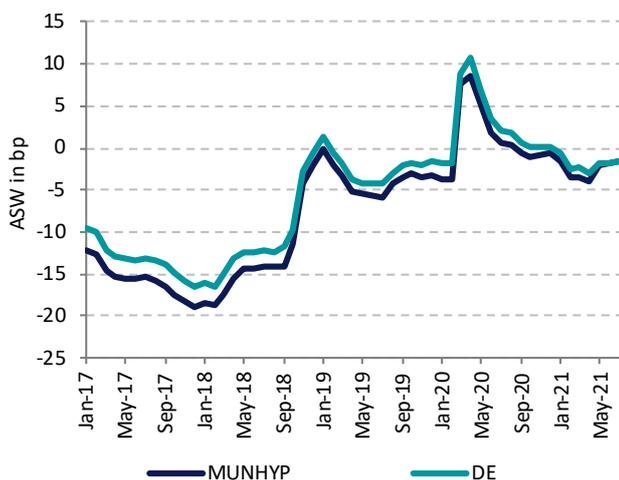
## Borrower Types



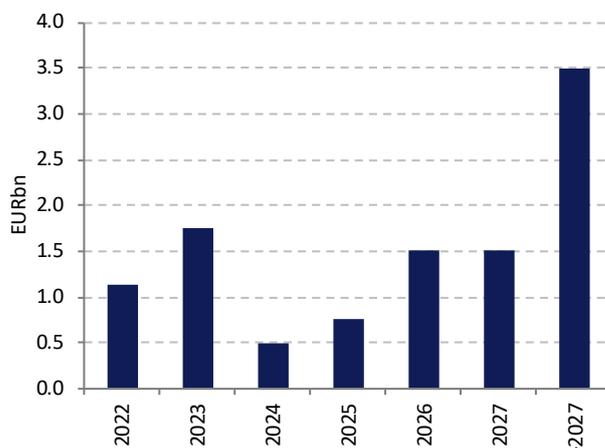
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# NATIXIS Pfandbriefbank

Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

## Homepage

[www.pfb.natixis.com](http://www.pfb.natixis.com)

NATIXIS Pfandbriefbank AG (NPB), headquartered in Frankfurt am Main, is a wholly owned subsidiary of the French NATIXIS S.A., which in turn is majority-owned by BPCE (71 %; 29.0 % of shares held in free float). The BPCE Group is the second-largest banking group in France and is classified as a global systemically important bank (G-SIB). NPB has concluded a control and profit transfer agreement with the parent company NATIXIS, with the latter also providing a letter of comfort worth EUR 2bn to NPB, which was established in 2012. NPB is subject to supervision on the part of BaFin/Bundesbank as well as the ECB. Since August 2012, NPB has also been licensed to issue mortgage Pfandbriefe. Additionally, the institute benefits from the supportive group liability of the members of BPCE through corresponding legislation in France. Although in principle, the institute has the business opportunities of a universal bank, it primarily operates in segments which can be used for Pfandbrief coverage in accordance with Pfandbrief legislation. The bank has been active on the market since the beginning of 2013. NPB's unsecured funding is guaranteed by NATIXIS in France. NPB itself is an issuer of both bearer and registered securities in addition to issuing private placements and syndicated, public transactions. Geographically, the assets, which focus on the commercial property segment, are primarily attributable to France and Germany, followed by Italy, Spain, Portugal and the UK. In addition, NATIXIS secures every property loan issued by NPB by way of a maturity-matching guarantee.

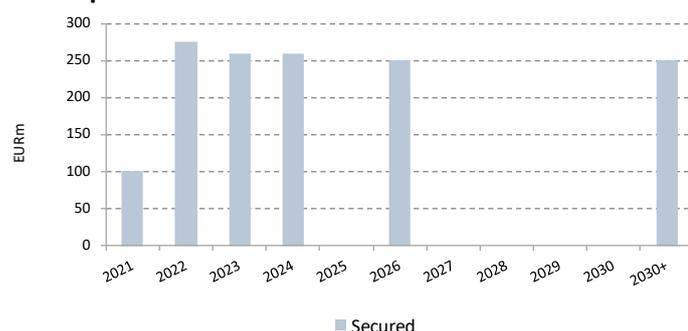
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	2,737	2,368	2,398
Total Securities	173	209	193
Total Deposits	77	77	67
Tier 1 Common Capital	125	125	130
Total Assets	3,080	2,646	2,650
Total Risk-weighted Assets	374	354	364

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	34	35	30
Net Fee & Commission Inc.	-10	-2	-4
Net Trading Income	-	-	-
Operating Expense	13	14	14
Credit Commit. Impairment	-	-	-
Pre-tax Profit	13	15	12

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.16	1.22	1.13	Liquidity Coverage Ratio	497.24	378.02	363.57
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	4.10	4.78	-
Cost-to-Income	49.18	40.20	46.70	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	33.54	35.35	35.67	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Member of joint liability scheme
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Business focus → limited diversification
- Dependency on wholesale funding
- Commercial real estate → cyclical market

# NATIXIS Pfandbriefbank – Mortgage

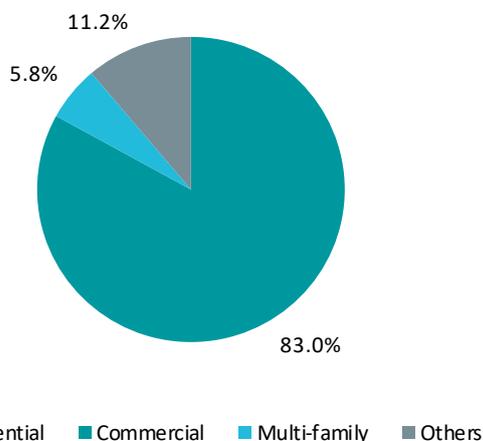
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

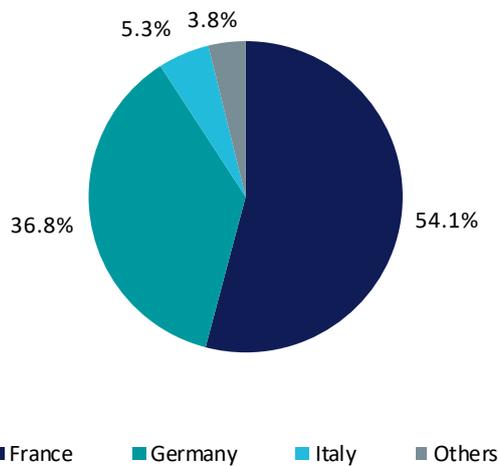
## Cover Pool Data

Cover pool volume (EURm)	1,491	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,210	Rating (S&P)	-
-thereof ≥ EUR 250m	85.6%	Rating (Fitch)	-
Current OC (nominal)	23.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	54% France	Collateral score	14.0%
Main region	n/a	RRL	-
Number of loans	69	JRL	-
Number of borrowers	132	Unused notches	-
Avg. exposure to borrowers (EUR)	11,292,424	AAA credit risk (%)	-
WAL (cover pool)	3.5y	PCU	-
WAL (covered bonds)	2.8y	Recovery uplift	-
Fixed interest (cover pool)	41.3%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	99.2%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	58.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

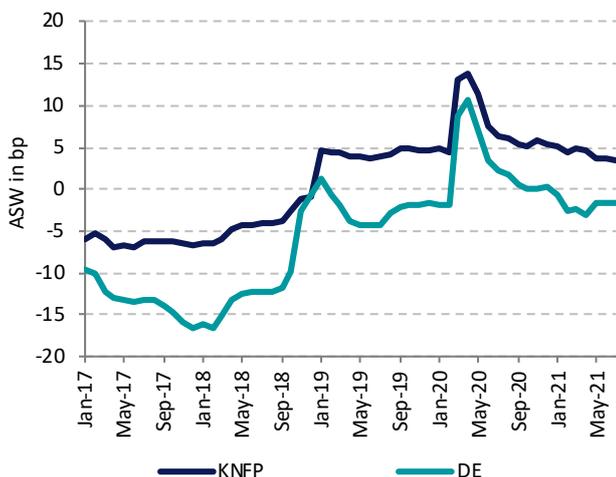
## Borrower Types



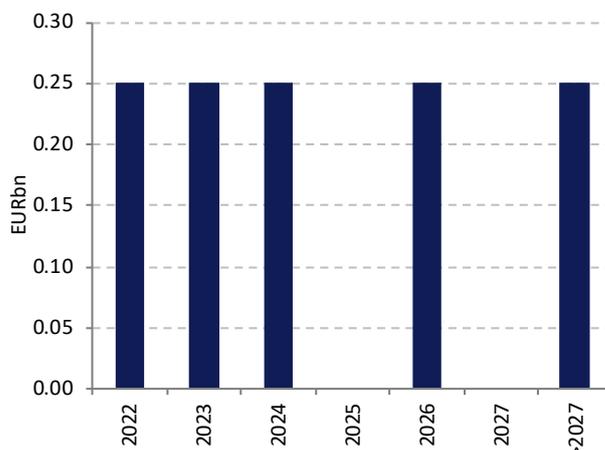
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Norddeutsche Landesbank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A3	Stable
S&P	-	-

### Homepage

[www.nordlb.de](http://www.nordlb.de)

Norddeutsche Landesbank Girozentrale (NORD/LB) is one of the ten largest banks in Germany and one of the nationally system-relevant banks. The state of Lower Saxony (NI) is the bank's largest owner with 55.15%, followed by FIDES Gamma and FIDES Delta - companies established by the Sparkassen-Finanzgruppe to increase capital - with 12.73% each. In addition to its headquarters in Hanover, Braunschweig and Magdeburg, the Group also has a global presence. NORD/LB acts as the central bank for the savings banks in Mecklenburg-Western Pomerania, Saxony-Anhalt and Lower Saxony. In the states of Lower Saxony and Saxony-Anhalt, it is the state bank. The NORD/LB Group reports in the business segments Private, Business Customers as well as Savings Bank Network, Corporate Customers, Markets, Special Finance, Real Estate Customers and Special Credit & Portfolio Optimization (SCPO). Deutsche Hypo was integrated into NORD/LB on July 1, 2021 and the brand, which is well established in the market, will be continued. The transformation program "NORD/LB 2024" is aimed at reducing the portfolio in selected business areas, reducing the number of employees and thus simplifying Group structures and processes. In the course of the merger of NORD/LB and Deutsche Hypo, the mortgage cover pools of the institutes will also be merged. As of Q1/2021, the balance sheet total has already been reduced to EUR 119.8 billion (target 2024: EUR 110.0 billion) and the number of employees to around 4,100 (target 2024: 2,800 - 3,000). The shipping loan portfolio was reduced to EUR 1.8 billion (Q1/2021), which also had a positive impact on the NPL ratio (1.3% in Q1/2021).

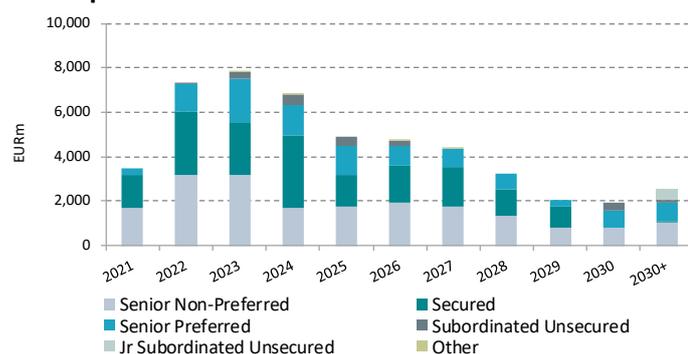
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	81,896	74,105	-
Total Securities	31,203	29,029	-
Total Deposits	57,887	52,374	-
Tier 1 Common Capital	5,758	5,805	5,759
Total Assets	139,594	126,491	119,798
Total Risk-weighted Assets	39,841	39,880	38,673

### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,024	1,285	227
Net Fee & Commission Inc.	71	-38	5
Net Trading Income	156	232	44
Operating Expense	949	915	245
Credit Commit. Impairment	-22	419	-9
Pre-tax Profit	-67	-13	-48

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	0.71	0.98	-	Liquidity Coverage Ratio	156.00	158.92
ROAE	-2.82	0.43	-2.79	IFRS Tier 1 Leverage Ratio	4.33	4.83
Cost-to-Income	70.61	64.66	118.93	NPL/ Loans at Amortised Cost	3.50	2.10
Core Tier 1 Ratio	14.45	14.56	14.89	Reserves/Loans at Amort. Cost	1.95	1.38

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

**Information: A SWOT analysis cannot be offered due to the obvious conflict of interest here.**

# Norddeutsche Landesbank – Mortgage

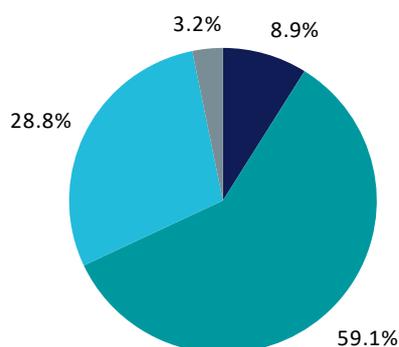
## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

### Cover Pool Data<sup>1</sup>

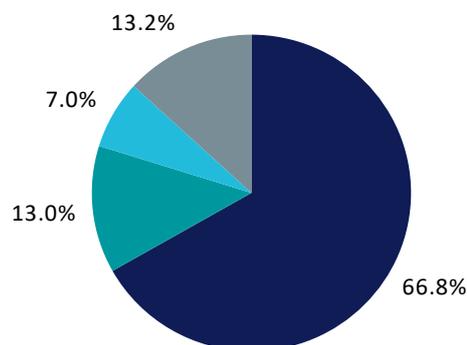
Cover pool volume (EURm)	13,630	Rating (Moody's)	Aa1
Amount outstanding (EURm)	10,278	Rating (S&P)	-
-thereof ≥ EUR 500m	9.7%	Rating (Fitch)	-
Current OC (nominal)	32.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	3
Main country	67% Germany	Collateral score	13.1%
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	76.8%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	91.3%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	58.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

### Borrower Types



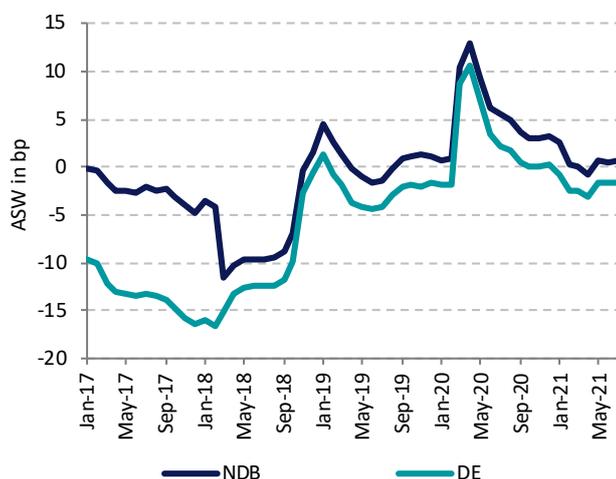
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution



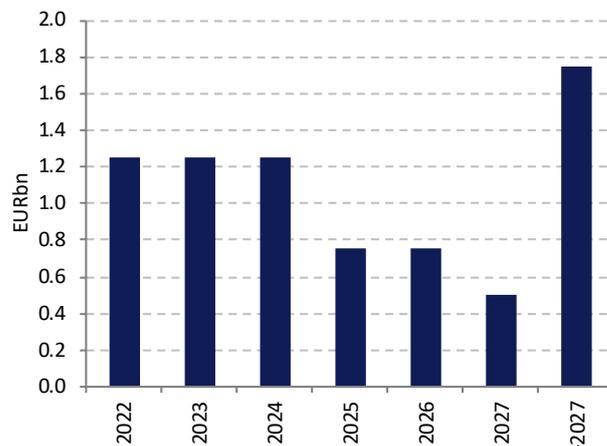
■ Germany ■ Netherlands ■ United Kingdom ■ Others

### Spread Development (>1y)



— NDB — DE

### Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research;

<sup>1</sup> aggregated cover pool, spread and redemption data of NORD/LB and Deutsche Hypothekenbank

# Norddeutsche Landesbank – Public Sector

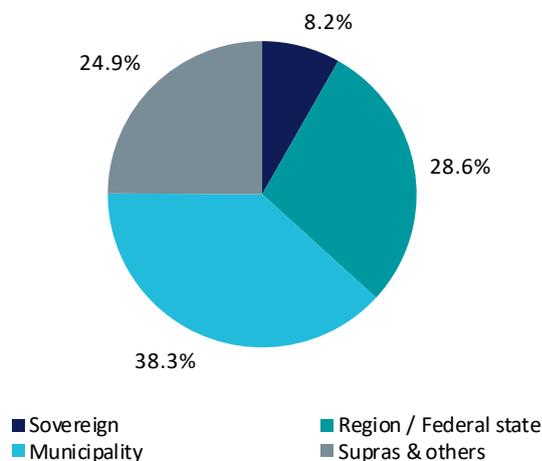
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

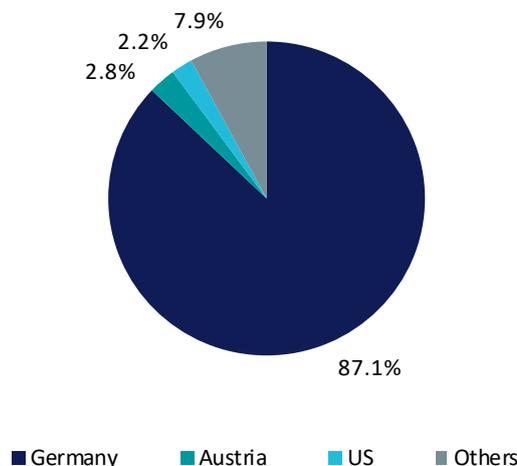
## Cover Pool Data<sup>1</sup>

Cover pool volume (EURm)	16,612	Rating (Moody's)	Aa1
Amount outstanding (EURm)	12,428	Rating (S&P)	-
-thereof ≥ EUR 500m	16.5%	Rating (Fitch)	-
Current OC (nominal)	33.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	3
Main country	87% Germany	Collateral score	5.3%
Main region	n/a	RRL	-
Number of loans	4,236	JRL	-
Number of borrowers	1,520	Unused notches	-
Avg. exposure to borrowers (EUR)	10,929,079	AAA credit risk (%)	-
WAL (cover pool)	6.7y	PCU	-
WAL (covered bonds)	7.0y	Recovery uplift	-
Fixed interest (cover pool)	88.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	94.4%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

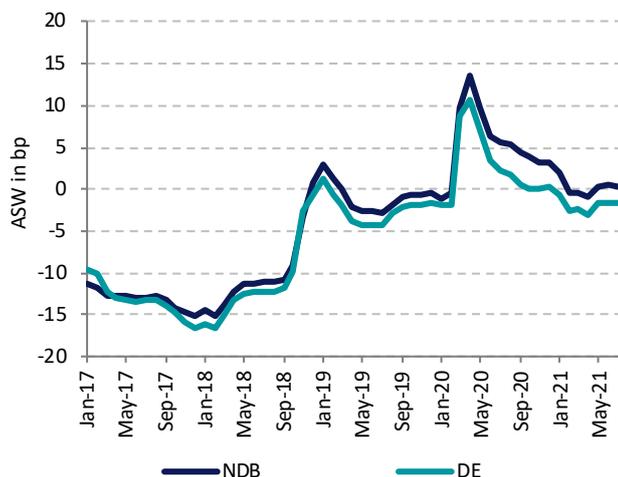
## Borrower Types



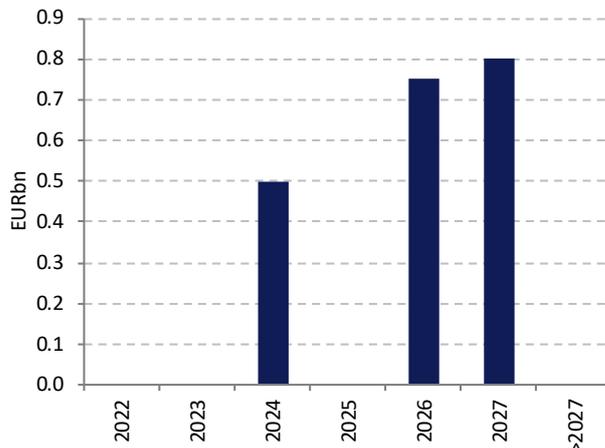
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research;

<sup>1</sup> aggregated cover pool, spread and redemption data of NORD/LB and Deutsche Hypothekenbank

# Oldenburgische Landesbank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa2	Stable
S&P	-	-

### Homepage

[www.olb.de](http://www.olb.de)

Oldenburgische Landesbank AG (OLB) is a financial institution anchored in northern Germany and operating nationwide. Today's OLB was created through the merger with BKB Bank und Bankhaus Neelmeyer (BHN) in 2018 and Wüstenrot Bank AG Pfandbriefbank in 2019. OLB is owned by Apollo Global Management (35.72%), Grovepoint Investment Management (32.28%) and U.S. State Governmental Pension Plan (32.00%). OLB focuses on three strategic business segments: Private Customers, Corporates & SME, and Specialized Lending. The Private Customers business consists of three subdivisions: Retail Banking, Private Banking, and Wealth Management. At the same time, a broad range of services is available through the branch network, the Oldenburg Advisory Center (BCO) and the multi-channel offering. The second business area, Corporates & SME, provides regional support for SMEs and occasional support for corporates throughout Germany. The range of services includes investment and working capital financing, foreign payment transactions and liquidity management. In 2020, it was expanded to include soccer finance. The focus of "Specialized Lending (SL)" is on acquisition finance (50% of SL lending volume), commercial real estate finance (38%), and ship finance (12%). In the medium term, OLB plans to achieve a cost-income ratio of less than 50% (FY/2020: 65.6%), a CET1 ratio of around 12% (FY/2020: 12.2%), and an after-tax ROE of more than 11-12% (FY/2020: 6.9%). The deposit business is the main pillar of OLB's funding.

### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	13,960	15,142	15,541
Total Securities	3,111	2,461	2,907
Total Deposits	11,346	12,715	13,011
Tier 1 Common Capital	966	1,042	1,056
Total Assets	19,093	19,644	21,475
Total Risk-weighted Assets	8,483	8,806	8,659

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	290	308	336
Net Fee & Commission Inc.	84	104	113
Net Trading Income	-0	0	0
Operating Expense	295	323	307
Credit Commit. Impairment	16	-14	43
Pre-tax Profit	43	151	115

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.58	1.61	1.67	Liquidity Coverage Ratio	138.32	145.32	151.89
ROAE	1.97	10.22	6.88	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	73.21	73.84	66.00	NPL/ Loans at Amortised Cost	2.70	2.51	2.69
Core Tier 1 Ratio	11.39	11.83	12.19	Reserves/Loans at Amort. Cost	1.20	0.91	1.01

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Capitalization
- Funding via deposits

### Risks / Weaknesses

- Perspective of increased concentration risk due to greater weight of Specialized Lending
- COVID19-related environment

# Oldenburgische Landesbank – Mortgage

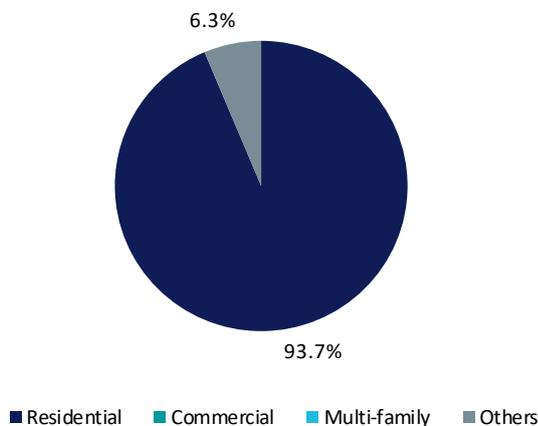
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

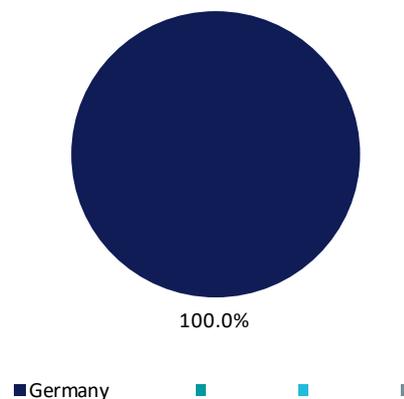
## Cover Pool Data

Cover pool volume (EURm)	632	Rating (Moody's)	Aa1
Amount outstanding (EURm)	531	Rating (S&P)	-
-thereof ≥ EUR 250m	65.9%	Rating (Fitch)	-
Current OC (nominal)	19.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	3
Main country	100% Germany	Collateral score	5.0%
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	93.7%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	55.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



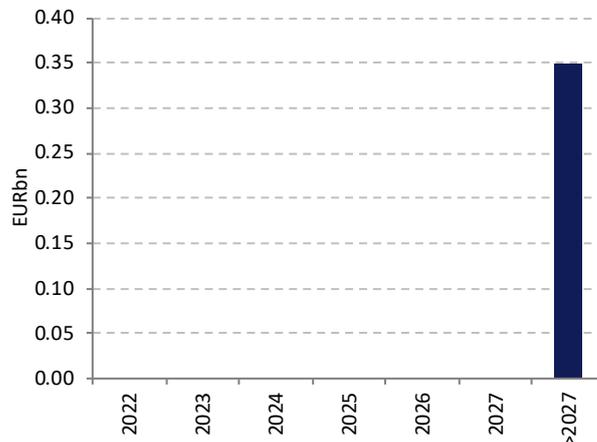
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Santander Consumer Bank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A2	Stable
S&P	A-	Stable

### Homepage

[www.santander.de](http://www.santander.de)

Santander Consumer Bank AG (SCB), headquartered in Mönchengladbach, was established in 1957 before being taken over by Banco Santander (global systemically important bank; G-SIB) in 1987. As part of the Santander banking group, the bank is indirectly owned by Banco Santander, Spain, via Santander Consumer Finance and the Santander Consumer Holding. There is a control and profit transfer agreement with the holding company. As a domestic systemically important bank (D-SIB), SCB is subject to supervision on the part of the ECB. The institute employs around 3,075 staff in 209 branches. Its activities are divided into four business areas: Mobility, Consumer Financial Service, Direct Business and Business & Corporate Banking. SCB has a service and product range that includes current accounts, credit cards, construction financing, securities business and financial services for business and retail customers. In terms of client base size, SCB is one of the top five private banks in Germany, where it is the largest manufacturer-independent financier of mobility and consumer goods. SCB serves approximately 3.9 million retail customers and has been licensed to issue Pfandbriefe since 2016. Since 2019, the bank has held a stake of 51.0% in Hyundai Capital Bank Europe GmbH (HCBE). In 2020, HCBE took over SIXT Leasing SE. In so doing, it strengthened its position in automotive financing and supplemented its product portfolio with innovative mobility services and the vehicle fleet business. The largest share of the funding mix consists of customer deposits. In addition, SCB refinances itself by issuing mortgage Pfandbriefe on the capital market.

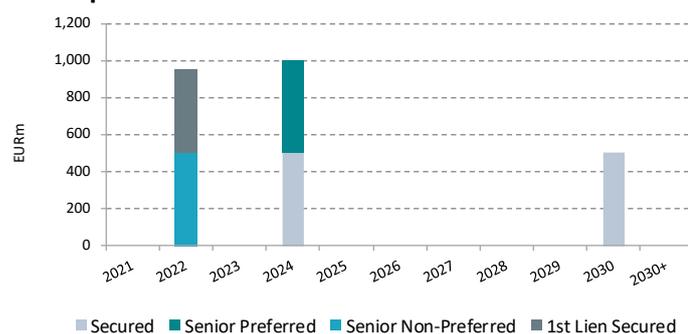
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	29,854	29,961	29,217
Total Securities	7,975	9,515	11,435
Total Deposits	22,719	23,170	22,774
Tier 1 Common Capital	2,659	2,602	2,874
Total Assets	43,048	46,102	50,127
Total Risk-weighted Assets	19,124	20,032	19,903

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,148	1,055	1,010
Net Fee & Commission Inc.	110	155	158
Net Trading Income	-	-	-
Operating Expense	815	833	774
Credit Commit. Impairment	65	33	124
Pre-tax Profit	464	454	394

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.73	2.41	2.15	Liquidity Coverage Ratio	169.10	187.80	236.60
ROAE	15.10	14.80	12.33	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	60.48	63.07	59.66	NPL/ Loans at Amortised Cost	1.95	1.79	1.71
Core Tier 1 Ratio	13.90	12.99	14.44	Reserves/Loans at Amort. Cost	1.80	1.76	1.81

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Profitability
- Granularity of loan portfolio
- Capitalisation

### Risks / Weaknesses

- Sectoral concentration
- Fierce competition
- Share of own ABS for use as a security with the ECB

# Santander Consumer Bank – Mortgage

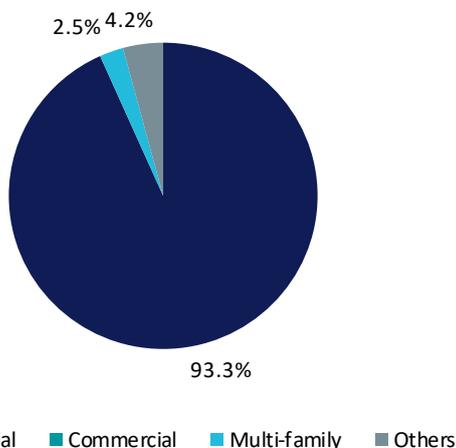
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

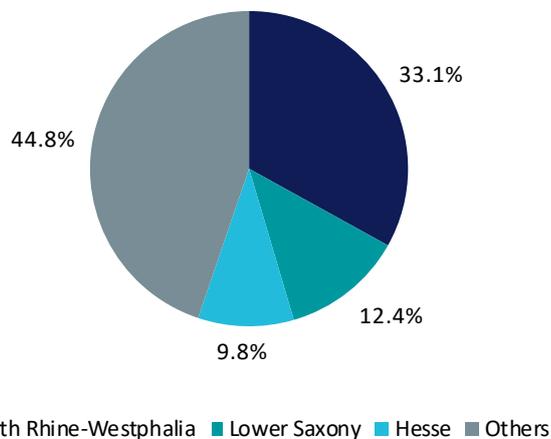
## Cover Pool Data

Cover pool volume (EURm)	1,180	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,000	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	18.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Germany	Collateral score	5.0%
Main region	33% North Rhine-Westphalia	RRL	-
Number of loans	19,567	JRL	-
Number of borrowers	23,862	Unused notches	-
Avg. exposure to borrowers (EUR)	49,434	AAA credit risk (%)	-
WAL (cover pool)	4.7y	PCU	4
WAL (covered bonds)	6.3y	Recovery uplift	2
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	45.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

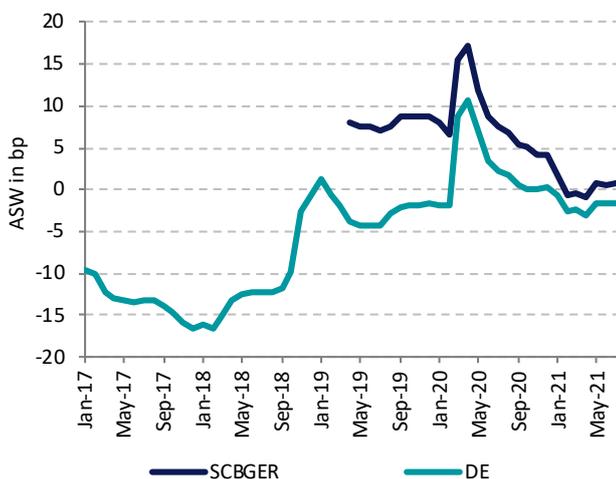
## Borrower Types



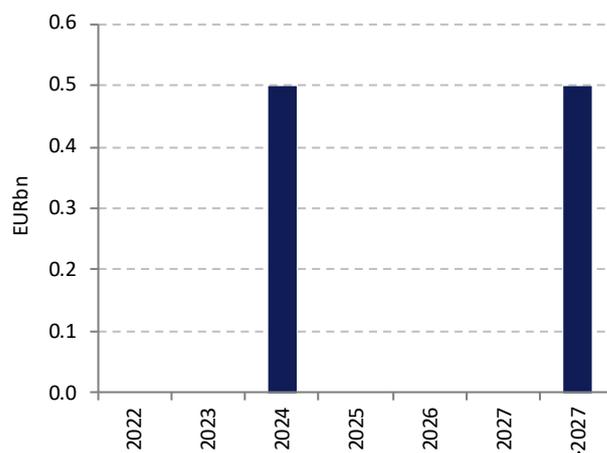
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Sparkasse Hannover

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	-	-
S&P	-	-

### Homepage

[www.sparkasse-hannover.de](http://www.sparkasse-hannover.de)

Sparkasse Hannover (SPK) is a public law institution and the sixth-largest savings bank in Germany, as measured by assets. It is the regional market leader in the core business areas of the retail and corporate customer business. As at the end of 2020, SPK had 80 locations with banking businesses. As a member of the support fund for savings banks of the Sparkassenverband Niedersachsen (association of savings banks in Lower Saxony), it benefits from a joint protection scheme for German savings banks. SPK has shares in 45 companies worth EUR 191.0m in total, including FacilityServices Hannover GmbH. Ten of these companies, which strengthen the core activities of SPK, form the SPK Group along with SPK itself. According to its own information, as part of its mission to be an omni-channel savings bank, SPK is striving to achieve proximity to its customers across all channels. Customers are able to get in touch through various media channels. For example, SPK introduced a video consultation service via "Skype for Business", among other measures. As at the end of 2020, Sparkasse Hannover had 1,666 employees (2019: 1,734). The savings bank manages customer deposits worth EUR 13.9bn in total; these have risen by EUR 977.0m year on year. The loans business has been fully funded from customer deposits. SPK has been issuing mortgage Pfandbriefe since 2010 and public Pfandbriefe since 2018. In July 2021, the institute placed its first green Pfandbrief. The CIR ratio, as at FY 2020, was 63.6%. The LCR amounts to 165% (FY 2020). SPK has defined a strategic minimum threshold value (107.5%) and a warning mark (115%) for the LCR.

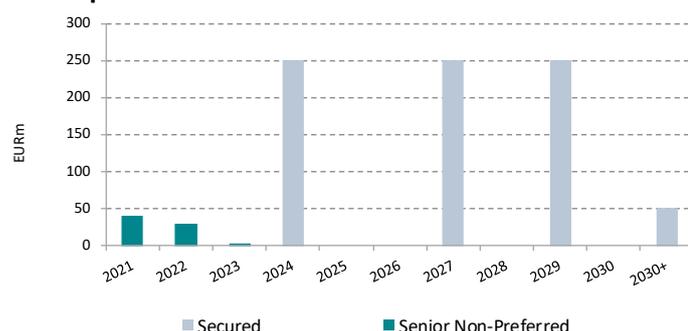
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	11,480	12,292	13,218
Total Securities	2,139	2,316	2,209
Total Deposits	11,998	12,888	13,865
Tier 1 Common Capital	911	1,181	1,282
Total Assets	15,261	16,503	18,520
Total Risk-weighted Assets	6,696	9,525	10,425

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	242	241	237
Net Fee & Commission Inc.	98	110	114
Net Trading Income	-	-	-
Operating Expense	257	261	249
Credit Commit. Impairment	-13	21	34
Pre-tax Profit	59	54	54

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.65	1.55	1.38	Liquidity Coverage Ratio	162.00	140.00	165.00
ROAE	1.51	1.48	1.45	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	71.64	72.36	69.14	NPL/ Loans at Amortised Cost	0.66	0.81	0.70
Core Tier 1 Ratio	13.60	12.40	12.30	Reserves/Loans at Amort. Cost	0.54	0.61	0.76

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Regional market leader in the retail and SME segments
- Deposit basis
- Liability member of the S-Finanzgruppe

### Risks / Weaknesses

- Regional concentration
- Negative effect from low interest rate environment
- Fierce competition

# Sparkasse Hannover – Mortgage

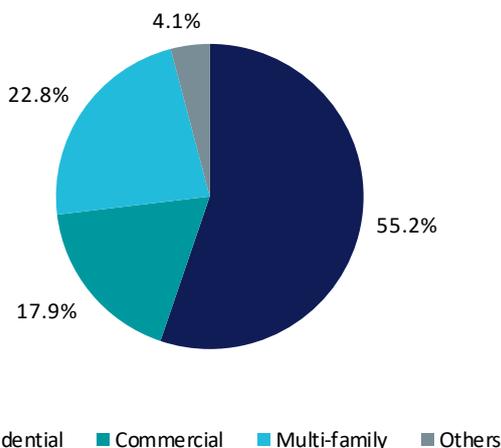
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

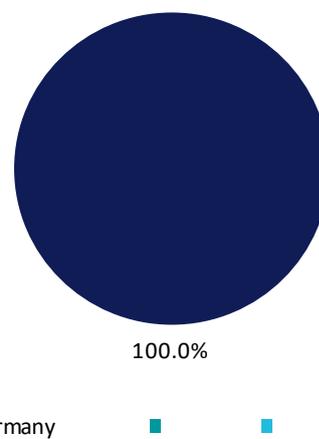
## Cover Pool Data

Cover pool volume (EURm)	1,901	Rating (Moody's)	-
Amount outstanding (EURm)	1,358	Rating (S&P)	-
-thereof ≥ EUR 250m	36.8%	Rating (Fitch)	AAA
Current OC (nominal)	40.0%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	4
WAL (covered bonds)	n/a	Recovery uplift	2
Fixed interest (cover pool)	89.9%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	56.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

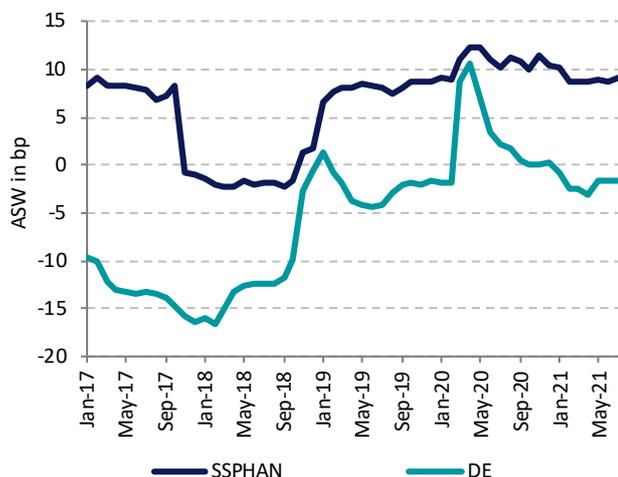
## Borrower Types



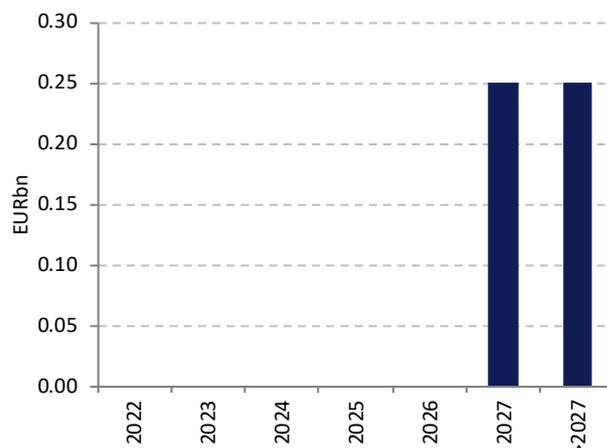
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Sparkasse Hannover – Public Sector

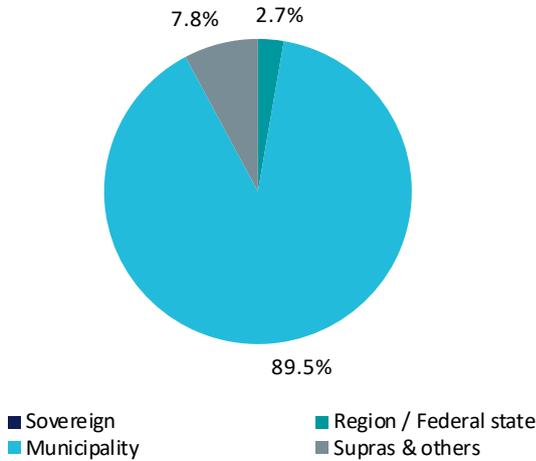
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

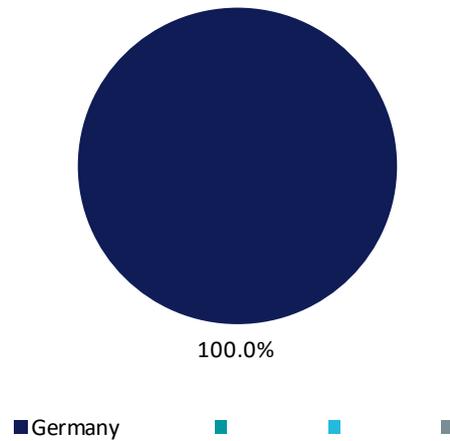
## Cover Pool Data

Cover pool volume (EURm)	921	Rating (Moody's)	-
Amount outstanding (EURm)	738	Rating (S&P)	-
-thereof ≥ EUR 250m	33.9%	Rating (Fitch)	-
Current OC (nominal)	24.8%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Public Sector	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	99.4%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (SBmk)	2B
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

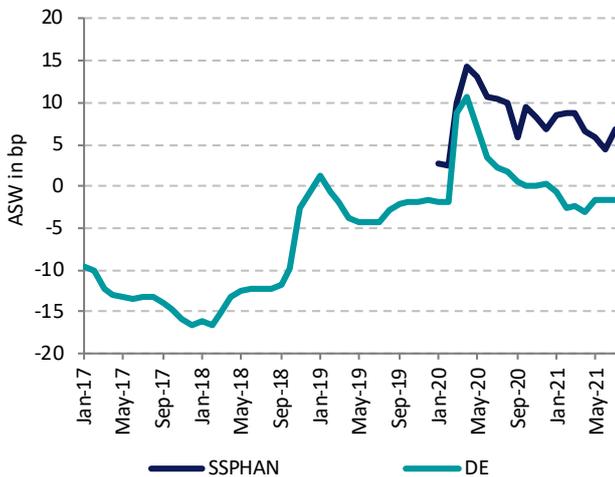
## Borrower Types



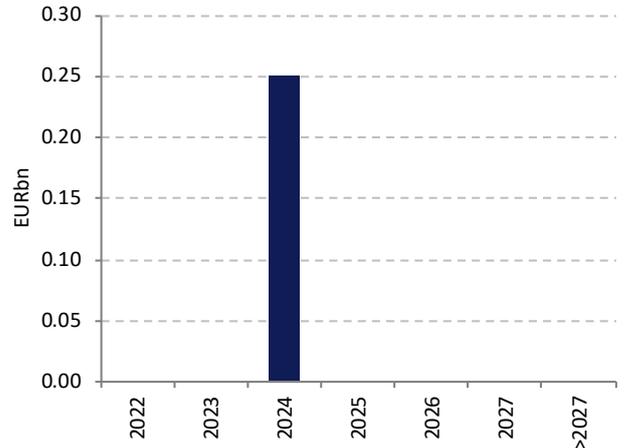
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Sparkasse KölnBonn

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	A1	Stable
S&P	-	-

### Homepage

[www.sparkasse-koelnbonn.de](http://www.sparkasse-koelnbonn.de)

Sparkasse KölnBonn (SKB) emerged in 2005 from the merger of Sparkasse Köln and Sparkasse Bonn and employs nearly 3,700 staff. In connection with the strategic realignment entitled "Strategie 2025", which continues this financial year, staff numbers are being further reduced (target: 2,360). The aim is to place a greater focus on customer needs as well as sustained improvement of the earnings and financial situation. The bank benefits from the joint liability scheme of the Sparkassen Finanzgruppe (deposit/institutional guarantee). SKB has strong regional roots, with 65 branches as well as 60 self-service branches. The institute has also had a mobile branch since 2020, along with a direct branch. The target customers of SKB include retail customers, freelancers, and small and medium-sized enterprises (SMEs) from the region. Therefore, its main business activities are the retail customer and corporate customer business. As a universal bank, it offers its customers a broad range of financial services. In the lending business, SKB mainly serves SMEs in addition to low and medium income customers. Pre-tax earnings fell from EUR 68m in 2019 to EUR 60m in 2020. Across the same period, the deposit volume increased to EUR 21.9bn (previous year: EUR 21.3bn). In addition, the CET1 ratio as at FY 2020 increased to 12.4%. For funding, SKB relies on the customer business, a free securities account with the ECB and Eurex as well as the issuance of Pfandbriefe, bonds and savings certificates. In addition to benchmark deals, the savings bank also offers smaller private placements.

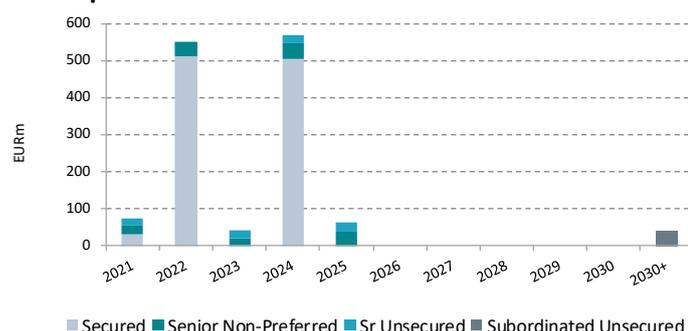
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	18,384	19,096	19,862
Total Securities	3,560	3,746	3,255
Total Deposits	20,083	21,098	21,748
Tier 1 Common Capital	1,638	1,680	1,743
Total Assets	26,542	27,106	27,766
Total Risk-weighted Assets	13,935	14,099	14,056

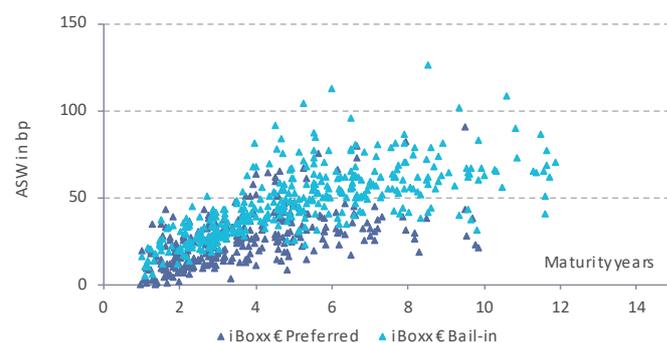
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	367	384	415
Net Fee & Commission Inc.	166	176	177
Net Trading Income	5	5	5
Operating Expense	577	548	524
Credit Commit. Impairment	55	27	72
Pre-tax Profit	60	68	60

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.46	1.49	1.57	Liquidity Coverage Ratio	169.00	177.00	157.95
ROAE	1.38	1.41	1.10	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	80.84	79.75	76.20	NPL/ Loans at Amortised Cost	0.83	0.64	0.54
Core Tier 1 Ratio	11.76	11.92	12.40	Reserves/Loans at Amort. Cost	0.71	0.70	0.69

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

### Strengths / Opportunities

- Asset quality
- Funding profile with high deposit basis
- Liquidity situation

### Risks / Weaknesses

- Low interest rate environment
- Margin pressure, competition
- Regional concentration risks

# Sparkasse KölnBonn – Mortgage

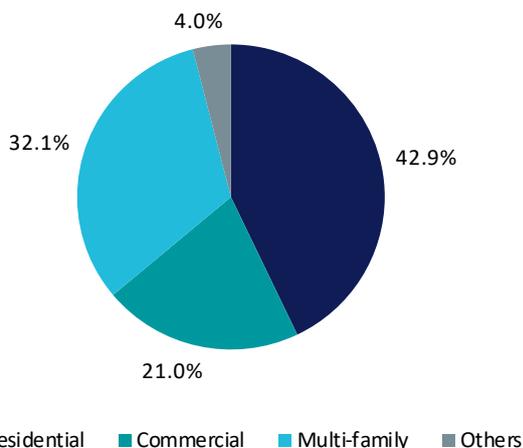
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

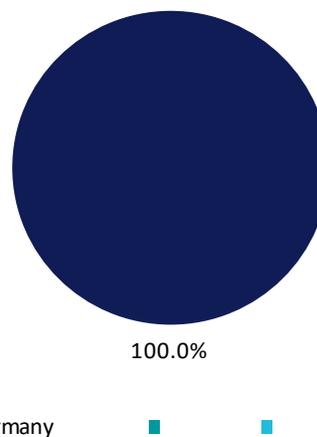
## Cover Pool Data

Cover pool volume (EURm)	6,490	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,076	Rating (S&P)	-
-thereof ≥ EUR 500m	48.2%	Rating (Fitch)	-
Current OC (nominal)	212.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	100% Germany	Collateral score	7.5%
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	91.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	52.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

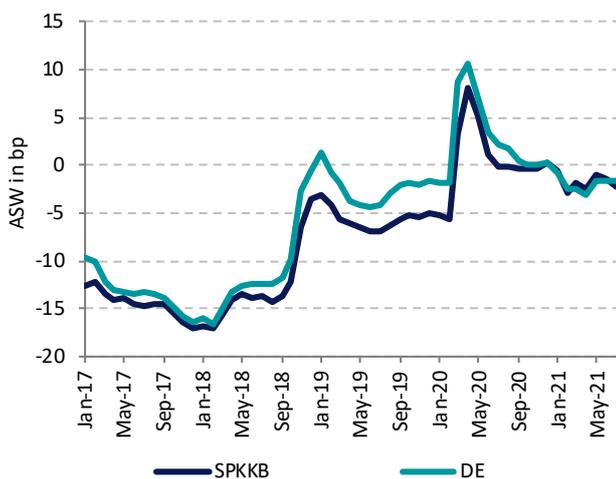
## Borrower Types



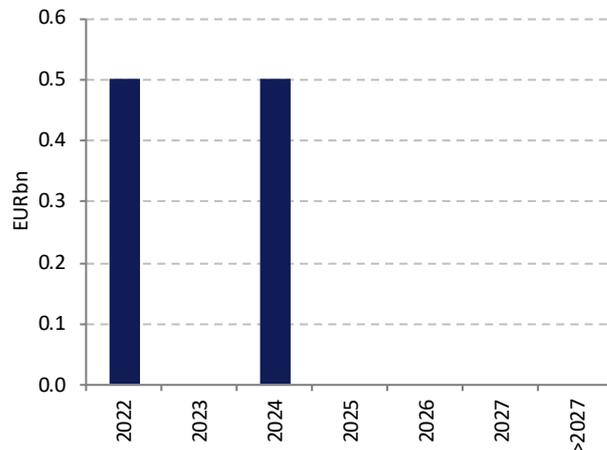
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Sparkasse Pforzheim Calw

Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	-	-
S&P	-	-

## Homepage

[www.sparkasse-pforzheim-calw.de](http://www.sparkasse-pforzheim-calw.de)

Sparkasse Pforzheim Calw was established in 1834 and is the largest savings bank in Baden-Württemberg by total assets. In 2003, the institute merged with Kreissparkasse Calw. In its legal form as a non-commercial, independent public law institution, the bank is administered by the special purpose association STADT+KREISSPARKASSE PFORZHEIM ENZKREIS CALW. Sparkasse Pforzheim Calw is a member of the Association of Savings Banks in Baden-Württemberg (SVBW). As part of the SVBW, the institute is also part of the Sparkassen Finanzgruppe. The support fund for savings banks serves as a deposit protection system at Sparkasse Pforzheim-Calw. Almost 1,900 staff serve retail customers, businesses and municipalities with financial products and services from its headquarters and a total of 94 branches. In light of its multi-channel strategy, Sparkasse Pforzheim Calw views linking digital and non-digital sales channels as key to its success. This includes the digital orientation of internal processes. Its business focus is on residential and commercial real estate. Since 2008, Sparkasse Pforzheim Calw has issued bearer and registered Pfandbriefe within the category of mortgage Pfandbriefe for funding purposes. The terms to maturity extend up to 20 years, with and without termination rights. Since 2014, covered multi-tranche issuances have also been on offer. In 2020, the business volume of the savings bank saw a year-on-year increase of 17.7% to EUR 15.7bn. A CIR, amounting to 59.8%, was reported for financial year 2020 (previous year: 61.4%). The LCR requirements were reportedly met or exceeded throughout the year.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	8,440	8,845	-
Total Securities	2,855	2,957	-
Total Deposits	8,322	9,014	9,700
Tier 1 Common Capital	805	995	-
Total Assets	12,267	13,038	15,500
Total Risk-weighted Assets	7,724	8,148	-

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	198	196	-
Net Fee & Commission Inc.	66	74	-
Net Trading Income	18	20	-
Operating Expense	211	225	-
Credit Commit. Impairment	-166	-6	-
Pre-tax Profit	68	51	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.73	1.60	-	Liquidity Coverage Ratio	160.60	142.20	-
ROAE	1.66	1.46	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	73.01	72.00	-	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	10.42	12.21	-	Reserves/Loans at Amort. Cost	1.60	1.41	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Regional market positioning
- Member of S-Finanzgruppe-Finanzgruppe (support)

## Risks / Weaknesses

- Low interest rate environment
- Regional concentration risks

# Sparkasse Pforzheim Calw – Mortgage

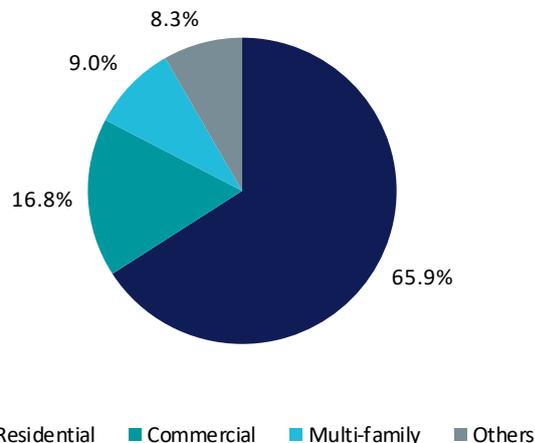
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

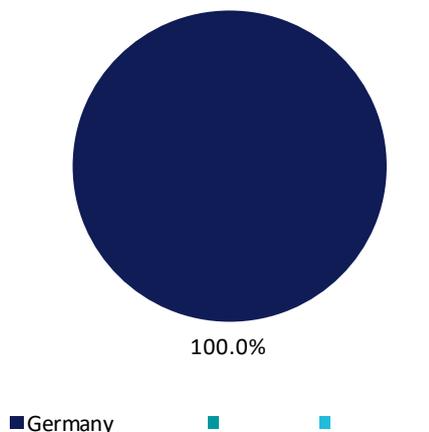
## Cover Pool Data

Cover pool volume (EURm)	2,427	Rating (Moody's)	-
Amount outstanding (EURm)	1,750	Rating (S&P)	-
-thereof ≥ EUR 250m	28.6%	Rating (Fitch)	AAA
Current OC (nominal)	38.7%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	4
WAL (covered bonds)	n/a	Recovery uplift	2
Fixed interest (cover pool)	93.1%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	54.3%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	52.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

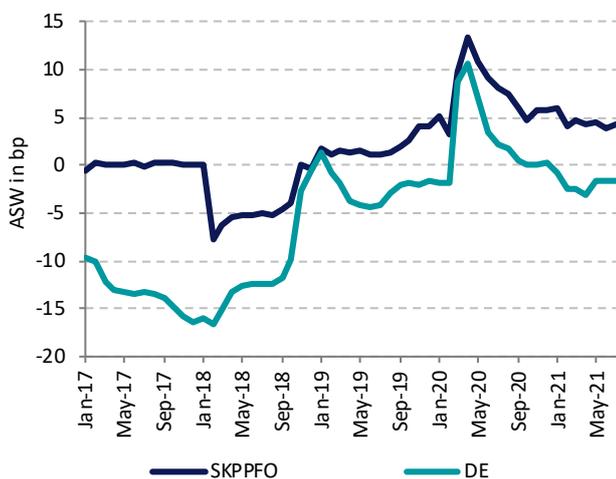
## Borrower Types



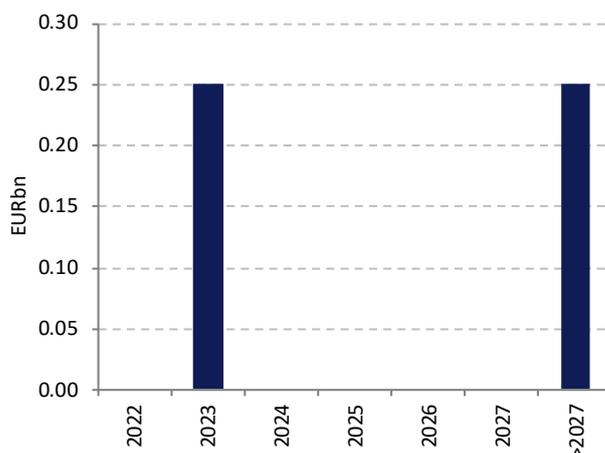
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Stadtsparkasse München

Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	-	-
S&P	-	-

## Homepage

[www.sskm.de](http://www.sskm.de)

Stadtsparkasse München (SSKM) was established in 1824 and is the fourth-largest savings bank in Germany in the legal form of a public law institution. As a universal bank, the workforce of around 2,000 employees serves both retail and corporate customers across more than 100 locations (including self-service branches; data as at year-end 2020). SSKM therefore, boasts by far the most comprehensive branch network in the Munich region. With a balance sheet total of around EUR 21.0bn, SSKM is the largest savings bank in Bavaria. The institute is the market leader in the retail customer segment for the metropolitan area of Munich. SSKM is part of the Sparkassenverband Bayern (Association of Bavarian Savings Banks) and, as a member of the Sparkassen Finanzgruppe, also benefits from a joint protection scheme which guarantees deposits up to EUR 100,000 and which has been officially certified. In the lending business, SSKM focuses on the area of corporate customers and freelancers with a volume of EUR 9.5bn (+6.3%). Loans to retail customers account for EUR 5.4bn of assets (+2.6%). As at year-end 2020, the cumulative lending volume amounted to around EUR 15.5bn (2019: EUR 14.7bn), equating to an increase of 5.1%. The total volume of customer deposits amounted to EUR 17.7bn (FY 2020), of which a portion of daily callable deposits reached a top value of 81%. In addition to deposits, SSKM's refinancing operations also include mortgage Pfandbriefe and public Pfandbriefe issuances. In FY 2020, the CIR amounted to 64.3%. In addition, the institute is advancing digitalisation. According to its own information, more than 70% of customers use digital banking, with this figure standing at 80% for corporate customers.

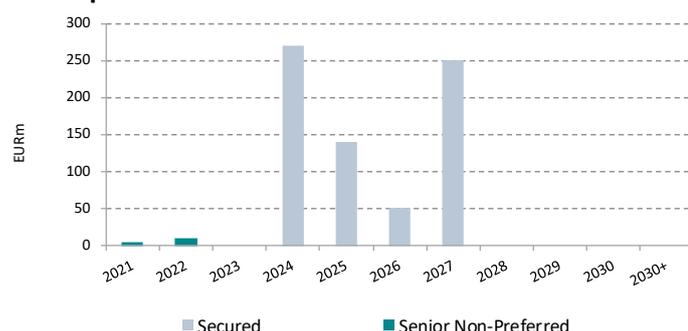
## Balance Sheet

(EURm)	2017Y	2018FY	2019FY
Net Loans to Customers	13,038	14,033	14,525
Total Securities	2,739	2,835	2,785
Total Deposits	14,826	15,685	16,419
Tier 1 Common Capital	1,536	1,677	1,826
Total Assets	17,983	19,208	20,065
Total Risk-weighted Assets	11,897	12,618	13,512

## Income Statement

(EURm)	2017Y	2018FY	2019FY
Net Interest Income	256	227	258
Net Fee & Commission Inc.	119	119	131
Net Trading Income	2	2	3
Operating Expense	315	331	336
Credit Commit. Impairment	-33	12	135
Pre-tax Profit	81	77	46

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2017Y	2018FY	2019FY		2017Y	2018FY	2019FY
Net Interest Margin	1.50	1.28	1.38	Liquidity Coverage Ratio	-	138.80	149.60
ROAE	2.49	2.34	2.19	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	70.86	64.52	54.81	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12.91	13.29	13.51	Reserves/Loans at Amort. Cost	0.07	0.10	0.12

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Market penetration
- Member of S-Finanzgruppe
- Strong economic environment

## Risks / Weaknesses

- Low interest rate environment
- Cost-income ratio
- Regional risk concentration

# Stadtparkasse München – Mortgage

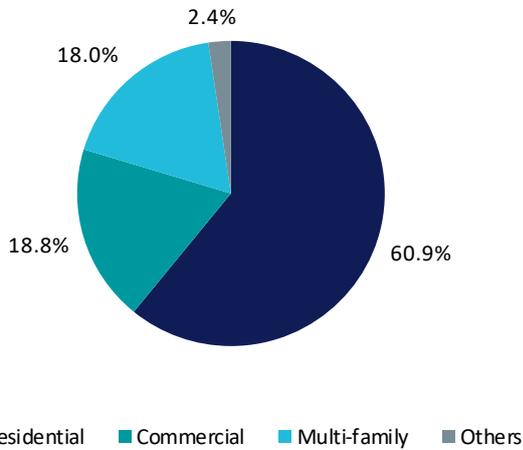
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

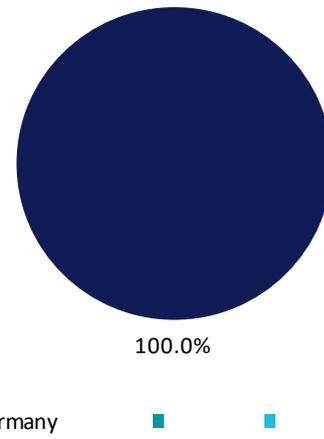
## Cover Pool Data

Cover pool volume (EURm)	1,401	Rating (Moody's)	-
Amount outstanding (EURm)	710	Rating (S&P)	-
-thereof ≥ EUR 250m	70.4%	Rating (Fitch)	AA+
Current OC (nominal)	97.3%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	n/a	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	4
WAL (covered bonds)	n/a	Recovery uplift	1
Fixed interest (cover pool)	98.0%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	52.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

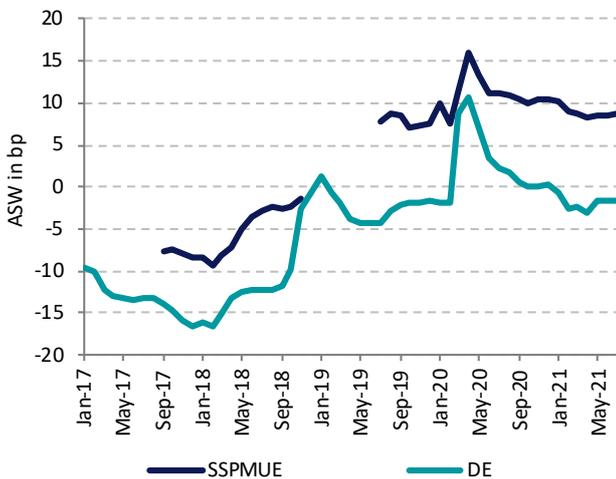
## Borrower Types



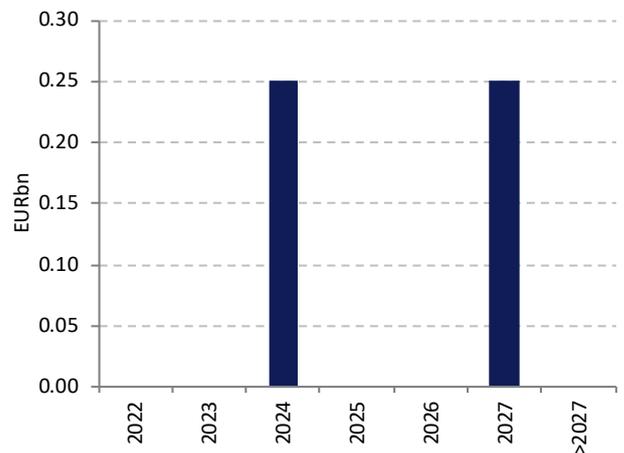
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# UniCredit Bank

## Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	BBB	Negative
Moody's	A2	Stable
S&P	BBB+	Negative

### Homepage

[www.hypovereinsbank.de](http://www.hypovereinsbank.de)

UniCredit Bank AG (UCG) is the parent company of the HVB Group and, since September 2008, has been wholly owned (affiliated company since November 2005) by Italy's UniCredit S.p.A. (global systemically important bank; G-SIB; additional capital buffer: 1.0%). Although the name Bayerische Hypo- und Vereinsbank AG was changed to UCG, the established HypoVereinsbank brand continues to exist. HVB has around 339 branches worldwide, 324 of which are located in Germany. UCB offers a comprehensive range of universal banking services to its retail and corporate clients, public bodies, international corporations and institutional clients via its subsidiaries. The bank's reporting is based on the segments: Commercial Banking, Corporate & Investment Banking (CIB), Group Corporate Center and Other. In the Commercial Banking segment, customers of the Private Client Bank (retail and private banking) and Unternehmer Bank (SME entrepreneurs, commercial and real estate customers) business units are offered standardised or personalised services and consultancy with a range of banking services. The segment CIB covers the markets and investment banking business. As a universal bank, UCB focuses on serving the German market on a regional basis, while also functioning as a competence centre for the investment banking and markets activities for the entire UniCredit Group. The group-wide strategic plan "Team 23" incorporates a stronger customer franchise, investments in digitalisation and optimisation of the cost structure. The CET1 ratio for FY 2020 stands at 18.2% (previous year: 17.1%), while the CIR comes in at 68.2% (FY 2020) for UCG.

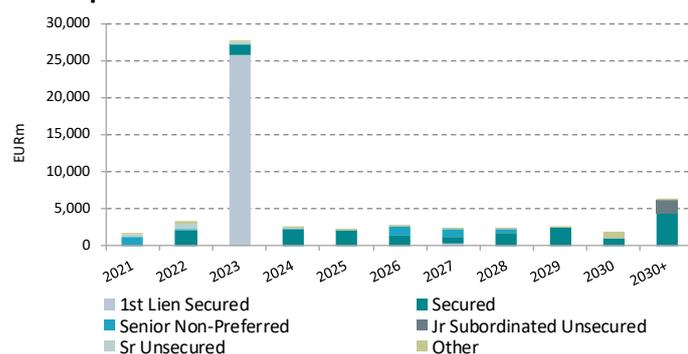
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	133,706	139,632	144,247
Total Securities	93,322	100,304	107,062
Total Deposits	121,038	125,394	143,803
Tier 1 Common Capital	16,454	14,987	15,122
Total Assets	287,334	303,598	338,124
Total Risk-weighted Assets	82,592	85,455	80,637

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	2,484	2,388	2,413
Net Fee & Commission Inc.	973	973	1,007
Net Trading Income	635	700	581
Operating Expense	3,927	2,622	2,809
Credit Commit. Impairment	16	115	730
Pre-tax Profit	736	1,361	1,072

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.87	0.83	0.77	Liquidity Coverage Ratio	-	-	-
ROAE	2.60	4.45	3.63	IFRS Tier 1 Leverage Ratio	6.63	5.77	5.25
Cost-to-Income	78.73	54.49	60.58	NPL/ Loans at Amortised Cost	2.23	1.91	2.30
Core Tier 1 Ratio	19.92	17.54	18.75	Reserves/Loans at Amort. Cost	1.43	1.29	1.31

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

### Strengths / Opportunities

- Liquidity profile
- Capitalisation
- Limited possibility of support from parent company

### Risks / Weaknesses

- Rating impact from strong link to parent company
- Volatile earnings due to capital market business
- High cost-income ratio

# UniCredit Bank – Mortgage

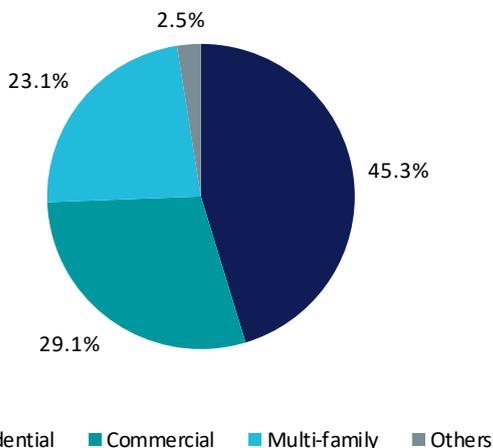
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

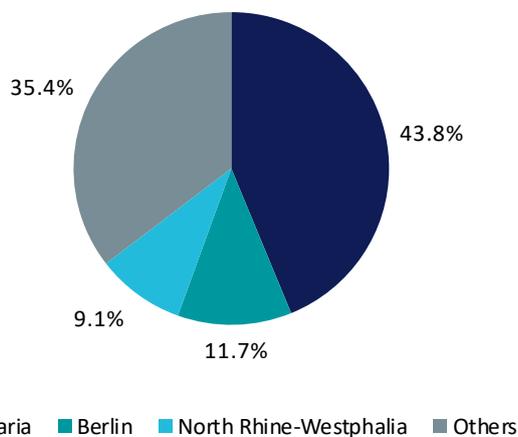
## Cover Pool Data

Cover pool volume (EURm)	29,536	Rating (Moody's)	Aaa
Amount outstanding (EURm)	23,004	Rating (S&P)	-
-thereof ≥ EUR 500m	57.6%	Rating (Fitch)	-
Current OC (nominal)	28.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Germany	Collateral score	12.4%
Main region	44% Bavaria	RRL	-
Number of loans	148,484	JRL	-
Number of borrowers	113,168	Unused notches	-
Avg. exposure to borrowers (EUR)	260,996	AAA credit risk (%)	-
WAL (cover pool)	6.8y	PCU	-
WAL (covered bonds)	7.0y	Recovery uplift	-
Fixed interest (cover pool)	81.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	96.2%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	41.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

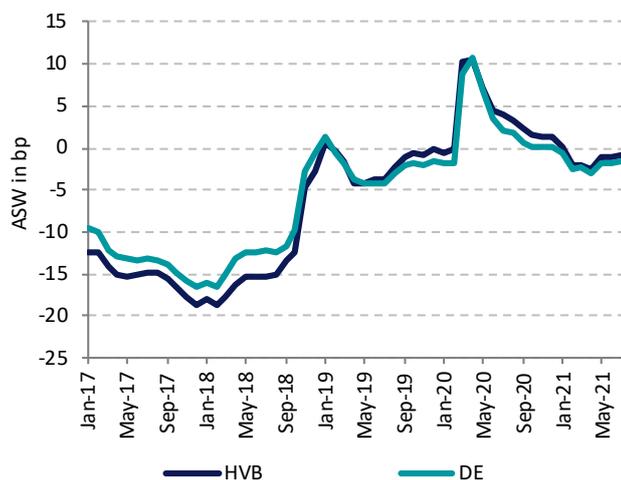
## Borrower Types



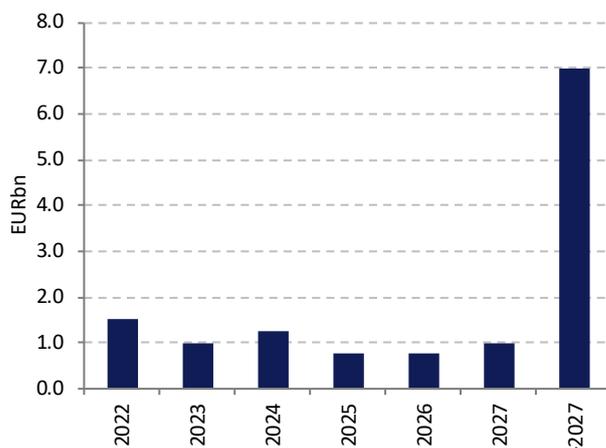
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Wüstenrot Bausparkasse

Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	A-	Stable

## Homepage

[www.wuestenrot.de](http://www.wuestenrot.de)

Founded in 1921, Wüstenrot Bausparkasse AG (Wüstenrot) is the oldest private building society in Germany. In 2017, it became the first building society to obtain a Pfandbrief licence. Since merging with the long-standing Wüstenrot und Württembergische (W&W), the savings bank has been part of the eponymous Group. W&W is the sole owner of Wüstenrot. Headquartered in Ludwigsburg/Kornwestheim, Wüstenrot focuses on the German market, although a representative branch is also operated in Luxembourg. Within the Group, the Luxembourg branch is responsible for the "Wohnen" (residential) segment, which also includes Wüstenrot Haus- und Städtebau GmbH and Wüstenrot Immobilien GmbH as well as Wüstenrot Bausparkasse AG. As the second-largest building society in Germany, it primarily offers building loan agreements and construction finance. In 2017, significant portions of Wüstenrot Bank AG Pfandbriefbank's customer deposit business in addition to the construction finance and Pfandbrief business in their entirety were transferred over to Wüstenrot. Since 01 June 2019, Wüstenrot Bank AG Pfandbriefbank has had a new owner in the shape of Oldenburgische Landesbank (OLB). OLB subsequently changed its name to OLB Bank. In 2020, Aachener Bausparkasse AG (ABAG) was taken over by Wüstenrot. The initiative "W&W Besser!" is being pursued further, with a continued aim of aligning the bank's products, services and processes towards customers. Another focus for Wüstenrot is the implementation of a new core banking system (b@w) as an investment in the digital transformation and the expansion of construction financing.

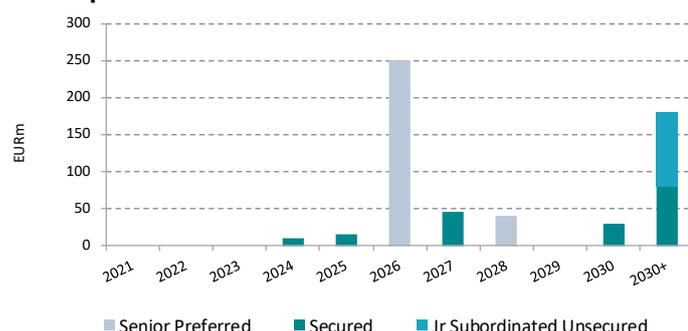
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	19,653	20,589	22,190
Total Securities	4,133	3,833	3,928
Total Deposits	22,210	22,126	22,923
Tier 1 Common Capital	947	-	1,052
Total Assets	27,398	28,144	29,195
Total Risk-weighted Assets	5,970	-	6,681

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	319	319	343
Net Fee & Commission Inc.	-53	-90	-64
Net Trading Income	-	-	-
Operating Expense	359	366	360
Credit Commit. Impairment	-78	-31	-12
Pre-tax Profit	59	31	56

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.15	1.16	1.20	Liquidity Coverage Ratio	489.72	398.31	238.38
ROAE	3.25	2.74	2.61	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	102.18	119.48	113.41	NPL/ Loans at Amortised Cost	1.00	0.81	1.13
Core Tier 1 Ratio	15.86	-	15.75	Reserves/Loans at Amort. Cost	0.47	0.48	0.64

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Liquidity
- Diversified loan portfolio, good credit quality

## Risks / Weaknesses

- Fiercely competitive market
- Low interest rate environment

# Wüstenrot Bausparkasse – Mortgage

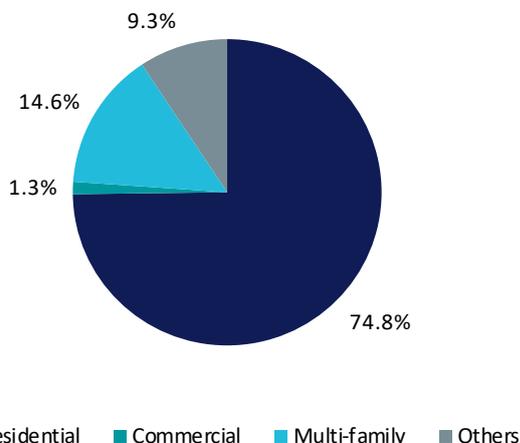
Germany

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

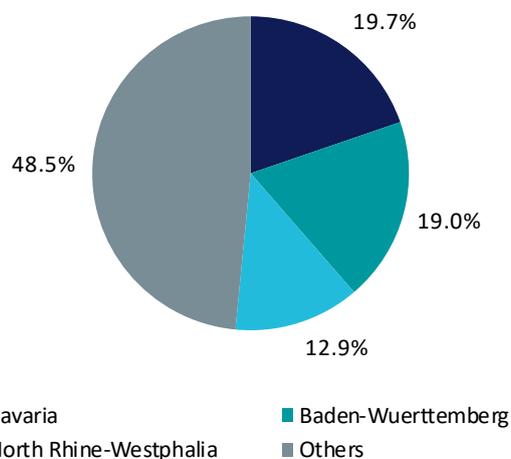
## Cover Pool Data

Cover pool volume (EURm)	2,675	Rating (Moody's)	-
Amount outstanding (EURm)	2,227	Rating (S&P)	AAA
-thereof ≥ EUR 500m	22.5%	Rating (Fitch)	-
Current OC (nominal)	20.1%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	20% Bavaria	RRL	a+
Number of loans	34,445	JRL	aa+
Number of borrowers	30,845	Unused notches	2
Avg. exposure to borrowers (EUR)	86,724	AAA credit risk (%)	5.89
WAL (cover pool)	4.9y	PCU	-
WAL (covered bonds)	5.2y	Recovery uplift	-
Fixed interest (cover pool)	99.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	98.2%	CRR 129 (7)	Yes
LTV (indexed)	45.0%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



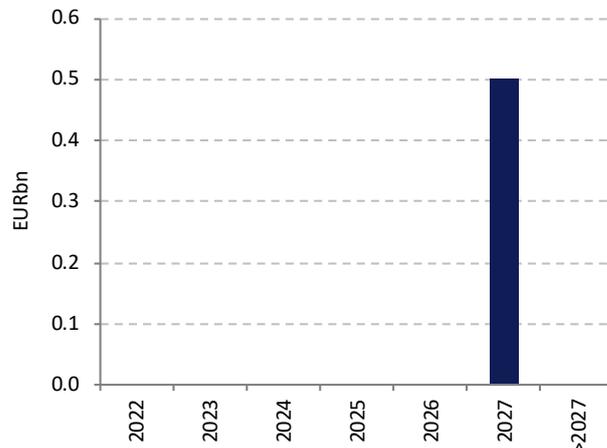
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



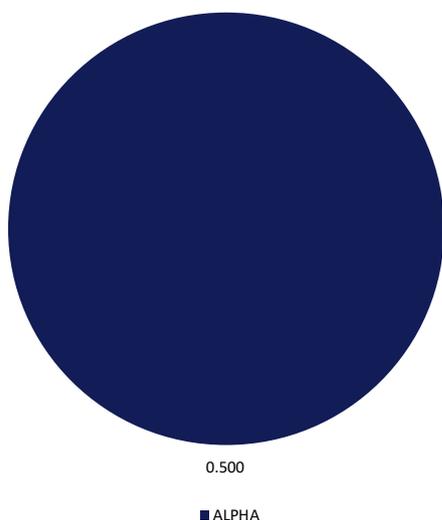
# Market Overview Covered Bonds

Greece

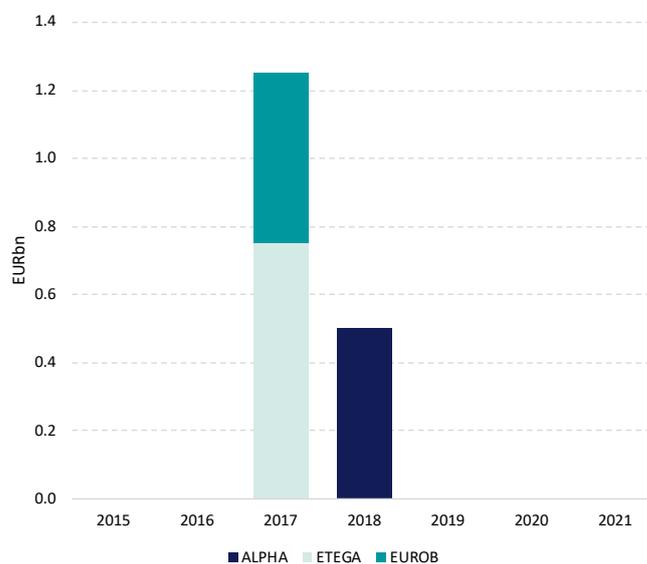
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 0.68bn	Outstanding volume (Bmk)	EUR 0.50bn
Amount outstanding	EUR 0.50bn	Number of benchmarks	1
Number of issuer	1	Outstanding ESG volume (Bmk)	-
No of cover pools	1	Number of ESG benchmarks	-
there of M / PS / others	1 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	BB+ / BBB	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB

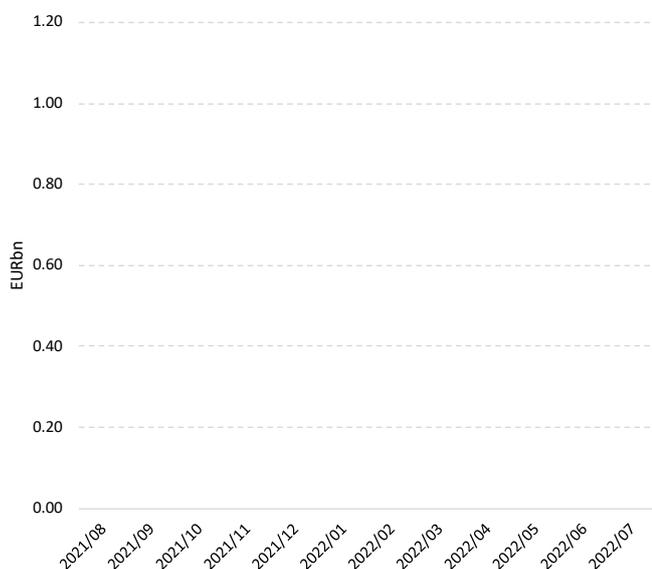
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



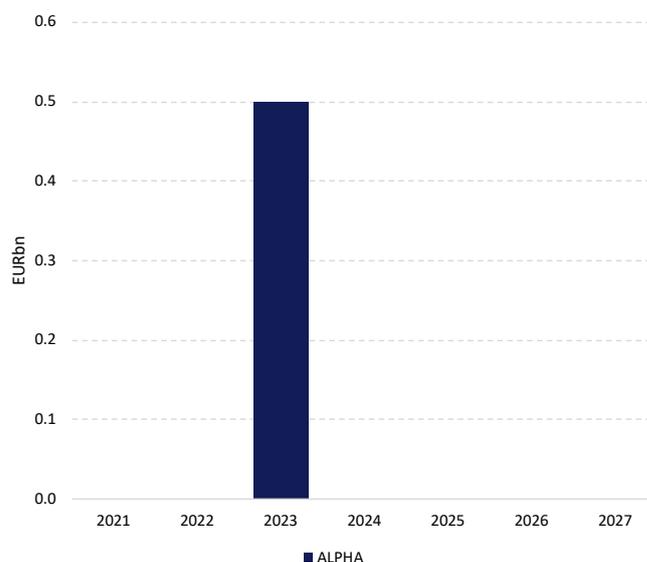
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Alpha Bank

Greece

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	CCC+	Positive
Moody's	Caa1	Positive
S&P	B+	Stable

## Homepage

[www.alpha.gr](http://www.alpha.gr)

Alpha Bank (Alpha), which was founded in 1879, is one of the leading banks in the Greek financial sector. In the wake of the Greek sovereign debt crisis, the Hellenic Financial Stability Fund (HFSF) became a shareholder in the institute in order to ensure financial stability in the country. HFSF remains the largest shareholder of Alpha with a stake of 11% (as at FY 2020). As at year-end 2020, ECB funding totalled EUR 11.9bn. This equates to a significant increase of EUR 8.8bn year on year (FY 2019: EUR 3.1bn). In September 2020, Alpha made use of interbank repo transactions in the amount of EUR 524.7m (FY 2019: EUR 6.5bn). The deposits constitute the majority of funding. Alpha Bank is a domestic systemically important bank (D-SIB). As a universal bank, Alpha offers a wide range of products and reports across the following segments: Retail Banking, Corporate Banking, Asset Management and Insurance, Investment Banking and Treasury, South Eastern Europe and Other. Alpha operates on its domestic market of Greece in addition to the UK, Cyprus, Romania and Albania. However, the majority of earnings is generated in Greece. Its domestic market share for deposits is around 22%, while for loans the market share stands at 25.5%. The bank is aiming to strategically realign its business segments over the course of 2021 as part of the Galaxy project (total value: EUR 10.8bn) in order to reduce NPEs over the long term. The NPE ratio stood at 26% as at FY 2020 and it is planned to cut this to below 10% in 2022. At 16%, the NPL ratio remains very high for FY 2020 (FY 2019: 33.5%). The cover ratio including securities stands at 151%, while the net figure amounts to 85%. The bank remains focused on reducing the NPL ratio as a high priority.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	39,266	39,380	39,376
Total Securities	9,712	11,348	11,109
Total Deposits	40,364	43,831	43,612
Tier 1 Common Capital	8,495	7,730	7,089
Total Assets	63,458	70,057	71,168
Total Risk-weighted Assets	47,459	45,347	44,296

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,547	1,542	400
Net Fee & Commission Inc.	340	335	84
Net Trading Income	51	223	5
Operating Expense	1,102	1,072	372
Credit Commit. Impairment	995	1,306	391
Pre-tax Profit	156	114	-259

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.89	2.64	2.60	Liquidity Coverage Ratio	86.13	151.30	143.00
ROAE	1.26	1.24	-13.83	IFRS Tier 1 Leverage Ratio	13.81	11.42	10.25
Cost-to-Income	56.14	50.64	74.36	NPL/ Loans at Amortised Cost	37.62	37.45	39.28
Core Tier 1 Ratio	17.90	17.05	16.00	Reserves/Loans at Amort. Cost	18.29	18.94	19.94

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Position in domestic market
- Capitalisation
- Positive trend in profitability

## Risks / Weaknesses

- Asset quality (NPE exposure)
- Environment in Greece
- Profitability and NIM under pressure

# Alpha Bank – Mortgage I

Greece

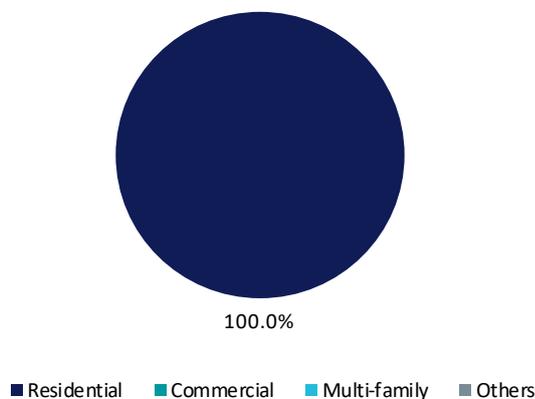
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

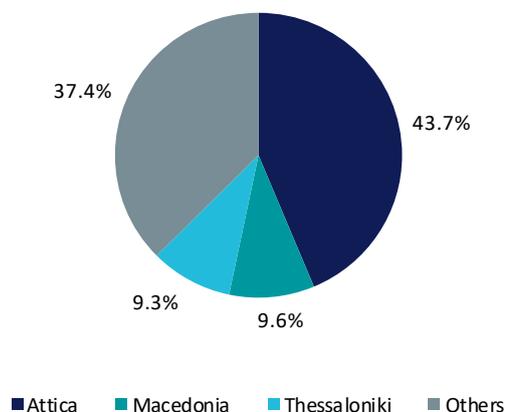
Cover pool volume (EURm)	683
Amount outstanding (EURm)	500
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	36.5%
Committed OC	27.0%
Cover type	Mortgage
Main country	100% Greece
Main region	44% Attica
Number of loans	21,856
Number of borrowers	18,548
Avg. exposure to borrowers (EUR)	36,802
WAL (cover pool)	7.4y
WAL (covered bonds)	1.7y
Fixed interest (cover pool)	6.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	49.3%
LTV (unindexed)	40.1%
Loans in arrears	0.0%

Rating (Moody's)	Baa2
Rating (S&P)	-
Rating (Fitch)	BB+
Rating (DBRS)	-
TPI	Improbable
TPI leeway	0
Collateral score	18.7%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	3
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2B
Risk weight	50%
Maturity structure (Bmk)	SB

## Borrower Types



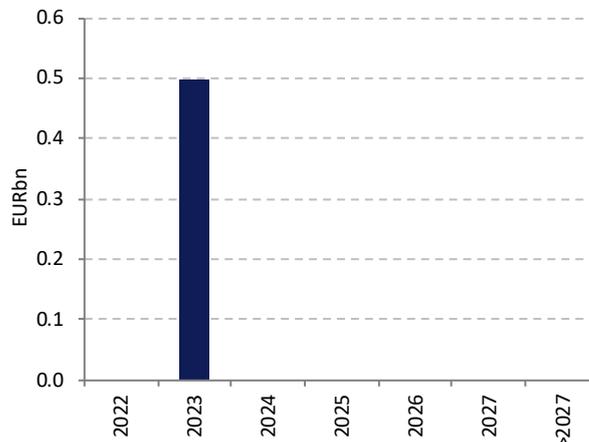
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



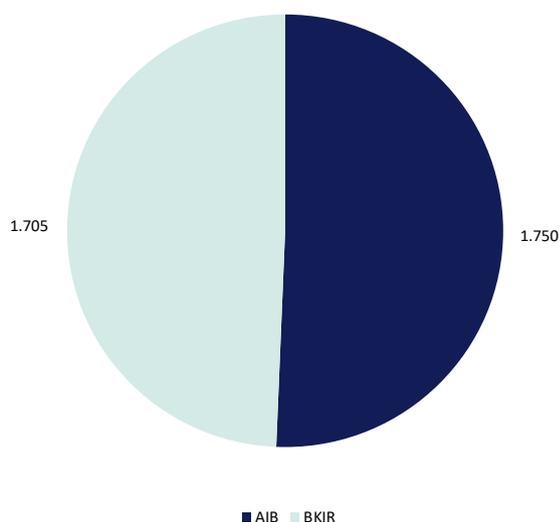
# Market Overview Covered Bonds

Ireland

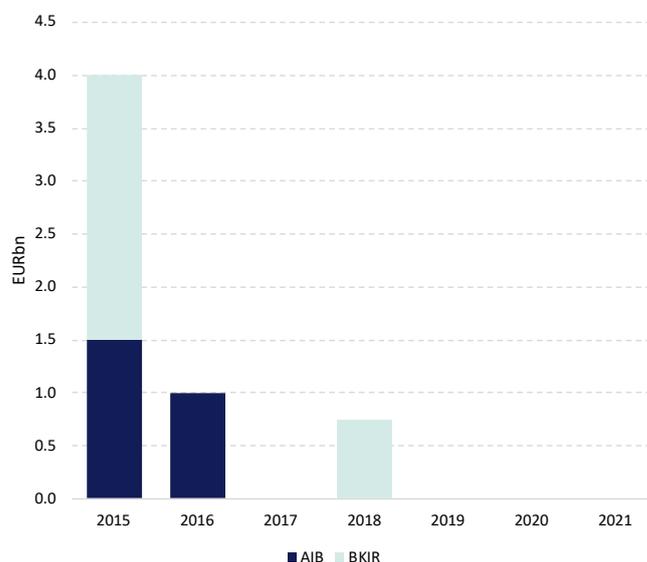
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 27.56bn	Outstanding volume (Bmk)	EUR 3.46bn
Amount outstanding	EUR 15.58bn	Number of benchmarks	4
Number of issuer	2	Outstanding ESG volume (Bmk)	-
No of cover pools	2	Number of ESG benchmarks	-
there of M / PS / others	2 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB

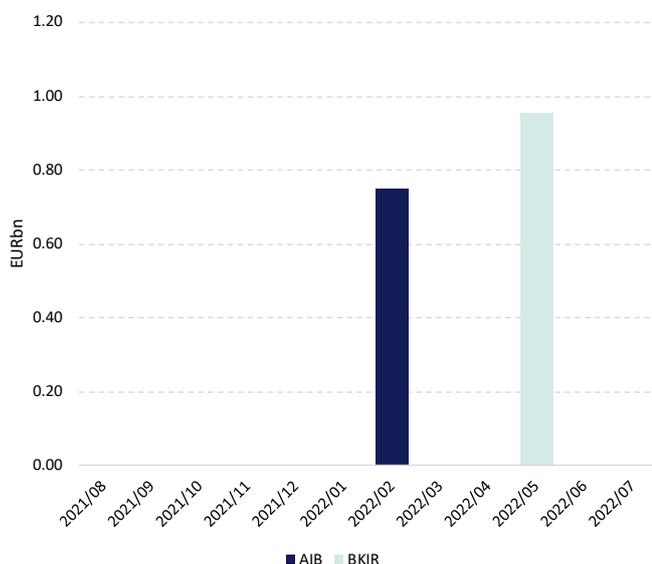
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



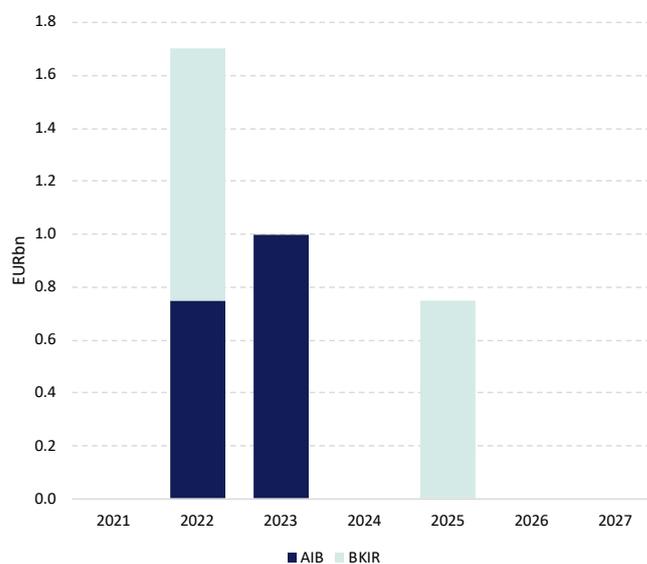
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Allied Irish Banks

Ireland 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	BBB	Negative
Moody's	Baa2	Stable
S&P	BBB-	Negative

## Homepage

[www.aib.ie](http://www.aib.ie)

\*Rating AIB Group (HoldCo)

Allied Irish Banks plc (AIB) was created in 1966 from a merger of three banks and provides its primarily Irish retail, corporate and business clients with a wide range of financial products and services in its role as a universal bank. The majority of AIB's operating earnings is accordingly generated in Ireland. AIB is the second-largest Irish bank in terms of assets and it is the market leader in many product segments within the domestic market. The Group boasts a share of 35% for private current accounts, 43% for business current accounts and 31% for mortgage loans. At the start of the financial crisis in 2008, AIB was bailed out by the Irish government, and almost completely taken over in 2010. Today, the Irish government holds around 71% of the shares via the Ireland Strategic Investment Fund. AIB is divided into the following four segments: Retail Banking, Corporate, Institutional & Business Banking, AIB UK and Group. In addition to a realignment strategy that focused on investment in digitalisation, cost-cutting exercises and capital strengthening, the holding structure of the bank was also created in the form of the AIB Group plc as holding company for the issuance of MREL-eligible senior bonds and Allied Irish Banks p.l.c. as its operational subsidiary (OpCo). The MREL target of the bank stands at 28.22% of RWAs from 2021 onwards (basis 2017). The issuance volume required for this (a planned EUR 5bn) was exceeded at the end of 2020. So far, a volume of EUR 6bn has been placed, EUR 1.6bn of which in 2020. In FY20, the non-performing exposures were above the figure of the previous year at EUR 4.3bn (FY19: EUR 3.3bn). The CET1 ratio of 15.6% (fully loaded, FY20) exceeds both the regulatory requirements and its own target of >14% (2020-2022).

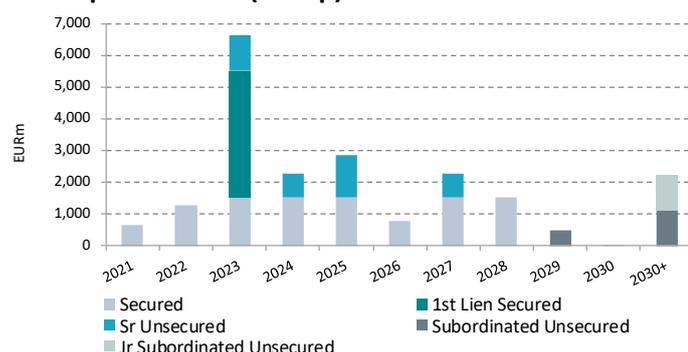
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	60,868	60,888	56,945
Total Securities	17,761	18,602	20,903
Total Deposits	67,699	71,803	81,972
Tier 1 Common Capital	10,909	10,589	10,047
Total Assets	91,536	98,562	110,385
Total Risk-weighted Assets	51,596	52,121	53,036

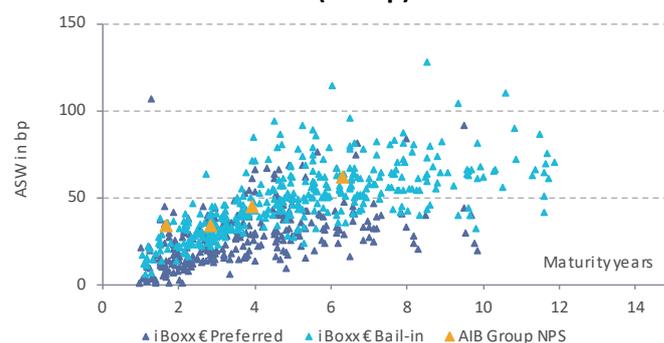
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	2,100	2,076	1,872
Net Fee & Commission Inc.	457	472	395
Net Trading Income	287	80	78
Operating Expense	1,671	2,155	1,764
Credit Commit. Impairment	-204	16	1,460
Pre-tax Profit	1,247	499	-931

## Redemption Profile (Group)



## Senior Unsecured Bonds (Group)



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.44	2.31	1.89	Liquidity Coverage Ratio	128.37	139.24	168.91
ROAE	7.95	2.59	-5.36	IFRS Tier 1 Leverage Ratio	12.13	10.98	9.28
Cost-to-Income	57.90	80.56	73.87	NPL/ Loans at Amortised Cost	9.97	5.50	7.65
Core Tier 1 Ratio	21.14	20.32	18.94	Reserves/Loans at Amort. Cost	3.25	2.00	4.23

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Redemption profile
- Capital ratios
- National market position in core segments

## Risks / Weaknesses

- Loan quality (positive trend)
- Concentration risks, competition
- Profitability

# Allied Irish Banks – Mortgage

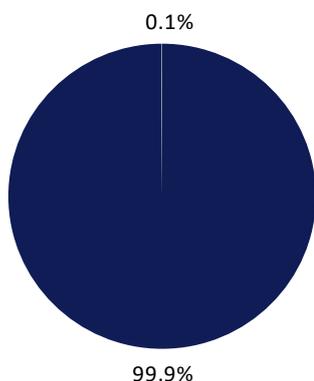
Ireland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

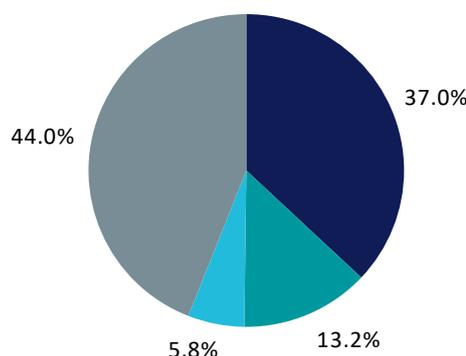
Cover pool volume (EURm)	15,385	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,175	Rating (S&P)	AAA
-thereof ≥ EUR 500m	17.2%	Rating (Fitch)	-
Current OC (nominal)	51.2%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Ireland	Collateral score	5.0%
Main region	37% Dublin	RRL	a
Number of loans	121,937	JRL	aa-
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3.63
WAL (cover pool)	19.2y	PCU	-
WAL (covered bonds)	3.9y	Recovery uplift	-
Fixed interest (cover pool)	27.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	17.4%	CRR 129 (7)	Yes
LTV (indexed)	54.2%	LCR level (Bmk)	1
LTV (unindexed)	58.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



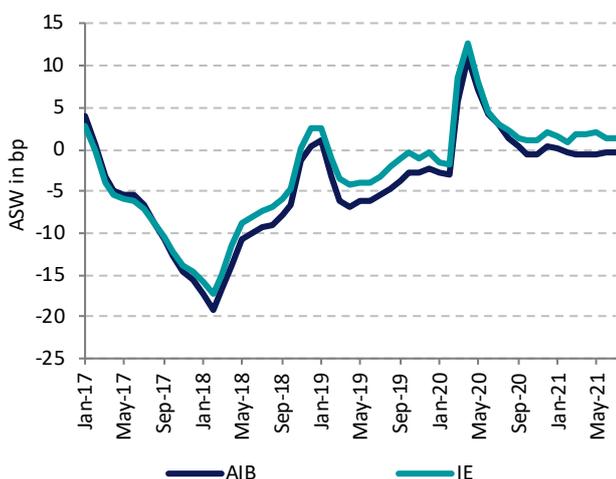
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



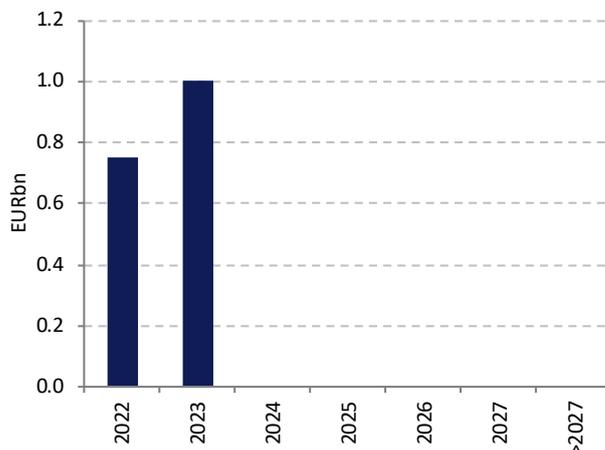
■ Dublin ■ Cork ■ Kildare ■ Others

## Spread Development (>1y)



— AIB — IE

## Redemption Profile (Bmk)



# Bank of Ireland

Ireland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	BBB	Negative
Moody's	Baa1	Stable
S&P	BBB-	Negative

## Homepage

[www.bankofireland.com](http://www.bankofireland.com)

\*Rating BOI Group HoldCo

Having been founded as early as 1783, Bank of Ireland (BOI) today constitutes the largest Irish financial institution in terms of assets following numerous acquisitions. In addition to retail banking and corporate banking, BOI is also active in the areas of insurance, credit cards and property financing. It has high market shares in the Irish retail and life insurance segments as well as being the nationwide leader in corporate banking. The bank offers its products and services predominantly on the domestic market, in the UK and Northern Ireland as well as in select international markets via its comprehensive branch and distribution network. BOI divides its operations into the segments Retail Ireland, Wealth and Insurance, Retail UK, Corporate & Treasury and Group Centre. Following significant value adjustments in BOI's property portfolio in 2008, the bank was forced to call on state support (EUR 3.5bn). The Irish state still holds a stake of approximately 14% in the BOI Group and is, therefore, the bank's major shareholder. In the previous financial year, non performing exposures rose by around 30% to EUR 4.5bn, equating to an NPE ratio of 5.7%. The MREL requirement from 2021 onwards stands at 24.95% of RWAs; as at year-end 2020, the ratio stood at 24.6%. In order to comply with the requirements, MREL-eligible senior debt issuances in the amount of EUR 1.0bn to EUR 2.0bn are expected on an annual basis. With a leverage ratio of 7.1% (fully loaded: FY 2020), BOI exceeds the requirement of 3% defined by the supervisory authority. With a CET1 ratio of 13.4% (fully loaded) as at December 2020, capitalisation exceeds the target ratio of 13.5% by 2021. A target of 50% for the CIR (as at year-end 2020: 53%) has been defined as well.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	76,363	79,487	76,581
Total Securities	31,889	33,823	36,842
Total Deposits	78,971	84,043	88,718
Tier 1 Common Capital	5,797	6,347	5,517
Total Assets	123,696	131,918	133,786
Total Risk-weighted Assets	38,106	41,675	40,277

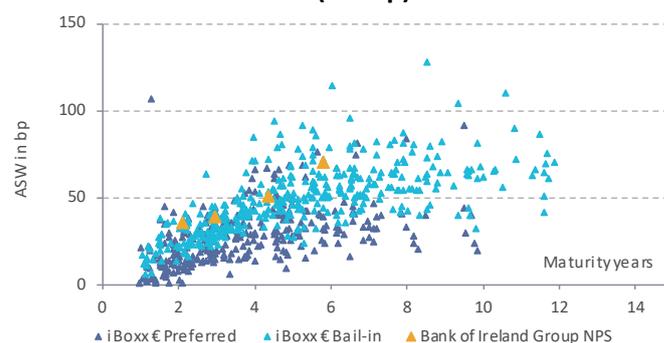
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	2,131	2,165	2,072
Net Fee & Commission Inc.	297	305	256
Net Trading Income	57	124	33
Operating Expense	2,040	2,003	2,113
Credit Commit. Impairment	-42	214	1,130
Pre-tax Profit	834	639	-776

## Redemption Profile (Group)



## Senior Unsecured Bonds (Group)



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.82	1.77	1.64	Liquidity Coverage Ratio	136.00	138.00	153.00
ROAE	7.53	4.68	-7.72	IFRS Tier 1 Leverage Ratio	4.79	4.94	4.22
Cost-to-Income	72.06	68.08	80.53	NPL/ Loans at Amortised Cost	6.55	4.44	5.88
Core Tier 1 Ratio	15.21	15.23	13.70	Reserves/Loans at Amort. Cost	2.18	1.62	2.84

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Strong market positioning in Ireland; capitalisation
- Deposit basis
- Liquidity buffer

## Risks / Weaknesses

- Concentration risks (UK)
- Competition
- NPL ratio (positive trend)

# Bank of Ireland – Mortgage

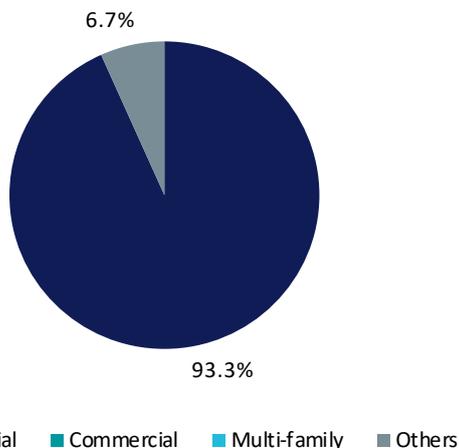
Ireland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

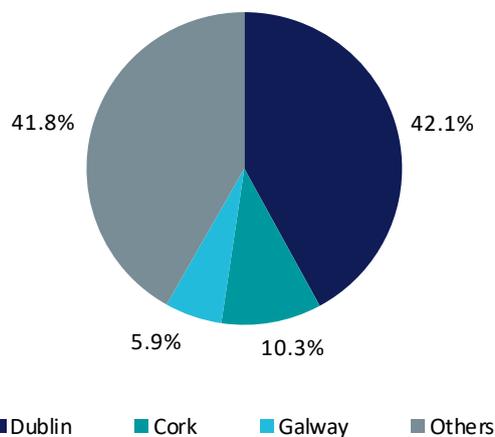
## Cover Pool Data

Cover pool volume (EURm)	12,176	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,408	Rating (S&P)	-
-thereof ≥ EUR 500m	31.5%	Rating (Fitch)	-
Current OC (nominal)	125.1%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Ireland	Collateral score	10.3%
Main region	42% Dublin	RRL	-
Number of loans	81,825	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	11.2y	PCU	-
WAL (covered bonds)	4.0y	Recovery uplift	-
Fixed interest (cover pool)	71.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	40.8%	CRR 129 (7)	Yes
LTV (indexed)	55.6%	LCR level (Bmk)	1
LTV (unindexed)	62.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



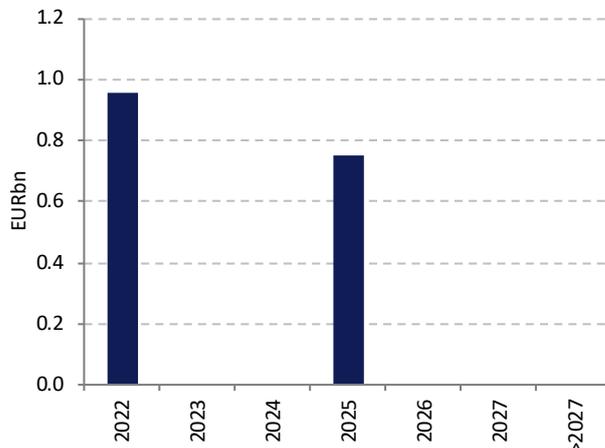
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



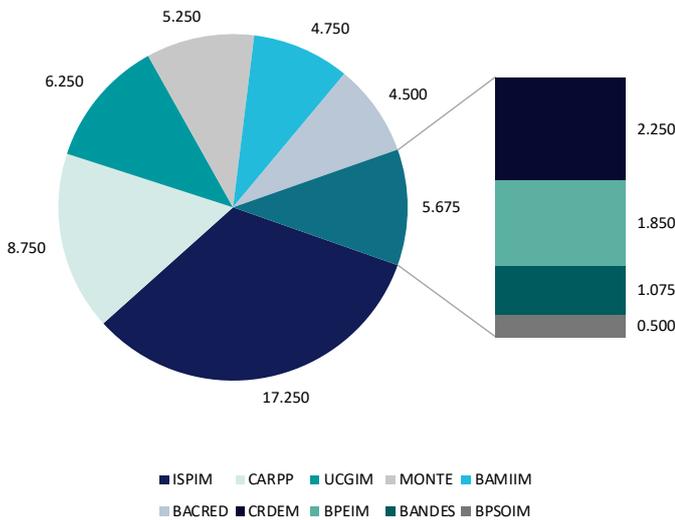
# Market Overview Covered Bonds

Italy

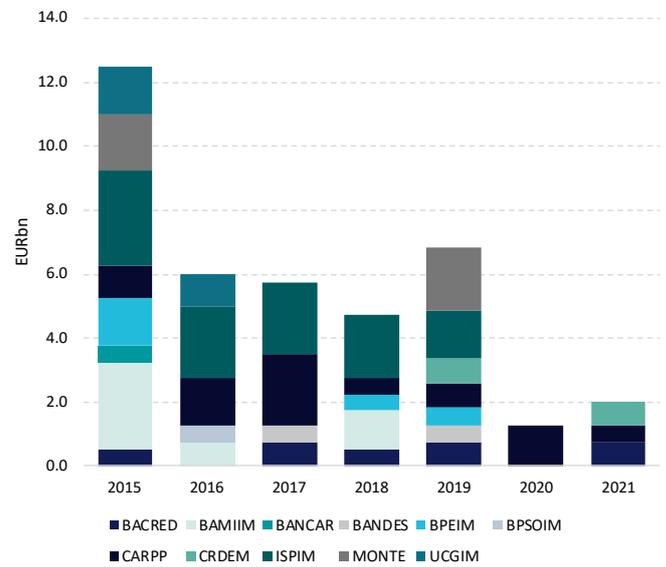
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 117.28bn	Outstanding volume (Bmk)	EUR 52.43bn
Amount outstanding	EUR 90.75bn	Number of benchmarks	61
Number of issuer	11	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	14	Number of ESG benchmarks	1
there of M / PS / others	14 / 0 / 0	Outstanding volume (SBmk)	EUR 0.30bn
Ratings (low / high)	A / AA	Number of subbenchmarks	1
Best possible LCR level	Level 1	Maturity types	SB, CPT

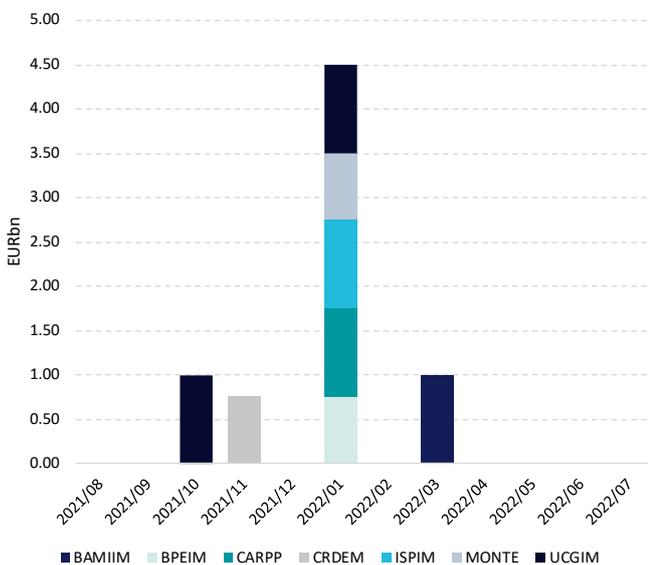
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



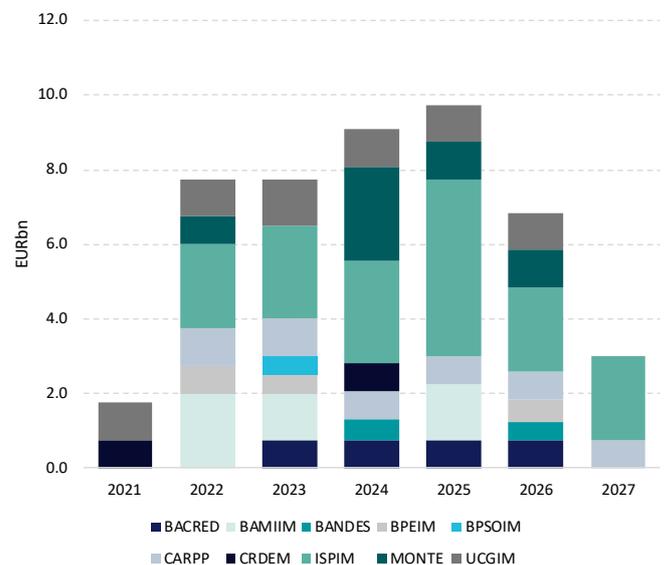
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Banca Monte dei Paschi di Siena

Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	B	Negative
Moody's	B1	*
S&P	-	-

## Homepage

[www.gruppompis.it](http://www.gruppompis.it)

\* rating under review

Banca Monte dei Paschi di Siena (MPS) is one of Italy's largest financial institutions and is considered to be the world's oldest bank (established in 1472). In Italy, it is a domestic systemically important bank (D-SIB). The Italian Ministry of Economy and Finance is the main shareholder in MPS, holding a stake of around 68%. MPS is active throughout Italy as well as in selected global financial centres. The bank's business activities are focused on retail and corporate clients in more than 1,400 branches and 140 specialised centres. Moreover, the Group is active in all key business areas via specialist subsidiaries for leasing, factoring, corporate finance and investment banking. MPS reports in the following segments: Retail Banking, Wealth Management, Corporate Banking and Corporate Center. Over the past few years, MPS has been repeatedly forced to seek state aid. A restructuring plan was agreed with the ECB, with one of the primary objectives being to restore the bank's profitability, among other aims. Part of this programme is the Pegaso Programme (2018-2020), which contained five projects designed to strengthen the corporate client business. In the first project, the business model and the processes were significantly shortened, for example by simplifying the sales network. The introduction of various digital platforms in the area of asset consultancy constituted a further milestone. MPS was also keen to focus more heavily on SMEs and bancassurance. In addition, the allocation and further development of the bank's human capital formed part of the programme (HR re-skilling). The NPL ratio had fallen quite significantly by the end of 2020 to 4.3% (12.4% as at FY 2019).

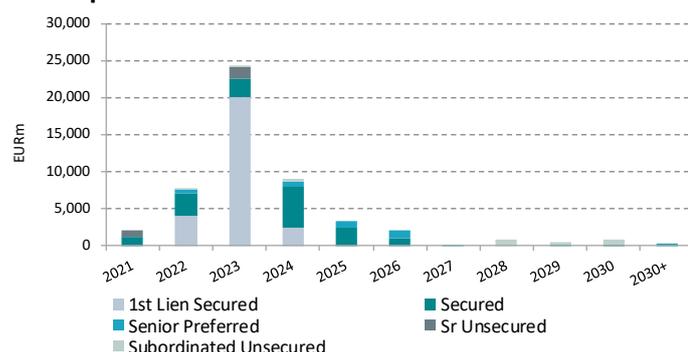
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	89,309	92,145	82,259
Total Securities	17,778	15,394	25,320
Total Deposits	77,079	94,498	87,124
Tier 1 Common Capital	8,620	6,053	5,958
Total Assets	132,196	150,345	146,659
Total Risk-weighted Assets	58,559	49,903	48,901

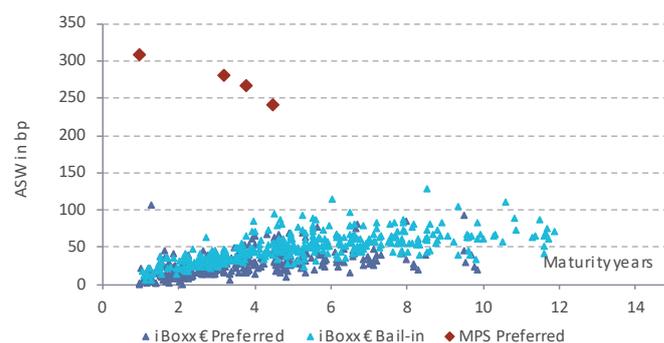
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,490	1,730	-
Net Fee & Commission Inc.	1,449	-	-
Net Trading Income	246	-	-
Operating Expense	2,816	2,533	-
Credit Commit. Impairment	520	603	-
Pre-tax Profit	54	-	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.22	-	-	Liquidity Coverage Ratio	208.55	169.44	187.20
ROAE	-11.27	-23.37	8.09	IFRS Tier 1 Leverage Ratio	6.67	4.12	-
Cost-to-Income	80.60	-	-	NPL/ Loans at Amortised Cost	13.38	4.36	4.98
Core Tier 1 Ratio	14.72	12.13	12.18	Reserves/Loans at Amort. Cost	6.59	2.59	2.96

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Liquidity
- Market position

## Risks / Weaknesses

- Credit quality & profitability
- Restructuring process

# Banca Monte dei Paschi di Siena – Mortgage (CPT)

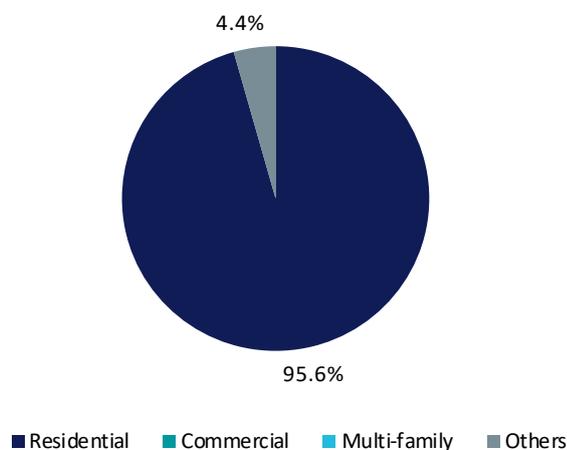
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

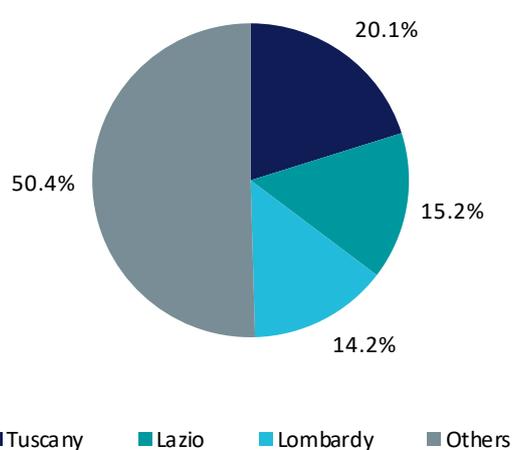
## Cover Pool Data

Cover pool volume (EURm)	11,963	Rating (Moody's)	Aa3
Amount outstanding (EURm)	8,200	Rating (S&P)	-
-thereof ≥ EUR 500m	64.0%	Rating (Fitch)	A+
Current OC (nominal)	45.9%	Rating (DBRS)	AAL
Committed OC	23.5%	TPI	Very High
Cover type	Mortgage	TPI leeway	0
Main country	100% Italy	Collateral score	7.5%
Main region	20% Tuscany	RRL	-
Number of loans	158,152	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	9.7y	PCU	6
WAL (covered bonds)	3.0y	Recovery uplift	2
Fixed interest (cover pool)	34.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	78.7%	CRR 129 (7)	Yes
LTV (indexed)	53.8%	LCR level (Bmk)	1
LTV (unindexed)	49.9%	Risk weight	10%
Loans in arrears	0.7%	Maturity structure (Bmk)	CPT

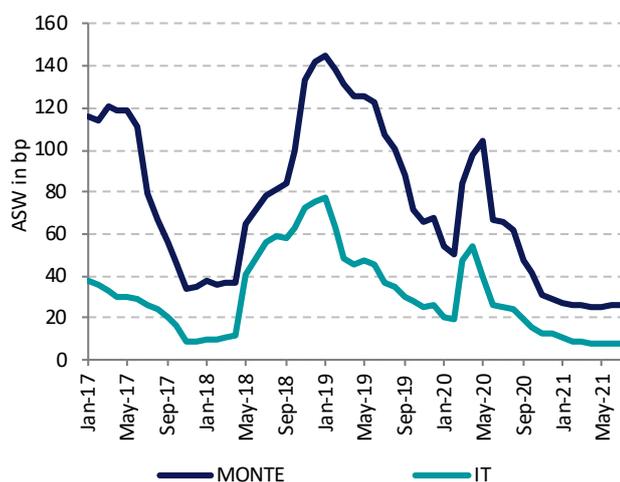
## Borrower Types



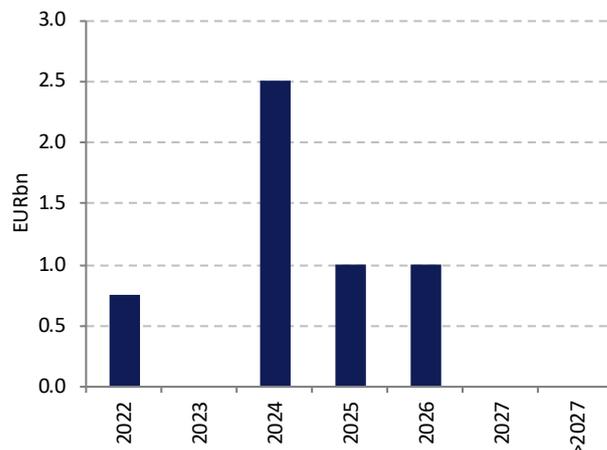
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banca Popolare dell'Alto Adige / Volksbank Südtirol Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB+	Negative
Moody's	-	-
S&P	BB+	Negative

## Homepage

[www.volksbank.it](http://www.volksbank.it)

Volksbank Südtirol (VS) is a regional bank headquartered in Bolzano. In addition to its original domestic market in South Tyrol (56 branches), it is also active in Trento (17), Belluno (19), Treviso (21), Padua (6), Pordenone (3), Venice (14) and Vicenza (31). Following several mergers and acquisitions, VS has been a Società per azioni (public limited company) and listed in the Bolzano commercial register since 2016. VS has a wide shareholder basis with around 60,000 shareholders, who are located mainly in South Tyrol and Vicenza. The bank, which serves the retail as well as business and corporate customer segments, focuses mainly on private households and SMEs. In the corporate customer segment, VS specialises in specific sectors such as tourism and agriculture. A total of around 1,300 staff (FTEs) serve a client base of roughly 280,000 customers, of which 242,600 are retail banking customers. With the "Sustainable 2023" strategic plan, VS is seeking autonomous growth and sustainable business development in north-east Italy. For example, the bank is aiming to drive forward digitalisation to increase the process speed of customer services. As part of the strategy, VS intends to achieve the following target values up to 2023: total capital ratio of more than 15.5% (FY 2020: 17.0%), cost-income ratio <63.7% (60.2%), NPL <8.3% (6.4%) and an NSFR of more than 113% (127%). In this context, it is worth noting that the NPL ratio has steadily declined since December 2016, when it stood as high as 16.0%. The capital and liquidity key metrics such as the CET1 ratio at 14.6% and the LCR at more than 229% fulfil the regulatory requirements. At VS, most of the funding (approximately two-thirds) is covered by customer deposits.

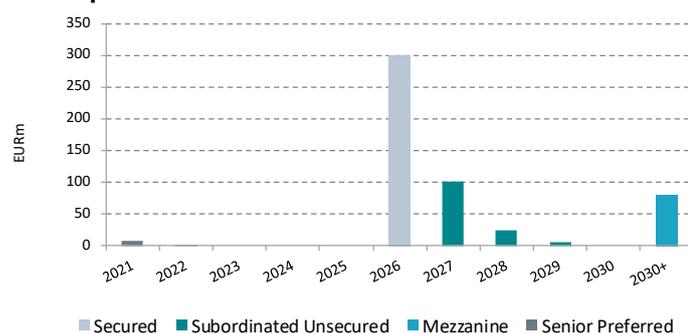
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	8,636	9,007	9,697
Total Securities	889	688	647
Total Deposits	6,985	7,423	8,055
Tier 1 Common Capital	728	753	771
Total Assets	10,276	10,562	11,626
Total Risk-weighted Assets	6,472	5,909	5,303

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	165	175	173
Net Fee & Commission Inc.	91	91	84
Net Trading Income	-0	-12	6
Operating Expense	190	197	190
Credit Commit. Impairment	37	75	64
Pre-tax Profit	44	-95	21

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.76	1.77	1.63	Liquidity Coverage Ratio	125.70	172.40	229.00
ROAE	4.01	-10.65	2.12	IFRS Tier 1 Leverage Ratio	7.17	7.14	6.64
Cost-to-Income	68.33	71.05	67.13	NPL/ Loans at Amortised Cost	8.28	6.50	5.34
Core Tier 1 Ratio	11.25	12.74	14.54	Reserves/Loans at Amort. Cost	4.03	3.81	3.50

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Funding profile
- Liquidity position
- Capitalisation

## Risks / Weaknesses

- Geographical diversification
- NPL ratio
- Low interest rate environment and competitive pres-

# Banca Popolare dell'Alto Adige – Mortgage

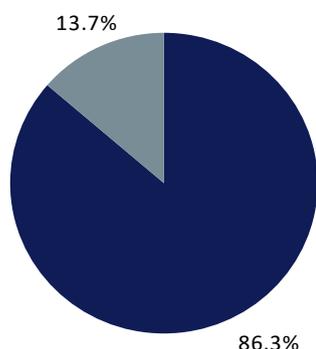
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

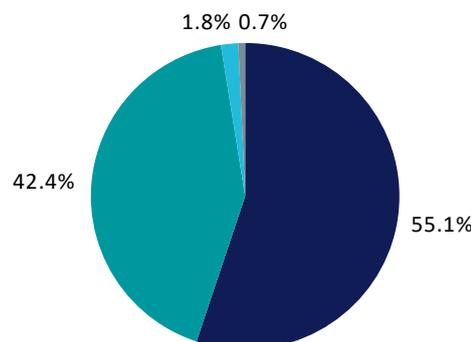
Cover pool volume (EURm)	440	Rating (Moody's)	-
Amount outstanding (EURm)	300	Rating (S&P)	-
-thereof ≥ EUR 250m	100.0%	Rating (Fitch)	AA-
Current OC (nominal)	46.6%	Rating (DBRS)	-
Committed OC	26.6%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	55% Trentino-South Tyrol	RRL	-
Number of loans	4,337	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.7y	PCU	6
WAL (covered bonds)	5.6y	Recovery uplift	2
Fixed interest (cover pool)	32.9%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	41.8%	LCR level (SBmk)	2A
LTV (unindexed)	41.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



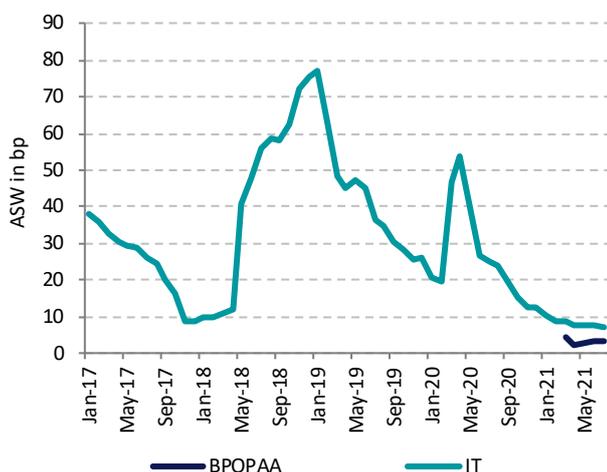
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

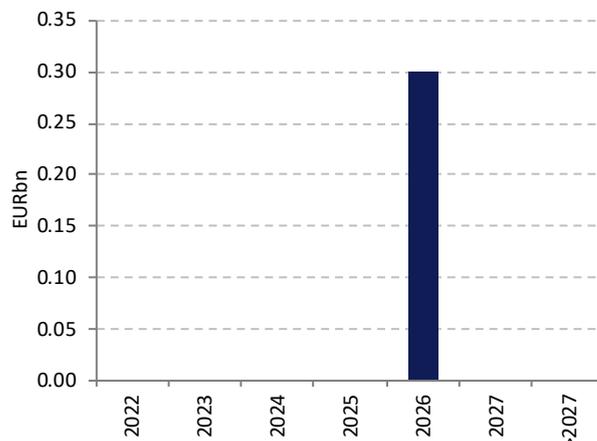


■ Trentino-South Tyrol ■ Veneto ■ Friuli Venezia Giulia ■ Others

## Spread Development (>1y)



## Redemption Profile (SBmk)



# Banca Popolare di Sondrio

Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB+	Negative
Moody's	-	-
S&P	-	-

## Homepage

[www.popso.it](http://www.popso.it)

The banking group Banca Popolare di Sondrio (BPS) consists of the holding company Banca Popolare di Sondrio, headquartered in Sondrio, in addition to various subsidiaries. These include Banca Popolare di Sondrio (Switzerland), a wholly owned subsidiary established in 1995 and headquartered in Lugano (its business model corresponds to that of the parent company), in addition to the specialist institutes Factorit SpA (share: 60.5%; headquarters: Milan), Banca della Nuova Terra SpA (share: 100%; active in the agri and food sector), Singeria Seconda Srl (project company; share: 100%) and Popso Covered Bond Srl (share: 60%). The Group, which employs a total of 3,325 staff (as at year-end 2020), offers its customers the full spectrum of a universal bank in 360 branches. In addition to the bank's strong presence in its home province of Sondrio, BPS expanded its business activities over time to encompass further parts of northern Italy, Rome and Switzerland, the latter of which contributes around 7% of commission income and 13% of net interest income (September 2020). By the end of the fourth quarter of 2020, the CET1 ratio had increased to 16.2% (fully loaded), while the leverage ratio amounted to 6.23% (fully loaded) for the same period. According to its own information, BPS has also fulfilled both minimum liquidity requirements of 100% (LCR and NSFR). The level of non-performing loans (gross) fell from 12.6% as at year-end 2019 to 9.03% as at the end of 2020. During the same period, the coverage ratio fell from 57.8% to 55.2%. Growth in NPLs and risk costs is anticipated in the current year. Deposits provide the overwhelming majority of the bank's funding, meaning that its dependency on wholesale funding is low.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	33,393	35,548	36,046
Total Securities	3,237	3,849	4,429
Total Deposits	29,817	32,728	32,633
Tier 1 Common Capital	2,712	2,967	2,943
Total Assets	41,146	49,808	51,120
Total Risk-weighted Assets	17,224	18,187	17,763

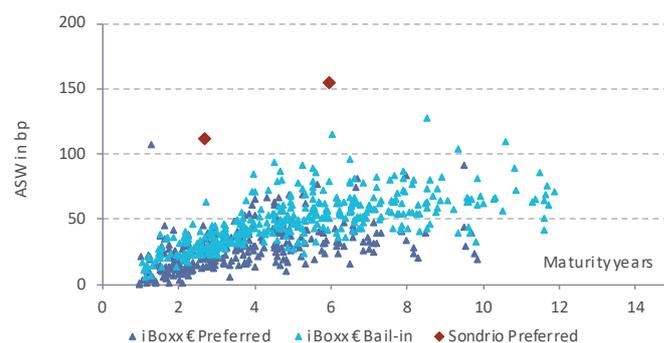
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	460	490	129
Net Fee & Commission Inc.	322	316	85
Net Trading Income	114	2	31
Operating Expense	594	588	159
Credit Commit. Impairment	166	107	27
Pre-tax Profit	195	157	87

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	1.14	1.13	1.06	Liquidity Coverage Ratio	173.22	293.00
ROAE	4.89	3.70	7.75	IFRS Tier 1 Leverage Ratio	6.61	5.76
Cost-to-Income	59.31	65.19	58.15	NPL/ Loans at Amortised Cost	11.26	6.34
Core Tier 1 Ratio	15.75	16.32	16.57	Reserves/Loans at Amort. Cost	6.44	3.76

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Economic landscape in northern Italy (business focus)
- Deposit basis
- Liquidity position and capitalisation

## Risks / Weaknesses

- Economic development
- Asset quality
- Diversification

# Banca Popolare di Sondrio – Mortgage

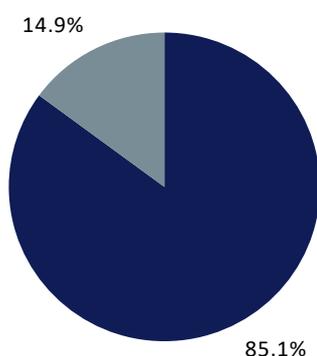
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

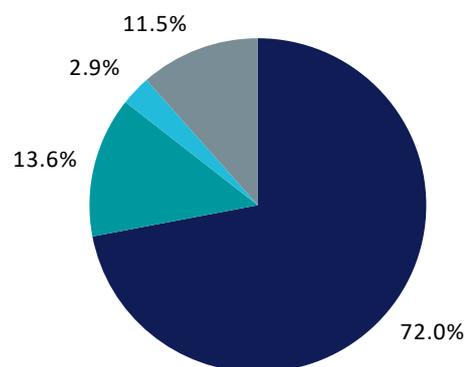
Cover pool volume (EURm)	1,714	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AA-
Current OC (nominal)	242.8%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	72% Lombardy	RRL	-
Number of loans	16,152	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.1y	PCU	6
WAL (covered bonds)	2.0y	Recovery uplift	2
Fixed interest (cover pool)	23.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	57.1%	Risk weight	10%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

## Borrower Types



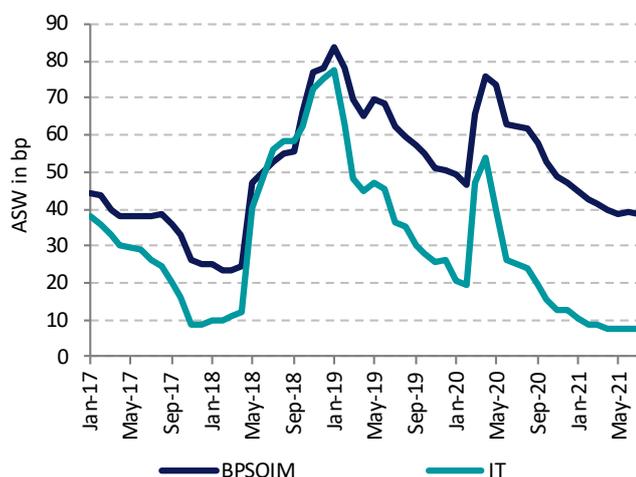
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



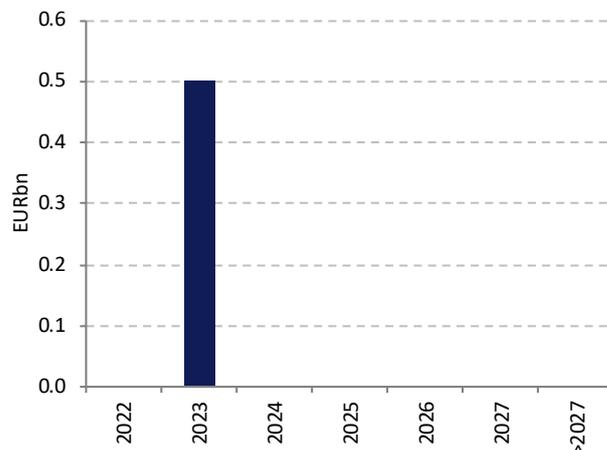
■ Lombardy ■ Lazio ■ Piedmont ■ Others

## Spread Development (>1y)



— BPSOIM — IT

## Redemption Profile (Bmk)



# Banco BPM

Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Ba2	Stable
S&P	-	-

## Homepage

[www.bancobpm.it](http://www.bancobpm.it)

Banca Popolare di Milano Scarl (BPM) and Banco Popolare Societa Cooperativa (BP), both formerly organised along cooperative lines, merged with effect from 1 January 2017. The resultant bank now operates under the name Banco BPM. The holding company is listed on the stock exchange in the form of a public limited company. Its largest shareholder is the Capital Research and Management Company with just under 5%. Banco BPM is the third largest banking group in Italy and is classified as a domestic systemically important bank (D-SIB), employing approximately 20,780 staff who serve roughly four million customers as well as 470,000 business and corporate customers. BPM's geographic business focus is on the regions of northern Italy with its headquarters in Milan and Verona. It reports across the following segments: Retail, Corporate, Institutional, Private, Investment Banking, Strategic Partnerships, Leases and Corporate Centre. As a universal bank, BPM offers a wide range of banking products. The Group is represented in a variety of segments through its subsidiaries, including Banca Aletti (100% stake; Private Banking), Banca Akros (100%; issuer of structured products) and Agos Ducato (39%; Consumer Credit). Its focus will continue to be on reducing the high level of problem loans. Accordingly, the current NPE ratio is to be reduced from 7.5% (FY 2020; 9.1 % in FY 2019) by a further 1.6 percentage points by 2023 to 5.9%. The CET1 ratio (fully loaded) of 13.3% (FY 2020) is above the internal target of 12.5% in addition to the SREP requirement for 2021. Approximately 82% of the funding mix consists of deposits, followed by bonds at just under 15%. Of these, around 34% are covered bonds.

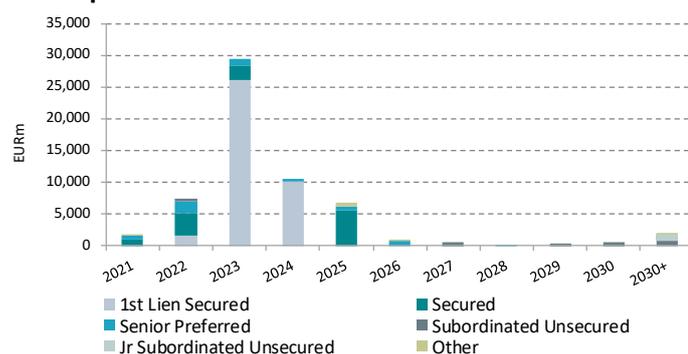
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	122,874	131,117	132,209
Total Securities	18,621	17,630	23,623
Total Deposits	98,580	109,663	-
Tier 1 Common Capital	9,497	9,575	9,321
Total Assets	167,038	183,685	197,151
Total Risk-weighted Assets	65,821	65,604	68,403

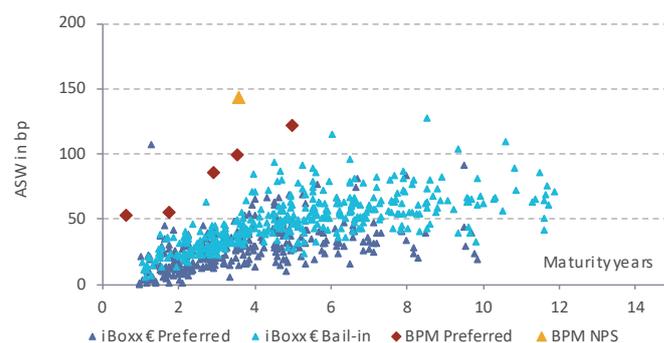
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,998	1,957	-
Net Fee & Commission Inc.	1,737	1,642	-
Net Trading Income	274	-7	-
Operating Expense	3,158	3,201	-
Credit Commit. Impairment	717	1,061	-
Pre-tax Profit	846	-249	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	1.31	1.19	-	Liquidity Coverage Ratio	155.78	209.00
ROAE	7.02	0.14	3.22	IFRS Tier 1 Leverage Ratio	5.84	-
Cost-to-Income	68.94	77.74	-	NPL/ Loans at Amortised Cost	8.25	6.56
Core Tier 1 Ratio	14.43	14.59	13.63	Reserves/Loans at Amort. Cost	3.83	3.56

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position
- Liquidity
- Deposit basis

## Risks / Weaknesses

- Asset quality (positive trend)
- Profitability
- Economic environment

# Banco BPM – Mortgage (BPM CB)

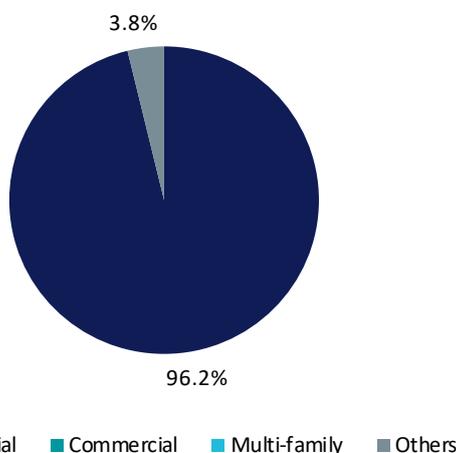
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

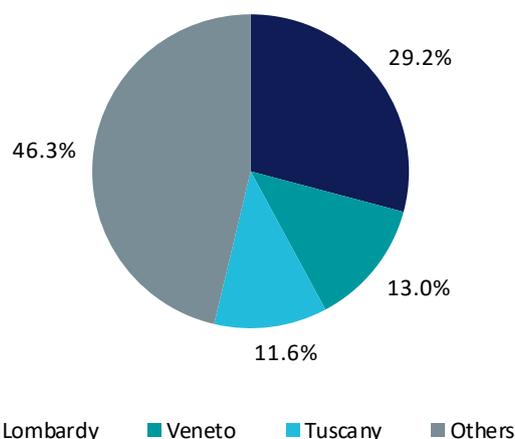
## Cover Pool Data

Cover pool volume (EURm)	4,135	Rating (Moody's)	Aa3
Amount outstanding (EURm)	3,250	Rating (S&P)	-
-thereof ≥ EUR 500m	30.8%	Rating (Fitch)	-
Current OC (nominal)	27.2%	Rating (DBRS)	A
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	0
Main country	100% Italy	Collateral score	5.0%
Main region	29% Lombardy	RRL	-
Number of loans	55,581	JRL	-
Number of borrowers	54,771	Unused notches	-
Avg. exposure to borrowers (EUR)	75,489	AAA credit risk (%)	-
WAL (cover pool)	14.9y	PCU	-
WAL (covered bonds)	1.6y	Recovery uplift	-
Fixed interest (cover pool)	26.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	38.5%	CRR 129 (7)	Yes
LTV (indexed)	49.6%	LCR level (Bmk)	2A
LTV (unindexed)	41.1%	Risk weight	20%
Loans in arrears	1.9%	Maturity structure (Bmk)	SB

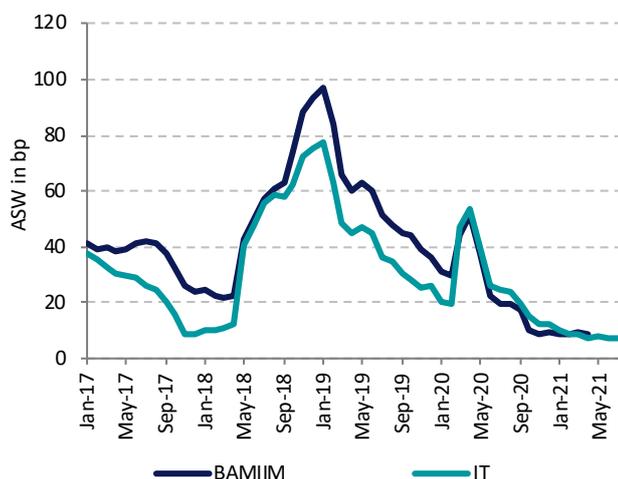
## Borrower Types



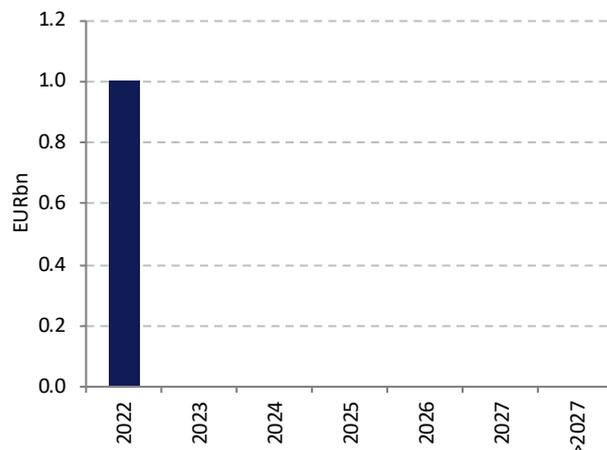
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banco BPM – Mortgage (BPM CB 2)

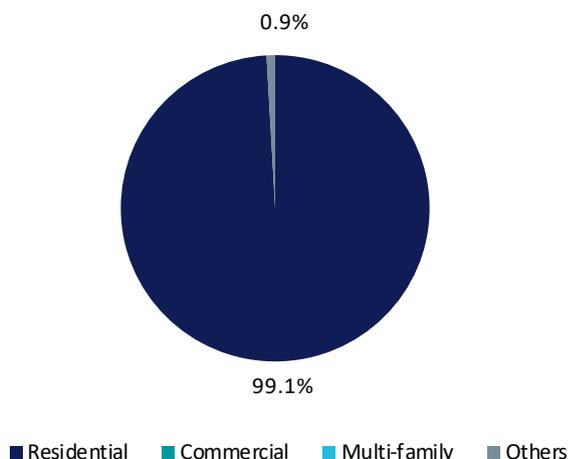
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

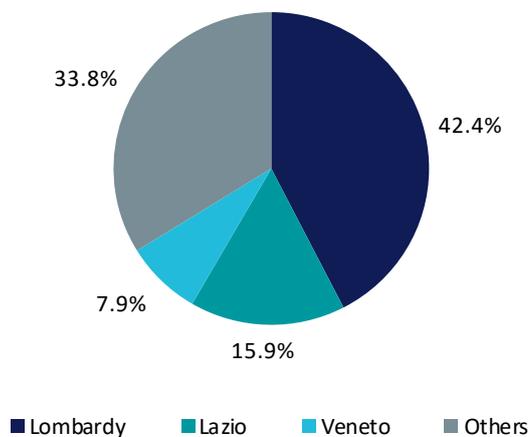
## Cover Pool Data

Cover pool volume (EURm)	5,551	Rating (Moody's)	Aa3
Amount outstanding (EURm)	4,250	Rating (S&P)	-
-thereof ≥ EUR 500m	88.2%	Rating (Fitch)	-
Current OC (nominal)	30.6%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	0
Main country	100% Italy	Collateral score	5.0%
Main region	42% Lombardy	RRL	-
Number of loans	58,794	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	9.8y	PCU	-
WAL (covered bonds)	3.1y	Recovery uplift	-
Fixed interest (cover pool)	61.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	54.9%	LCR level (Bmk)	1
LTV (unindexed)	64.6%	Risk weight	10%
Loans in arrears	0.4%	Maturity structure (Bmk)	SB

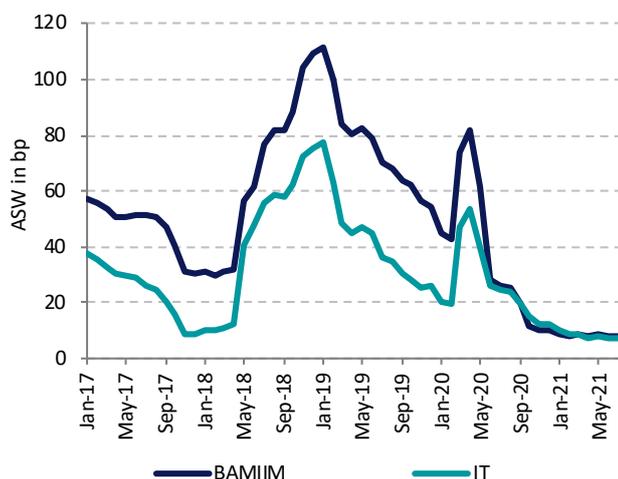
## Borrower Types



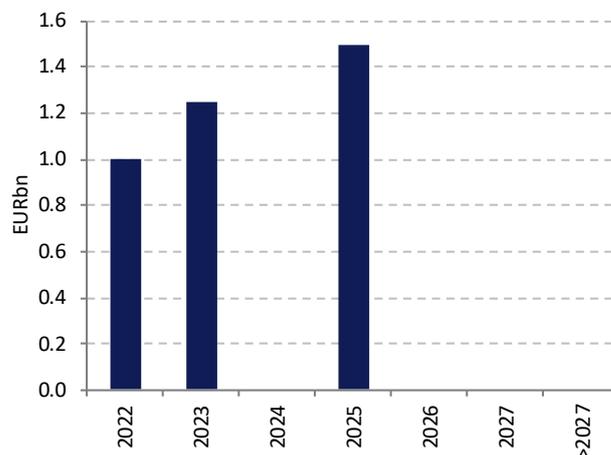
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banco Desio

Italy 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB+	Stable
Moody's	-	-
S&P	-	-

## Homepage

[www.bancodesio.it](http://www.bancodesio.it)

Banco di Desio e della Brianza (Banco Desio), which has been listed on the Italian stock exchange since 1995, is the parent company of the Banco Desio Group. Over 50% of the Group is family-owned via Brianza Unione di Luigi Gavazzi & C. SApA, while approximately 40% of its shares are held in free float. The Group offers a wide range of banking, financial and insurance products. All activities that serve the core business are bundled in the parent company. It particularly focuses on individuals and small businesses. The Group is represented by 249 branches in 10 regions across Italy (FY 2020). The majority of the branches are located in Lombardy (40.6%), followed by Umbria (20.6%) and Lazio (11.6%). The subsidiaries Fides (100% stake) and Desio OBG (60%) form part of the Group. Fides was acquired in 2007 and is responsible for consumer loans. The former subsidiary Banca Popolare di Spoleto (approximately 81% stake in 2018) was taken over in 2014 with the aim of strengthening the Group's market position in the retail banking and SME segments in central Italy. In January 2019, it was incorporated into the parent company. As at year-end 2020, Banco Desio had a core capital ratio of 10.85%. This is in excess of the regulatory minimum requirement (SREP ratio for 2020: 7.35%). Over recent years, the bank's relatively high share of problem loans has been significantly reduced. While the NPL ratio stood at 15.1% as at the end of financial year 2017, it has fallen to 5.37% as at the end of 2020, thereby complying with the bank's self-imposed target of 5.5%. The NPL coverage ratio amounts to 47.5% (FY 2020; FY 2019: 45.5%).

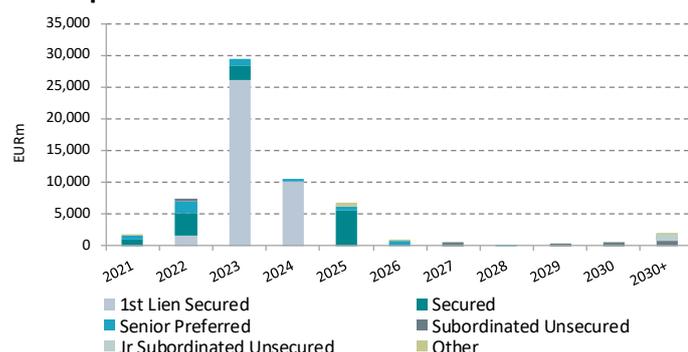
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	12,071	12,035	12,967
Total Securities	357	604	720
Total Deposits	9,255	9,498	10,256
Tier 1 Common Capital	946	984	1,030
Total Assets	13,608	14,192	15,664
Total Risk-weighted Assets	7,783	7,592	7,022

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	219	218	222
Net Fee & Commission Inc.	166	167	166
Net Trading Income	-17	3	5
Operating Expense	308	320	325
Credit Commit. Impairment	64	53	74
Pre-tax Profit	43	58	32

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.66	1.62	1.57	Liquidity Coverage Ratio	170.90	179.88	194.20
ROAE	4.01	4.24	2.44	IFRS Tier 1 Leverage Ratio	6.96	6.95	6.59
Cost-to-Income	74.36	74.14	75.52	NPL/ Loans at Amortised Cost	5.51	5.19	4.48
Core Tier 1 Ratio	12.15	12.97	14.66	Reserves/Loans at Amort. Cost	2.57	2.68	2.63

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Deposit basis
- Capitalisation
- Regional market position

## Risks / Weaknesses

- Efficiency
- NPL ratio
- Economic environment

# Banco Desio – Mortgage

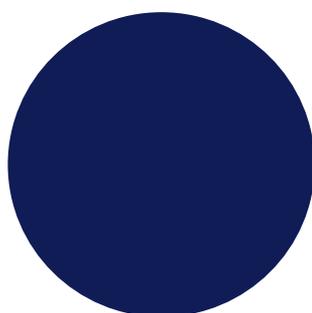
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	1,433	Rating (Moody's)	-
Amount outstanding (EURm)	1,175	Rating (S&P)	-
-thereof ≥ EUR 500m	91.5%	Rating (Fitch)	AA-
Current OC (nominal)	21.9%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	43% Lombardy	RRL	-
Number of loans	15,260	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	15.9y	PCU	6
WAL (covered bonds)	4.8y	Recovery uplift	2
Fixed interest (cover pool)	59.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	61.6%	Risk weight	10%
Loans in arrears	0.3%	Maturity structure (Bmk)	SB

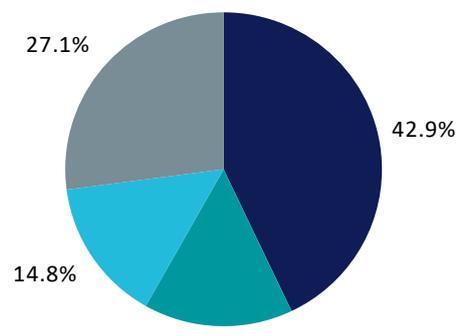
## Borrower Types



100.0%

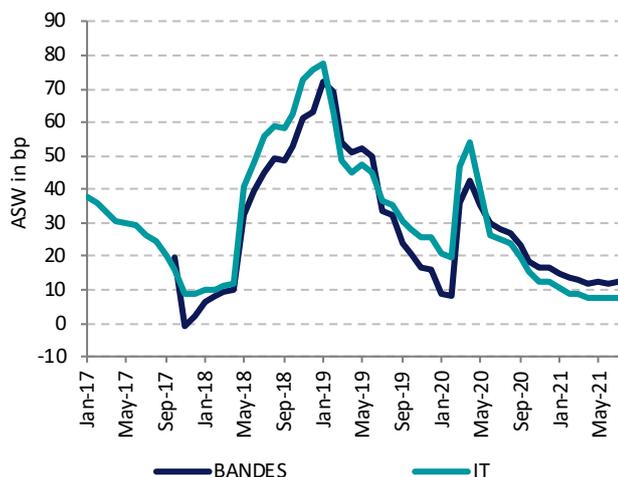
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

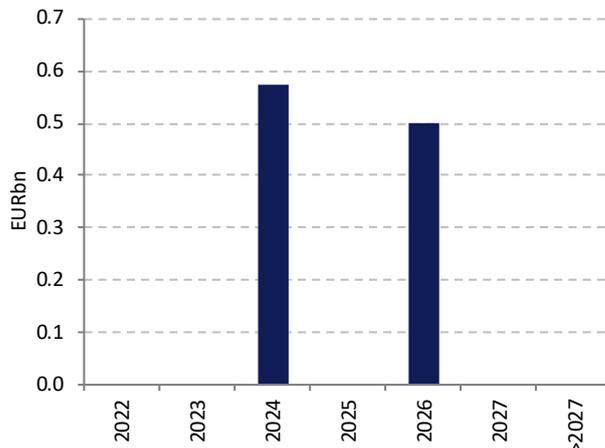


■ Lombardy ■ Lazio ■ Umbria ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# BPER Banca

 Italy 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB	Stable
Moody's	Ba3	Stable
S&P	-	-

## Homepage

[www.bper.it](http://www.bper.it)

Banca Popolare dell'Emilia Romagna (BPER Banca) was established in 1867 as Banca Popolare di Modena. In the wake of several acquisitions, the bank expanded its area of influence throughout the whole of Italy, where it operates 1,251 branches. In 2016, the formerly cooperative bank was converted into a public limited company, with its main shareholders being the Unipol Gruppo (18.9%) and Fondazione di Sardegna with 10.2%. The BPER Group was established in 1992 by BPER Banca and, according to information from the bank itself, is the fifth largest banking group in Italy. As a universal bank, BPER offers a wide range of financial services. These banks conduct operations in their respective areas of business. The Group's range of products is complemented by additional entities (asset management, private loans, leasing and factoring). The group's national market share for retail loans was 2.99% and 3.12% for deposits at the end of October 2020. In September 2020, the ECB approved BPER Banca's takeover of 532 branches (including all associated assets and liabilities) of Intesa, increasing its balance sheet total to EUR 27bn in the process. The portfolio of NPEs reduced by 2.3 percentage points year on year to 8.8% as at the end of December 2020, while the NPE ratio fell to 7.8% at the same time (Dec. 2020: 11.1%). The target value for the end of 2021 is less than 9%. At 51% as at the end of FY 2020, the cover ratio for NPEs has remained stable. With a CET1 ratio of 15.9% (fully loaded) as at Q4 2020 and an LCR of 200.1%, the bank significantly exceeds the regulatory requirements. The target CET1 ratio for 2021 is >13%.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	60,501	65,665	88,991
Total Securities	7,733	7,500	7,715
Total Deposits	52,087	58,314	89,230
Tier 1 Common Capital	4,829	5,932	6,559
Total Assets	79,033	93,062	128,999
Total Risk-weighted Assets	34,721	33,488	45,519

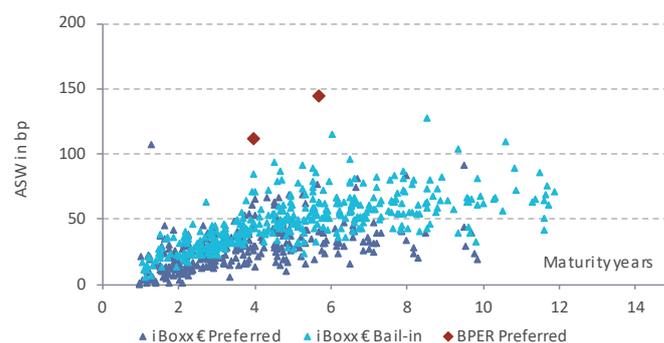
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,165	1,239	344
Net Fee & Commission Inc.	932	1,073	328
Net Trading Income	111	136	76
Operating Expense	1,872	1,849	477
Credit Commit. Impairment	439	548	420
Pre-tax Profit	417	197	548

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.67	1.55	1.30	Liquidity Coverage Ratio	158.87	200.13	201.70
ROAE	7.72	4.80	24.72	IFRS Tier 1 Leverage Ratio	6.20	6.47	5.12
Cost-to-Income	77.21	70.44	61.75	NPL/ Loans at Amortised Cost	10.12	6.62	5.37
Core Tier 1 Ratio	13.91	17.71	14.41	Reserves/Loans at Amort. Cost	5.15	3.51	3.00

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Liquidity profile
- Deposit basis

## Risks / Weaknesses

- Non-performing exposures
- Profitability
- Operating environment has suffered

# BPER Banca – Mortgage

Italy

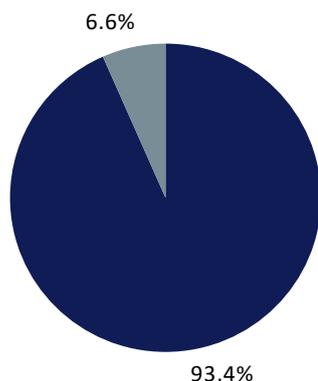
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	4,204
Amount outstanding (EURm)	3,540
-thereof ≥ EUR 500m	52.3%
Current OC (nominal)	18.8%
Committed OC	19.0%
Cover type	Mortgage
Main country	100% Italy
Main region	42% Emilia-Romagna
Number of loans	58,695
Number of borrowers	58,277
Avg. exposure to borrowers (EUR)	72,143
WAL (cover pool)	14.8y
WAL (covered bonds)	2.8y
Fixed interest (cover pool)	42.6%
Fixed interest (covered bonds)	67.8%
LTV (indexed)	45.3%
LTV (unindexed)	44.9%
Loans in arrears	0.1%

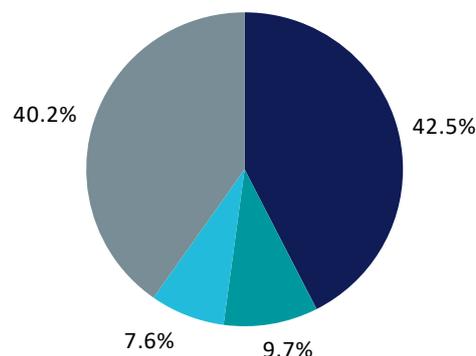
Rating (Moody's)	Aa3
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	1
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



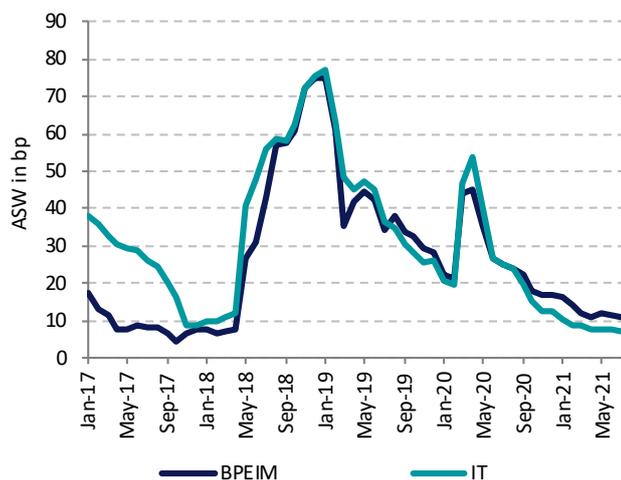
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



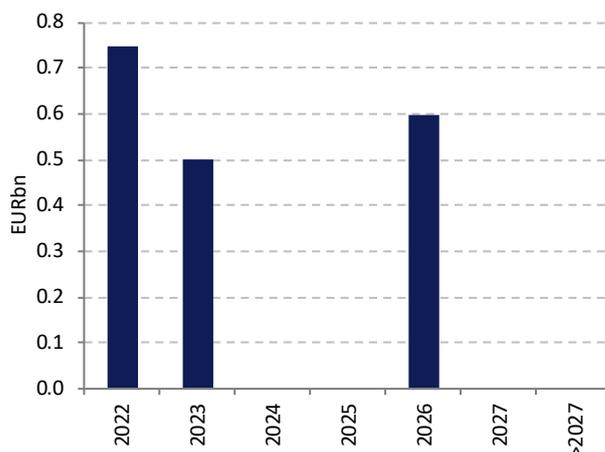
■ Emilia-Romagna ■ Lazio ■ Campania ■ Others

## Spread Development (>1y)



— BPEIM — IT

## Redemption Profile (Bmk)



# Crédit Agricole Italia

Italy 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	Baa1	Stable
S&P	-	-

## Homepage

[www.credit-agricole.com](http://www.credit-agricole.com)

\*LT Bank Deposit Rating

Since February 2019, the bank formerly known as Crédit Agricole Cariparma has been operating under the name Crédit Agricole Italia (CA Italia). The institute is part of the Crédit Agricole Italia Banking Group (CAIBG) and is an Italian subsidiary of the French institute Crédit Agricole S.A., which holds 76.9% of the shares. A further stake of 13.5% is held by the Cariparma Foundation and 9.5% by Sacam International (data as at March 2021). Crédit Agricole classifies Italy as its second domestic market. CA Italia has other subsidiaries such as Crédit Agricole FriulAdria, Crédit Agricole Carispezia, Crédit Agricole Leasing and CRM. CAIBG has approximately 9,400 staff who serve around 2.1 million clients in more than 920 branches throughout the whole of Italy, although the focus is on the affluent north of the country. The bank offers a wide range of services for retail customers as well as business and corporate customers. In addition to typical banking services, this includes leasing and factoring. In 2018, CA Italia merged with three Italian savings banks, all of which were purchased in 2017: Cassa di Risparmio di Cesena SpA, Cassa di Risparmio di Rimini SpA and Cassa di Risparmio di San Miniato SpA. This increased the market share of CAIBG in Italy. In November 2020, CA Italia announced that it had made a voluntary public takeover offer worth EUR 737m for all of the shares in Creval. This transaction was concluded in April 2021, with the result that CA Italia now owns 91.17% of the shares. The CET1 ratio (fully loaded) of CA Italia amounted to 12.8% as at year-end 2020. The Group's funding strategy is primarily based on client deposits, although secured and unsecured funding also play a role.

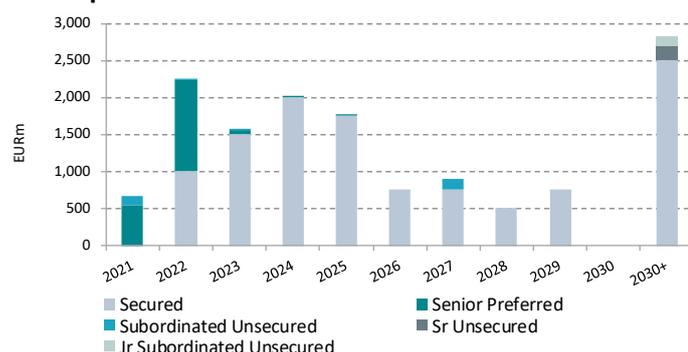
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	51,008	51,600	58,307
Total Securities	3,995	4,073	4,626
Total Deposits	39,699	40,795	44,477
Tier 1 Common Capital	3,116	3,562	3,814
Total Assets	63,750	65,654	76,454
Total Risk-weighted Assets	27,842	28,550	27,337

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	993	1,010	972
Net Fee & Commission Inc.	892	913	880
Net Trading Income	34	-7	-2
Operating Expense	1,559	1,540	1,541
Credit Commit. Impairment	247	215	388
Pre-tax Profit	421	468	30

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.65	1.69	1.38	Liquidity Coverage Ratio	148.00	204.00	242.35
ROAE	4.58	5.03	-0.68	IFRS Tier 1 Leverage Ratio	5.12	5.68	5.19
Cost-to-Income	69.75	69.23	69.35	NPL/ Loans at Amortised Cost	7.22	6.73	5.22
Core Tier 1 Ratio	11.19	12.48	13.95	Reserves/Loans at Amort. Cost	4.16	3.86	3.10

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position in northern Italy
- Support from the Crédit Agricole Group
- Capitalisation

## Risks / Weaknesses

- Asset quality
- Economic environment
- National sovereign bond portfolio

# Crédit Agricole Italia – Mortgage

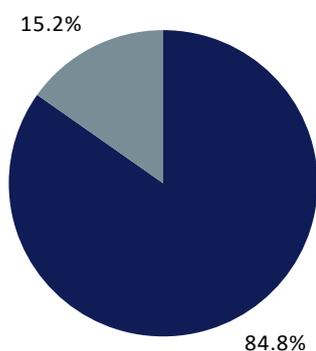
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

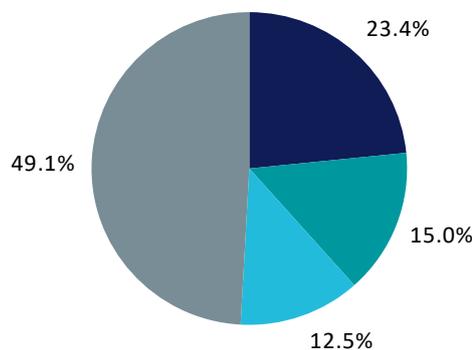
Cover pool volume (EURm)	12,159	Rating (Moody's)	Aa3
Amount outstanding (EURm)	10,500	Rating (S&P)	-
-thereof ≥ EUR 500m	83.3%	Rating (Fitch)	-
Current OC (nominal)	15.8%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Italy	Collateral score	5.0%
Main region	23% Lombardy	RRL	-
Number of loans	125,444	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.7y	PCU	-
WAL (covered bonds)	6.8y	Recovery uplift	-
Fixed interest (cover pool)	49.1%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	83.3%	CRR 129 (7)	Yes
LTV (indexed)	54.7%	LCR level (Bmk)	1
LTV (unindexed)	53.5%	Risk weight	10%
Loans in arrears	0.5%	Maturity structure (Bmk)	SB

## Borrower Types



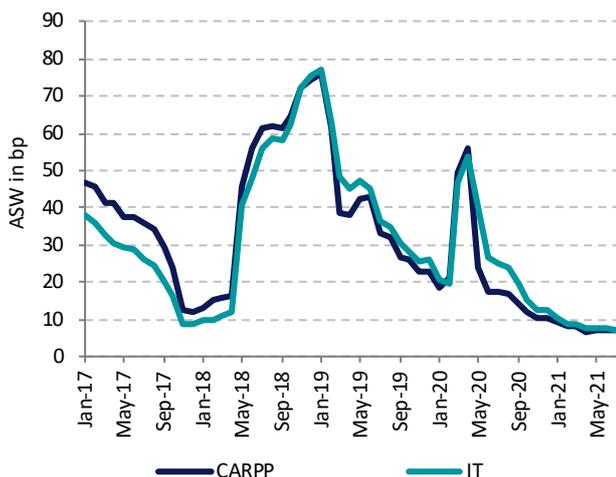
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



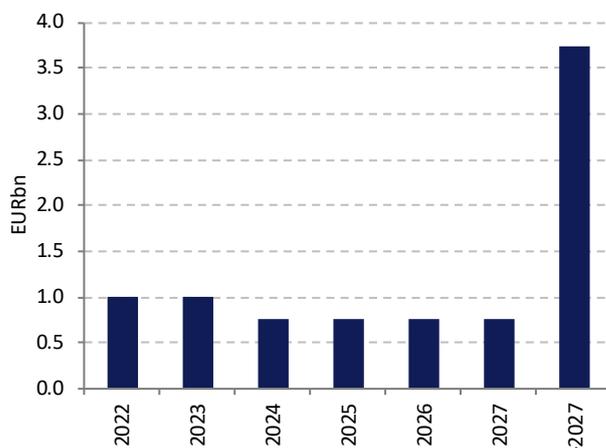
■ Lombardy ■ Emilia-Romagna ■ Veneto ■ Others

## Spread Development (>1y)



— CARPP — IT

## Redemption Profile (Bmk)



# Credito Emiliano

Italy 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Stable
Moody's*	Baa3	Stable
S&P	-	-

## Homepage

[www.credem.it](http://www.credem.it)

\*LT Bank Deposit Rating

Founded in 1910, Credito Emiliano S.p.A. (Credem) is a financial institution headquartered in the northern Italian region of Emilia-Romagna. It has been listed on the Italian stock exchange since October 1997. The largest shareholder is the Credito Emiliano Holding S.p.A. (Ba1, negative), with a stake of 78.6% in the bank. Credem is the parent company of the Credem Group. It focuses on retail and commercial banking (particular focus on retail and SME customers) and wealth management. As at the end of December 2020, the balance sheet total of Credem amounted to EUR 56.7bn. Alongside primary banking services, the Group also offers leasing and factoring (via Credemleasing, Credemfactor and Banca Euromobiliare). Credem has a broadly-based distribution network, consisting of more than 430 branches, 37 corporate centres, 57 small business centres and 14 financial stores. The group employs around 6,219 staff in total (Q4 2020). In the areas of retail, SME and corporate customers, Credem boasts a national market share of 1.62% (Q3 2020) in addition to a share of 1.24% in the area of asset management. In FY 2020, ROE declined to 6.9%. The group's asset quality is very good in a national comparison (NPL ratio as at Q3 2020: 3.41%; gross NPL ratio as at Q3 2019: 4.29%) and is even below the threshold of 5% required by the EBA. The NPL cover ratio stands at 51.6%, while a CET1 ratio (fully loaded) of 13.5% was posted as at Q4 2020 for Credem Holding. Both liquidity ratios (LCR and NSFR) meet the regulatory minimum requirements of 100% (210% and 126% respectively).

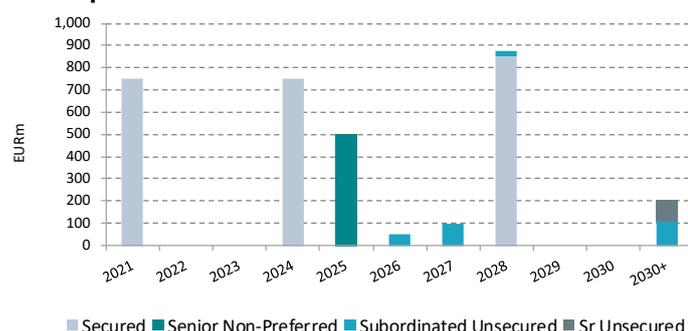
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	29,646	34,371	34,568
Total Securities	6,634	3,944	2,820
Total Deposits	26,874	33,079	34,194
Tier 1 Common Capital	2,039	2,340	2,352
Total Assets	47,630	56,650	59,485
Total Risk-weighted Assets	15,074	16,713	16,778

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	480	486	116
Net Fee & Commission Inc.	537	517	140
Net Trading Income	464	270	88
Operating Expense	945	940	262
Credit Commit. Impairment	63	109	6
Pre-tax Profit	296	253	92

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.33	1.13	0.96	Liquidity Coverage Ratio	199.00	210.00	242.00
ROAE	7.38	6.87	7.94	IFRS Tier 1 Leverage Ratio	4.37	4.21	4.02
Cost-to-Income	72.41	72.28	72.77	NPL/ Loans at Amortised Cost	3.46	2.55	2.47
Core Tier 1 Ratio	13.52	14.00	14.02	Reserves/Loans at Amort. Cost	1.93	1.62	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation and liquidity
- Asset quality

## Risks / Weaknesses

- Economic environment in Italy
- Pressure on interest-bearing business

# Credito Emiliano – Mortgage

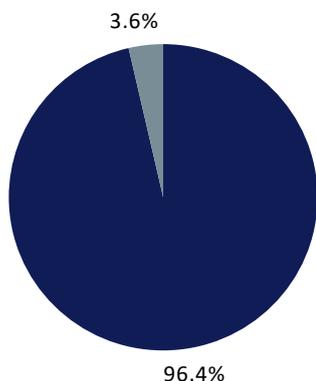
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

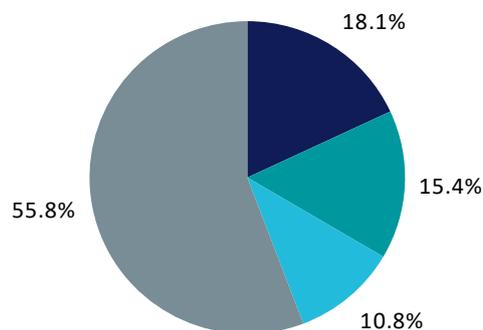
Cover pool volume (EURm)	3,854	Rating (Moody's)	Aa3
Amount outstanding (EURm)	1,600	Rating (S&P)	-
-thereof ≥ EUR 500m	93.8%	Rating (Fitch)	AA-
Current OC (nominal)	140.9%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	5.0%
Main region	18% Emilia-Romagna	RRL	-
Number of loans	52,611	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	14.6y	PCU	6
WAL (covered bonds)	1.8y	Recovery uplift	2
Fixed interest (cover pool)	50.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	46.5%	LCR level (Bmk)	1
LTV (unindexed)	57.3%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



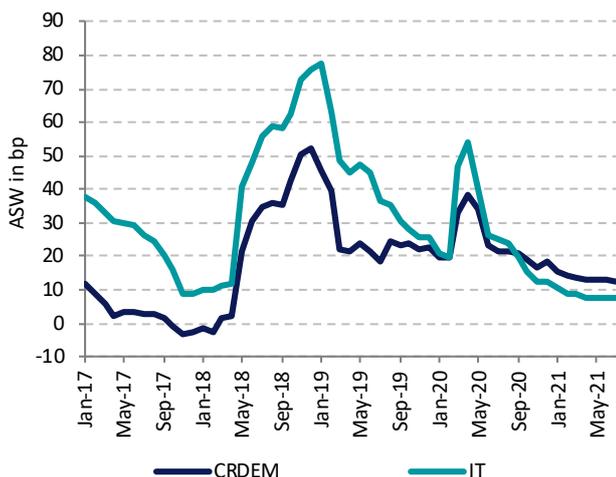
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



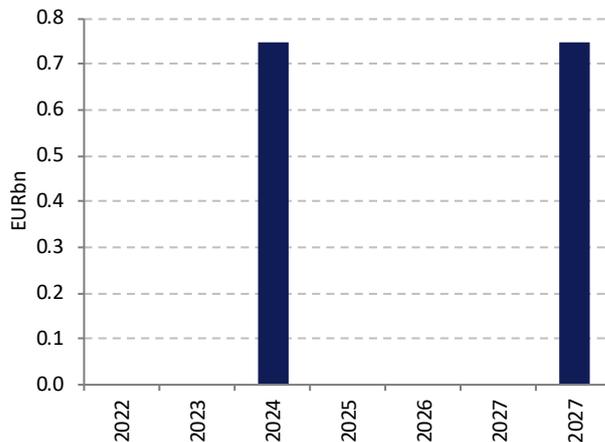
■ Emilia-Romagna ■ Lombardy ■ Lazio ■ Others

## Spread Development (>1y)



— CRDEM — IT

## Redemption Profile (Bmk)



# Intesa Sanpaolo

Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Stable
Moody's	Baa1	Stable
S&P	BBB	Stable

## Homepage

[www.intesasanpaolo.com](http://www.intesasanpaolo.com)

With a balance sheet total of EUR 1.001tn, Intesa Sanpaolo S.p.A. (Intesa) is the largest bank in Italy (by assets) and is as a domestic systemically important bank (D-SIB). Intesa was formed in 2007 from the merger between Banca Intesa and Sanpaolo IMI. Its shares, just under 85% of which are held in free float, are listed on the Borsa Italiana, the Italian stock exchange based in Milan. With a stake of 6.1% (Dec. 2020), Compagnia di San Paolo holds the largest share. The universal bank conducts its business in appr. 5,300 national and just under 1,000 international branches, and serves 13.5m customers on the domestic market as well as a further 7.1m customers around the world (as at: Dec. 2020). In so doing, Intesa serves retail customers in 12 EMEA countries and corporate customers in 25 countries incl. EMEA, the BRICS countries (excl. South Africa) and the USA. It is the largest Italian bank by market share in retail, corporate and wealth management. In August 2020, Intesa completed a takeover of UBI Banca, expanding its leading position in the domestic market with market shares of 20.7% and 22.1% in loans and deposits respectively (17% and 19% prior to the takeover). In terms of asset management and pension funds, Intesa boasts market shares in Italy of 25% and 23% respectively (as at FY 2020). The bank's activities are divided into six business divisions with various consolidated banks and specialised companies, which together form the Intesa Sanpaolo Group. These divisions comprise Banca dei Territori (domestic commercial banking; retail, personal and SME clients), corporate and investment banking, (corporate clients, public finance and financial institutions), international subsidiaries, private banking, insurance and asset management.

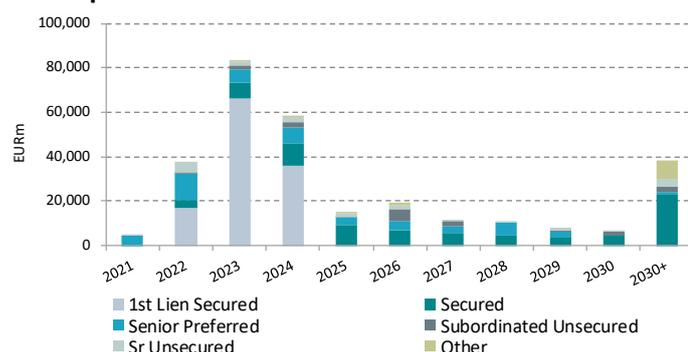
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	419,924	506,594	506,106
Total Securities	125,280	118,185	118,690
Total Deposits	333,629	425,191	424,536
Tier 1 Common Capital	41,542	51,070	50,080
Total Assets	816,102	1,002,614	1,000,628
Total Risk-weighted Assets	298,524	347,072	336,062

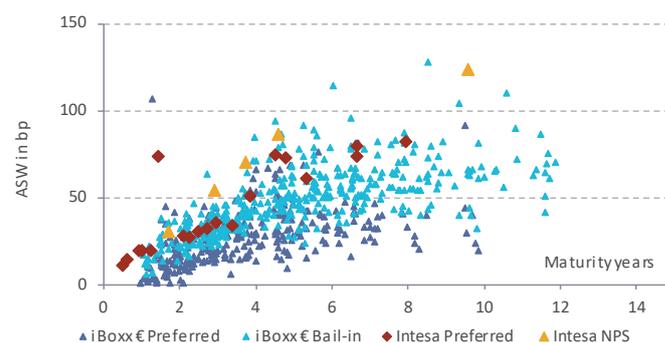
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	6,924	7,732	2,011
Net Fee & Commission Inc.	7,499	7,978	2,320
Net Trading Income	1,947	1,294	748
Operating Expense	10,994	14,347	3,409
Credit Commit. Impairment	2,152	4,352	399
Pre-tax Profit	5,672	2,208	2,251

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.12	1.13	1.06	Liquidity Coverage Ratio	159.85	161.30	167.76
ROAE	7.57	5.35	9.29	IFRS Tier 1 Leverage Ratio	5.43	5.39	-
Cost-to-Income	58.02	73.12	56.18	NPL/ Loans at Amortised Cost	7.47	4.14	4.11
Core Tier 1 Ratio	13.92	14.71	14.90	Reserves/Loans at Amort. Cost	4.32	2.53	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Domestic market positioning
- Customer deposits
- Liquidity buffer

## Risks / Weaknesses

- Dependency on wholesale funding
- Loan quality
- Concentration risks (Italy)

# Intesa Sanpaolo – Mortgage (OBG)

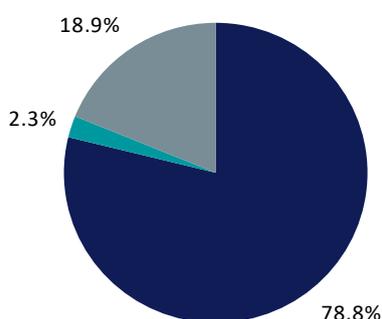
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

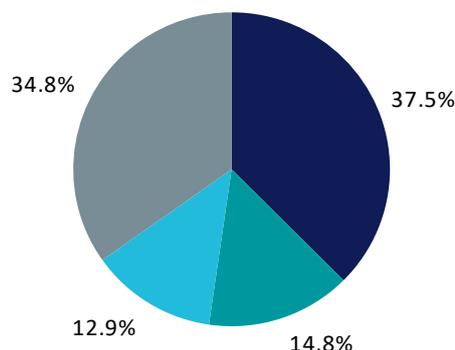
Cover pool volume (EURm)	19,326	Rating (Moody's)	Aa3
Amount outstanding (EURm)	15,560	Rating (S&P)	-
-thereof ≥ EUR 500m	64.3%	Rating (Fitch)	-
Current OC (nominal)	24.2%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	5.0%
Main region	38% Lombardy	RRL	-
Number of loans	214,350	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.8y	PCU	-
WAL (covered bonds)	4.8y	Recovery uplift	-
Fixed interest (cover pool)	65.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	76.5%	CRR 129 (7)	Yes
LTV (indexed)	49.4%	LCR level (Bmk)	1
LTV (unindexed)	62.2%	Risk weight	10%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

## Borrower Types



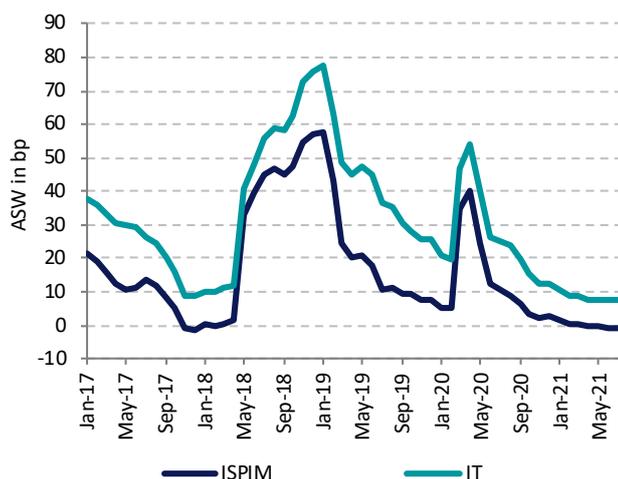
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



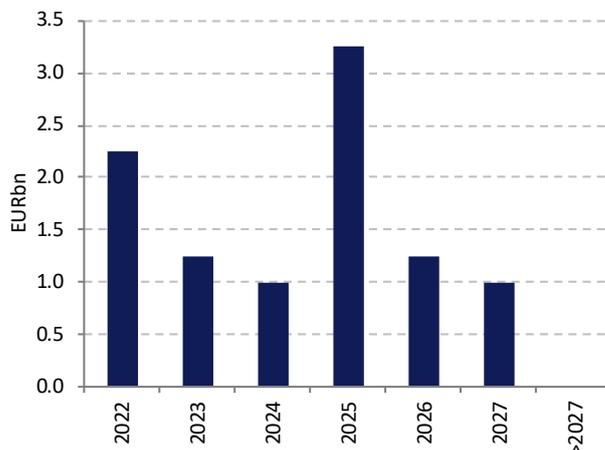
■ Lombardy ■ Lazio ■ Piedmont ■ Others

## Spread Development (>1y)



— ISPIM — IT

## Redemption Profile (Bmk)



# Intesa Sanpaolo – Mortgage (UBI Finance)

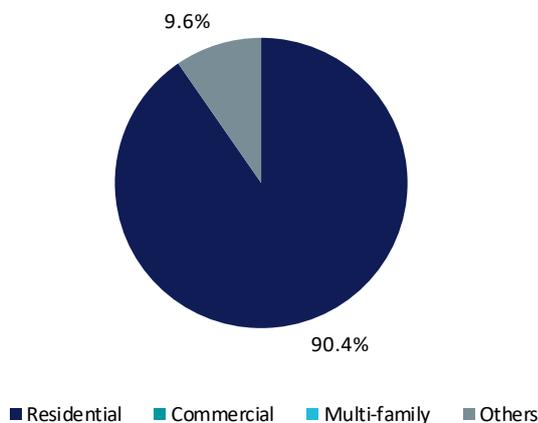
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

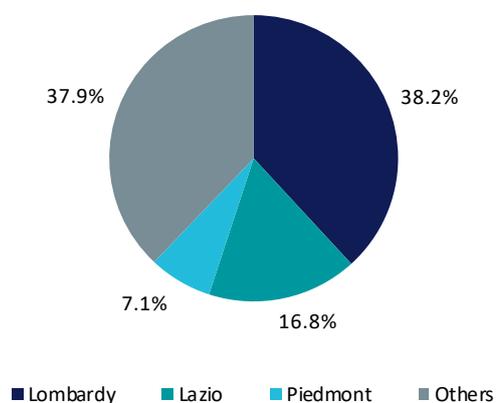
## Cover Pool Data

Cover pool volume (EURm)	9,816	Rating (Moody's)	Aa3
Amount outstanding (EURm)	9,523	Rating (S&P)	-
-thereof ≥ EUR 500m	76.1%	Rating (Fitch)	-
Current OC (nominal)	3.1%	Rating (DBRS)	AA
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	5.0%
Main region	38% Lombardy	RRL	-
Number of loans	126,221	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	6.6y	PCU	-
WAL (covered bonds)	4.6y	Recovery uplift	-
Fixed interest (cover pool)	33.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	70.6%	CRR 129 (7)	Yes
LTV (indexed)	50.3%	LCR level (Bmk)	1
LTV (unindexed)	46.3%	Risk weight	10%
Loans in arrears	0.3%	Maturity structure (Bmk)	SB

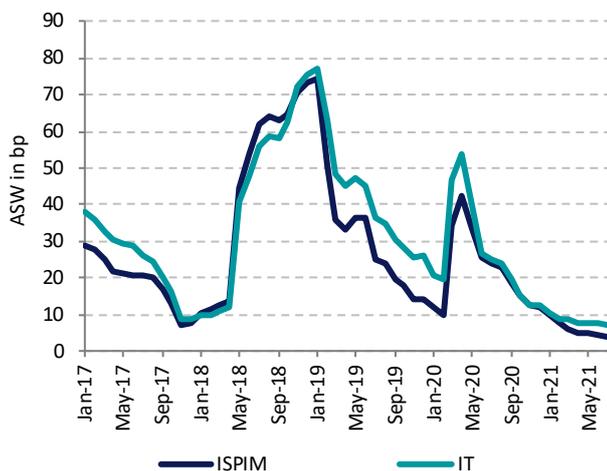
## Borrower Types



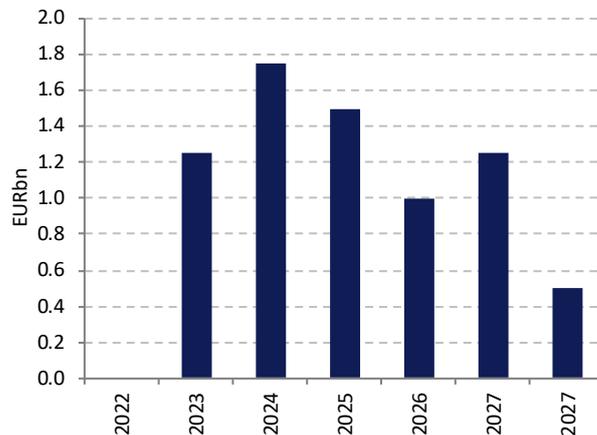
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Mediobanca

Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Stable
Moody's	Baa1	Stable
S&P	BBB	Stable

## Homepage

[www.mediobanca.com](http://www.mediobanca.com)

Established in 1946, Mediobanca S.p.A. (MB) is listed on the Italian stock exchange in Milan. After Uni Credit sold its remaining shares in MB in 2019, the main shareholder is Leonardo Del Vecchio with a stake of 13.2% (Feb. 2021). Today, MB is a medium-sized financial group, which has consolidated its international presence over the past decade, particularly in Europe. MB employs nearly 4,900 staff. The financial institution, which reports to 30 June each year, is divided into the following segments: Corporate & Investment Banking (CIB), Consumer Banking (CB; mainly via the subsidiary Compass), Wealth Management (WM; via various subsidiaries and brands), Principal Investing (PI; own participations, mainly its 13% share in Generali) and the Holding function (ALM, Treasury business). In March 2020, MB concluded its share buyback programme, following which it now holds approximately 3% of the shares. In terms of asset quality, Mediobanca stands out positively from its Italian peers (gross NPL ratio as at Dec. 2020: 4.1%). The widely diversified business model helps to ensure that its earnings are relatively stable. Most of the funding mix consists of retail deposits lodged with its subsidiary CheBanca! (44% as at March 2021), debt instruments placed on the capital market (33%) and customer deposits in the Private Banking segment (15%). TLTRO financing from the ECB also accounted for a share of 12% in the overall funding mix. According to the bank's own information, return on tangible equity (RoTE) of 10% was achieved for the 2020 financial year (after adjustments for effects related to the COVID-19 pandemic were taken into account). The CET1 ratio (phased-in) for MB came to 16.1% as at June 2020.

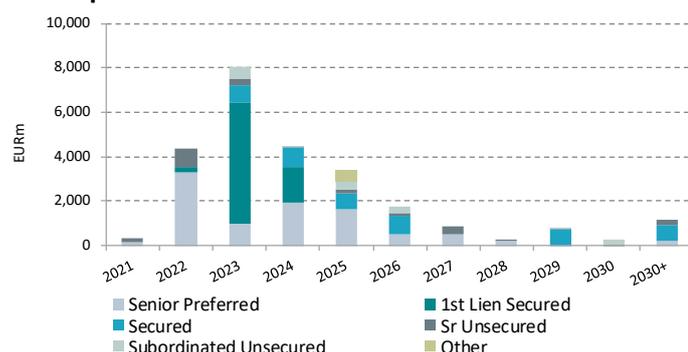
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	48,865	50,079	-
Total Securities	14,695	13,623	-
Total Deposits	25,382	27,882	-
Tier 1 Common Capital	6,524	7,745	7,750
Total Assets	78,245	78,950	83,765
Total Risk-weighted Assets	46,310	48,030	47,681

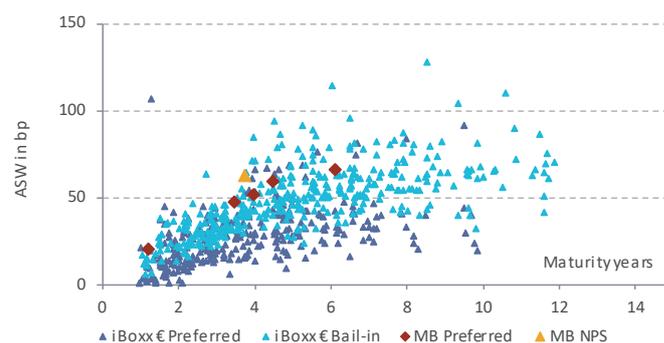
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,404	1,442	-
Net Fee & Commission Inc.	440	487	-
Net Trading Income	89	68	-
Operating Expense	1,280	1,301	-
Credit Commit. Impairment	206	401	-
Pre-tax Profit	1,083	815	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.02	1.99	-	Liquidity Coverage Ratio	176.93	158.35	153.00
ROAE	8.74	5.99	7.21	IFRS Tier 1 Leverage Ratio	8.91	10.63	-
Cost-to-Income	49.81	49.67	-	NPL/ Loans at Amortised Cost	4.15	4.48	-
Core Tier 1 Ratio	14.09	16.13	16.25	Reserves/Loans at Amort. Cost	2.75	3.08	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position
- Capitalisation
- Diversified sources of revenue

## Risks / Weaknesses

- Dependency on wholesale funding
- Geographical credit concentration
- Economic environment

# Mediobanca – Mortgage

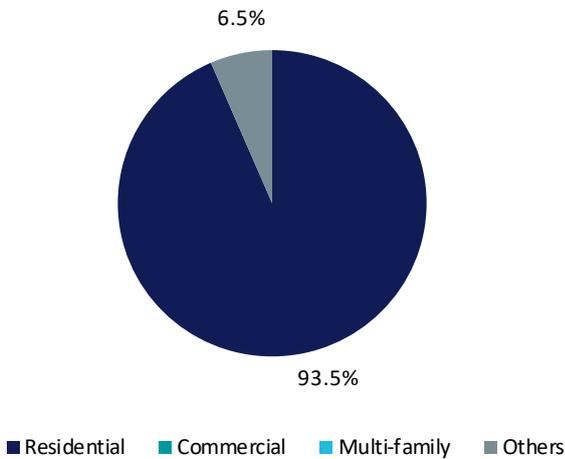
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

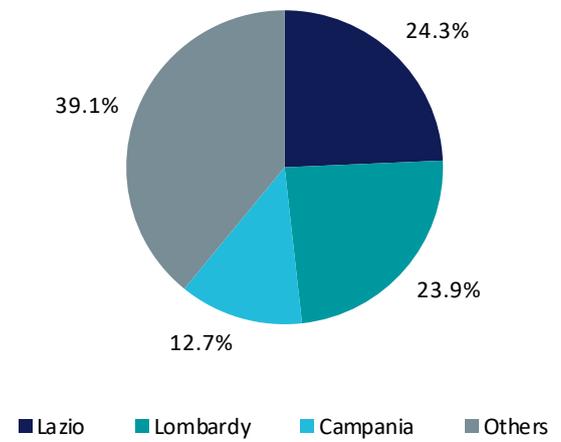
## Cover Pool Data

Cover pool volume (EURm)	6,494	Rating (Moody's)	-
Amount outstanding (EURm)	4,500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AA-
Current OC (nominal)	44.3%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	24% Lazio	RRL	-
Number of loans	63,327	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	19.3y	PCU	6
WAL (covered bonds)	5.8y	Recovery uplift	2
Fixed interest (cover pool)	44.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	55.9%	LCR level (Bmk)	1
LTV (unindexed)	64.8%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

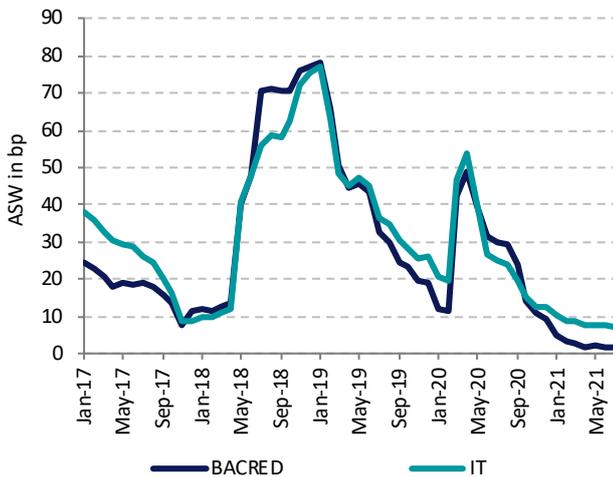
## Borrower Types



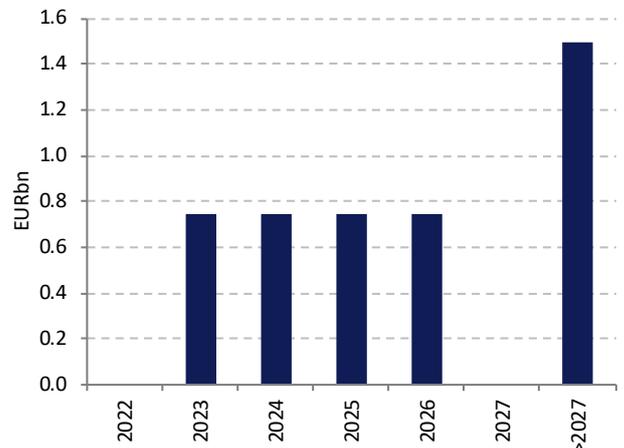
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# UniCredit

Italy 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Stable
Moody's	Baa1	Stable
S&P	BBB	Stable

## Homepage

[www.unicreditgroup.eu](http://www.unicreditgroup.eu)

UniCredit S.p.A. is the largest banking group and the only global systemically important bank (G-SIB; 1% additional capital requirement) in Italy. Its shares are listed on the Italian stock exchange. It is an internationally operating universal bank (focus on Europe) with just under 3,500 branches and more than 82,000 employees serving a total of 26 million customers, 16 million alone of which in the pan-European area. Although it has an international presence, UniCredit focuses on 13 defined core markets: Italy, Germany, Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Hungary, Romania, Russia, Serbia, Slovakia and Slovenia. The largest proportion of income is attributable to Italy (48%; FY 2020), followed by Germany (23%), the CEE region (19%) and Austria (10%). UniCredit's segment reporting is broken down into the areas of Commercial Banking (CB) Italy, CB Germany, CB Austria, CEE Division, Corporate & Investment Banking (CIB), Group Corporate Center (GCC) and Non Core. The Non Core segment is set to be wound up by the end of 2021. In 2019, the new strategic plan Team 23 was announced. The strategy is primarily aimed at expanding the customer base and is comprised of four pillars: strengthening and development of the customer franchise (increasing customer satisfaction, focus on SMEs), maximising productivity, disciplined risk management (increased control of credit and financial risks) and balance sheet and capital management (including a CET1 MDA buffer of 200bp–250bp). As at year-end 2020, the CET1 ratio amounted to roughly 16% (13.22% as at FY 2019).

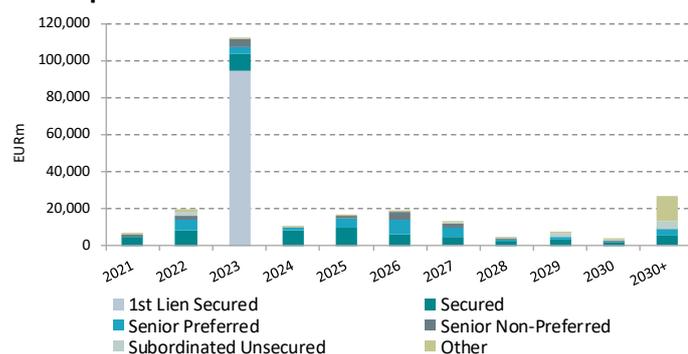
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	533,646	515,321	446,691
Total Securities	161,712	158,404	238,869
Total Deposits	482,573	509,623	497,394
Tier 1 Common Capital	50,054	51,971	52,101
Total Assets	855,647	931,456	942,165
Total Risk-weighted Assets	378,718	325,665	314,907

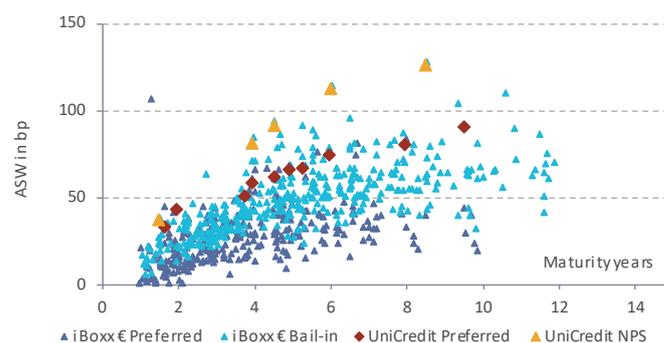
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	10,272	9,497	-
Net Fee & Commission Inc.	6,318	5,957	-
Net Trading Income	1,237	1,059	-
Operating Expense	11,558	11,315	-
Credit Commit. Impairment	3,433	4,970	-
Pre-tax Profit	3,021	-2,505	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.27	1.11	-	Liquidity Coverage Ratio	142.91	171.64	180.51
ROAE	5.83	-4.55	5.91	IFRS Tier 1 Leverage Ratio	6.16	5.89	-
Cost-to-Income	56.90	67.78	-	NPL/ Loans at Amortised Cost	4.82	4.20	5.02
Core Tier 1 Ratio	13.22	15.96	16.54	Reserves/Loans at Amort. Cost	3.49	3.22	3.61

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position in core markets
- Liquidity
- Geographical diversification

## Risks / Weaknesses

- Asset quality
- Restructuring risks
- Economic environment

# UniCredit – Mortgage

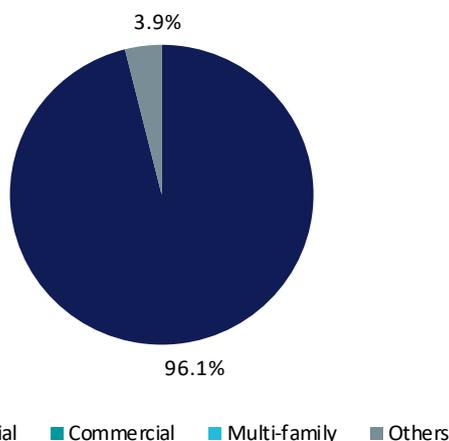
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

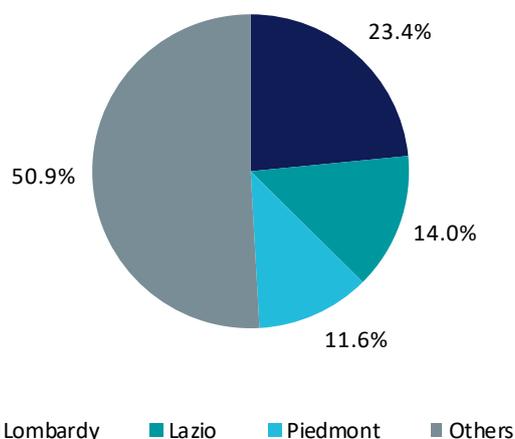
## Cover Pool Data

Cover pool volume (EURm)	7,455	Rating (Moody's)	Aa3
Amount outstanding (EURm)	4,606	Rating (S&P)	AA-
-thereof ≥ EUR 500m	70.6%	Rating (Fitch)	AA-
Current OC (nominal)	61.9%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	5.0%
Main region	23% Lombardy	RRL	a-
Number of loans	117,020	JRL	a-
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	9.2
WAL (cover pool)	6.7y	PCU	6
WAL (covered bonds)	1.9y	Recovery uplift	2
Fixed interest (cover pool)	23.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	45.0%	LCR level (Bmk)	1
LTV (unindexed)	39.9%	Risk weight	10%
Loans in arrears	1.5%	Maturity structure (Bmk)	SB

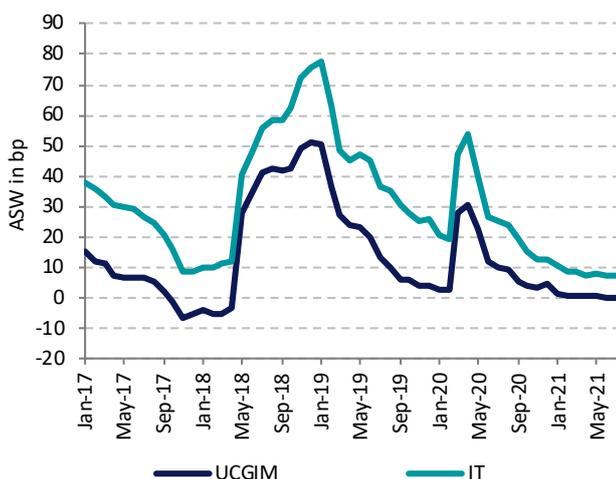
## Borrower Types



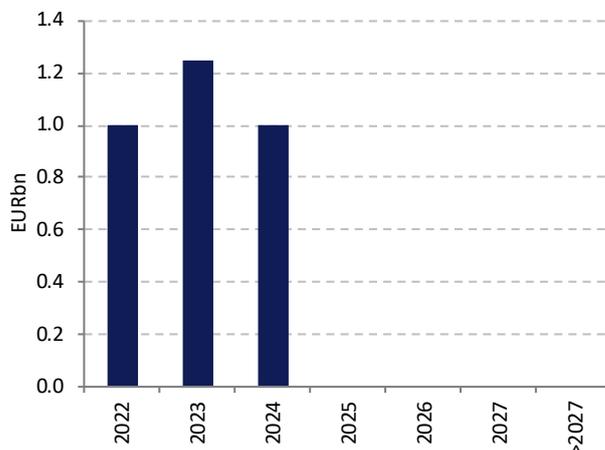
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# UniCredit – Mortgage (CPT)

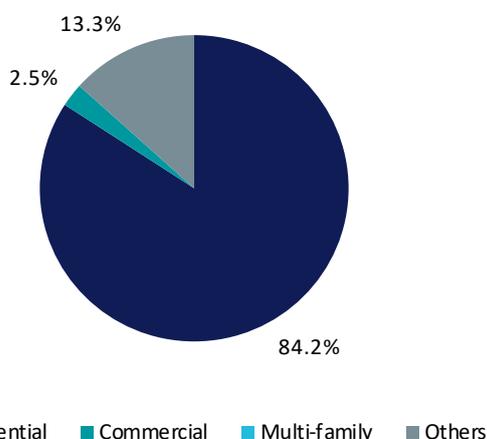
Italy

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

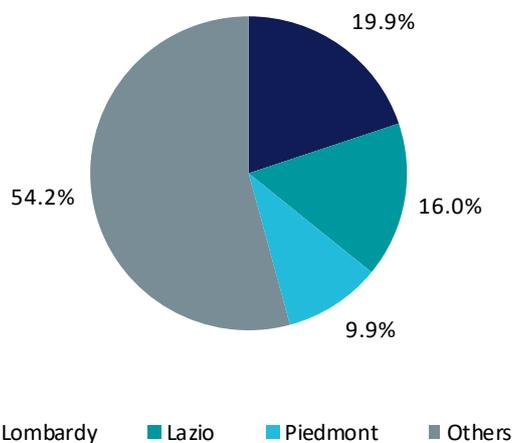
## Cover Pool Data

Cover pool volume (EURm)	28,737	Rating (Moody's)	Aa3
Amount outstanding (EURm)	23,250	Rating (S&P)	-
-thereof ≥ EUR 500m	8.6%	Rating (Fitch)	-
Current OC (nominal)	23.6%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	7.0%
Main region	20% Lombardy	RRL	-
Number of loans	334,408	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	7.5y	PCU	-
WAL (covered bonds)	6.8y	Recovery uplift	-
Fixed interest (cover pool)	36.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	26.0%	CRR 129 (7)	Yes
LTV (indexed)	56.5%	LCR level (Bmk)	1
LTV (unindexed)	47.8%	Risk weight	10%
Loans in arrears	0.6%	Maturity structure (Bmk)	CPT

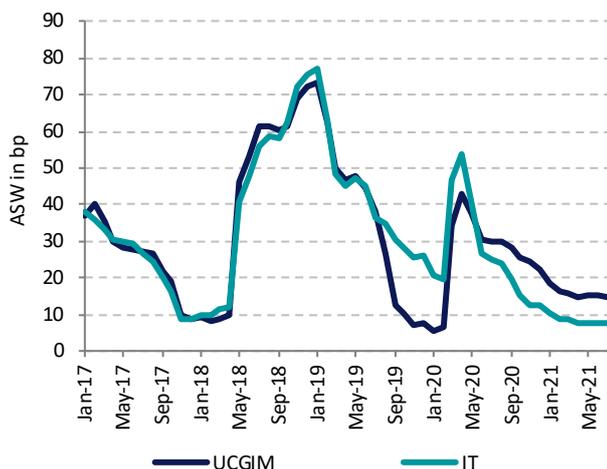
## Borrower Types



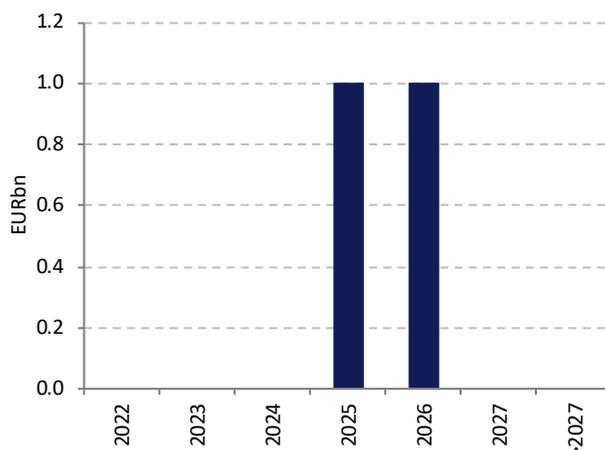
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



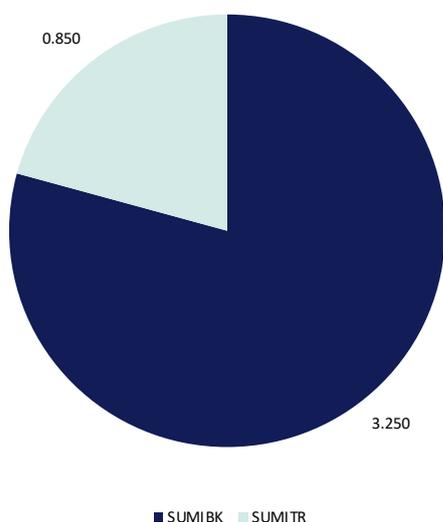
# Market Overview Covered Bonds

Japan

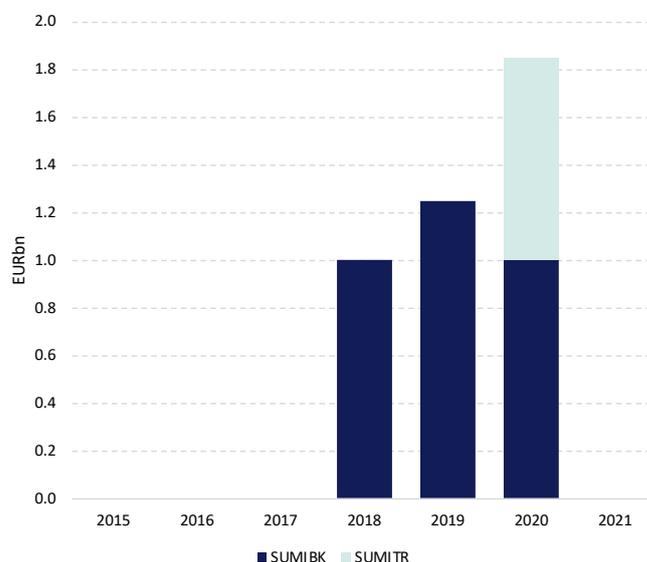
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 7.40bn	Outstanding volume (Bmk)	EUR 4.10bn
Amount outstanding	EUR 5.38bn	Number of benchmarks	5
Number of issuer	2	Outstanding ESG volume (Bmk)	-
No of cover pools	2	Number of ESG benchmarks	-
there of M / PS / others	2 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Not eligible	Maturity types	SB

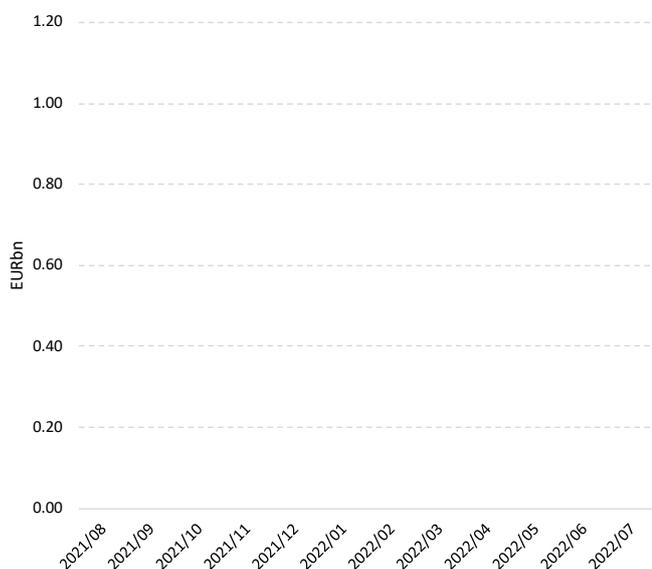
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



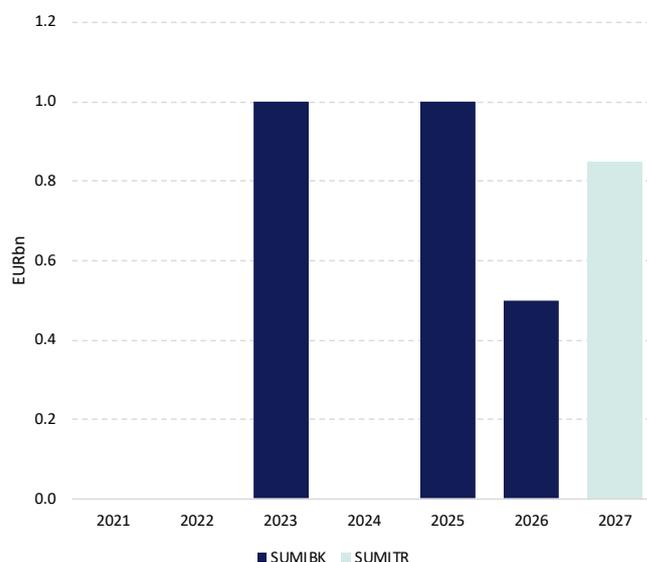
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Sumitomo Mitsui Banking Corporation

Japan 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Negative
Moody's	A1	Stable
S&P	A	Stable

## Homepage

[www.smbc.co.jp](http://www.smbc.co.jp)

The present-day structure of Sumitomo Mitsui Banking Corporation (SMBC) is the result of a merger between Sakura Bank and Sumitomo Bank in April 2001. With the creation of the holding company Sumitomo Mitsui Financial Group (SMFG) and the transfer of shares from SMBC to SMFG, it was established as a wholly owned subsidiary within the Group structure in December 2002. SMFG is one of the 30 global systemically important banks (G-SIBs, additional capital buffer of 1.0%). Within the holding, SMBC operates as the core institute of the Group overall, contributing more than 50% of the basic earnings. For the purpose of a strengthened uniform brand image within the group, it has been operating uniformly as "SMBC Group" since April 2018, with the name of the holding company remaining unchanged. The segments within the Group are: Retail, Wholesale, Global and Global Markets. While the first two segments mentioned focus on business with retail clients and SMEs as well as medium to large corporate clients within Japan, the Global segment covers global business with corporations operating on an international basis. The Global Markets segment covers SMBC's capital market operations. The bank has just under 28,100 employees, which serve its customers in 452 branches in the domestic market and 19 branches internationally. The TLAC requirement of 18% for 2022 has already been exceeded, standing at 25.82% currently. The Group's NPL ratio is low at 0.68%. The CET1 ratio of 15.55% (fully loaded) significantly exceeds the requirement of 8%. The bank's financial year ends on 31 March each year. SMBC has no existing interconnections with Sumitomo Mitsui Trust Holdings.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	638,922	709,935	663,029
Total Securities	321,163	385,931	411,983
Total Deposits	1,081,698	1,166,693	1,195,948
Tier 1 Common Capital	64,564	64,859	64,515
Total Assets	1,533,301	1,742,919	1,756,912
Total Risk-weighted Assets	425,444	473,207	461,218

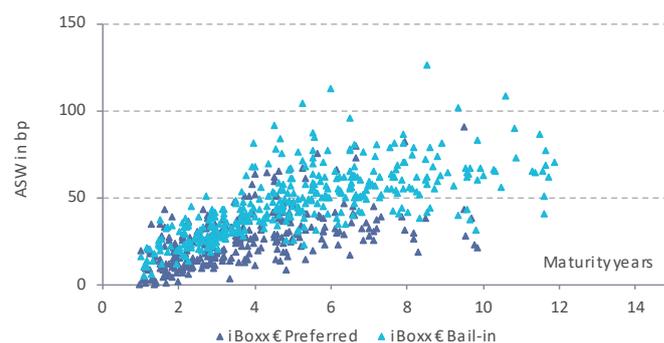
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	8,589	8,705	8,830
Net Fee & Commission Inc.	3,551	3,633	3,729
Net Trading Income	590	1,304	575
Operating Expense	7,866	8,756	8,638
Credit Commit. Impairment	-18	546	2,304
Pre-tax Profit	6,923	5,881	4,291

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	0.91	0.85	0.78	Liquidity Coverage Ratio	134.65	129.57	129.57
ROAE	7.40	6.08	4.71	IFRS Tier 1 Leverage Ratio	4.26	3.79	3.72
Cost-to-Income	53.08	55.84	56.57	NPL/ Loans at Amortised Cost	0.69	0.58	0.92
Core Tier 1 Ratio	15.18	13.71	13.99	Reserves/Loans at Amort. Cost	0.42	0.40	0.61

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Leading market position
- Liquidity situation and funding
- Probability of state support

## Risks / Weaknesses

- National competition
- Need for foreign currency funding
- Profitability

# SMBC – Mortgage

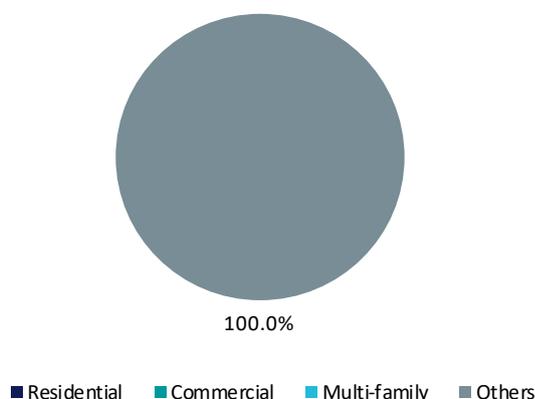
Japan

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

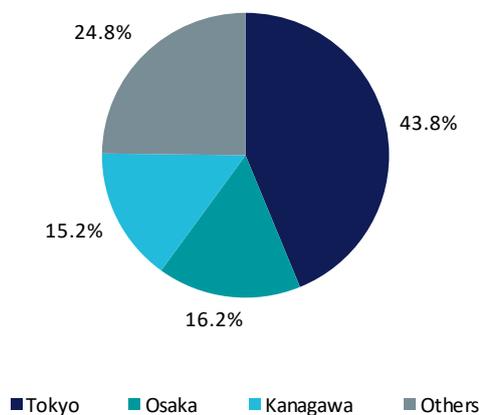
## Cover Pool Data

Cover pool volume (EURm)	5,956	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,540	Rating (S&P)	-
-thereof ≥ EUR 500m	71.6%	Rating (Fitch)	-
Current OC (nominal)	31.2%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Japan	Collateral score	0.0%
Main region	44% Tokyo	RRL	-
Number of loans	37,276	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	29.8y	PCU	-
WAL (covered bonds)	4.2y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	82.0%	LCR level (Bmk)	Not eligible
LTV (unindexed)	85.7%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

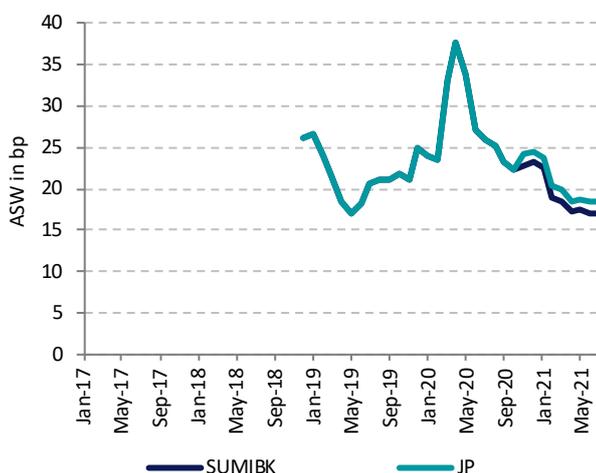
## Borrower Types



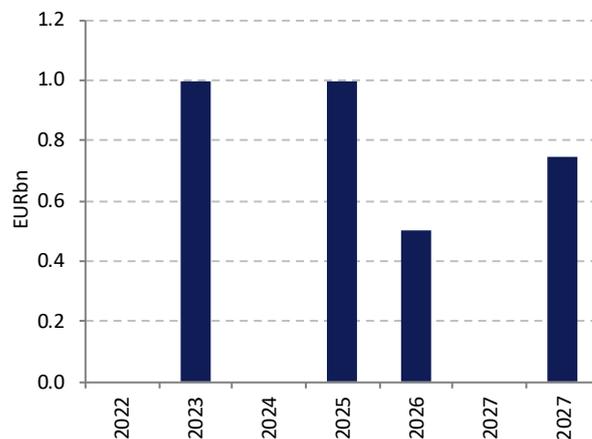
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Sumitomo Mitsui Trust Bank

Japan 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A1	Stable
S&P	A	Stable

## Homepage

[www.smth.jp](http://www.smth.jp)

Sumitomo Mitsui Trust Bank (SMTB) was founded in 1925 and is headquartered in Tokyo, Japan. The institute, which is a wholly owned subsidiary of Sumitomo Mitsui Trust Holdings (SMTH), mainly offers trust activities and banking operations, as well as investment products and securities services, above all for Japanese and European shares, alongside securities investments and investment consulting for private equity fund investments. SMTH has been classified as a domestic systemically important bank (D-SIB) by Japan's Financial Services Agency and is also listed on the Tokyo and Nagoya stock exchanges. Its financial year runs from 01 April until 31 March. SMTB is the core of the Sumitomo Mitsui Trust Group and, according to its own information, is comprised of nine business segments in total. In addition to the seven business segments Retail Total Solution Services Business, Wholesale Total Solution Services Business, Wholesale Asset Management Business, Stock Transfer Agency Services Business, Real Estate Business, Fiduciary Services Business and Global Markets Business, its business activities also comprise the segments Private Banking Business and Asset Formation Advisory, Work Place Business as new additions. Net income at SMTB most recently totalled JPY 95.5bn (FY 2020), equating to a share of 68% in overall Group earnings across the same period. The CET1 ratio most recently totalled 12.12% (FY 2020). The NPL ratio of SMTB is 0.4% (FY 2020), equating to an increase of 0.1% year on year (FY 2019: 0.3%). SMTB has no links with the Sumitomo Mitsui Financial Group.

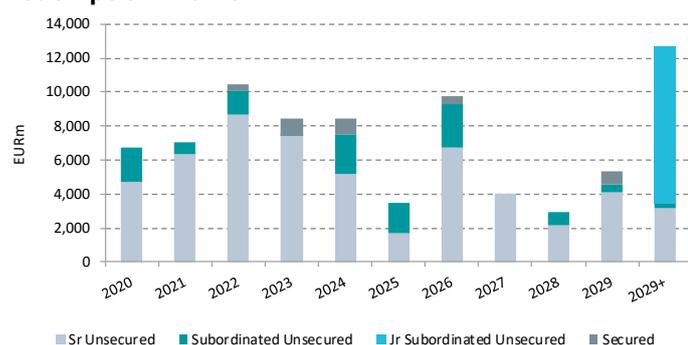
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	232,564	250,128	234,015
Total Securities	64,117	81,558	68,131
Total Deposits	308,439	310,429	314,450
Tier 1 Common Capital	16,630	17,495	16,239
Total Assets	457,856	476,040	477,190
Total Risk-weighted Assets	157,035	157,789	152,484

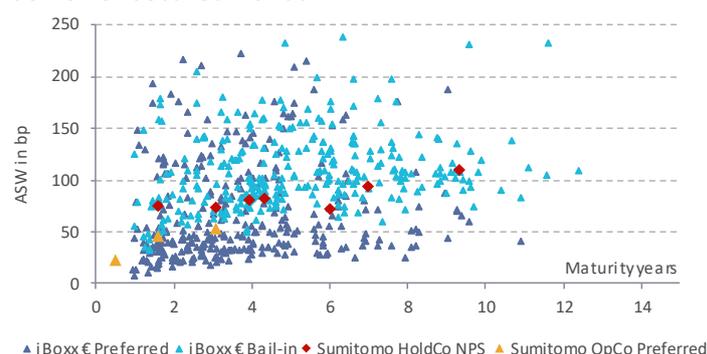
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	1,087	1,074	1,822
Net Fee & Commission Inc.	2,918	2,674	2,318
Net Trading Income	1,050	1,975	-269
Operating Expense	3,175	3,189	2,960
Credit Commit. Impairment	-	-	-
Pre-tax Profit	1,835	1,783	1,401

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.27	0.25	0.41	Liquidity Coverage Ratio	126.25	127.79	165.30
ROAE	6.35	6.27	5.54	IFRS Tier 1 Leverage Ratio	3.66	3.71	3.43
Cost-to-Income	61.48	56.94	69.55	NPL/ Loans at Amortised Cost	0.35	0.34	0.42
Core Tier 1 Ratio	10.59	11.09	10.65	Reserves/Loans at Amort. Cost	0.34	0.43	0.42

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Domestic business base
- Stable income from asset management
- Business model and asset quality

## Risks / Weaknesses

- Interest margins for domestic market
- FX loan portfolio prone to fluctuations
- Securities portfolio with volatility risks

# SMTB – Mortgage

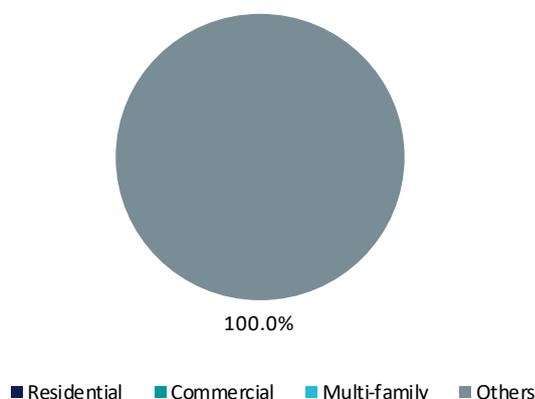
Japan

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

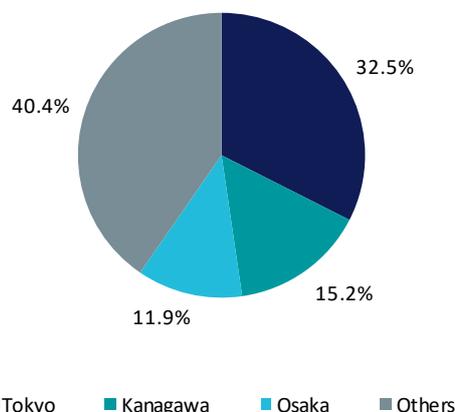
## Cover Pool Data

Cover pool volume (EURm)	1,444	Rating (Moody's)	Aaa
Amount outstanding (EURm)	850	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	71.6%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Japan	Collateral score	0.0%
Main region	33% Tokyo	RRL	-
Number of loans	7,246	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	28.3y	PCU	-
WAL (covered bonds)	6.5y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	81.8%	LCR level (Bmk)	Not eligible
LTV (unindexed)	74.5%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

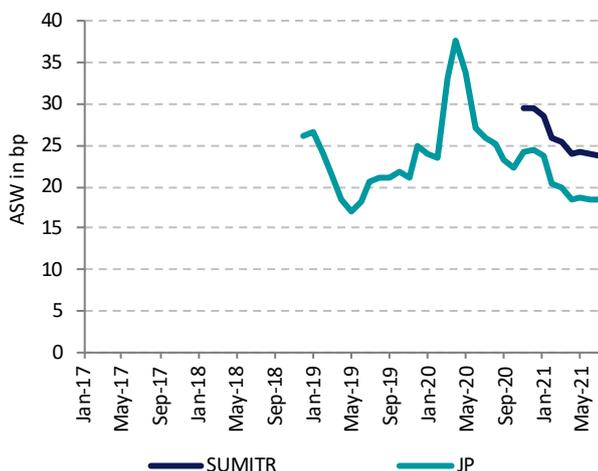
## Borrower Types



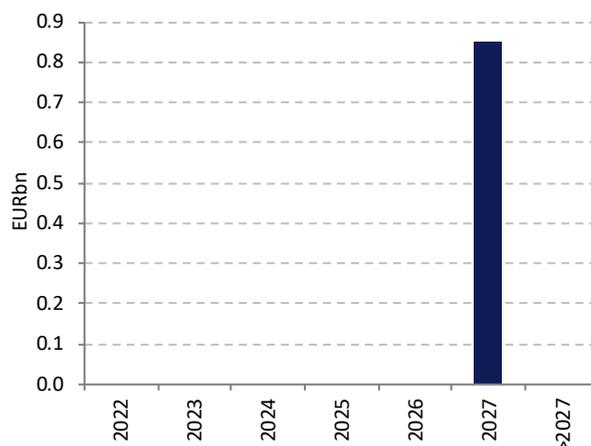
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



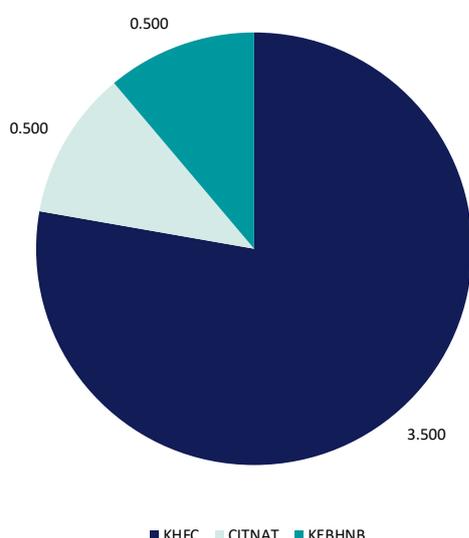
# Market Overview Covered Bonds

Korea 🇰🇷

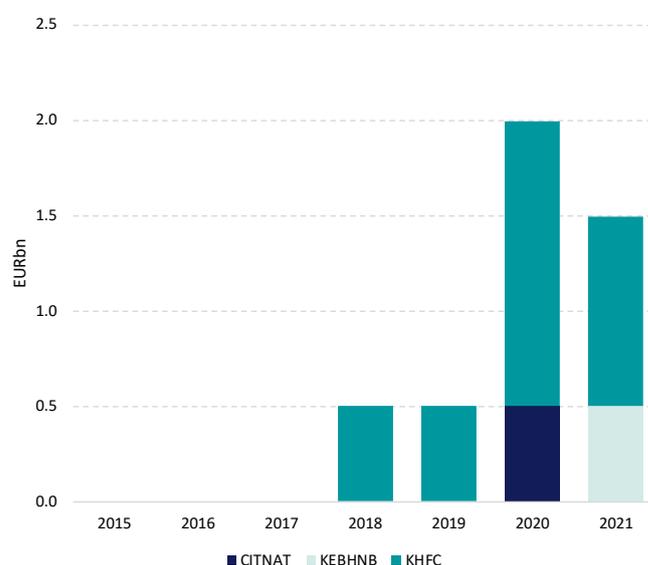
Authors: Dr. Frederik Kunze // Henning Walten, CIAA

Cover Pool Volume	EUR 8.69bn	Outstanding volume (Bmk)	EUR 4.50bn
Amount outstanding	EUR 4.46bn	Number of benchmarks	7
Number of issuer	3	Outstanding ESG volume (Bmk)	EUR 4.50bn
No of cover pools	7	Number of ESG benchmarks	7
there of M / PS / others	7 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AA+ / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	HB, SB

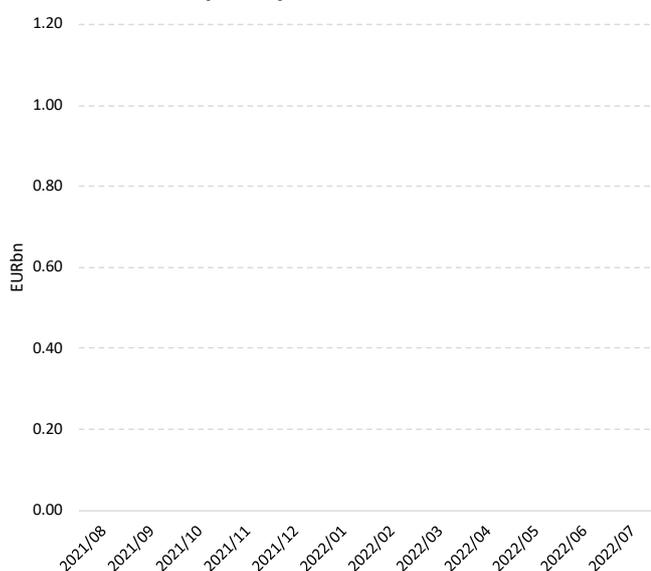
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



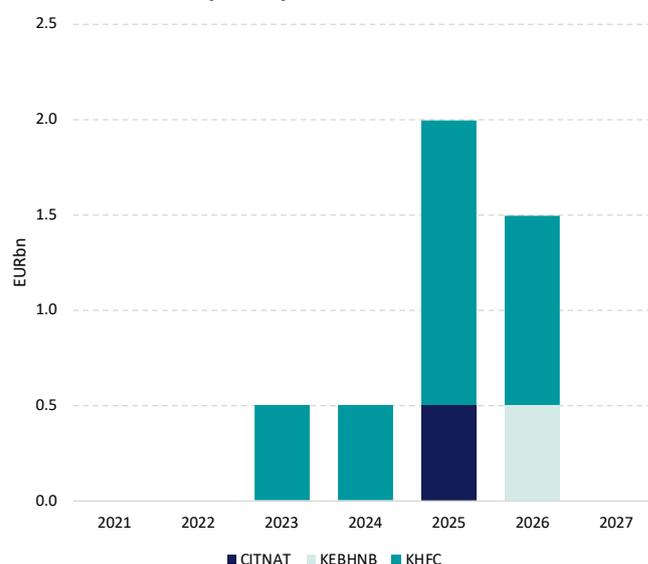
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# KB Financial Group / KB Kookmin Bank

Korea 🇰🇷

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	A	Negative
Moody's	Aa3	Stable
S&P	A+	Stable

## Homepage

[www.kbfg.de](http://www.kbfg.de)

\*KB Kookmin Bank

KB Kookmin Bank (KBK, 72% of total assets of the Group), headquartered in Seoul, is part of the KB Financial Group and is, therefore, one of the three largest banking groups in South Korea. KBK was established in 2001 following a merger between Kookmin Bank and the Housing & Commercial Bank. Along with the subsequent acquisitions in the insurance, credit card and bancassurance segments, the KB Financial Group was established in 2008. The Group has been listed on the South Korean and New York stock exchanges since 2008, with its largest shareholders being the Korean National Pension Service (9.93% as at year-end 2020) and JPMorgan Chase Bank via an American Depositary Receipt (6.03%). In total, with its 13 subsidiaries, the Group covers all traditional banking services as well as the insurance, residential property and investment business. All 13 subsidiaries are wholly owned by the KB Financial Group. There is a focus on the following segments: digital banking, car finance, micro-finance and securities. The Group, which is active around the world, focuses on the domestic market of South Korea and select international markets. These include the countries that make up southeast Asia, particularly Cambodia, Laos, Myanmar and Vietnam. The Group strives to offer a combination of organic (expansion of existing business activities and networks) and inorganic growth (mergers and acquisitions). For example, Prudential Life, one of the largest insurance providers in South Korea, was purchased in August 2020. KBK serves some 35.5 million customers across more than 1,000 branches.

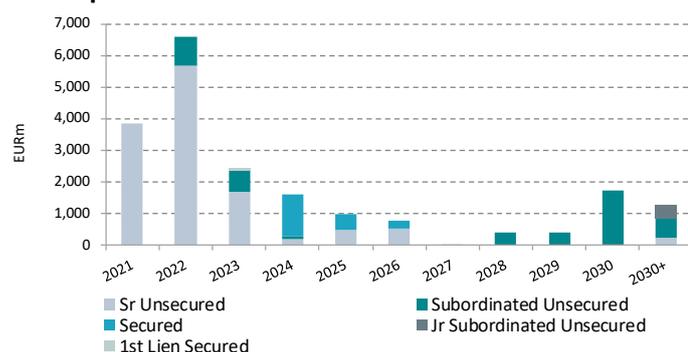
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	262,807	283,799	290,076
Total Securities	98,414	123,605	120,157
Total Deposits	235,874	254,339	256,346
Tier 1 Common Capital	26,791	26,206	27,269
Total Assets	400,237	458,732	469,169
Total Risk-weighted Assets	197,247	197,075	197,807

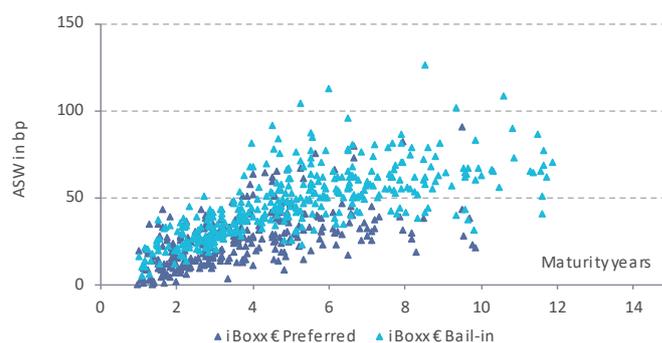
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	7,053	7,233	1,968
Net Fee & Commission Inc.	1,806	2,201	720
Net Trading Income	863	1,160	273
Operating Expense	6,415	7,278	1,887
Credit Commit. Impairment	514	776	129
Pre-tax Profit	3,477	3,543	1,330

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	1.87	1.72	1.81	Liquidity Coverage Ratio	-	-
ROAE	8.88	8.62	11.76	IFRS Tier 1 Leverage Ratio	6.94	5.89
Cost-to-Income	61.66	62.76	56.38	NPL/ Loans at Amortised Cost	0.48	0.40
Core Tier 1 Ratio	13.58	13.30	13.79	Reserves/Loans at Amort. Cost	0.70	0.86

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 22.07.2021

## Strengths / Opportunities

- Capitalisation
- Credit quality (low level of corporate exposure)
- Funding profile

## Risks / Weaknesses

- Liquidity situation
- Profitability
- Concentration risks (property sector)

# Kookmin Bank – Mortgage

Korea 🇰🇷

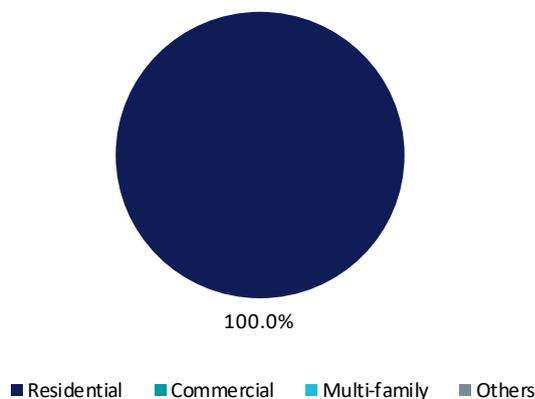
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

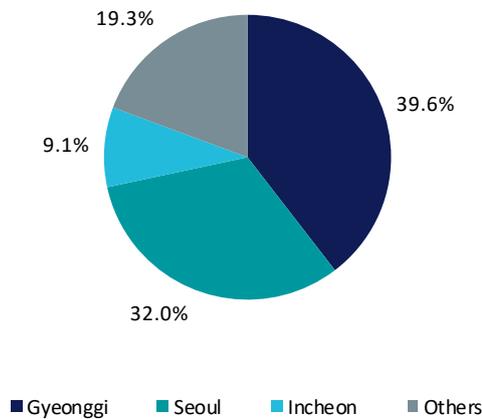
Cover pool volume (EURm)	1,887
Amount outstanding (EURm)	500
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	273.6%
Committed OC	12.4%
Cover type	Mortgage
Main country	100% South Korea
Main region	40% Gyeonggi
Number of loans	15,587
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	29.7y
WAL (covered bonds)	5.0y
Fixed interest (cover pool)	0.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	41.0%
LTV (unindexed)	48.4%
Loans in arrears	0.0%

Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	a+
Unused notches	0
AAA credit risk (%)	4.17
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	Yes
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

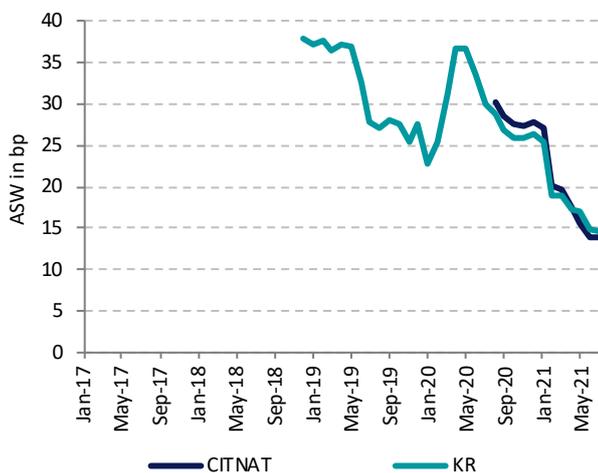
## Borrower Types



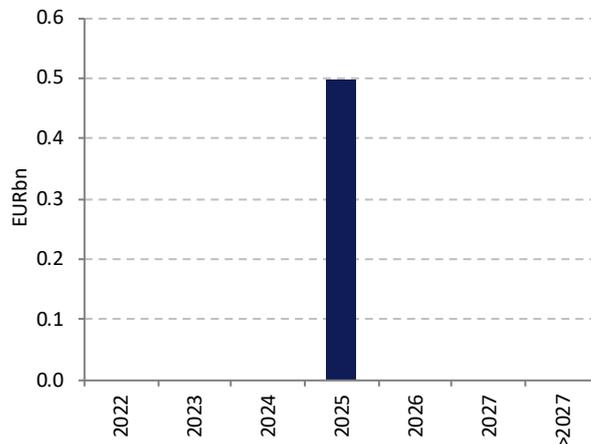
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Hana Financial Group / KEB Hana Bank

Korea

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A1	Stable
S&P	A+	Stable

## Homepage

[www.kebhana.com](http://www.kebhana.com)

KEB Hana Bank (Hana Bank) is wholly owned by the South Korean Hana Financial Group and was established from the merger between Korea Exchange Bank (KEB), which was founded in 1967, and Hana Bank. The merger took place back in 2015. The Hana Financial Group is listed on the South Korean Stock Exchange. As the leading institute within the Hana Financial Group, Hana Bank offers business, commercial, trustee and foreign currency transactions to retail customers, small and medium-sized enterprises (SMEs) as well as corporate customers. The bank has a network of 649 domestic and 23 overseas branches. According to its own information, the institute serves a total of 21.4 million customers (+3.7% in FY 2020). The net income of Hana Bank totalled KRW 575.5bn in the first quarter of 2021, which at 69% also marks the largest share of net income within the Hana Financial Group (KRW 834.4bn). Hana Bank's loan portfolio (KRW 244bn) is largely composed of household loans (52.2%; Q1 2021), with the largest share being collateralised (KRW 107.1bn of KRW 127.6bn). In terms of corporate loans (KRW 117bn; share of total loans: 47.8%), the SME category accounts for KRW 100.5bn in total, while large corporates account for KRW 14.3 bn. Hana Bank's NPL ratio stood at 0.34% in the first quarter of 2021, with an NPL coverage ratio of 125%. At year-end 2020, Hana Bank reported a CET1 ratio of 12.78% (FY 2019: 13.79%). The CIR was reported at 45.92% (FY 2019: 51.04%). According to its own information, Hana Bank improved its capital base in 2020, among other things through the placement of subordinated bonds by placing subordinate bonds, among other measures.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	203,740	213,793	224,801
Total Securities	50,588	52,120	51,818
Total Deposits	168,384	178,735	-
Tier 1 Common Capital	18,364	18,844	19,584
Total Assets	285,200	297,613	310,305
Total Risk-weighted Assets	133,196	147,471	128,714

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	4,152	3,949	1,049
Net Fee & Commission Inc.	518	428	107
Net Trading Income	574	771	82
Operating Expense	3,296	2,985	761
Credit Commit. Impairment	173	386	12
Pre-tax Profit	2,248	2,043	574

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.62	1.46	1.47	Liquidity Coverage Ratio	105.72	90.35	92.41
ROAE	8.62	7.76	8.64	IFRS Tier 1 Leverage Ratio	6.51	6.47	6.38
Cost-to-Income	56.54	55.03	56.36	NPL/ Loans at Amortised Cost	0.37	0.32	0.31
Core Tier 1 Ratio	13.79	12.78	15.21	Reserves/Loans at Amort. Cost	0.44	0.46	0.43

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Domestic market position
- Business in trade finance and FX
- Handling with loan risk

## Risks / Weaknesses

- Potential of cross selling
- Debt of private households
- Probability of reputation risk

# KEB Hana Bank – Mortgage

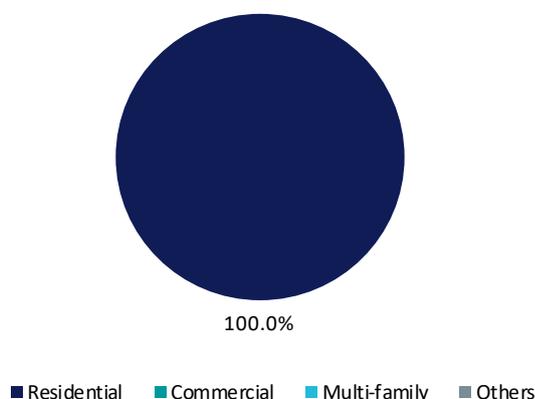
Korea 🇰🇷

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

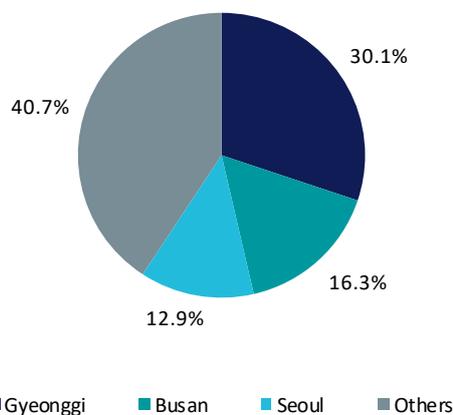
## Cover Pool Data

Cover pool volume (EURm)	2,651	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	433.6%	Rating (DBRS)	-
Committed OC	15.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	30% Gyeonggi	RRL	a+
Number of loans	21,389	JRL	a+
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	4.17
WAL (cover pool)	31.8y	PCU	6
WAL (covered bonds)	5.0y	Recovery uplift	1
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	42.5%	LCR level (Bmk)	2A
LTV (unindexed)	54.2%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



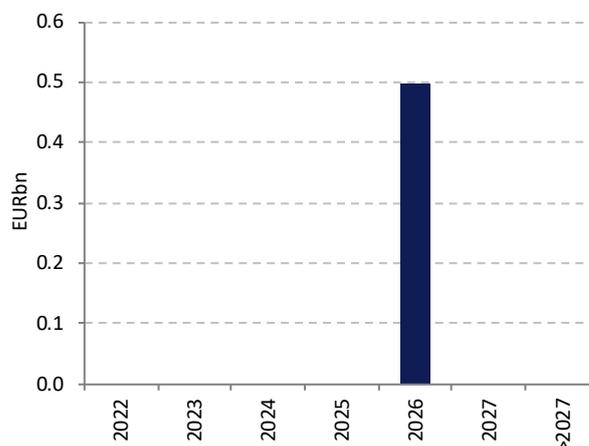
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Korea Housing Finance Corporation

Korea

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa2	Stable
S&P	AA	Stable

## Homepage

[www.hf.go.kr](http://www.hf.go.kr)

The Korea Housing Finance Corporation (KHFC), founded in March 2004, is a government institute. Its mission is to ensure stable housing funding in the long term. Thereby, KHFC acts as a partner of the South Korean corporate banks and purchases their credit claims. In addition, KHFC supports South Korean government policy on not-for-profit residential housing. At the same time, the government is obligated to offset any losses of the KHFC, should its reserves be insufficient. KHFC primarily regards itself as a partner of low and middle-income families. This obligation is made particularly evident in the products offered. Bogeumjari loans are used to fund housing and feature long-term, fixed-rate instalments, which enables households to make payments in stable instalments in a market phase characterised by short grace periods. Didimol loans form a sub-category of Bogeumjari loans and are aimed at low-income households intending to purchase a property for the first time. Additionally, a third product known as "Confirming Loans" is offered, also with the aim of providing calculable and long-term financing. The business is supplemented by the issue of guarantees in order to enable households to receive loans from other institutes (for example for household furniture), among other things. Moreover, with a focus on the older population, KHFC gives homeowners over the age of 55 the opportunity to use their own property as collateral for a life-long pension via the construct "Joo Taek Yeon Keum" (JTYK).

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	91,797	94,915	105,957
Total Securities	704	1,207	1,729
Total Deposits	-	-	-
Tier 1 Common Capital	-	-	-
Total Assets	96,779	101,671	115,381
Total Risk-weighted Assets	-	-	-

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	457	482	435
Net Fee & Commission Inc.	-102	-90	-77
Net Trading Income	-41	-42	-83
Operating Expense	107	120	126
Credit Commit. Impairment	-	-	-
Pre-tax Profit	244	268	189

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	(EURm)	2018FY	2019FY	2020FY
Net Interest Margin	0.49	0.49	0.41	Liquidity Coverage Ratio	-	-	-
ROAE	7.94	7.20	5.65	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	30.05	30.33	39.30	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	0.06	0.05	0.05

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Probability of state support (owners)
- Stable credit quality with low LTVs

## Risks / Weaknesses

- High leverage
- Geographical focus

# KHFC – Mortgage (2018 Issue)

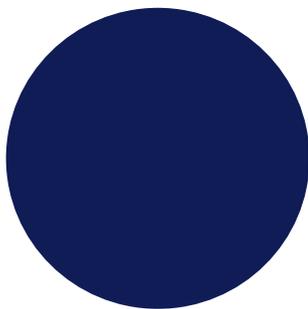
Korea 🇰🇷

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

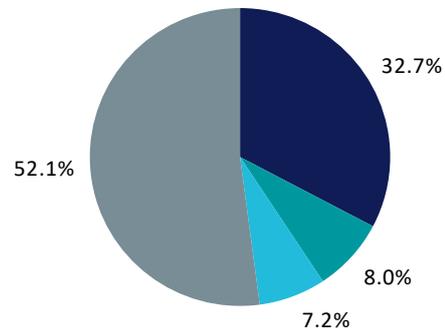
Cover pool volume (EURm)	616	Rating (Moody's)	Aa1
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	27.4%	Rating (DBRS)	-
Committed OC	3.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	3
Main country	100% South Korea	Collateral score	8.4%
Main region	33% Gyeonggi	RRL	-
Number of loans	8,875	JRL	-
Number of borrowers	8,858	Unused notches	-
Avg. exposure to borrowers (EUR)	69,588	AAA credit risk (%)	-
WAL (cover pool)	21.8y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	39.8%	LCR level (Bmk)	2A
LTV (unindexed)	52.2%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	HB

## Borrower Types



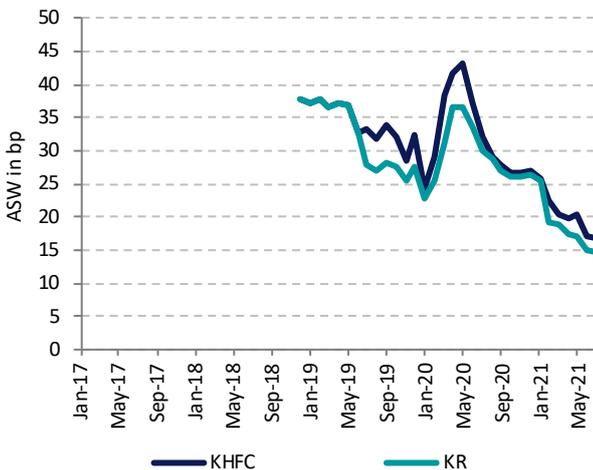
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

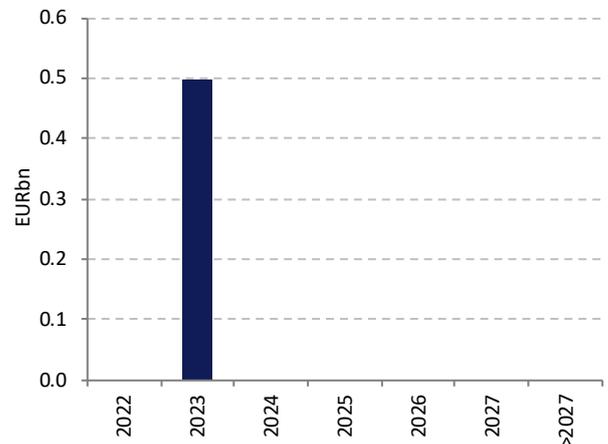


■ Gyeonggi ■ Northern Seoul ■ Southern Seoul ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# KHFC – Mortgage (2019 Issue)

Korea 🇰🇷

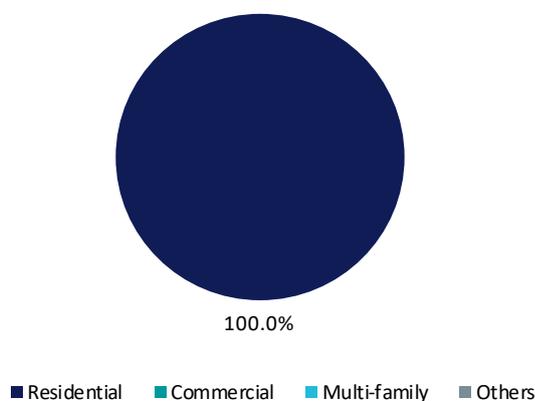
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

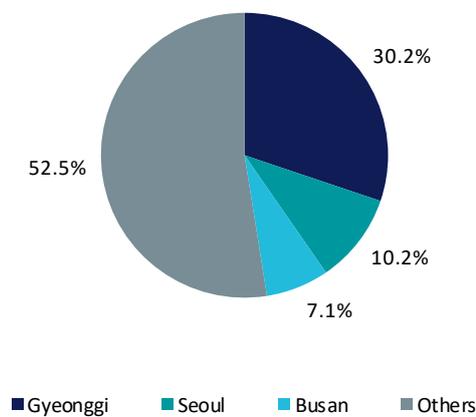
Cover pool volume (EURm)	617
Amount outstanding (EURm)	500
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	23.8%
Committed OC	6.0%
Cover type	Mortgage
Main country	100% South Korea
Main region	30% Gyeonggi
Number of loans	8,420
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	n/a
WAL (covered bonds)	3.0y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	43.4%
LTV (unindexed)	54.8%
Loans in arrears	0.0%

Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	aa
JRL	aa
Unused notches	0
AAA credit risk (%)	4.17
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	Yes
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	HB

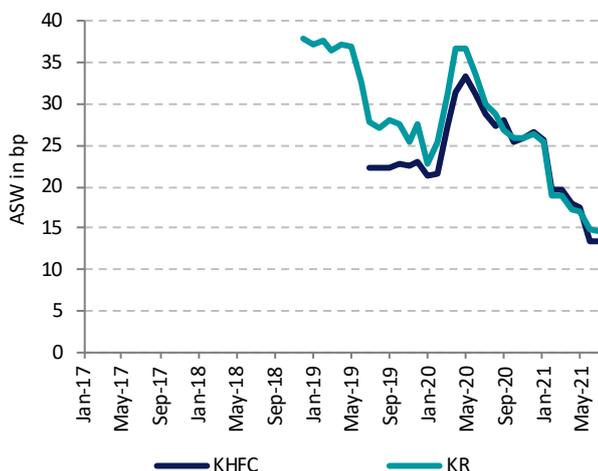
## Borrower Types



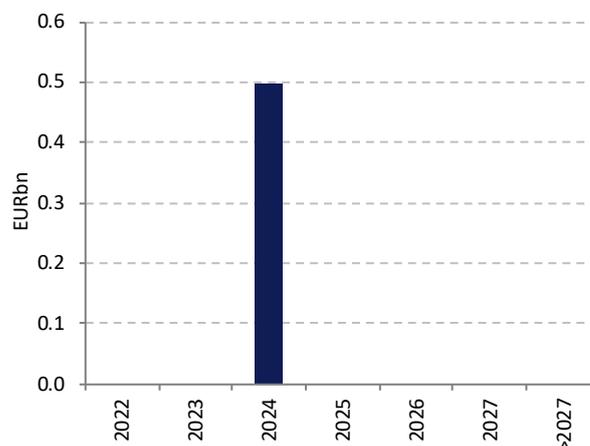
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# KHFC – Mortgage (2020/01 Issue)

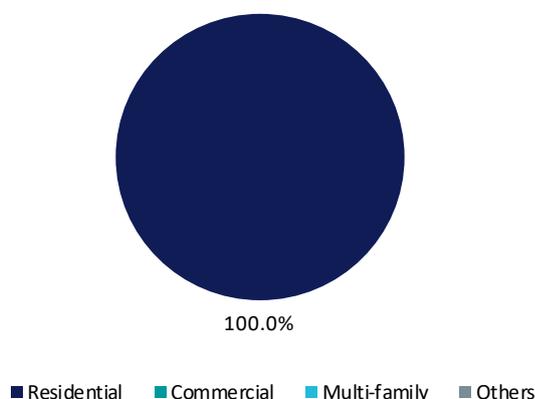
Korea 🇰🇷

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

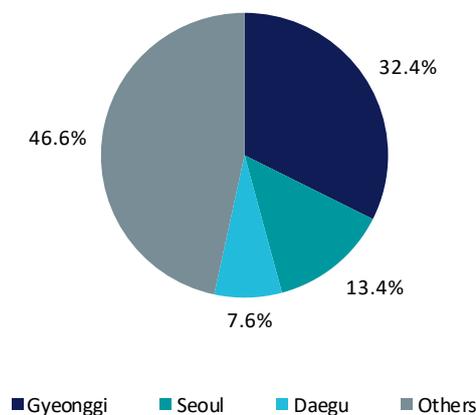
## Cover Pool Data

Cover pool volume (EURm)	1,134	Rating (Moody's)	-
Amount outstanding (EURm)	1,000	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	17.3%	Rating (DBRS)	-
Committed OC	6.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	32% Gyeonggi	RRL	aa
Number of loans	13,478	JRL	aa
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	4.17
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	40.3%	LCR level (Bmk)	2A
LTV (unindexed)	52.5%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

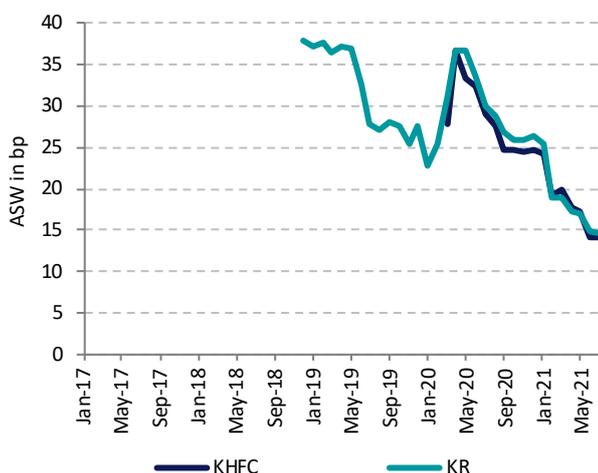
## Borrower Types



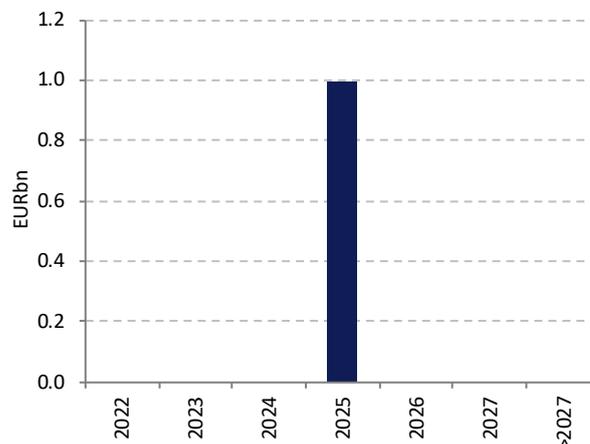
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# KHFC – Mortgage (2020/06 Issue)

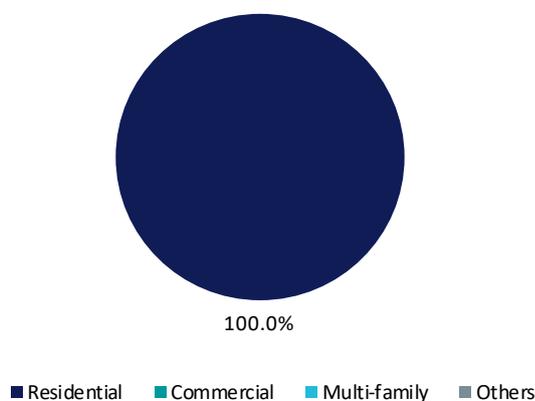
Korea 🇰🇷

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

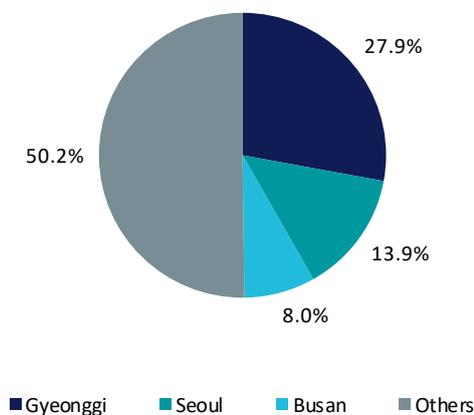
## Cover Pool Data

Cover pool volume (EURm)	600	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	19.3%	Rating (DBRS)	-
Committed OC	6.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	28% Gyeonggi	RRL	aa
Number of loans	7,921	JRL	aa
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	4.17
WAL (cover pool)	n/a	PCU	-
WAL (covered bonds)	4.1y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	41.1%	LCR level (Bmk)	2A
LTV (unindexed)	53.2%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

## Borrower Types



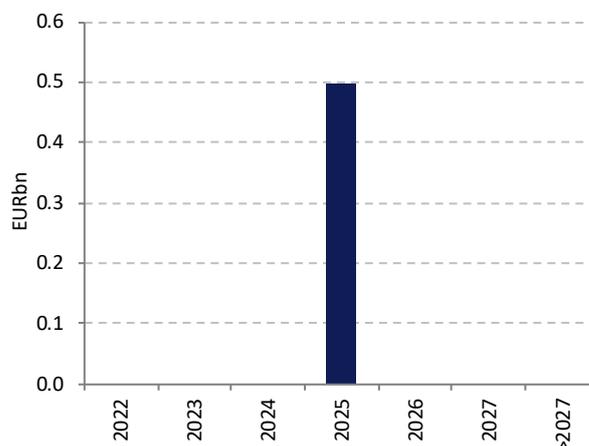
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# KHFC – Mortgage (2021 Issue)

Korea 🇰🇷

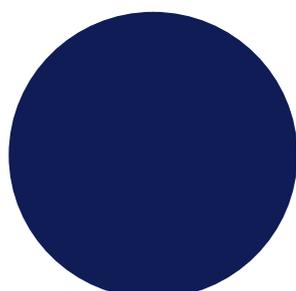
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	1,184
Amount outstanding (EURm)	1,000
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	17.6%
Committed OC	6.0%
Cover type	Mortgage
Main country	100% South Korea
Main region	n/a
Number of loans	9,409
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	27.8y
WAL (covered bonds)	5.0y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	59.2%
LTV (unindexed)	59.6%
Loans in arrears	0.0%

Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	aa
JRL	aa
Unused notches	n/a
AAA credit risk (%)	n/a
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	Yes
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	HB

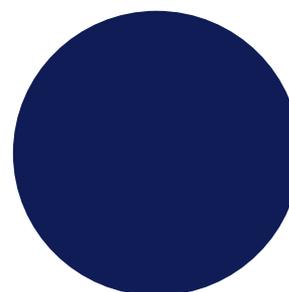
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



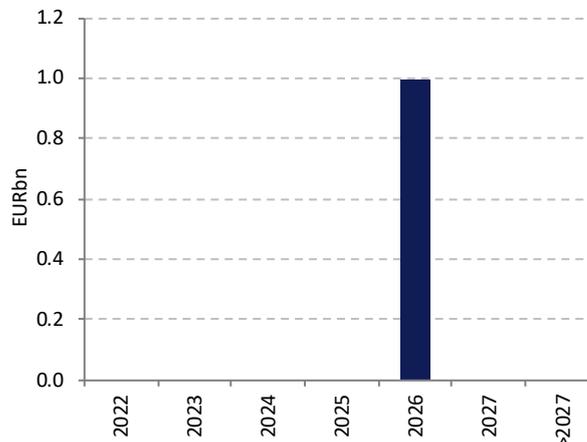
100.0%

■ South Korea ■ ■ ■

## Spread Development (>1y)



## Redemption Profile (Bmk)



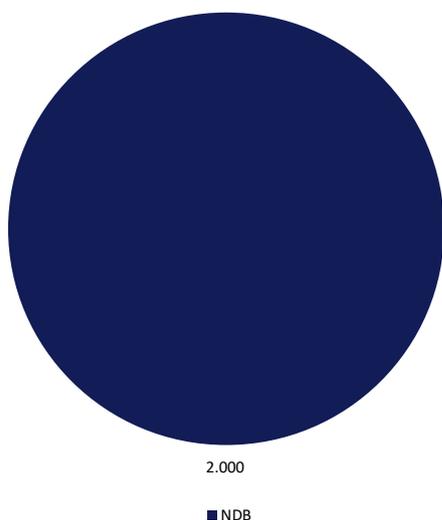
# Market Overview Covered Bonds

Luxembourg

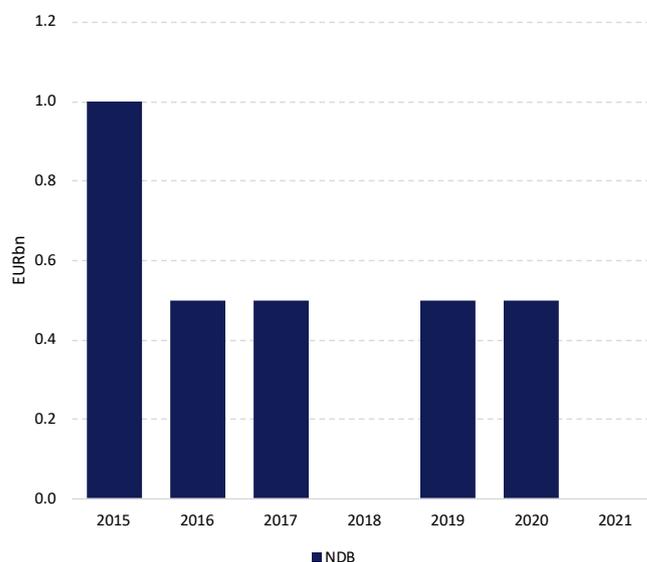
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 5.35bn	Outstanding volume (Bmk)	EUR 2.00bn
Amount outstanding	EUR 4.33bn	Number of benchmarks	4
Number of issuer	1	Outstanding ESG volume (Bmk)	-
No of cover pools	2	Number of ESG benchmarks	-
there of M / PS / others	0 / 1 / 1	Outstanding volume (SBmk)	EUR 0.30bn
Ratings (low / high)	AA / AA	Number of subbenchmarks	1
Best possible LCR level	Level 1	Maturity types	HB

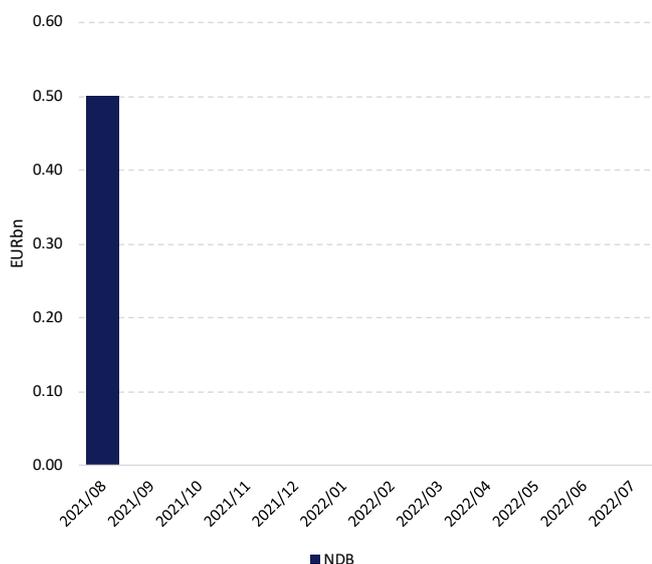
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



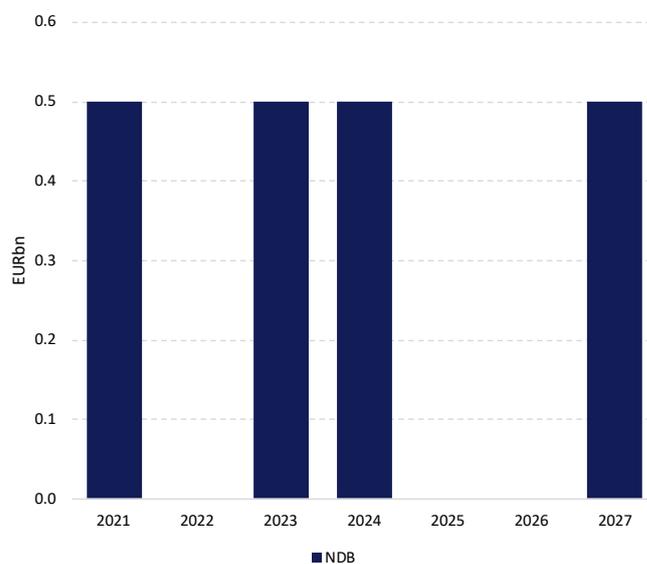
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# NORD/LB Luxembourg Covered Bond Bank

# Luxembourg

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Negative
Moody's	A3	Stable
S&P	-	-

## Homepage

[www.nordlb.lu](http://www.nordlb.lu)

NORD/LB Luxembourg S.A. Covered Bond Bank (NORD/LB CBB) is a Pfandbrief bank under Luxembourg law. Its focus is on refinancing the core business of the NORD/LB Group with the issue of covered bonds (Lettres de Gage, LdG) in the Pfandbrief classes LdG publiques and LdG énergies renouvelables. In recent years, NORD/LB CBB has further expanded its euro benchmark curve in the market for LdG publiques. In addition, the bank focuses on financing renewable energies and was able to place the world's first Renewable Energy Covered Bond in January 2020. In 2018, Luxembourg became the first country in the world to create a legal framework for covered bonds in the renewable energy sector, the LdG énergies renouvelables. The bank's operating segments are Financial Markets & Loans. The issuance of Luxembourg covered bonds, interest rate, liquidity, and currency management as well as the activities of Fixed Income Sales Europe are bundled in Financial Markets. In the Loans division, the Bank conducts lending business eligible for cover funds in cooperation with the units of the NORD/LB Group. NORD/LB CBB is a wholly owned subsidiary of NORD/LB. As part of the Group-wide transformation program "NORD/LB 2024", the Pfandbrief business actively operated out of NORD/LB CBB will be discontinued from 2022. This relates both to new issuance activities via the existing LdG products and to the continued booking of new lending business as part of the build-up of the respective cover pools.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	9,425	9,958	7,996
Total Securities	5,254	4,734	4,213
Total Deposits	4,549	2,632	2,614
Tier 1 Common Capital	613	647	646
Total Assets	17,199	15,549	12,734
Total Risk-weighted Assets	4,443	3,567	2,643

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	114	121	113
Net Fee & Commission Inc.	-41	-53	-59
Net Trading Income	-32	-28	-19
Operating Expense	41	35	35
Credit Commit. Impairment	-3	1	1
Pre-tax Profit	1	-0	-9

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.70	0.74	0.80	Liquidity Coverage Ratio	-	-	-
ROAE	0.16	-0.02	-1.29	IFRS Tier 1 Leverage Ratio	3.68	4.34	5.33
Cost-to-Income	112.47	108.81	113.85	NPL/ Loans at Amortised Cost	0.08	0.33	0.27
Core Tier 1 Ratio	13.80	18.12	24.44	Reserves/Loans at Amort. Cost	0.04	0.03	0.09

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

**Information: A SWOT analysis cannot be offered due to the obvious conflict of interest here.**

# NORD/LB Luxembourg CBB – Public Sector

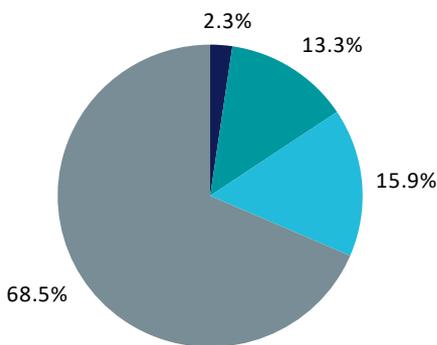
Luxembourg

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

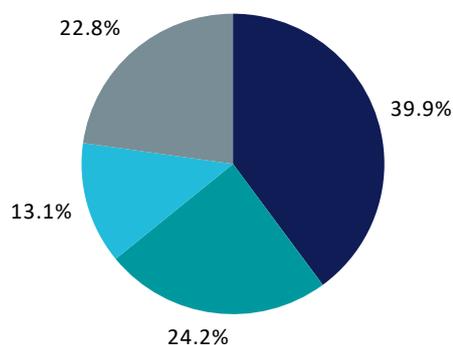
Cover pool volume (EURm)	4,987	Rating (Moody's)	Aa2
Amount outstanding (EURm)	4,029	Rating (S&P)	-
-thereof ≥ EUR 500m	37.2%	Rating (Fitch)	-
Current OC (nominal)	23.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Public Sector	TPI leeway	3
Main country	40% Germany	Collateral score	17.1%
Main region	n/a	RRL	-
Number of loans	378	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	6.7y	PCU	-
WAL (covered bonds)	6.3y	Recovery uplift	-
Fixed interest (cover pool)	53.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	97.2%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

## Borrower Types



■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution



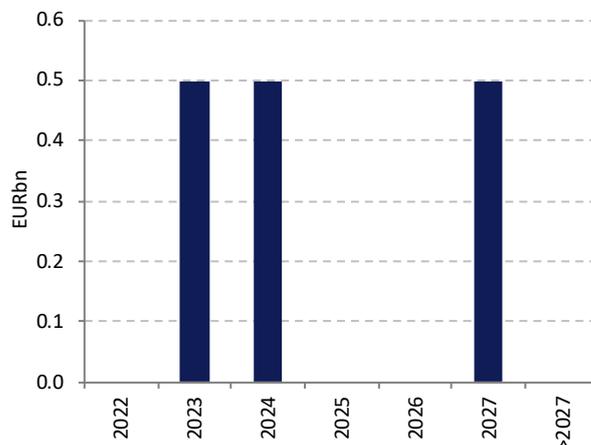
■ Germany  
■ United Kingdom  
■ US  
■ Others

## Spread Development (>1y)



— NDB

## Redemption Profile (Bmk)



# NORD/LB Luxembourg CBB – Renewable

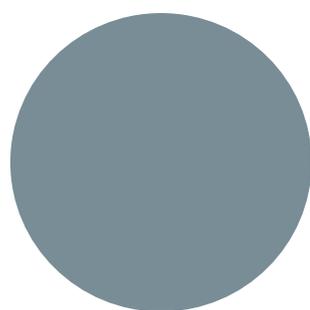
Luxembourg

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

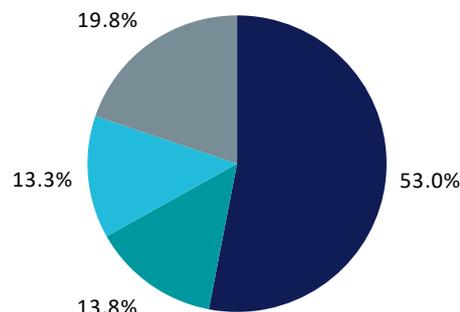
Cover pool volume (EURm)	365	Rating (Moody's)	Aa2
Amount outstanding (EURm)	300	Rating (S&P)	-
-thereof ≥ EUR 250m	100.0%	Rating (Fitch)	-
Current OC (nominal)	21.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Improbable
Cover type	Renewable Energy	TPI leeway	1
Main country	53% Ireland	Collateral score	24.8%
Main region	n/a	RRL	-
Number of loans	27	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	6.4y	PCU	-
WAL (covered bonds)	3.8y	Recovery uplift	-
Fixed interest (cover pool)	5.5%	Outstanding ESG SBmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB

## Borrower Types



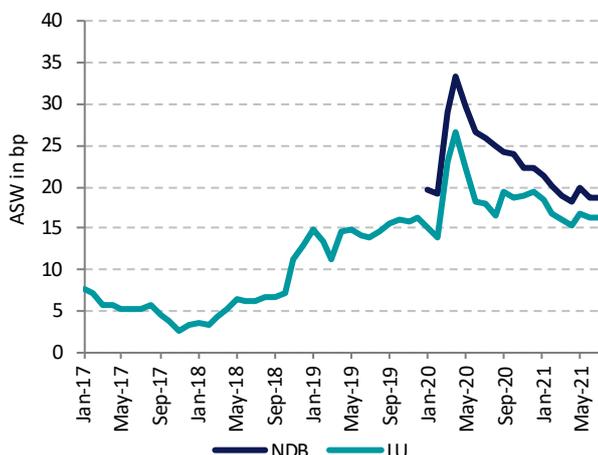
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

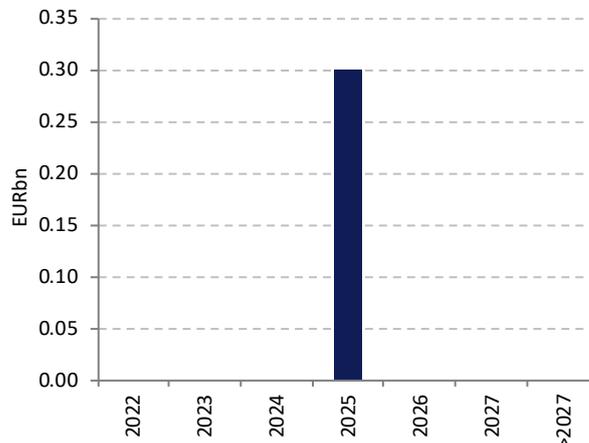


■ Ireland ■ France ■ United Kingdom ■ Others

## Spread Development (>1y)



## Redemption Profile (SBmk)



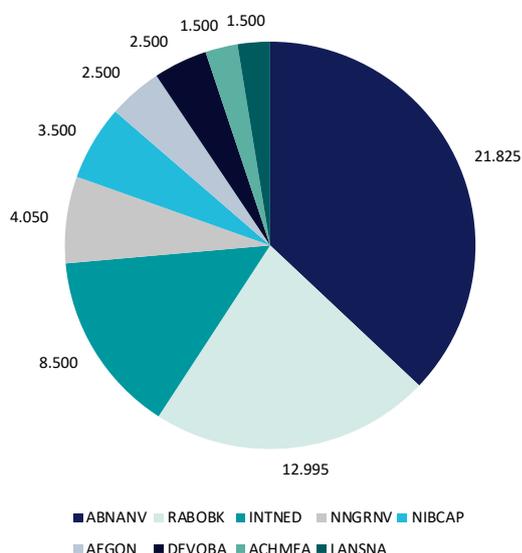
# Market Overview Covered Bonds

## Netherlands

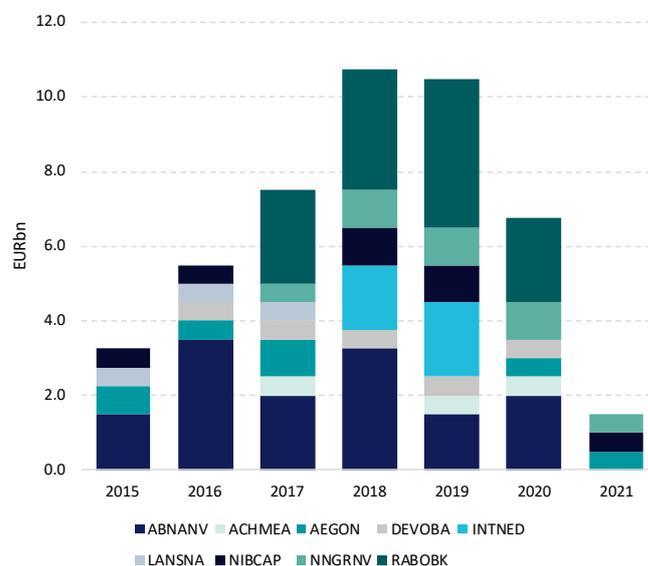
Authors: Dr. Frederik Kunze // Henning Walten, CIAA

Cover Pool Volume	EUR 91.36bn	Outstanding volume (Bmk)	EUR 58.87bn
Amount outstanding	EUR 75.17bn	Number of benchmarks	60
Number of issuer	9	Outstanding ESG volume (Bmk)	-
No of cover pools	11	Number of ESG benchmarks	-
there of M / PS / others	11 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB, CPT

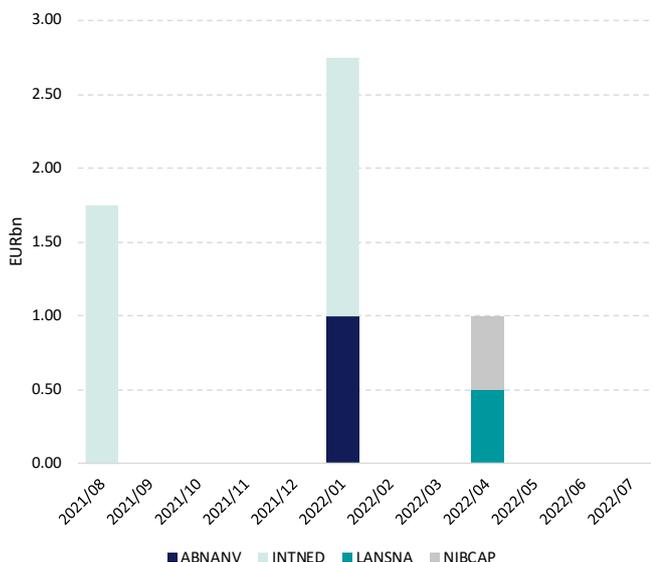
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



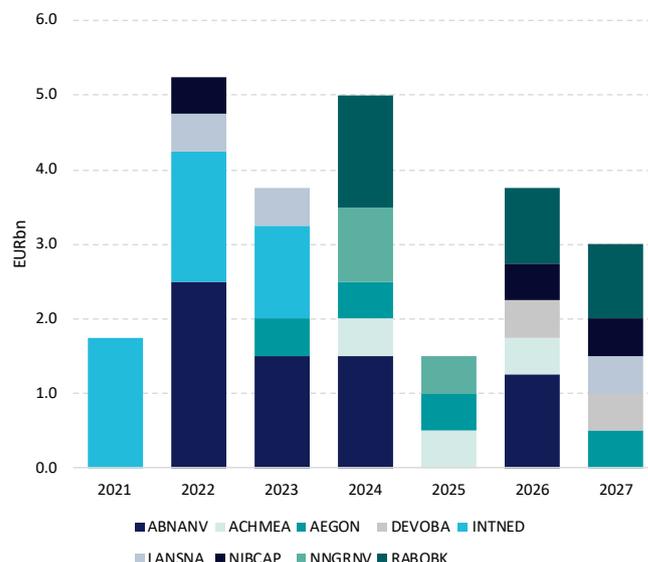
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# ABN AMRO

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	A	Negative
Moody's	A1	Stable
S&P	A	Stable

## Homepage

[www.abnamro.com](http://www.abnamro.com)

\*ABN AMRO Bank

ABN AMRO Bank is a modern universal bank which serves retail, corporate and business customers. The Group, which is a domestic systemically important bank (D-SIB), has a geographical focus on north west Europe. Outside of the Netherlands, the bank is active in 13 countries, although the Retail Banking segment is operated exclusively in the Netherlands, while the Private Banking segment is operated in four countries and the Commercial Banking segment in five. Corporate & Institutional Banking is the only segment to be operated in all 14 Group countries. The countries in which ABN AMRO is active include France, Germany, Belgium and the UK. The Dutch state currently holds a stake of 56% in the ABN AMRO Group (directly and indirectly) via the NLF, the Dutch finance agency. The institute reports across the following four core segments: Retail Banking (FY 2020; 38% of operating income), Commercial Banking (22%), Private Banking (18%) and Corporate & Institutional Banking (21%). These are supplemented by the Group Functions segment (<1%). According to its own information, ABN AMRO is one of the market leaders in the Netherlands in the Retail Banking segment. The majority of the loan portfolio consists of mortgage and corporate loans (56% and 33% respectively). The overwhelming majority of funding comes from deposits (around 60%). In 2019, ABN AMRO Bank N.V. was merged with its parent company ABN AMRO Group in order to comply with regulatory capital requirements, among other aspects. The CET1 ratio of the Group amounts to 17.7% (FY 2020) and the leverage ratio stands at 5%. As at the end of 2020, the MREL ratio amounts to 27.4% (requirement of 27% in force from 2022 onwards).

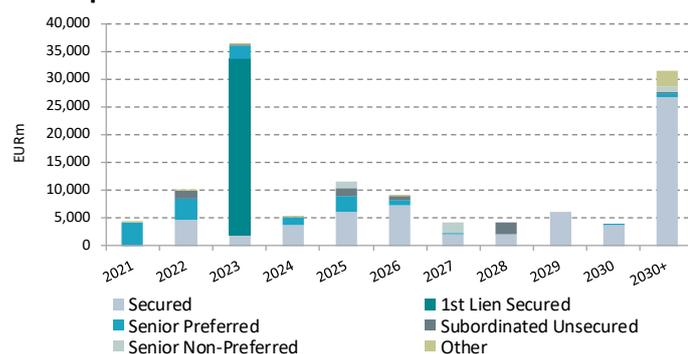
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	267,606	252,161	250,700
Total Securities	67,047	71,874	80,046
Total Deposits	234,991	238,570	245,586
Tier 1 Common Capital	19,913	19,548	19,519
Total Assets	375,054	395,623	409,963
Total Risk-weighted Assets	109,825	110,481	112,035

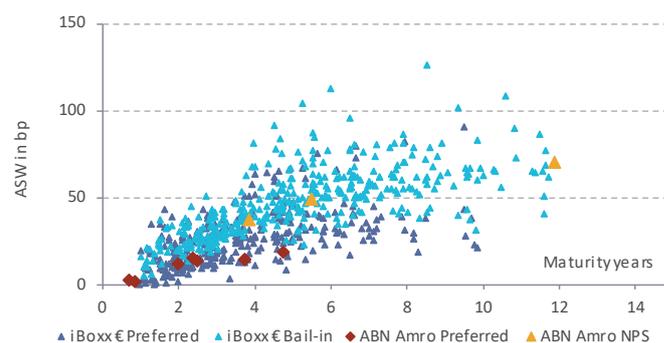
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	6,468	5,863	1,363
Net Fee & Commission Inc.	1,632	1,558	406
Net Trading Income	277	137	81
Operating Expense	5,227	5,176	1,363
Credit Commit. Impairment	657	1,687	-77
Pre-tax Profit	2,680	356	81

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.69	1.47	1.39	Liquidity Coverage Ratio	134.42	149.36	156.00
ROAE	9.59	-0.21	-1.02	IFRS Tier 1 Leverage Ratio	5.41	5.04	-
Cost-to-Income	61.73	67.77	73.80	NPL/ Loans at Amortised Cost	2.61	-	-
Core Tier 1 Ratio	18.13	17.69	17.42	Reserves/Loans at Amort. Cost	0.90	1.36	1.29

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- National market position
- Capital ratios

## Risks / Weaknesses

- Low interest rate environment
- Dependency on wholesale funding

# ABN AMRO – Mortgage

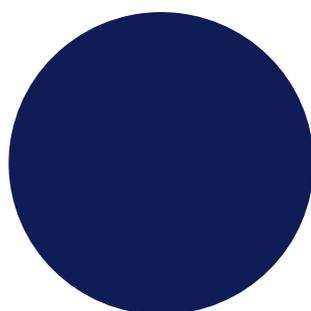
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	35,544	Rating (Moody's)	Aaa
Amount outstanding (EURm)	27,871	Rating (S&P)	-
-thereof ≥ EUR 500m	78.3%	Rating (Fitch)	AAA
Current OC (nominal)	27.5%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Netherlands	Collateral score	5.0%
Main region	25% North Holland	RRL	-
Number of loans	162,354	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	15.9y	PCU	6
WAL (covered bonds)	9.5y	Recovery uplift	2
Fixed interest (cover pool)	97.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	99.5%	CRR 129 (7)	Yes
LTV (indexed)	57.5%	LCR level (Bmk)	1
LTV (unindexed)	71.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

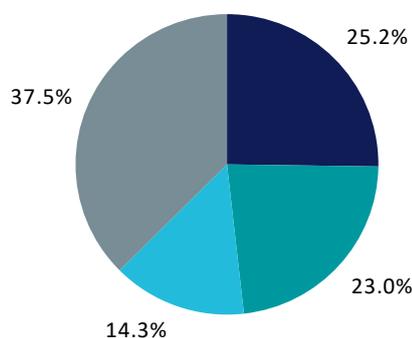
## Borrower Types



100.0%

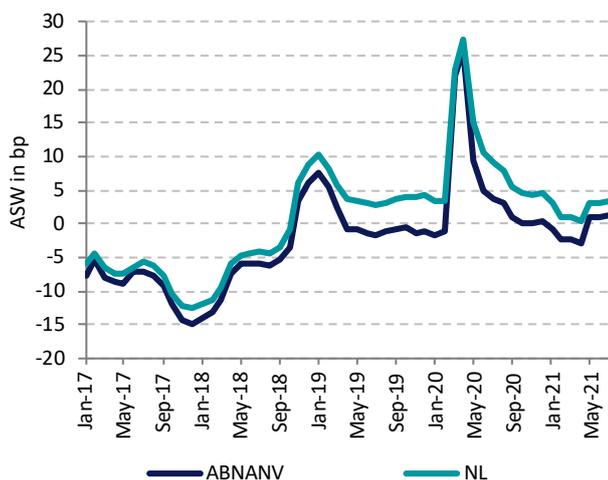
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

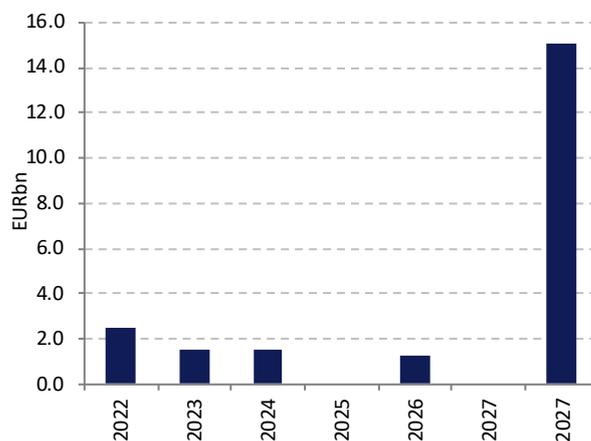


■ North Holland ■ South Holland ■ North Brabant ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Achmea Bank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Stable
Moody's	-	-
S&P	A-	Stable

## Homepage

[www.achmeabank.com](http://www.achmeabank.com)

Achmea Bank NV (AB) is wholly owned by Achmea B.V., the largest insurance group in the Netherlands (according to its own information). A total of 61% of Achmea B.V. is owned by the Achmea Association, with Rabobank holding a stake of 28% (December 2020). Achmea Bank is of strategic significance within the Group structure and is the competence and service centre for mortgage loans and savings products, which are sold under the labels "Woonfonds" – individual customer solutions – and "Central Beheer" – general products. Furthermore, the bank manages the former loan portfolio of Staalbankiers, better known as "Acier", which was transferred to AB in 2015. AB, which is headquartered in Tilburg, employs a total of 192 staff. In 2019, the takeover of the banking activities of a.s.r., including the mortgage portfolio, was concluded. In 2020, a mortgage portfolio was bought for EUR 460m from BinckBank, which is part of the Saxo Bank Group. Overall, the Achmea Group is aiming to grow its mortgage business, and in so doing will focus on the Amsterdam region. To this end, large parts of the mortgage loan businesses operated by AB, Central Beheer und Syntrus Achmea were merged in two units in October 2020: in future, the Amsterdam-based Syntrus Achmea will focus on the mortgage business, while Central Beheer will become the centre for marketing and customer solutions. Conversely, the "Woonfonds" brand will be oriented towards niche products with higher margins. The majority of AB's refinancing activities are covered by retail (just under 60%) and wholesale funding (40%). Targets for 2021 include further cost reductions and increasing net interest income.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	11,057	12,633	12,093
Total Securities	284	91	82
Total Deposits	5,860	7,508	7,447
Tier 1 Common Capital	775	776	807
Total Assets	12,286	13,657	13,834
Total Risk-weighted Assets	3,728	4,042	3,954

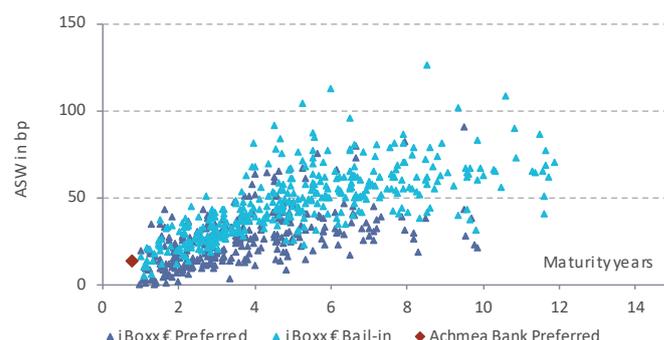
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	110	125	141
Net Fee & Commission Inc.	4	8	9
Net Trading Income	-0	-4	-5
Operating Expense	79	102	105
Credit Commit. Impairment	-2	-4	3
Pre-tax Profit	39	50	37

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	0.84	0.97	1.03	Liquidity Coverage Ratio	363.68	248.79	332.00
ROAE	3.58	4.61	3.35	IFRS Tier 1 Leverage Ratio	6.56	5.88	6.03
Cost-to-Income	67.95	78.30	71.64	NPL/ Loans at Amortised Cost	1.56	-	-
Core Tier 1 Ratio	20.79	19.20	20.41	Reserves/Loans at Amort. Cost	0.39	0.24	0.23

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Integration and unit within the Achmea Group
- Credit risks (focus on mortgage business)

## Risks / Weaknesses

- Profitability
- Efficiency (marginal economies of scale)
- Geographical concentration risks

# Achmea Bank – Mortgage (CPT)

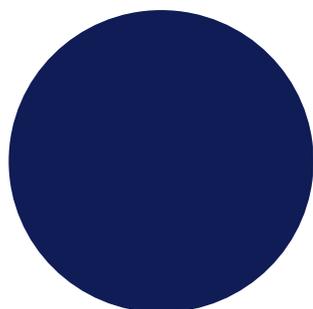
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

Cover pool volume (EURm)	1,855	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	23.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Very High
Cover type	Mortgage	TPI leeway	Unpublished
Main country	100% Netherlands	Collateral score	5.0%
Main region	20% South Holland	RRL	-
Number of loans	25,286	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	14.8y	PCU	8
WAL (covered bonds)	4.1y	Recovery uplift	2
Fixed interest (cover pool)	94.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	56.2%	LCR level (Bmk)	1
LTV (unindexed)	68.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

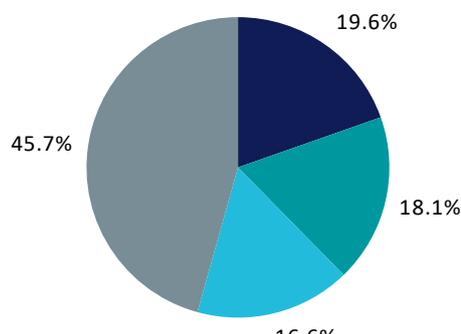
## Borrower Types



100.0%

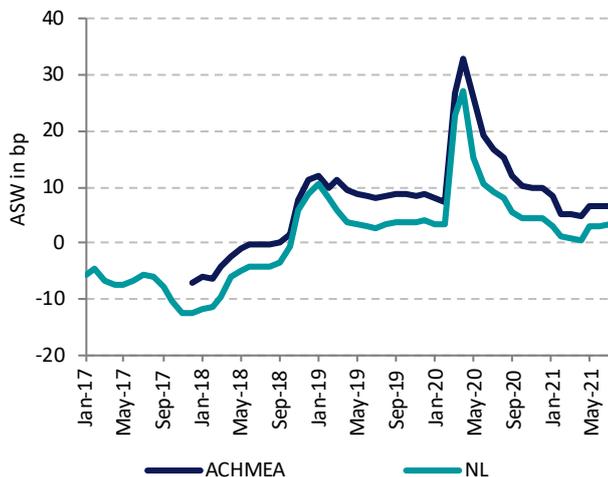
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

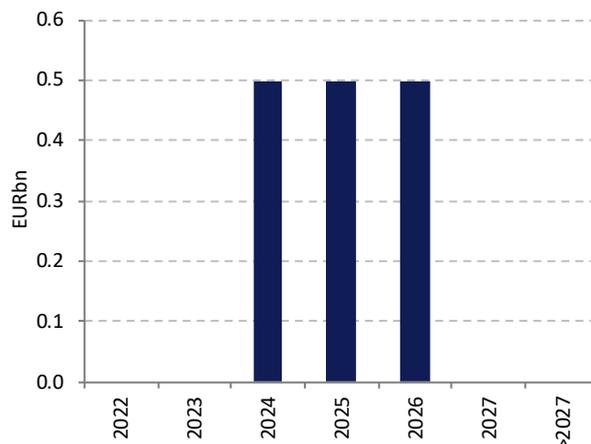


■ South Holland ■ North Holland ■ North Brabant ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# AEGON Bank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	-	-
Moody's	A3	Negative
S&P	A-	Stable

## Homepage

[www.aegon.com](http://www.aegon.com)

\* AEGON N.V.

AEGON Bank N.V. (AEB) is part of the Dutch AEGON Group, one of the largest insurance groups in Europe. The geographical focus of the Group is on the USA (main brand: Transamerica), the Netherlands and the UK, primarily offering products in the areas of life insurance, asset management, banking services and pensions. As a wholly owned subsidiary of AEGON Nederland N.V., AEB is fully integrated within the holding company AEGON N.V. at the top of the Group structure. The bank's deep integration in the parent company and its joint branding mean that strategic decisions and back office roles are the domain of the AEGON Group. Business at AEB is comprised of the development and sale of savings and investment products, especially to middle income private customers. To this end, it operates under two labels: AEGON Bank and Knab. AEGON Bank is an online retail bank with a focus on long-term capital accumulation, while Knab is a purely digital bank for developing customer contacts online, whereby all the usual banking services are offered with a distinct focus on high service quality. In October 2020, AEB announced the sale of Stonebridge, its UK accident insurance entity, for a price of GBP 60m (regulatory approval pending). In November, the insurance and pension business as well as asset management activities in Hungary, Poland, Romania and Turkey were sold off for EUR 830m. Measured by balance sheet total (EUR 17bn as at year-end 2020), AEB is of rather subordinate importance within the Group structure (EUR 445bn; Q4 2020).

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	11,155	12,609	13,726
Total Securities	1,530	1,222	1,645
Total Deposits	10,586	11,536	12,540
Tier 1 Common Capital	619	728	696
Total Assets	14,140	15,918	17,137
Total Risk-weighted Assets	2,863	3,682	3,331

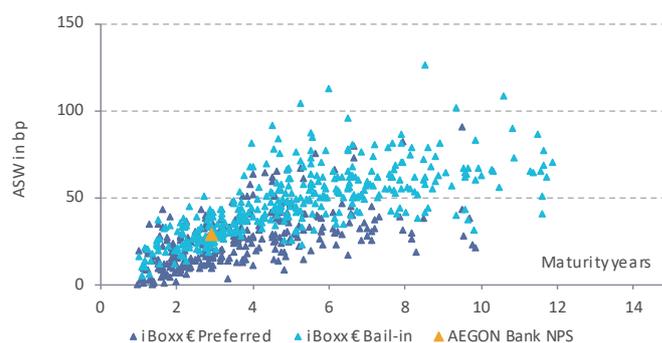
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	192	239	232
Net Fee & Commission Inc.	11	15	21
Net Trading Income	-12	10	40
Operating Expense	144	156	236
Credit Commit. Impairment	49	69	93
Pre-tax Profit	-2	39	-36

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.39	1.60	1.41	Liquidity Coverage Ratio	209.44	204.01	163.75
ROAE	0.93	3.88	-4.35	IFRS Tier 1 Leverage Ratio	4.49	4.74	4.26
Cost-to-Income	75.84	58.96	80.53	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	21.62	19.77	20.89	Reserves/Loans at Amort. Cost	0.76	0.95	1.16

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Risk profile (mortgage portfolio)
- Group integration
- Profitability

## Risks / Weaknesses

- Contribution to overall Group result
- Economies of scale (as a small bank)
- Low interest rate environment

# AEGON Bank – Mortgage (CPT)

Netherlands

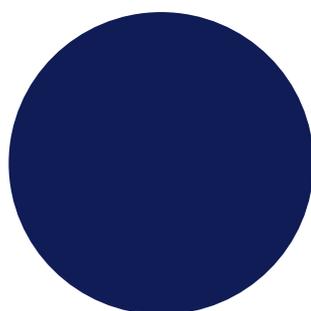
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,385
Amount outstanding (EURm)	2,000
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	19.2%
Committed OC	10.0%
Cover type	Mortgage
Main country	100% Netherlands
Main region	20% South Holland
Number of loans	14,445
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	18.6y
WAL (covered bonds)	2.8y
Fixed interest (cover pool)	97.3%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	54.2%
LTV (unindexed)	72.0%
Loans in arrears	0.0%

Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	aa-
JRL	aaa
Unused notches	N/A
AAA credit risk (%)	2.5
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	CPT

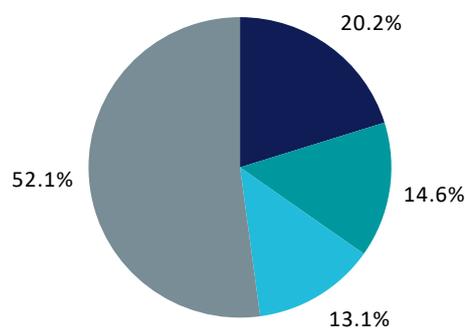
## Borrower Types



100.0%

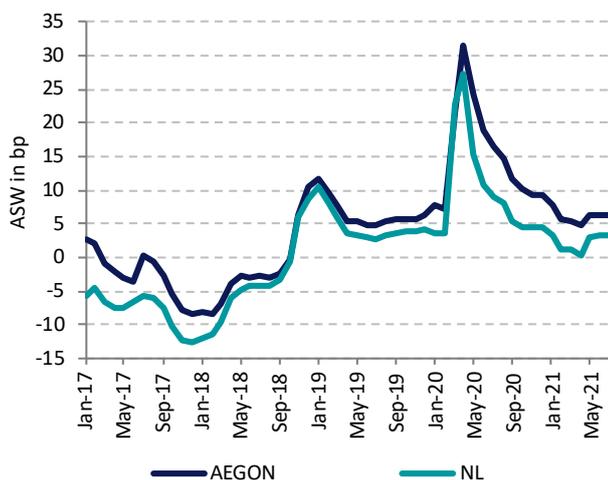
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

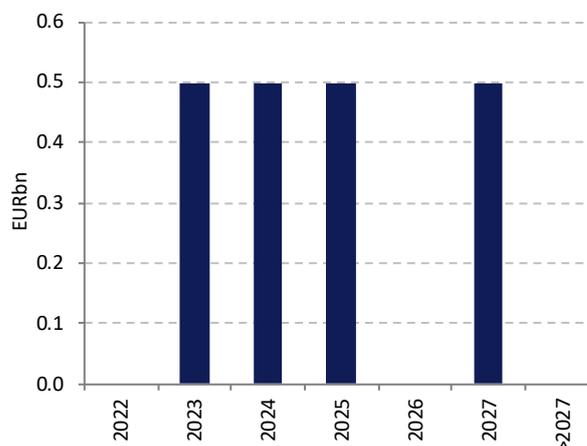


■ South Holland ■ Brabant ■ Gelderland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# AEGON Bank – Mortgage (Soft Bullet)

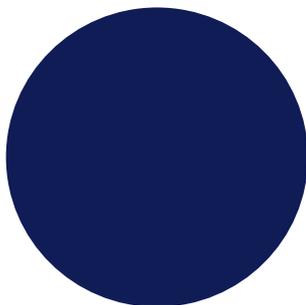
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	611	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	22.2%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	19% South Holland	RRL	aa-
Number of loans	3,731	JRL	aaa
Number of borrowers	n/a	Unused notches	4
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	16.9y	PCU	-
WAL (covered bonds)	14.9y	Recovery uplift	-
Fixed interest (cover pool)	96.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	53.8%	LCR level (Bmk)	1
LTV (unindexed)	74.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

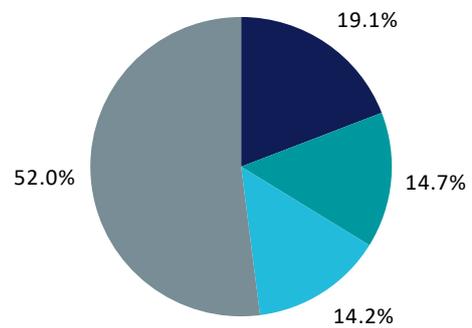
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

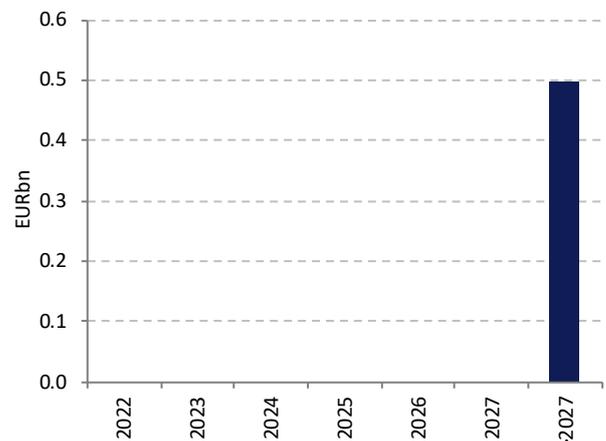


■ South Holland ■ Brabant ■ North Holland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# De Volksbank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A2	Stable
S&P	A-	Stable

## Homepage

[www.devolsbank.nl](http://www.devolsbank.nl)

De Volksbank (headquarters: Utrecht) traded under the name SNS Bank N.V. up until 2016 and, with over 3.3 million customers and 3,820 employees, is the fourth largest retail bank in the Netherlands. Its focus for the domestic market is on the retail banking and SME segments. De Volksbank is a domestic systemically important bank (D-SIB) in the Netherlands. Its strategic focus is on mortgage funding, payment transactions and various savings products. Insurance products are also offered, as well as an investment and credit business. The four individual brands operated by the bank – ASN Bank, BLG Wonen, RegioBank and SNS – each have a particular focus on one of the above-mentioned segments. Major losses in commercial real estate back in 2013 led to re-privatisation efforts that have continued to this day. Due to the current market situation, the re-privatisation was again not completed in 2020 and initially postponed to 2021. In the Netherlands, the bank has a market share of 19% for new accounts, 10.8% for customer deposits and 6.2% for mortgage loans (measured by volume). As at FY 2020, the funding mix mainly consists of deposits (80%). In terms of wholesale funding (10% of overall funding), covered bonds dominate (57%), followed by senior unsecured bonds (30%). At 31.2%, the CET1 ratio (fully loaded; FY 2020) significantly exceeded the bank's target of 19%. At 5.2%, the leverage ratio (likewise fully loaded) is also above the internal minimum requirement of 4.75%. An MREL requirement of 8% TLOF was applicable for financial year 2020, which has been achieved (8.6%).

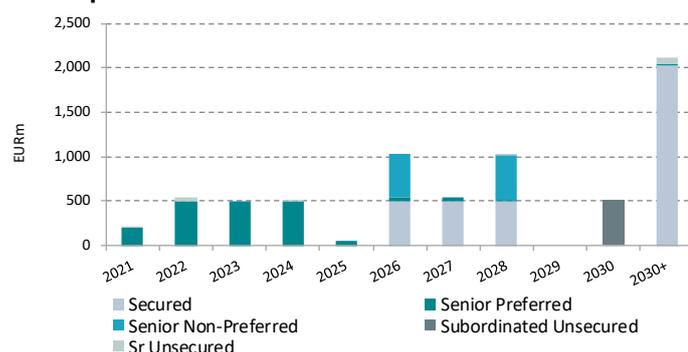
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	50,536	50,461	50,542
Total Securities	5,514	6,068	5,977
Total Deposits	48,217	49,045	53,652
Tier 1 Common Capital	3,313	3,156	3,223
Total Assets	60,948	62,841	67,484
Total Risk-weighted Assets	9,341	9,680	10,331

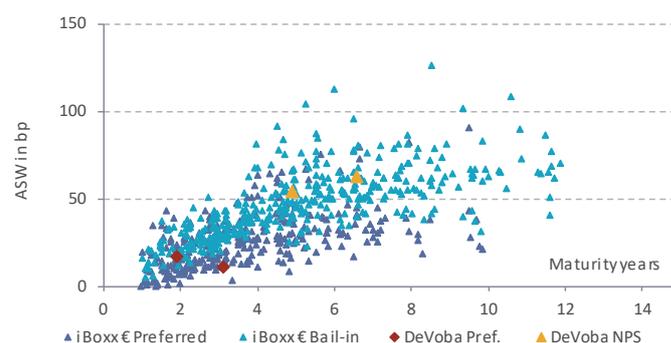
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	908	875	850
Net Fee & Commission Inc.	44	51	46
Net Trading Income	4	1	24
Operating Expense	609	572	617
Credit Commit. Impairment	-13	-6	38
Pre-tax Profit	361	362	233

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.50	1.37	1.31	Liquidity Coverage Ratio	177.00	182.00	233.00
ROAE	7.36	7.68	5.05	IFRS Tier 1 Leverage Ratio	5.54	5.17	4.93
Cost-to-Income	63.57	61.57	66.85	NPL/ Loans at Amortised Cost	1.30	1.28	1.34
Core Tier 1 Ratio	35.47	32.60	31.20	Reserves/Loans at Amort. Cost	0.25	0.24	0.33

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Retail banking earnings
- Capitalisation
- Liquidity profile

## Risks / Weaknesses

- Geographical diversification
- Concentration risks in loan portfolio
- Interest rate environment (hinders efficiency gains)

# De Volksbank – Mortgage

Netherlands

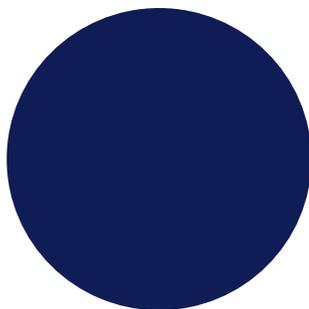
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	4,456
Amount outstanding (EURm)	3,690
-thereof ≥ EUR 500m	67.8%
Current OC (nominal)	20.7%
Committed OC	23.5%
Cover type	Mortgage
Main country	100% Netherlands
Main region	16% North Brabant
Number of loans	25,914
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	15.9y
WAL (covered bonds)	11.5y
Fixed interest (cover pool)	94.5%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	53.8%
LTV (unindexed)	67.7%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

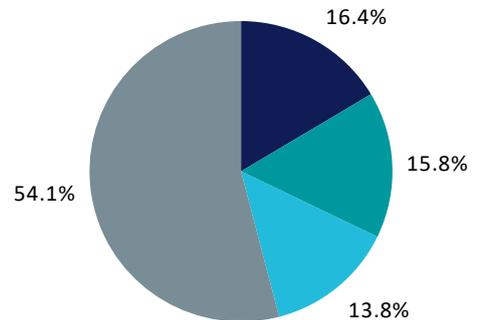
## Borrower Types



100.0%

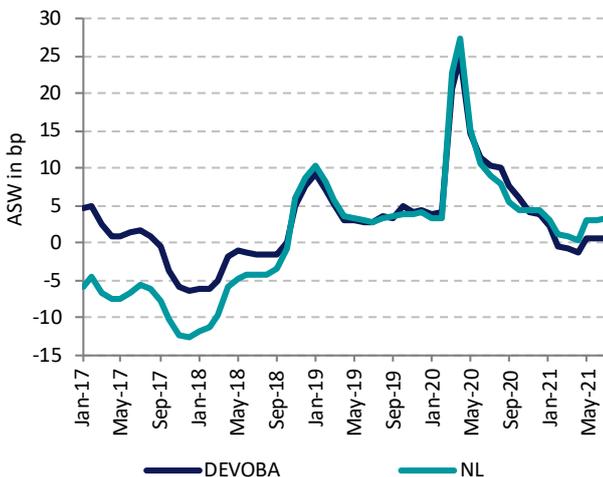
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

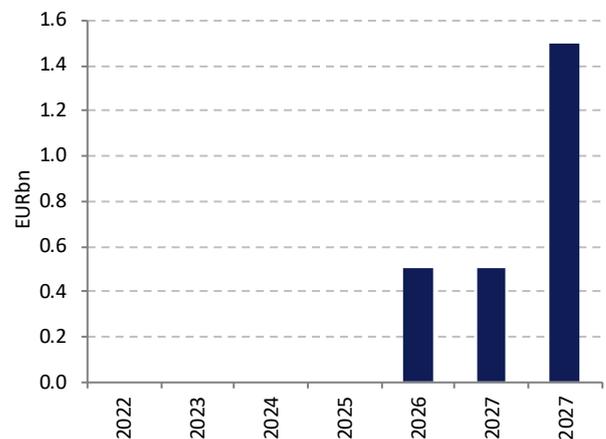


■ North Brabant ■ Gelderland ■ Limburg ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# ING Bank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa3	Stable
S&P	A+	Stable

## Homepage

[www.ing.com](http://www.ing.com)

\* ING Bank

The ING Group N.V. (ING), which wholly owns ING Bank, is the largest financial group in the Netherlands and headquartered in Amsterdam. Its shares are listed on the stock exchanges in Amsterdam, Brussels and New York. At 7.40 % (as at 29 Jan. 2021), BlackRock is one of the largest shareholders, followed by Artisan Investments GP LLC, with a stake of 3.08% (as at 19 March 2021). The Financial Stability Board has classified ING as the only global systemically important bank (G-SIB; additional capitalisation requirement of 1%) in the Netherlands. Due to the extremely high relevance of the bank for the Group, we are mainly using financial data from the ING Group. More than 57,000 Group employees serve over 39 million retail and corporate customers across more than 40 countries. ING breaks down its markets into the following segments: Market Leaders (the Netherlands, Belgium, Luxembourg), Challengers (Germany, Austria, Czech Republic, Spain, Italy, France, Australia), Growth Markets (Poland, Romania, Turkey, the Philippines and Asia) and Wholesale Banking, which is operated across all markets. In terms of revenue generation, the business focus lies first and foremost on the retail customer and SME segments on the domestic market of the Netherlands (51% of net income; FY 2020), Germany (30.6%) and Belgium (7.2%). ING reports across the following segments: Retail Netherlands, Retail Belgium, Retail Germany, Retail Other, Wholesale Banking and Corporate Line. The loan portfolio of ING is mainly retail-based with a share of just over 60%. In terms of financial targets, ING aims to achieve a CET1 ratio of around 12.5% according to Basel III Finalisation (Q4 2020: 15.5%) and a leverage ratio of more than 4% (Q4 2020: 4.4%).

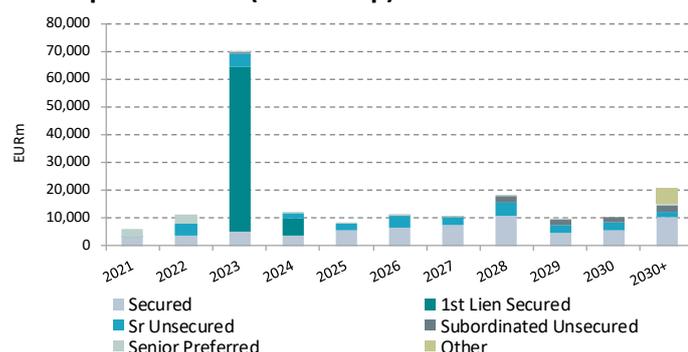
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	667,701	654,230	618,666
Total Securities	120,828	133,798	203,270
Total Deposits	619,141	657,757	-
Tier 1 Common Capital	47,552	47,333	48,118
Total Assets	891,744	937,275	980,870
Total Risk-weighted Assets	326,414	306,324	311,014

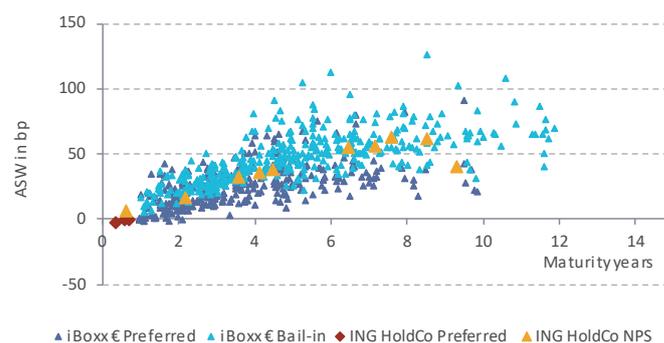
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	14,079	13,604	3,513
Net Fee & Commission Inc.	2,868	3,011	854
Net Trading Income	838	879	-
Operating Expense	10,294	10,595	3,016
Credit Commit. Impairment	1,120	2,675	223
Pre-tax Profit	6,834	3,809	1,463

## Redemption Profile (ING Groep)



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.58	1.46	1.49	Liquidity Coverage Ratio	126.67	137.14	140.16
ROAE	9.09	4.64	7.34	IFRS Tier 1 Leverage Ratio	5.49	5.21	-
Cost-to-Income	56.74	59.70	64.14	NPL/ Loans at Amortised Cost	1.66	2.12	2.07
Core Tier 1 Ratio	14.57	15.45	15.47	Reserves/Loans at Amort. Cost	0.75	0.96	0.93

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position (retail) in Benelux countries
- Capitalisation
- Profitability

## Risks / Weaknesses

- Low interest rate environment
- Exposure in oil and gas sector
- Exposure in TR and UA (winding-down in progress)

# ING Bank – Mortgage (Hard- and Soft Bullet)

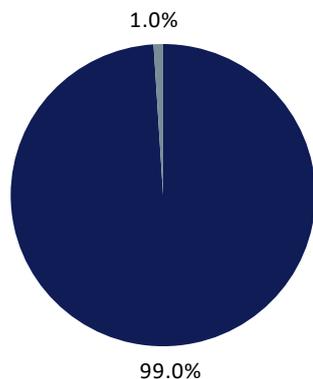
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

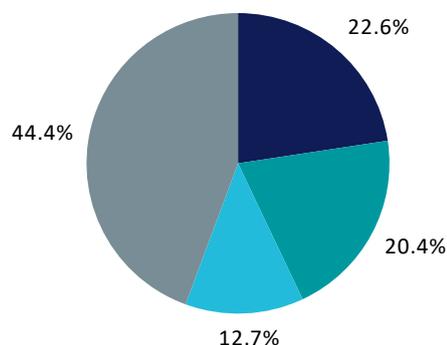
Cover pool volume (EURm)	20,405	Rating (Moody's)	Aaa
Amount outstanding (EURm)	16,589	Rating (S&P)	AAA
-thereof ≥ EUR 500m	40.7%	Rating (Fitch)	AAA
Current OC (nominal)	23.0%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Netherlands	Collateral score	5.0%
Main region	23% South Holland	RRL	aa
Number of loans	122,982	JRL	aaa
Number of borrowers	n/a	Unused notches	4
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	14.3y	PCU	6
WAL (covered bonds)	4.6y	Recovery uplift	2
Fixed interest (cover pool)	87.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	91.0%	CRR 129 (7)	Yes
LTV (indexed)	52.0%	LCR level (Bmk)	1
LTV (unindexed)	53.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



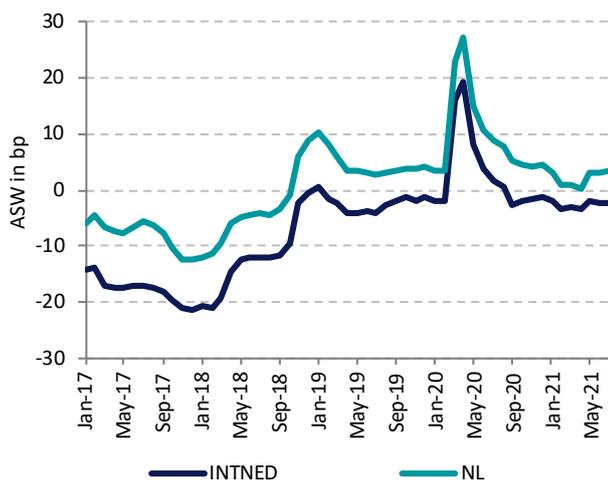
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

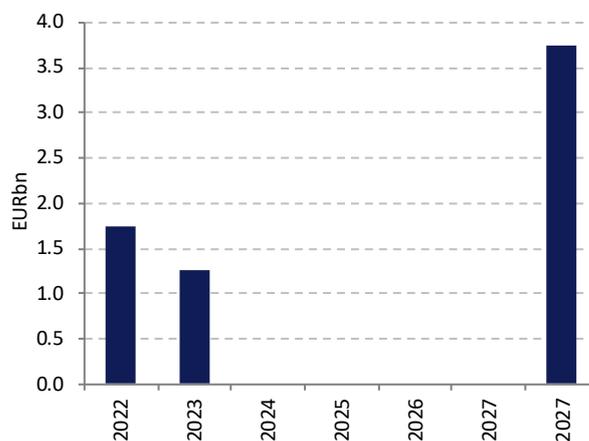


■ South Holland ■ North Holland ■ Brabant ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# NIBC Bank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB	Negative
Moody's	Baa1	Stable
S&P	BBB+	Stable

## Homepage

[www.nibc.com](http://www.nibc.com)

NIBC Bank is a commercial bank which offers customer-orientated products and services from its branches in the Hague, Amsterdam, Frankfurt, London and Brussels. It is a wholly owned subsidiary of NIBC Holding, which is listed on the Amsterdam stock exchange. In February 2020, it was announced that Blackstone Inc had launched a bid to acquire all NIBC shares. This deal was then completed in December of the same year. At the end of February 2021, NIBC was delisted from the Euronext stock exchange. The product range of NIBC includes mortgage loans and deposit products for retail customers, the latter of which are offered via its direct banking subsidiary NIBC Direct. The bank also offers specialised financial solutions for corporate customers in the mid-market segment. These include project financing, external capital solutions and M&A consultancy services. The organisational structure comprises the segments Corporate Client Offering, Retail Client Offering and Treasury and Group Functions. Over the past few years, NIBC has increased its market penetration among FinTechs by acquiring the German Gallinat Bank in addition to minority shareholdings in Ebury, Finleap and OakNorth. The bank defines its strategic corporate targets as a return on equity of 10-12% (FY 2020: 2.8%), a CIR of <45% (FY 2020: 52%) and a CET1 ratio of  $\geq 14\%$  (FY 2020: 21.3%). The leverage ratio amounts to 9.2% in FY 2020. Funding at NIBC is composed of retail funding (46%), secured (wholesale) funding (21%), unsecured (wholesale) funding (19%), shareholder equity (9%) and ESF deposits (2%).

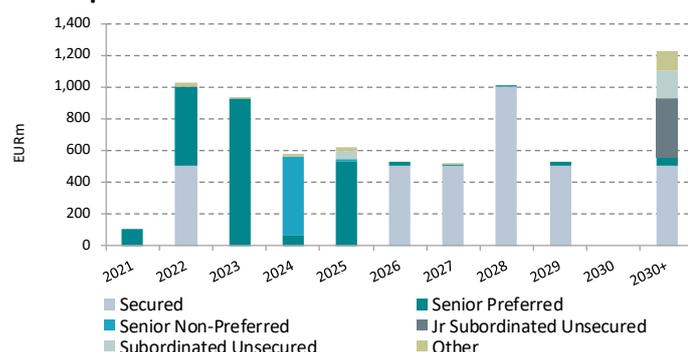
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	17,369	17,847	16,700
Total Securities	1,631	1,790	1,683
Total Deposits	11,267	11,397	11,137
Tier 1 Common Capital	1,594	1,605	1,631
Total Assets	21,716	22,407	21,055
Total Risk-weighted Assets	7,723	8,597	7,640

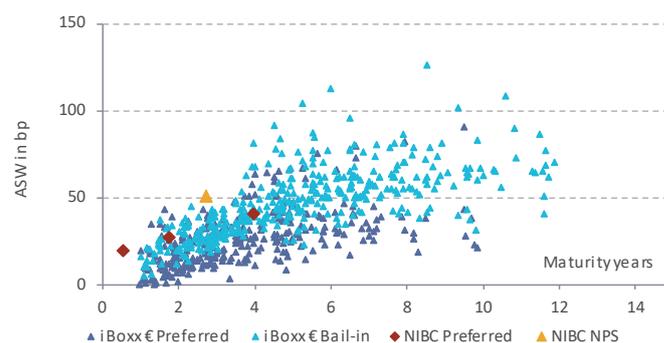
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	432	417	386
Net Fee & Commission Inc.	51	40	43
Net Trading Income	65	60	-20
Operating Expense	219	228	205
Credit Commit. Impairment	54	49	132
Pre-tax Profit	272	246	62

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.98	1.90	1.79	Liquidity Coverage Ratio	241.00	222.00	216.00
ROAE	11.02	9.67	3.00	IFRS Tier 1 Leverage Ratio	7.41	7.24	7.78
Cost-to-Income	39.82	43.51	50.37	NPL/ Loans at Amortised Cost	3.04	2.62	2.15
Core Tier 1 Ratio	20.64	18.67	21.35	Reserves/Loans at Amort. Cost	0.98	0.92	1.09

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Funding strategy
- Sector diversification

## Risks / Weaknesses

- Profitability
- Dependency on wholesale funding
- Risk profile in cyclical industries

# NIBC Bank – Mortgage

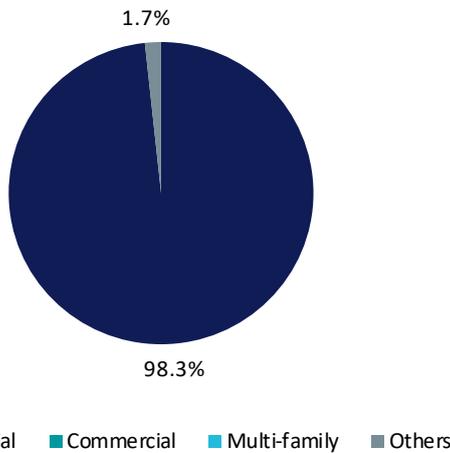
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

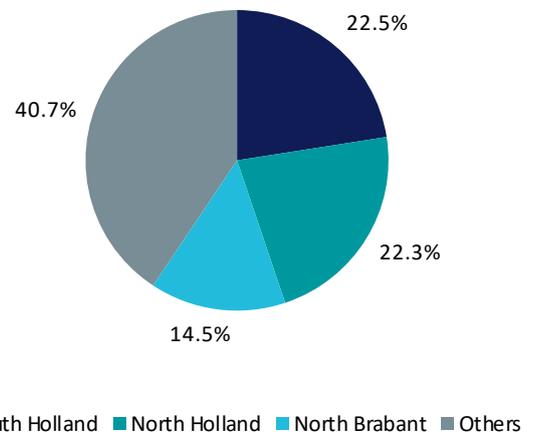
## Cover Pool Data

Cover pool volume (EURm)	4,172	Rating (Moody's)	-
Amount outstanding (EURm)	3,500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	19.2%	Rating (DBRS)	-
Committed OC	15.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	23% South Holland	RRL	a
Number of loans	17,510	JRL	aa
Number of borrowers	n/a	Unused notches	N/A
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	17.7y	PCU	8
WAL (covered bonds)	6.3y	Recovery uplift	2
Fixed interest (cover pool)	98.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	64.1%	LCR level (Bmk)	1
LTV (unindexed)	80.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

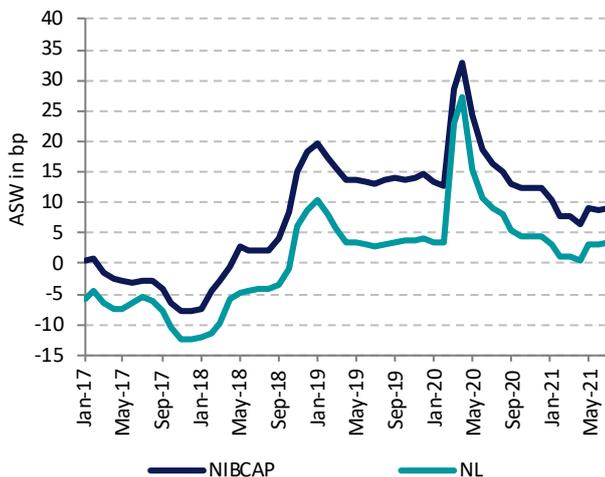
## Borrower Types



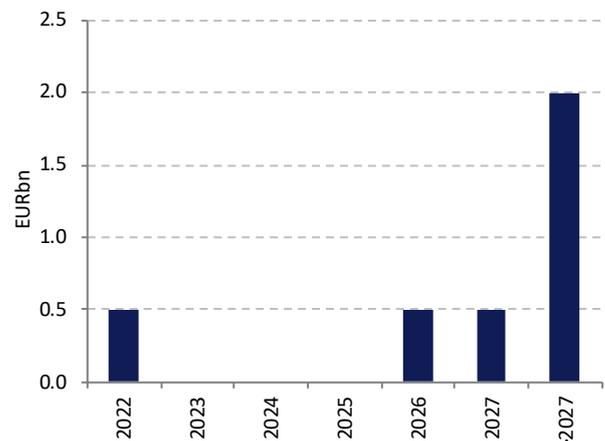
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# NN Bank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	A-	Stable

## Homepage

[www.nn-group.com](http://www.nn-group.com)

Nationale-Nederlanden Bank N.V. (NN Bank) is the banking arm of the NN Group N.V. The NN Group is a listed financial services provider, employing around 15,000 staff and serving approximately 18 million customers. The business activities of the NN Group are divided into the following segments: Netherlands Life (FY 2020: 53% of operating income), Netherlands Non-Life (11%), Insurance Europe (15%), Japan Life (13%), Asset Management (8%), Banking (8%) and Other (-8%). At consolidated Group level, banking activities play a somewhat more minor role. Since 2019, banking activities have been operated within the Banking segment. Previously, this had been integrated in the Others segment. The NN Group focuses on pension plans, insurance, investment and traditional banking products in the core markets of Europe and Japan. NN Bank offers a range of banking products, which perfectly supplement the insurance products offered by the NN Group (mortgage loans and savings products). Following a merger between the NN Group and Delta Lloyd in January 2018, all assets and liabilities pertaining to Delta Lloyd were subsequently transferred to NN Bank. Cost savings amounting to EUR 360m were achieved by the end of 2019 as a result of the merger. Targets for 2021 include the full integration of Delta Lloyd and cost savings of EUR 400m (10%-15% of which attributable to NN Bank). Furthermore, in 2019, the Dutch part of the non-life insurer VIVAT Non-life was acquired. The acquisition was concluded in April 2020, with full integration expected at some point in 2021. Net operating RoE in the banking business amounted to 13.8% in financial year 2020 (target RoE: >12 %).

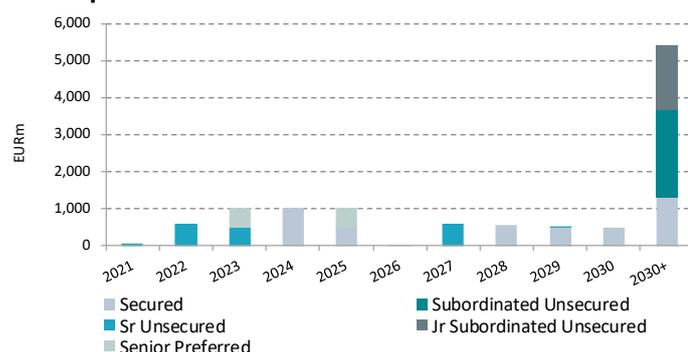
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	18,443	20,004	21,255
Total Securities	1,194	2,116	991
Total Deposits	14,476	15,079	15,743
Tier 1 Common Capital	906	926	1,047
Total Assets	21,602	24,663	25,498
Total Risk-weighted Assets	5,545	5,894	6,001

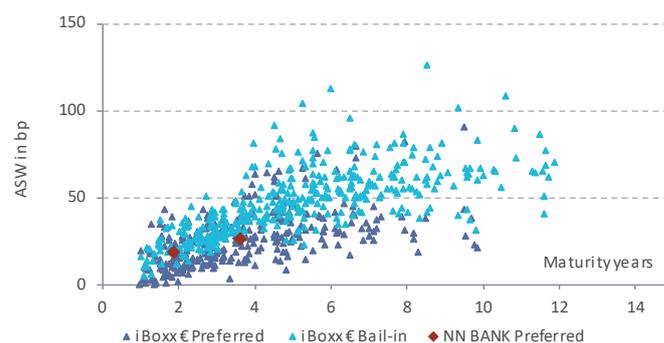
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	217	248	275
Net Fee & Commission Inc.	86	97	102
Net Trading Income	53	20	26
Operating Expense	223	208	230
Credit Commit. Impairment	-	-	-
Pre-tax Profit	98	156	169

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.16	1.08	1.11	Liquidity Coverage Ratio	168.34	157.55	157.91
ROAE	9.00	11.73	11.69	IFRS Tier 1 Leverage Ratio	4.24	3.81	4.13
Cost-to-Income	62.97	57.43	57.13	NPL/ Loans at Amortised Cost	0.70	0.42	1.24
Core Tier 1 Ratio	16.33	15.72	17.44	Reserves/Loans at Amort. Cost	0.15	0.10	0.12

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Integration in group (complementary products)
- Operational contribution to the Group
- Risk profile (mortgage portfolio)

## Risks / Weaknesses

- Low interest rate environment
- Concentration risks (Netherlands)
- Market share

# NN Bank – Mortgage (CPT)

Netherlands

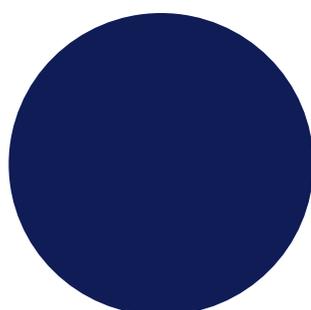
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,985
Amount outstanding (EURm)	2,595
-thereof ≥ EUR 500m	98.3%
Current OC (nominal)	15.0%
Committed OC	10.0%
Cover type	Mortgage
Main country	100% Netherlands
Main region	26% South Holland
Number of loans	12,504
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	21.9y
WAL (covered bonds)	5.5y
Fixed interest (cover pool)	99.3%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	59.4%
LTV (unindexed)	79.6%
Loans in arrears	0.0%

Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	aa+
Unused notches	N/A
AAA credit risk (%)	2.5
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	CPT

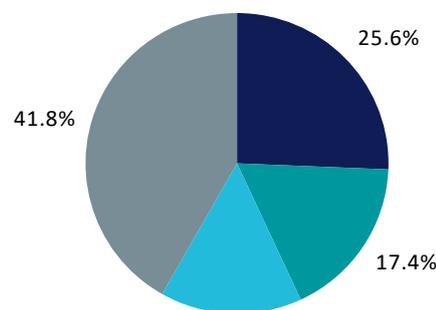
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

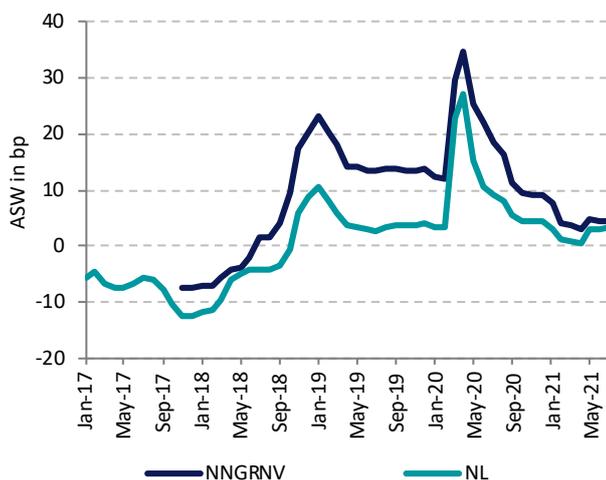
## Regional Distribution



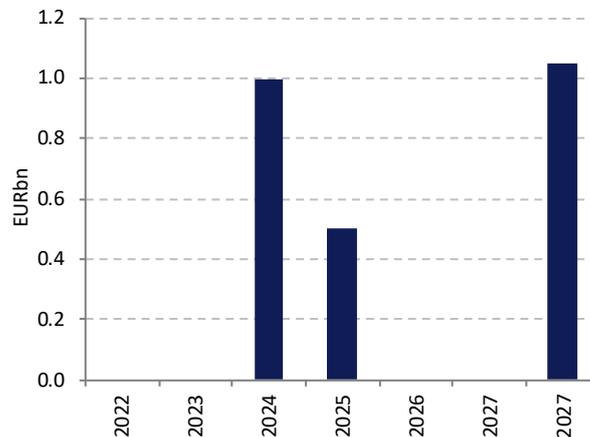
15.2%

■ South Holland ■ North Holland ■ North Brabant ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# NN Bank – Mortgage (Soft Bullet)

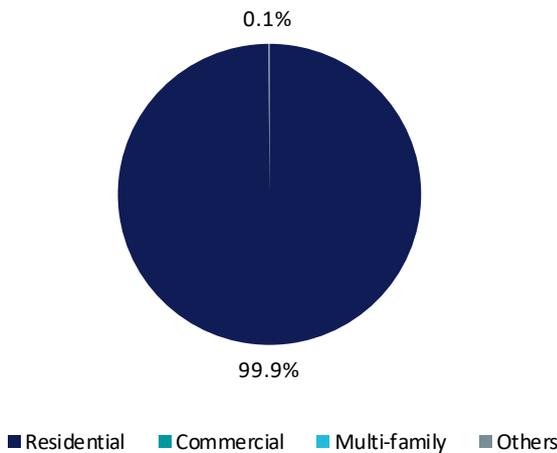
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

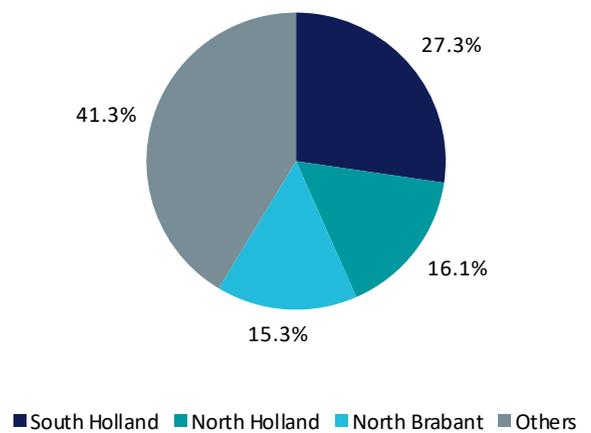
## Cover Pool Data

Cover pool volume (EURm)	1,917	Rating (Moody's)	-
Amount outstanding (EURm)	1,750	Rating (S&P)	AAA
-thereof ≥ EUR 500m	85.7%	Rating (Fitch)	-
Current OC (nominal)	9.5%	Rating (DBRS)	-
Committed OC	0.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	27% South Holland	RRL	a+
Number of loans	8,675	JRL	aa+
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3.3
WAL (cover pool)	25.7y	PCU	-
WAL (covered bonds)	15.2y	Recovery uplift	-
Fixed interest (cover pool)	99.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	59.6%	LCR level (Bmk)	1
LTV (unindexed)	77.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

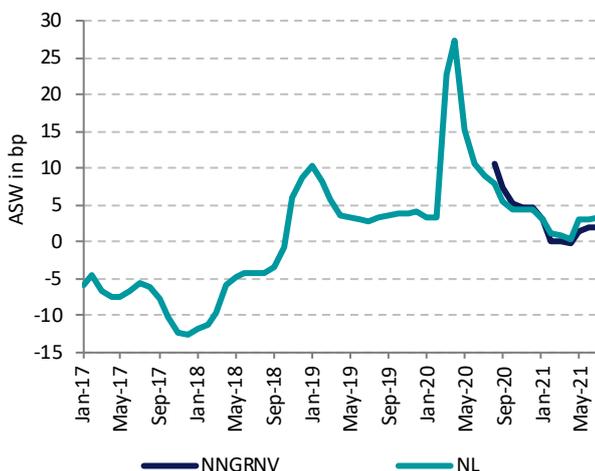
## Borrower Types



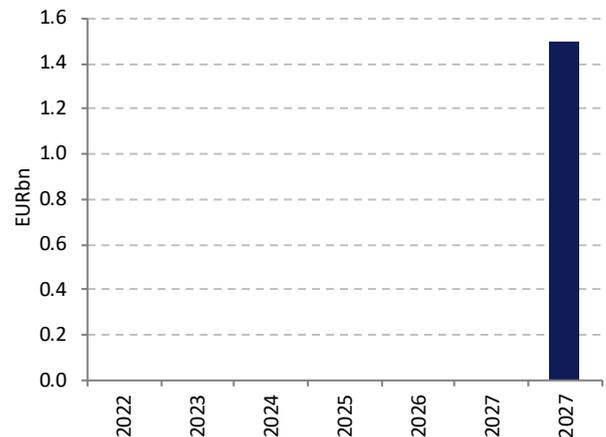
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Rabobank

# Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Negative
Moody's	Aa3	Stable
S&P	A+	Stable

## Homepage

[www.rabobank.com](http://www.rabobank.com)

Today, the cooperative Rabobank Group (headquarters: Utrecht) is one of the major financial service providers in the Netherlands. Before being renamed in 2016, the Group was known as Centrale Raiffeisen Boerenleenbank. Globally, it serves almost 9.6 million customers, 0.7 million of which are from outside of the Netherlands, and employs roughly 43,000 staff. The Group consists of 86 local banks, operates around 287 branches in the Netherlands and is active in 37 countries around the world. The geographical breakdown of the loan portfolio (FY 2020) is as follows: 72% attributable to the Netherlands, 9% to North America, 8% to Europe, 6% to Australia and New Zealand, 3% to Latin America and 2% to Asia. In its domestic market of the Netherlands, the Group boasts a market share of roughly 22% in mortgage loans and 34% for private customer deposits, according to its own data. A total of 47% of the loan portfolio consists of private mortgage loans. The bank reports across the segments Domestic Retail Banking, Wholesale, Rural and Retail, Leasing, Property Development and Other Segments. As at FY 2020, the CET1 ratio stood at 16.8%, already in excess of the target value for 2022 (>14 %). Last year, the cost-income ratio (CIR) rose by 2.5 percentage points to 65.8% (FY 2019: 63.3%). Due to the implication of the COVID19 crisis and the uncertainty of the outlook, it was decided to push back the ambition of achieving a mid 50% CIR. Now the goal is to reach a CIR of low 60 % by 2024. The MREL requirement of SRB at Rabobank amounts to 28.58%. This has been achieved with an MREL ratio of 30.2% of RWAs. Since 2015, Rabobank has reduced its wholesale funding by EUR 72bn to EUR 131bn.

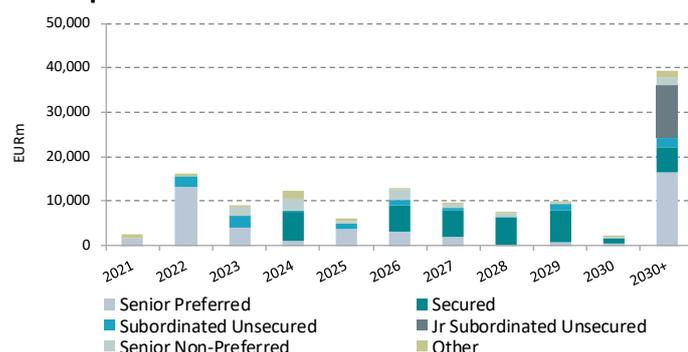
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	438,627	442,026	438,074
Total Securities	44,521	39,446	47,853
Total Deposits	343,118	339,272	361,821
Tier 1 Common Capital	32,122	33,596	34,647
Total Assets	590,437	590,598	632,258
Total Risk-weighted Assets	200,531	205,797	205,773

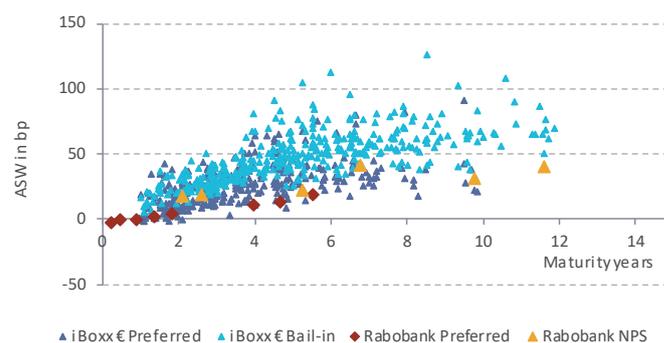
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	8,559	8,455	8,184
Net Fee & Commission Inc.	1,931	1,858	1,780
Net Trading Income	364	256	-70
Operating Expense	7,834	7,440	7,090
Credit Commit. Impairment	195	976	1,913
Pre-tax Profit	3,906	3,041	1,496

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.48	1.47	1.38	Liquidity Coverage Ratio	135.00	132.00	193.00
ROAE	7.34	5.27	2.67	IFRS Tier 1 Leverage Ratio	5.68	5.94	5.74
Cost-to-Income	65.17	65.18	65.76	NPL/ Loans at Amortised Cost	4.22	3.56	3.18
Core Tier 1 Ratio	16.02	16.32	16.84	Reserves/Loans at Amort. Cost	0.85	0.89	1.07

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Risk profile
- Liquidity profile
- Market positioning in the Netherlands

## Risks / Weaknesses

- Dependency on wholesale funding (positive trend)
- Focus on domestic lending
- Low interest rate environment (profitability)

# Rabobank – Mortgage

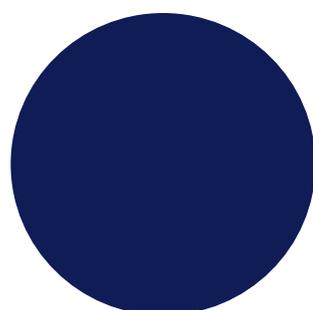
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	15,260	Rating (Moody's)	Aaa
Amount outstanding (EURm)	13,673	Rating (S&P)	-
-thereof ≥ EUR 500m	95.0%	Rating (Fitch)	-
Current OC (nominal)	11.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Netherlands	Collateral score	5.0%
Main region	19% South Holland	RRL	-
Number of loans	73,879	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	19.7y	PCU	-
WAL (covered bonds)	10.5y	Recovery uplift	-
Fixed interest (cover pool)	99.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	56.5%	LCR level (Bmk)	1
LTV (unindexed)	71.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

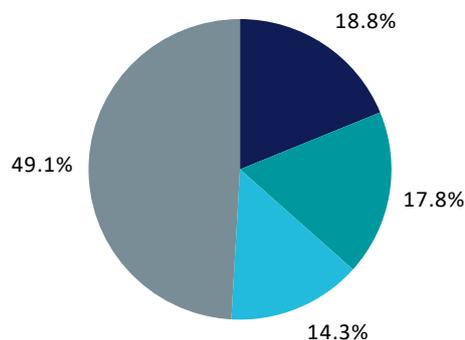
## Borrower Types



100.0%

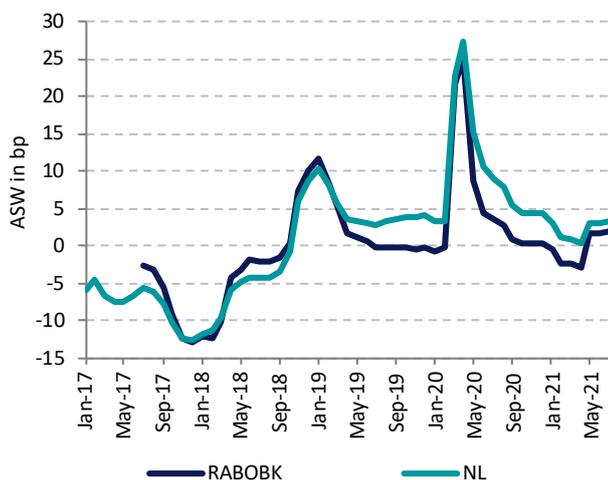
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

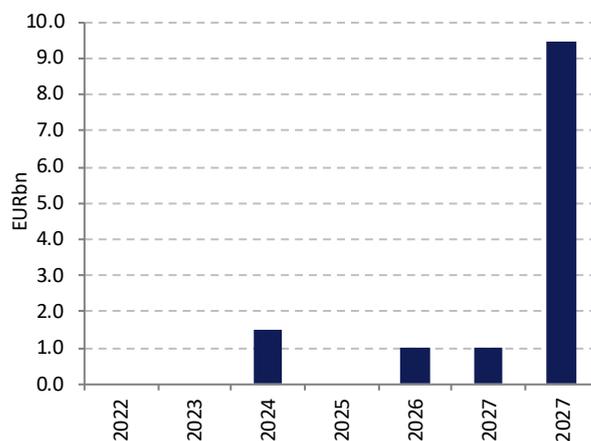


■ South Holland ■ North Brabant ■ North Holland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Van Lanschot Kempen

## Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings\*

	Rating	Outlook
Fitch	BBB+	Stable
Moody's	-	-
S&P	BBB+	Stable

### Homepage

[www.vanlanschotkempen.com](http://www.vanlanschotkempen.com)

\*Van Lanschot NV

Van Lanschot Kempen (VLK) is an independent asset management firm which specialises in preserving and generating assets for its customers (AuM FY 2020: EUR 99bn; FY 2019: EUR 82.7bn). As at year-end 2020, VLK employed 1,564 staff. Its shares are listed on the Amsterdam stock exchange. Since 2018, APG Asset Management has been the largest shareholder in VLK with a share of around 9.9% (data as at: 25 Feb. 2021). VLK operates its business via the four core segments Van Lanschot Private Banking, Kempen Asset Management, Kempen Merchant Banking and the online asset management service Evi van Lanschot. The latter was created within the framework of Strategy 2020 as an autonomous core segment with the aim of carving out a position as independent specialists in online asset administration in the upscale retail customer segment. The geographical focus of the bank is on the Benelux countries. Roughly 71% of the loan portfolio consists of mortgage loans. The majority of the bank's funding (66%) is obtained from deposits. VLK's liquidity ratio of 177.4% as at year-end 2020 puts it in a comfortable position. In Q3 2020, a legal merger of the holding company Van Lanschot Kempen NV (VLK Holding) with its wholly owned subsidiary Van Lanschot Kempen Wealth Management was announced and it is expected that this merger will have positive impacts on the capital ratios in H2/2021 and 2022. Van Lanschot Kempen has defined the following financial targets for 2023: a CET1 ratio of 15%-17 % (FY 2020: 24.3%), return on CET1 of 10%-12 % (4.4%) and an efficiency ratio of 70%-72 % (85.7%).

### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	8,561	8,598	8,448
Total Securities	2,972	3,548	3,754
Total Deposits	9,091	9,545	10,141
Tier 1 Common Capital	970	1,000	1,021
Total Assets	13,983	14,319	15,149
Total Risk-weighted Assets	4,588	4,205	4,195

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	175	175	152
Net Fee & Commission Inc.	293	290	296
Net Trading Income	-2	2	-44
Operating Expense	432	408	385
Credit Commit. Impairment	-13	-12	2
Pre-tax Profit	80	120	54

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.27	1.28	1.07	Liquidity Coverage Ratio	140.60	156.90	176.19
ROAE	6.17	7.65	3.73	IFRS Tier 1 Leverage Ratio	7.27	7.29	7.04
Cost-to-Income	85.31	77.04	87.01	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	21.14	23.79	24.34	Reserves/Loans at Amort. Cost	1.30	0.74	0.75

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

### Strengths / Opportunities

- Capitalisation
- Funding mix
- Liquidity profile

### Risks / Weaknesses

- Fixed-cost basis
- Concentration risks in the domestic market
- Market penetration

# Van Lanschot – Mortgage

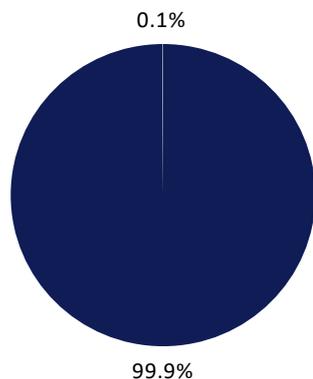
Netherlands

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

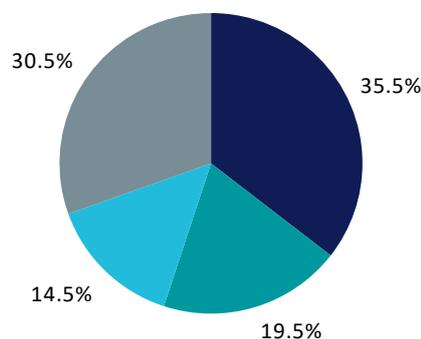
Cover pool volume (EURm)	1,768	Rating (Moody's)	-
Amount outstanding (EURm)	1,500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	17.9%	Rating (DBRS)	-
Committed OC	n/a	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	36% North Holland	RRL	a
Number of loans	3,744	JRL	aa
Number of borrowers	n/a	Unused notches	N/A
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5
WAL (cover pool)	17.0y	PCU	8
WAL (covered bonds)	2.8y	Recovery uplift	2
Fixed interest (cover pool)	99.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	52.2%	LCR level (Bmk)	1
LTV (unindexed)	64.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

## Borrower Types



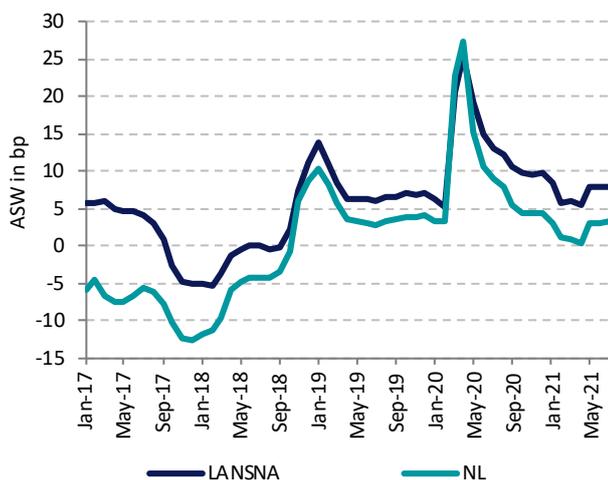
■ Residential ■ Commercial

## Regional Distribution

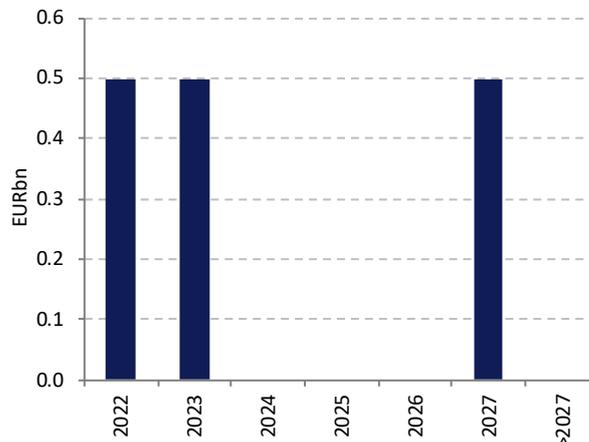


■ North Holland ■ South Holland ■ North Brabant ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



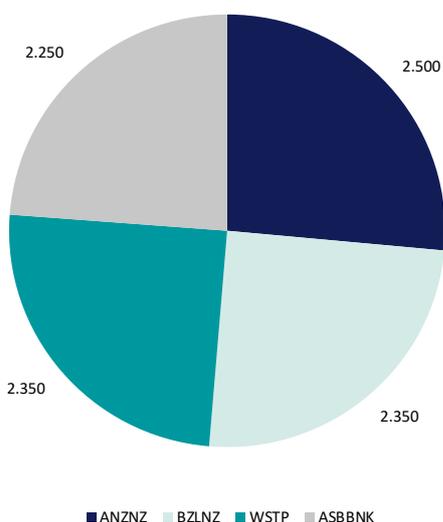
# Market Overview Covered Bonds

## New Zealand

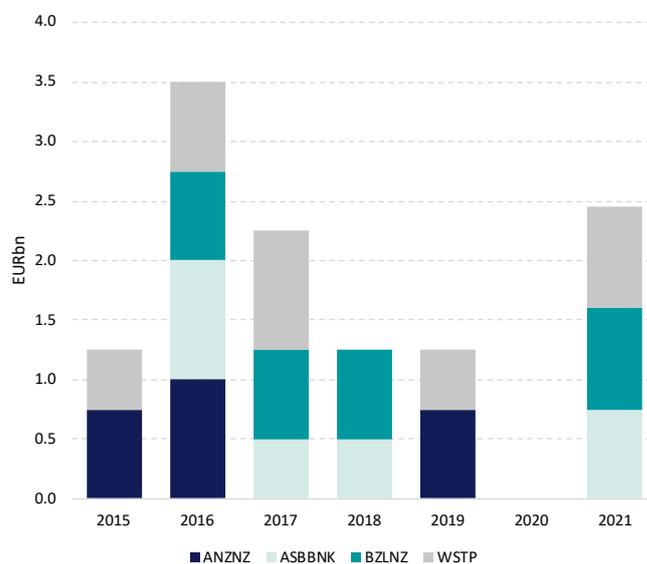
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 16.29bn	Outstanding volume (Bmk)	EUR 9.45bn
Amount outstanding	EUR 9.15bn	Number of benchmarks	13
Number of issuer	4	Outstanding ESG volume (Bmk)	-
No of cover pools	4	Number of ESG benchmarks	-
there of M / PS / others	4 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	SB

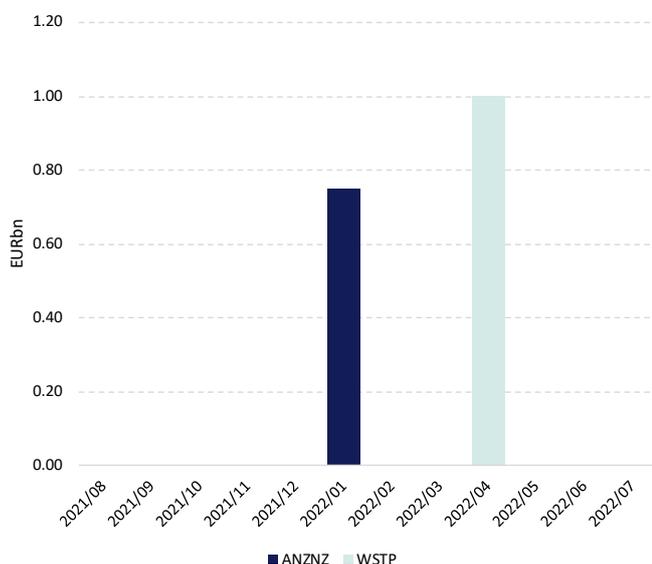
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



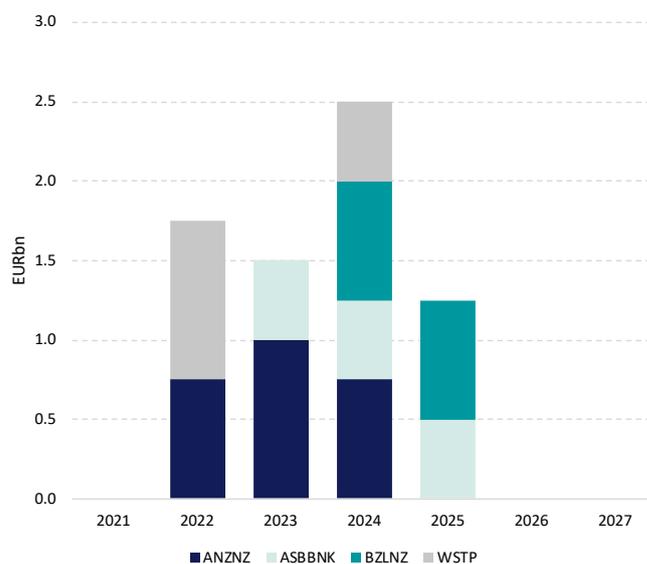
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# ANZ Bank New Zealand

# New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's*	A1	Stable
S&P	AA-	Stable

## Homepage

[www.anz.co.nz](http://www.anz.co.nz)

\* LT Bank Deposits

Headquartered in Auckland, ANZ Bank New Zealand Ltd. (ANZ NZ) is by far the largest financial group in New Zealand measured by assets. The bank is a wholly owned subsidiary of the Australia and New Zealand Banking Group (ANZ) and is heavily integrated into its parent group. Both ANZ NZ and ANZ are classified as domestic systemically important banks (D-SIBs). ANZ NZ focuses on three segments: Retail (retail and SME client business, 47% contribution to net earnings in FY 2020), Commercial (corporate client business, 28%) and Institutional (financial market solutions for global market players and institutions, 25%). These segments are supported by treasury and back-office services, which are brought together under the Other segment (loss of NZD 51m). According to the bank's own figures, it has a market share of 30% in the mortgage lending business and is the market leader in private household deposits, with a share of 39%. Like its parent company, the corporate strategy of ANZ NZ is focused on streamlining the product range and business segments as well as increased digitalisation. In this context, in September 2020 UDC Finance Limited was sold. 81% of funding at ANZ NZ is covered by household deposits and 19% is provided by wholesale funding. With a CET1 ratio of 11.3% in H1 2021, ANZ NZ exceeds the domestic minimum requirements. It is currently obliged to retain a minimum of 10.8% of common equity tier 1; this figure has been rising steadily since 2020 and is set to total 13.5% by 2023. Its introduction was delayed to July 2021. The financial year of ANZ NZ ends on 30 September each year.

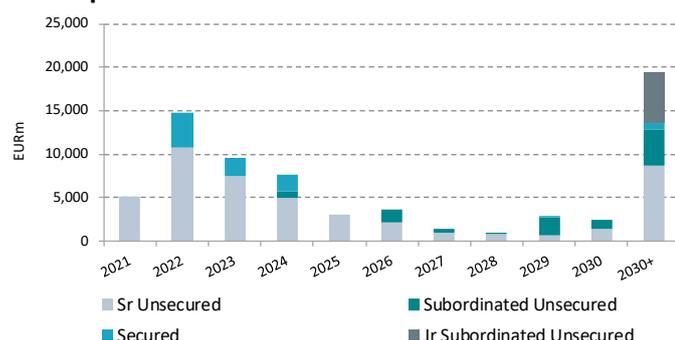
## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	76,081	74,719	81,876
Total Securities	15,865	18,239	20,250
Total Deposits	62,711	68,055	73,121
Tier 1 Common Capital	5,997	6,719	7,689
Total Assets	97,259	101,210	109,302
Total Risk-weighted Assets	55,726	57,597	58,647

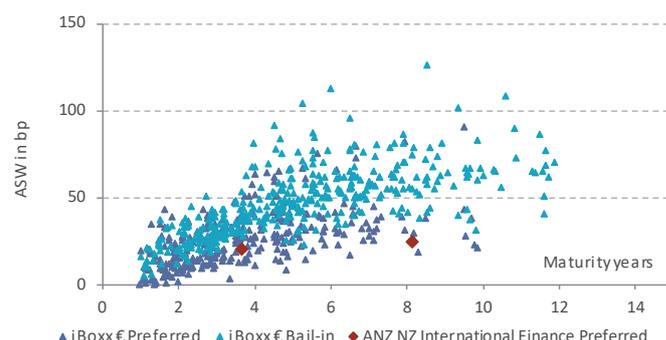
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	1,914	1,864	980
Net Fee & Commission Inc.	393	319	162
Net Trading Income	69	149	23
Operating Expense	949	985	452
Credit Commit. Impairment	60	230	-41
Pre-tax Profit	1,464	1,094	767

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	2.16	1.92	1.89	Liquidity Coverage Ratio	-	-	-
ROAE	13.21	9.06	11.58	IFRS Tier 1 Leverage Ratio	6.74	7.09	7.62
Cost-to-Income	39.36	42.04	38.39	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	10.76	11.66	13.11	Reserves/Loans at Amort. Cost	0.37	0.52	0.45

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- National market position
- Integration in the Group
- Capitalisation and credit quality

## Risks / Weaknesses

- Competitive pressure, credit concentration risks
- Private household debt levels
- Property market price development

# ANZ Bank New Zealand – Mortgage

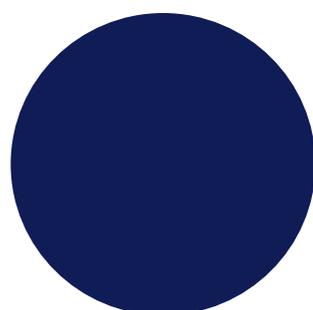
## New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Cover Pool Data

Cover pool volume (EURm)	5,645	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,333	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	142.0%	Rating (DBRS)	-
Committed OC	11.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% New Zealand	Collateral score	5.0%
Main region	51% Auckland	RRL	-
Number of loans	51,048	JRL	-
Number of borrowers	31,961	Unused notches	-
Avg. exposure to borrowers (EUR)	176,618	AAA credit risk (%)	-
WAL (cover pool)	18.4y	PCU	6
WAL (covered bonds)	3.5y	Recovery uplift	1
Fixed interest (cover pool)	93.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	45.3%	LCR level (Bmk)	2A
LTV (unindexed)	53.6%	Risk weight	20%
Loans in arrears	0.5%	Maturity structure (Bmk)	SB

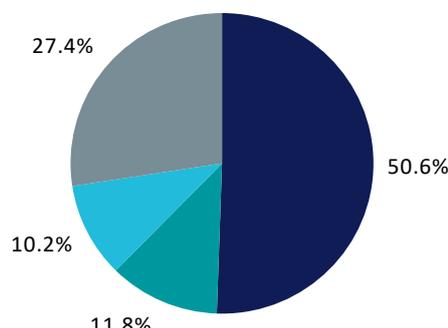
### Borrower Types



100.0%

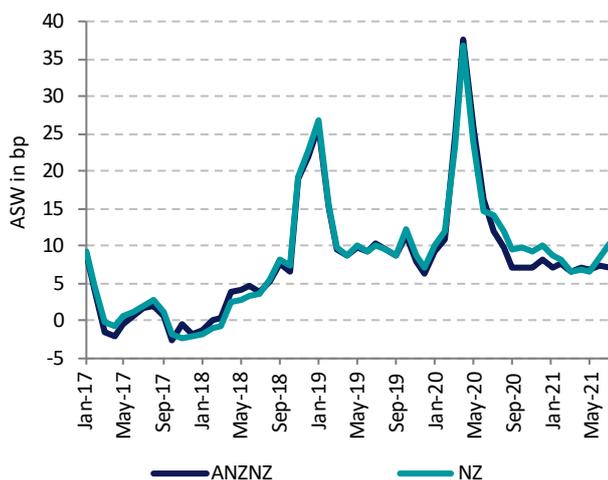
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution

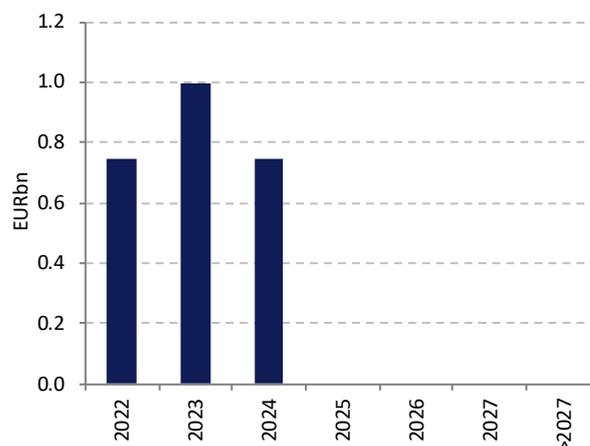


■ Auckland ■ Wellington ■ Canterbury ■ Others

### Spread Development (>1y)



### Redemption Profile (Bmk)



# ASB Bank

# New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's*	A1	Stable
S&P	AA-	Stable

## Homepage

[www.asb.co.nz](http://www.asb.co.nz)

\* LT Bank Deposits

Auckland Savings Bank (ASB Bank, ASB), headquartered in Auckland, is a wholly owned subsidiary of ASB Holdings Limited, which is part of the Commonwealth Bank of Australia (CBA). ASB focuses its business on New Zealand and serves more than 1.3 million customers. The Reserve Bank of New Zealand (RBNZ), which functions as the financial supervisory authority of New Zealand, has classified ASB as a D-SIB. ASB is divided into the following segments: Retail Banking, Business Banking, Corporate Banking, Private Banking, Wealth & Insurance and Other. Around 52% of net profit after tax for the second half of 2020 is attributable to the Retail Banking segment, with Business Banking accounting for a shade under 35%. These two segments are, therefore, the most profitable. In contrast, Corporate Banking and Private Banking, Wealth & Insurance take a subordinate role, but serve to diversify the range of income sources. Residential mortgages constitute a majority, at over two-thirds of customer loans or 69% of assets, followed by loans to corporates at a little below 28%. ASB is mainly funded by private client deposits (approximately 76% as at H2 2020). Therefore, as is the case with all other major Australian and New Zealand banks, ASB is dependent on the capital market for refinancing purposes. As at the end of H2 2020, the NPL ratio stood well below 1%. With a CET1 ratio of 12.2% (H2 2020), ASB fulfils the regulatory requirements. Its financial year ends on 30 June each year.

## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	51,740	51,738	55,816
Total Securities	4,036	5,194	5,362
Total Deposits	39,067	42,676	44,937
Tier 1 Common Capital	3,778	3,727	4,188
Total Assets	58,095	60,360	64,265
Total Risk-weighted Assets	33,083	32,438	34,346

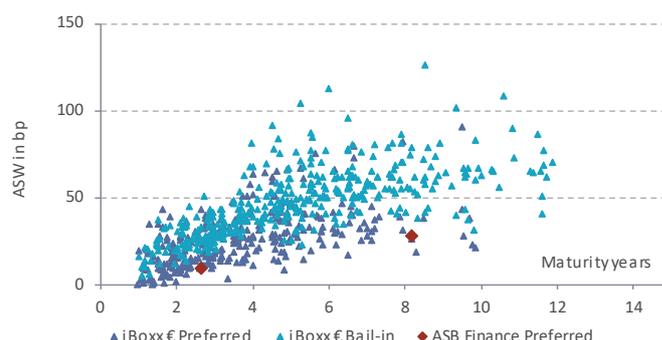
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	1,261	1,233	634
Net Fee & Commission Inc.	309	296	-
Net Trading Income	59	52	-
Operating Expense	569	636	296
Credit Commit. Impairment	64	176	17
Pre-tax Profit	1,027	771	496

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	2.23	2.13	2.09	Liquidity Coverage Ratio	-	-	-
ROAE	16.27	12.22	15.26	IFRS Tier 1 Leverage Ratio	6.54	6.20	6.58
Cost-to-Income	34.28	40.16	36.58	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	11.42	11.49	12.19	Reserves/Loans at Amort. Cost	0.47	0.69	0.63

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- National market position
- Capitalisation and liquidity situation
- Net interest margin

## Risks / Weaknesses

- Dependency on wholesale funding
- Downside risks linked to agri sector & property market
- Credit risk concentration

# ASB Bank – Mortgage

## New Zealand

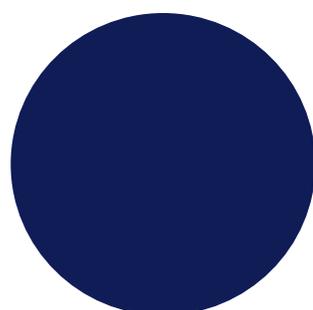
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Cover Pool Data

Cover pool volume (EURm)	2,817
Amount outstanding (EURm)	2,193
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	28.5%
Committed OC	11.7%
Cover type	Mortgage
Main country	100% New Zealand
Main region	52% Auckland
Number of loans	30,177
Number of borrowers	21,648
Avg. exposure to borrowers (EUR)	130,124
WAL (cover pool)	21.2y
WAL (covered bonds)	3.9y
Fixed interest (cover pool)	93.3%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	32.5%
LTV (unindexed)	42.0%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	3
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

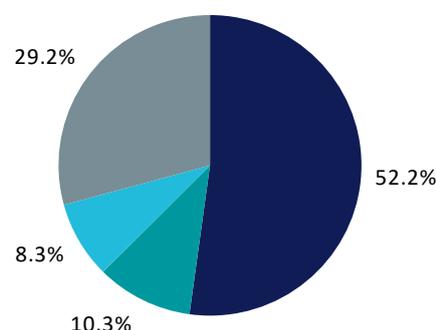
### Borrower Types



100.0%

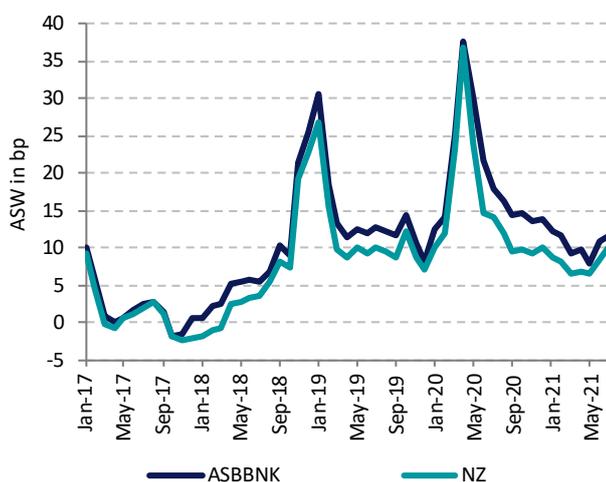
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution

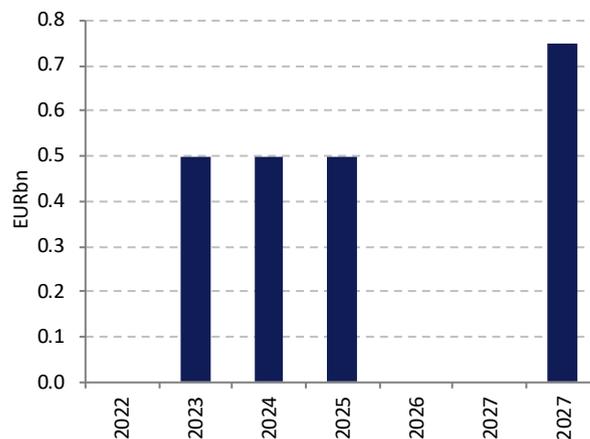


■ Auckland ■ Wellington ■ Canterbury ■ Others

### Spread Development (>1y)



### Redemption Profile (Bmk)



# Bank of New Zealand

# New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's*	A1	Stable
S&P	AA-	Stable

## Homepage

[www.bnz.co.nz](http://www.bnz.co.nz)

\* LT Bank Deposits

The Bank of New Zealand (BNZ) is a universal bank headquartered in Auckland that has been part of National Australia Bank (NAB) since 1992. BNZ is a wholly owned subsidiary of NAB. The Reserve Bank of New Zealand (RBNZ), the country's financial supervisory authority, has classified BNZ as a D-SIB. BNZ mainly focuses on the New Zealand market and covers the following customer groups: retail, business, agriculture, corporate and institutional. Since the end of 2020, the bank is now split into two segments instead of the previous three: Partnership Banking (retail and corporate clients; just under 82% of total operating income as at FY 2020) and Corporate and Institutional Banking (financial solutions for agricultural enterprises and institutional clients; 14%). The segment Other (4%) is considered a separate entity and offers management support and administrative activities. According to RBNZ data, as at the end of September 2020, BNZ boasts market shares of 9% in the property loans segment and 25% for agricultural loans. The equivalent figures for corporate loans and customer deposits are 15% and 11% respectively. Measured against its lending portfolio overall, BNZ has a comparatively typical loan allocation, with shares of around 52% for mortgage loans (peer group average; 51%), 15% in the agricultural sector (13%) and 29% for corporate loans (31%). The NPL ratio has increased by 20 basis points to 0.9% in comparison with the previous year (data as at September 2020). With a CET1 ratio of 11.9% (FY 2020), the bank complies with the minimum requirements. The ratio increased by 90 basis points year on year. BNZ's financial year ends on 30 September each year.

## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	50,543	49,635	54,013
Total Securities	8,544	9,546	8,089
Total Deposits	36,205	38,053	41,101
Tier 1 Common Capital	4,201	4,552	5,193
Total Assets	62,640	63,239	68,075
Total Risk-weighted Assets	38,302	38,412	40,378

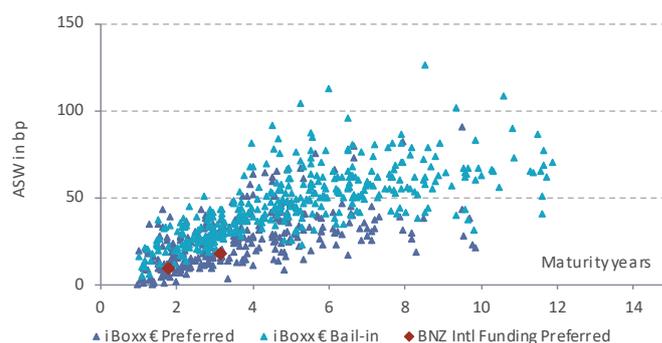
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	1,216	1,190	629
Net Fee & Commission Inc.	-	-	-
Net Trading Income	76	50	79
Operating Expense	670	673	293
Credit Commit. Impairment	67	171	-10
Pre-tax Profit	830	607	537

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	2.02	1.92	1.93	Liquidity Coverage Ratio	-	-	-
ROAE	13.35	9.19	14.76	IFRS Tier 1 Leverage Ratio	7.12	7.53	7.94
Cost-to-Income	42.73	46.36	35.74	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	10.97	11.85	12.86	Reserves/Loans at Amort. Cost	0.74	1.02	0.93

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- National market position
- Capitalisation
- Cost-income ratio

## Risks / Weaknesses

- Dependency on capital market funding
- Competition and low interest rate environment
- Concentration risks in lending business

# Bank of New Zealand – Mortgage

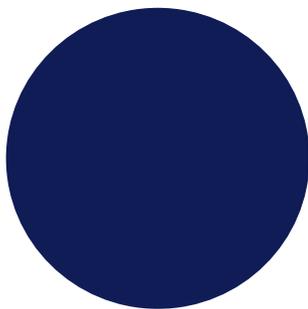
New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	3,794	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,314	Rating (S&P)	-
-thereof ≥ EUR 500m	92.4%	Rating (Fitch)	AAA
Current OC (nominal)	64.0%	Rating (DBRS)	-
Committed OC	8.7%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% New Zealand	Collateral score	5.2%
Main region	14% Auckland	RRL	-
Number of loans	29,934	JRL	-
Number of borrowers	19,323	Unused notches	-
Avg. exposure to borrowers (EUR)	196,357	AAA credit risk (%)	-
WAL (cover pool)	23.4y	PCU	6
WAL (covered bonds)	4.0y	Recovery uplift	1
Fixed interest (cover pool)	77.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	41.8%	LCR level (Bmk)	2A
LTV (unindexed)	49.4%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

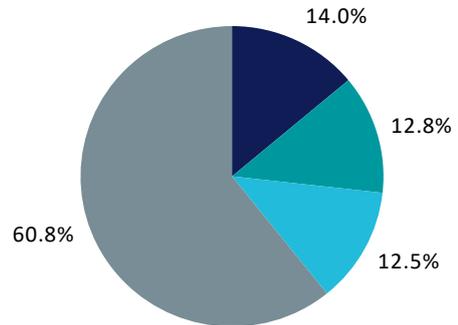
## Borrower Types



100.0%

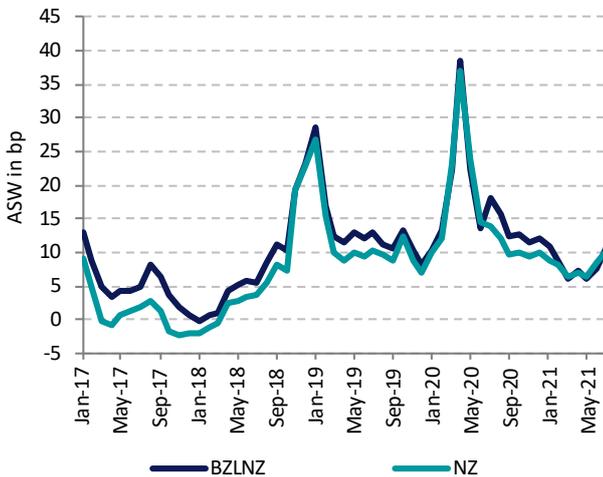
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

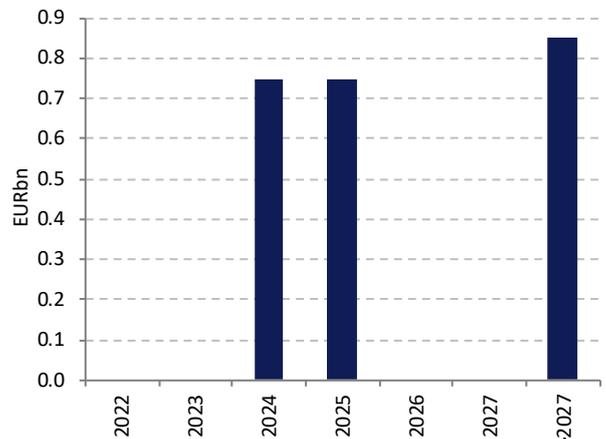


■ Auckland ■ Christchurch ■ Wellington ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Westpac New Zealand

# New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	A1	Stable
S&P	AA-	Stable

## Homepage

[www.westpac.co.nz](http://www.westpac.co.nz)

\* LT Bank Deposits

Westpac New Zealand Ltd. (WNZ) is a wholly owned subsidiary of the Westpac Banking Corporation (headquarters: Australia) via a series of intermediate holding companies. In addition to WNZ, the parent company is also active in New Zealand via the Westpac Banking Corporation (New Zealand Branch). However, WNZ has proprietary infrastructures, including technology, banking activities and treasury functions. As a universal bank, it is responsible for the banking, asset management and insurance business in New Zealand. The New Zealand financial supervisory authority, the Reserve Bank of New Zealand (RBNZ), has classified WNZ as a D-SIB. The core operating areas are divided between three segments: Consumer Banking & Wealth, Commercial, Corporate & Institutional Banking and Investments & Insurance. The first two segments make the largest contributions to operating earnings, at 50% and 45%, respectively (FY 2020). At 63% of the loan portfolio, there is a particular focus on private mortgage loans. At around 20%, the market share of WNZ is similarly high to those of its peers. Exposure to the dairy industry is the lowest in a peer comparison, coming in at around 10% of WNZ's lending portfolio. Measured against the ratio of loans more than 90 days in arrears (well below 1%), the asset quality is very high. With a CET1-ratio of 12.3% as at September 2020 (FY 2019: 11.3%), WNZ complies with the requirements of the RBNZ. Although WNZ has an extensive deposit basis to fall back on, it is still dependent on wholesale funding. The financial year for this bank ends on 30 September each year.

## Balance Sheet

(EURm)	2019FY	2020FY	2021H1
Net Loans to Customers	48,315	49,528	53,927
Total Securities	3,873	4,537	4,410
Total Deposits	37,663	41,651	46,060
Tier 1 Common Capital	3,679	3,847	4,356
Total Assets	55,461	58,105	64,074
Total Risk-weighted Assets	32,632	31,286	32,474

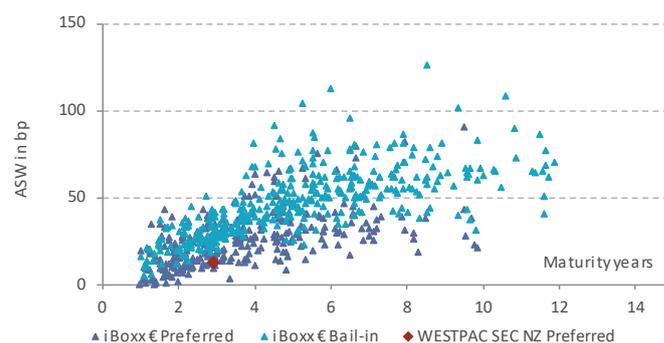
## Income Statement

(EURm)	2019FY	2020FY	2021H1
Net Interest Income	1,147	1,071	600
Net Fee & Commission Inc.	166	130	71
Net Trading Income	-	-	-
Operating Expense	567	589	309
Credit Commit. Impairment	-6	183	-58
Pre-tax Profit	780	439	424

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021H1		2019FY	2020FY	2021H1
Net Interest Margin	2.16	1.94	2.00	Liquidity Coverage Ratio	-	-	-
ROAE	13.12	7.28	13.14	IFRS Tier 1 Leverage Ratio	6.69	6.68	6.86
Cost-to-Income	42.30	48.63	45.79	NPL/ Loans at Amortised Cost	0.53	0.80	0.71
Core Tier 1 Ratio	11.27	12.30	13.41	Reserves/Loans at Amort. Cost	0.37	0.68	0.54

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- National market position
- Integration in the Group
- Capitalisation

## Risks / Weaknesses

- Risks in real estate market
- Concentration risks in lending business
- Competitive pressure, especially in the core business

# Westpac New Zealand – Mortgage

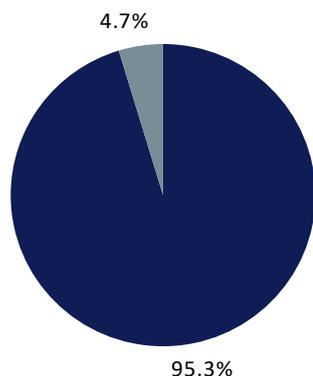
## New Zealand

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Cover Pool Data

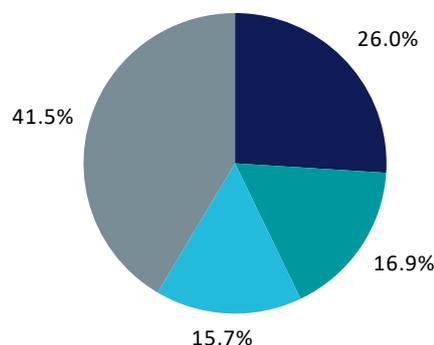
Cover pool volume (EURm)	4,035	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,308	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	74.8%	Rating (DBRS)	-
Committed OC	11.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% New Zealand	Collateral score	6.0%
Main region	26% Auckland	RRL	-
Number of loans	40,083	JRL	-
Number of borrowers	28,818	Unused notches	-
Avg. exposure to borrowers (EUR)	140,003	AAA credit risk (%)	-
WAL (cover pool)	22.4y	PCU	6
WAL (covered bonds)	1.8y	Recovery uplift	1
Fixed interest (cover pool)	79.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	44.2%	LCR level (Bmk)	2A
LTV (unindexed)	49.7%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

### Borrower Types



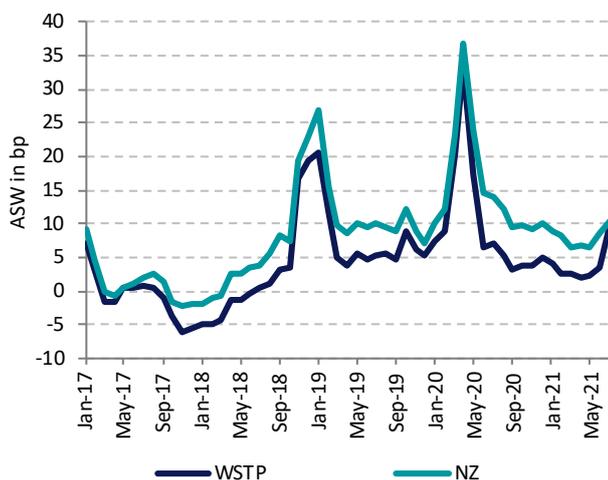
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution



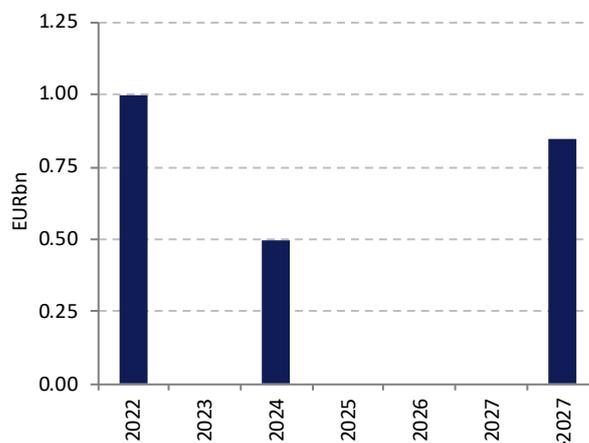
■ Auckland ■ Wellington ■ Canterbury/West Coast ■ Others

### Spread Development (>1y)



— WSTP — NZ

### Redemption Profile (Bmk)



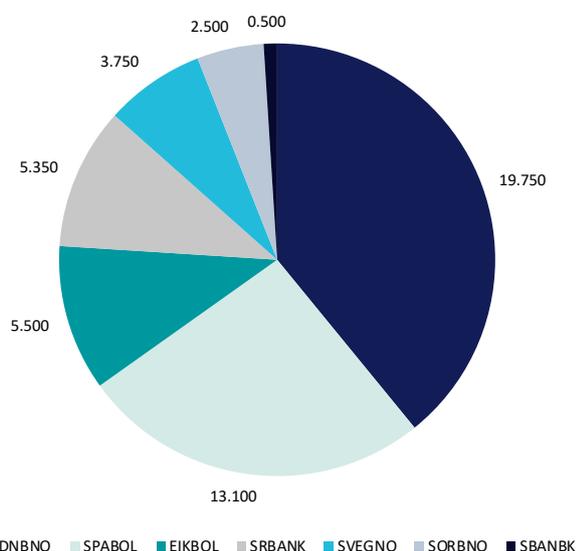
# Market Overview Covered Bonds

Norway

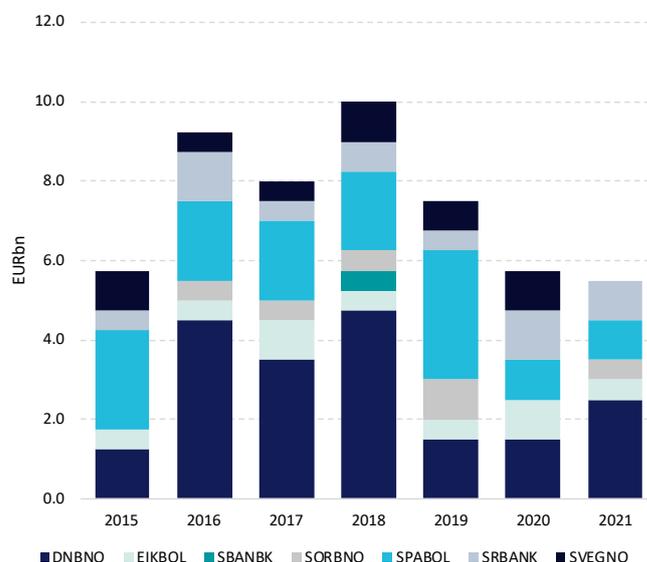
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 131.87bn	Outstanding volume (Bmk)	EUR 50.45bn
Amount outstanding	EUR 104.43bn	Number of benchmarks	57
Number of issuer	8	Outstanding ESG volume (Bmk)	EUR 7.00bn
No of cover pools	8	Number of ESG benchmarks	8
there of M / PS / others	8 / 0 / 0	Outstanding volume (SBmk)	EUR 0.75bn
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	3
Best possible LCR level	Level 1	Maturity types	SB

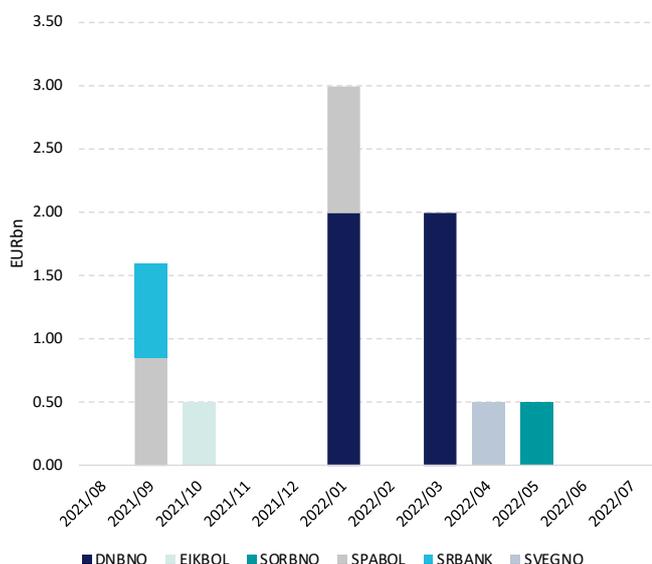
Outstanding benchmark volume<sup>1</sup> (EURbn)



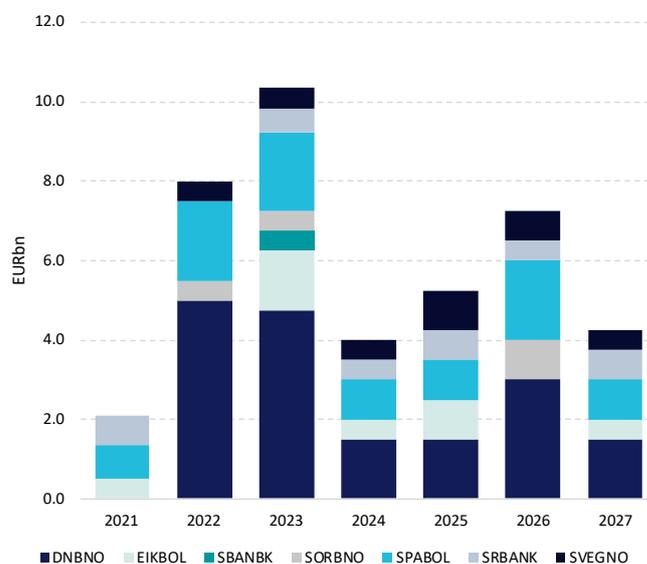
Benchmark issuance volume<sup>1</sup>



Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022



Benchmark redemption profile<sup>1,2</sup>



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# DNB Bank

## Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Aa2	Stable
S&P	AA-	Stable

### Homepage

[www.ir.dnb.no](http://www.ir.dnb.no)

DNB Bank ASA (DNB) is a wholly owned subsidiary and main operating unit of DNB ASA, Norway's largest financial group. The Norwegian state owns approximately 34% of the Group. In Norway, DNB is classified as a domestic systemically important bank (D-SIB). In total, DNB has around 8,600 branches and serves 2.1 million retail and 233,000 corporate customers. The business activities of DNB are split across four segments: Personal Customers (32% of income as at FY 2020), Corporate Customers (56%), Other Operations (16%) and Eliminations (-5%). The segmentation of activities forms part of DNB's approach to directly appeal to various customer groups – private customers, SMEs in addition to corporate and institutional clients – via simple products focused on digitalisation. For example, in recent years, the DNB Regnskap app has been specifically designed to help with accountancy processes at small companies. On the domestic market, DNB has large market shares in property loans (25%) and private deposits (39%) in the Personal Customers segment as well as in deposits (37%) in the Corporate Customer segment. In 2020, in the wake of the streamlining of the corporate structure, a merger of DNB ASA, the parent company of the DNB Group, with DNB Bank ASA, was announced. This was completed on 01 July 2021. One of the financial objectives defined by the bank is an annual reduction of the CIR to stand at less than 40% over the long term (43.6% as at Q1 2021). In addition, ROE should climb back above 12% (10.0% as at Q1 2021). In Q1 2021, the CET1 ratio stood at 19.2% (CET requirement: ~16.2%). Most recently, the leverage ratio totalled 6.9% (Q1 2021).

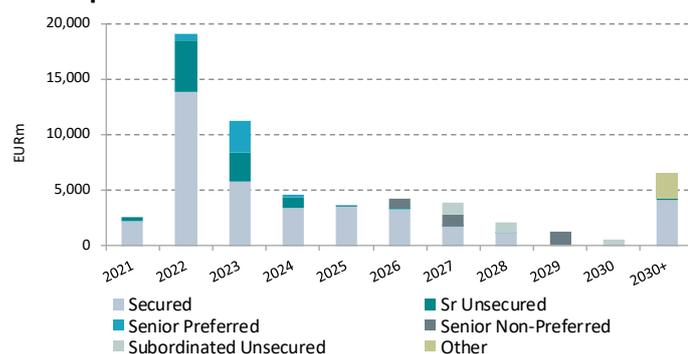
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	169,421	162,478	169,258
Total Securities	36,007	45,223	41,196
Total Deposits	99,090	106,066	117,366
Tier 1 Common Capital	17,133	17,396	18,380
Total Assets	250,443	246,294	263,310
Total Risk-weighted Assets	93,752	88,738	91,539

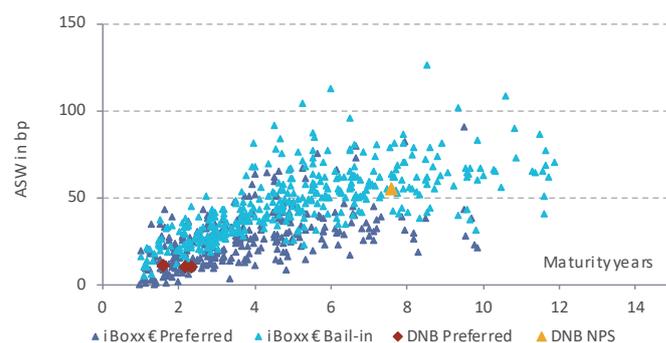
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	4,053	3,668	913
Net Fee & Commission Inc.	672	585	175
Net Trading Income	323	556	77
Operating Expense	2,208	2,064	541
Credit Commit. Impairment	222	926	-11
Pre-tax Profit	2,811	1,995	681

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.63	1.47	1.46	Liquidity Coverage Ratio	138.00	148.00	159.00
ROAE	10.65	7.65	9.27	IFRS Tier 1 Leverage Ratio	7.19	7.59	7.35
Cost-to-Income	42.07	41.05	44.29	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.27	19.60	20.08	Reserves/Loans at Amort. Cost	0.63	0.84	0.83

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

### Strengths / Opportunities

- Market leader in the Norwegian financial sector
- Income generation capacity
- Capital ratios

### Risks / Weaknesses

- Dependency on capital market funding
- Exposure to cyclical sectors
- Concentration risks for property loans

# DNB Boligkreditt – Mortgage

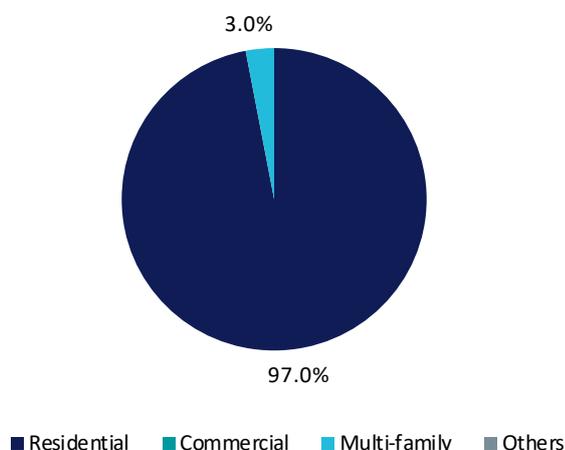
Norway 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

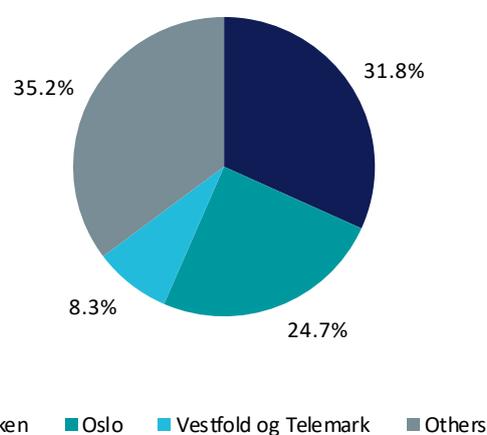
## Cover Pool Data

Cover pool volume (EURm)	67,537	Rating (Moody's)	Aaa
Amount outstanding (EURm)	47,900	Rating (S&P)	AAA
-thereof ≥ EUR 500m	41.2%	Rating (Fitch)	-
Current OC (nominal)	41.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Norway	Collateral score	5.0%
Main region	32% Viken	RRL	aa+
Number of loans	395,186	JRL	aaa
Number of borrowers	335,491	Unused notches	4
Avg. exposure to borrowers (EUR)	201,308	AAA credit risk (%)	5.08
WAL (cover pool)	12.8y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	5.7%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	73.4%	CRR 129 (7)	Yes
LTV (indexed)	53.0%	LCR level (Bmk)	1
LTV (unindexed)	61.3%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

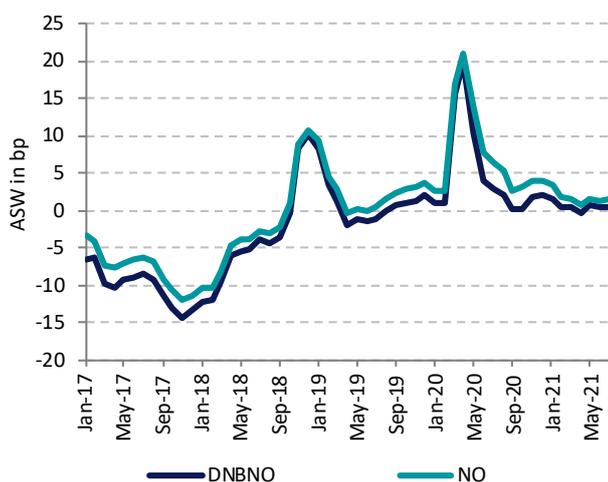
## Borrower Types



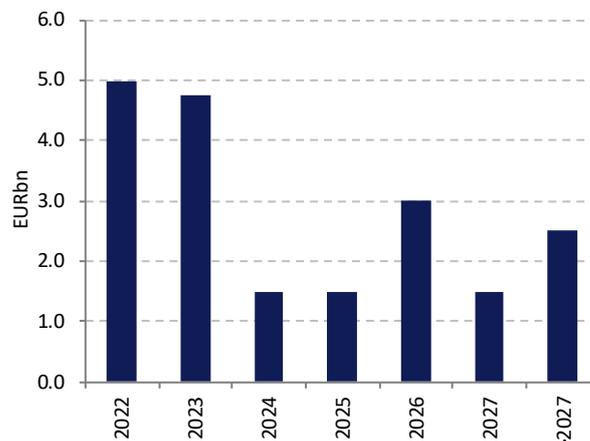
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Eika Boligkreditt

Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.eikbol.no](http://www.eikbol.no)

The Eika Alliance is divided into Eika Boligkreditt AS (EikBol), Eika Gruppen AS and the amalgamated savings banks (Eika Banken). Each of the savings banks in the Alliance are completely independent. In total, eleven banks have announced their intention to terminate the agreement and contracts with Eika Gruppen. This withdrawal from the Group will be concluded by the end of 2021. These eleven banks cumulatively hold 12.1% of the shares in Eika Gruppen and have transferred 16.1% of the EikBol portfolio. The Eika Alliance focuses particularly on private customers and smaller enterprises. EikBol serves as a refinancing vehicle on the capital market and is owned by 62 Norwegian savings banks (further mergers are in the works) and Norway's largest housing association OBOS. Eika Gruppen AS acts as a financial services group and is owned by 64 of the domestic banks. With the aim of strengthening the local banks, the Alliance seeks to generate economies of scale, both in the sale of products and in funding. All in all, there are 211 Eika Banken branches. In the area of private loans, Eika Banken boasts a market share of 10.6% (FY 2020). The member banks benefit from operational efficiency as they use joint IT systems and platforms provided by Eika Gruppen AS. In principle, this also applies to risk policy and risk procedures. The owners of EikBol guarantee that the bank is always sufficiently capitalised and that liquidity requirements for the next twelve months are met at all times. Liquidity procurement in the form of covered bonds placed by EikBol accounts for around 21% of the Eika Alliance funding mix as a whole (FY 2020).

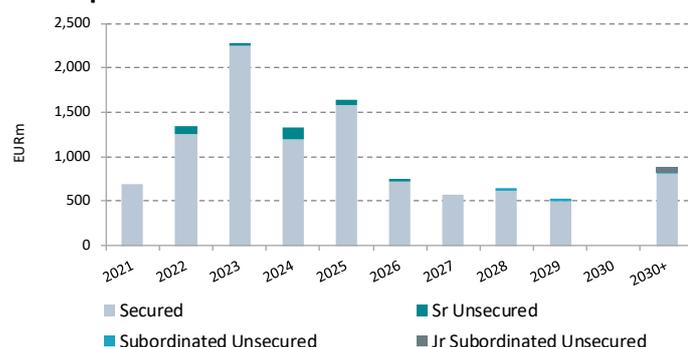
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	8,588	8,514	8,927
Total Securities	2,011	2,872	2,452
Total Deposits	-	-	-
Tier 1 Common Capital	514	486	508
Total Assets	10,728	11,499	11,568
Total Risk-weighted Assets	3,454	3,550	3,686

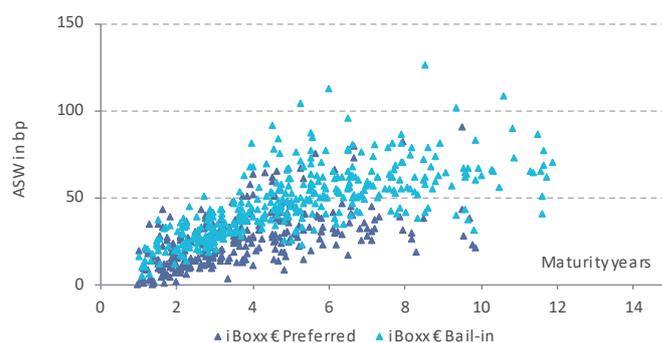
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	66	76	19
Net Fee & Commission Inc.	-50	-60	-18
Net Trading Income	-1	4	-2
Operating Expense	7	6	2
Credit Commit. Impairment	-	-	-
Pre-tax Profit	10	14	-2

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	113.16	102.01	102.20
ROAE	1.65	2.13	-0.75	IFRS Tier 1 Leverage Ratio	4.80	4.24	4.42
Cost-to-Income	40.38	30.97	-	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	14.89	13.70	13.79	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Loan quality
- Probability of support from Alliance
- Capitalisation

## Risks / Weaknesses

- Debt levels of Norwegian households
- No explicit guarantee of support from Alliance
- Concentrated credit risk on domestic market

# Eika Boligkreditt – Mortgage

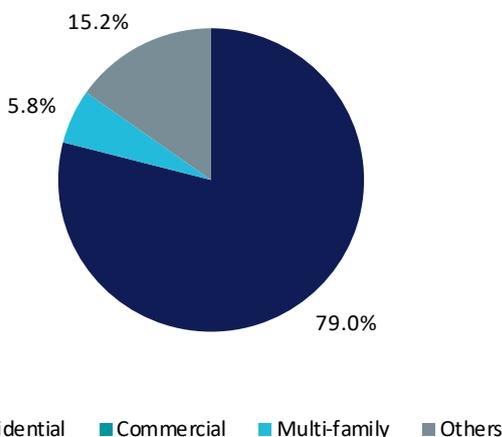
Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

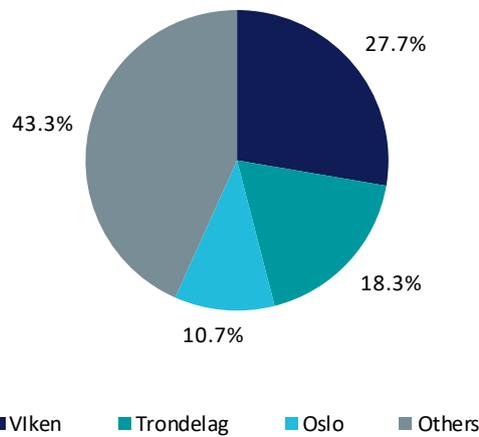
## Cover Pool Data

Cover pool volume (EURm)	10,333	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,192	Rating (S&P)	-
-thereof ≥ EUR 500m	54.4%	Rating (Fitch)	-
Current OC (nominal)	12.4%	Rating (DBRS)	-
Committed OC	5.0%	TPI	High
Cover type	Mortgage	TPI leeway	2
Main country	100% Norway	Collateral score	5.0%
Main region	28% Viken	RRL	-
Number of loans	54,023	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	11.7y	PCU	-
WAL (covered bonds)	3.9y	Recovery uplift	-
Fixed interest (cover pool)	9.5%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	57.9%	CRR 129 (7)	Yes
LTV (indexed)	46.0%	LCR level (Bmk)	1
LTV (unindexed)	51.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

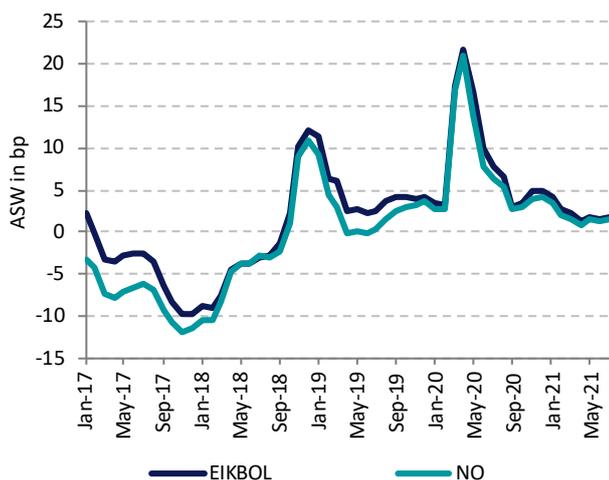
## Borrower Types



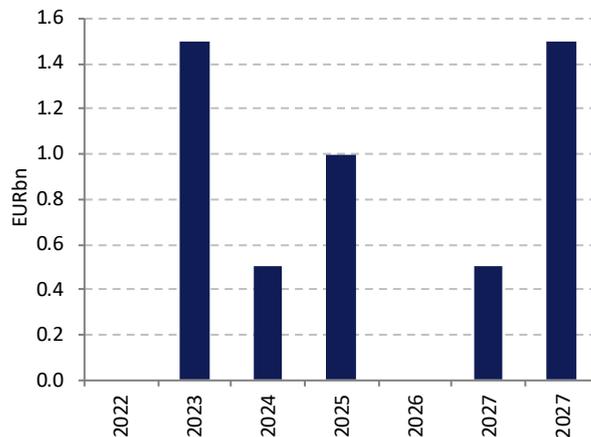
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Sbanken

## Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A2	*
S&P	-	-

### Homepage

[www.sbanken.no](http://www.sbanken.no)

\* rating under review

Sbanken ASA (formerly Skandiabanken) was founded in 2000 as the Norwegian branch of Skandiabank as part of the Swedish insurance group Skandia. Its shares are listed on the Oslo Stock Exchange and the largest shareholder is Altor Equity Partners (25%). It is a purely digital bank with no physical branches. Online operations and automation are at the heart of Sbanken's business approach. It employs around 334 staff (FTEs) and serves approximately 484,000 customers. The bank's business activities are divided into the following segments: mortgage lending, payment services, savings and investment products and short-term loans. As Sbanken's business activities are directed almost exclusively towards domestic retail customers, it does not provide segment reporting. Since June 2019, Sbanken has also been offering products to SMEs. However, the small volume of business here does not currently justify a separately organised segment. Sbanken Boligkreditt AS (wholly owned subsidiary), which functions as a covered bond issuance vehicle, forms part of Sbanken. For the most part, Sbanken's funding is covered by deposits (around 68%), followed by covered bonds (approximately 30%). The loan portfolio comprises mortgage loans almost exclusively (>95%). Sbanken has set various financial goals for the period 2019 to 2021. For example, ROE shall be increased from its current level of 11.4% (FY 2020) to 14%. At 15.5%, the CET1 ratio already stands above the target value of 14.5%. Dividend payments of up to 30% constitutes a financial target for the period 2020-2022 (62.8% as at FY 2020). Moreover, the cost-income ratio should fall to below 34% (38.4 % as at FY 2020) by 2022.

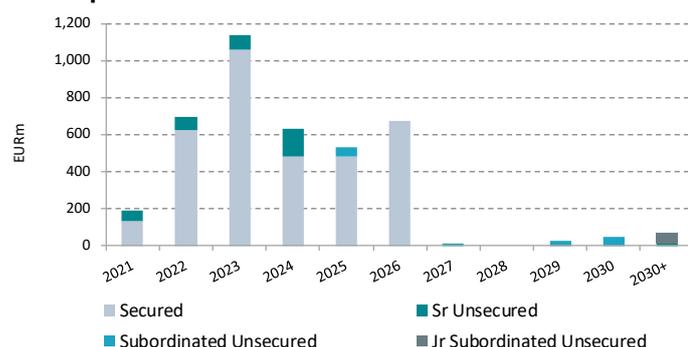
### Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	8,234	7,924	8,266
Total Securities	959	1,444	1,736
Total Deposits	5,357	5,593	5,983
Tier 1 Common Capital	595	618	646
Total Assets	9,428	9,607	10,149
Total Risk-weighted Assets	3,812	3,698	3,830

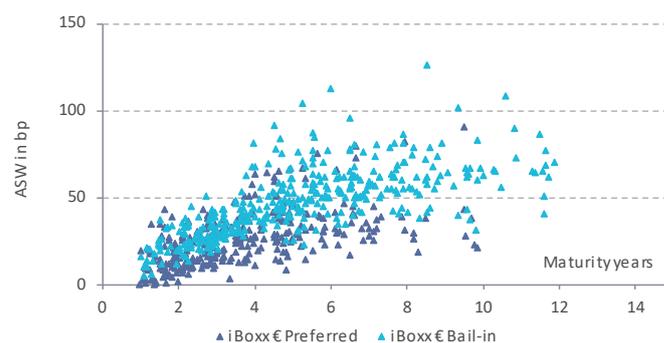
### Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	159	154	38
Net Fee & Commission Inc.	22	17	5
Net Trading Income	0	-7	-0
Operating Expense	70	64	17
Credit Commit. Impairment	14	12	1
Pre-tax Profit	93	94	24

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.69	1.67	1.53	Liquidity Coverage Ratio	252.10	330.59	356.82
ROAE	10.89	10.76	9.88	IFRS Tier 1 Leverage Ratio	6.32	6.44	6.38
Cost-to-Income	38.39	37.58	40.60	NPL/ Loans at Amortised Cost	0.69	0.81	1.21
Core Tier 1 Ratio	15.60	16.71	16.87	Reserves/Loans at Amort. Cost	0.32	0.47	0.49

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

### Strengths / Opportunities

- Asset quality (focus on mortgage loans)
- Capitalisation
- Profitability

### Risks / Weaknesses

- Regional concentration
- Funding structure
- Debt level among Norwegian households

# Sbanken Boligkreditt – Mortgage

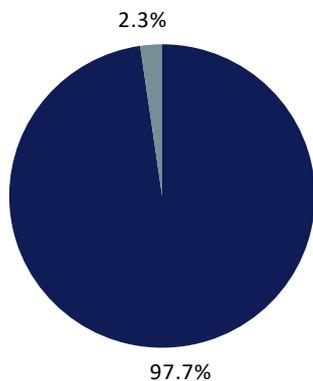
Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Cover Pool Data

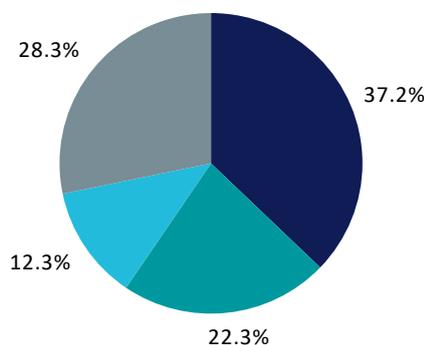
Cover pool volume (EURm)	4,212	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,653	Rating (S&P)	-
-thereof ≥ EUR 500m	13.7%	Rating (Fitch)	-
Current OC (nominal)	15.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Norway	Collateral score	5.0%
Main region	37% Viken	RRL	-
Number of loans	21,688	JRL	-
Number of borrowers	21,455	Unused notches	-
Avg. exposure to borrowers (EUR)	196,296	AAA credit risk (%)	-
WAL (cover pool)	21.8y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	13.4%	CRR 129 (7)	Yes
LTV (indexed)	48.8%	LCR level (Bmk)	1
LTV (unindexed)	59.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



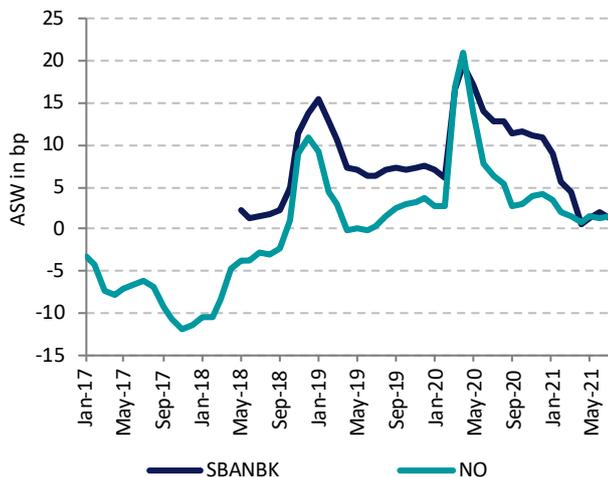
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

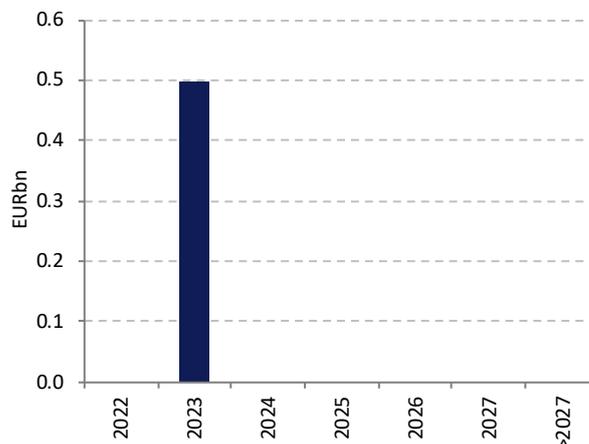


■ Viken ■ Oslo ■ Vestland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# SpareBank 1

Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	-	-
Moody's	A2	Stable
S&P	-	-

## Homepage

[www.sparebank1.no](http://www.sparebank1.no)

\*SpareBank 1 Boligkreditt

The SpareBank 1 Alliance was formed in 1996 by three major regional Norwegian savings banks: SpareBank 1 Nord-Norge, SpareBank 1 SMN and SpareBank 1 SR. Additional savings banks, for example SpareBank 1 Østlandet, joined shortly after so that today, it consists of 14 independent institutes. The SpareBank 1 Alliance is the second largest financial group in Norway and focuses on the domestic retail sector, corporate customers and the public sector. It serves approximately one million retail customers and 65,000 SMEs. The objective of the Alliance is to leverage synergy effects to strengthen the individual savings banks. For example, this is achieved by way of joint companies offering non-core banking products. Nevertheless, each bank is expected to retain its regional connection and therefore proximity to the customer as a result. This is the aim of SpareBank 1 Gruppen AS, which combines services including insurance, asset management and debt collection/sales of receivables. In addition to deposits, a significant portion of funding for the individual savings banks is generated by way of covered bond issuances, which are placed via SpareBank 1 Boligkreditt (SPABOL). Covered bond issuances are denominated in EUR, GBP, USD, NOK and SEK, with green covered bonds also part of the portfolio. In return for funding, the savings banks undertake to provide the issuer (SPABOL) with equity capital and liquidity. As at Q4 2020, SPABOL is owned by SpareBank 1 SMN (22%), SpareBank Nord-Norge (18%), SpareBank Østlandet (22%) and other savings banks (38%). We refer below to the figures related to SPABOL.

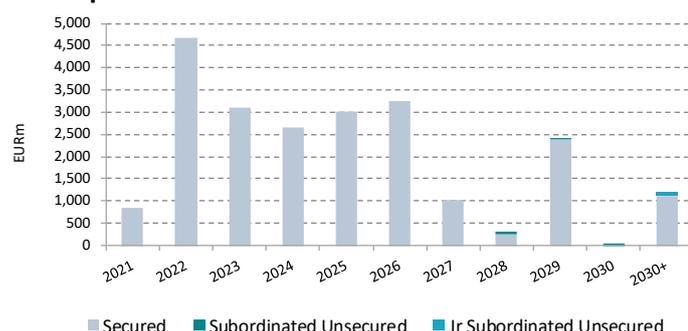
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	19,393	19,897	21,053
Total Securities	4,493	5,333	3,715
Total Deposits	-	-	-
Tier 1 Common Capital	1,072	1,040	1,079
Total Assets	24,898	25,875	25,396
Total Risk-weighted Assets	5,196	5,284	5,588

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	191	200	56
Net Fee & Commission Inc.	-147	-165	-49
Net Trading Income	-17	-13	-4
Operating Expense	4	4	1
Credit Commit. Impairment	-0	2	-1
Pre-tax Profit	23	16	3

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	116.46	135.58	139.55
ROAE	1.39	1.13	0.84	IFRS Tier 1 Leverage Ratio	4.33	4.03	4.29
Cost-to-Income	13.87	17.83	34.52	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	20.63	19.68	19.31	Reserves/Loans at Amort. Cost	0.01	0.01	0.01

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Economic environment
- Integration in the SpareBank 1 Alliance

## Risks / Weaknesses

- Dependency on wholesale funding
- Debt levels of Norwegian households
- Risk concentration

# SpareBank 1 Boligkreditt – Mortgage

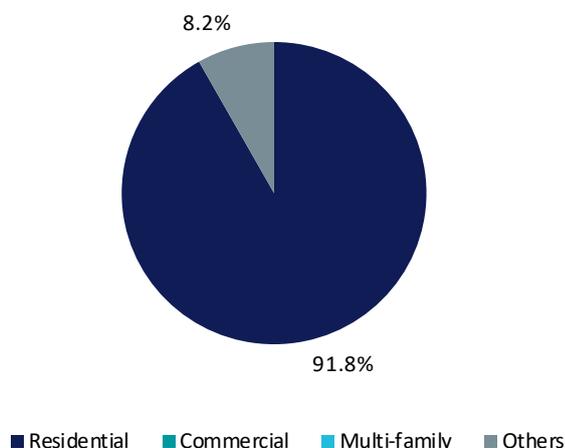
Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

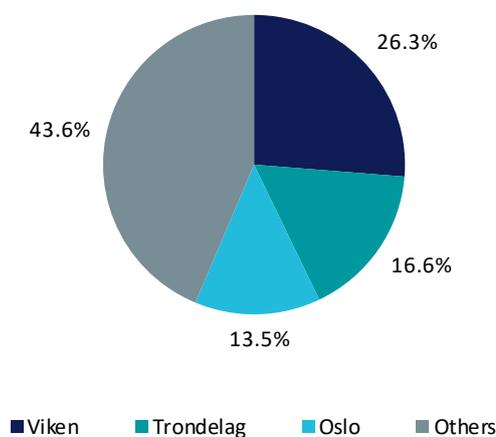
## Cover Pool Data

Cover pool volume (EURm)	22,583	Rating (Moody's)	Aaa
Amount outstanding (EURm)	21,149	Rating (S&P)	-
-thereof ≥ EUR 500m	57.9%	Rating (Fitch)	-
Current OC (nominal)	6.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	3
Main country	100% Norway	Collateral score	5.0%
Main region	26% Viken	RRL	-
Number of loans	138,595	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	21.5y	PCU	-
WAL (covered bonds)	4.7y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	65.2%	CRR 129 (7)	Yes
LTV (indexed)	51.2%	LCR level (Bmk)	1
LTV (unindexed)	59.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

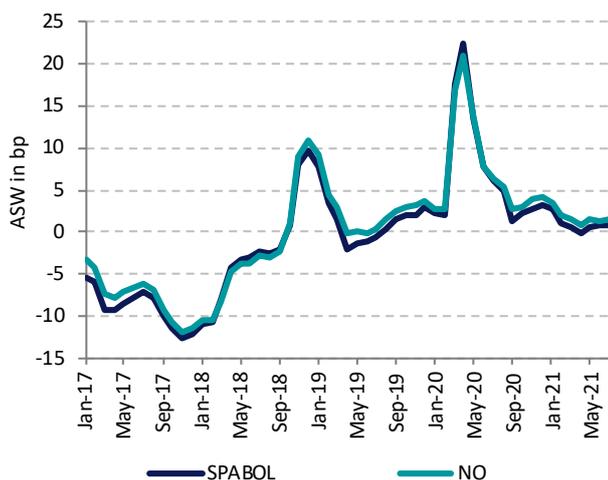
## Borrower Types



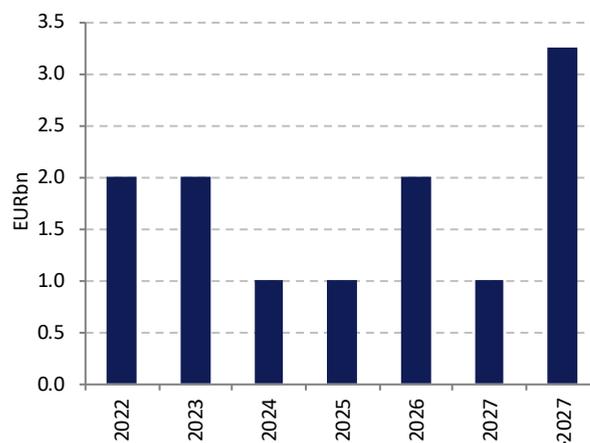
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# SpareBank 1 SR-Bank

Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A1	Stable
S&P	-	-

## Homepage

[www.sparebank1.no](http://www.sparebank1.no)

SpareBank 1 SR-Bank ASA (SR-Bank) is a founding member of SpareBank 1 Alliance, Norway's second largest financial group, and holds a share of 19.5% in this organisation. SpareBank 1 Alliance consists of 14 independent savings banks which have merged in order to generate synergy effects in areas such as IT infrastructure and to portray a consistent brand image. SR-Bank is focused on the south and west of Norway (20% market share) and is the market leader for its home region of Rogaland (36%). The bank offers its client base of more than 300,000 retail and 20,000 corporate customers a wide-ranging product portfolio. Its focus is on savings accounts and mortgages. The lion's share of the loan portfolio is attributable to retail clients (62.5%), followed by CRE (14.3%, FY20). Business activities are divided into the following four core segments: Retail Market (88% of pre-tax profit as at FY20), Corporate Market (9.4%), Capital Market (3.8%) and Own Account Trading (5.7%). In addition, the bank also manages four other, smaller segments. The institute has several subsidiaries and maintains stakes in a number of participations. Funding by way of covered bonds takes place either via SpareBank 1 Boligkreditt or via the wholly owned subsidiary SR-Boligkreditt, which was established in 2015. In addition to covered refinancing, deposits also constitute a significant proportion of the funding mix. The LCR (157% as at FY20) and the NSFR (123%) exceed the minimum requirement of 100%. With effect from 01 January 2019, the merger of the Group's insurance units was implemented. In comparison with the previous year, ROE fell from 14% to 6.4% as at FY20 (long-term ROE target: 12%). The CET1 ratio rose from 18.6% to 19.9%.

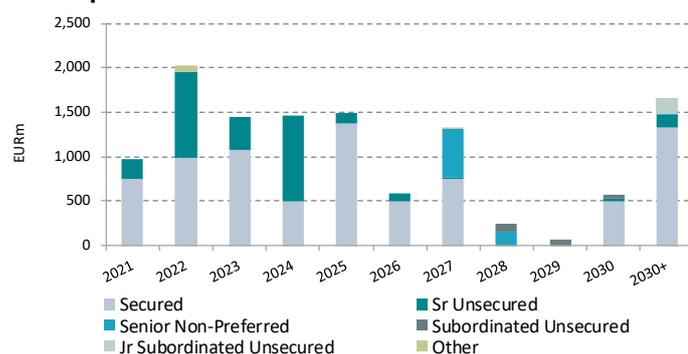
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	20,850	20,694	21,850
Total Securities	4,019	4,721	5,631
Total Deposits	10,452	11,271	12,783
Tier 1 Common Capital	2,093	2,115	2,241
Total Assets	25,940	27,378	29,584
Total Risk-weighted Assets	12,341	11,566	12,359

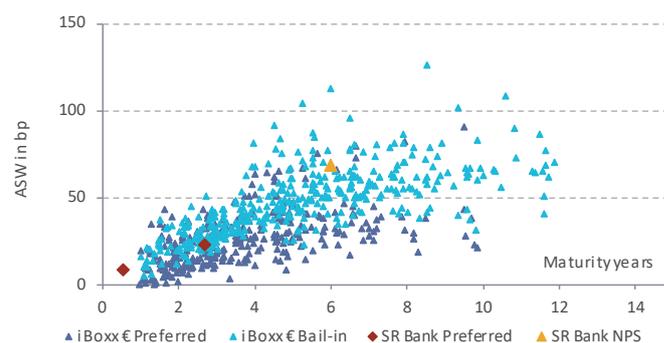
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	405	387	97
Net Fee & Commission Inc.	143	130	39
Net Trading Income	22	-2	10
Operating Expense	251	222	60
Credit Commit. Impairment	24	190	12
Pre-tax Profit	388	170	86

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.66	1.54	1.41	Liquidity Coverage Ratio	155.00	157.00	141.00
ROAE	13.43	6.26	11.03	IFRS Tier 1 Leverage Ratio	8.22	7.92	7.72
Cost-to-Income	41.48	40.27	37.94	NPL/ Loans at Amortised Cost	1.19	1.80	1.84
Core Tier 1 Ratio	16.96	18.29	18.13	Reserves/Loans at Amort. Cost	0.72	1.06	1.09

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Profitability

## Risks / Weaknesses

- Oil/CRE exposure (winding-down process underway)
- Dependency on wholesale funding

# SR-Boligkreditt – Mortgage

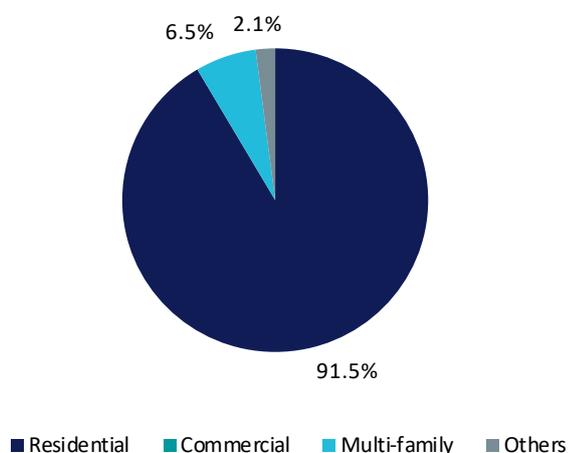
Norway 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

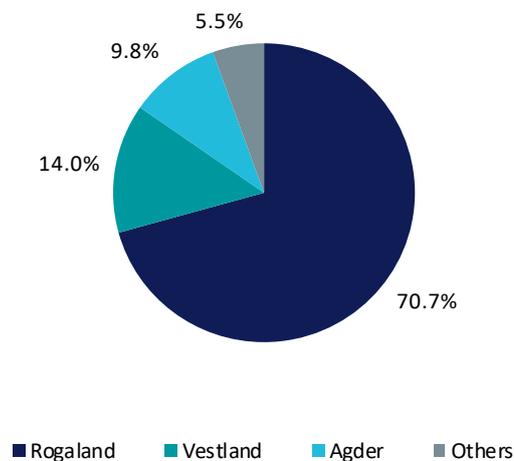
## Cover Pool Data

Cover pool volume (EURm)	8,986	Rating (Moody's)	Aaa
Amount outstanding (EURm)	7,775	Rating (S&P)	-
-thereof ≥ EUR 500m	59.2%	Rating (Fitch)	-
Current OC (nominal)	15.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Norway	Collateral score	5.0%
Main region	71% Rogaland	RRL	-
Number of loans	49,065	JRL	-
Number of borrowers	48,701	Unused notches	-
Avg. exposure to borrowers (EUR)	184,510	AAA credit risk (%)	-
WAL (cover pool)	15.0y	PCU	-
WAL (covered bonds)	5.1y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	78.9%	CRR 129 (7)	Yes
LTV (indexed)	58.7%	LCR level (Bmk)	1
LTV (unindexed)	61.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

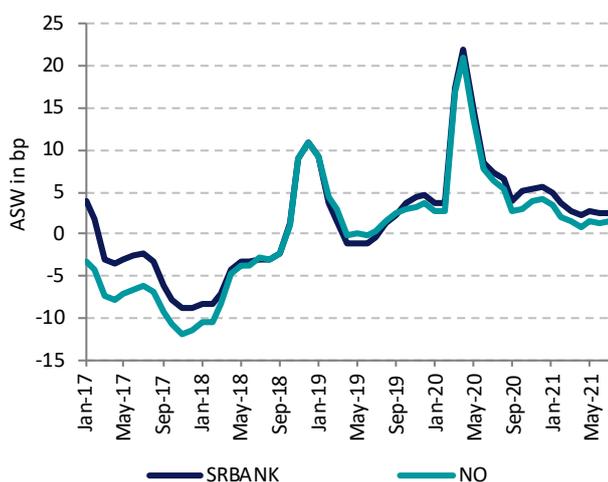
## Borrower Types



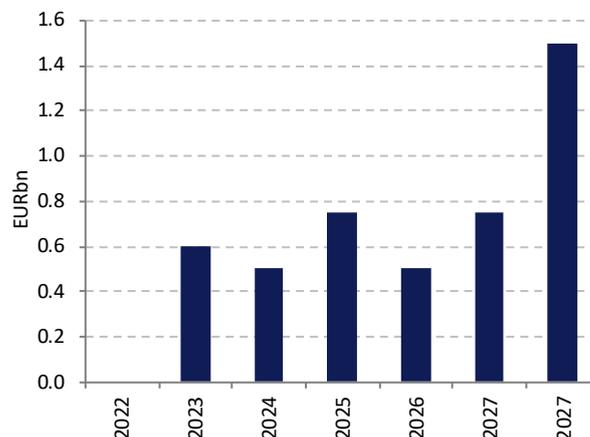
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Sparebanken Møre

Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A1	Stable
S&P	-	-

## Homepage

[www.sbm.no](http://www.sbm.no)

The roots of Sparebanken Møre (SBM) extend back to the year 1843. The current structure of the universal bank was formed in 1985 following a series of mergers between regional banks. Its shares have been listed on the Oslo Stock Exchange since 1989. The independent institute (SBM has not joined any alliances) employs 357 staff and operates 28 business centres in its home region Møre og Romsdal. SBM also has three wholly owned subsidiaries: Møre Boligkreditt AS (MBOL), Møre Eiendomsmegling AS (MES) and Sparebankeiendom AS (SBE). The purpose of MBOL is to purchase mortgages from SBM and to finance these by issuing covered bonds. SBM is MBOL's only source for the transferral of mortgages to the cover pool. Moreover, SBM has secured payment obligations on the part of MBOL vis à vis bondholders for the next 12 months via revolving credit facilities. There is a Transfer & Service Agreement (TSA) between the companies. MES, which changed its brand name to Møremegling in 2019, offers brokering services in the real estate business for retail and business customers. SBE is the real estate arm of SBM. It owns and administers the commercial property portfolio. SBM reports across the segments of Corporate (SBM), Retail (SBM, MBOL) and Real Estate Brokerage (MES) in addition to the non-operating segments Elimination and Other. Retail banking and corporate banking are the core segments. Funding consists largely of deposits, followed by covered bonds. The CET1 ratio was most recently 16.9% (Q1/2021). ROE and CIR were reported at 10.4% and 40.5% respectively (Q1/2021).

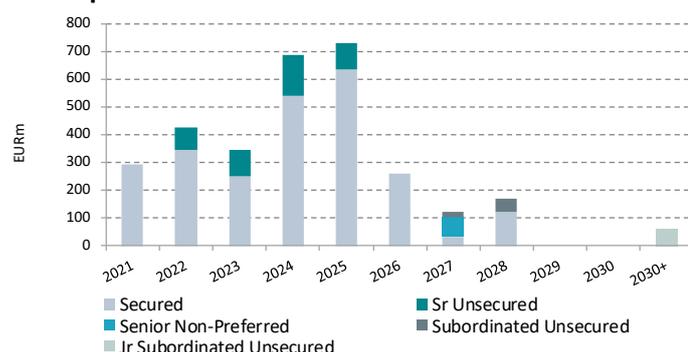
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	6,490	6,376	6,756
Total Securities	842	1,005	1,012
Total Deposits	3,731	3,722	4,021
Tier 1 Common Capital	575	552	576
Total Assets	7,590	7,581	8,089
Total Risk-weighted Assets	3,258	3,257	3,457

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	133	115	30
Net Fee & Commission Inc.	20	17	4
Net Trading Income	6	5	3
Operating Expense	66	59	15
Credit Commit. Impairment	5	14	1
Pre-tax Profit	93	69	21

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.81	1.55	1.53	Liquidity Coverage Ratio	165.03	138.29	138.18
ROAE	10.76	8.04	9.39	IFRS Tier 1 Leverage Ratio	7.61	7.34	7.17
Cost-to-Income	40.20	41.64	40.51	NPL/ Loans at Amortised Cost	0.27	0.13	0.12
Core Tier 1 Ratio	17.65	16.95	16.67	Reserves/Loans at Amort. Cost	0.43	0.44	0.45

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Good capitalisation
- Solid asset quality
- Strong deposit basis

## Risks / Weaknesses

- Geographical concentration
- Dependency on capital market funding
- Diversification of income areas

# Møre Boligkreditt – Mortgage

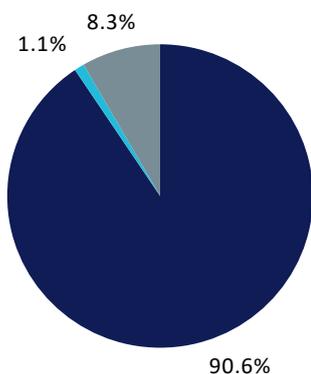
Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

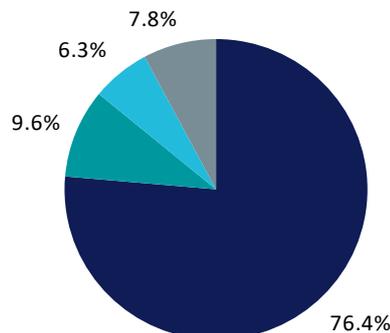
Cover pool volume (EURm)	3,100	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,508	Rating (S&P)	-
-thereof ≥ EUR 250m	29.9%	Rating (Fitch)	-
Current OC (nominal)	23.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Norway	Collateral score	5.0%
Main region	76% More og Romsdal	RRL	-
Number of loans	19,481	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	18.3y	PCU	-
WAL (covered bonds)	3.3y	Recovery uplift	-
Fixed interest (cover pool)	8.8%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	41.1%	CRR 129 (7)	Yes
LTV (indexed)	53.9%	LCR level (SBmk)	2A
LTV (unindexed)	58.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



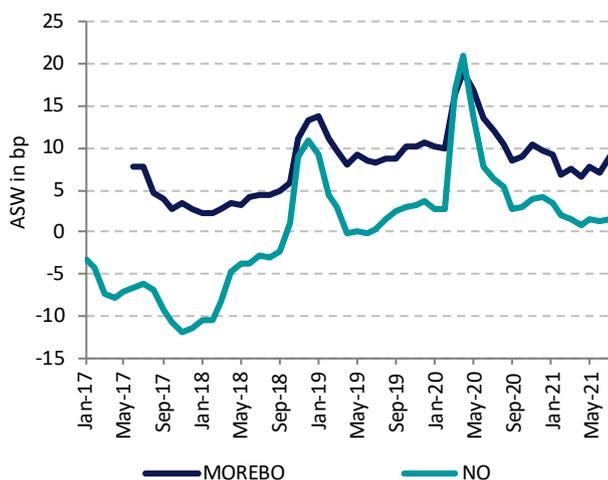
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



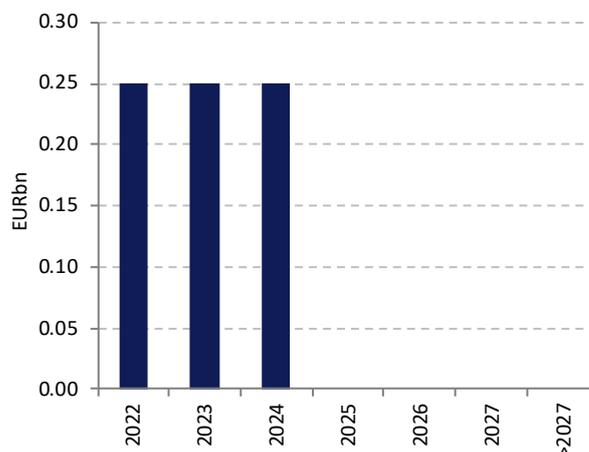
■ More og Romsdal ■ Oslo ■ Viken ■ Others

## Spread Development (>1y)



— MOREBO — NO

## Redemption Profile (SBmk)



# Sparebanken Sør

Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A1	Stable
S&P	-	-

## Homepage

[www.sor.no](http://www.sor.no)

Sparebanken Sør (Sør) is an independent Norwegian universal bank that offers a wide-ranging product portfolio to private individuals, companies and public institutions in its retail and corporate customer businesses. As is the case at many Norwegian savings banks, ownership of Sør is determined by way of Equity Certificates. Sparebankstiftelsen Sparebanken Sør holds 51% of these and are traded on the Oslo Stock Exchange. The geographical focus of the bank, which operates exclusively on a regional basis, is on the south of Norway in the regions of Aust-Agder and Vest-Agder as well as Telemark and Rogaland. The bank obtained its current profile through the merger with Sparebanken Pluss in 2014. Sparebanken Sør works in tandem with other savings banks to offer real estate and insurance services in addition to offering leasing products. Moreover, it also operates in the deposit and lending business as well as facilitating both national and international payments. The operating segments at Sør are split between Retail Markets and Corporate Markets. In addition, the bank also manages the Undistributed and Elimination and "Sørmeqleren" segments. Before the merger, Sparebanken Sør and Sparebanken Pluss each had their own covered bond issuance vehicle (Pluss Boligkreditt and Sør Boligkreditt), which both issued bonds exclusively in NOK. Sparebanken Sør Boligkreditt became a wholly owned subsidiary, which now also places EUR-denominated benchmark bonds, in the wake of the merger. Sparebanken Sør Boligkreditt is fully consolidated within the scope of Sparebanken Sør's annual reporting. For the Group, an MREL requirement of 32% from December 2020 onwards was defined. Here, we refer to the figures of Sparebanken Sør.

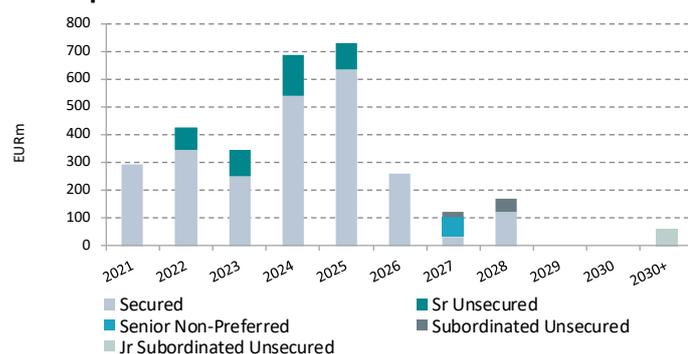
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	10,779	10,642	11,255
Total Securities	2,115	2,396	2,233
Total Deposits	5,874	5,707	6,069
Tier 1 Common Capital	1,151	1,164	1,242
Total Assets	13,127	13,556	13,874
Total Risk-weighted Assets	7,225	7,438	7,864

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	196	179	44
Net Fee & Commission Inc.	35	32	8
Net Trading Income	2	1	1
Operating Expense	93	89	24
Credit Commit. Impairment	-2	8	-1
Pre-tax Profit	149	131	34

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.56	1.37	1.30	Liquidity Coverage Ratio	148.00	172.81	168.00
ROAE	9.16	8.14	7.89	IFRS Tier 1 Leverage Ratio	8.80	8.63	9.00
Cost-to-Income	38.68	39.08	42.09	NPL/ Loans at Amortised Cost	1.07	0.95	0.88
Core Tier 1 Ratio	15.93	15.65	15.79	Reserves/Loans at Amort. Cost	0.37	0.40	0.39

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Deposit basis

## Risks / Weaknesses

- Credit risk concentration
- Dependency on capital market funding
- Profitability

# Sparebanken Sør Boligkreditt – Mortgage

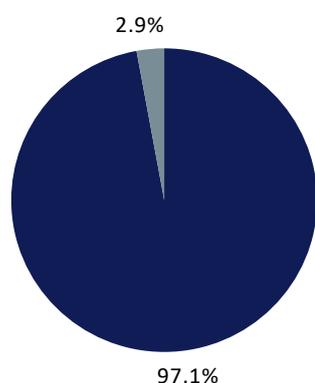
Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

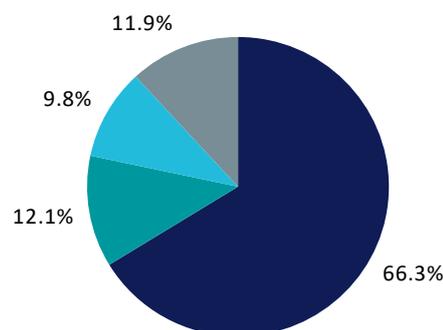
Cover pool volume (EURm)	4,630	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,987	Rating (S&P)	-
-thereof ≥ EUR 500m	62.7%	Rating (Fitch)	-
Current OC (nominal)	16.1%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Norway	Collateral score	5.0%
Main region	66% Agder	RRL	-
Number of loans	36,628	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.5y	PCU	-
WAL (covered bonds)	3.9y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	63.0%	CRR 129 (7)	Yes
LTV (indexed)	52.8%	LCR level (Bmk)	1
LTV (unindexed)	61.0%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



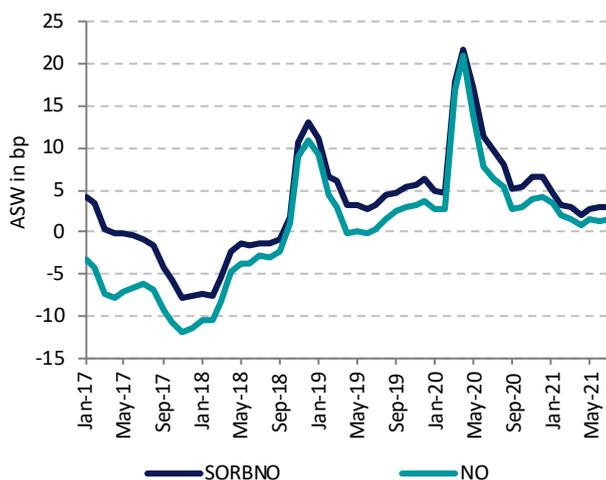
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



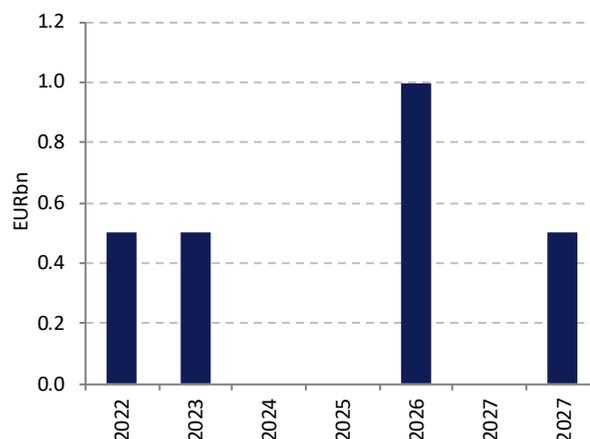
■ Agder ■ Vestfold og Telemark ■ Oslo ■ Others

## Spread Development (>1y)



— SORBNO — NO

## Redemption Profile (Bmk)



# Sparebanken Vest

Norway 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A1	Positive
S&P	-	-

## Homepage

[www.spv.no](http://www.spv.no)

Bergen-based Sparebanken Vest (SV) is one of Norway's largest independent savings banks. Its shares have been listed on the Oslo Stock Exchange since 1995. The most important shareholders are Frende (insurance) and Brage (leasing). Around 740 employees across more than 30 branches offer a complete universal credit institute product range to the bank's retail and corporate customers. In total, SV serves around 284,000 retail customers in addition to 13,000 corporate customers. Furthermore, subsidiaries operate insurance services as well as bond trading and leasing. SV focuses its activities on the south-west of Norway. For example, the market share in Vestland stands at 28.3% and at 6.7% in Rogaland. The aim is to expand the retail business across the whole of Norway. To this end, the purely digital Bulder Bank was established, which had already exceeded its targets for the first financial year by autumn 2020. The loan portfolio is dominated by the retail market (75%), followed by corporate loans at 25%. Key events in the history of SV were its involvement in forming the SpareBank 1 Alliance in 1996, before opting to withdraw from the organisation in 2002. The expansive phase since this withdrawal is reflected in the merger with Sparebanken Hardanger. SV's covered bond issuance vehicle Sparebanken Vest Boligkreditt is a wholly owned subsidiary of SV. The cover pool of Sparebanken Vest Boligkreditt is exclusively composed of first-class Norwegian mortgage loans. As at year-end 2020, the CET1 ratio stands at 18% (17.5% as at FY 2019) and therefore above the regulatory minimum requirement of 15.7%. SV has defined a long-term ROE target of 12% (FY 2020: 12.3%).

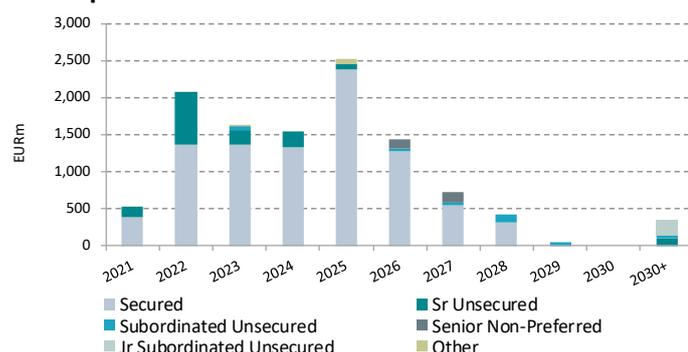
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	17,149	17,332	18,222
Total Securities	2,300	3,255	2,727
Total Deposits	8,073	7,883	8,430
Tier 1 Common Capital	1,434	1,435	1,527
Total Assets	19,986	21,105	21,559
Total Risk-weighted Assets	8,173	7,955	8,264

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	317	290	76
Net Fee & Commission Inc.	73	62	16
Net Trading Income	-3	-8	-1
Operating Expense	155	135	35
Credit Commit. Impairment	5	42	2
Pre-tax Profit	263	223	60

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.62	1.45	1.45	Liquidity Coverage Ratio	157.00	155.88	134.49
ROAE	12.89	11.69	12.27	IFRS Tier 1 Leverage Ratio	7.21	6.87	7.20
Cost-to-Income	37.81	35.79	35.98	NPL/ Loans at Amortised Cost	0.30	0.36	0.34
Core Tier 1 Ratio	17.54	18.04	18.48	Reserves/Loans at Amort. Cost	0.44	0.63	0.61

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Domestic market position (especially retail banking)
- Income basis

## Risks / Weaknesses

- Dependency on capital market funding
- Geographical diversification
- Credit concentration risks

# Sparebanken Vest Boligkreditt – Mortgage

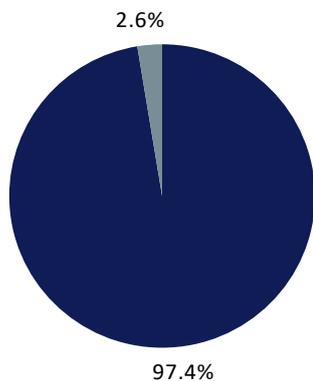
Norway

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

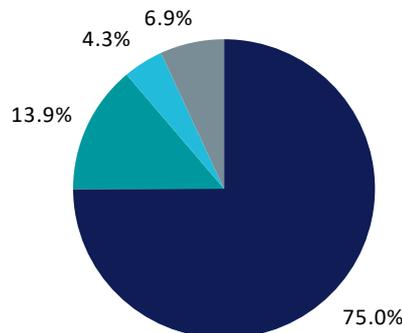
Cover pool volume (EURm)	10,485	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,262	Rating (S&P)	-
-thereof ≥ EUR 500m	45.4%	Rating (Fitch)	-
Current OC (nominal)	26.9%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Norway	Collateral score	5.0%
Main region	75% Vestland	RRL	-
Number of loans	66,699	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	12.1y	PCU	-
WAL (covered bonds)	3.4y	Recovery uplift	-
Fixed interest (cover pool)	20.9%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	49.7%	CRR 129 (7)	Yes
LTV (indexed)	53.2%	LCR level (Bmk)	1
LTV (unindexed)	54.2%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



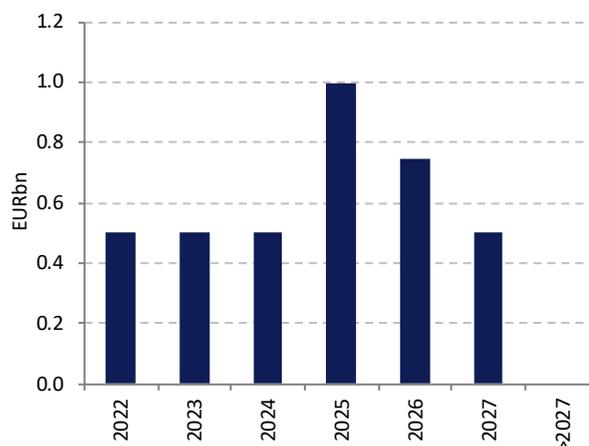
■ Vestland ■ Rogaland ■ Viken ■ Others

## Spread Development (>1y)



— SVEGNO — NO

## Redemption Profile (Bmk)



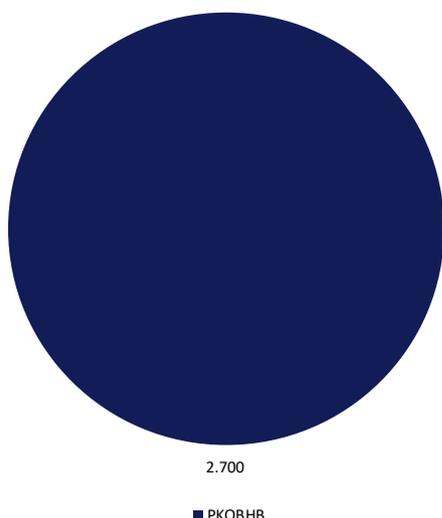
# Market Overview Covered Bonds

Poland

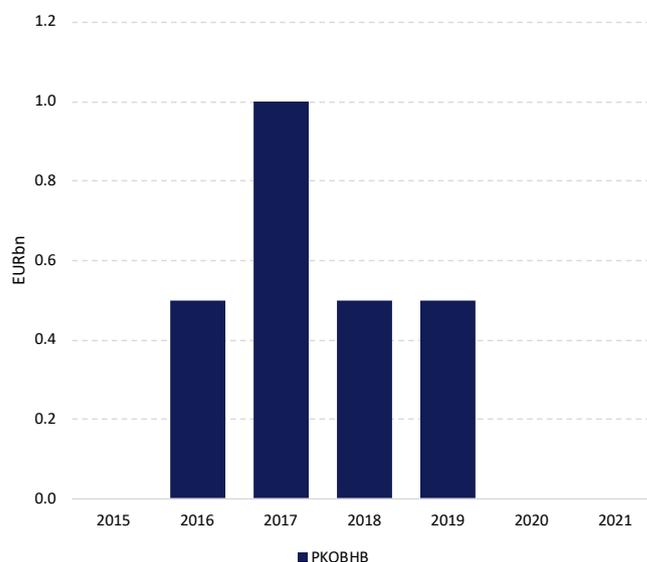
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 7.22bn	Outstanding volume (Bmk)	EUR 2.70bn
Amount outstanding	EUR 5.22bn	Number of benchmarks	5
Number of issuer	2	Outstanding ESG volume (Bmk)	-
No of cover pools	2	Number of ESG benchmarks	-
there of M / PS / others	2 / 0 / 0	Outstanding volume (SBmk)	EUR 0.60bn
Ratings (low / high)	AA+ / AA+	Number of subbenchmarks	2
Best possible LCR level	Level 1	Maturity types	SB/CPT

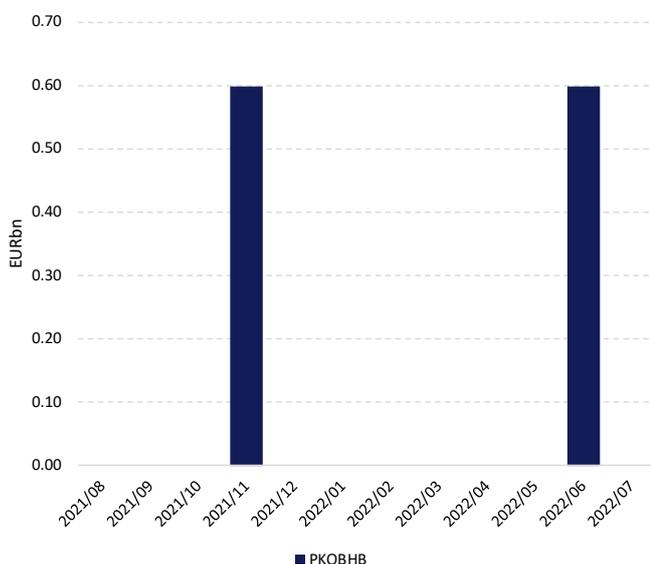
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



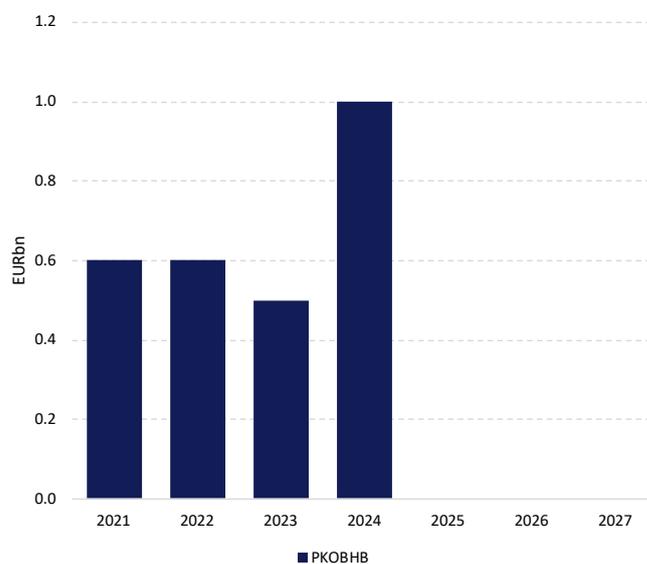
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# mBank

# Poland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Negative
Moody's*	A3	Stable
S&P	BBB	Negative

## Homepage

[www.mbank.pl](http://www.mbank.pl)

\*LT Bank Deposit Rating

mBank is the fifth-largest bank in Poland by total assets. Its shares are listed on the Warsaw Stock Exchange. Commerzbank is the main shareholder (69.3% stake), followed by Nationale-Nederlanden OFE (>5%). As a universal bank, mBank offers a wide range of products: retail, corporate and investment banking as well as other financial services such as leasing, factoring, CRE financing, brokerage, wealth management, corporate finance, capital market advisory and insurance products. These are divided into three segments: Retail Banking (60% pre-tax profit; FY 2020), Corporate and Investment Banking (33%) and Financial Markets and Others (7%). Additional services are offered via subsidiaries, including the issuance of covered bonds via Hipoteczny. Since 2007, the bank has also been active in the neighbouring countries of Czech Republic and Slovakia. However, the domestic market remains the most important, with 342 branches located here out of 383 overall. The bank employs approximately 6,500 staff to serve almost 5.6 million retail customers and around 29,100 corporate customers (FY 2020). Market shares in retail customer deposits and lending in Poland amount to >7.0% in each case. As at financial year-end 2020, an NPL ratio of 4.5% was somewhat higher than the level of the previous year (FY 2019: 4.1%). The Polish Financial Supervisory Authority (KNF) has classified mBank as an O-SIFI (other systemically important financial institute). In addition, mBank complies with the regulatory CET1 ratio requirement of 17% (16.5% as at FY 2019). Funding is to a significant extent covered by retail deposits, followed by corporate deposits. The originally planned sale of the Commerzbank shares to mBank has been cancelled.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	24,778	23,761	24,420
Total Securities	8,702	11,846	11,224
Total Deposits	27,439	30,136	32,798
Tier 1 Common Capital	3,265	3,293	3,306
Total Assets	37,332	39,147	41,880
Total Risk-weighted Assets	19,782	19,378	19,895

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	932	903	208
Net Fee & Commission Inc.	296	340	103
Net Trading Income	56	67	31
Operating Expense	822	953	211
Credit Commit. Impairment	165	275	34
Pre-tax Profit	362	137	111

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.68	2.32	2.09	Liquidity Coverage Ratio	206.16	232.77	230.43
ROAE	6.45	0.62	7.59	IFRS Tier 1 Leverage Ratio	8.85	8.54	8.01
Cost-to-Income	61.23	70.03	59.41	NPL/ Loans at Amortised Cost	4.71	5.08	4.85
Core Tier 1 Ratio	16.51	16.99	16.62	Reserves/Loans at Amort. Cost	3.00	3.29	3.19

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capital and liquidity ratios
- Market shares (deposit basis)
- Loan quality

## Risks / Weaknesses

- Concentration risks
- Dependency on capital market funding
- Foreign currency risks

# mBank Hipoteczny – Mortgage

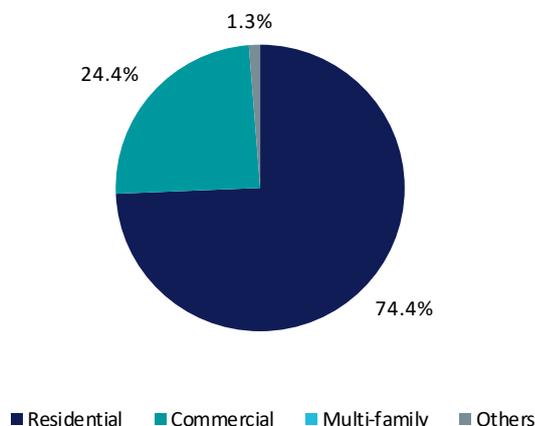
Poland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

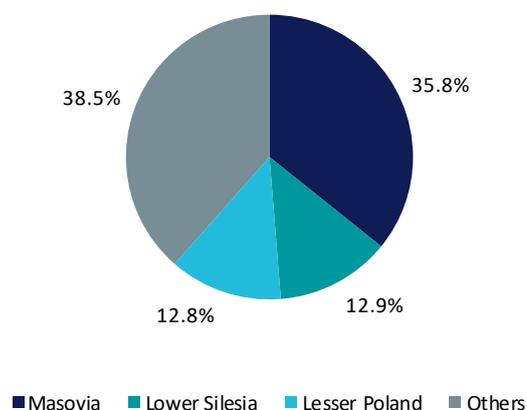
## Cover Pool Data

Cover pool volume (EURm)	2,126	Rating (Moody's)	Aa1
Amount outstanding (EURm)	1,614	Rating (S&P)	-
-thereof ≥ EUR 250m	37.2%	Rating (Fitch)	-
Current OC (nominal)	31.8%	Rating (DBRS)	-
Committed OC	10.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Poland	Collateral score	15.6%
Main region	36% Masovia	RRL	-
Number of loans	28,768	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	17.9y	PCU	-
WAL (covered bonds)	3.1y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	54.1%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	75.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB/CPT

## Borrower Types



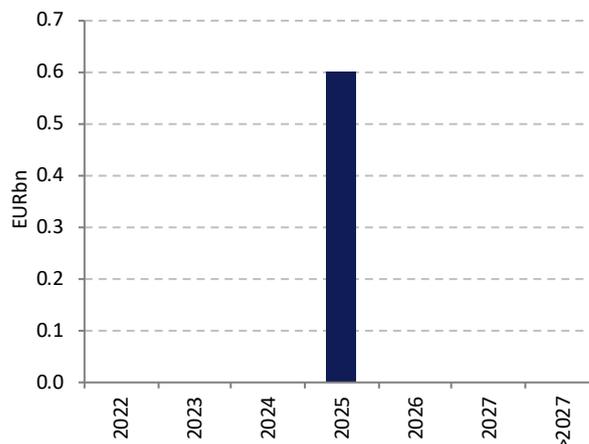
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# PKO Bank Polski

# Poland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A2	Stable
S&P	-	-

## Homepage

[www.pkobp.pl](http://www.pkobp.pl)

PKO Bank Polski (PKO BP) was established 103 years ago. Its shares have been listed on the Warsaw Stock Exchange since 2004, with the Polish state acting as lead shareholder (stake of around 30%). Two pension funds each hold just over 7% and 8%, while the remaining 54.5% of the shares is held in free float. In Poland, the universal bank is by far the largest institute as measured by total assets, while it is additionally one of the largest banking groups in the CEE region as a whole. This is reflected, for example, in its market share of 19.2% in the Polish AuM segment (Q4 2020). PKO BP reports across the operating areas of Retail Segment and Corporate and Investment Segment. The Polish bank PKO Bank Hipoteczny (PKO BH) is the strategic and operationally significant unit of PKO BP, which specialises in mortgage lending to individual customers. By way of its parent company, PKO BH can rely on its customer base and the country's largest network of branches. In addition, PKO BH acquires mortgage portfolios from PKO BP. PKO BH uses covered bonds for funding purposes. The institute is the largest issuer of this type of bond in Poland. To guarantee capitalisation and liquidity, the parent company has an explicit agreement for the benefit of its subsidiary, whereby its ratios will always be maintained at a satisfactory level in accordance with the applicable minimum requirements. The CET1 ratio of the PKO BP Group was 16.9% as at the end of 2020. The bank's LCR and NSFR were exceeded, at 228% and 135% respectively. Its strategic financial goals for 2022 include a target ROE of 12% and a cost-income ratio of approximately 41%.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	54,146	48,718	48,062
Total Securities	20,015	28,482	30,222
Total Deposits	60,253	61,796	62,056
Tier 1 Common Capital	9,321	8,495	8,307
Total Assets	81,827	82,502	82,859
Total Risk-weighted Assets	50,335	49,990	49,116

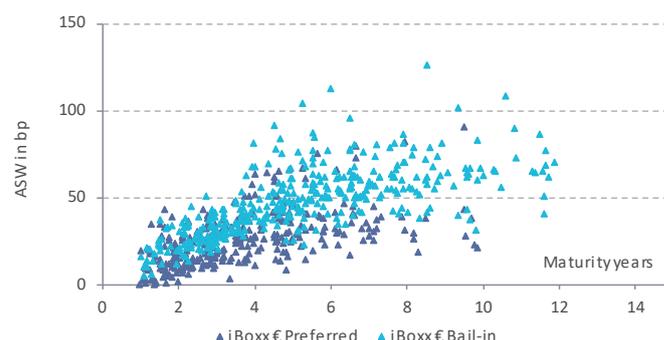
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	2,395	2,329	509
Net Fee & Commission Inc.	868	879	230
Net Trading Income	99	70	45
Operating Expense	1,744	3,059	421
Credit Commit. Impairment	265	480	37
Pre-tax Profit	1,354	-382	325

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	3.22	2.90	2.52	Liquidity Coverage Ratio	140.86	194.05	241.30
ROAE	10.03	-5.95	11.68	IFRS Tier 1 Leverage Ratio	11.61	10.57	10.28
Cost-to-Income	52.01	93.68	53.56	NPL/ Loans at Amortised Cost	4.21	4.43	5.00
Core Tier 1 Ratio	18.52	16.99	16.91	Reserves/Loans at Amort. Cost	3.15	3.91	3.95

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Liquidity ratios
- Market positioning

## Risks / Weaknesses

- Profitability
- Geographical concentration
- Foreign currency risks

# PKO Bank Hipoteczny – Mortgage

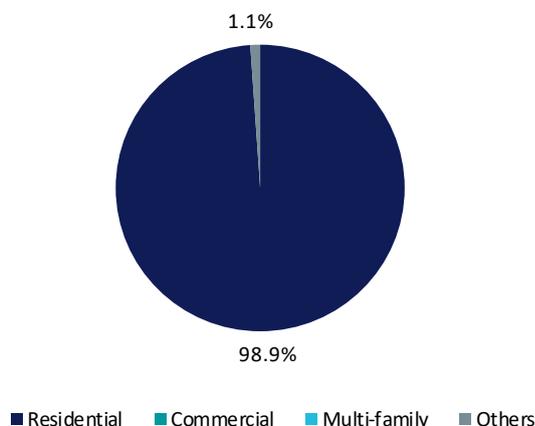
Poland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

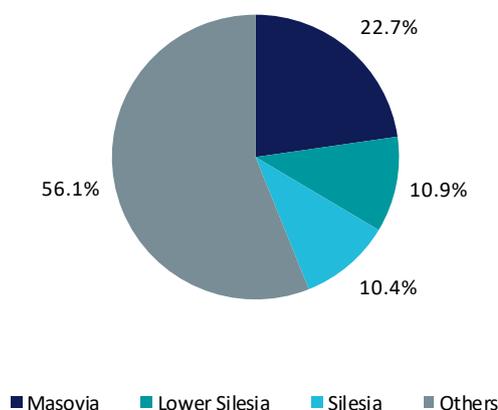
## Cover Pool Data

Cover pool volume (EURm)	5,093	Rating (Moody's)	Aa1
Amount outstanding (EURm)	3,608	Rating (S&P)	-
-thereof ≥ EUR 500m	58.2%	Rating (Fitch)	-
Current OC (nominal)	41.2%	Rating (DBRS)	-
Committed OC	12.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Poland	Collateral score	6.2%
Main region	23% Masovia	RRL	-
Number of loans	122,834	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	20.9y	PCU	-
WAL (covered bonds)	1.9y	Recovery uplift	-
Fixed interest (cover pool)	0.8%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	78.4%	CRR 129 (7)	Yes
LTV (indexed)	47.9%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB/CPT

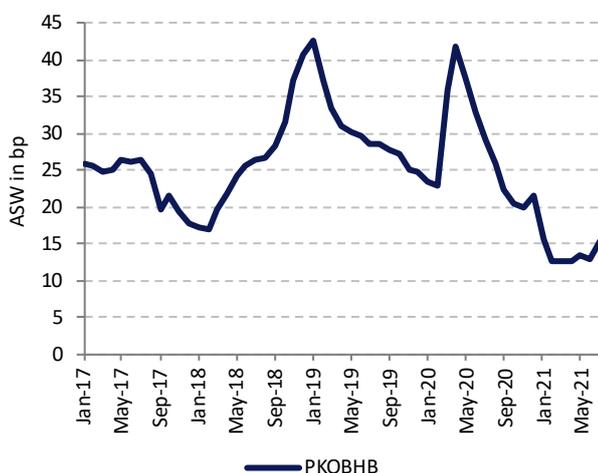
## Borrower Types



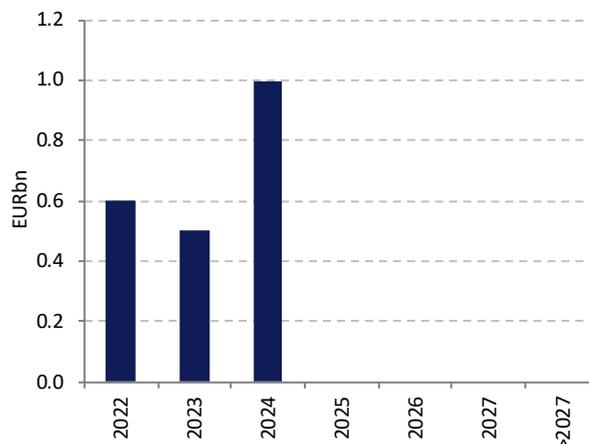
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



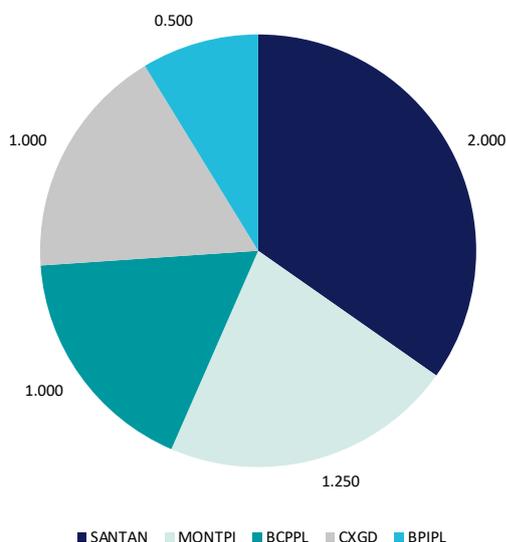
# Market Overview Covered Bonds

Portugal

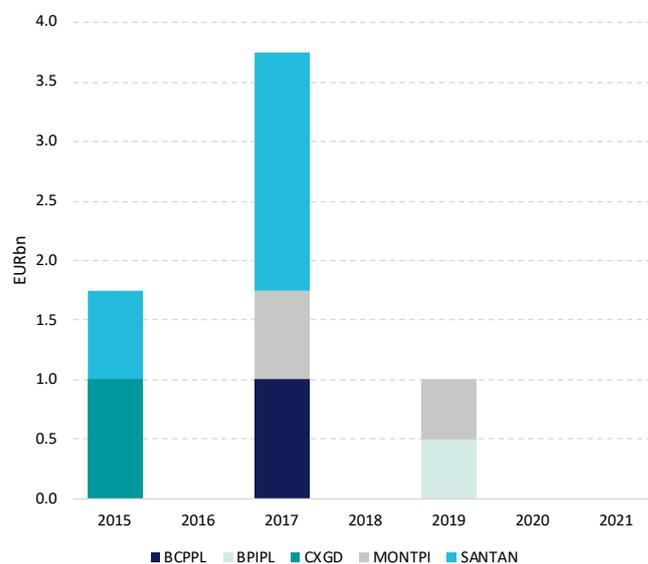
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 39.17bn	Outstanding volume (Bmk)	EUR 5.75bn
Amount outstanding	EUR 32.65bn	Number of benchmarks	7
Number of issuer	5	Outstanding ESG volume (Bmk)	-
No of cover pools	5	Number of ESG benchmarks	-
there of M / PS / others	5 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	BBB+ / AA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB, CPT

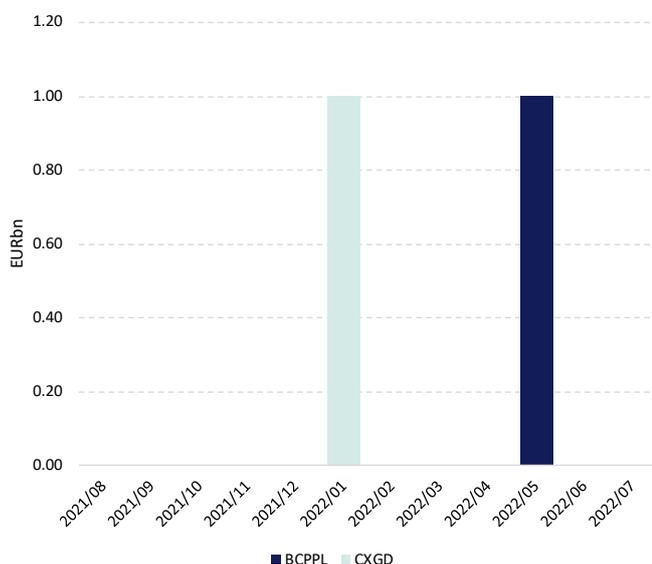
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



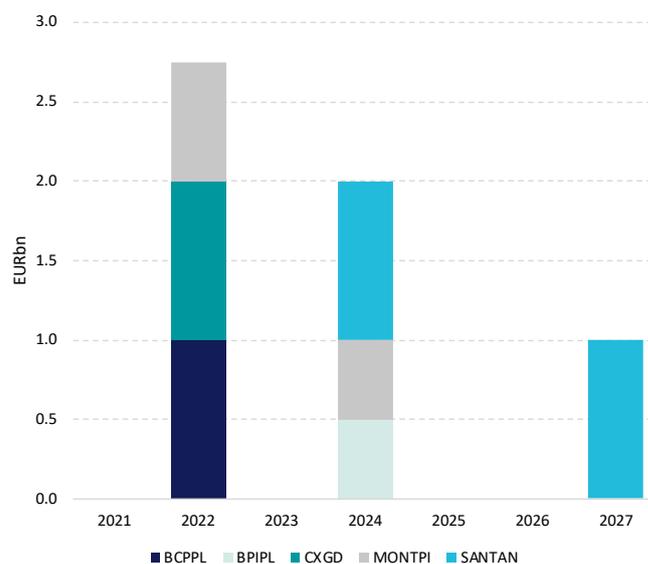
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Banco BPI

# Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB	Negative
Moody's	Baa2	Positive
S&P	BBB	Stable

## Homepage

[www.bancobpi.pt](http://www.bancobpi.pt)

Banco BPI (BPI) was established in 1981 and is today the fifth largest bank in Portugal as measured by assets. During the financial market crisis, BPI received a government bail-out in the form of CoCo bonds (EUR 1.5bn), which were fully repaid only two years later (2014). As part of the restructuring, some foreign activities were discontinued (branches in Spain, the Cayman Islands and Macau were closed). At the end of FY2020, BPI operated in 422 business units nationwide (including 360 branches and 27 "Premier Centres" and 27 "Corporate and Institutional Banking Centres") and employed 4,603 people. Since 1985, Spain's CaixaBank has been a shareholder in the institute and took over additional shares in 2016 and 2017. Today, BPI is wholly owned by CaixaBank. BPI has a particularly strong presence in the domestic retail banking segment and has a market share of around 11% each for loans and deposits (FY 2020). In addition to the banking business, BPI holds a 35% stake in Allianz Portugal (life and non-life insurance) and 50% in Cossec (export loan insurance). BPI holds minority shares of 48.1% and 35.7% respectively in Banco de Fomento Angola and Banco Comercial e de Investimentos from Mozambique. Its 2019-2021 business plan is focused on further increasing profitability and efficiency. As a result, the quality of assets (NPE ratio as at Dec. 2020: 1.7 %) are set to improve. As at December 2020, BPI had a fully loaded CET1 ratio of 14.1% and a leverage ratio of 7.3%, thereby fulfilling ECB requirements. As at financial year-end 2020, funding was primarily covered by customer deposits (around 75%).

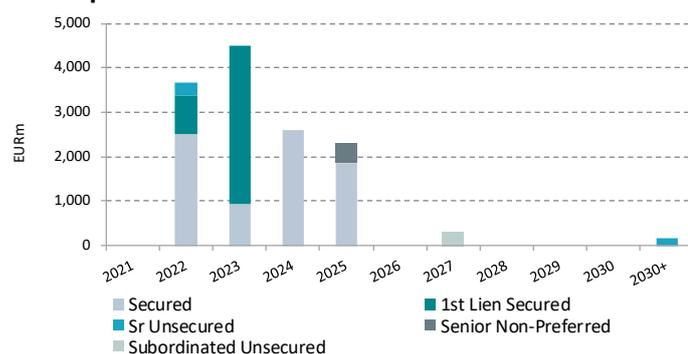
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	21,364	21,957	22,636
Total Securities	5,888	6,436	8,113
Total Deposits	22,960	23,231	26,009
Tier 1 Common Capital	2,335	2,405	2,529
Total Assets	31,568	31,812	37,786
Total Risk-weighted Assets	16,977	17,949	17,991

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	423	436	450
Net Fee & Commission Inc.	278	258	245
Net Trading Income	-116	-7	-12
Operating Expense	435	453	434
Credit Commit. Impairment	-45	-43	151
Pre-tax Profit	543	344	125

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.45	1.42	1.28	Liquidity Coverage Ratio	167.42	173.31	260.16
ROAE	15.97	9.88	3.20	IFRS Tier 1 Leverage Ratio	7.46	7.63	6.75
Cost-to-Income	56.16	60.44	59.05	NPL/ Loans at Amortised Cost	4.78	3.38	2.61
Core Tier 1 Ratio	13.75	13.40	14.06	Reserves/Loans at Amort. Cost	2.43	1.75	2.08

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Probability of support from parent company
- Franchise in Portugal

## Risks / Weaknesses

- Geographic focus on Portugal
- Exposure risks in Angola

# Banco BPI – Mortgage

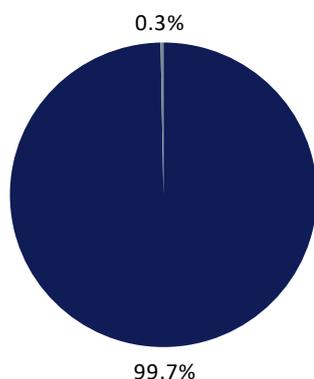
Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

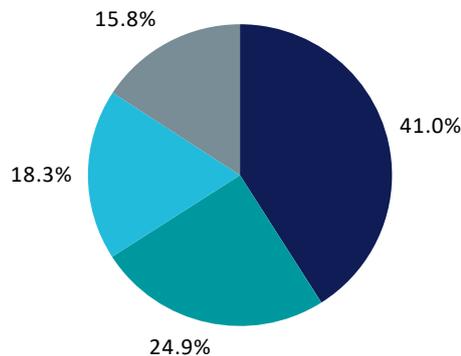
Cover pool volume (EURm)	8,619	Rating (Moody's)	Aa3
Amount outstanding (EURm)	7,300	Rating (S&P)	-
-thereof ≥ EUR 500m	6.8%	Rating (Fitch)	-
Current OC (nominal)	18.1%	Rating (DBRS)	AAL
Committed OC	5.3%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Portugal	Collateral score	5.0%
Main region	41% Lisbon	RRL	-
Number of loans	175,108	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	12.7y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	6.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	6.8%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	53.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



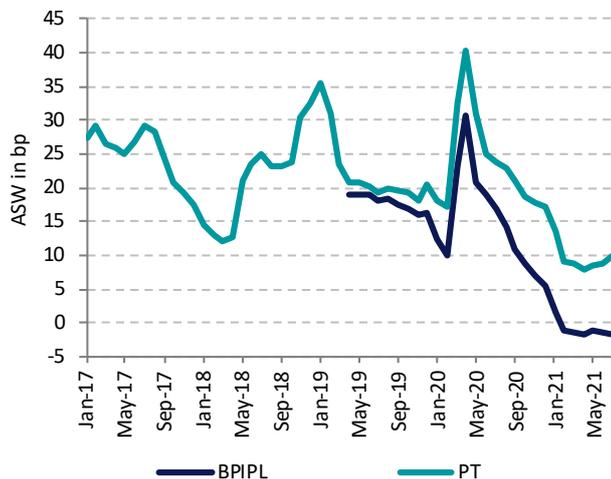
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

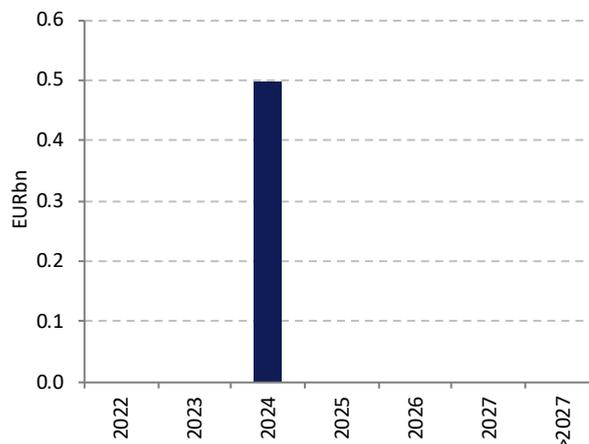


■ Lisbon ■ North ■ Center ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banco Comercial Português (Millennium bcp)

# Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch*	BB	Negative
Moody's*	Baa2	Stable
S&P**	BB	Stable

## Homepage

[www.millenniumbcp.pt](http://www.millenniumbcp.pt)

\* LT Deposits

\*\* Senior Debt

Founded in 1985, Banco Comercial Português SA (Millennium bcp, BCP) is Portugal's leading private bank. Fosun International Holding from China is the major stakeholder with 30%, followed by Sonangol (Angolan oil company) with just under 20% (FY 2020). In Portugal, BCP boasts market shares of 17.5% and 18.1 % for customer loans and deposits respectively. BCP has 478 branches in Portugal, making it the largest private banking institute in the country. The Group is represented in Poland, Mozambique, Angola, China and Switzerland. In total, it has approximately 5.7 million active customers and around 10,300 employees. BCP operates under the single brand strategy "Millennium". As a universal bank, BCP offers services including asset management, real estate brokering and financing, investment banking, leasing and insurance, among others. As a result, the institute places a distinct focus on digitalisation and mobile banking within the scope of its Strategy 2021. In geographical terms, the Portuguese market predominates, accounting for 70% of assets and 57% of the pre-tax profit in FY 2020. In the financial market crisis, BCP encountered difficulties, meaning that a government bail-out was necessary. Since 2012/2013, BCP has been in a restructuring process. Over recent years, the NPE ratio has fallen, with a value of 5.5% posted in Q1 2021. The LCR for this period was 270% and the NSFR amounted to 144%. In terms of refinancing, the institute still had access to EUR 2.9bn in ECB funding (2011: EUR 12.4bn) as at year-end 2020. BCP issued a senior preferred bond in benchmark format (EUR 500m) with a term to maturity of six years in February 2021.

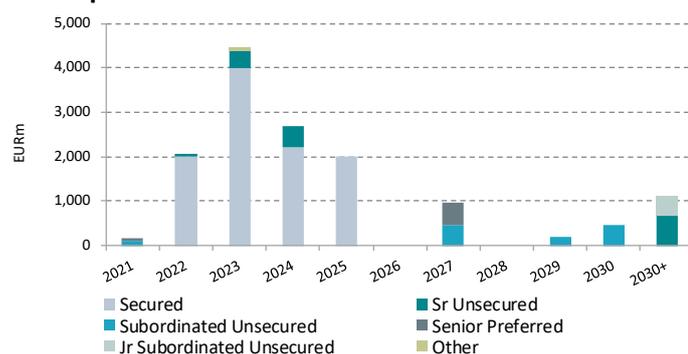
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	50,200	52,475	52,839
Total Securities	18,411	20,459	21,968
Total Deposits	60,847	63,259	65,373
Tier 1 Common Capital	5,508	5,657	5,612
Total Assets	81,643	85,813	88,566
Total Risk-weighted Assets	45,031	46,413	45,904

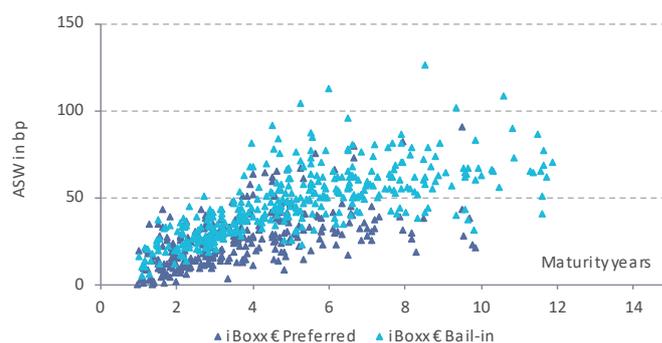
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,549	1,533	376
Net Fee & Commission Inc.	703	703	178
Net Trading Income	143	153	43
Operating Expense	1,188	1,337	384
Credit Commit. Impairment	389	504	111
Pre-tax Profit	627	345	87

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.13	1.97	1.86	Liquidity Coverage Ratio	236.08	232.13	239.12
ROAE	5.36	2.82	1.58	IFRS Tier 1 Leverage Ratio	6.81	6.65	6.38
Cost-to-Income	50.81	57.99	65.29	NPL/ Loans at Amortised Cost	4.53	3.39	3.00
Core Tier 1 Ratio	12.23	12.19	12.23	Reserves/Loans at Amort. Cost	4.62	3.76	3.62

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Franchise in the domestic market of Portugal
- Balanced refinancing profile

## Risks / Weaknesses

- NPE ratio above average
- Risk-adjusted profitability

# Banco Comercial Português – Mortgage

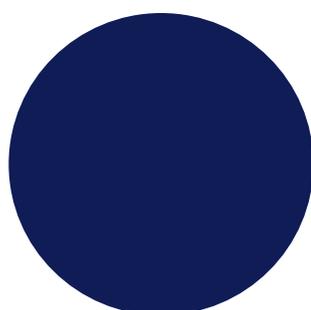
Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	11,705	Rating (Moody's)	Aa3
Amount outstanding (EURm)	10,200	Rating (S&P)	-
-thereof ≥ EUR 500m	9.8%	Rating (Fitch)	BBB+
Current OC (nominal)	14.8%	Rating (DBRS)	A
Committed OC	5.3%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Portugal	Collateral score	5.0%
Main region	43% Lisbon	RRL	-
Number of loans	214,493	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	25.5y	PCU	0
WAL (covered bonds)	2.9y	Recovery uplift	2
Fixed interest (cover pool)	18.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	9.8%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	2A
LTV (unindexed)	51.4%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

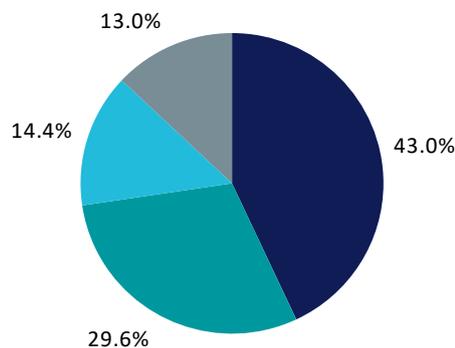
## Borrower Types



100.0%

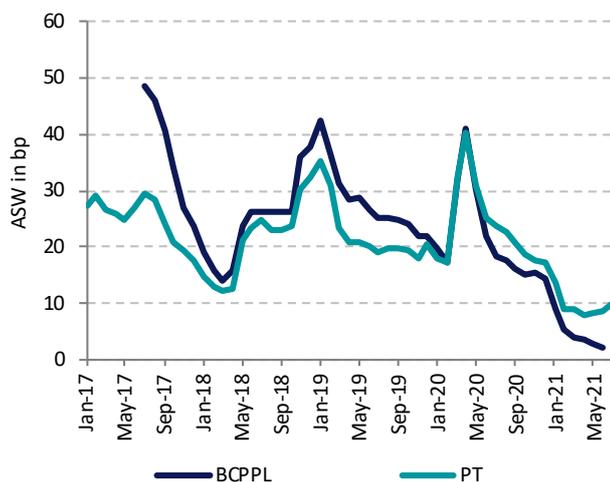
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

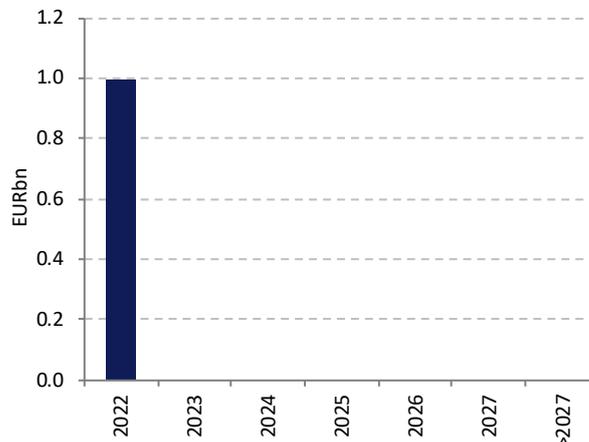


■ Lisbon ■ North ■ Center ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banco Santander Totta

# Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB+	Stable
Moody's	Baa1	Stable
S&P	BBB	Stable

## Homepage

[www.santandertotta.pt](http://www.santandertotta.pt)

Banco Santander Totta S.A. (BST), headquartered in Lisbon, is the largest private bank in Portugal (by assets and loans). Just under 6,000 employees, who are almost exclusively based in Portugal, work across a total of 480 branches or so. In 2000, BST was incorporated into the Santander Group. BST is a wholly owned subsidiary of the Spanish Banco Santander S.A. (BS; global systemically important bank [G-SIB]; 1% additional capital buffer) by way of various holding companies. Its business is divided into the following segments: Retail Banking, Corporate Banking, Corporate Investment Banking and Corporate Activities. Up to the end of 2020, BST had registered an increase of 20% in the number of digital customers, which now stands at 930,000. This growth is attributable in particular to the use of apps (27% more logins via apps). As a result, the share of sales via digital channels increased to 56% (FY/2019: 37%). In comparison with FY 2019, the mortgage business grew by 31.0%, thereby allowing the bank to increase its market share in this segment from 20.0% to 24.0% in FY 2020. Moreover, the number of loans granted to companies increased by 6.7% and to retail customers by 4.5%. In 2020, customer deposits totalled EUR 36.1bn and represent the main funding source of BST. The bank conducted refinancing operations via the ECB's TLTRO III programme to the tune of EUR 6.8bn. The CET1 ratio (fully implemented) rose from 15.1% in FY 2019 to 20.8% in FY 2020, while the NPE ratio fell from 0.6% to 2.6% in FY 2020. Moreover, the LCR ratio totals 121.9% and therefore exceeds the regulatory minimum requirements (fully implemented basis).

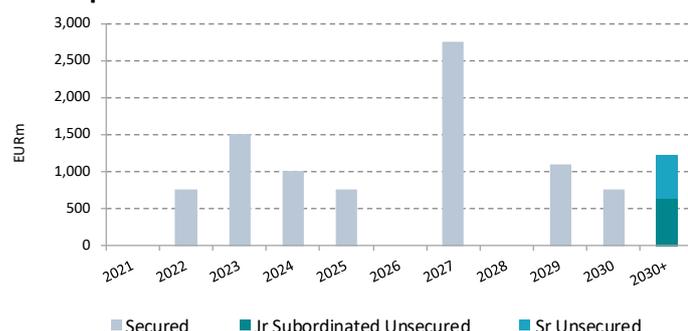
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	39,629	35,555	38,975
Total Securities	6,714	10,934	9,602
Total Deposits	33,940	35,873	36,270
Tier 1 Common Capital	2,758	2,858	3,759
Total Assets	51,281	52,305	54,403
Total Risk-weighted Assets	19,980	18,681	17,982

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	867	854	785
Net Fee & Commission Inc.	376	385	378
Net Trading Income	-3	71	96
Operating Expense	861	628	673
Credit Commit. Impairment	3	-7	188
Pre-tax Profit	338	698	368

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.77	1.71	1.51	Liquidity Coverage Ratio	152.00	134.00	122.00
ROAE	13.02	13.62	6.65	IFRS Tier 1 Leverage Ratio	5.52	5.63	7.11
Cost-to-Income	70.97	47.38	54.04	NPL/ Loans at Amortised Cost	1.65	5.25	4.26
Core Tier 1 Ratio	13.80	15.30	20.90	Reserves/Loans at Amort. Cost	2.96	2.88	2.95

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Strategically important entity of Banco Santander and position in the Portuguese banking market
- Liquidity and funding profile

## Risks / Weaknesses

- Risk concentration in Portugal
- Sovereign limits potential for rating uplift

## Banco Santander Totta – Mortgage

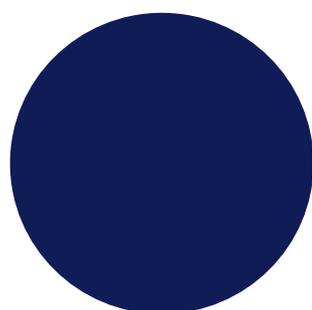
Portugal 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	10,005	Rating (Moody's)	Aa3
Amount outstanding (EURm)	8,600	Rating (S&P)	-
-thereof ≥ EUR 500m	23.3%	Rating (Fitch)	A+
Current OC (nominal)	16.3%	Rating (DBRS)	AAL
Committed OC	5.3%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Portugal	Collateral score	5.0%
Main region	37% Lisbon	RRL	-
Number of loans	179,274	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	26.3y	PCU	0
WAL (covered bonds)	5.1y	Recovery uplift	2
Fixed interest (cover pool)	1.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	54.9%	LCR level (Bmk)	1
LTV (unindexed)	54.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

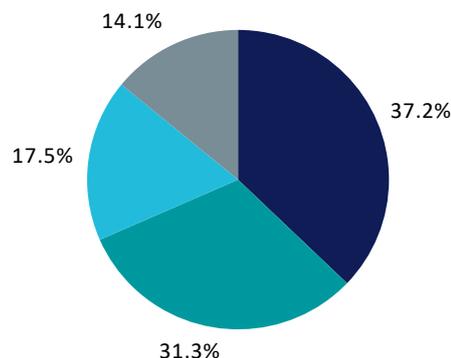
## Borrower Types



100.0%

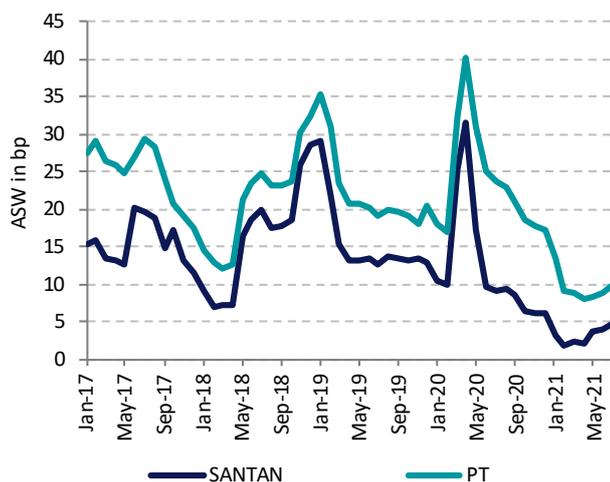
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



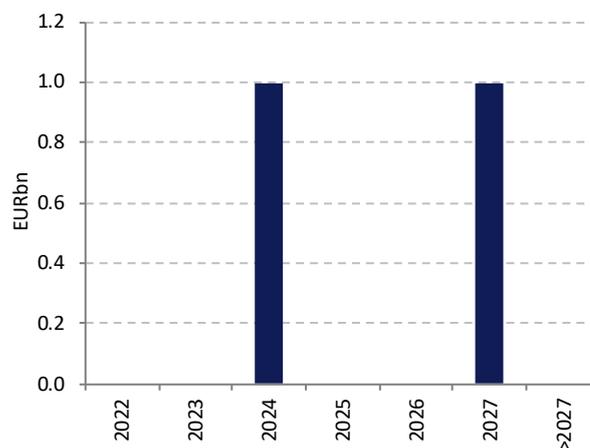
■ Lisbon ■ North ■ Center ■ Others

## Spread Development (&gt;1y)



— SANTAN — PT

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy &amp; Floor Research

# Caixa Económica Montepio Geral

# Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch*	B	Negative
Moody's*	B1	Stable
S&P	-	-

## Homepage

[www.bancomontepio.pt](http://www.bancomontepio.pt)

\* LT Deposits

Caixa Económica Montepio Geral (CEMG) is the oldest bank in Portugal with a distinct focus on retail banking. CEMG serves its customers via more than 298 branches in Portugal and a further 24 in Angola. A total of 99.99% of the shares are held by Montepio Geral Associação Mutualista (MGAM). As a result, CEMG is essentially wholly owned by the largest cooperative organisation in Portugal. CEMG's business activities are primarily restricted to loans to retail clients, SMEs and social organisations. Reporting is conducted across the following segments: Retail Banking, Social Economy, Specialized Credit, Asset Management, Corporate and Investment Banking, International Activity, Markets and Other Segments. At the start of 2020, a partnership was agreed with IBM to develop an Artificial Intelligence (AI) platform (the aim: to improve customer contact). By the end of 2020, "M.A.R.I.A." had generated a customer satisfaction rate of 80%. CEMG was the first Portuguese bank to enable companies to complete all the steps related to opening an account online (three steps that take less than 20 minutes). In Q1 2021, the NPE ratio was reduced from 12.3% to 10.7% compared with Q1 2020. The NPE coverage ratio amounted to 61.0%. In Q1 2021, ECB funding rose by EUR 1,499m to EUR 2,7811m. Furthermore, deposits continue to constitute the lion's share of funding, at around 75.3% of assets (FY 2020). As at Q1 2021, the CET1 ratio (fully loaded) stood at 11.7%, while at the same time the LCR totalled 240.1% (200.7% as at FY 2020), a full 140.1% over the regulatory minimum requirements of 100.0%.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	12,123	11,518	11,587
Total Securities	2,194	3,267	3,014
Total Deposits	12,575	12,642	12,502
Tier 1 Common Capital	1,430	1,274	1,114
Total Assets	18,332	17,740	17,941
Total Risk-weighted Assets	10,731	10,299	9,577

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	248	254	243
Net Fee & Commission Inc.	118	123	115
Net Trading Income	11	64	18
Operating Expense	263	270	260
Credit Commit. Impairment	72	115	185
Pre-tax Profit	26	53	-119

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.48	1.55	1.49	Liquidity Coverage Ratio	160.50	179.90	200.43
ROAE	1.03	1.59	-5.72	IFRS Tier 1 Leverage Ratio	7.82	7.20	6.23
Cost-to-Income	69.74	58.63	66.23	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.33	12.37	11.63	Reserves/Loans at Amort. Cost	7.46	6.37	6.31

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Focus on core activities

## Risks / Weaknesses

- Asset quality
- Profitability

## Caixa Económica Montepio Geral– Mortgage

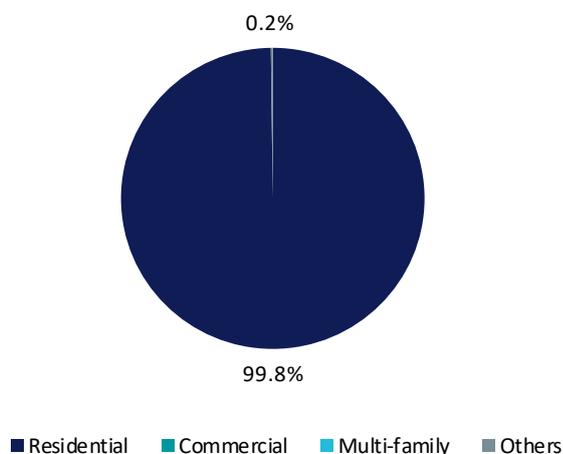
Portugal 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

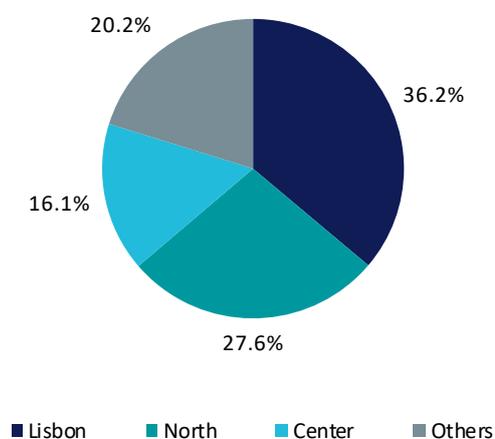
## Cover Pool Data

Cover pool volume (EURm)	2,742	Rating (Moody's)	A1
Amount outstanding (EURm)	2,300	Rating (S&P)	-
-thereof ≥ EUR 500m	54.3%	Rating (Fitch)	AA-
Current OC (nominal)	19.2%	Rating (DBRS)	BBBH
Committed OC	9.00%	TPI	High
Cover type	Mortgage	TPI leeway	0
Main country	100% Portugal	Collateral score	7.5%
Main region	36% Lisbon	RRL	-
Number of loans	58,548	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	11.0y	PCU	8
WAL (covered bonds)	3.2y	Recovery uplift	2
Fixed interest (cover pool)	7.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	54.4%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	2A
LTV (unindexed)	51.0%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

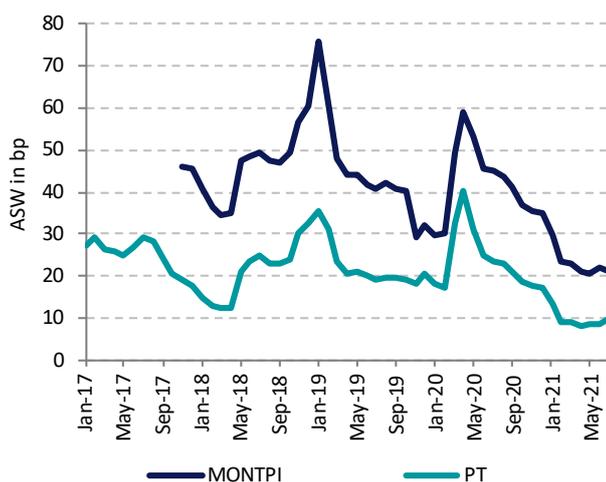
## Borrower Types



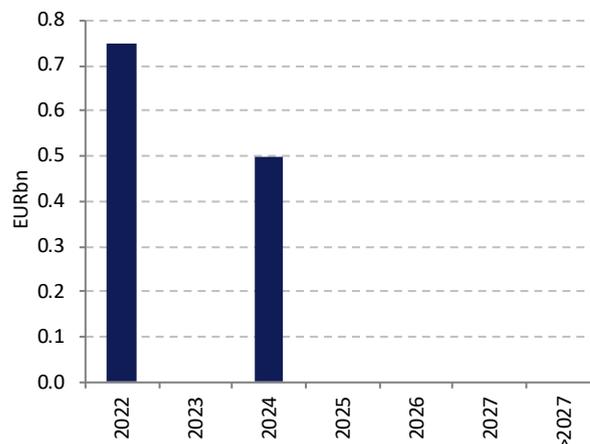
## Regional Distribution



## Spread Development (&gt;1y)



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy &amp; Floor Research

# Caixa Geral de Depósitos

# Portugal

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB+	Negative
Moody's	Baa3	Stable
S&P	-	-

## Homepage

[www.cgd.pt](http://www.cgd.pt)

Since December 2014, Caixa Geral de Depósitos SA (CGD) has been wholly owned by the Portuguese government. The institute, which is headquartered in Lisbon, also maintains a presence in Europe, Asia and Africa as well as North and South America. It employs 6,300 staff across Portugal in just under 540 branches. The most important countries in terms of CGD's international operations for FY 2020 were Macao, Mozambique, France and Angola. In 2020, CGD launched a new marketing campaign with the slogan: "Caixa. For each and for all". The bank reports across the following business segments: Trading and Sales, Retail Banking, Commercial Banking, Asset Management, Corporate Finance and Other. The institution has high market shares in Portugal and is the bank with the largest market share in deposits, at 26%. In terms of loans issued, CGD also accounts for the largest share, at 18%. In the subcategory of private real estate loans, CGD also ranks first (23% market share), and the same goes for loans to the public sector (26%). CGD reported an ROE of 5.6% (FY/2020), marking a year-on-year decline of 2.5 percentage points (FY/2019: 8.1%). Net revenues declined from EUR 632 million (FY/2019) to EUR 450 million and were burdened in particular by provisions for loan loss provisions in FY/2020. The CIR was most recently just below 50% (FY/2020: 49.8%). Both the NPE ratio (2.9% after 3.8% in FY/2019) and the NPL ratio (3.9% after 4.7% in FY/2019) declined overall in FY/2020. NPL ratio for loans more than 90 days in arrears came to 2.2% (FY/2020). The liquidity ratio LCR was 494% (FY/2020), above the regulatory requirement (100%).

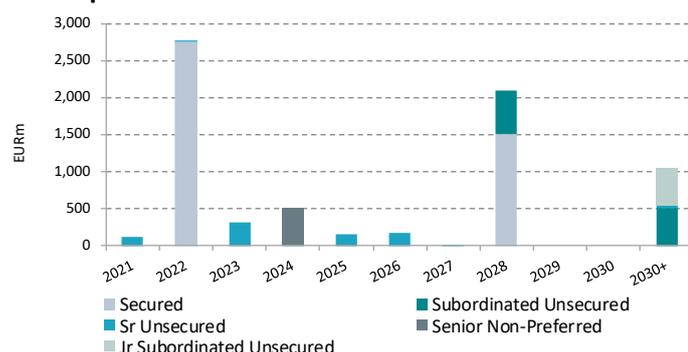
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	48,108	48,017	48,703
Total Securities	20,336	23,352	23,044
Total Deposits	65,792	72,033	74,045
Tier 1 Common Capital	7,493	7,620	-
Total Assets	85,776	91,375	96,286
Total Risk-weighted Assets	44,185	41,819	-

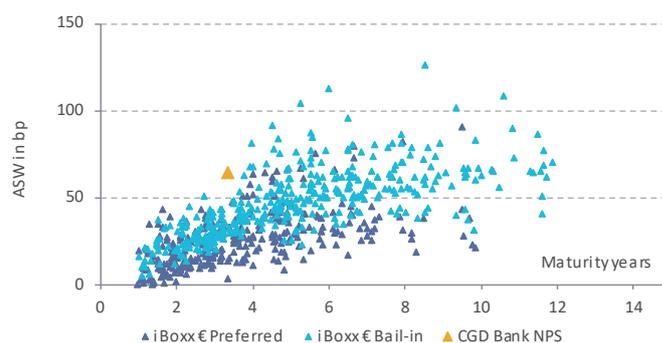
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,132	1,026	233
Net Fee & Commission Inc.	497	497	125
Net Trading Income	83	50	45
Operating Expense	932	808	126
Credit Commit. Impairment	-48	168	60
Pre-tax Profit	1,092	637	152

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.45	1.25	1.07	Liquidity Coverage Ratio	300.88	406.21	460.00
ROAE	9.78	6.11	4.08	IFRS Tier 1 Leverage Ratio	8.84	8.44	-
Cost-to-Income	49.73	49.67	33.32	NPL/ Loans at Amortised Cost	5.64	4.81	-
Core Tier 1 Ratio	16.96	18.22	-	Reserves/Loans at Amort. Cost	4.29	4.48	4.56

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market leader in Portuguese retail banking
- Capitalisation & deposit basis

## Risks / Weaknesses

- Asset quality
- Profitability

## Caixa Geral de Depósitos – Mortgage

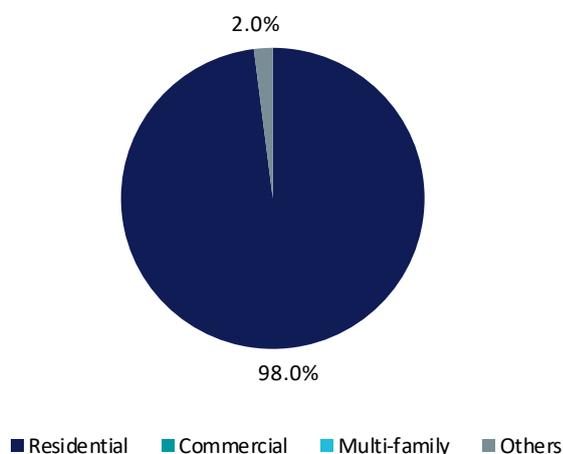
Portugal 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

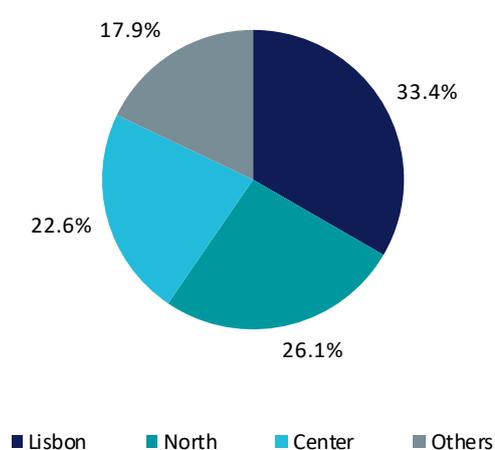
## Cover Pool Data

Cover pool volume (EURm)	6,094	Rating (Moody's)	Aa3
Amount outstanding (EURm)	4,250	Rating (S&P)	-
-thereof ≥ EUR 500m	23.5%	Rating (Fitch)	A-
Current OC (nominal)	43.4%	Rating (DBRS)	AA
Committed OC	5.26%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Portugal	Collateral score	5.0%
Main region	33% Lisbon	RRL	-
Number of loans	143,383	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	22.4y	PCU	0
WAL (covered bonds)	3.5y	Recovery uplift	2
Fixed interest (cover pool)	0.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	23.5%	CRR 129 (7)	Yes
LTV (indexed)	38.8%	LCR level (Bmk)	1
LTV (unindexed)	48.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

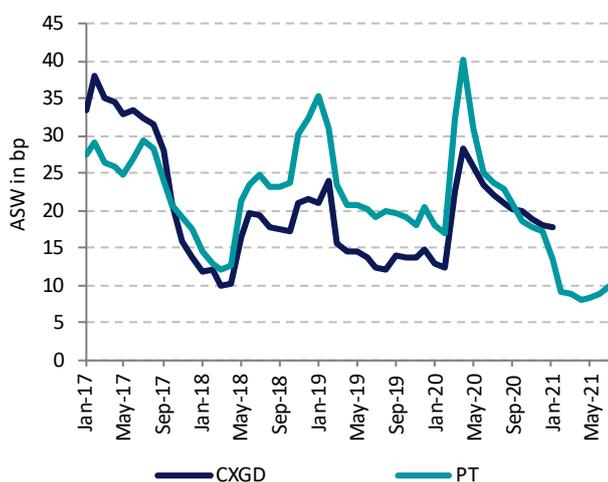
## Borrower Types



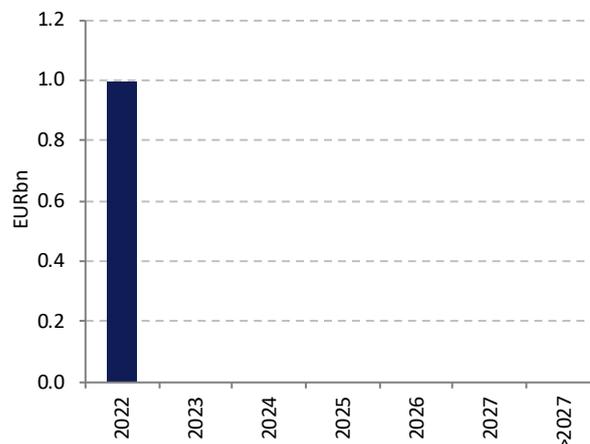
## Regional Distribution



## Spread Development (&gt;1y)



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy &amp; Floor Research

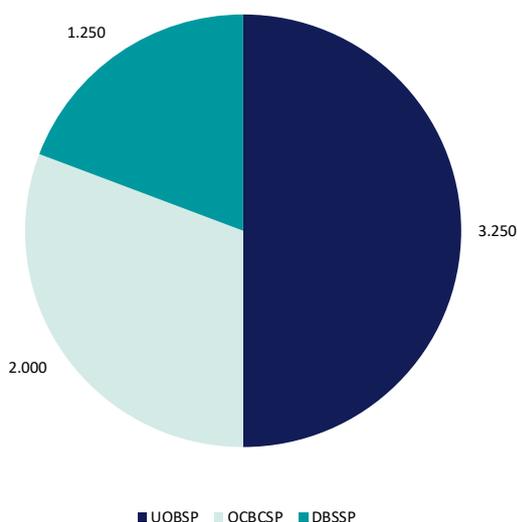
# Market Overview Covered Bonds

Singapore

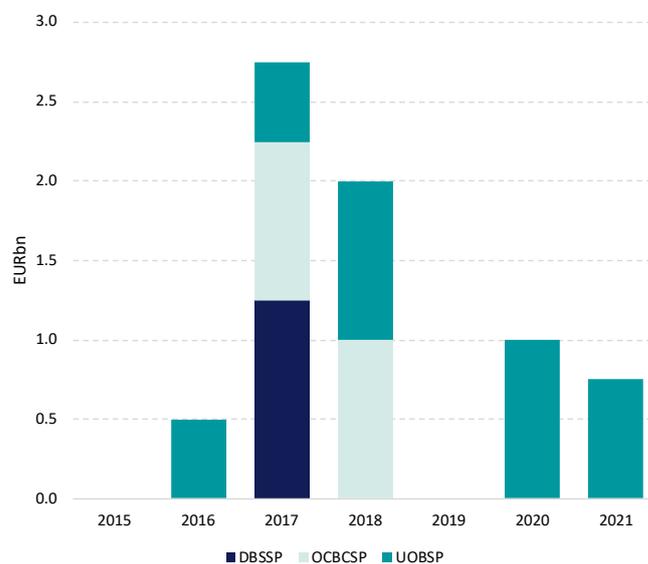
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 17.03bn	Outstanding volume (Bmk)	EUR 6.50bn
Amount outstanding	EUR 9.29bn	Number of benchmarks	11
Number of issuer	3	Outstanding ESG volume (Bmk)	-
No of cover pools	3	Number of ESG benchmarks	-
there of M / PS / others	3 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	SB

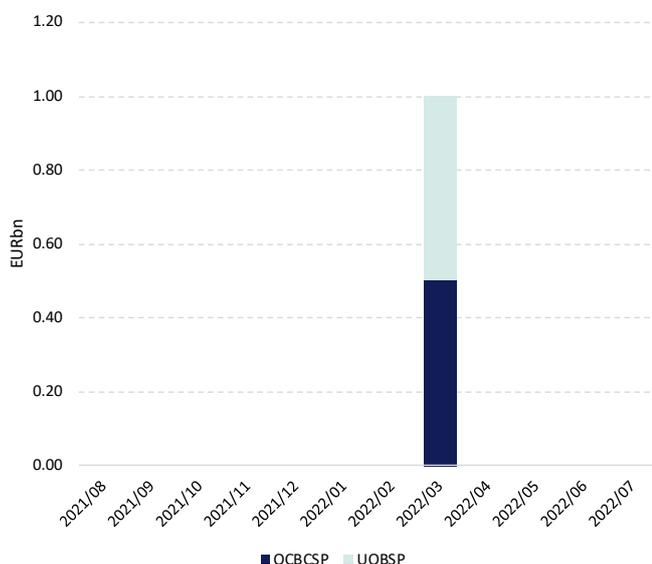
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



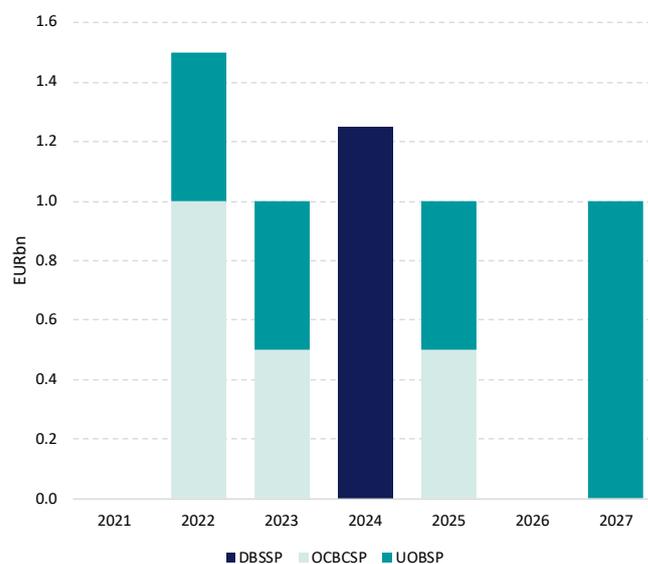
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# DBS Group Holdings

## Singapore

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa2	Stable
S&P	-	-

### Homepage

[www.dbs.com](http://www.dbs.com)

In terms of total assets, DBS Group Holdings (DBS) is the largest of the three dominant financial groups in Singapore and one of Asia's leading banks (27% share in national USD deposits). The Monetary Authority of Singapore (MAS) classifies DBS as a domestic systemically important bank (D-SIB). With a stake of around 29%, Temasek (holding of the Singapore government) is the main shareholder in DBS, which is listed on the stock exchange (non-operating HoldCo). DBS Bank Ltd. is a wholly owned subsidiary of DBS and the Group's main operating unit. While DBS mainly issues capital instruments, covered bonds are placed via DBS Bank Ltd. Senior notes are issued at both institutes. The Group includes further corporate banks outside of Singapore (Hong Kong, China, Taiwan, Indonesia and India, among others). DBS Bank India Ltd, which was established in 2019 as a wholly owned subsidiary in order to strengthen the bank's Indian presence, was merged with the Indian Lakshmi Vilas Bank in November 2020. DBS serves more than 10.9 million customers worldwide. In addition to the core markets of the regions Hong Kong (17% of total income FY 2020), Greater China (8%) and South and Southeast Asia (8%), its main focus is on the domestic market in Singapore (64%). The Group offers all the financial services of a universal bank and reports across three core business segments: Institutional Banking, Consumer Banking/Wealth Management and Treasury Markets. With a CET1 ratio of 13.9% (FY 2020; fully loaded), DBS met the regulatory requirements and in addition had a leverage ratio of 6.8%. The liquidity ratios LCR and NSFR also exceeded the minimum regulatory requirements, at 136% and 125%, respectively.

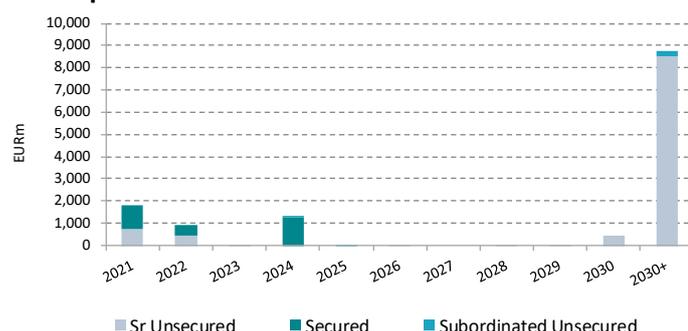
### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	221,181	237,110	229,565
Total Securities	78,545	86,610	91,705
Total Deposits	252,455	267,855	287,505
Tier 1 Common Capital	-	-	-
Total Assets	353,077	383,555	402,516
Total Risk-weighted Assets	-	-	-

### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	5,662	6,350	5,787
Net Fee & Commission Inc.	1,751	1,999	1,946
Net Trading Income	683	969	1,269
Operating Expense	3,642	4,092	3,909
Credit Commit. Impairment	499	475	1,777
Pre-tax Profit	4,232	5,012	3,427

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.75	1.79	1.55	Liquidity Coverage Ratio	-	-	-
ROAE	11.28	12.50	8.78	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	43.78	42.78	42.10	NPL/ Loans at Amortised Cost	1.53	1.51	1.64
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	1.33	1.26	1.75

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

### Strengths / Opportunities

- Funding and liquidity
- Market positioning (deposit business)
- Capitalisation

### Risks / Weaknesses

- Exposure in oil and gas sector
- Credit risk owing to regionally focused expansion
- Economic environment

# DBS Bank – Mortgage

Singapore

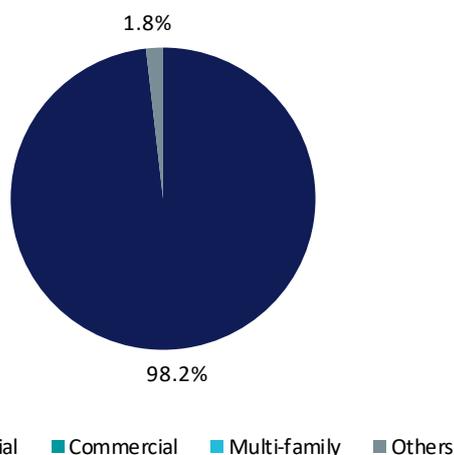
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

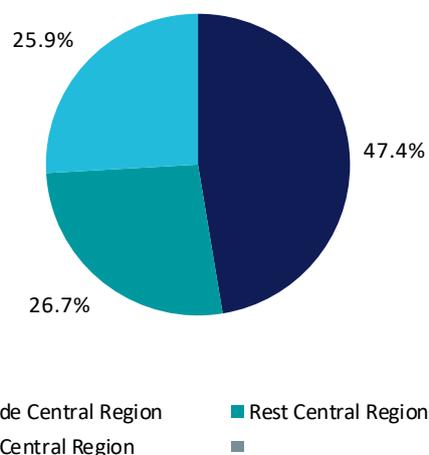
Cover pool volume (EURm)	6,467
Amount outstanding (EURm)	2,721
-thereof ≥ EUR 500m	45.9%
Current OC (nominal)	137.7%
Committed OC	3.0%
Cover type	Mortgage
Main country	100% Singapore
Main region	47% Outside Central Region
Number of loans	15,935
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	19.3y
WAL (covered bonds)	1.7y
Fixed interest (cover pool)	51.9%
Fixed interest (covered bonds)	84.0%
LTV (indexed)	46.0%
LTV (unindexed)	51.4%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Improbable
TPI leeway	3
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

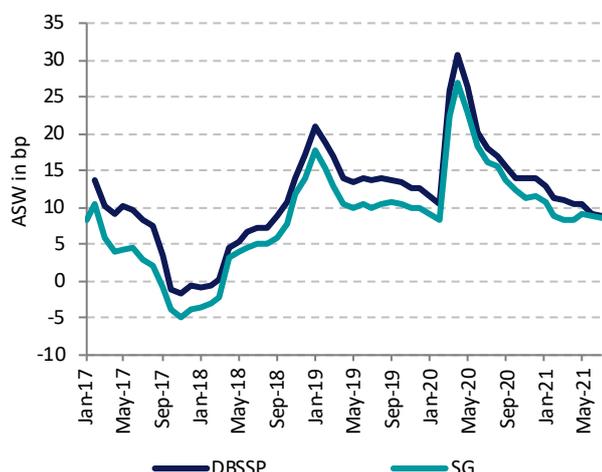
## Borrower Types



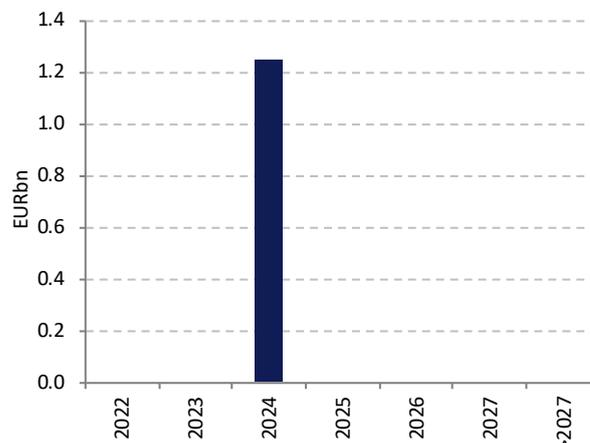
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Oversea-Chinese Banking Corporation

# Singapore

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

## Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa1	Stable
S&P	AA-	Stable

## Homepage

[www.ocbc.com](http://www.ocbc.com)

Oversea-Chinese Banking Corporation Ltd. (OCBC) was founded in 1932 via the merger of three local banks and is the oldest credit institute in Singapore. Its shares are listed on the Singapore Stock Exchange. The main shareholders are Citibank, DBS and Selat Ltd. with stakes of 15.8%, 10.7% and 10.4%, respectively (as at March 2020). OCBC has grown to become the second largest banking group in the country by assets and is categorised as a domestic systemically important bank (D-SIB). The Group's core markets are comprised of Singapore, Malaysia, Indonesia and Greater China; Singapore accounts for roughly one third of pre-tax profit (approximately 36%; FY 2020). Overall, the Group operates more than 480 branches and representative offices in 19 countries and regions. The Group focuses on the retail and corporate client business, asset management and insurance products. Business is conducted using various brands, including OCBC Bank, Bank OCBC NISP, OCBC Wing Hang China, OCBC Al-Amin and the Bank of Singapore. OCBC reports in the following segments: Global Wholesale Banking, Global Consumer/Private Banking, Global Treasury and Markets, Insurance and the non-operating segment Others. Digitalisation in particular has been advanced over the past two years. For example, more than 30 cooperations with API partners have been agreed. The NPL-ratio as at year-end 2020 remained unchanged at 1.5%. The CET1 ratio of OCBC was 15.2%, while the leverage ratio amounted to 7.7% (FY 2020). Regulatory requirements with regard to liquidity ratios were also satisfied. In this context, the LCR (all currency) stood at 139% and the NSFR totals 125%.

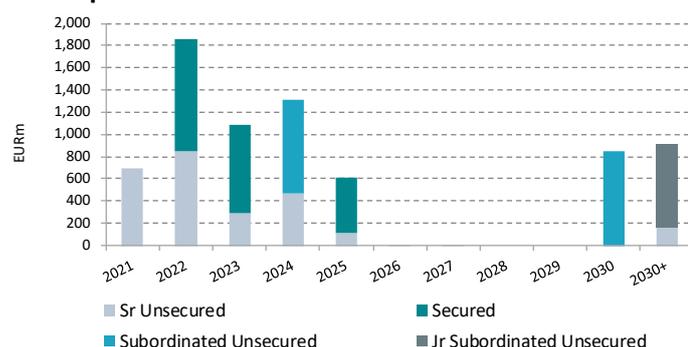
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	173,815	162,995	169,326
Total Securities	43,301	50,504	-
Total Deposits	200,649	194,766	199,967
Tier 1 Common Capital	21,069	20,538	21,605
Total Assets	325,761	322,477	327,506
Total Risk-weighted Assets	141,355	134,920	139,468

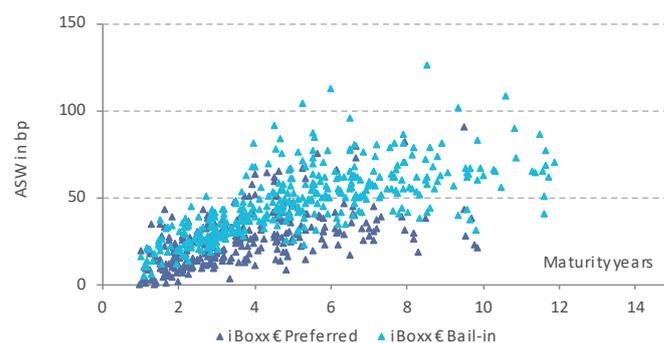
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	4,146	3,794	898
Net Fee & Commission Inc.	1,390	1,274	364
Net Trading Income	752	681	-
Operating Expense	3,039	2,824	732
Credit Commit. Impairment	586	1,277	100
Pre-tax Profit	3,799	2,648	1,113

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.77	1.61	-	Liquidity Coverage Ratio	162.06	150.27	150.53
ROAE	10.88	7.47	-	IFRS Tier 1 Leverage Ratio	6.64	6.63	-
Cost-to-Income	40.95	41.71	37.62	NPL/ Loans at Amortised Cost	1.46	1.49	-
Core Tier 1 Ratio	14.90	15.22	15.49	Reserves/Loans at Amort. Cost	0.92	1.39	1.37

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Probability of state support
- Capital base and earnings situation
- Liquidity and funding profile

## Risks / Weaknesses

- Regional focus
- Weakening of global economic momentum
- Profitability (low interest rate environment)

# OCBC – Mortgage

Singapore

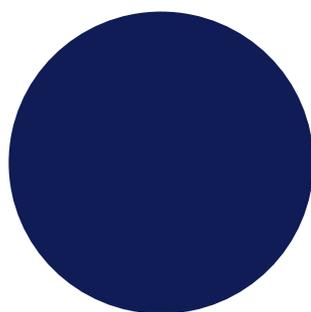
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	4,221
Amount outstanding (EURm)	2,501
-thereof ≥ EUR 500m	80.0%
Current OC (nominal)	68.7%
Committed OC	3.0%
Cover type	Mortgage
Main country	100% Singapore
Main region	65% Outside Central Region
Number of loans	11,358
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	18.6y
WAL (covered bonds)	2.0y
Fixed interest (cover pool)	41.0%
Fixed interest (covered bonds)	88.2%
LTV (indexed)	46.3%
LTV (unindexed)	52.8%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Improbable
TPI leeway	3
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

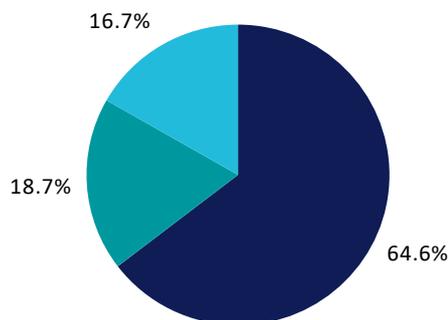
## Borrower Types



100.0%

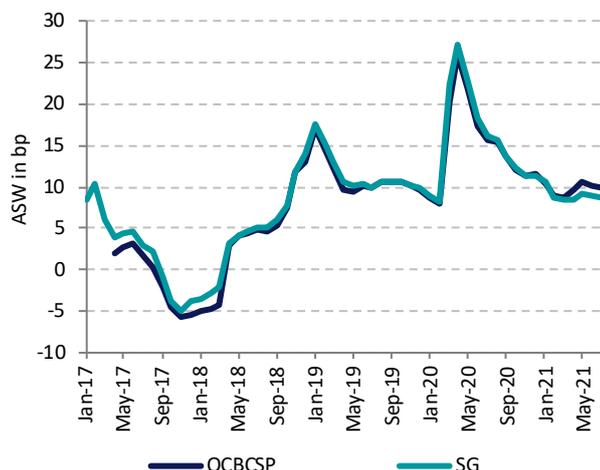
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

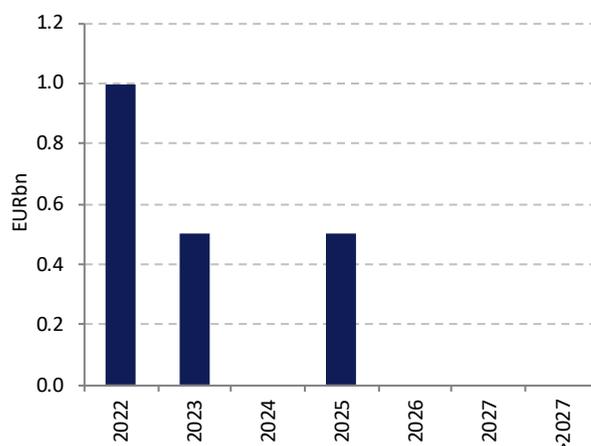


■ Outside Central Region ■ Core Central Region  
■ Rest Central Region ■

## Spread Development (>1y)



## Redemption Profile (Bmk)



# United Overseas Bank

## Singapore

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Ratings

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa1	Stable
S&P	AA-	Stable

### Homepage

[www.uobgroup.com](http://www.uobgroup.com)

United Overseas Bank Ltd. (UOB), headquartered in Singapore, was founded in 1935 and is classified as a domestic systemically important bank (D-SIB). Today, it is one of the country's three largest banks and maintains a global presence with a focus on Asia. Its shares are listed on the Singapore Stock Exchange. The largest single investor is Wee Investments, which holds a stake of around 8%. Measured by operating profit, approximately 52% is attributable to the domestic market Singapore, which reflects UOB's high market penetration with market shares of 20% in deposits and 23% in loans. A series of acquisitions created the present-day structure of UOB. The institute reports across the following segments: Group Retail, Group Wholesale Banking, Global Markets and the non-operating segment Other. United Overseas Bank (Malaysia), United Overseas Bank (Thailand), PT Bank UOB Indonesia and United Overseas Bank (China) are among the bank's most important subsidiaries. The UOB Group has a wide network of over 500 branches spread across 19 countries and regions in western Europe, the Asia-Pacific region and North America. The bank is particularly well represented on the domestic market of Singapore, in Malaysia and in Greater China. The bank offers its customers a wide range of financial services, including but not limited to private banking, commercial and corporate banking, investment banking, capital market activities, treasury services, asset management, insurance products, securities trading and credit cards. In May 2021, UOB issued a bond in benchmark format amounting to the equivalent of EUR 750m with a maturity of eight years.

### Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	165,805	175,875	171,446
Total Securities	25,661	30,486	38,837
Total Deposits	187,961	205,866	200,760
Tier 1 Common Capital	19,714	21,444	20,553
Total Assets	248,805	267,934	267,072
Total Risk-weighted Assets	141,406	149,943	139,433

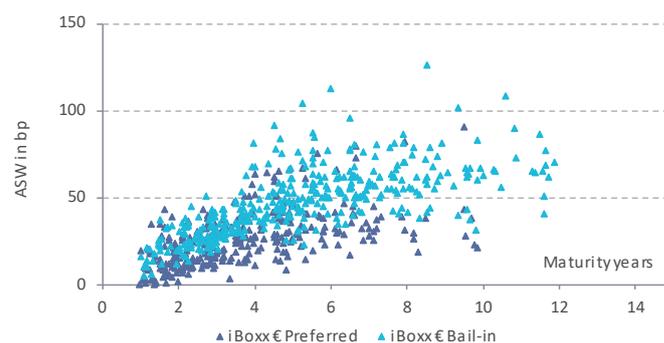
### Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	3,907	4,298	3,837
Net Fee & Commission Inc.	1,235	1,331	1,270
Net Trading Income	407	731	560
Operating Expense	2,514	2,929	2,660
Credit Commit. Impairment	248	294	1,014
Pre-tax Profit	3,031	3,388	2,248

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.82	1.78	1.57	Liquidity Coverage Ratio	127.46	147.76	139.12
ROAE	10.70	11.12	7.24	IFRS Tier 1 Leverage Ratio	8.13	8.22	7.99
Cost-to-Income	43.41	44.36	45.12	NPL/ Loans at Amortised Cost	1.57	1.58	1.66
Core Tier 1 Ratio	13.94	14.30	14.74	Reserves/Loans at Amort. Cost	1.19	1.21	1.51

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

### Strengths / Opportunities

- Liquidity and funding profile
- Capitalisation, likelihood of government support
- Market positioning (SMEs)

### Risks / Weaknesses

- Exposure to high-risk markets
- Low interest environment (profitability)
- Rising credit costs expected

# United Overseas Bank – Mortgage

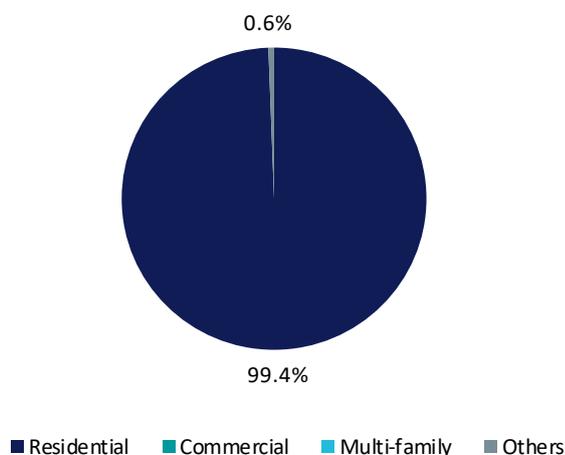
Singapore

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

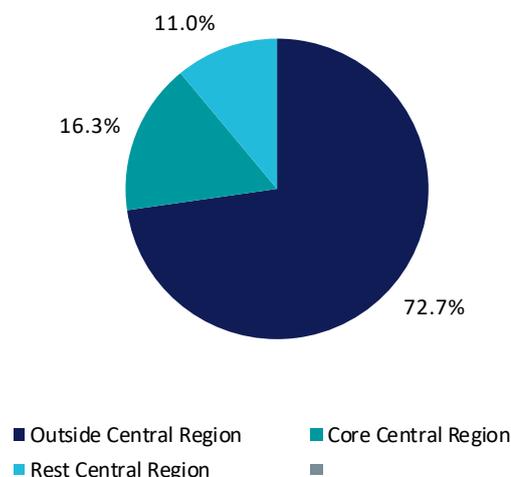
## Cover Pool Data

Cover pool volume (EURm)	6,339	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,063	Rating (S&P)	AAA
-thereof ≥ EUR 500m	80.0%	Rating (Fitch)	-
Current OC (nominal)	56.0%	Rating (DBRS)	-
Committed OC	3.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	3
Main country	100% Singapore	Collateral score	5.0%
Main region	73% Outside Central Region	RRL	aa-
Number of loans	16,971	JRL	aa
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3
WAL (cover pool)	20.1y	PCU	-
WAL (covered bonds)	2.8y	Recovery uplift	-
Fixed interest (cover pool)	52.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	90.1%	CRR 129 (7)	Yes
LTV (indexed)	50.3%	LCR level (Bmk)	2A
LTV (unindexed)	54.2%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

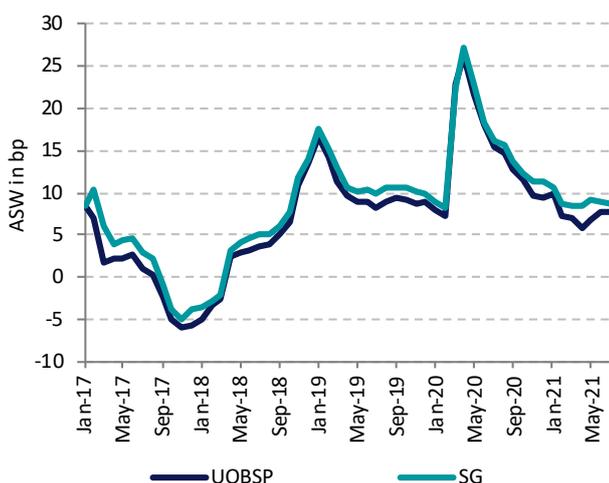
## Borrower Types



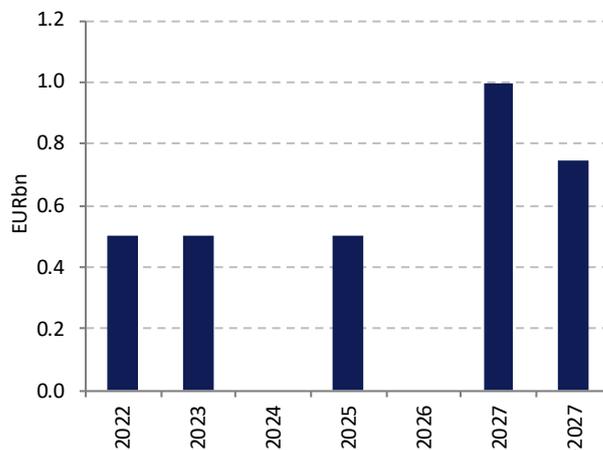
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



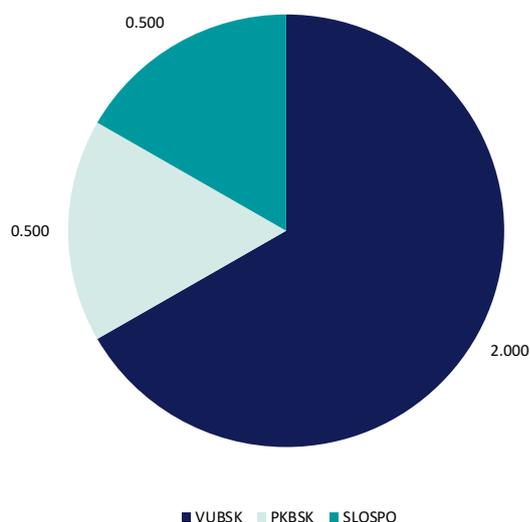
# Market Overview Covered Bonds

Slovakia

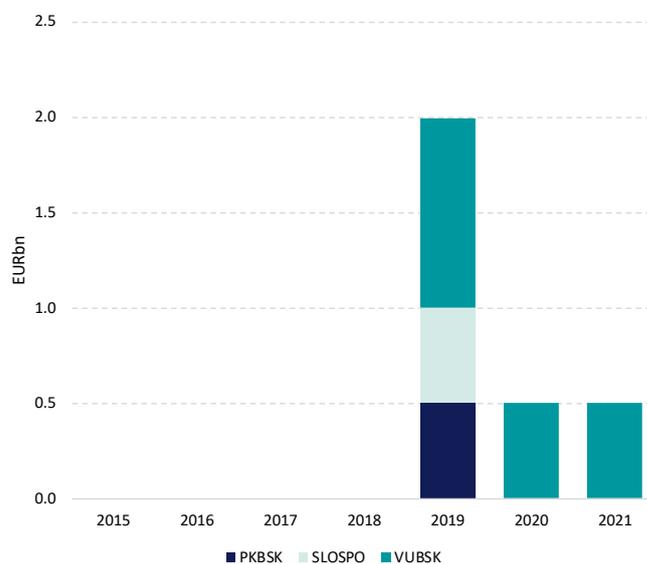
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 12.63bn	Outstanding volume (Bmk)	EUR 3.00bn
Amount outstanding	EUR 8.43bn	Number of benchmarks	6
Number of issuer	4	Outstanding ESG volume (Bmk)	-
No of cover pools	4	Number of ESG benchmarks	-
there of M / PS / others	4 / 0 / 0	Outstanding volume (SBmk)	EUR 0.50bn
Ratings (low / high)	AA / AAA	Number of subbenchmarks	2
Best possible LCR level	Level 1	Maturity types	SB

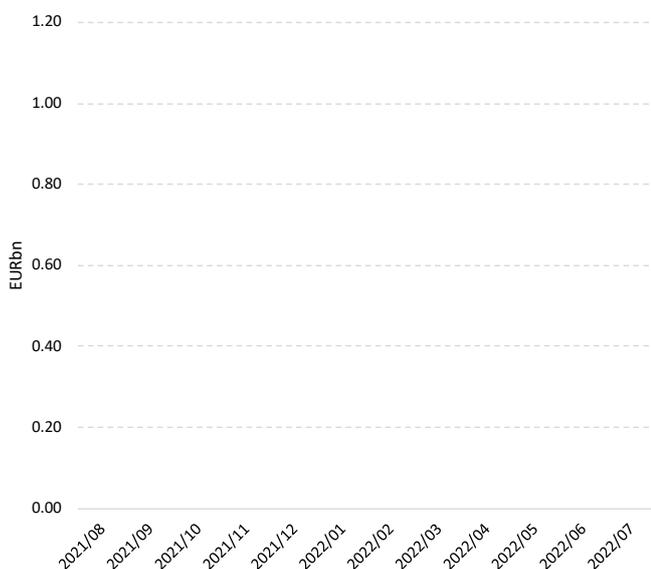
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



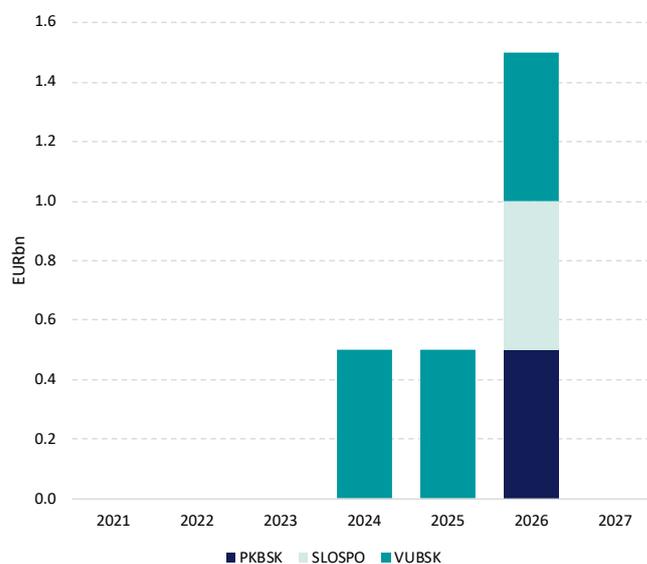
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Prima banka Slovensko

# Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	-	-

## Homepage

[www.primabanka.sk](http://www.primabanka.sk)

Prima banka Slovensko, a.s (Prima Banka), headquartered in Žilina, was founded by a total of 193 Slovakian cities and municipalities in 1992. At the time, the bank specialised in providing banking services and financing municipalities. Following the acquisition of a majority shareholding by Penta Investments in 2011, Prima Banka not only gained its present name but also increasingly switched its focus towards the retail banking business. As at year-end 2020, Penta Investments holds a stake in excess of 99% in Prima Banka. In addition, Sberbank Slovensko was acquired by Penta Investments in 2016, before being integrated within Prima Banka. Prima Banka is focused on retail customers, self-employed people, SMEs and municipalities, with the latter forming the core client group for the bank. Its range of products and services comprises the fundamental banking services such as account management, acceptance of deposits and lending in addition to domestic and cross-border payment transaction services. According to the bank's own information, Prima Banka operates the third-largest network in Slovakia (120 branches; 317 ATM machines). It is represented in all 79 Slovakian districts. In geographic terms, the bank operates exclusively in Slovakia. In future, Prima Banka will maintain a strategic focus on growth in the area of retail banking in addition to expanding its digital presence. The loan portfolio, which grew steadily over recent years, is dominated by mortgage loans. Prima Banka is the fastest-growing Slovakian bank in this segment. Following on from the trend seen in recent years, growth of 11.5% was registered in the loan portfolio for 2020 as well. Since 2019, the bank has also issued covered bonds for refinancing purposes.

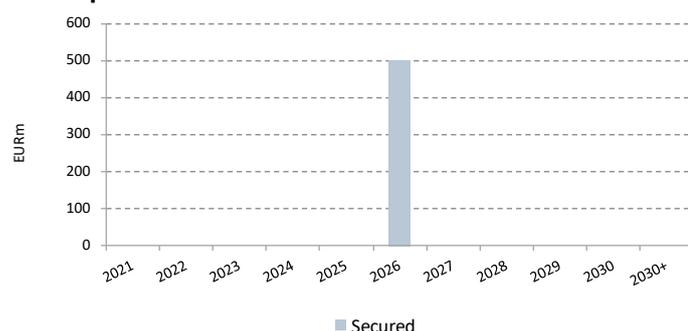
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	3,438	3,834	3,950
Total Securities	234	221	190
Total Deposits	3,251	3,609	3,771
Tier 1 Common Capital	337	347	347
Total Assets	4,179	4,531	4,711
Total Risk-weighted Assets	1,985	2,109	2,056

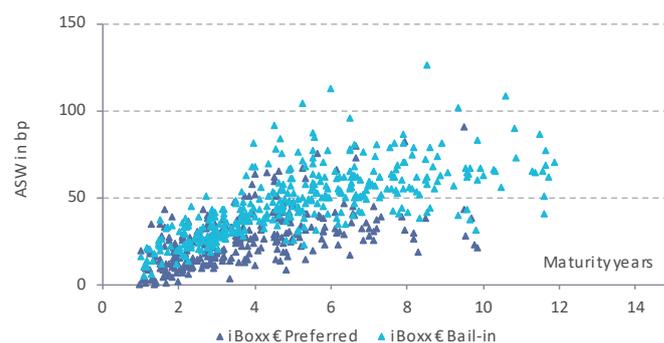
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	60	54	13
Net Fee & Commission Inc.	22	25	6
Net Trading Income	0	0	1
Operating Expense	60	58	14
Credit Commit. Impairment	5	4	1
Pre-tax Profit	17	18	6

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.60	1.26	1.15	Liquidity Coverage Ratio	335.01	250.09	232.80
ROAE	5.07	4.93	6.54	IFRS Tier 1 Leverage Ratio	8.07	7.65	7.37
Cost-to-Income	73.16	72.25	68.07	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	16.98	16.43	16.88	Reserves/Loans at Amort. Cost	4.18	3.61	3.47

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation and liquidity
- Customer deposit basis
- NPL ratio

## Risks / Weaknesses

- Credit growth
- Diversification
- Low interest rates, economic environment

# Prima banka – Mortgage

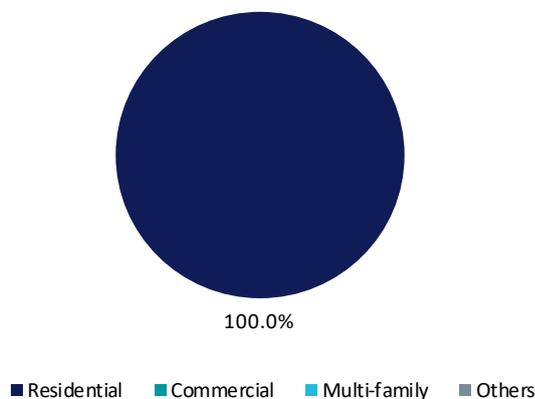
Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

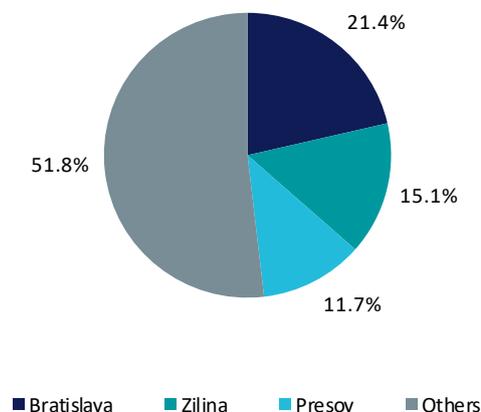
## Cover Pool Data

Cover pool volume (EURm)	2,056	Rating (Moody's)	Aaa
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	311.1%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	Unpublished
Main country	100% Slovakia	Collateral score	8.1%
Main region	21% Bratislava	RRL	-
Number of loans	48,592	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	11.2y	PCU	-
WAL (covered bonds)	5.5y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	57.0%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

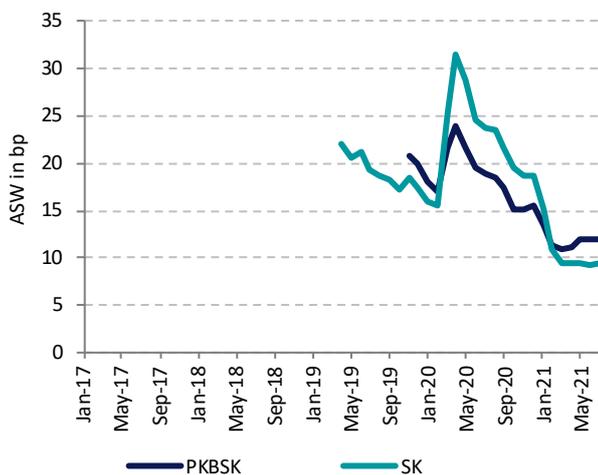
## Borrower Types



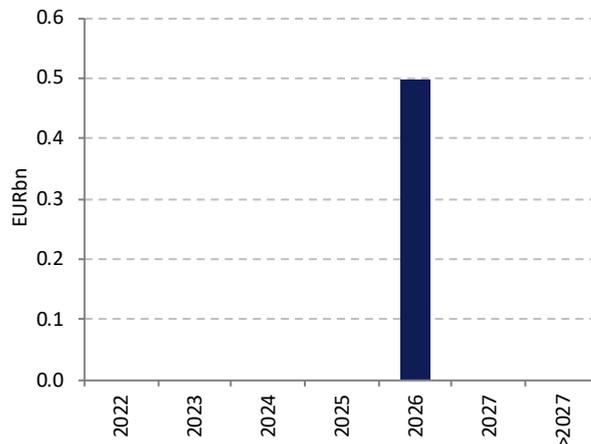
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Slovenská sporiteľňa

# Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	A2	Stable
S&P	-	-

## Homepage

[www.slsp.sk](http://www.slsp.sk)

In 1825, Slovenská sporiteľňa was established as the first savings bank in Slovakia. Since 2001, this Bratislava-based D-SIB (direct ECB supervision) has been wholly owned by the Erste Group in Austria, which in turn was the first Austrian savings bank (established 1819). The Erste Group has been continually developing its Eastern European strategy and, in this context, has been one of the most important banking groups with a focus on retail and corporate customers in the CEE region since 1997. Today, Slovenská sporiteľňa is the largest commercial bank in Slovakia, with around 3,800 employees serving appr. 2.2 million clients. According to the bank itself, its leading position is based on the balance sheet total and customer deposits, mobile banking services, the number of branches (more than 200 branches for retail customers and eight commercial centres) in addition to payment cards. Over the past few years, Slovenská sporiteľňa has recorded a steady growth trend in terms of its balance sheet total. This metric has risen by around 40% since 2016. This development has above all been driven by the customer loan business, which has grown by around 45% across the same time frame. With a loan-to-deposit ratio of 100.2% (FY 2020), the bank's dependency on capital market funding can be considered low. The falling trend in the NPL ratio was continued in 2020 as well, with a decline of 50 basis points to 2.4% recorded here. As is the case with many other banks, Slovenská sporiteľňa is also focusing on digitalisation. In this regard, various mobile payment systems were introduced in 2019, which had already proved successful by 2020. At 14.5%, the CET1 ratio is more or less on a par with the level recorded in the previous year.

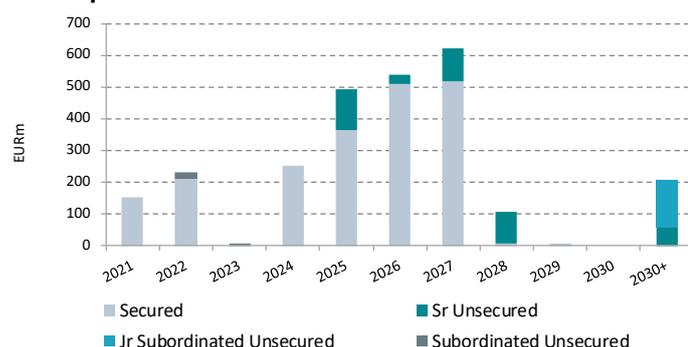
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	12,912	14,006	14,820
Total Securities	3,689	3,710	3,789
Total Deposits	13,653	14,392	14,869
Tier 1 Common Capital	1,109	1,200	1,250
Total Assets	17,443	18,619	20,706
Total Risk-weighted Assets	7,370	8,221	8,629

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	438	431	434
Net Fee & Commission Inc.	129	145	147
Net Trading Income	12	17	9
Operating Expense	281	289	287
Credit Commit. Impairment	24	43	108
Pre-tax Profit	237	227	148

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.64	2.43	2.27	Liquidity Coverage Ratio	-	-	-
ROAE	12.64	11.67	6.24	IFRS Tier 1 Leverage Ratio	6.40	6.48	6.08
Cost-to-Income	51.94	51.73	52.91	NPL/ Loans at Amortised Cost	3.36	3.00	2.43
Core Tier 1 Ratio	15.05	14.60	14.49	Reserves/Loans at Amort. Cost	2.64	2.38	2.54

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Franchise position
- Capitalisation and liquidity

## Risks / Weaknesses

- Credit growth
- Focus on domestic market

# Slovenská sporiteľňa – Mortgage

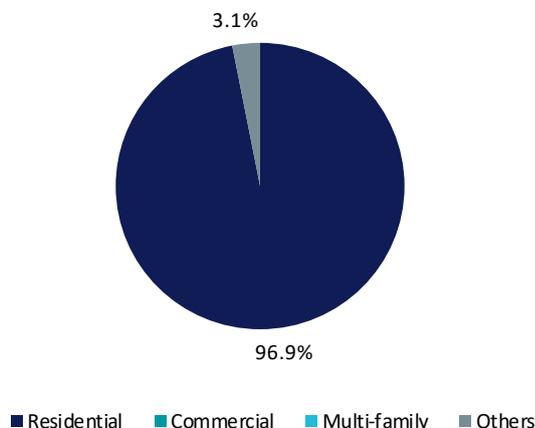
Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

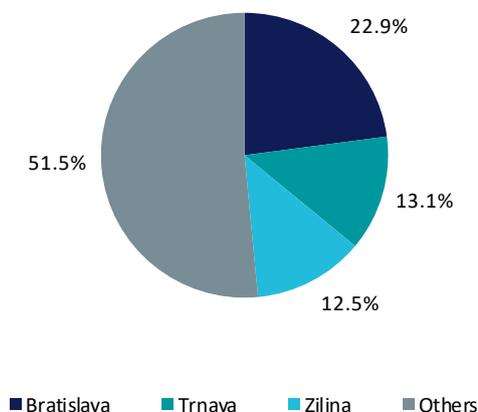
## Cover Pool Data

Cover pool volume (EURm)	3,543	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,061	Rating (S&P)	-
-thereof ≥ EUR 500m	24.3%	Rating (Fitch)	-
Current OC (nominal)	71.9%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Improbable
Cover type	Mortgage	TPI leeway	1
Main country	100% Slovakia	Collateral score	6.8%
Main region	23% Bratislava	RRL	-
Number of loans	86,133	JRL	-
Number of borrowers	78,750	Unused notches	-
Avg. exposure to borrowers (EUR)	44,987	AAA credit risk (%)	-
WAL (cover pool)	19.8y	PCU	-
WAL (covered bonds)	4.4y	Recovery uplift	-
Fixed interest (cover pool)	76.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	46.8%	LCR level (Bmk)	1
LTV (unindexed)	52.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

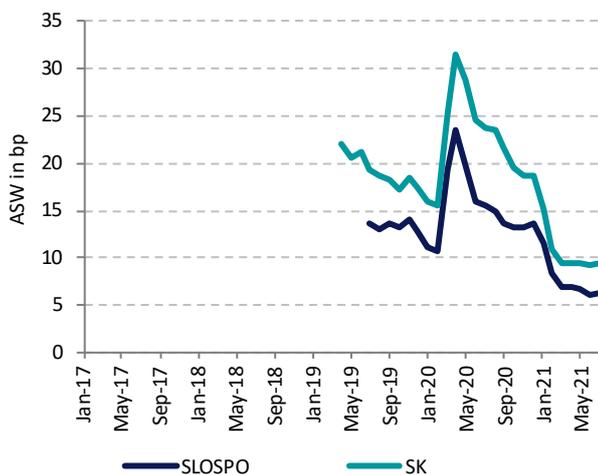
## Borrower Types



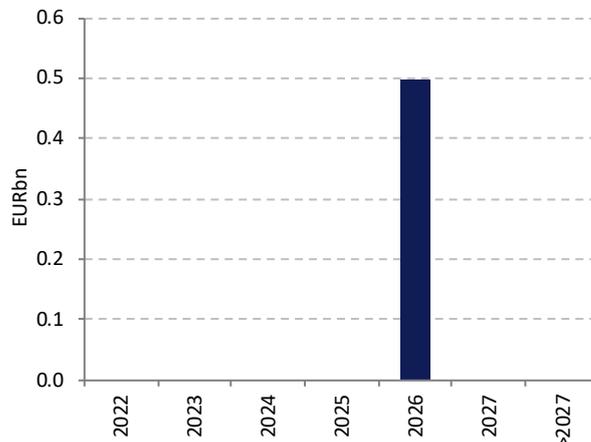
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Tatra banka

Slovakia 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	A3	Stable
S&P	-	-

## Homepage

[www.tatrabanka.sk](http://www.tatrabanka.sk)

\* LT Deposits

Tatra banka (Tatra), which is headquartered in Bratislava, was founded in 1990 and is today the third-largest bank in Slovakia. Tatra shares are listed on the Bratislava stock exchange, with Raiffeisen CEE Region Holding GmbH, Vienna (Raiffeisen Bank International) the majority shareholder with a stake of 78.8% of the shares conferring voting rights. A series of subsidiaries are owned by the Tatra banka Group, e.g. Tatra Leasing, Tatra Residence and Tatra Asset Management. The universal bank employs nearly 3,600 staff and operates 163 branches (FY 2020; branches of both Tatra and Raiffeisen Bank). Traditionally, Tatra's franchise in the corporate segment and for wealthy private customers is strong. Tatra is a leading bank in terms of digital sales channels, having regularly offered its clients innovative products for years. For example, in 2020 more than 99% of customer transactions were conducted via digital distribution channels such as the bank's own internet banking platform or app. Tatra's reporting covers the segments Corporate Clients, Financial Institutions and Public Sector, Retail clients and Investment Banking and Treasury. Overall, retail loans are of increasing importance at Tatra, with an increase of 3.2% recorded in the lending business in 2020. Non-performing exposures (NPE) at Tatra fell to 1.77% (FY 2019: 1.83 %) as at year-end 2020. There was a decline in the NPE coverage ratio from 69.12% (FY 2019) to 67.79% by the end of 2020. The cost-income ratio at Tatra stands at 48.7% (FY 2020). In 2021, Tatra intends to concentrate further on digitising its distribution processes for corporate clients, with the aim of generating increased growth in the SME segment.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	10,056	10,958	11,328
Total Securities	1,601	1,783	2,217
Total Deposits	10,928	11,903	12,270
Tier 1 Common Capital	850	941	1,062
Total Assets	13,196	14,511	15,641
Total Risk-weighted Assets	6,178	6,655	6,295

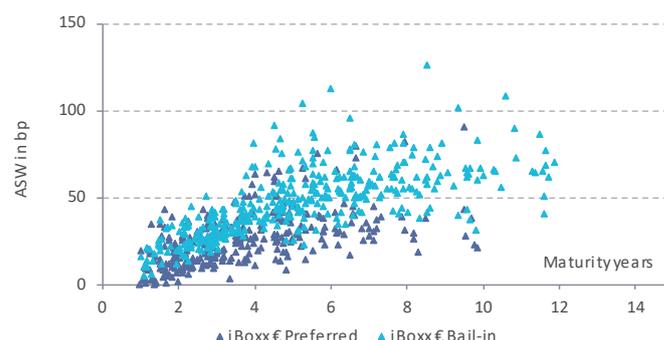
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	289	293	292
Net Fee & Commission Inc.	129	124	133
Net Trading Income	25	48	29
Operating Expense	269	282	246
Credit Commit. Impairment	26	20	66
Pre-tax Profit	155	171	140

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.30	2.16	1.97	Liquidity Coverage Ratio	-	-	-
ROAE	11.29	11.38	8.17	IFRS Tier 1 Leverage Ratio	6.48	6.52	6.84
Cost-to-Income	59.80	59.64	53.97	NPL/ Loans at Amortised Cost	2.38	2.09	2.06
Core Tier 1 Ratio	13.75	14.13	16.87	Reserves/Loans at Amort. Cost	2.08	1.80	1.94

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation
- Capacity to increase income
- Funding profile

## Risks / Weaknesses

- Concentration risks
- Credit growth
- Liquidity buffer

# Tatra banka – Mortgage

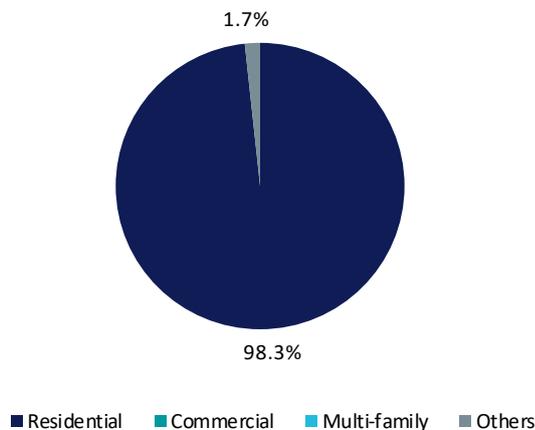
Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

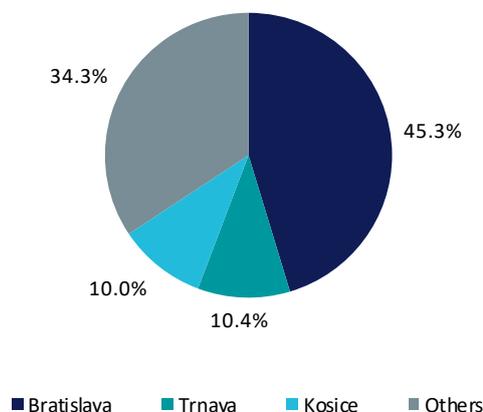
## Cover Pool Data

Cover pool volume (EURm)	2,845	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,994	Rating (S&P)	-
-thereof ≥ EUR 250m	12.5%	Rating (Fitch)	-
Current OC (nominal)	42.7%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	0
Main country	100% Slovakia	Collateral score	9.2%
Main region	45% Bratislava	RRL	-
Number of loans	45,129	JRL	-
Number of borrowers	43,572	Unused notches	-
Avg. exposure to borrowers (EUR)	65,302	AAA credit risk (%)	-
WAL (cover pool)	20.8y	PCU	-
WAL (covered bonds)	3.8y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG SBmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (SBmk)	2A
LTV (unindexed)	57.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

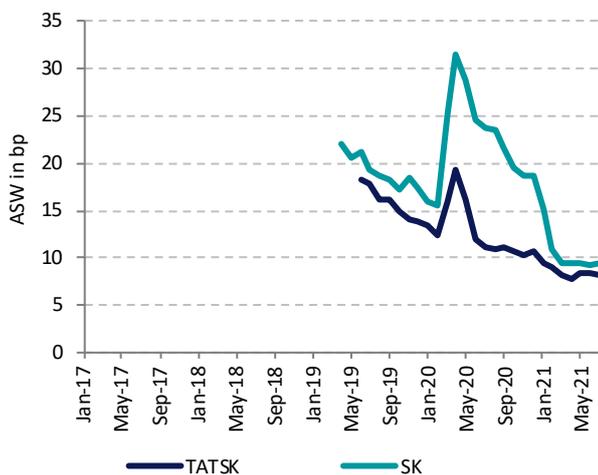
## Borrower Types



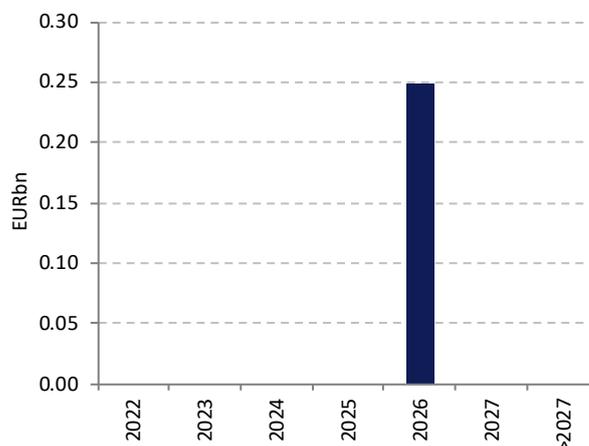
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (SBmk)



# Všeobecná úverová banka

# Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	A2	Stable
S&P	-	-

## Homepage

[www.vub.sk](http://www.vub.sk)

\*LT Deposits

Všeobecná úverová banka (VUB) was founded in 1990 as a state-owned bank before being partially privatised in 1992. In November 2001, the Italian banking group Intesa Sanpaolo acquired 95% of the shares in VUB, and remains the lead shareholder today with a stake of around 97% (FY 2020). VUB is the second-largest credit institute in Slovakia and is the country's only bank to have a universal banking licence, which allows it to offer the full spectrum of banking services. As a domestic systemically important bank (D-SIB), VUB is subject to direct supervision on the part of the ECB. In Slovakia, VUB has market shares of 21.1% in lending and 19.2% in deposits (data as at December 2020). VUB's business focus is on mortgages and consumer loans, deposits and payment transaction products in addition to services related to this, corporate customer business, foreign trade financing, consumer financing and factoring. Via its subsidiaries, VUB offers leasing services (VUB Leasing) and pension plan products (VUB Generali Pension Fund), for example. The institute provides its services via a broad network of business centres located in Slovakia. Furthermore, VUB operates 12 mortgage centres specialising in residential financial services. The institute operates almost exclusively on its domestic market and serves around 1.2 million clients. In the retail business, VUB has plans to focus on expanding its mortgage portfolio. In addition, the bank intends to improve customer relations in the corporate client business with the help of a leasing offering as well as expanding its loans business for SMEs in particular.

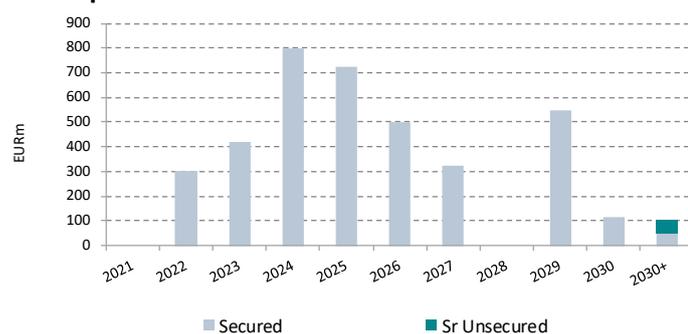
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	13,617	14,377	15,240
Total Securities	826	1,695	1,809
Total Deposits	11,131	11,931	12,987
Tier 1 Common Capital	1,371	1,376	1,513
Total Assets	16,660	17,640	19,228
Total Risk-weighted Assets	9,212	9,019	9,080

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	367	340	295
Net Fee & Commission Inc.	128	128	135
Net Trading Income	43	-13	11
Operating Expense	239	226	231
Credit Commit. Impairment	54	38	64
Pre-tax Profit	204	154	109

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.37	2.03	1.63	Liquidity Coverage Ratio	127.20	127.81	131.62
ROAE	9.88	7.70	4.98	IFRS Tier 1 Leverage Ratio	8.32	7.91	8.00
Cost-to-Income	47.33	53.87	57.37	NPL/ Loans at Amortised Cost	3.34	3.10	2.69
Core Tier 1 Ratio	14.89	15.26	16.66	Reserves/Loans at Amort. Cost	2.89	2.37	2.13

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Position in domestic market
- Capitalisation
- Liquidity profile

## Risks / Weaknesses

- Focus on small domestic market
- Risk concentration
- Credit growth

# Všeobecná úverová banka – Mortgage

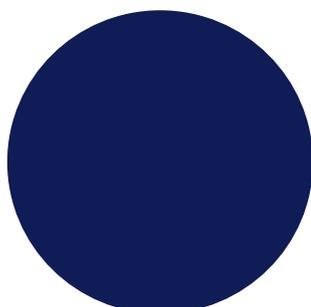
Slovakia

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	4,183	Rating (Moody's)	Aa2
Amount outstanding (EURm)	3,872	Rating (S&P)	-
-thereof ≥ EUR 500m	51.7%	Rating (Fitch)	-
Current OC (nominal)	8.0%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	2
Main country	100% Slovakia	Collateral score	6.2%
Main region	37% Bratislava	RRL	-
Number of loans	87,779	JRL	-
Number of borrowers	70,850	Unused notches	-
Avg. exposure to borrowers (EUR)	59,042	AAA credit risk (%)	-
WAL (cover pool)	21.7y	PCU	-
WAL (covered bonds)	4.7y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	60.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

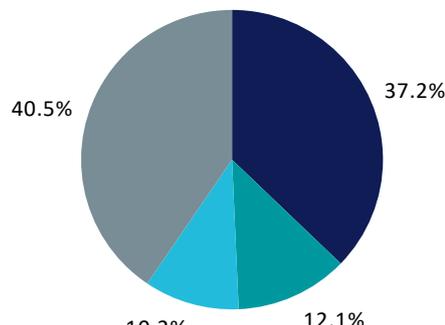
## Borrower Types



100.0%

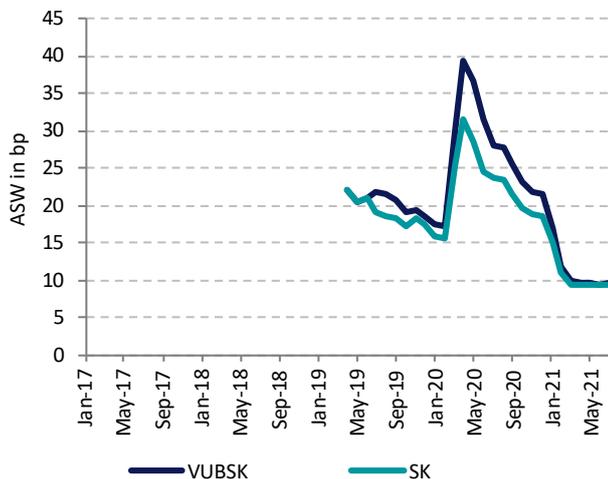
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

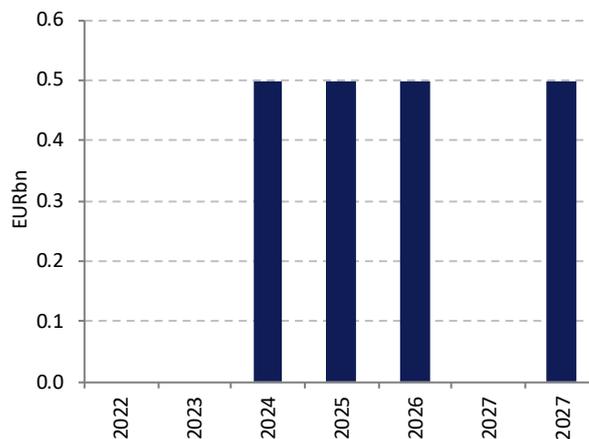


■ Bratislava ■ Trnava ■ Nitra ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



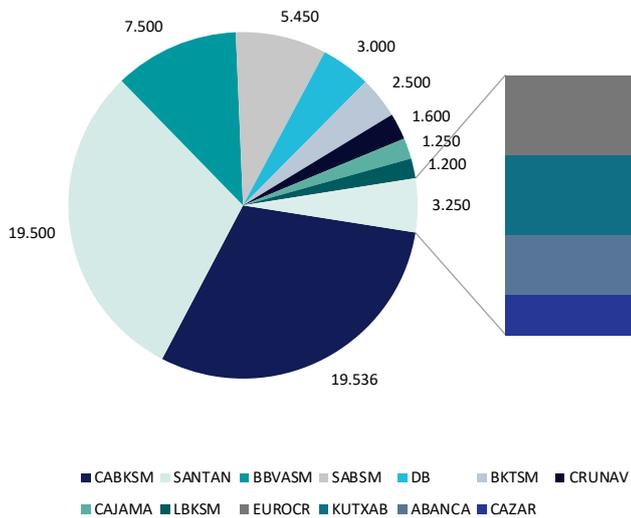
# Market Overview Covered Bonds

Spain

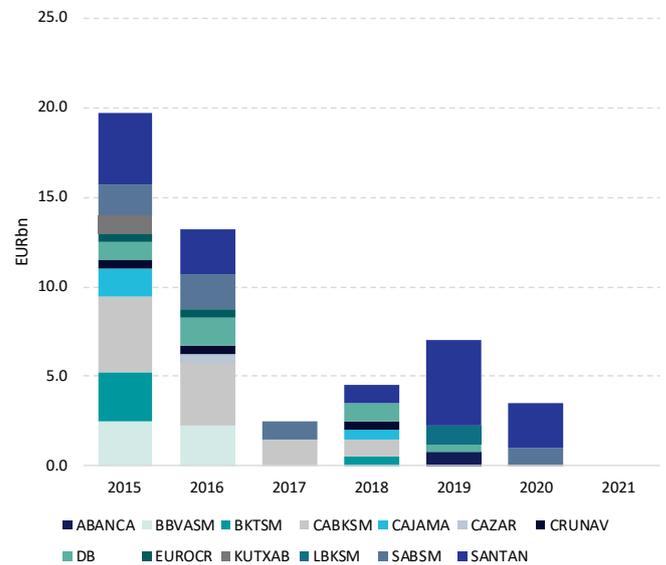
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 457.48bn	Outstanding volume (Bmk)	EUR 64.79bn
Amount outstanding	EUR 208.38bn	Number of benchmarks	58
Number of issuer	13	Outstanding ESG volume (Bmk)	EUR 2.10bn
No of cover pools	13	Number of ESG benchmarks	3
there of M / PS / others	13 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	A+ / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	HB

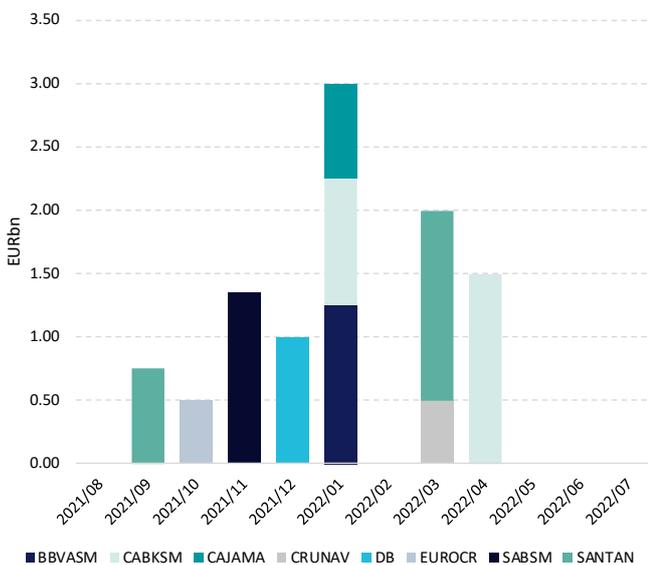
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



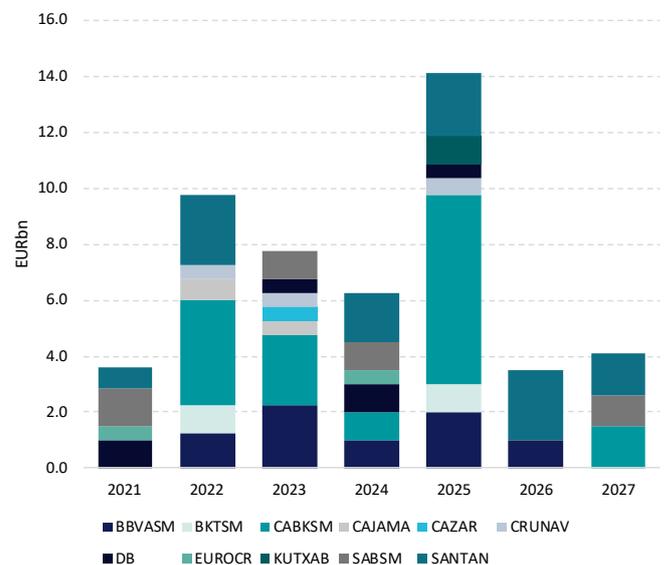
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# ABANCA

 Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Negative
Moody's*	Baa3	Stable
S&P	BB+	Stable

## Homepage

[www.abancacorporacionbanca.com](http://www.abancacorporacionbanca.com)

\*LT Deposits

ABANCA Corporación Bancaria, S.A. (formerly NCG Banco, ABANCA) was formed in 2010 through the merger of Caixa de Aforros de Vigo, Ourense e Pontevedra, Caja de Vigo and Novacaixagalicia. ABANCA is a domestic retail bank with a leading position in the north-west of Spain. In addition to retail customers, the group maintains a focus on SMEs. ABANCA has a wide network of branches (652 in Spain in addition to 44 branches in Portugal and others in Mexico, Panama, Venezuela, Germany, the UK, Brazil, France and Switzerland). During the financial crisis, NCG Banco was forced to call upon state aid before being nationalised and subsequently restructured. In June 2014, Spain's Banco Etcheverría (part of Venezuela's Banesco banking group) took over the shares before resolving a change of brand name to ABANCA. The acquisition of Deutsche Bank Portugal in 2018, a process, which was concluded in June 2019, has allowed ABANCA to expand its market position in the area of retail banking in particular. In 2019, the holding company of ABANCA, namely ABANCA Holding Financiero, was merged with ABANCA to streamline structures. This was implemented in February 2020. Moreover, the 2019 acquisition of the business bank Banco Caixa Geral strengthened ABANCA's growth into the neighbouring province of Castile and León in 2020. ABANCA's market share in Galicia is 44% for deposits and around 40% for loans (FY 2020). Refinancing operations were around 72% covered by deposits (FY 2019). Since 2015, the loan quality has improved (NPL ratio in FY 2015: 9.9%, FY 2020: 2%). The CET1 ratio as at December 2020 stood at 13.67%, which is 569 basis points above the minimum requirements, in total.

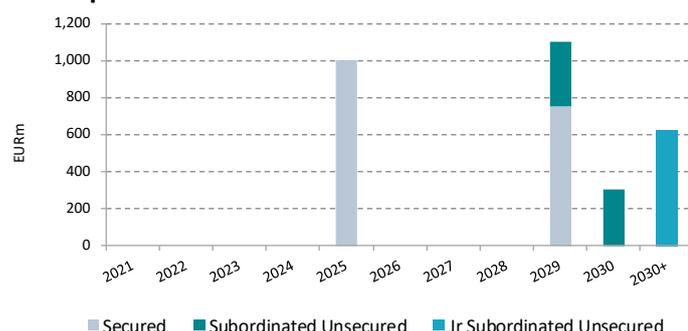
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	37,140	39,100	42,705
Total Securities	11,538	13,765	14,681
Total Deposits	41,350	46,393	46,823
Tier 1 Common Capital	3,919	4,088	4,213
Total Assets	58,879	67,417	70,471
Total Risk-weighted Assets	30,720	29,908	31,626

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	575	643	164
Net Fee & Commission Inc.	205	234	67
Net Trading Income	127	247	90
Operating Expense	723	658	196
Credit Commit. Impairment	40	233	5
Pre-tax Profit	430	194	165

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.21	1.15	1.06	Liquidity Coverage Ratio	217.00	291.00	259.00
ROAE	8.91	3.38	11.82	IFRS Tier 1 Leverage Ratio	6.74	6.15	6.05
Cost-to-Income	80.03	59.28	61.26	NPL/ Loans at Amortised Cost	2.78	2.05	1.98
Core Tier 1 Ratio	12.76	13.67	13.32	Reserves/Loans at Amort. Cost	1.57	1.64	1.62

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Market position in Galicia
- Deposit basis
- Asset quality

## Risks / Weaknesses

- Continued high share of DTAs
- Capitalisation (positive trend)
- Profitability

# ABANCA – Mortgage

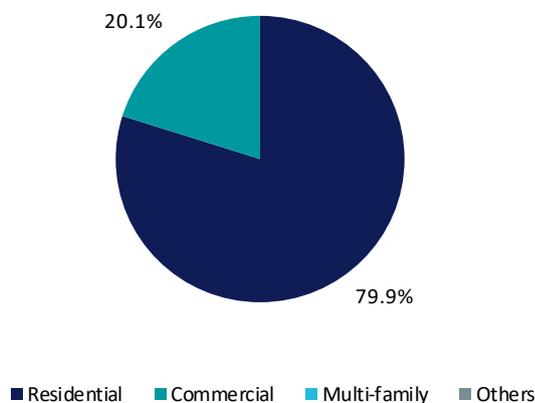
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

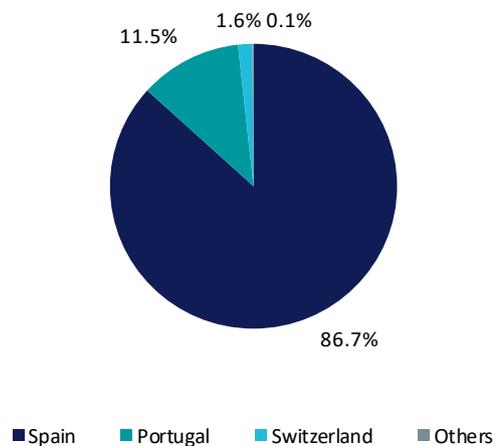
## Cover Pool Data

Cover pool volume (EURm)	15,480	Rating (Moody's)	Aa1
Amount outstanding (EURm)	2,990	Rating (S&P)	AA+
-thereof ≥ EUR 500m	25.1%	Rating (Fitch)	-
Current OC (nominal)	417.8%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	87% Spain	Collateral score	12.2%
Main region	48% Galicia	RRL	bbb
Number of loans	193,577	JRL	a
Number of borrowers	321,537	Unused notches	0
Avg. exposure to borrowers (EUR)	48,144	AAA credit risk (%)	21.07
WAL (cover pool)	10.2y	PCU	-
WAL (covered bonds)	5.6y	Recovery uplift	-
Fixed interest (cover pool)	4.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	66.6%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	54.6%	Risk weight	10%
Loans in arrears	1.7%	Maturity structure (Bmk)	HB

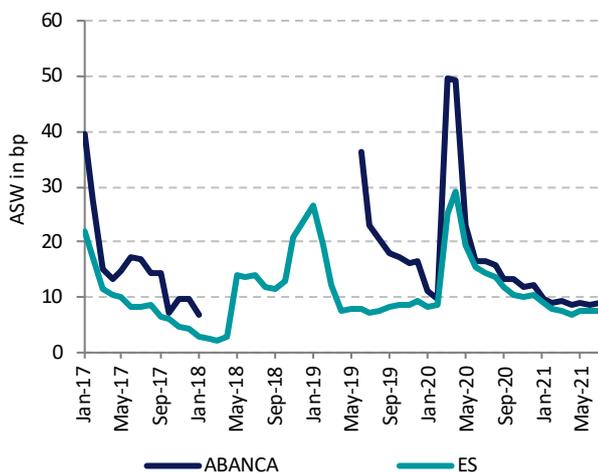
## Borrower Types



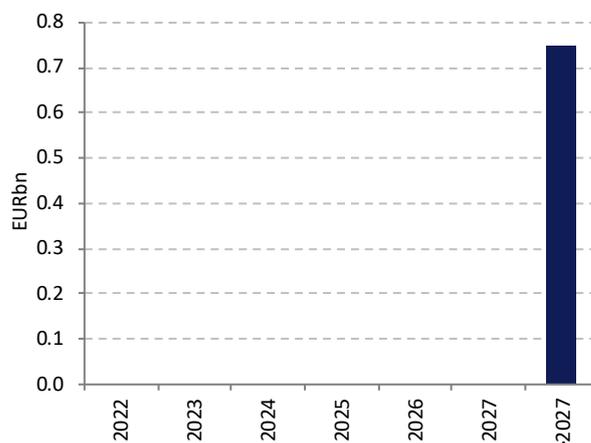
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banco de Sabadell

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB-	Stable
Moody's	Baa2	Stable
S&P	BBB-	Stable

## Homepage

[www.grupbancsabadell.com](http://www.grupbancsabadell.com)

In terms of total assets, Banco de Sabadell, S.A. is the fourth-largest banking group in Spain, comprising a number of banks, brands and subsidiaries. Its shares are listed on the four Spanish stock exchanges. The institute, which has its headquarters in Alicante and employs nearly 24,000 staff, operates a multi-brand strategy and, alongside its domestic market of Spain (Sabadell brand), also focuses on the UK (TSB brand) and Mexico (Sabadell brand). It serves over 12 million customers across more than 2,000 branches. In this context, the banking group is able to cover the full spectrum of banking products in Spain and Mexico, although the TSB brand in the UK is restricted solely to the retail banking market. In terms of the geographic distribution, Spain accounts for the majority of the loan portfolio (72%), followed by the UK (26%) and Mexico (2%). In Spain, Sabadell boasts a strong market position of 8% for consumer loans, 7% for customer deposits and 9% for credit card sales (FY 2020). The credit exposure of the Group is distributed between mortgage loans (37%), corporate loans (54%), real estate and construction (4%) and retail loans (5%). In 2020, the Group again improved its liquidity reserves, with the CET1 ratio benefiting from this development in particular. This rose further in FY 2020 to 12.2% in the wake of the sale of Sabadell AM (Q3 2020). A total of 70% of the Group's funding mix comes from deposits, followed by 13% from ECB funding and 6% from covered bonds. Strategic aims include expanding business in core markets, while the franchise is also set to be strengthened. In the UK in 2019, a business plan was implemented for the period up to 2022; this envisages greater agility and expansion of mortgage lending.

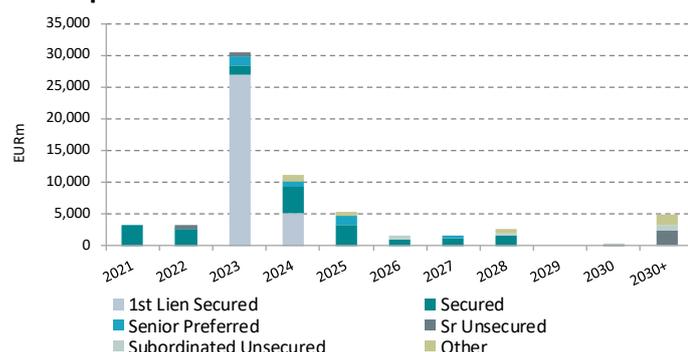
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	147,816	149,183	152,709
Total Securities	30,351	28,569	29,245
Total Deposits	147,362	151,270	156,553
Tier 1 Common Capital	10,105	9,888	10,005
Total Assets	223,754	235,763	244,872
Total Risk-weighted Assets	81,181	78,779	80,834

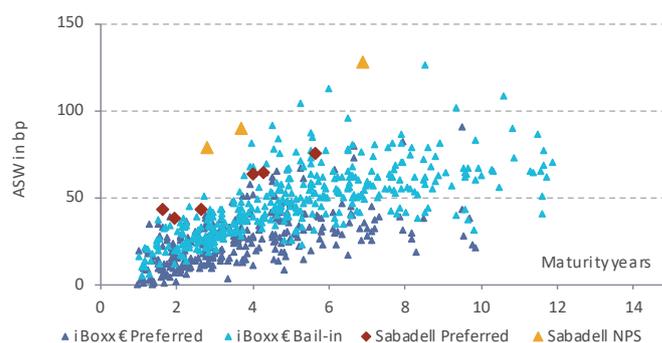
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	3,622	3,399	833
Net Fee & Commission Inc.	1,439	1,350	342
Net Trading Income	126	201	23
Operating Expense	3,135	3,334	782
Credit Commit. Impairment	671	1,745	318
Pre-tax Profit	951	-121	108

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.76	1.58	1.48	Liquidity Coverage Ratio	171.52	197.95	207.17
ROAE	6.12	0.02	2.48	IFRS Tier 1 Leverage Ratio	4.63	4.31	-
Cost-to-Income	63.47	70.77	63.53	NPL/ Loans at Amortised Cost	4.01	3.57	3.69
Core Tier 1 Ratio	12.45	12.55	12.38	Reserves/Loans at Amort. Cost	1.95	2.02	2.09

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Brand names/market position (especially with SMEs)
- Liquidity
- Risk profile (positive trend)

## Risks / Weaknesses

- Effects of Brexit (TSB franchise)
- Low interest rate environment (profitability)
- Credit risk concentration

# Banco de Sabadell – Mortgage

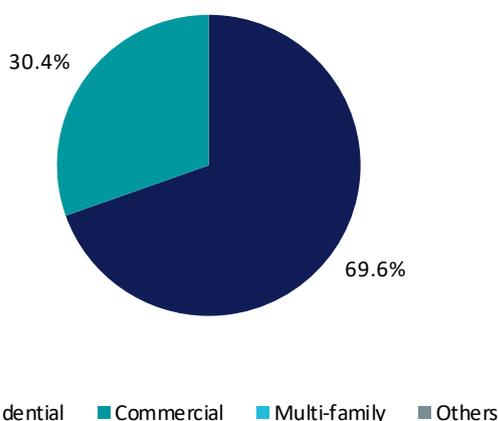
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

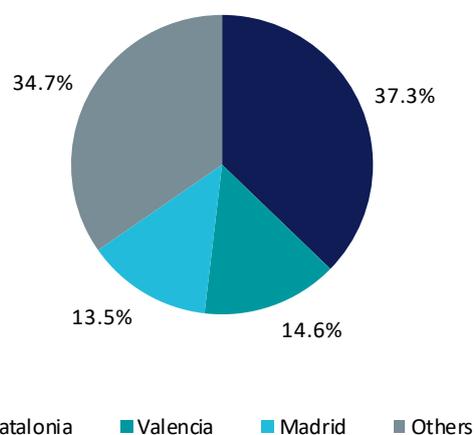
## Cover Pool Data

Cover pool volume (EURm)	43,242	Rating (Moody's)	Aa1
Amount outstanding (EURm)	17,354	Rating (S&P)	-
-thereof ≥ EUR 500m	23.6%	Rating (Fitch)	-
Current OC (nominal)	149.2%	Rating (DBRS)	AAA
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Spain	Collateral score	15.4%
Main region	37% Catalonia	RRL	-
Number of loans	443,537	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	9.3y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	43.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	44.5%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	61.1%	Risk weight	10%
Loans in arrears	3.1%	Maturity structure (Bmk)	HB

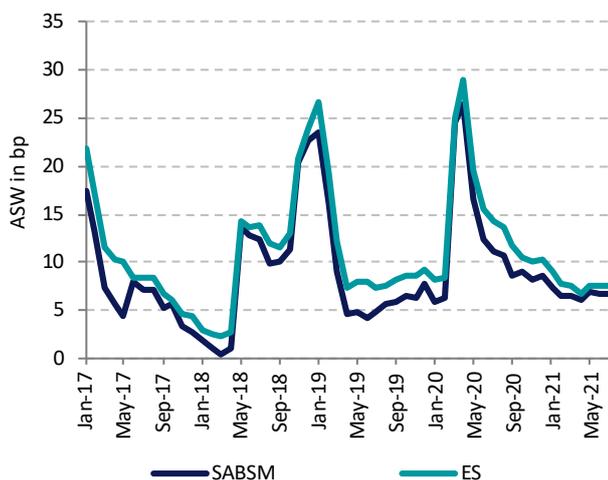
## Borrower Types



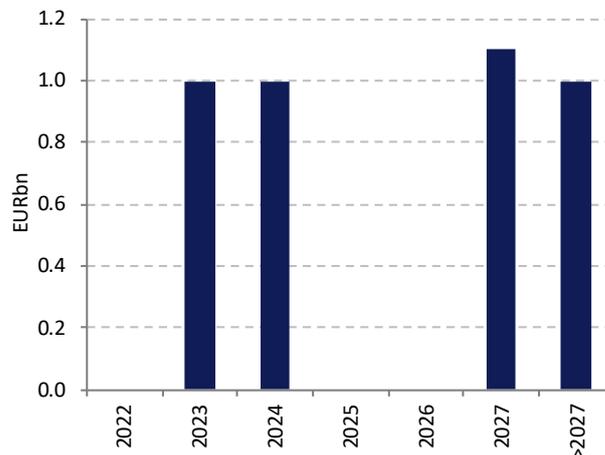
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Banco Santander

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A2	Stable
S&P	A	Stable

## Homepage

[www.santander.com](http://www.santander.com)

As one of the largest financial groups in the world, Santander is one of the global systemically important institutions (additional capital buffer: 1.0%). The shares are traded on the Spanish stock exchanges in Madrid, Barcelona, Bilbao and Valencia. No investor holds more than 5 % of the shares. Worldwide, almost 148 million customers are served by about 191,000 employees at around 11,200 branches. In Spain, the institution is the country's largest financial group by assets. Geographically, Banco Santander is diversified across Europe (37% of consolidated profit in FY/2020) and South (42%) and North America (21%), focusing on ten core markets (Spain, Switzerland, UK, Portugal, Poland, Mexico, Brazil, Chile, Argentina, US). Here, Brazil with 30 % and Mexico with 11 % of profit are the most important countries. The Group reports primarily by geography and secondarily in the Retail Banking, Corporate & Investment Banking, Wealth Management & Insurance and Santander Global Platform segments and the Corporate Centre". However, the Group is structured in autonomous subsidiaries that manage their capital and liquidity independently according to local criteria and regulations, while benefiting from the synergies and advantages of being part of the Santander Group. The medium-term strategic plan is based on three pillars to increase profitability: first, improving operating performance; second accelerating digitalisation through the Santander Global Platform and, third, further improving capital allocation. The CET1 ratio and the leverage ratio are 12.34% and 5.1% (FY/2020), respectively. In addition, the NPL ratio is 3.15% (FY/2020).

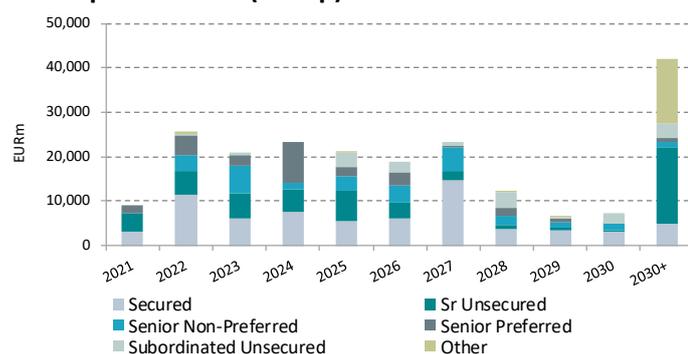
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	942,218	916,199	939,760
Total Securities	275,561	269,630	254,675
Total Deposits	824,366	849,310	882,854
Tier 1 Common Capital	70,497	69,399	69,841
Total Assets	1,522,696	1,508,249	1,562,879
Total Risk-weighted Assets	605,244	562,580	567,797

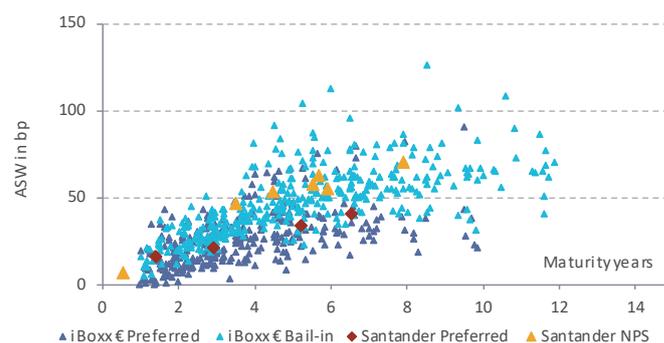
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	35,283	31,994	7,956
Net Fee & Commission Inc.	11,779	10,015	2,548
Net Trading Income	1,531	2,187	651
Operating Expense	26,769	23,507	6,077
Credit Commit. Impairment	9,340	12,363	2,027
Pre-tax Profit	12,543	-2,076	3,102

## Redemption Profile (Group)



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.54	2.24	2.21	Liquidity Coverage Ratio	151.68	161.99	173.00
ROAE	7.41	-7.90	8.52	IFRS Tier 1 Leverage Ratio	4.94	4.88	4.71
Cost-to-Income	53.08	52.90	53.43	NPL/ Loans at Amortised Cost	3.73	3.60	3.59
Core Tier 1 Ratio	11.65	12.34	12.30	Reserves/Loans at Amort. Cost	2.40	2.61	2.53

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Financing/liquidity model
- Geographic diversification, market positioning
- Retail business

## Risks / Weaknesses

- Dependency on wholesale funding
- Asset quality
- Activities in higher-risk markets

# Banco Santander – Mortgage

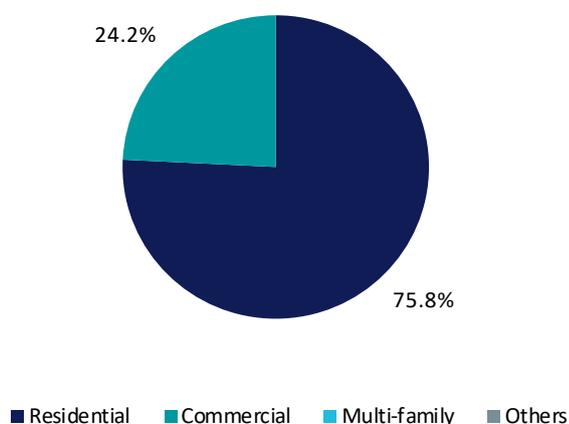
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

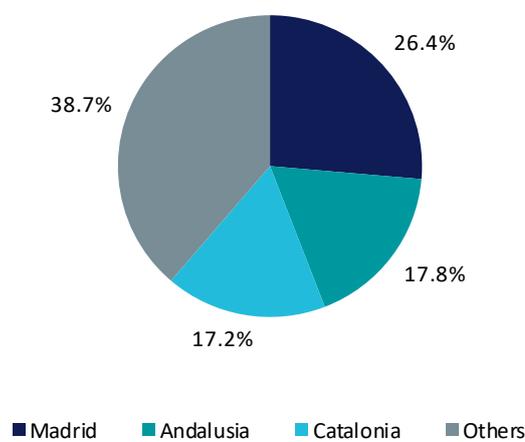
## Cover Pool Data

Cover pool volume (EURm)	74,401	Rating (Moody's)	Aa1
Amount outstanding (EURm)	44,409	Rating (S&P)	-
-thereof ≥ EUR 500m	42.2%	Rating (Fitch)	AA
Current OC (nominal)	67.5%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Spain	Collateral score	15.6%
Main region	26% Madrid	RRL	-
Number of loans	753,653	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	n/a	PCU	0
WAL (covered bonds)	9.4y	Recovery uplift	2
Fixed interest (cover pool)	19.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	80.2%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	61.0%	Risk weight	10%
Loans in arrears	8.2%	Maturity structure (Bmk)	HB

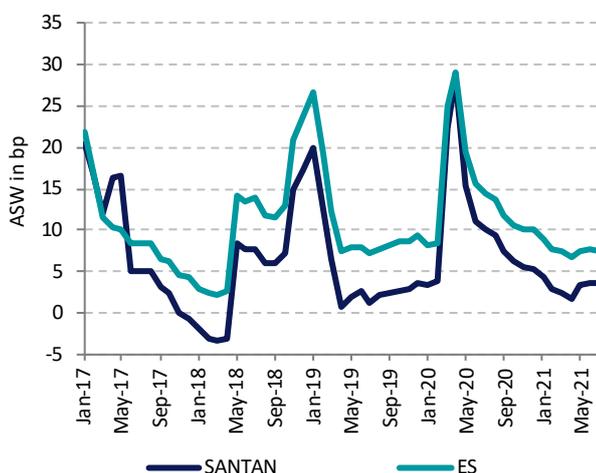
## Borrower Types



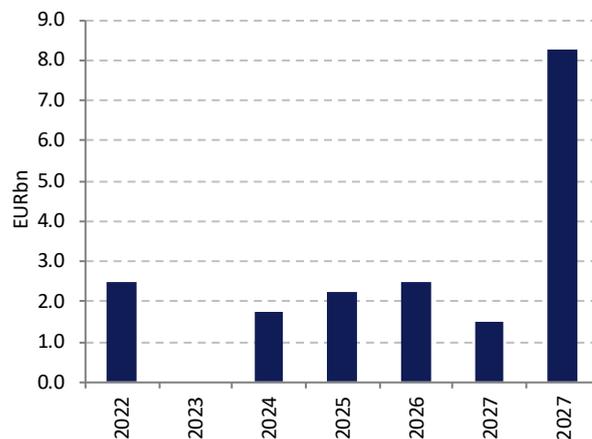
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Bankinter

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	A3	Stable
S&P	BBB+	Stable

## Homepage

[www.bankinter.com](http://www.bankinter.com)

\* LT Deposits

Bankinter, which was founded in 1965, is listed on the stock exchanges of Barcelona and Madrid. At just under 23.2%, Cartival is the largest shareholder followed by Corporación Masaveu, at 5%. The institute is a broadly based corporate bank and is the sixth largest bank in Spain in terms of assets. In FY 2020, the bank attained a national market share of 4.7% in the loans business. In 2020, Evo Banco, which was taken over in 2019 and, which is mainly active across digital channels, was integrated with its subsidiary Avantcard, a bank on the Irish market. The aim is to strengthen diversification in the areas of digital banking and consumer finance. For example, an increase of 30% has already been recorded in the mortgage lending business in both volume and customer numbers. The largest portion of income at Bankinter is attributable to the segments Commercial Banking (34.9% in FY 2020) and Corporate Banking (35.6%). Reporting also takes place in the main segments BKCF, BK Portugal and Other businesses. Insurance is brokered through the wholly owned subsidiary, Linea Directa. The NPL ratio displays a positive trend overall. In FY 2020 this decreased by 14 basis points in comparison with the previous year to stand at 2.37%. The CET1 ratio as at FY 2020 stands at 12.3%, which represents an increase versus the prior year. At 4.8%, the leverage ratio exceeds the regulatory minimum requirements. Customer loans are almost exclusively financed by deposits. In January 2020, Bankinter issued its first ever senior non-preferred green bond in benchmark format (EUR 750m). In July, it issued a convertible bond worth EUR 350m.

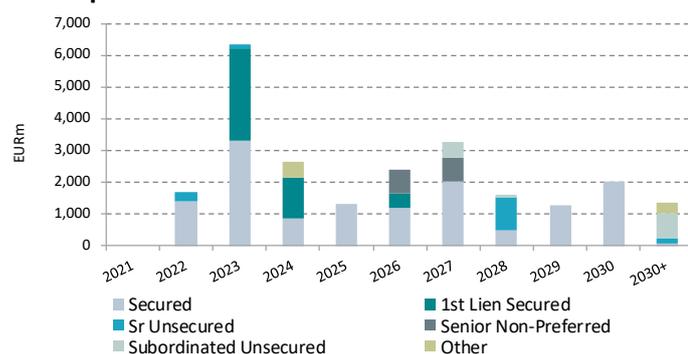
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	59,443	63,217	-
Total Securities	12,517	11,816	-
Total Deposits	57,422	63,516	-
Tier 1 Common Capital	3,922	4,172	4,169
Total Assets	83,732	96,252	100,822
Total Risk-weighted Assets	33,770	33,954	33,947

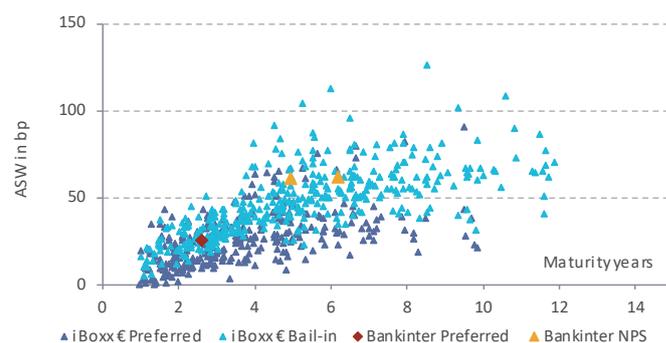
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	1,168	1,247	312
Net Fee & Commission Inc.	479	497	130
Net Trading Income	67	49	28
Operating Expense	951	1,034	242
Credit Commit. Impairment	138	426	59
Pre-tax Profit	607	231	161

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.47	1.41	1.31	Liquidity Coverage Ratio	154.26	178.54	-
ROAE	11.81	6.64	11.85	IFRS Tier 1 Leverage Ratio	4.75	4.39	-
Cost-to-Income	57.79	60.62	52.45	NPL/ Loans at Amortised Cost	2.84	2.67	2.68
Core Tier 1 Ratio	11.61	12.29	12.28	Reserves/Loans at Amort. Cost	1.18	1.43	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Market position and franchise
- Profitability
- Asset quality

## Risks / Weaknesses

- Dependency on wholesale funding (decreasing)
- Competition (market shares)
- Acquisitions with negative impact on capital ratio

# Bankinter – Mortgage

Spain

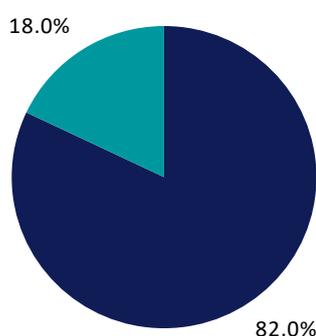
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	27,217
Amount outstanding (EURm)	15,688
-thereof ≥ EUR 500m	15.9%
Current OC (nominal)	73.5%
Committed OC	25.0%
Cover type	Mortgage
Main country	100% Spain
Main region	35% Madrid
Number of loans	220,745
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	9.7y
WAL (covered bonds)	5.3y
Fixed interest (cover pool)	19.6%
Fixed interest (covered bonds)	16.3%
LTV (indexed)	n/a
LTV (unindexed)	50.0%
Loans in arrears	1.3%

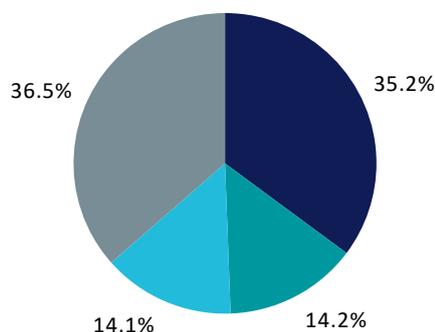
Rating (Moody's)	Aa1
Rating (S&P)	AA+
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	10.7%
RRL	a
JRL	a
Unused notches	3
AAA credit risk (%)	7.49
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

## Borrower Types



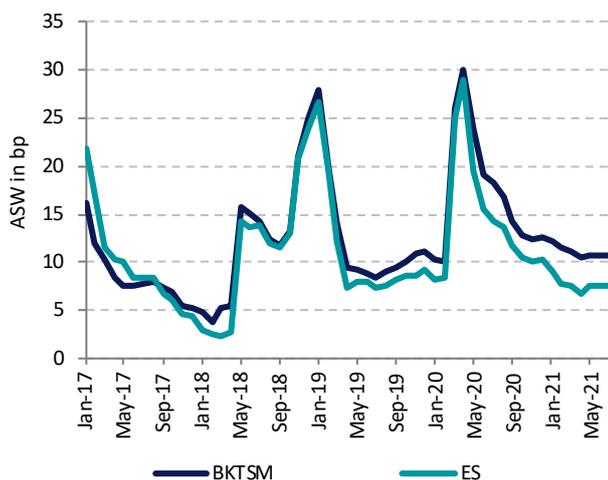
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



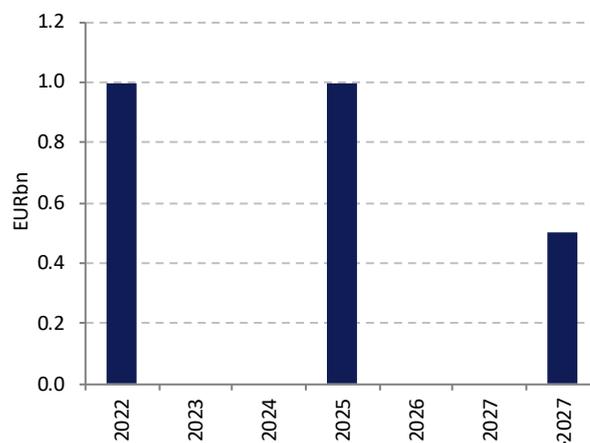
■ Madrid ■ Andalusia ■ Catalonia ■ Others

## Spread Development (>1y)



— BKTSM — ES

## Redemption Profile (Bmk)



# BBVA

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's	A3	Stable
S&P	A-	Stable

## Homepage

[www.bbva.com](http://www.bbva.com)

In terms of assets, Banco Bilbao Vizcaya Argentaria S.A. (BBVA) is the second-largest banking group in Spain and is listed as a domestic systemically important bank (D-SIB) under direct ECB supervision. The listed institute boasts a leading position in Spain and is also the largest financial institute in Mexico. Moreover, BBVA has a strong franchise in both the Sun Belt region of the USA as well as in Turkey. In total, just under 123,000 employees serve 80.7 million clients in more than 30 countries around the world. Mexico generates the largest contribution to gross profit, at 36.3% (FY 2020), followed by Turkey (19.8%), Spain (19.5%) South America (14.4%) and the USA (9.9%). BBVA reports in the following regionally focused segments: BBVA Group, Spain, The United States, Mexico, Turkey, South America and Rest of Eurasia. In addition to the geographical breakdown, BBVA also reports in the administrative segment Corporate Centre. The BBVA Group has a decentralised business model, in which each subsidiary is responsible for managing its own capital and liquidity situation. Therefore, liquidity is not transferred from the parent company to the subsidiaries or between the subsidiaries. Funding also takes place on the basis of individual entities. At Group level, deposits contribute a total of 70.2% to funding (FY 2020). From January 2021, the MREL requirements in relation to RWAs stands at 28.50%. BBVA has stated that it expects to be in a position to comply with this ratio, including the subordination requirement of 15.16%. The ratio for non-performing loans stands at 4% as at FY 2020. With a return-on-equity of 6.9%, the BBVA Group is above its European peers.

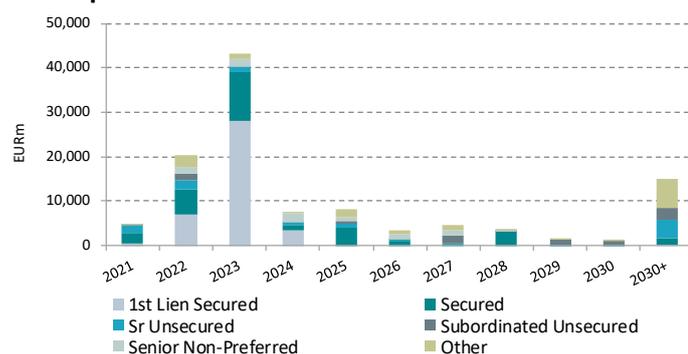
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	395,962	323,951	311,441
Total Securities	174,868	188,402	183,775
Total Deposits	394,924	353,224	331,937
Tier 1 Common Capital	43,653	42,931	43,234
Total Assets	697,737	736,176	719,705
Total Risk-weighted Assets	364,448	353,272	354,342

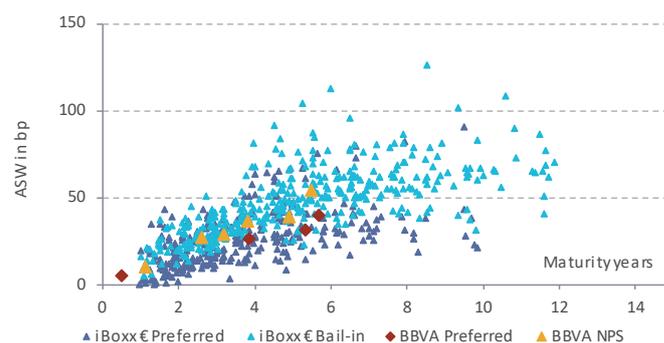
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	15,789	14,592	3,451
Net Fee & Commission Inc.	4,480	4,109	1,132
Net Trading Income	1,229	1,535	582
Operating Expense	10,669	9,759	2,449
Credit Commit. Impairment	3,450	5,150	926
Pre-tax Profit	7,046	5,248	1,759

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	2.42	2.36	2.26	Liquidity Coverage Ratio	128.42	146.15	152.32
ROAE	7.93	4.13	11.49	IFRS Tier 1 Leverage Ratio	6.67	6.22	6.34
Cost-to-Income	48.94	46.63	46.83	NPL/ Loans at Amortised Cost	4.17	4.72	4.81
Core Tier 1 Ratio	11.98	12.15	12.20	Reserves/Loans at Amort. Cost	3.14	3.74	3.77

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Geographical diversification
- Operative earnings ability
- Liquidity situation (de-centralised business model)

## Risks / Weaknesses

- Exposure to higher-risk markets
- NPL ratio (positive trend)
- Low interest rate environment

# BBVA – Mortgage

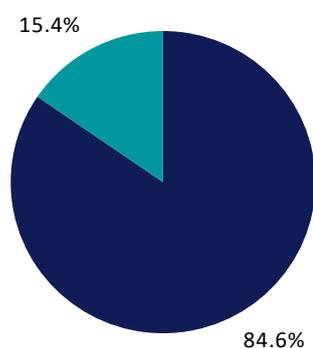
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

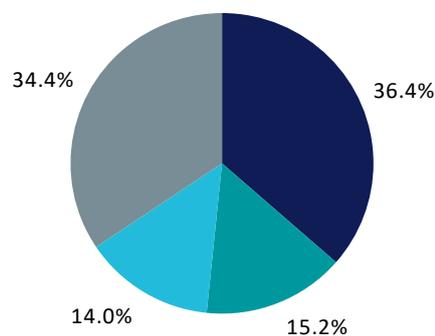
Cover pool volume (EURm)	61,380	Rating (Moody's)	Aa1
Amount outstanding (EURm)	31,974	Rating (S&P) <sup>1</sup>	AA+
-thereof ≥ EUR 500m	23.5%	Rating (Fitch)	-
Current OC (nominal)	92.0%	Rating (DBRS) <sup>1</sup>	AAA
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Spain	Collateral score	11.7%
Main region	36% Catalonia	RRL	a+
Number of loans	890,025	JRL	a+
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	15.53
WAL (cover pool)	9.3y	PCU	-
WAL (covered bonds)	3.3y	Recovery uplift	-
Fixed interest (cover pool)	23.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	34.3%	CRR 129 (7)	Yes
LTV (indexed)	64.8%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	1.5%	Maturity structure (Bmk)	HB

## Borrower Types



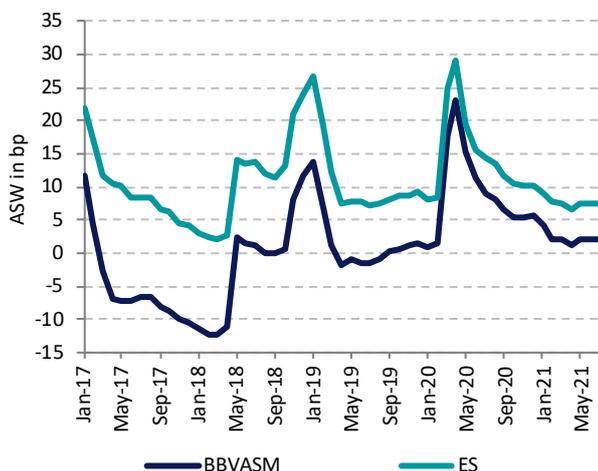
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

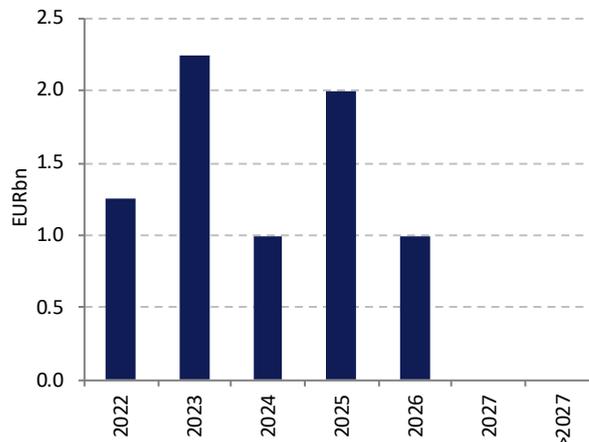


■ Catalonia ■ Madrid ■ Andalusia ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> only ES0413211790 & ES0413211071

# CaixaBank

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB+	Negative
Moody's	Baa1	Stable
S&P	BBB+	Stable

## Homepage

[www.caixabank.com](http://www.caixabank.com)

In terms of assets, CaixaBank (Caixa) is the third-largest financial group in Spain, operating in the banking and insurance business. Following the conclusion of the merger with Bankia, which is expected for Q4 2021, Caixa is set to become the largest financial group in Spain with estimated total assets of EUR 664bn. Although the bank, which is listed on the stock exchanges of Barcelona, Madrid, Valencia and Bilbao, operates throughout the Iberian Peninsula, with a share of around 91% in pre-tax profit (FY 2020), Spain supersedes Portugal as by far the more important market. A total of 46.2% of shares conferring voting rights in CaixaBank are held by Criteria Caixa, followed by the Fundación Bancaria Caixa (30%) and the Spanish government with around 16%. With just under 4,200 branches and 35,617 employees, CaixaBank serves 15.2 million customers, of which 13.6 million are located in Spain and 1.9 million in Portugal. The bank boasts a market share of 15.6% for retail deposits in Spain, just under 15.9% for retail and corporate loans and 29.3% for life insurance. The majority of the loan portfolio is attributable to corporate loans (41%, FY 2020), residential mortgage loans (35%), other retail loans (14%), public sector (7%) and real estate (2%). The positive trend in the reduction of NPLs has also been continued, with the NPL ratio reduced by three percentage points to 3.3% as at FY 2020 with a coverage ratio of 67% at Group level. As at FY 2020, the CET1 ratio (fully loaded) stands at 13.6% and increased by 110 basis points year on year. As a result, the bank has reached its self-imposed target from the strategic plan 2019-2021 (12% plus 1% buffer for potential regulatory requirements).

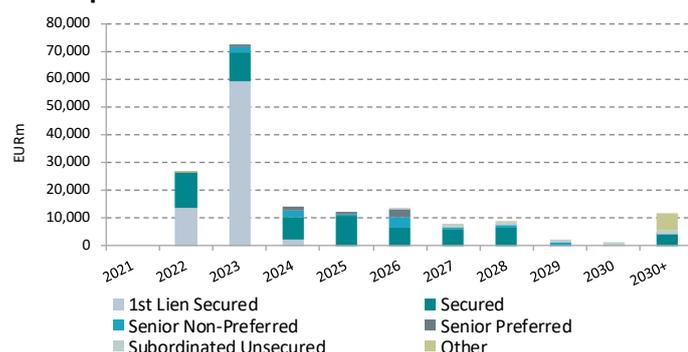
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	222,320	237,073	354,570
Total Securities	45,632	51,352	98,892
Total Deposits	221,079	245,167	372,545
Tier 1 Common Capital	17,787	18,938	28,456
Total Assets	391,414	451,520	663,569
Total Risk-weighted Assets	147,880	144,649	209,422

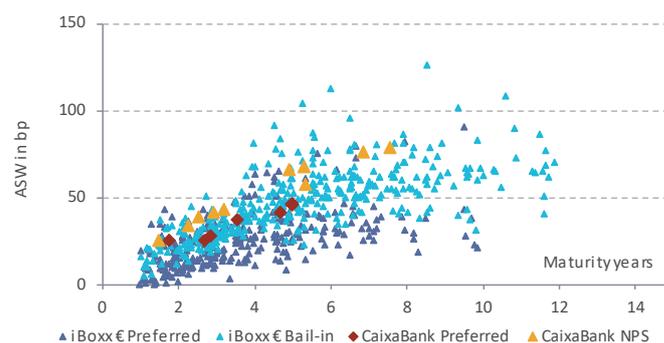
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	4,951	4,900	1,191
Net Fee & Commission Inc.	2,598	2,576	659
Net Trading Income	298	238	42
Operating Expense	4,957	4,691	1,198
Credit Commit. Impairment	424	1,942	174
Pre-tax Profit	2,077	1,600	4,954

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1	
Net Interest Margin	1.63	1.48	1.07	Liquidity Coverage Ratio	179.21	275.82	309.00
ROAE	6.95	5.62	62.94	IFRS Tier 1 Leverage Ratio	4.64	4.25	-
Cost-to-Income	58.02	55.52	58.07	NPL/ Loans at Amortised Cost	3.96	3.63	3.97
Core Tier 1 Ratio	12.03	13.09	13.59	Reserves/Loans at Amort. Cost	2.07	2.31	2.48

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Market leader in retail banking sector in Spain
- Liquidity and funding
- Diversification of business model (merger with Bankia)

## Risks / Weaknesses

- Capital commitment in the insurance business
- Profitability
- Geographical concentration risks

# CaixaBank – Mortgage

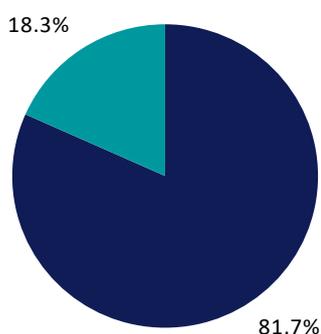
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

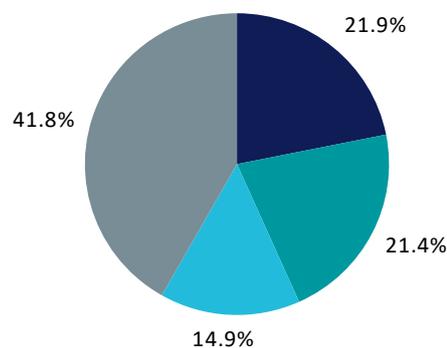
Cover pool volume (EURm)	146,915	Rating (Moody's) <sup>1</sup>	Aa1
Amount outstanding (EURm)	67,432	Rating (S&P)	AA
-thereof ≥ EUR 500m	29.0%	Rating (Fitch)	-
Current OC (nominal)	117.9%	Rating (DBRS)	AAA
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Spain	Collateral score	13.2%
Main region	22% Catalonia	RRL	a
Number of loans	1,948,912	JRL	a
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	15.62
WAL (cover pool)	9.2y	PCU	-
WAL (covered bonds)	4.4y	Recovery uplift	-
Fixed interest (cover pool)	20.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	40.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	53.4%	Risk weight	10%
Loans in arrears	3.5%	Maturity structure (Bmk)	HB

## Borrower Types



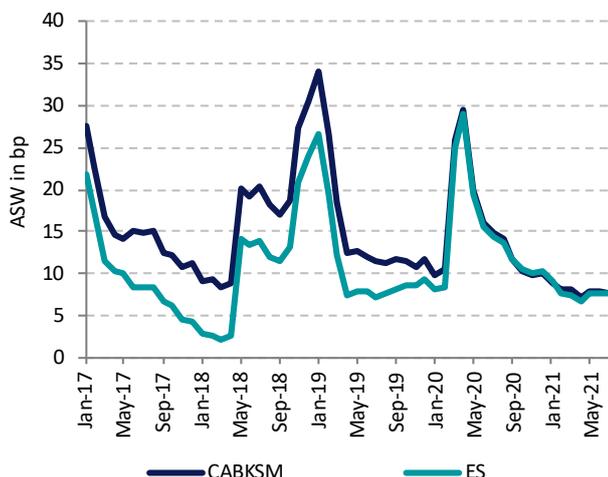
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



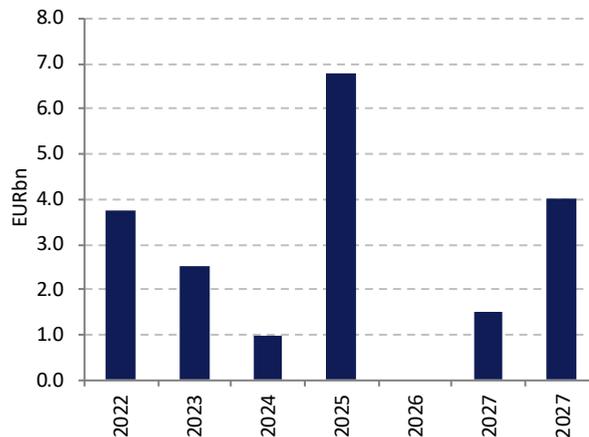
■ Catalonia ■ Madrid ■ Andalusia ■ Others

## Spread Development (>1y)



— CABKSM — ES

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> not ES0413307127

# Cajamar Caja Rural

 Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BB	Stable

## Homepage

[www.cajamar.es](http://www.cajamar.es)

This cooperative bank conducts its business operations under the name Cajamar Caja Rural, Sociedad Cooperativa de Crédito (Cajamar). Cajamar is a subsidiary of the Grupo Cooperativo Cajamar (GCC). The parent company of the Group is Banco de Crédito Cooperativo (BCC). The main shareholder of GCC is Cajamar. Since 2009, as well as Cajamar, a further 18 banks have been part of the joint liability scheme (Institutional Protection Scheme, IPS), which guarantees the solvency and liquidity of the member institutes by way of mutual guarantees. As part of the IPS, the Group is liable for payment commitments of the individual member institutes. Almost 5,350 employees serve 3.5 million customers (of which 1.4 million are cooperative members) across 909 branches. Cajamar operates in 47 Spanish provinces. The Group reports in only one segment: Retail Banking. Although Cajamar is a bank for all industries, its focus is on the agriculture and food industry. BCC issues senior debt and hybrid capital, whilst Cajamar acts as the Group's issuer of covered bonds and ABS. As the parent company and settlement unit, BCC displays a CET1 ratio of 13.79% and a leverage ratio of 5.41% (fully loaded) as at FY 2020. The liquidity metrics LCR and NSFR also meet the minimum requirement of 100% including a buffer. As at end of financial year 2020, the NPL ratio had improved year on year from 6% to 4.77%, with a coverage ratio of just under 59%. We refer to the figures of Grupo Cooperativo Cajamar (GCC) in the table below.

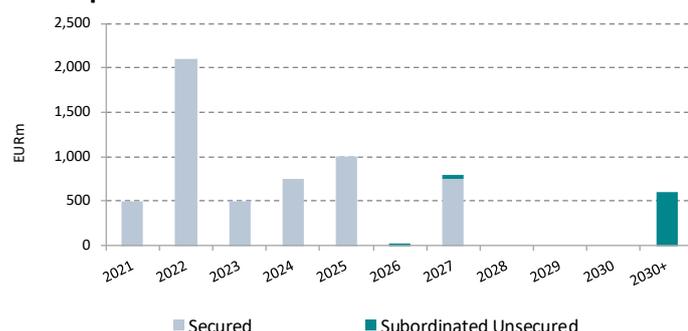
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	30,166	32,753	32,820
Total Securities	11,089	13,901	-
Total Deposits	32,167	37,136	-
Tier 1 Common Capital	3,044	3,145	3,208
Total Assets	47,406	53,617	54,794
Total Risk-weighted Assets	23,358	22,812	23,244

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	590	611	189
Net Fee & Commission Inc.	245	225	54
Net Trading Income	299	217	462
Operating Expense	627	616	187
Credit Commit. Impairment	334	314	189
Pre-tax Profit	113	23	49

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.43	1.30	1.50	Liquidity Coverage Ratio	212.33	190.84	217.69
ROAE	2.88	0.71	1.65	IFRS Tier 1 Leverage Ratio	6.46	5.91	5.88
Cost-to-Income	56.56	60.18	28.57	NPL/ Loans at Amortised Cost	6.51	5.11	4.80
Core Tier 1 Ratio	13.03	13.79	13.80	Reserves/Loans at Amort. Cost	3.09	2.92	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Solid market position
- Funding and liquidity position
- Capitalization

## Risks / Weaknesses

- Concentration risks
- Asset quality (problem loans)
- Low interest rate environment

# Cajamar Caja Rural – Mortgage

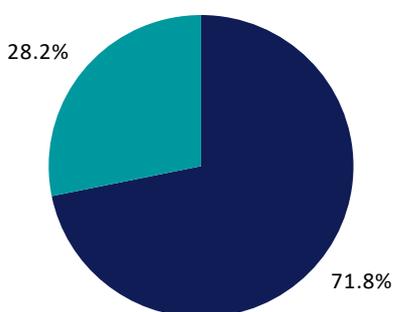
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

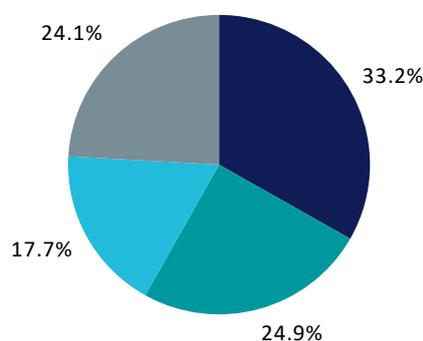
Cover pool volume (EURm)	13,274	Rating (Moody's)	-
Amount outstanding (EURm)	5,750	Rating (S&P)	AA
-thereof ≥ EUR 500m	21.7%	Rating (Fitch)	-
Current OC (nominal)	130.9%	Rating (DBRS) <sup>1</sup>	AH
Committed OC	0.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Spain	Collateral score	-
Main region	33% Andalusia	RRL	bbb-
Number of loans	170,901	JRL	a-
Number of borrowers	153,553	Unused notches	0
Avg. exposure to borrowers (EUR)	86,446	AAA credit risk (%)	12.89
WAL (cover pool)	10.3y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	6.3%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1 / 2A
LTV (unindexed)	53.5%	Risk weight	10% / 20%
Loans in arrears	7.5%	Maturity structure (Bmk)	HB

## Borrower Types



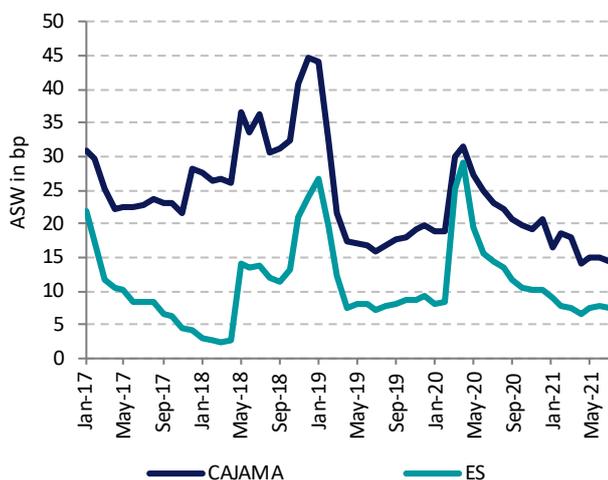
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



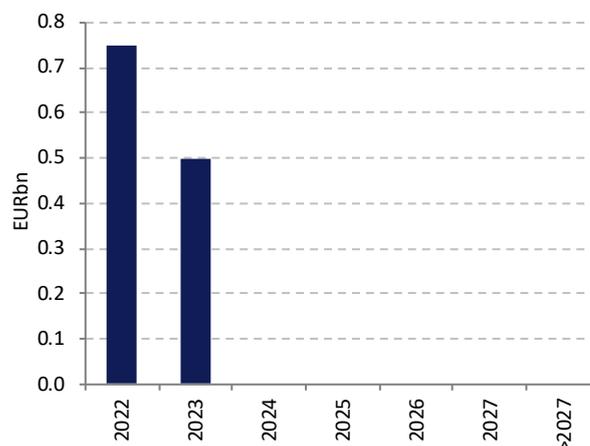
■ Andalusia ■ Valencia ■ Murcia ■ Others

## Spread Development (>1y)



— CAJAMA — ES

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> only ES0422714032, therefore LCR=2A & RW=20%

# Caja Rural de Navarra

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB+	Stable
Moody's*	Baa1	Stable
S&P	-	-

## Homepage

[www.cajaruraldenavarra.com](http://www.cajaruraldenavarra.com)

\*LT Deposits

Founded in 1910, Caja Rural de Navarra, Sociedad Cooperativa de Crédito (CRN) is a regional cooperative bank with just under 8,300 employees and more than 2,300 branches. The bank concentrates primarily on Navarra (25.8% market share for loans, Q1 2020), which is one of the most affluent regions of Spain. It also operates in the neighbouring regions of La Rioja and the Basque Country. As a cooperative bank, it serves more than 164,000 members and 6.5 million customers. Moreover, in geographical terms, its members are widely spread across an extensive branch network. CRN is one of the largest cooperative banks in Spain. Alongside 28 other cooperative banks, CRN is part of the association of cooperative banks Cajas Rurales. Together, these cooperative banks have started an institutional protection scheme, to which members have contractually committed themselves. The bank focuses its business activities on retail banking and on small and medium-sized enterprises. Its corporate strategy does not envisage any expansion of the business segment either geographically or to tap into new customer groups. CRN acts with a conservative approach to risk management, reflected in a low NPL ratio and a high coverage ratio. According to its own data, CRN has a leading position in Navarra as measured by market share. The LCR and NSFR liquidity metrics comfortably exceed the minimum requirements, while the CET1 ratio is also above the regulatory requirement. CRN is mainly funded by customer deposits, which in turn reduces its dependency on capital market funding.

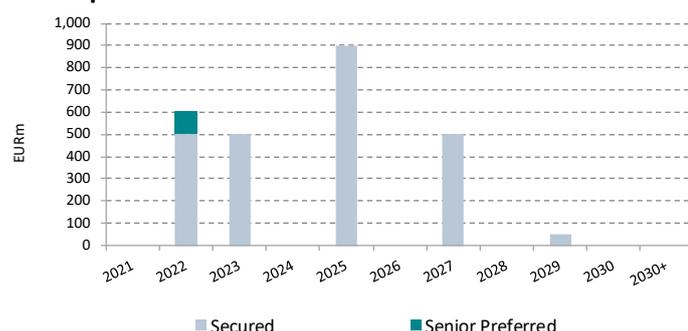
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	7,789	8,177	9,314
Total Securities	3,482	3,959	4,648
Total Deposits	8,012	8,729	10,198
Tier 1 Common Capital	1,103	1,218	1,317
Total Assets	12,203	13,133	15,850
Total Risk-weighted Assets	6,724	7,255	7,202

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	136	144	147
Net Fee & Commission Inc.	67	68	69
Net Trading Income	0	7	1
Operating Expense	165	174	110
Credit Commit. Impairment	-	-	-
Pre-tax Profit	106	109	99

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.18	1.18	1.05	Liquidity Coverage Ratio	482.12	369.95	391.10
ROAE	8.43	8.24	6.67	IFRS Tier 1 Leverage Ratio	9.05	9.28	8.31
Cost-to-Income	58.98	58.54	38.14	NPL/ Loans at Amortised Cost	1.80	1.99	1.90
Core Tier 1 Ratio	16.40	16.79	18.28	Reserves/Loans at Amort. Cost	1.82	1.56	2.21

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Brand presence and market position
- Deposit basis
- Capitalisation

## Risks / Weaknesses

- Geographical diversification
- Profitability
- Economic environment

# Caja Rural de Navarra – Mortgage

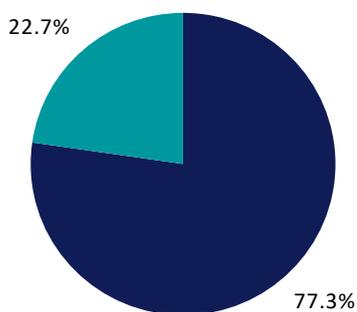
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

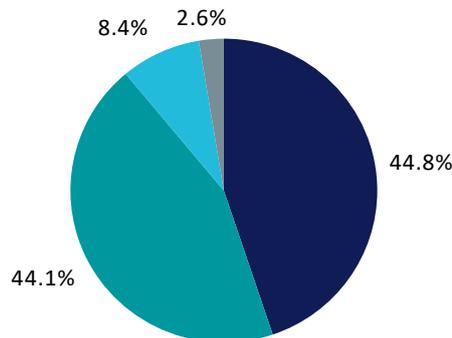
Cover pool volume (EURm)	5,028	Rating (Moody's)	Aa1
Amount outstanding (EURm)	2,450	Rating (S&P)	-
-thereof ≥ EUR 500m	65.3%	Rating (Fitch)	-
Current OC (nominal)	105.2%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Spain	Collateral score	13.0%
Main region	45% Navarre	RRL	-
Number of loans	47,178	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	10.0y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	20.2%	Outstanding ESG Bmk	Yes
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	56.4%	Risk weight	10%
Loans in arrears	1.2%	Maturity structure (Bmk)	HB

## Borrower Types



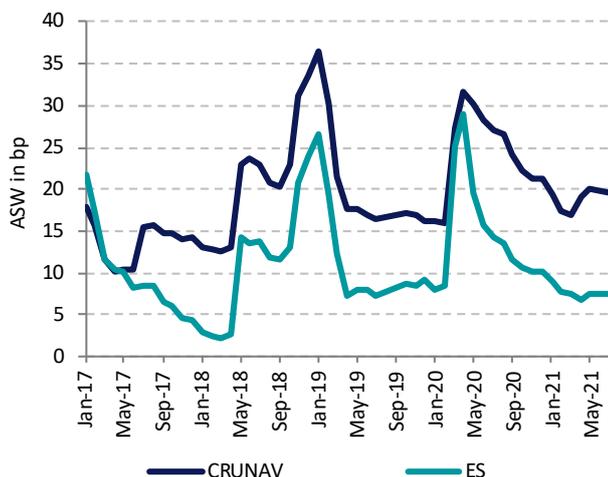
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



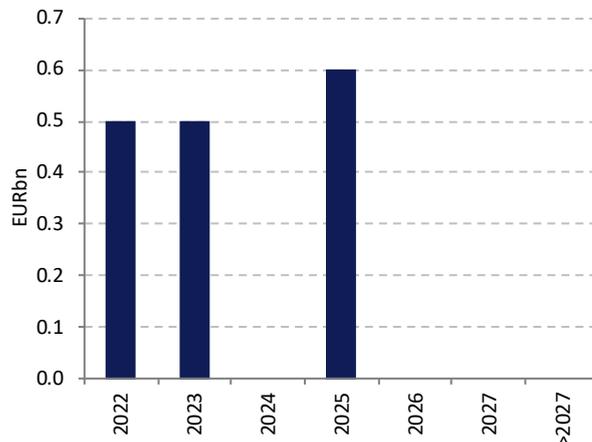
■ Navarre ■ Basque Country ■ La Rioja ■ Others

## Spread Development (>1y)



— CRUNAV — ES

## Redemption Profile (Bmk)



# Deutsche Bank S.A.E.

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's	-	-
S&P	BBB+	Negative

## Homepage

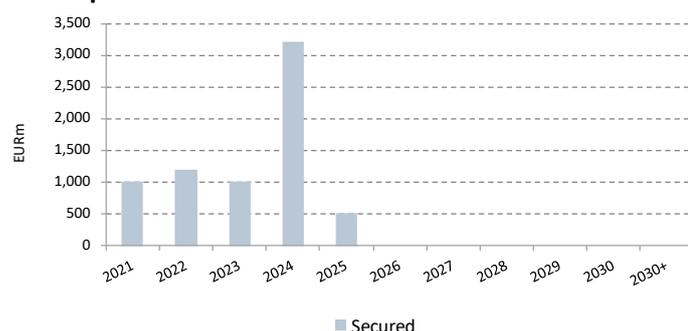
[www.deutsche-bank.es](http://www.deutsche-bank.es)

Deutsche Bank Sociedad Anonima Española (DB S.A.E.), headquartered in Madrid, has been active in the Spanish market under its current name since 1993. The institution is one of the largest foreign banks in Spain. DB S.A.E. is 99.82% (FY 2020) owned by Deutsche Bank AG (December 2020), making the institution and its subsidiaries part of the globally active Deutsche Bank Group. With its 168 branches (FY 2020), DB S.A.E. is Deutsche Bank Group's most important entity in Spain, operating primarily in the regions of Catalonia, Madrid, Valencia and Andalusia. Total assets amounted to almost EUR 18.3bn as of 12/2020 (FY 2019: EUR 17.5bn). The institution, which operates as a universal bank, reports in the business segments: International Private Bank (IPB), Corporate Bank (CB) and Investment Bank. Asset management in Spain is carried out by a DWS branch. The IPB division has existed in the DB Group structure since June 2020, as a result of the merger of Private & Commercial Bank International (PCB-I) and Wealth Management. DB S.A.E. has access to internal Group refinancing. Since November 2014, the institution has been directly supervised by the ECB. According to its own information, Deutsche Bank Group has been pursuing a self-funding policy in Spain since 2012, based on a local liquidity management model with access to the instruments provided by the ECB. In addition, DB S.A.E. has an intra-group funding line and acts as a covered bond issuer.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	13,236	13,139	13,543
Total Securities	268	324	554
Total Deposits	9,698	9,247	9,930
Tier 1 Common Capital	1,154	1,106	1,121
Total Assets	17,288	17,477	18,324
Total Risk-weighted Assets	10,886	10,580	10,821

## Redemption Profile



## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	227	238	238
Net Fee & Commission Inc.	271	252	257
Net Trading Income	13	9	5
Operating Expense	395	401	402
Credit Commit. Impairment	72	44	80
Pre-tax Profit	65	29	-7

## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.40	1.38	1.35	Liquidity Coverage Ratio	198.00	-	-
ROAE	3.85	1.66	-0.45	IFRS Tier 1 Leverage Ratio	6.74	6.39	6.25
Cost-to-Income	74.37	84.61	84.94	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	10.60	10.46	10.36	Reserves/Loans at Amort. Cost	2.73	2.37	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Loan quality
- Integration into Deutsche Bank Group

## Risks / Weaknesses

- Low interest rate environment and COVID-19 related uncertainties
- Degree of geographical diversification

# Deutsche Bank S.A.E. – Mortgage

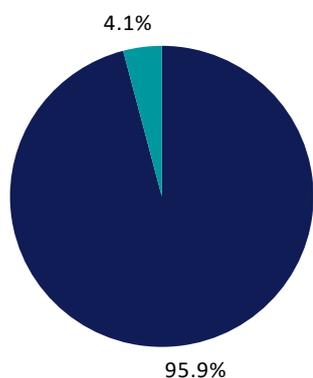
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

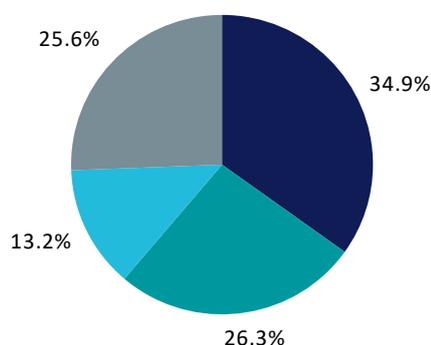
Cover pool volume (EURm)	7,600	Rating (Moody's)	Aa1
Amount outstanding (EURm)	5,400	Rating (S&P)	-
-thereof ≥ EUR 500m	37.0%	Rating (Fitch)	-
Current OC (nominal)	40.7%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	Unpublished
Main country	100% Spain	Collateral score	6.2%
Main region	35% Catalonia	RRL	-
Number of loans	78,901	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	20.3y	PCU	-
WAL (covered bonds)	1.9y	Recovery uplift	-
Fixed interest (cover pool)	6.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	55.6%	CRR 129 (7)	Yes
LTV (indexed)	50.5%	LCR level (Bmk)	1
LTV (unindexed)	50.7%	Risk weight	10%
Loans in arrears	2.0%	Maturity structure (Bmk)	HB

## Borrower Types



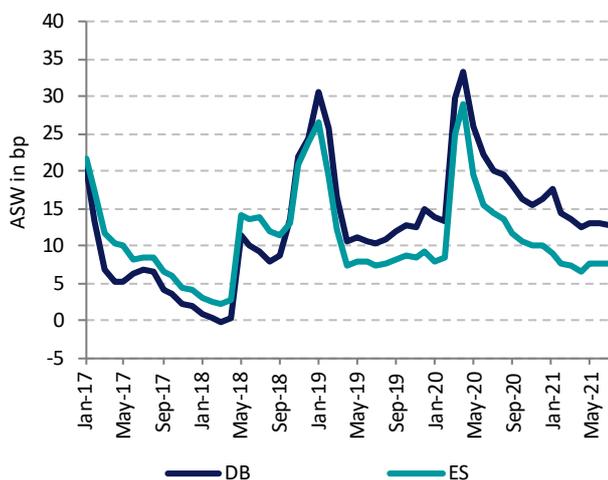
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

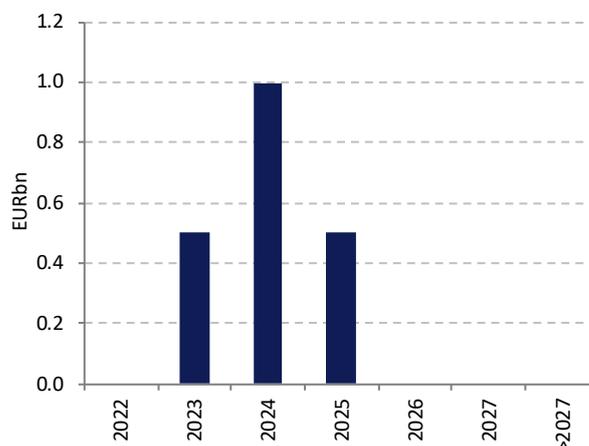


■ Catalonia ■ Madrid ■ Andalusia ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Eurocaja Rural

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB	Stable
Moody's	-	-
S&P	-	-

## Homepage

[www.eurocajarural.es](http://www.eurocajarural.es)

Eurocaja Rural, SCC (Eurocaja) was previously known as Caja Rural de Castilla-La Mancha before taking its current name in April 2018. It is a not-for-profit establishment with its own legal entity and has full legal capacity, acting as a foundation and issuer of social security. It was originally founded in 1963 in order to meet the financial needs of the regional agricultural sector. In the 1990s, the Group redefined its strategy and expanded its business activities to all areas of a universal bank, with a focus on retail customers and SMEs. Headquartered in Toledo, the bank has approximately 1,000 employees and operates via 400 branches or so. In line with the business model, the main focus is on private mortgage loans and SME lending. Therefore, apart from retail banking, reporting does not take place in any other relevant business segments. The bank predominantly operates in the region of Castilla-La Mancha with a focus on Toledo and the metropolitan area of Madrid. The institution also operates in the adjacent areas of Madrid, the province of Ávila and the Castile and León region. In comparison with its Spanish peer group, Eurocaja has a low NPL ratio, which is attributable to the conservative risk policy. During the financial crisis, Eurocaja strengthened its presence in its domestic region by purchasing branches and portfolios from banks affected by the austerity measures. Nevertheless, on a national level, it is of only minor importance. It is classified as an institute of subordinate importance by the ECB and is monitored by the Banco de España, which has considered a CET1 ratio of 8.13% for Eurocaja in 2021. The CET1 ratio amounts to 15.23% (September 2020).

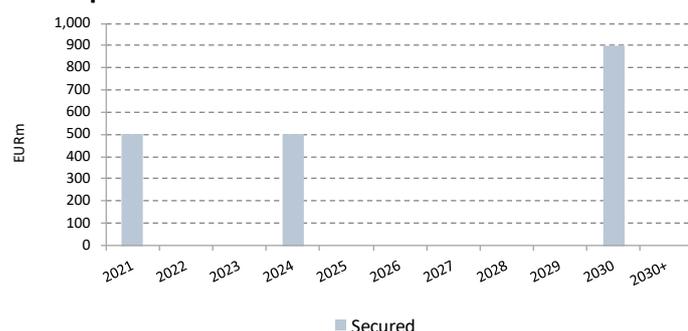
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	4,334	4,542	-
Total Securities	2,514	2,528	-
Total Deposits	5,782	5,790	5,496
Tier 1 Common Capital	441	475	506
Total Assets	7,767	7,921	-
Total Risk-weighted Assets	2,586	2,763	3,074

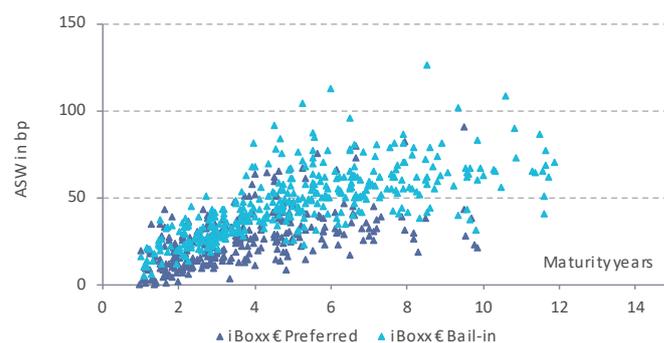
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	85	93	-
Net Fee & Commission Inc.	33	36	-
Net Trading Income	6	5	-
Operating Expense	78	74	-
Credit Commit. Impairment	-	-	-
Pre-tax Profit	26	46	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.14	1.20	-	Liquidity Coverage Ratio	NM	388.62	289.00
ROAE	5.10	8.12	-	IFRS Tier 1 Leverage Ratio	5.69	6.01	-
Cost-to-Income	64.91	59.49	-	NPL/ Loans at Amortised Cost	2.14	1.93	-
Core Tier 1 Ratio	17.05	17.19	16.47	Reserves/Loans at Amort. Cost	2.59	2.42	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Expansion of deposit base
- Asset quality
- Liquidity

## Risks / Weaknesses

- Sovereign bond portfolio (mainly from Spain)
- Economic environment
- Low interest rate environment

# Eurocaja – Mortgage

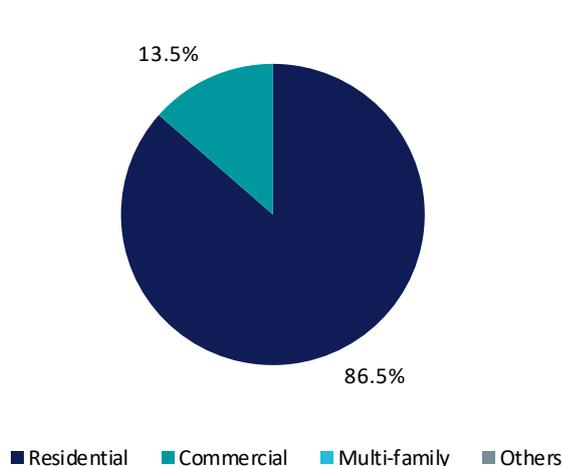
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

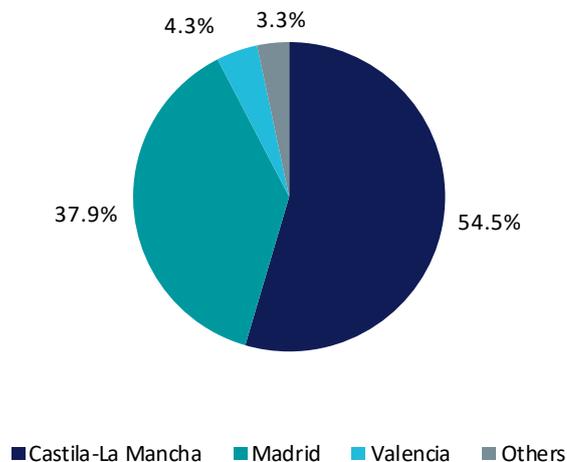
## Cover Pool Data

Cover pool volume (EURm)	2,917	Rating (Moody's)	Aa1
Amount outstanding (EURm)	1,000	Rating (S&P)	-
-thereof ≥ EUR 500m	50.0%	Rating (Fitch)	-
Current OC (nominal)	191.7%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	Unpublished
Main country	100% Spain	Collateral score	10.1%
Main region	55% Castilla-La Mancha	RRL	-
Number of loans	34,126	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	12.0y	PCU	-
WAL (covered bonds)	1.8y	Recovery uplift	-
Fixed interest (cover pool)	9.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	59.5%	Risk weight	10%
Loans in arrears	1.7%	Maturity structure (Bmk)	HB

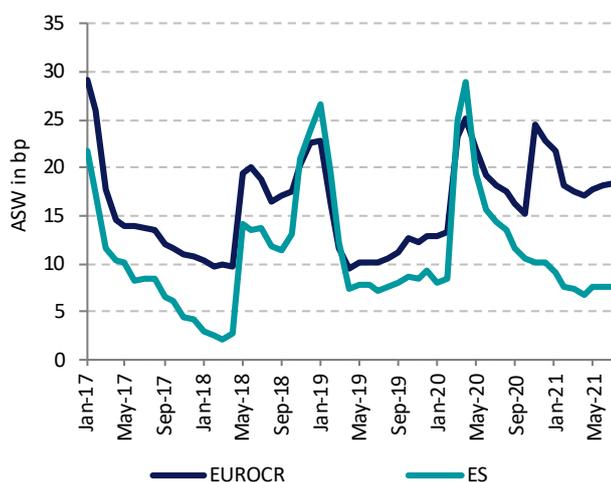
## Borrower Types



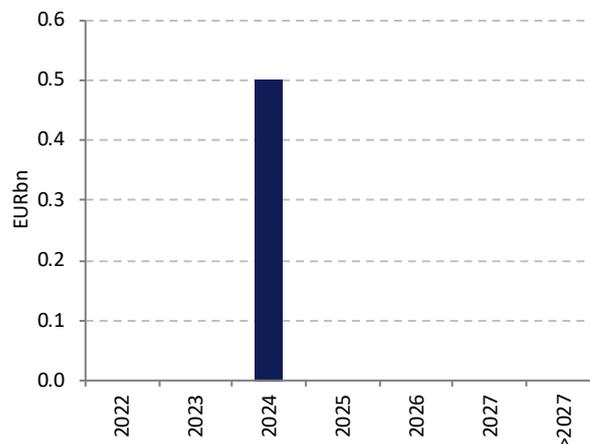
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Ibercaja Banco

Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB+	Negative
Moody's*	Ba2	Stable
S&P	BB+	Stable

## Homepage

[www.ibercaja.com](http://www.ibercaja.com)

\*LT Deposits

Ibercaja Banco S.A. (Ibercaja) was formed in 2011 as a spin-off from the banking business of Caja de Ahorros y Monte de Piedad de Zaragoza, Aragón y Rioja. Ibercaja operates as a universal bank in terms of its traditional banking business as well as the insurance and investment divisions. In total, 5,300 employees serve three million customers in approximately 1,200 branches. In 2012, the healthy Ibercaja took over the stricken Cajatres Bank Group (Caja3), which previously obtained capital aid of EUR 407 million in the form of CoCos from the ESM (fully repaid at the start of 2017). By purchasing Caja3 (which was fully integrated in 2014), Ibercaja consolidated its position on the domestic market of Aragon and expanded into provinces in which Caja3 had a strong presence. On a national level, Ibercaja has a market share of approximately 2.7% in the loans business, while in the home province of Aragon, this figure stands at 40%. As at Q4 2020, the CET1 ratio (fully loaded) was 12.6% (SREP CET1 requirement: 8.125%) and the leverage ratio was 6.3%. Over recent years, the NPL ratio has steadily improved, standing at 3.2% as at Q4 2020. The coverage ratio for NPLs has also developed positively, reaching 63.9%. Mortgage loans constitute 58% of the loan portfolio and, according to Ibercaja, only a low percentage is attributable to the corporate customer segments. The LCR and NSFR liquidity metrics offer a fair degree of leeway, at 468% and 152% respectively. Ibercaja has a comparatively low dependency on capital market refinancing operations, as the overwhelming majority of its funding is covered by customer deposits (78% as at FY 2020).

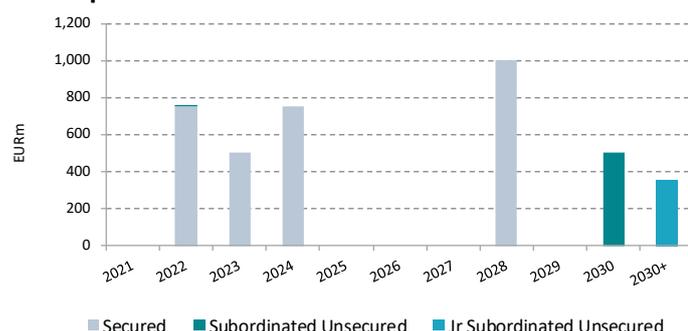
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	31,919	30,942	31,226
Total Securities	15,823	16,506	18,186
Total Deposits	34,925	37,881	37,403
Tier 1 Common Capital	2,498	2,485	2,470
Total Assets	55,422	58,401	57,770
Total Risk-weighted Assets	20,363	18,248	18,503

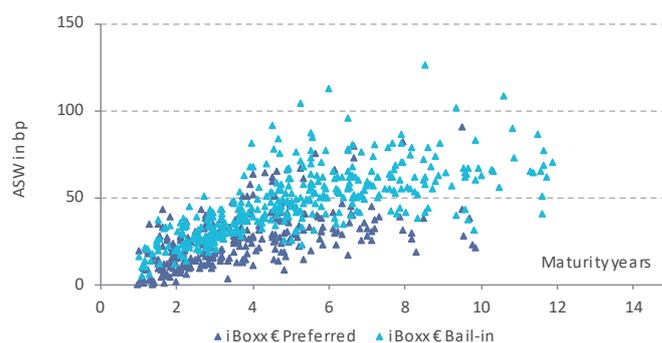
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	547	534	123
Net Fee & Commission Inc.	394	374	98
Net Trading Income	8	25	35
Operating Expense	637	553	145
Credit Commit. Impairment	126	218	30
Pre-tax Profit	129	53	80

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.10	1.01	0.89	Liquidity Coverage Ratio	307.07	468.11	397.80
ROAE	2.60	0.73	6.74	IFRS Tier 1 Leverage Ratio	4.55	4.29	4.31
Cost-to-Income	69.80	61.29	55.36	NPL/ Loans at Amortised Cost	4.05	3.27	3.06
Core Tier 1 Ratio	12.27	13.62	13.35	Reserves/Loans at Amort. Cost	1.98	2.05	2.01

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Regional market position
- Deposit basis
- Liquidity profile

## Risks / Weaknesses

- Geographical concentration
- Profitability
- Capitalisation (high share of DTAs)

# Ibercaja Banco – Mortgage

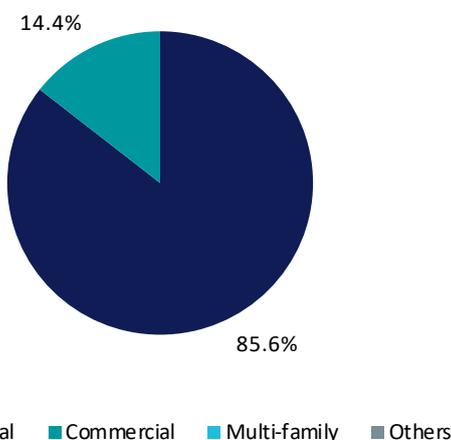
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

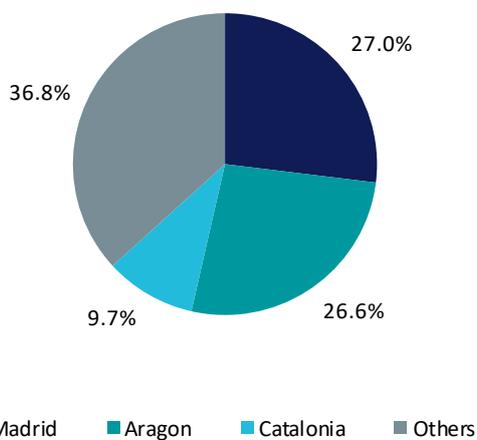
## Cover Pool Data

Cover pool volume (EURm)	18,701	Rating (Moody's)	Aa2
Amount outstanding (EURm)	4,400	Rating (S&P)	AA
-thereof ≥ EUR 500m	11.4%	Rating (Fitch)	-
Current OC (nominal)	325.0%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	0
Main country	100% Spain	Collateral score	11.2%
Main region	27% Madrid	RRL	bbb
Number of loans	260,852	JRL	a
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	9.58
WAL (cover pool)	9.8y	PCU	-
WAL (covered bonds)	3.8y	Recovery uplift	-
Fixed interest (cover pool)	11.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	43.2%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	50.8%	Risk weight	10%
Loans in arrears	2.9%	Maturity structure (Bmk)	HB

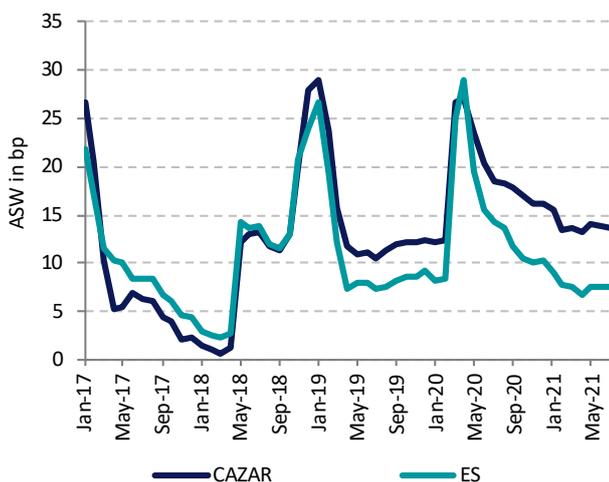
## Borrower Types



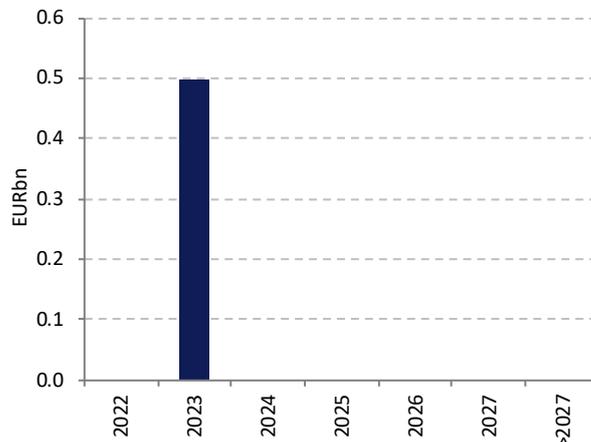
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Kutxabank

 Spain 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BBB+	Stable
Moody's*	Baa2	Stable
S&P	BBB	Stable

## Homepage

[www.kutxabank.com](http://www.kutxabank.com)

\*LT Issuer Rating

Kutxabank S.A. (Kutxa) is a leading commercial bank in northern Spain, with its headquarters in Bilbao. Kutxa is the parent company of the Kutxabank Group, which was established in 2011 from the merger of three Basque savings banks. The largest shareholder of Kutxa is the Bilbao Bizkaia Kutxa Fundación Bancaria with a stake of 57%, followed by Fundación Bancaria Kutxa with 32% and Fundación Bancaria Vital with 11% (as at December 2020). Kutxa has a balance sheet total of just under EUR 52.3bn (Q4 2020) and is one of the ten largest institutes in Spain. It has approximately 827 branches distributed across the Basque Country and the southern region of Andalusia. The banking group is subdivided into the following four segments: Kutxabank, CajaSur Banco, Insurance Companies and Other Business Activities. There is a focus on lending to private individuals and small and medium-sized enterprises (SMEs). In addition to providing traditional banking services, Kutxa also offers other services such as insurance products via its subsidiaries. As of the first quarter of 2021, the CET1 ratio of 17.9 % and the leverage ratio of 9.05 % are above the regulatory requirements. At the same time, the NPL ratio is below 2.3% (Q1 2021). At this time, Kutxa reports a coverage ratio of 82.1 %. Customer deposits dominate the funding mix at around 92 %. Covered bonds account for only a small share of about 3% (Q1 2021). The liquidity position is also above regulatory requirements with an LCR of over 233% (Q1 2021, average of the last 12 months at 237%) and an NSFR of over 134% (Q1 2021). The ROE was 2.7% as of Q1 2021 (6.2% as of Q1 2020).

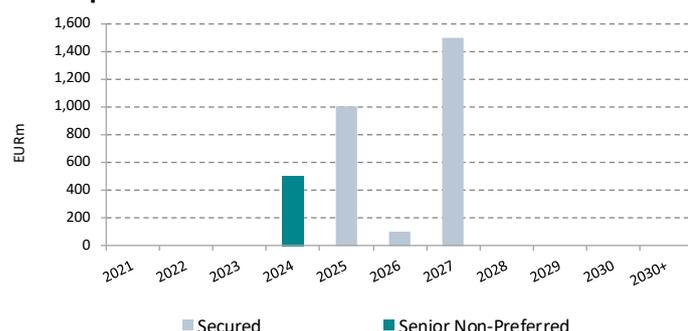
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	41,899	44,262	45,122
Total Securities	6,947	8,037	8,414
Total Deposits	45,756	46,356	46,284
Tier 1 Common Capital	5,184	5,391	5,442
Total Assets	59,580	63,780	65,211
Total Risk-weighted Assets	30,186	30,241	30,318

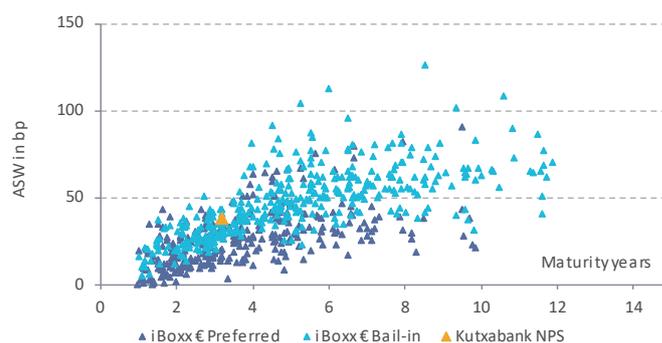
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	569	566	137
Net Fee & Commission Inc.	395	388	106
Net Trading Income	1	1	0
Operating Expense	703	751	152
Credit Commit. Impairment	4	159	15
Pre-tax Profit	413	235	86

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.03	0.99	0.91	Liquidity Coverage Ratio	215.84	253.53	233.28
ROAE	6.00	2.99	3.94	IFRS Tier 1 Leverage Ratio	8.80	8.55	8.44
Cost-to-Income	58.34	61.55	58.87	NPL/ Loans at Amortised Cost	2.58	2.43	2.28
Core Tier 1 Ratio	17.17	17.83	17.95	Reserves/Loans at Amort. Cost	1.37	1.61	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Capitalisation
- Liquidity
- Deposit basis (funding)

## Risks / Weaknesses

- Asset quality
- Profitability
- Geographical diversification

# Kutxabank – Mortgage

Spain

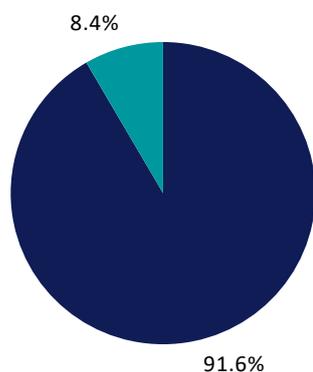
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	24,009
Amount outstanding (EURm)	2,397
-thereof ≥ EUR 500m	41.7%
Current OC (nominal)	901.8%
Committed OC	25.0%
Cover type	Mortgage
Main country	100% Spain
Main region	50% Basque Country
Number of loans	240,661
Number of borrowers	383,993
Avg. exposure to borrowers (EUR)	62,525
WAL (cover pool)	11.5y
WAL (covered bonds)	2.4y
Fixed interest (cover pool)	25.1%
Fixed interest (covered bonds)	97.9%
LTV (indexed)	n/a
LTV (unindexed)	55.6%
Loans in arrears	3.0%

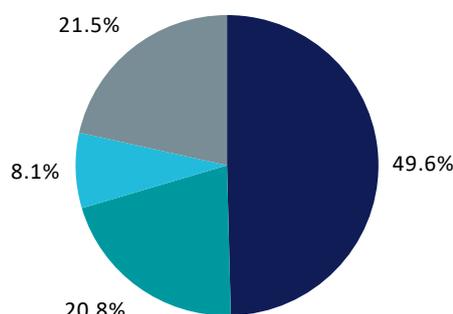
Rating (Moody's)	Aa1
Rating (S&P)	AA+
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	8.5%
RRL	a-
JRL	a
Unused notches	2
AAA credit risk (%)	15.64
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	Yes
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

## Borrower Types



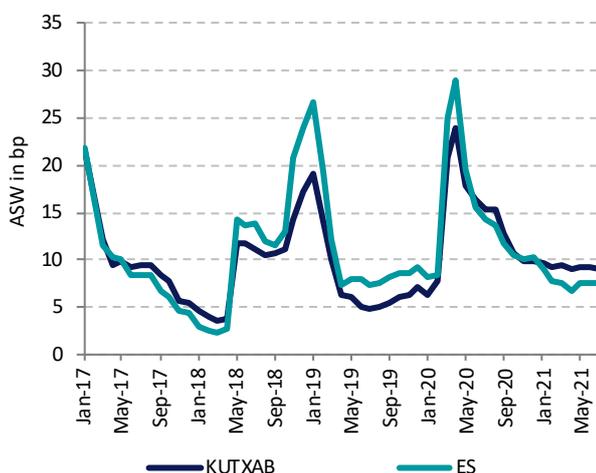
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

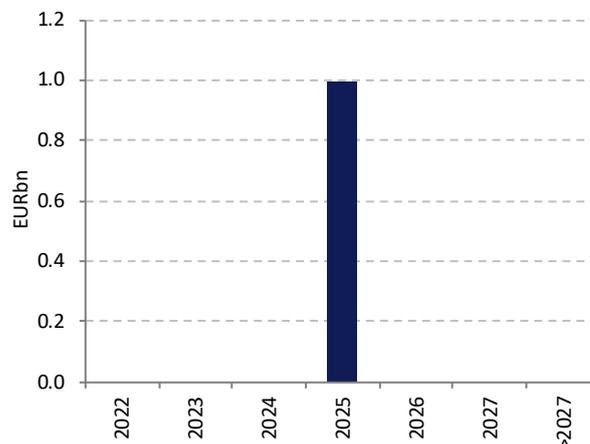


■ Basque Country ■ Madrid ■ Catalonia ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Liberbank

Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	BB+	Positive
Moody's*	Ba2	**
S&P	-	-

## Homepage

[www.liberbank.es](http://www.liberbank.es)

\*LT Bank Deposit Rating

\*\* rating under review

Liberbank is a retail bank headquartered in Madrid. It was formed in 2011 from the merger of the four savings banks Cajastur Group (including Bank Castilla-La Mancha), Caja de Extremadura and Caja Cantabria. Liberbank specialises in the retail segment, especially households, as well as SMEs and self-employed individuals. Since mid-2013, it has been listed on the four Spanish stock exchanges. The four founding savings banks together hold 23.9% of the shares. The second largest shareholder is Oceanwood Capital Management LLP with 18.2%, followed by Aivilo Spain SL (7.3%) and Corporación Masaveu with 5.9% (Q4 2020). In 2014, it prematurely repaid the entire bond from the Spanish bank bailout fund (FROB), which amounted to EUR 124m. It has 3,706 employees (FTEs) and focuses on its domestic markets – Asturias, Cantabria, Castilla-La Mancha and Extremadura – in addition to Madrid. Besides that, the bank is also active throughout in Spain as well as international, above all within the EU. Liberbank reports in the following segments: Banking Activity, Corporate Activity and Adjustments to the Banking Segment. Almost all business activity is attributable to the first-named segment. With a share of approximately 61% (Q4 2020), lending is dominated by retail loans, which almost exclusively consist of mortgages. The second most important group of borrowers are corporates with a share of around 24%. The sensitive industries oil and gas, aerospace, hotels, restaurants and tourism comprise about 1.3% of the total loan portfolio. The majority of the bank's funding mix is covered by deposits (80% as at year-end 2020).

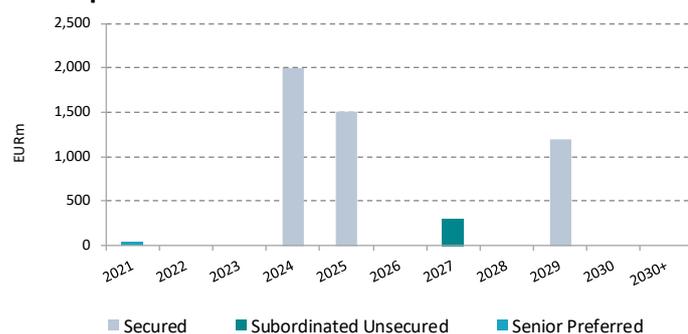
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	25,096	27,487	27,858
Total Securities	10,737	12,024	11,433
Total Deposits	30,593	33,910	26,800
Tier 1 Common Capital	2,495	2,642	2,604
Total Assets	41,947	47,510	47,287
Total Risk-weighted Assets	17,172	16,804	16,733

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	467	512	125
Net Fee & Commission Inc.	191	235	59
Net Trading Income	23	6	3
Operating Expense	409	394	104
Credit Commit. Impairment	61	162	38
Pre-tax Profit	133	61	36

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.29	1.27	1.17	Liquidity Coverage Ratio	220.77	222.24	202.69
ROAE	3.67	1.28	2.76	IFRS Tier 1 Leverage Ratio	6.09	5.74	5.64
Cost-to-Income	67.31	61.55	58.43	NPL/ Loans at Amortised Cost	3.26	2.94	2.89
Core Tier 1 Ratio	14.53	15.72	15.56	Reserves/Loans at Amort. Cost	1.56	1.59	1.68

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 14.07.2021

## Strengths / Opportunities

- Asset quality
- Funding profile (deposit basis)

## Risks / Weaknesses

- Profitability
- Capitalisation

# Liberbank – Mortgage

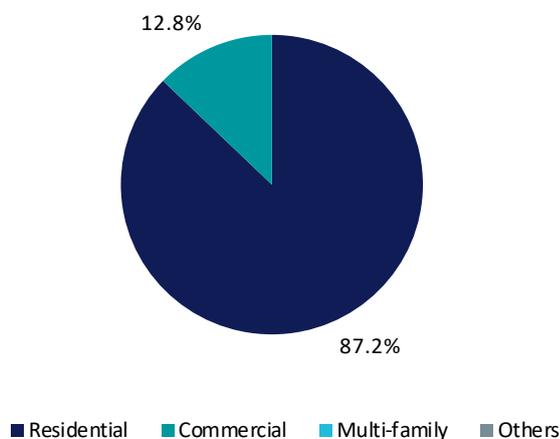
Spain

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

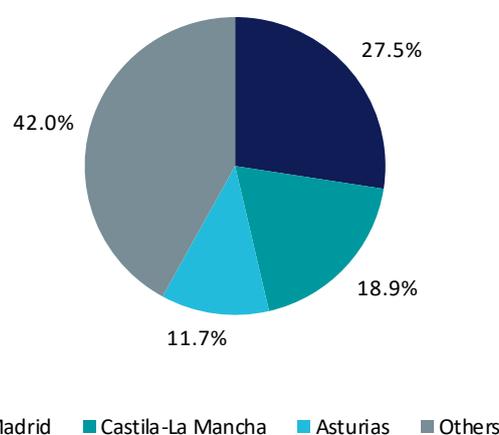
## Cover Pool Data

Cover pool volume (EURm)	17,322	Rating (Moody's)	Aa2
Amount outstanding (EURm)	7,135	Rating (S&P)	-
-thereof ≥ EUR 500m	16.8%	Rating (Fitch)	-
Current OC (nominal)	142.8%	Rating (DBRS)	-
Committed OC	25.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	0
Main country	100% Spain	Collateral score	9.9%
Main region	27% Madrid	RRL	-
Number of loans	225,293	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	10.9y	PCU	-
WAL (covered bonds)	5.1y	Recovery uplift	-
Fixed interest (cover pool)	34.9%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	51.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	1
LTV (unindexed)	56.9%	Risk weight	10%
Loans in arrears	3.1%	Maturity structure (Bmk)	HB

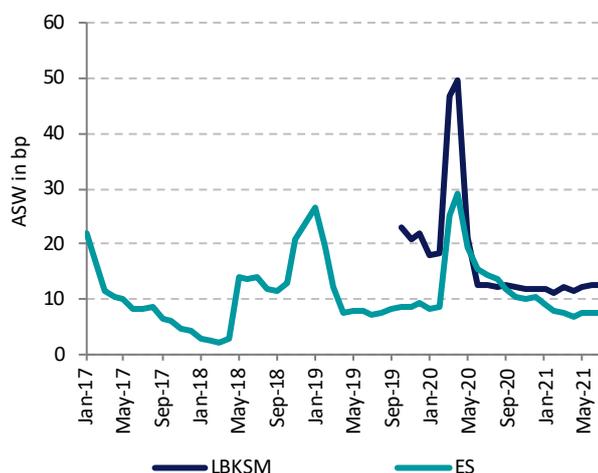
## Borrower Types



## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



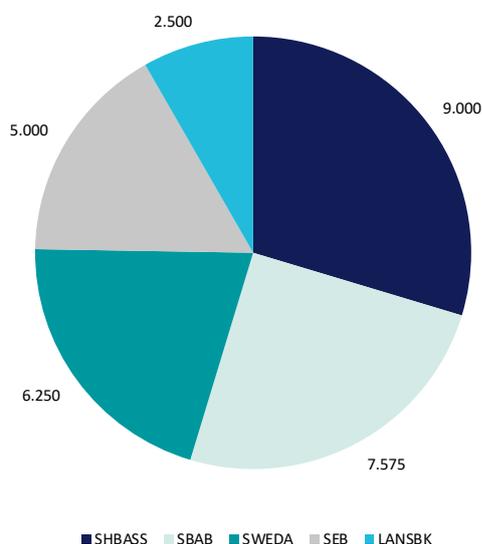
# Market Overview Covered Bonds

Sweden

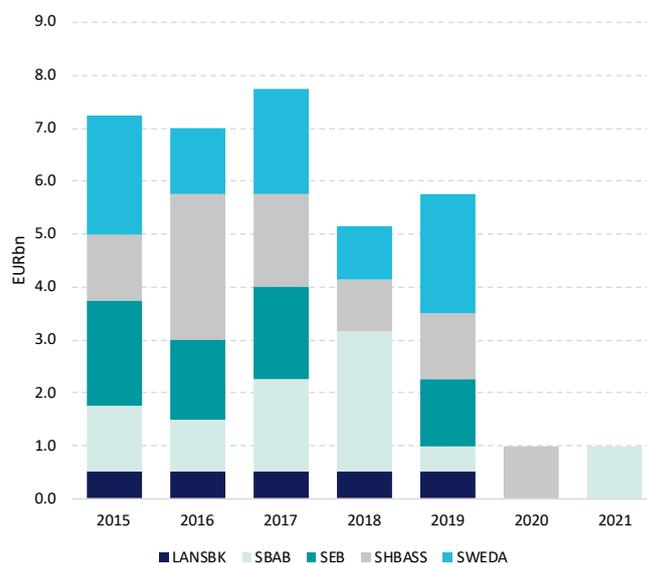
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 291.83bn	Outstanding volume (Bmk)	EUR 30.33bn
Amount outstanding	EUR 187.27bn	Number of benchmarks	36
Number of issuer	5	Outstanding ESG volume (Bmk)	-
No of cover pools	7	Number of ESG benchmarks	-
there of M / PS / others	7 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	HB, SB

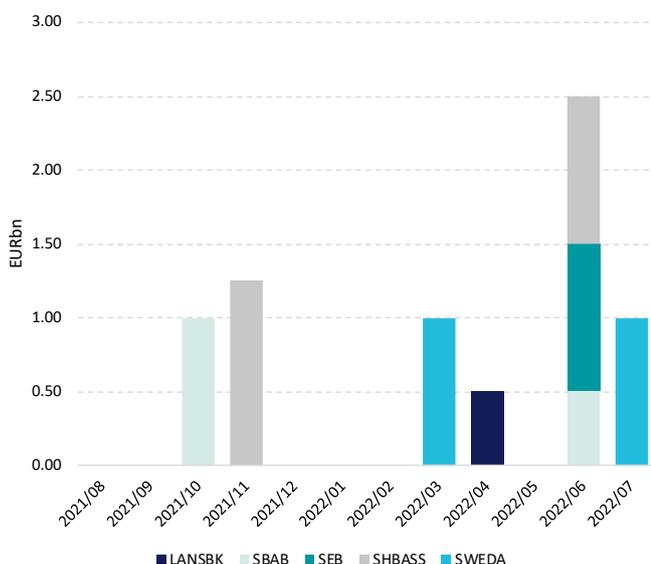
Outstanding benchmark volume<sup>1</sup> (EURbn)



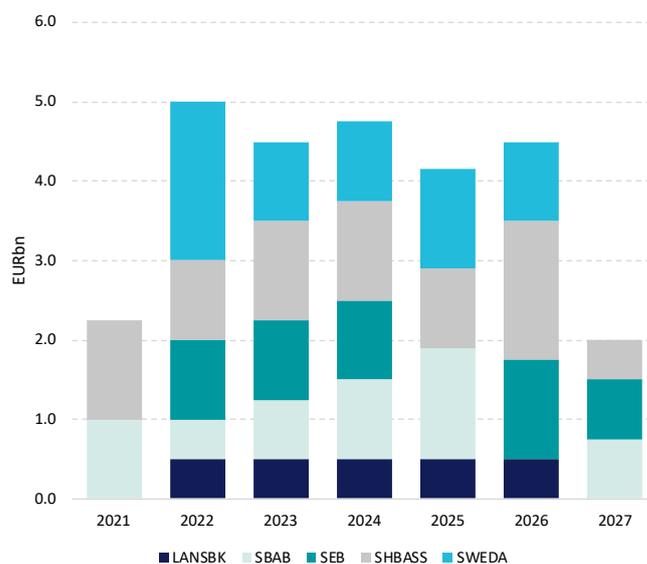
Benchmark issuance volume<sup>1</sup>



Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022



Benchmark redemption profile<sup>1 2</sup>



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# LF Bank

Sweden 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	A1	Stable
S&P	A	Stable

## Homepage

[www.lansforsakringar.se](http://www.lansforsakringar.se)

\* LT Deposits

Länsförsäkringar Bank (LF Bank) is one of the largest retail banks in Sweden. It is a wholly owned subsidiary and the banking arm of Länsförsäkringar AB (LF AB). In turn, LF AB is owned by 23 customer-owned regional insurance companies. Collectively, LF AB and the 23 insurance firms form the Länsförsäkringar Alliance. The alliance employs approximately 7,500 staff who serve 3.9 million customers across 128 branches as well as via the internet and telephone. It offers the full range of banking and insurance services, from pension products to real estate brokering. LF Bank's activities are focused exclusively on the domestic market of Sweden and are divided into five segments: Banking Operations (7% of operating income in FY 2020), Mortgage Institution (MI; 73%), Finance Company (FC; 8%), Mutual Funds (MF; 12%) and Eliminations/Adjustments. MI, FC and MF are organised as separate public limited companies: Länsförsäkringar Hypotek (LF Hypotek), Wasa Kredit and Länsförsäkringar Fondförvaltning. LF Bank's market share totals 5.3% in private deposits and 7.0% in private property loans (as at FY 2020). Retail mortgage loans account for 76% of the loan portfolio. Funding is covered by deposits (34.2%), while covered bonds (issued by LF Hypotek) contribute a share of 48.2%. In terms of issuance behaviour in 2020, a senior unsecured bond was placed in SEK (equivalent value: EUR 500m). The CET1 ratio of 16.7% for FY 2020 (FY 2019: 15.4 %) exceeds the regulatory minimum requirements. While there has been a nominal increase in CET1 capital, the ratio has actually declined in relative terms following the increase in RWAs (due to the expansion of the lending business, among other factors).

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	29,294	33,844	33,317
Total Securities	5,812	6,413	6,281
Total Deposits	11,380	13,576	13,352
Tier 1 Common Capital	1,396	1,638	1,622
Total Assets	36,314	40,773	40,665
Total Risk-weighted Assets	10,009	10,981	10,951

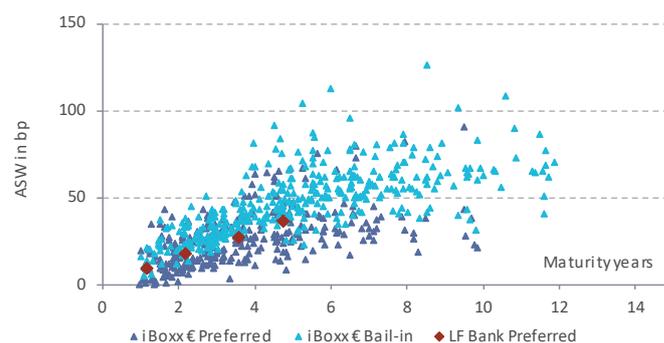
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	436	462	118
Net Fee & Commission Inc.	-60	-53	-10
Net Trading Income	1	-3	2
Operating Expense	182	201	52
Credit Commit. Impairment	20	31	-7
Pre-tax Profit	179	176	66

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.23	1.19	1.16	Liquidity Coverage Ratio	-	261.00	-
ROAE	8.24	7.77	10.50	IFRS Tier 1 Leverage Ratio	3.87	4.06	4.02
Cost-to-Income	47.83	49.30	47.01	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.95	14.92	14.81	Reserves/Loans at Amort. Cost	0.18	0.23	0.20

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Network effect and support from Alliance
- Loan quality
- Liquidity situation

## Risks / Weaknesses

- Dependency on capital market funding
- Expansion of credit business
- Market penetration in nationwide peer comparison

# LF Hypotek – Mortgage

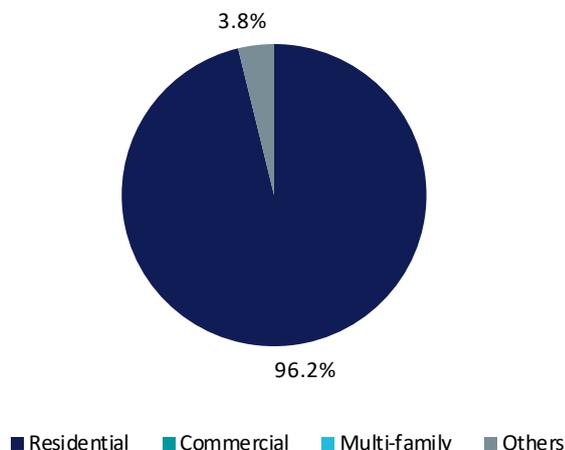
Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

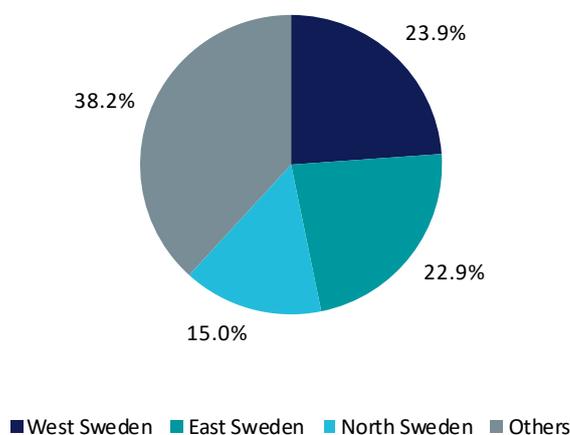
## Cover Pool Data

Cover pool volume (EURm)	25,958	Rating (Moody's)	Aaa
Amount outstanding (EURm)	19,280	Rating (S&P)	AAA
-thereof ≥ EUR 500m	13.0%	Rating (Fitch)	-
Current OC (nominal)	34.6%	Rating (DBRS)	-
Committed OC	10.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% Sweden	Collateral score	5.0%
Main region	24% West Sweden	RRL	aa-
Number of loans	420,692	JRL	aaa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	3.06
WAL (cover pool)	26.6y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	53.1%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	94.7%	CRR 129 (7)	Yes
LTV (indexed)	58.6%	LCR level (Bmk)	1
LTV (unindexed)	63.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

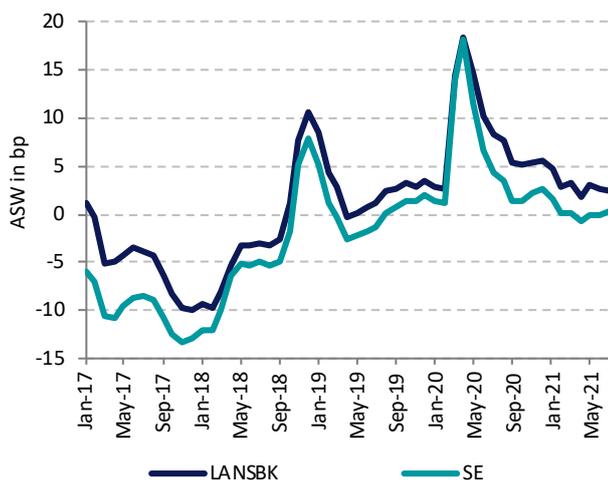
## Borrower Types



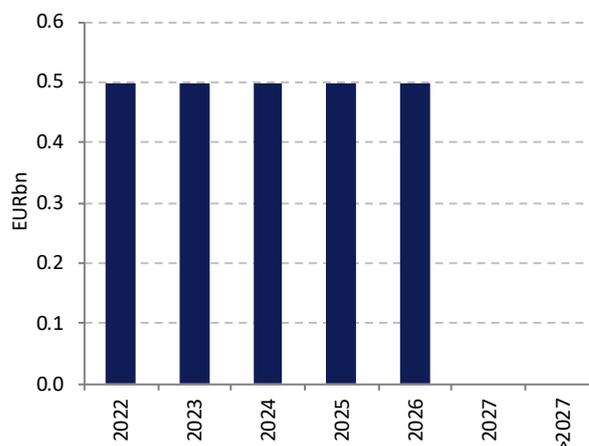
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



## SBAB

Sweden 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	-	-
Moody's*	A1	Stable
S&P	A	Stable

## Homepage

[www.sbab.se](http://www.sbab.se)

\* LT Deposits

SBAB Bank AB (SBAB) was founded in 1985 to finance state mortgages. SBAB is wholly owned by the Swedish state. In addition to its core business of mortgage loans, SBAB today offers private lending in the retail business in addition to brokering insurance policies. In corporate banking, SBAB offers services in the areas of savings and residential construction financing for property companies and home owner associations. The bank divides its business into the following three segments: Retail, Corporate Clients & Tenant-Owners' Associations and Other. Swedish property financing remains the main business focus, with a market share of 8.47% (FY 2020) in the retail customer business. The private mortgage sector accounts for around 74% of the overall loan portfolio. Unlike most banks, SBAB conducts its business almost exclusively via direct distribution and distribution partnerships, which produces an extremely low cost structure with a cost-income ratio of 35.8% as at FY 2020. With an NPL ratio of 0.07%, SBAB's asset quality represents an obvious strength. The mortgage loans are concentrated on metropolitan areas of Sweden. Above all, the regions of Stockholm (63%) and Öresund (11%) are, in particular, heavily represented in the mortgage loan portfolio. SBAB posted a CET1 ratio of 13.4% for FY 2020. The bank is aiming to register a CET1 ratio of at least 0.6 percentage points above the regulatory requirements of the Swedish FSA. The bank's dependency on capital market funding was further reduced in the previous year. At around 55% of overall funding, covered bonds represent the most important source of funding.

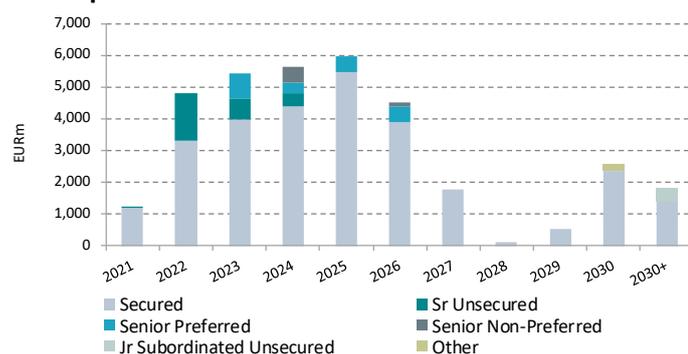
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	36,610	42,089	42,346
Total Securities	8,062	7,974	7,829
Total Deposits	12,452	13,503	13,334
Tier 1 Common Capital	1,510	1,741	1,740
Total Assets	45,360	50,901	50,674
Total Risk-weighted Assets	11,501	12,967	13,293

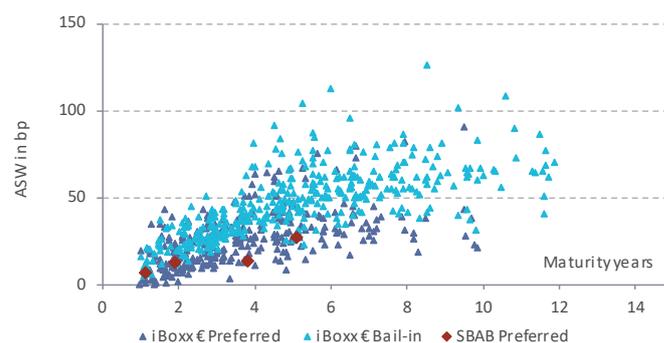
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	328	357	103
Net Fee & Commission Inc.	-1	-2	0
Net Trading Income	2	-4	-1
Operating Expense	112	120	32
Credit Commit. Impairment	2	3	-1
Pre-tax Profit	218	225	72

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.73	0.73	0.81	Liquidity Coverage Ratio	289.88	262.31	239.85
ROAE	8.99	8.03	9.29	IFRS Tier 1 Leverage Ratio	3.34	3.44	3.45
Cost-to-Income	33.71	33.88	31.00	NPL/ Loans at Amortised Cost	0.07	0.06	0.06
Core Tier 1 Ratio	13.13	13.43	13.09	Reserves/Loans at Amort. Cost	0.03	0.04	0.03

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Cost ratio

## Risks / Weaknesses

- Dependency on capital market funding
- Credit concentration risks
- High leverage

# SCBC – Mortgage

Sweden

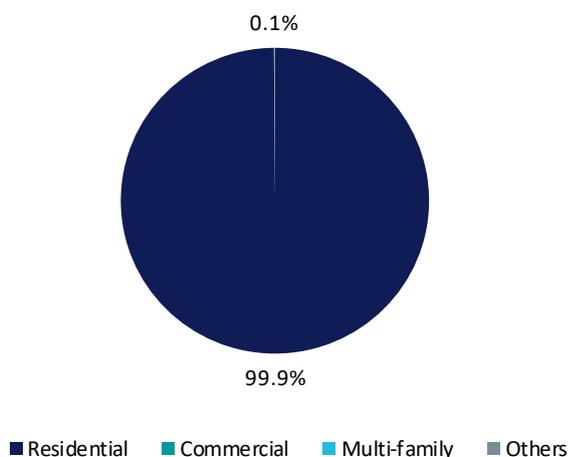
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

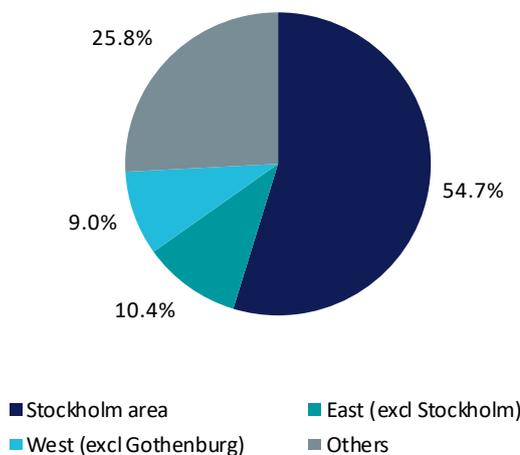
Cover pool volume (EURm)	35,516
Amount outstanding (EURm)	27,526
-thereof ≥ EUR 500m	23.9%
Current OC (nominal)	29.0%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Sweden
Main region	55% Stockholm area
Number of loans	431,238
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	20.4y
WAL (covered bonds)	4.1y
Fixed interest (cover pool)	42.0%
Fixed interest (covered bonds)	98.3%
LTV (indexed)	n/a
LTV (unindexed)	54.4%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

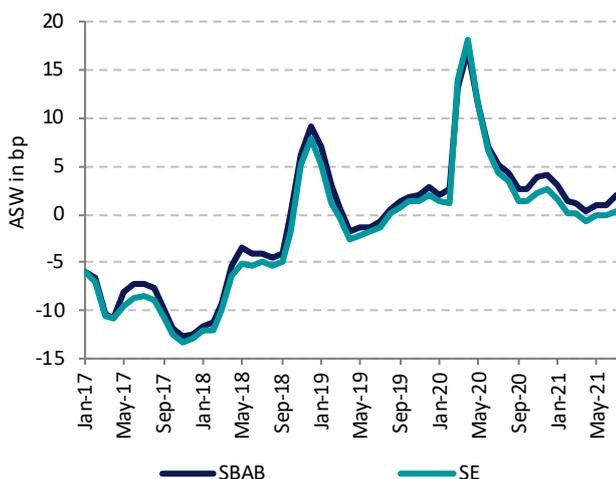
## Borrower Types



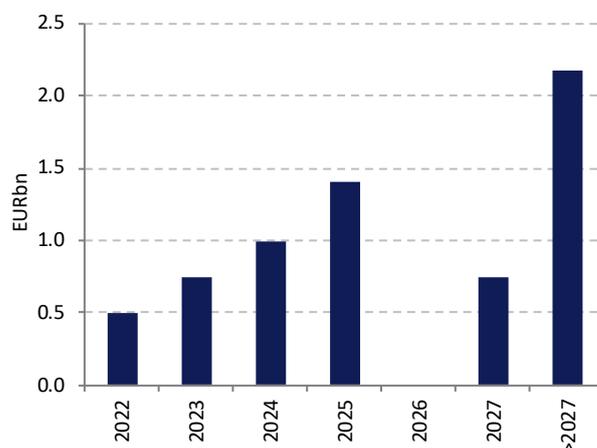
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



## SEB

Sweden 

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA-	Negative
Moody's	Aa2	Stable
S&P	A+	Stable

## Homepage

[www.sebgroup.com](http://www.sebgroup.com)

The SEB Group, of which Skandinaviska Enskilda Banken AB (SEB) is the parent company, employs around 15,500 staff to serve a total of 4 million retail banking customers, 400,000 SMEs and 3,100 enterprises and institutes. SEB shares are listed on the Stockholm stock exchange and Investor AB holds a stake of around 21%. Other major shareholders include Alecta (around 6.6%) and the Trygg Foundation (around 5.3%). The Group operates five business units across the following segments: Corporate & Private Customers (36% of operating profit in FY 2020), Large Corporates & Financial Institutions (44%), Life (6%), Investment Management & Group Functions (4%) and Baltic (10%). SEB is mainly active in corporate banking in Denmark, Finland, Norway, Germany and the UK. In Europe, pre-tax profit is mainly generated in Sweden (69%), followed by other countries in the Nordics (10%), the Baltic region (11%) and Germany and the UK (10%). The loan portfolio is also diversified across many categories, with Sweden (63%) again representing a geographical focus in this regard too. The main business focus is on corporate loans at 50%, followed by private mortgage loans at 27.5% (as at FY 2020). SEB, which is classified as a domestic systemically important bank (D-SIB), recorded a CET1 ratio of 21% and a leverage ratio of 6.2% in FY 2020. The objectives defined in the "Business Plan 2019 - 2021" include, among other aims, a CET1 ratio of 100–300 basis points above the current regulatory minimum requirements and a target ROE of 15%. A cost target of around SEK 23 billion by 2021 has been defined for expenses incurred under the "Business Plan 2019 - 2021".

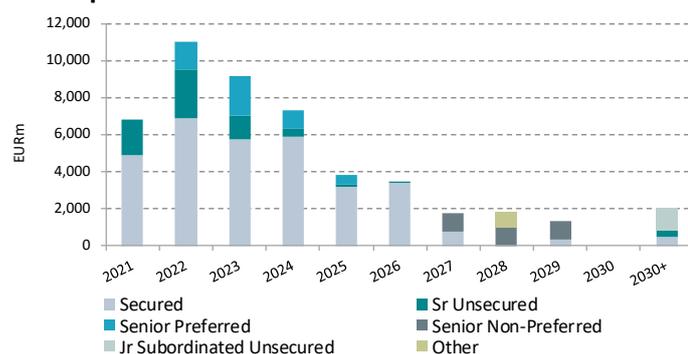
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	175,285	176,203	173,768
Total Securities	43,543	51,072	63,138
Total Deposits	110,791	136,493	155,354
Tier 1 Common Capital	12,511	15,143	15,119
Total Assets	272,489	302,647	336,292
Total Risk-weighted Assets	71,125	72,223	74,355

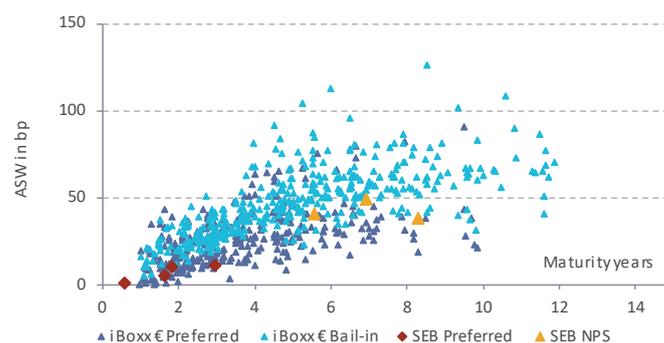
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	2,169	2,399	632
Net Fee & Commission Inc.	1,768	1,723	472
Net Trading Income	673	530	-
Operating Expense	2,163	2,150	565
Credit Commit. Impairment	217	584	15
Pre-tax Profit	2,352	1,893	739

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	0.91	0.90	0.90	Liquidity Coverage Ratio	218.26	163.12	133.10
ROAE	13.93	9.74	13.88	IFRS Tier 1 Leverage Ratio	4.81	5.30	4.68
Cost-to-Income	45.89	45.33	42.84	NPL/ Loans at Amortised Cost	0.85	0.97	-
Core Tier 1 Ratio	17.59	20.97	20.33	Reserves/Loans at Amort. Cost	0.42	0.57	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Markets Strategy &amp; Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position
- Loan quality and capitalisation
- Profitability

## Risks / Weaknesses

- Dependency on capital market funding
- Concentration risk in corporate loans
- Debt level of Swedish households

# SEB – Mortgage

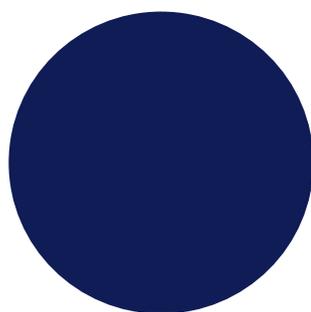
Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	65,559	Rating (Moody's)	Aaa
Amount outstanding (EURm)	33,027	Rating (S&P)	-
-thereof ≥ EUR 500m	15.1%	Rating (Fitch)	-
Current OC (nominal)	98.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Sweden	Collateral score	5.0%
Main region	41% Greater Stockholm	RRL	-
Number of loans	751,423	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	25.2y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	48.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	99.6%	CRR 129 (7)	Yes
LTV (indexed)	52.3%	LCR level (Bmk)	1
LTV (unindexed)	56.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

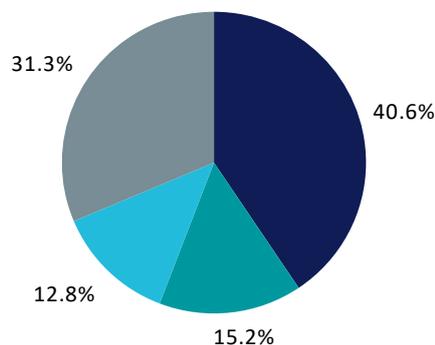
## Borrower Types



100.0%

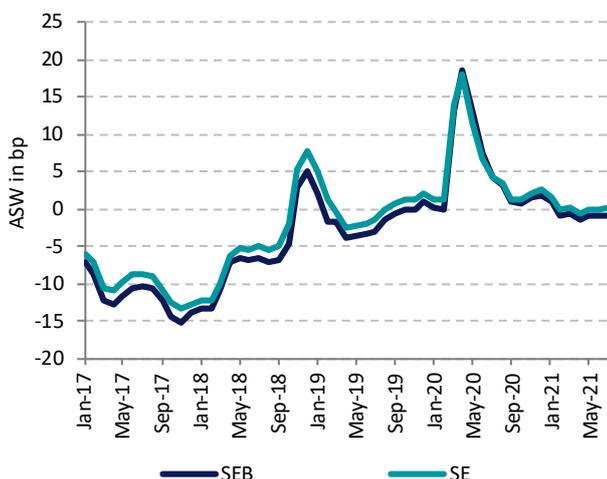
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

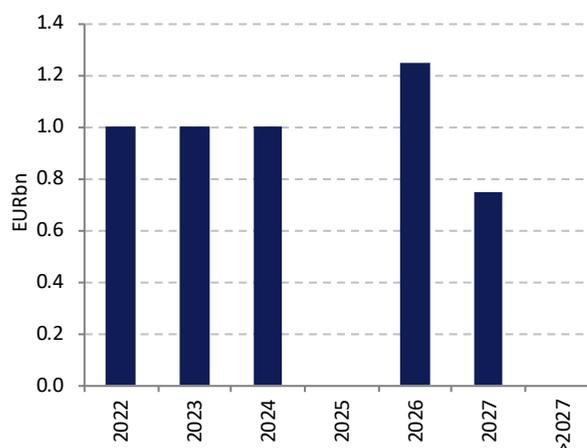


■ Greater Stockholm ■ Greater Gothenburg  
■ East Sweden ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Svenska Handelsbanken

Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	AA	Negative
Moody's	Aa2	Stable
S&P	AA-	Stable

## Homepage

[www.handelsbanken.com](http://www.handelsbanken.com)

Svenska Handelsbanken (HB) is the largest bank in Sweden as measured by assets. Its shares are listed on the Stockholm Stock Exchange. Of the 120,000 shareholders in total, the largest are Industrieriksdagen (10.9%) and Oktogonen Foundation (10.3%; employee shares). Today, HB is active in more than 20 countries and employs roughly 12,500 staff. HB defines its domestic markets as Sweden in addition to Denmark, Finland, Norway, the Netherlands and the UK. These core markets also constitute individual segments in its reporting, supplemented by the Handelsbanken Capital Markets and Other segments. The structure of HB is markedly different to its Swedish competitors. Decentralisation is at the forefront. For each of the branches, this means that they operate as if they were standalone banks. As a result, loans are granted and customers served through the respective branch. This leads to flat operational structures which provide for a high quality of service at low costs, while credit defaults are also kept low in this way. In this context, HB was not forced to call on support from either its shareholders or the Swedish central bank following the global financial crisis. HB encourages entrepreneurial thinking among its employees by way of the Oktogonen, which is a profit participation model. Portions of the Group's profit are paid into a company pension fund as soon as certain corporate goals are reached. In turn, this fund invests in HB shares. After a decision was taken to reduce the product spectrum in 2019, the equivalent of EUR 1bn was additionally invested in digitalisation processes linked to this over the course of 2020 and 2021.

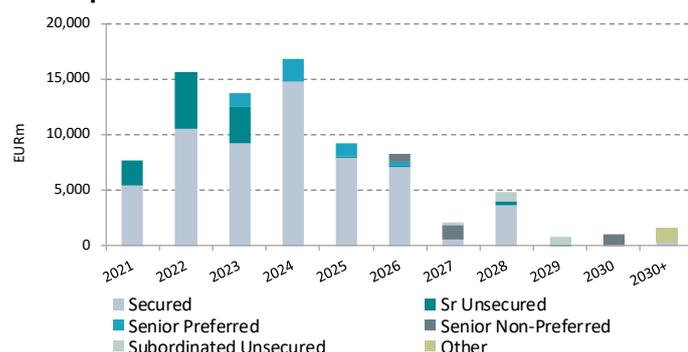
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	218,686	225,919	226,802
Total Securities	19,935	19,449	17,268
Total Deposits	106,627	122,411	144,076
Tier 1 Common Capital	12,661	14,549	14,766
Total Assets	292,809	312,089	341,090
Total Risk-weighted Assets	68,342	71,809	73,000

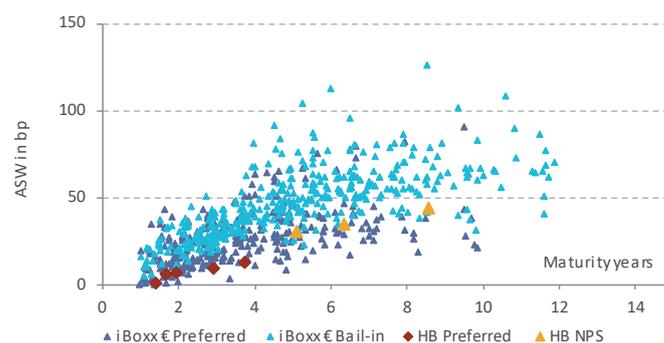
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	3,037	3,015	773
Net Fee & Commission Inc.	1,011	1,029	293
Net Trading Income	123	137	39
Operating Expense	1,960	2,078	559
Credit Commit. Impairment	99	75	-1
Pre-tax Profit	2,060	1,921	555

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.10	0.99	1.02	Liquidity Coverage Ratio	146.79	150.34	148.04
ROAE	11.39	9.48	10.12	IFRS Tier 1 Leverage Ratio	4.37	4.73	4.37
Cost-to-Income	46.58	49.22	50.13	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.53	20.26	20.23	Reserves/Loans at Amort. Cost	0.20	0.15	0.15

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market position and cost management
- Loan quality
- Capitalisation

## Risks / Weaknesses

- Dependency on capital market funding
- Concentration risks in the domestic property market
- Individual credit risks in CRE business

# Stadshypotek – Mortgage (Swedish Pool)

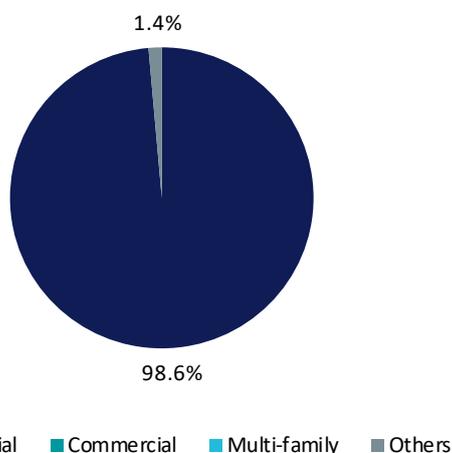
Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

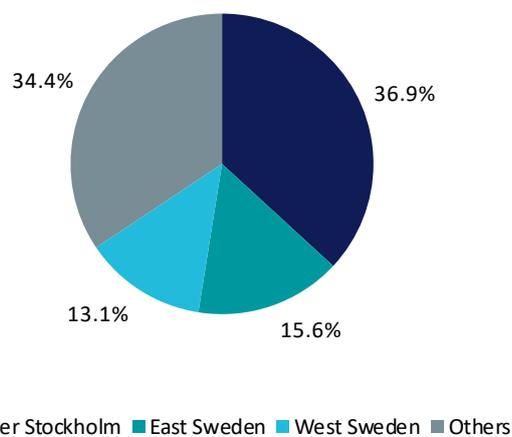
## Cover Pool Data

Cover pool volume (EURm)	57,603	Rating (Moody's)	Aaa
Amount outstanding (EURm)	52,366	Rating (S&P)	-
-thereof ≥ EUR 500m	10.0%	Rating (Fitch)	-
Current OC (nominal)	10.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	6
Main country	100% Sweden	Collateral score	5.1%
Main region	37% Greater Stockholm	RRL	-
Number of loans	870,254	JRL	-
Number of borrowers	353,974	Unused notches	-
Avg. exposure to borrowers (EUR)	162,732	AAA credit risk (%)	-
WAL (cover pool)	28.9y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	62.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	93.5%	CRR 129 (7)	Yes
LTV (indexed)	52.4%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

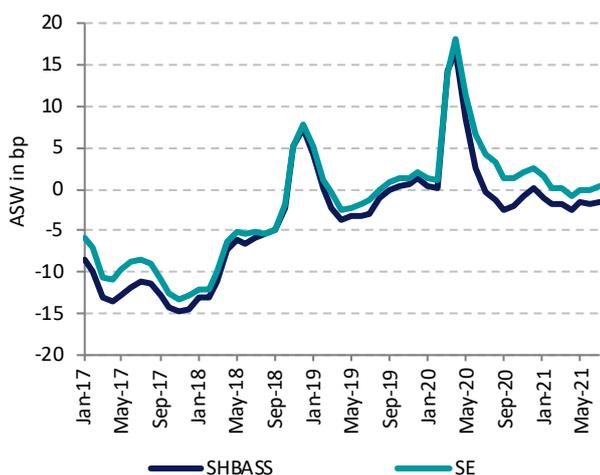
## Borrower Types



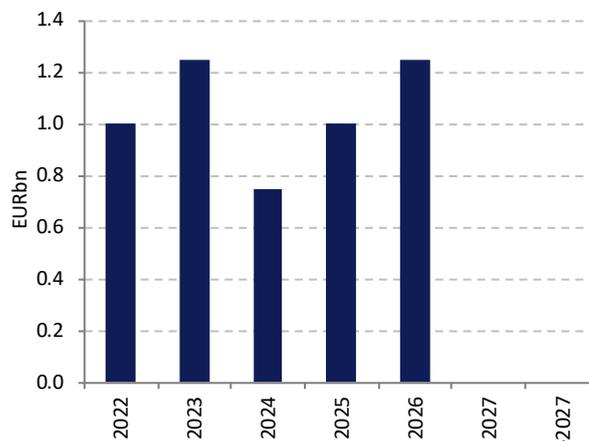
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Stadshypotek – Mortgage (Finnish Pool)

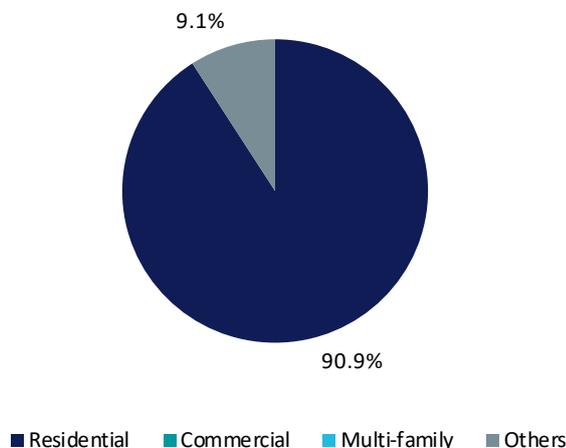
Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

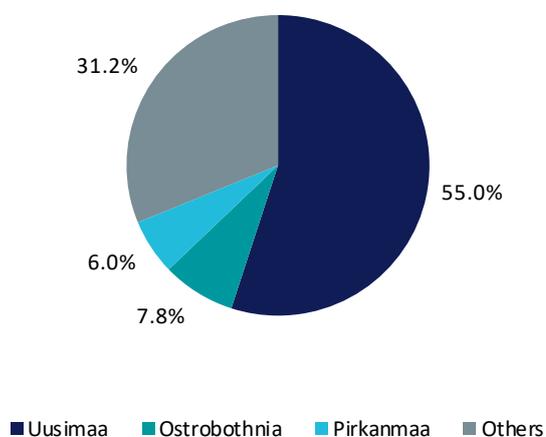
## Cover Pool Data

Cover pool volume (EURm)	1,760	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,600	Rating (S&P)	-
-thereof ≥ EUR 500m	93.8%	Rating (Fitch)	-
Current OC (nominal)	10.0%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	6
Main country	100% Finland	Collateral score	5.6%
Main region	55% Uusimaa	RRL	-
Number of loans	15,457	JRL	-
Number of borrowers	11,952	Unused notches	-
Avg. exposure to borrowers (EUR)	147,256	AAA credit risk (%)	-
WAL (cover pool)	15.7y	PCU	-
WAL (covered bonds)	5.7y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	49.7%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

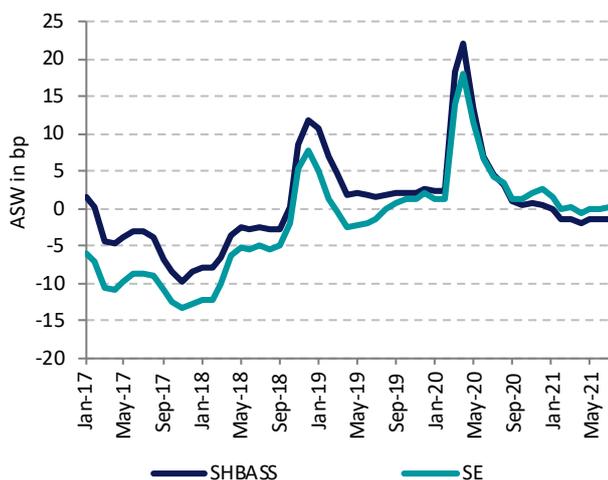
## Borrower Types



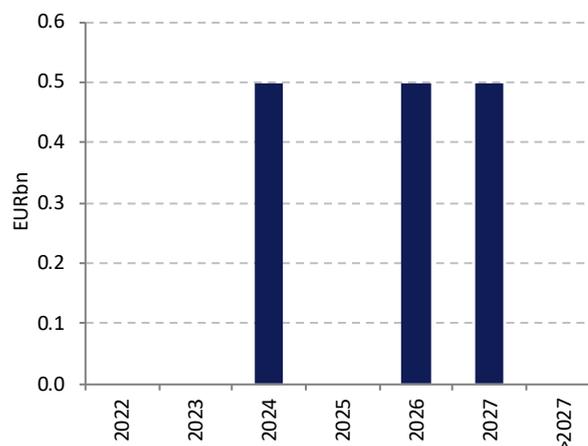
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Stadshypotek– Mortgage (Norwegian Pool)

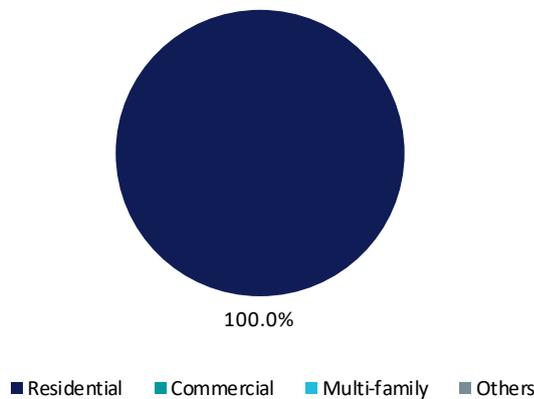
Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

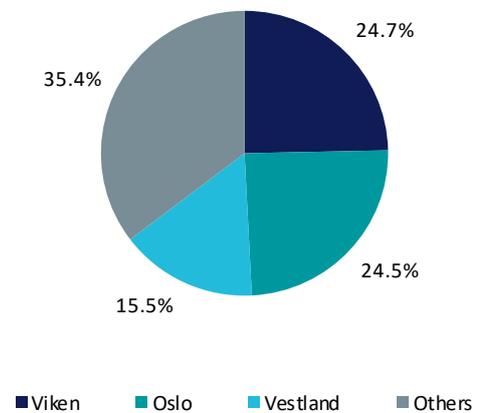
## Cover Pool Data

Cover pool volume (EURm)	4,300	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,834	Rating (S&P)	-
-thereof ≥ EUR 500m	26.1%	Rating (Fitch)	-
Current OC (nominal)	12.1%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	6
Main country	100% Norway	Collateral score	5.0%
Main region	25% Viken	RRL	-
Number of loans	10,271	JRL	-
Number of borrowers	9,967	Unused notches	-
Avg. exposure to borrowers (EUR)	431,432	AAA credit risk (%)	-
WAL (cover pool)	25.1y	PCU	-
WAL (covered bonds)	4.4y	Recovery uplift	-
Fixed interest (cover pool)	2.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	25.6%	CRR 129 (7)	Yes
LTV (indexed)	52.4%	LCR level (Bmk)	1
LTV (unindexed)	n/a	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



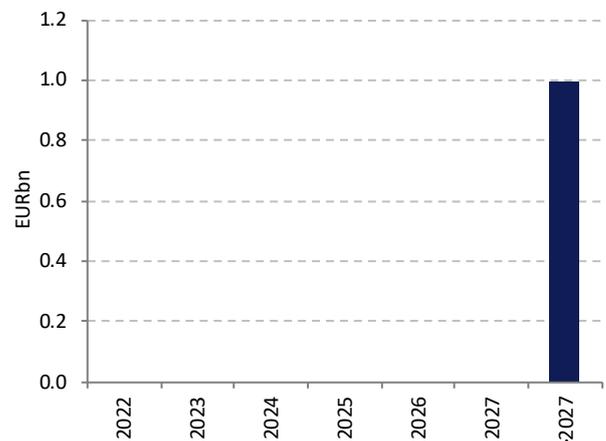
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Swedbank

# Sweden

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	Aa3	Stable
S&P	A+	Stable

## Homepage

[www.swedbank.com](http://www.swedbank.com)

Swedbank AB is Sweden's third-largest bank as measured by assets. Its shares are listed on the Stockholm Stock Exchange. The largest shareholder is the Sparbanksgruppen, which holds a stake of 11.2%, followed by Folksam (7.1%). Around 16,200 staff serve more than 7 million retail customers and 550,000 corporate clients. Swedbank divides its business into three core segments: Swedish Banking (57% of operating income; FY20), Baltic Banking (20%) and Large Corporates & Institutions (18%) in addition to a support unit. The bank defines Sweden, Lithuania, Latvia and Estonia as its domestic markets and holds market leading positions for loans, deposits, payment transactions and funds in each of these countries. Contributing a share of 76% of operating net income, Sweden assumes the most important role in this context. Swedbank is also active across the rest of Scandinavia as well as in the US, China, Luxembourg and South Africa, primarily by way of the Large Corporations & Institutions segment. The bank has a distinct focus on digitalisation and cost efficiency processes. For example, in FY20 around 70% of sales in Sweden were generated via digital channels, with the equivalent value for the Baltic region standing at 78%. The NPL ratio came to 0.1% in FY20, while the bank posted a CET1 ratio (fully loaded) of 17.5% for FY20. As a strategic financial target, the bank is striving to record ROE of at least 15% – this metric totalled 8.9% in FY20. Despite the high deposit basis, Swedbank is also reliant on funding via the capital market (especially via Covered bonds). In 2020, Swedbank cooperated extensively with the authorities after investigations were first launched in 2019 by the FSA on suspicion that money laundering regulations had been violated.

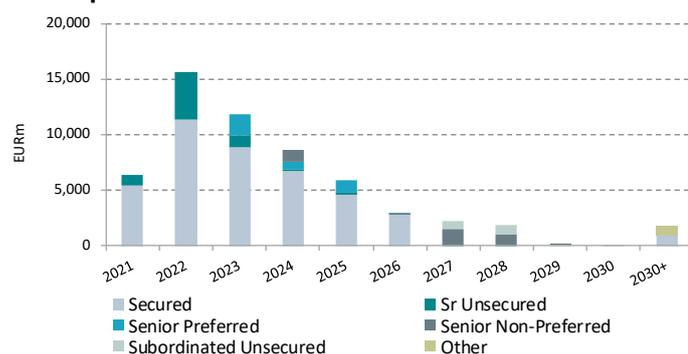
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	157,609	167,327	162,853
Total Securities	23,439	26,710	26,406
Total Deposits	91,001	114,297	121,002
Tier 1 Common Capital	10,500	11,994	12,184
Total Assets	229,715	258,273	276,415
Total Risk-weighted Assets	61,929	68,643	67,856

## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	2,456	2,562	647
Net Fee & Commission Inc.	1,227	1,231	332
Net Trading Income	329	249	52
Operating Expense	1,888	1,962	492
Credit Commit. Impairment	139	413	24
Pre-tax Profit	2,308	1,601	611

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.19	1.13	1.10	Liquidity Coverage Ratio	181.52	174.11	154.41
ROAE	14.93	8.86	12.88	IFRS Tier 1 Leverage Ratio	4.69	4.78	4.49
Cost-to-Income	43.54	44.89	43.62	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	16.95	17.47	17.96	Reserves/Loans at Amort. Cost	0.41	0.49	0.37

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Profitability and cost efficiency
- Market position in Sweden and the Baltic
- Loan quality

## Risks / Weaknesses

- Dependency on capital market funding
- Credit concentration risks
- Money laundering scandal, legal risks/fines

# Swedbank – Mortgage

Sweden

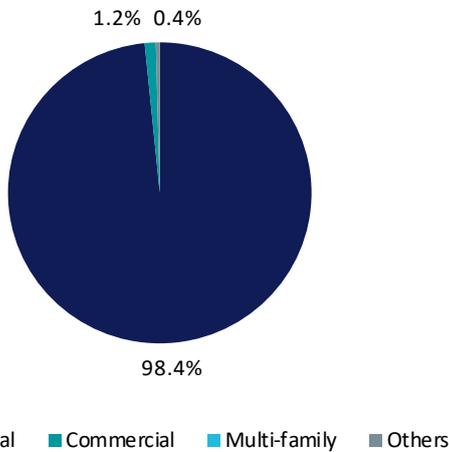
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

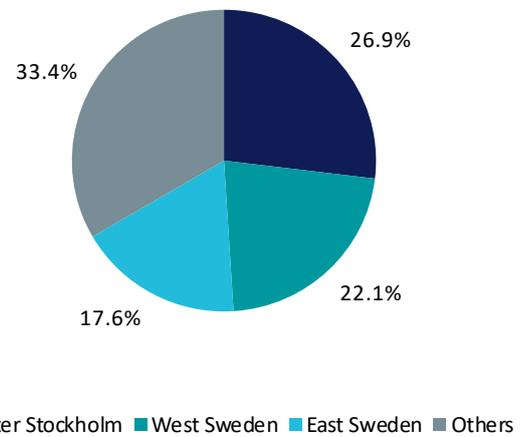
Cover pool volume (EURm)	101,139
Amount outstanding (EURm)	49,639
-thereof ≥ EUR 500m	12.6%
Current OC (nominal)	103.8%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Sweden
Main region	27% Greater Stockholm
Number of loans	1,610,745
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	26.0y
WAL (covered bonds)	2.7y
Fixed interest (cover pool)	38.2%
Fixed interest (covered bonds)	87.9%
LTV (indexed)	49.4%
LTV (unindexed)	54.5%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.1%
RRL	aa
JRL	aaa
Unused notches	3
AAA credit risk (%)	3.05
PCU	-
Recovery uplift	-
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

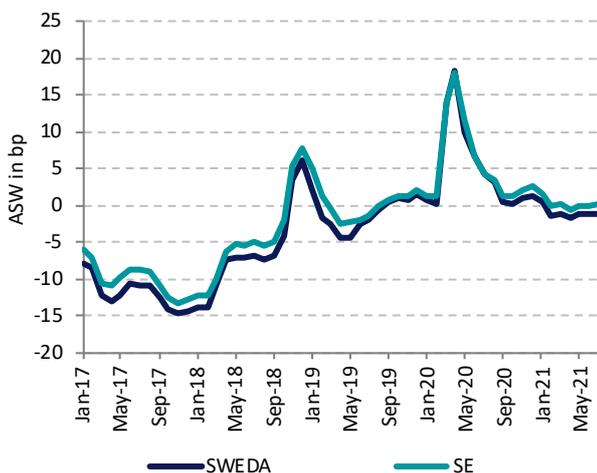
## Borrower Types



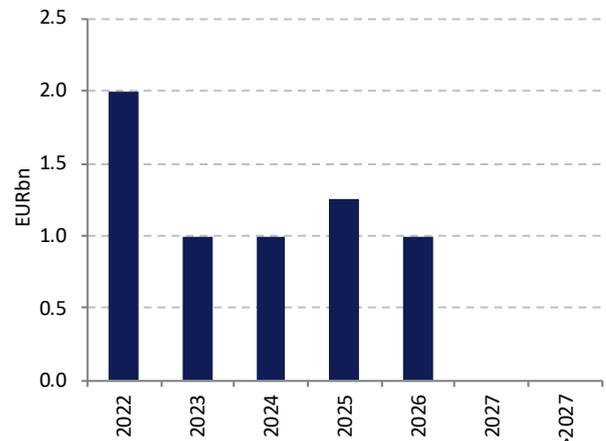
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



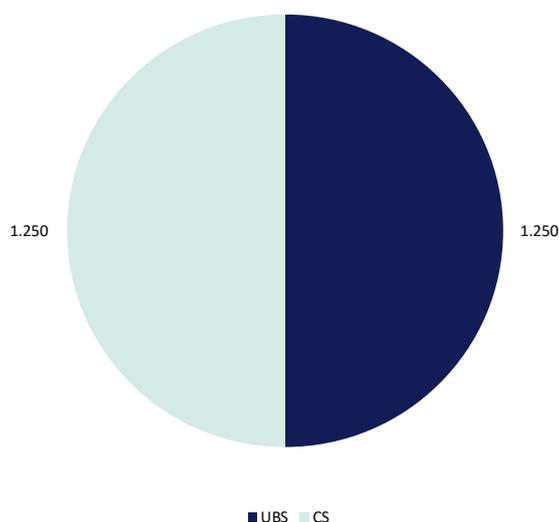
# Market Overview Covered Bonds

## Switzerland

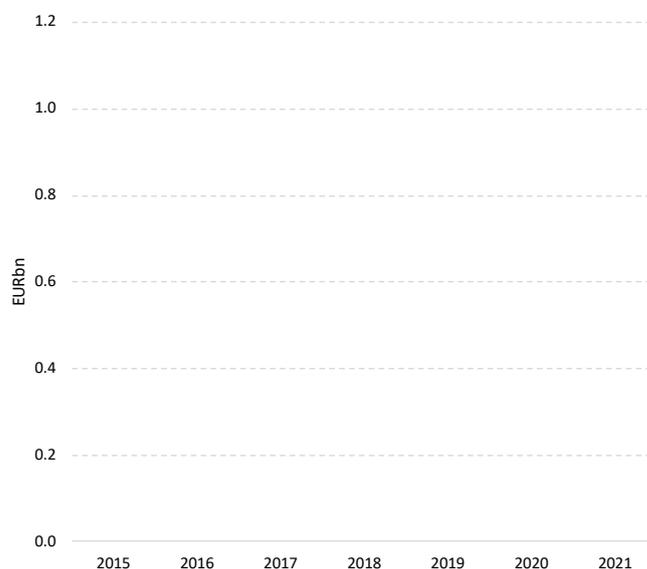
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

Cover Pool Volume	EUR 5.89bn	Outstanding volume (Bmk)	EUR 2.50bn
Amount outstanding	EUR 3.75bn	Number of benchmarks	2
Number of issuer	2	Outstanding ESG volume (Bmk)	-
No of cover pools	2	Number of ESG benchmarks	-
there of M / PS / others	2 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Not eligible	Maturity types	SB

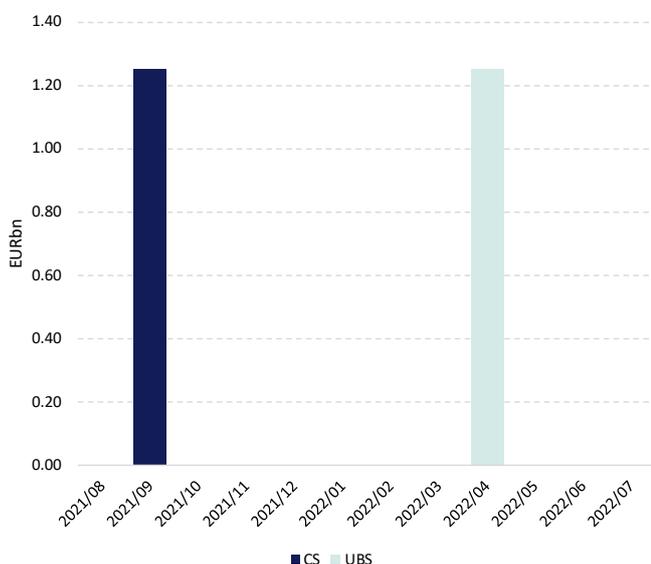
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



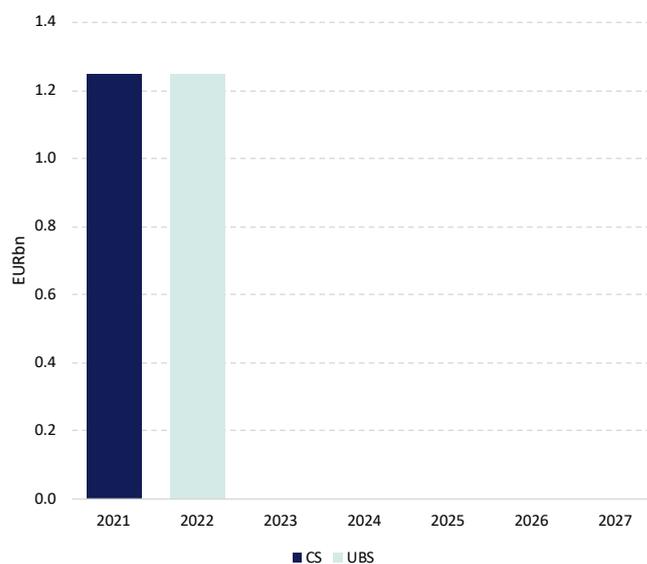
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Credit Suisse Group

# Switzerland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Negative
Moody's	Baa1	Stable
S&P	BBB+	Negative

## Homepage

[www.credit-suisse.com](http://www.credit-suisse.com)

The Credit Suisse Group AG (CSG) is a global bank and financial services organisation. It functions as the holding company for the Swiss bank Credit Suisse AG. The financial group employs around 48,770 staff (FY 2020) across approximately 50 countries and is headquartered in Zurich. As at the end of December 2020, assets under management amounted to a record level of CHF 1,511.9bn, making CSG one of the largest asset managers worldwide. As a global systemically important bank (G-SIB; additional capital buffer of +1.0%), it is subject to particular requirements. The bank primarily conducts its business through the segments Swiss Universal Bank (SUB), International Wealth Management (IWM), Asia Pacific (AP), Investment Banking (IB) and the support segment Corporate Center. The former segments Global Markets and Investment Banking and Capital Markets were amalgamated in 2020 under IB in order to achieve size effects and leverage synergies. SUB serves retail customers in addition to corporate and institutional clients in Switzerland, while IWM handles private banking and asset management in Europe, the Middle East, Africa and Latin America. The segment AP covers asset management and is above all focused on ultra-high-net-worth individuals (UHNWI), entrepreneurs and corporate clients. The remaining positions were transferred to the Corporate Center. The long-running restructuring programme (focusing on, among other aspects, the expansion of asset management activities, strengthening the Group's capital base and resilience) has been completed. As at FY 2020, the Basel III CET1 ratio stood at 12.9% and the Tier 1 leverage ratio at 6.4%.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	254,345	271,873	268,003
Total Securities	263,071	281,320	269,598
Total Deposits	323,034	353,116	361,207
Tier 1 Common Capital	31,799	33,835	32,673
Total Assets	682,519	724,384	744,571
Total Risk-weighted Assets	252,606	267,253	254,175

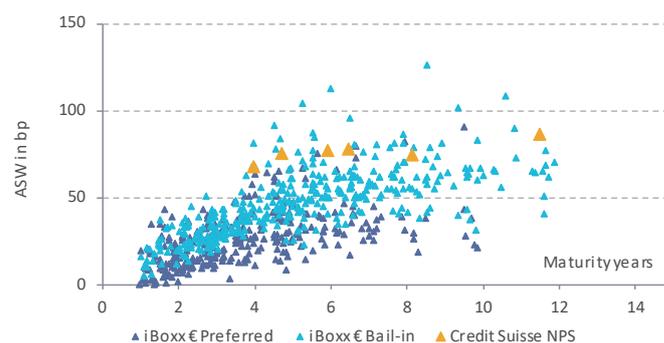
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	6,070	6,309	5,557
Net Fee & Commission Inc.	9,207	8,885	9,901
Net Trading Income	540	1,563	3,079
Operating Expense	13,301	14,525	15,324
Credit Commit. Impairment	212	281	1,002
Pre-tax Profit	2,920	4,244	3,239

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.01	1.00	0.82	Liquidity Coverage Ratio	183.61	197.59	189.55
ROAE	4.67	7.74	5.77	IFRS Tier 1 Leverage Ratio	4.78	4.78	4.51
Cost-to-Income	77.83	79.27	78.62	NPL/ Loans at Amortised Cost	0.44	0.44	0.60
Core Tier 1 Ratio	12.59	12.66	12.85	Reserves/Loans at Amort. Cost	0.33	0.33	0.55

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Global market positioning and franchise
- Income sources and capital ratio
- Capitalisation

## Risks / Weaknesses

- Activities in volatile capital market business
- Risk management
- Legal risks

# Credit Suisse – Mortgage (Intl. Programme)

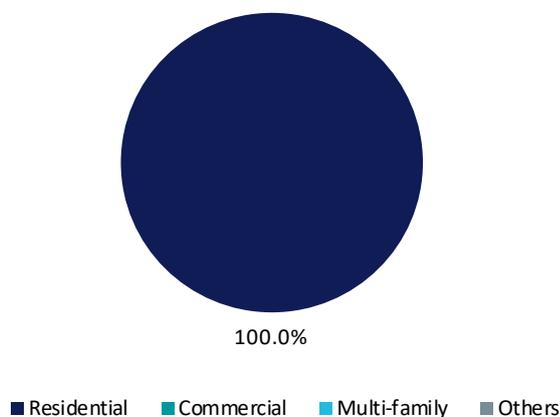
Switzerland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

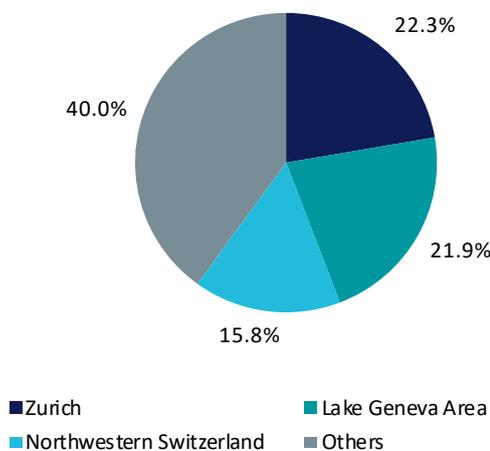
## Cover Pool Data

Cover pool volume (EURm)	2,539	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,037	Rating (S&P)	-
-thereof ≥ EUR 500m	32.4%	Rating (Fitch)	AAA
Current OC (nominal)	24.6%	Rating (DBRS)	-
Committed OC	17.7%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Switzerland	Collateral score	5.0%
Main region	22% Zurich	RRL	-
Number of loans	8,485	JRL	-
Number of borrowers	8,325	Unused notches	-
Avg. exposure to borrowers (EUR)	304,955	AAA credit risk (%)	-
WAL (cover pool)	4.0y	PCU	4
WAL (covered bonds)	3.9y	Recovery uplift	2
Fixed interest (cover pool)	91.2%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	Not eligible
LTV (unindexed)	66.2%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



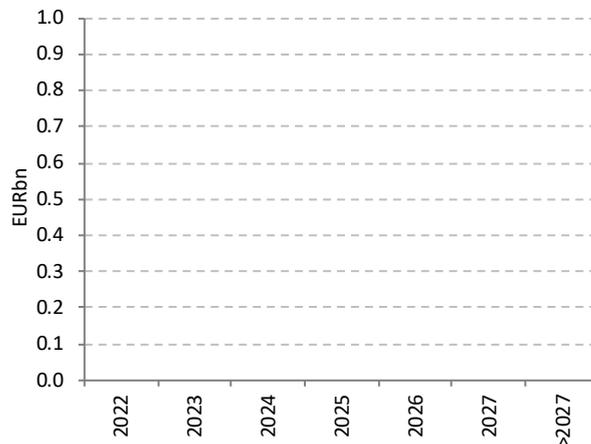
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# UBS Group

# Switzerland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's	A3	Stable
S&P	A-	Stable

## Homepage

[www.ubs.com](http://www.ubs.com)

UBS Group AG (UBS) is a universal bank headquartered in Zurich and is a global systemically important bank (G-SIB; additional capital buffer: +1%). It is the largest financial institution in Switzerland. The Group employs nearly 71,500 staff (FY 2020), who serve retail, corporate and institutional customers in more than 30 countries. As at FY 2020, the Group generated approximately 21% of its operating income in the domestic market of Switzerland, 20% in the region comprising Europe, Middle East and Africa (EMEA – excl. Switzerland), 18% in Asia-Pacific (AP) and 40% in the Americas (36% of which is attributable to the USA). The subsidiaries UBS AG, UBS Switzerland AG, Americas Holding LLC and UBS Europe SE, among others, are all included in the Group structure. In March 2019, as an emergency measure in response to the potential outcomes in relation to Brexit, the UK-based subsidiary UBS Ltd. was merged with UBS Europe SE (Germany). UBS divides its business activities across five core areas: Global Wealth Management (GWM; 53% of pre-tax profit in FY 2020), Investment Bank (IB; 28%), Personal & Corporate Banking (PCB; 11%), Asset Management (AM; 8%) and the support segment Group Functions. GWM was established in 2018 by merging Wealth Management and Wealth Management Americas, and focuses on individual financial solutions for retail customers and family offices. In FY 2020, UBS recorded RoCET1 of 17.4%; the target value for the period 2020-2022 is 12%-15%. With a CET1 ratio of 13.8%, UBS has achieved its capital target of around 13% as well as the Swiss capital requirements that came into effect in January 2020. The CET1 leverage ratio stands at 3.85% (FY 2020).

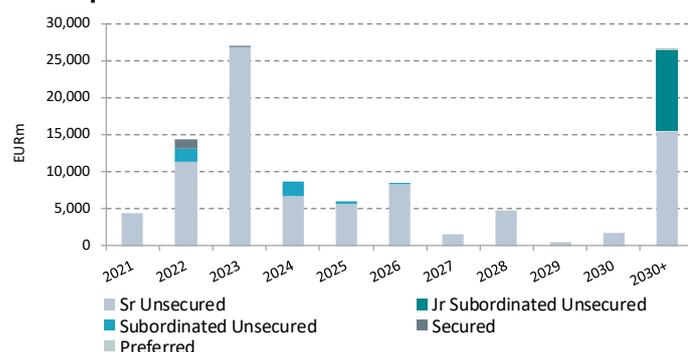
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	293,840	306,998	322,994
Total Securities	403,695	419,205	422,536
Total Deposits	366,687	399,466	428,865
Tier 1 Common Capital	29,759	31,665	32,610
Total Assets	837,154	866,322	920,313
Total Risk-weighted Assets	230,357	230,980	236,340

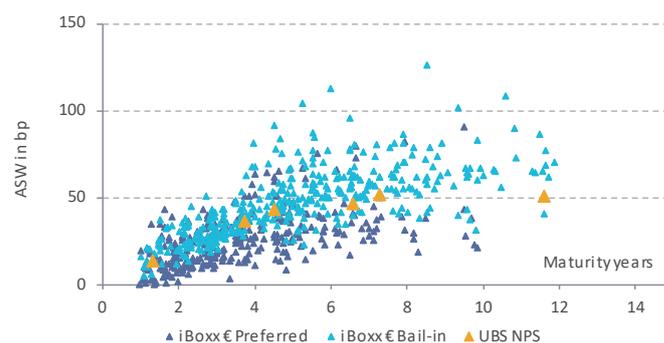
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	4,279	4,021	5,142
Net Fee & Commission Inc.	15,167	15,556	16,829
Net Trading Income	5,899	6,140	6,140
Operating Expense	20,192	20,440	20,725
Credit Commit. Impairment	100	70	609
Pre-tax Profit	5,078	4,982	7,153

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	0.55	0.48	0.57	Liquidity Coverage Ratio	136.15	133.92	152.09
ROAE	8.62	7.93	11.32	IFRS Tier 1 Leverage Ratio	4.12	4.21	4.16
Cost-to-Income	79.31	79.07	73.81	NPL/ Loans at Amortised Cost	0.74	0.74	0.83
Core Tier 1 Ratio	12.92	13.71	13.80	Reserves/Loans at Amort. Cost	0.27	0.26	0.30

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 13.07.2021

## Strengths / Opportunities

- Capitalisation
- Franchise (wealth management, retail, commercial)
- Risk management

## Risks / Weaknesses

- Legal risks
- Volatility on financial markets
- Economic environment

# UBS – Mortgage

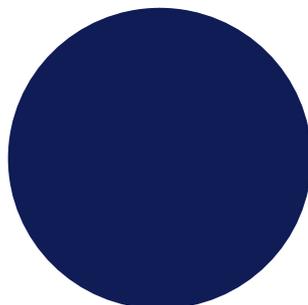
Switzerland

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	3,348	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,713	Rating (S&P)	-
-thereof ≥ EUR 500m	73.0%	Rating (Fitch)	AAA
Current OC (nominal)	95.5%	Rating (DBRS)	-
Committed OC	16.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Switzerland	Collateral score	5.0%
Main region	34% Lake Geneva Area	RRL	-
Number of loans	13,534	JRL	-
Number of borrowers	9,931	Unused notches	-
Avg. exposure to borrowers (EUR)	337,149	AAA credit risk (%)	-
WAL (cover pool)	3.8y	PCU	6
WAL (covered bonds)	0.7y	Recovery uplift	1
Fixed interest (cover pool)	100.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	100.0%	CRR 129 (7)	Yes
LTV (indexed)	n/a	LCR level (Bmk)	Not eligible
LTV (unindexed)	45.2%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

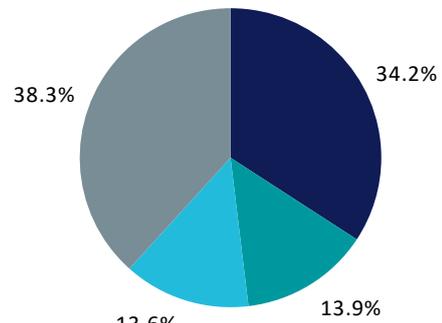
## Borrower Types



100.0%

■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

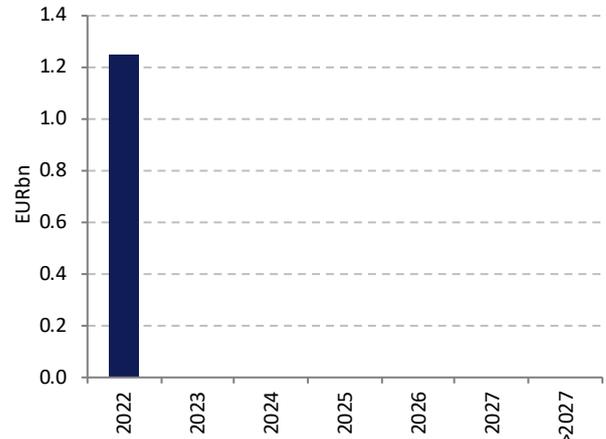


■ Lake Geneva Area ■ Zurich  
■ Northwestern Switzerland ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



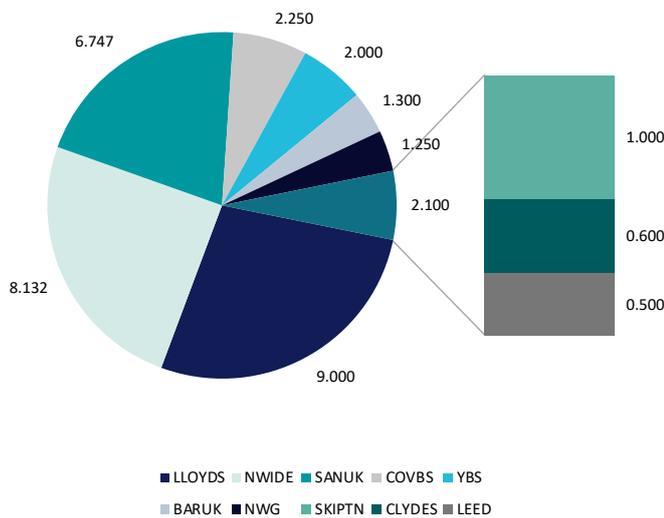
# Market Overview Covered Bonds

## United Kingdom

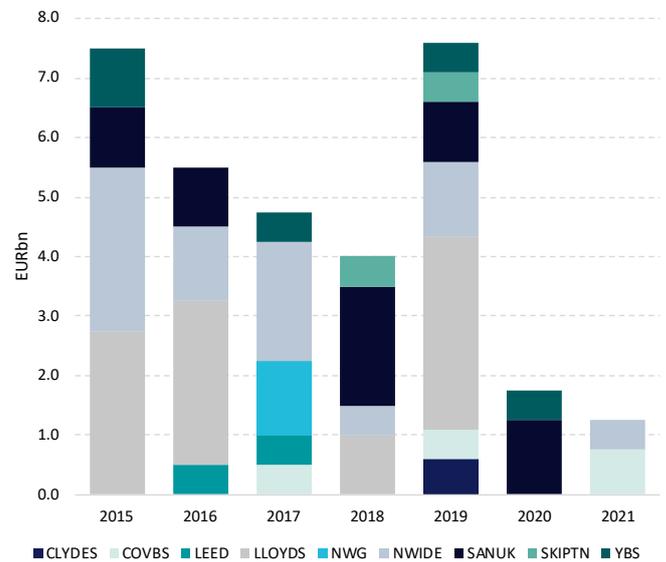
Authors: Dr. Frederik Kunze // Henning Walten, CIAA

Cover Pool Volume	EUR 140.25bn	Outstanding volume (Bmk)	EUR 32.78bn
Amount outstanding	EUR 83.71bn	Number of benchmarks	39
Number of issuer	11	Outstanding ESG volume (Bmk)	-
No of cover pools	11	Number of ESG benchmarks	-
there of M / PS / others	11 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	SB

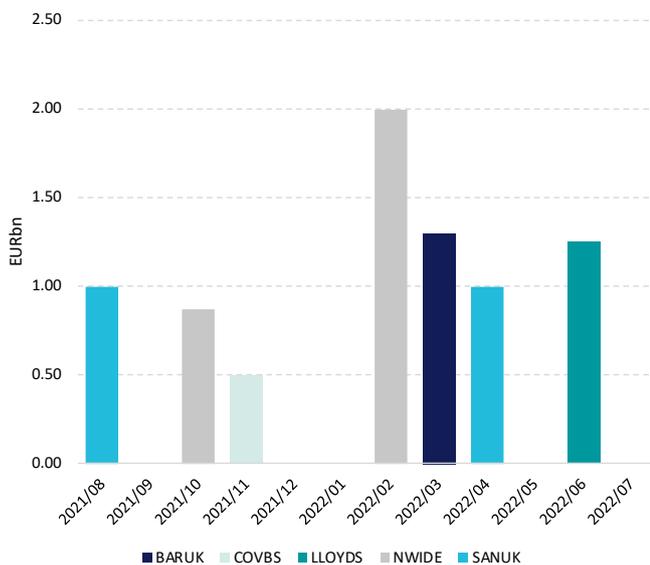
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



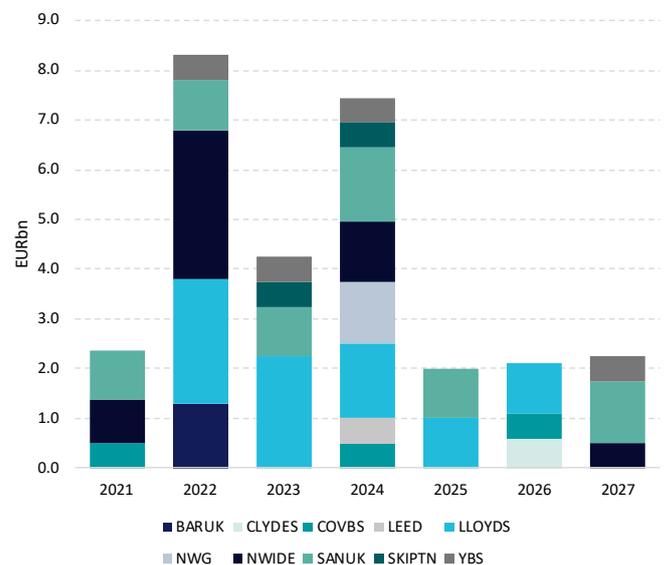
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 08/2021 – 07/2022**



**Benchmark redemption profile<sup>1 2</sup>**



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Markets Strategy & Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2021: 08/21 – 12/21

# Bank of Scotland

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Stable
Moody's*	A1	Stable
S&P	A+	Stable

## Homepage

[www.bankofscotland.co.uk](http://www.bankofscotland.co.uk)

\* LT Deposits

Bank of Scotland (BoS; founded in 1695) is a universal bank headquartered in Edinburgh, the capital city of Scotland. Through its subsidiaries, the Group operates not only in the UK but also on a worldwide basis. Since its merger with Halifax plc (2001), BoS has been a wholly owned subsidiary of the resultant holding company HBOS plc, which in turn has been part of the Lloyds Banking Group (LBG) since 2009. BoS has been one of the major operating units within the overall Group structure since then. BoS acts as brand name and provides access to the (primarily Scottish) retail and corporate banking client market within the Group's corporate structure. These customers are offered a broad spectrum of financial services (loans, insurance, investment products and trading operations). LBG is also one of the UK's leading suppliers of current accounts and savings accounts, consumer and mortgage loans in addition to credit cards. In accordance with UK ring-fencing legislation, the low-risk client segments (e.g. personal banking services) must be separated from the high-risk segments (e.g. investment banking). In light of this, BoS has transferred parts of its commercial banking and foreign business to Lloyds Bank Corporate Markets plc (LBCM). In so doing, BoS forms part of the ring-fenced section of LBG. The Group's wholesale business and trading operations are both housed in the newly founded LBCM unit. Owing to a geographical focus on the UK, 2020 was shaped by the issue of Brexit for BoS. In this context, a range of preventative measures were adopted, such as the establishment of business units located within the EU. The CET1 ratio at BoS stood at 14.2% as at year-end 2020.

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	292,576	305,406	294,930
Total Securities	11,498	14,860	10,958
Total Deposits	180,490	179,205	181,931
Tier 1 Common Capital	8,865	9,804	10,614
Total Assets	377,082	443,483	346,367
Total Risk-weighted Assets	68,678	72,384	68,423

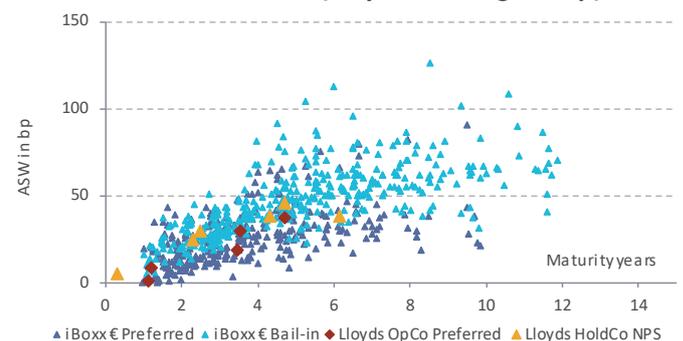
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	6,424	6,189	5,860
Net Fee & Commission Inc.	232	365	224
Net Trading Income	37	288	-381
Operating Expense	4,001	4,909	2,973
Credit Commit. Impairment	219	513	1,825
Pre-tax Profit	2,522	1,457	994

## Redemption Profile (Lloyds Banking Group)



## Senior Unsecured Bonds (Lloyds Banking Group)



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.62	1.54	1.54	Liquidity Coverage Ratio	-	-	-
ROAE	12.47	5.46	6.90	IFRS Tier 1 Leverage Ratio	2.43	2.28	3.16
Cost-to-Income	58.31	71.36	51.33	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12.91	13.54	15.51	Reserves/Loans at Amort. Cost	0.80	0.80	1.20

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- UK franchise (particularly retail)
- Capitalisation
- Integration in Group structure

## Risks / Weaknesses

- Brexit
- Restructuring
- Low interest rate environment

# Bank of Scotland – Mortgage

# United Kingdom

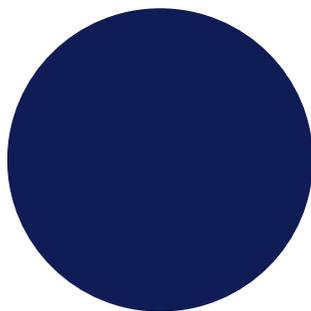
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Cover Pool Data

Cover pool volume (EURm)	3,336
Amount outstanding (EURm)	2,568
-thereof ≥ EUR 500m	48.7%
Current OC (nominal)	29.9%
Committed OC	12.4%
Cover type	Mortgage
Main country	100% United Kingdom
Main region	18% London
Number of loans	38,207
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	11.3y
WAL (covered bonds)	0.9y
Fixed interest (cover pool)	45.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	40.1%
LTV (unindexed)	57.9%
Loans in arrears	0.5%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	5.2%
RRL	aa-
JRL	aa
Unused notches	2
AAA credit risk (%)	6.44
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

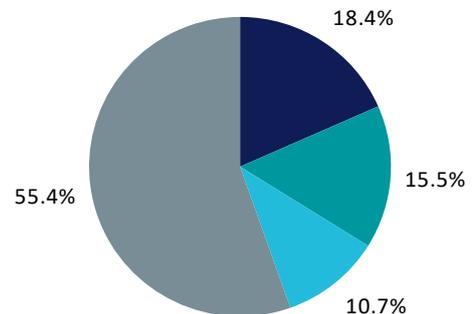
### Borrower Types



100.0%

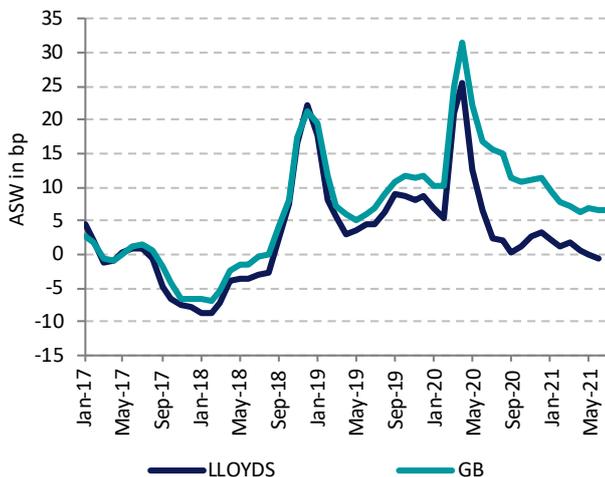
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution

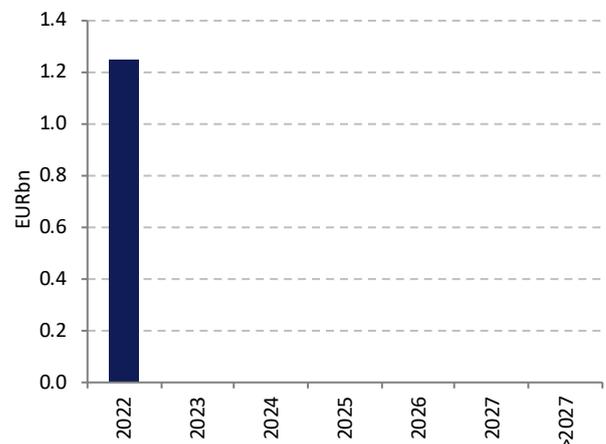


■ London ■ South East ■ Scotland ■ Others

### Spread Development (>1y)



### Redemption Profile (Bmk)



# Barclays

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Stable-
Moody's	Baa2	Stable
S&P	BBB	Positive

## Homepage

[www.barclays.co.uk](http://www.barclays.co.uk)

Barclays PLC is the holding company of the globally operating, transatlantic universal bank Barclays, which is classified by the Financial Stability Board as a global systemically important bank (G-SIB; additional capital buffer: 1.5%). The two largest shareholders are BlackRock Inc. (5.78%) and Qatar Investment Holding LLC (5.86%). The bank has a strong presence in its two defined domestic markets – the UK and the USA – via the units Barclays UK and Barclays International. Both of these business units have been subject to the UK ring-fencing regulatory requirement, which has been in force since January 2019. This requirement stipulates that the lower-risk retail business must be separated from the higher-risk capital market and wholesale business. Barclays UK, the ring-fenced bank, covers personal banking, the UK credit card business and UK business banking, while Barclays International covers the capital market and wholesale business. The European and US credit card business, international asset management and the service unit (head office), Barclays Execution Services, account for additional segments. Barclays offers its customers the full range of retail, corporate and investment banking products and services as well as those in the credit card and asset management segments. In February 2020, Barclays defined a strategic corporate target of a Return on Tangible Equity of >10% for the Group. In 2020, this figure stood at 3.4%. Regarding capitalisation, the Group is targeting a CET1 ratio of around 13.5% (FY 2020: 15.1%). In terms of costs, the CIR is supposed to come in below 60% (FY 2020: 63%).

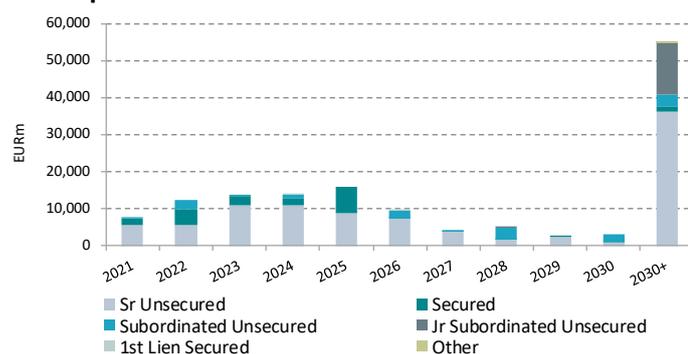
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	422,725	416,485	-
Total Securities	610,100	729,781	808,136
Total Deposits	502,655	541,770	-
Tier 1 Common Capital	48,167	51,672	53,880
Total Assets	1,345,683	1,506,236	1,619,368
Total Risk-weighted Assets	348,310	341,763	367,801

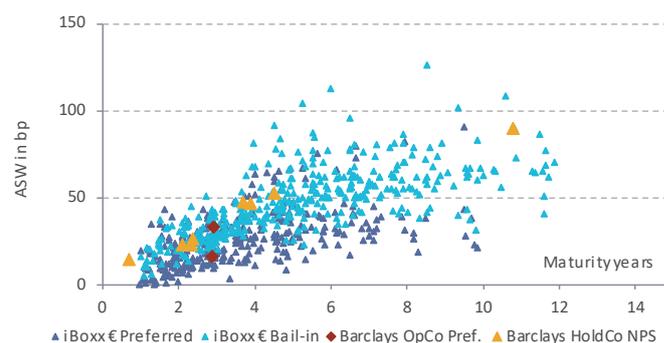
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	10,727	9,139	2,119
Net Fee & Commission Inc.	7,708	7,394	-
Net Trading Income	6,032	7,882	-
Operating Expense	17,561	14,885	4,095
Credit Commit. Impairment	2,000	5,440	69
Pre-tax Profit	4,968	3,449	2,746

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.68	1.38	-	Liquidity Coverage Ratio	160.16	162.06	161.49
ROAE	5.03	3.59	11.44	IFRS Tier 1 Leverage Ratio	4.52	4.45	4.13
Cost-to-Income	71.56	60.28	60.52	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.83	15.12	14.65	Reserves/Loans at Amort. Cost	1.88	2.44	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation and liquidity
- Market position in the UK
- Diversification of business units, loan quality

## Risks / Weaknesses

- Economic environment (Brexit)
- Volatility from investment banking and capital markets
- Dependency on wholesale funding

# Barclays Bank – Mortgage

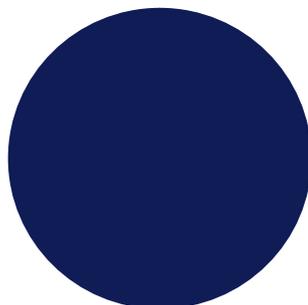
# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	11,637	Rating (Moody's)	Aaa
Amount outstanding (EURm)	7,106	Rating (S&P)	AAA
-thereof ≥ EUR 500m	18.3%	Rating (Fitch)	AAA
Current OC (nominal)	63.8%	Rating (DBRS)	-
Committed OC	13.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	5.0%
Main region	26% South East	RRL	a+
Number of loans	90,529	JRL	aa-
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.77
WAL (cover pool)	13.0y	PCU	6
WAL (covered bonds)	2.8y	Recovery uplift	1
Fixed interest (cover pool)	28.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	56.8%	CRR 129 (7)	Yes
LTV (indexed)	38.8%	LCR level (Bmk)	2A
LTV (unindexed)	50.7%	Risk weight	20%
Loans in arrears	0.4%	Maturity structure (Bmk)	SB

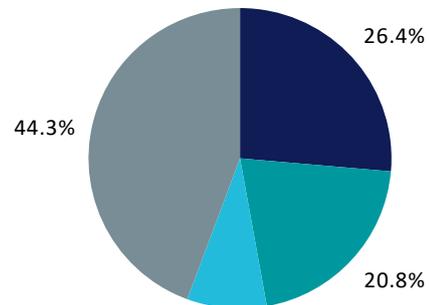
## Borrower Types



100.0%

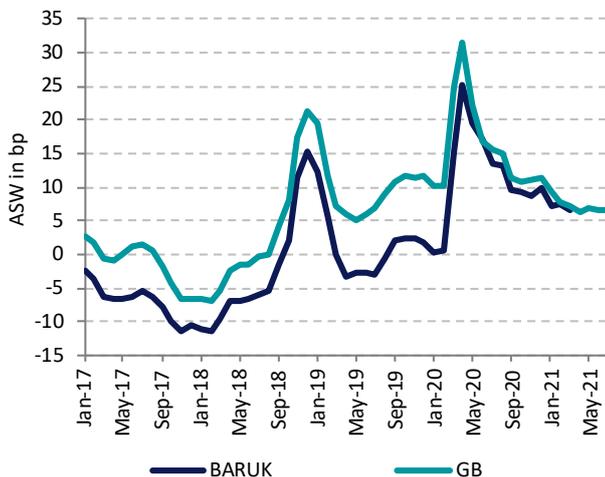
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

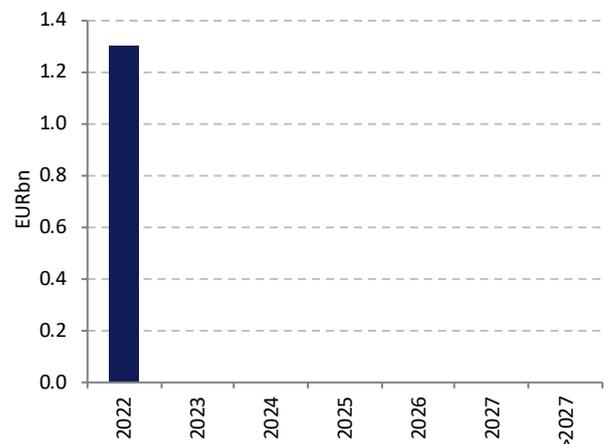


■ South East ■ Greater London ■ South West ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Clydesdale Bank

United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Stable
Moody's*	Baa1	Stable
S&P	A-	Stable

## Homepage

[www.cbonline.co.uk](http://www.cbonline.co.uk)

\*LT Bank Deposits

Clydesdale Bank plc. (CDB) was established in 1838 and is a wholly owned subsidiary of Virgin Money UK plc (HoldCo). It forms the operating unit within the Group structure. Until October 2019, the banking group operated under the name CYBG, which Virgin Money took over in 2018. In addition to CDB, the brands Yorkshire Bank, B and Virgin Money also form part of the Group. With just under 60 branches in the retail and corporate client business, CDB maintains a geographical focus on Scotland, north-east and north-west England as well as Yorkshire and Humberside. More-over, it is one of the largest banks in Scotland. As a result, its banking products are not just provided through its subsidiaries, but also through its Business Banking Centre as well as via brokers and online banking. Customers are offered a classic range of banking services, from residential mortgages and current accounts to payment services. Following the acquisition of Virgin Money UK plc by the former CYBG (today Virgin Money) in 2018, the process of integrating the business activities of CDB in the Virgin Money brand lasted until 2021, as had been planned. Since August 2019, an increased number of complaints regarding PPI (Payment Protection Insurance) have been received. However, the Group's solid capitalisation has been able to absorb additional costs incurred, as a result of this development in 2020. The NPL ratio is very low, at just 1.19%. The LCR (140%) and NSFR (131%) comply with the regulatory requirements (as at 09/20). The regulatory capital requirement of 11% in respect of the CET1 ratio is also fulfilled (14.4% as at 09/20), while the leverage ratio (4.8%) likewise exceeds the regulatory requirement. The end of the financial year is 30 September.

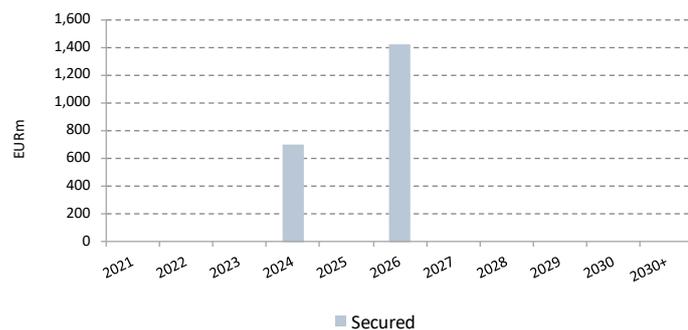
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	37,177	82,733	79,971
Total Securities	2,048	5,304	5,946
Total Deposits	32,476	72,196	74,566
Tier 1 Common Capital	2,412	3,905	3,863
Total Assets	48,937	102,761	99,451
Total Risk-weighted Assets	22,588	27,124	26,853

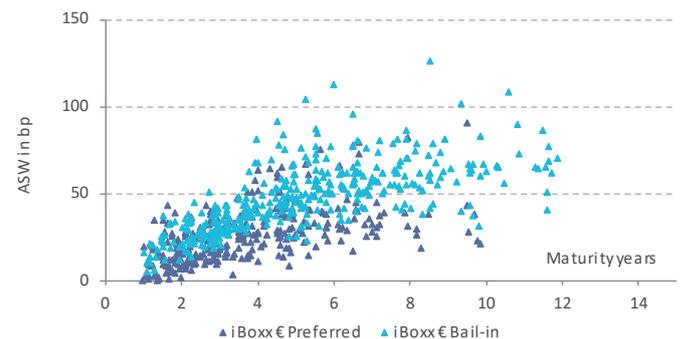
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	966	1,715	1,462
Net Fee & Commission Inc.	159	221	162
Net Trading Income	17	2	15
Operating Expense	715	971	916
Credit Commit. Impairment	46	285	577
Pre-tax Profit	-312	-206	-197

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	2.02	2.30	1.45	Liquidity Coverage Ratio	137.00	152.00	140.29
ROAE	-7.08	-2.94	-3.77	IFRS Tier 1 Leverage Ratio	5.02	3.83	3.92
Cost-to-Income	62.61	52.57	56.03	NPL/ Loans at Amortised Cost	0.38	0.95	1.07
Core Tier 1 Ratio	10.68	14.40	14.39	Reserves/Loans at Amort. Cost	0.59	0.49	1.00

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Regional market presence

## Risks / Weaknesses

- Virgin Money integration process
- Geographical concentration risks
- Diversification

# Clydesdale Bank – Mortgage (VM)

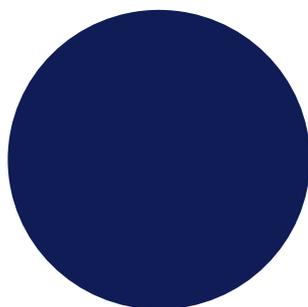
United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	5,390	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,320	Rating (S&P)	-
-thereof ≥ EUR 500m	45.4%	Rating (Fitch)	AAA
Current OC (nominal)	308.3%	Rating (DBRS)	-
Committed OC	11.7%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% United Kingdom	Collateral score	5.0%
Main region	26% South East	RRL	-
Number of loans	28,735	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	19.9y	PCU	6
WAL (covered bonds)	4.1y	Recovery uplift	1
Fixed interest (cover pool)	96.6%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	46.0%	CRR 129 (7)	Yes
LTV (indexed)	50.5%	LCR level (Bmk)	2A
LTV (unindexed)	57.5%	Risk weight	20%
Loans in arrears	0.3%	Maturity structure (Bmk)	SB

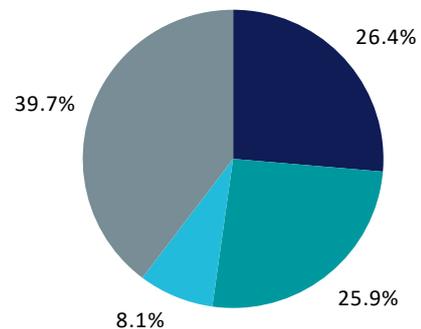
## Borrower Types



100.0%

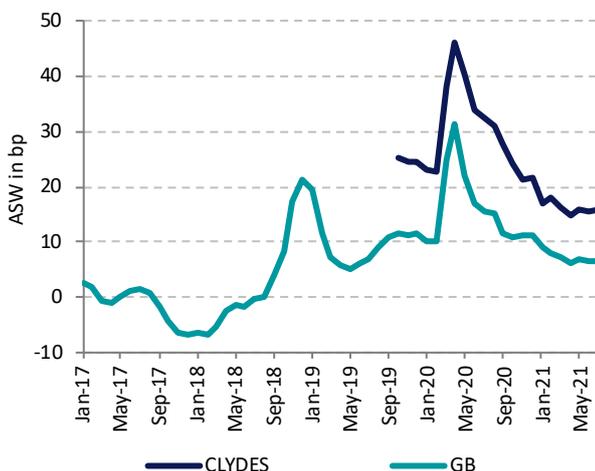
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

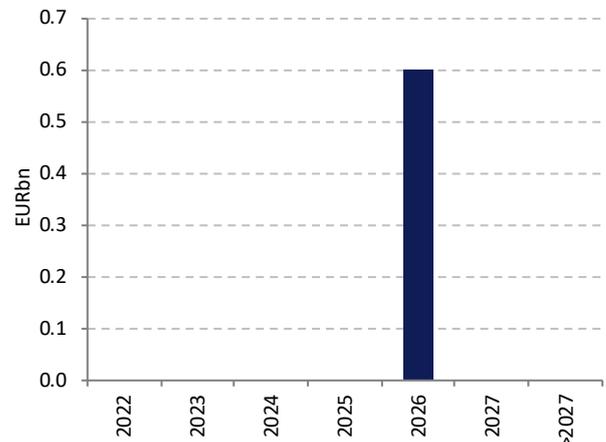


■ South East ■ London ■ South West ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Coventry Building Society

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Negative
Moody's	A2	Stable
S&P	-	-

## Homepage

[www.coventrybuildingsociety.co.uk](http://www.coventrybuildingsociety.co.uk)

The headquarters of Coventry Building Society (CBS), the UK's second-largest cooperative building society (FY 2020 balance sheet total of approximately GBP 51.5bn), are located in the city of Coventry itself. CBS focuses exclusively on the UK market. The present-day structure of CBS, with more than 1.9 million members and approximately 2,730 employees, was achieved by means of various mergers. The institute offers its members a wide range of retail banking products through nearly 70 branches and agencies as well as via alternative distribution channels. Customer deposits constitute the lion's share of the funding mix (approximately 77% in FY 2020), followed by wholesale funding (roughly 21%). CBS's traditionally conservative credit risk management results in minimal impairment adjustments and low NPL ratios (FY 2020: 0.48%). As at year-end 2020, capitalisation significantly exceeded the regulatory minimum requirements, with a CET1 ratio of 33%. The liquidity coverage ratio also far exceeds the regulatory minimum, with a value of 179% posted for this metric. Lending is focused above all on residential mortgages. In this way, just under 60% of customer loans are mortgages for owner-occupied properties, with buy-to-let mortgages accounting for around 41% of the loan portfolio. As the buy-to-let sector is exposed to a greater degree of procyclicality in comparison with traditional home financing, the portfolio's stable development is testament to the exacting standards of the Group's lending policy. The mortgage loan portfolio is spread across the whole of the UK, although London does account for by far the greatest share (approximately 28%), followed by south-east England (almost 19%).

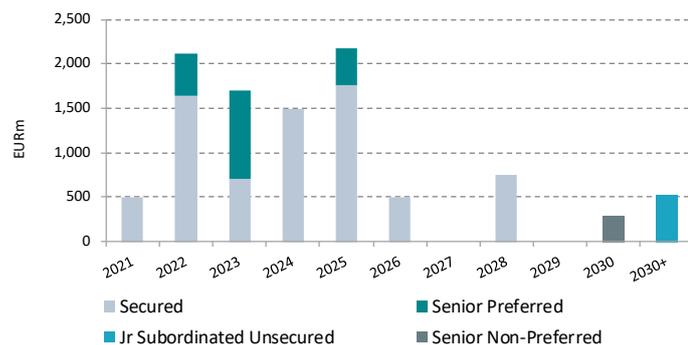
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	43,708	49,845	48,533
Total Securities	1,369	1,870	1,719
Total Deposits	37,611	43,324	43,263
Tier 1 Common Capital	1,798	1,996	1,991
Total Assets	51,284	58,456	57,479
Total Risk-weighted Assets	5,299	6,236	6,039

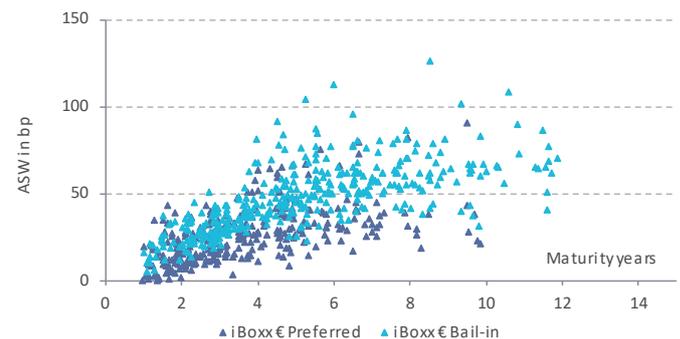
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	481	452	460
Net Fee & Commission Inc.	-3	-3	-3
Net Trading Income	-0	-20	-1
Operating Expense	252	263	278
Credit Commit. Impairment	-0	2	41
Pre-tax Profit	228	168	140

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	0.96	0.83	0.81	Liquidity Coverage Ratio	199.21	210.63	204.40
ROAE	7.96	5.63	4.60	IFRS Tier 1 Leverage Ratio	3.52	3.44	3.51
Cost-to-Income	52.58	60.67	60.56	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	33.92	32.00	32.97	Reserves/Loans at Amort. Cost	0.03	0.03	0.11

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Buy-to-let exposure
- Diversification
- Operational environment

# Coventry Building Society – Mortgage

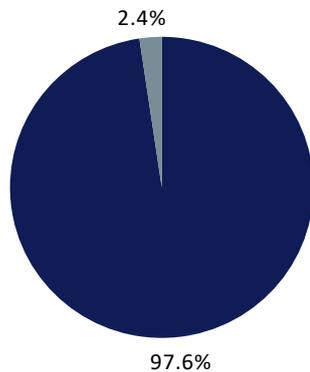
United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

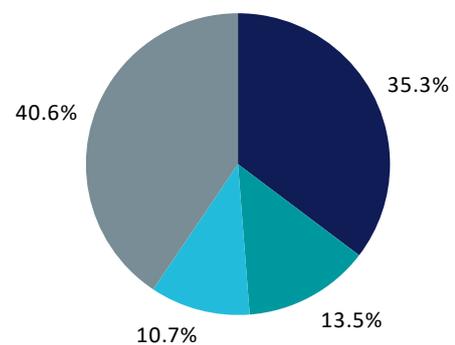
Cover pool volume (EURm)	7,834	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,381	Rating (S&P)	-
-thereof ≥ EUR 500m	32.5%	Rating (Fitch)	AAA
Current OC (nominal)	45.6%	Rating (DBRS)	-
Committed OC	14.9%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	5.0%
Main region	35% London	RRL	-
Number of loans	51,376	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	17.4y	PCU	6
WAL (covered bonds)	2.4y	Recovery uplift	1
Fixed interest (cover pool)	76.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	27.4%	CRR 129 (7)	Yes
LTV (indexed)	41.5%	LCR level (Bmk)	2A
LTV (unindexed)	46.5%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



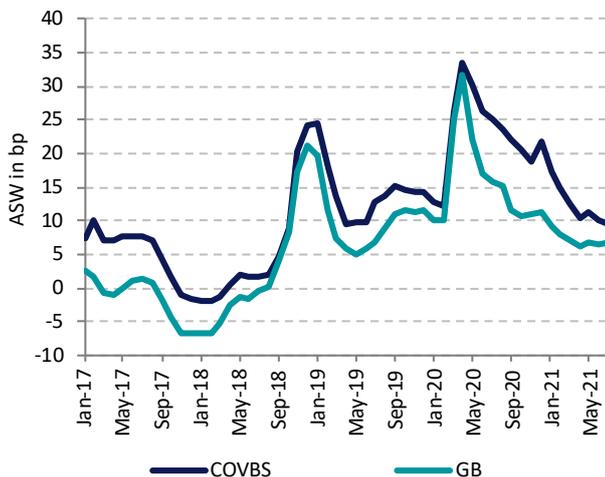
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

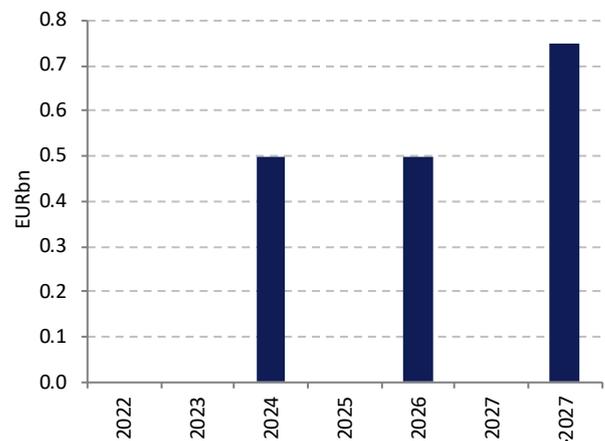


■ London ■ South East ■ South West ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Leeds Building Society

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Negative
Moody's	A3	Stable
S&P	-	-

## Homepage

[www.leedsbuilding.co.uk](http://www.leedsbuilding.co.uk)

Leeds Building Society (Leeds) has roots dating back to 1845. It is the UK's fifth-largest building society with total assets amounting to GBP 20.6bn as at year-end 2020. In recent years, it has achieved continued balance sheet growth. Leeds Building Society operates 50 branches and is owned by its 769,000 members. The building society focuses on private mortgage lending and deposits in the UK. Commercial lending was discontinued and legacy stocks were wound down. As at year-end 2020, just 1% of the loan portfolio was attributable to commercial loans. The majority of the loan portfolio (99%) is made up of residential mortgage loans, of which 0.1% were found to be in arrears in 2020. Mortgage loans are distributed across the UK, with a geographical focus on south-east England (19% of the total portfolio; FY 2020), Greater London (16%) and the Midlands (15%). In the case of south-east England and Greater London, this is due to the higher property prices in these regions. Retail funding accounts for just under 70% of the funding mix. Wholesale funding should constitute approximately 25% of overall funding and this aspect will come into greater focus from 2020 onwards. As at year-end 2020, the CET1 ratio was reported at 36.3% (FY 2017: 14.5%). Since 2018, the bank has been applying the IRB approach, meaning that the ratio is likely to fall again over the coming years in view of the implementation of the Basel III finalisation. The leverage ratio (5.8%), LCR (195%) and NSFR (141%) all comfortably comply with the regulatory requirements.

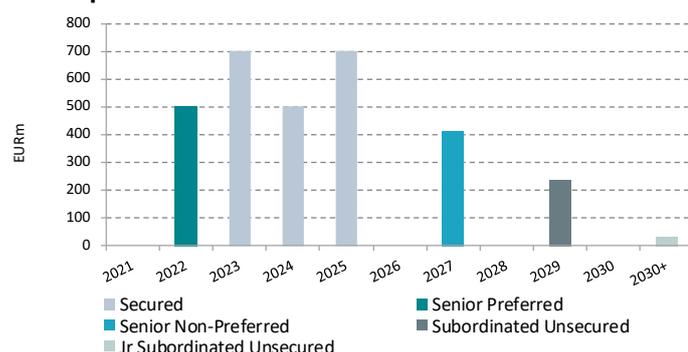
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	17,848	20,033	18,962
Total Securities	1,693	2,260	1,382
Total Deposits	15,718	17,410	16,094
Tier 1 Common Capital	1,110	1,232	1,245
Total Assets	21,584	24,557	23,037
Total Risk-weighted Assets	3,544	3,663	3,427

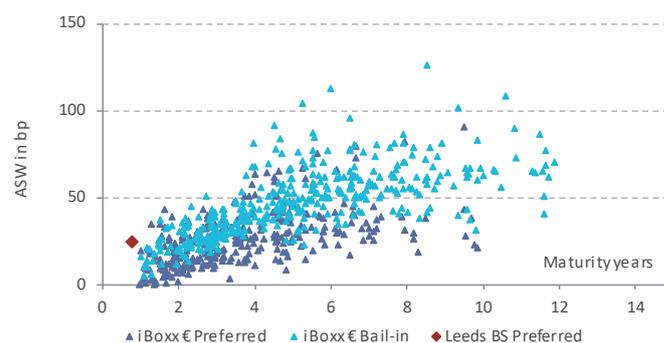
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	247	229	231
Net Fee & Commission Inc.	9	7	6
Net Trading Income	-6	-22	-19
Operating Expense	112	112	114
Credit Commit. Impairment	-1	3	16
Pre-tax Profit	132	100	91

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.17	1.01	1.01	Liquidity Coverage Ratio	229.40	222.52	220.39
ROAE	8.99	6.27	5.53	IFRS Tier 1 Leverage Ratio	5.19	5.06	5.47
Cost-to-Income	44.68	52.09	51.58	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	31.33	33.64	36.34	Reserves/Loans at Amort. Cost	0.22	0.20	0.28

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalisation and liquidity profile
- Funding profile
- Cost efficiency

## Risks / Weaknesses

- Buy-to-let exposure
- Credit growth
- Economic environment, low interest rate environment

# Leeds Building Society – Mortgage

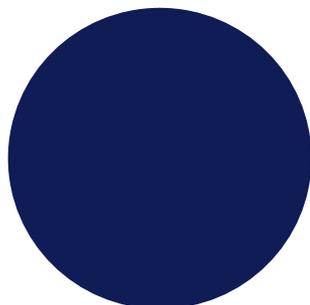
United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	2,673	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,912	Rating (S&P)	-
-thereof ≥ EUR 500m	26.2%	Rating (Fitch)	AAA
Current OC (nominal)	39.8%	Rating (DBRS)	-
Committed OC	20.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% United Kingdom	Collateral score	5.0%
Main region	15% South East	RRL	-
Number of loans	22,405	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	18.1y	PCU	6
WAL (covered bonds)	3.0y	Recovery uplift	1
Fixed interest (cover pool)	80.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	26.2%	CRR 129 (7)	Yes
LTV (indexed)	47.0%	LCR level (Bmk)	2A
LTV (unindexed)	55.0%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

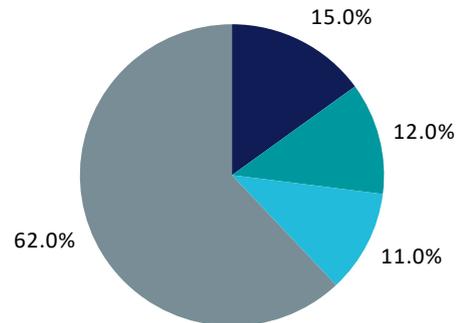
## Borrower Types



100.0%

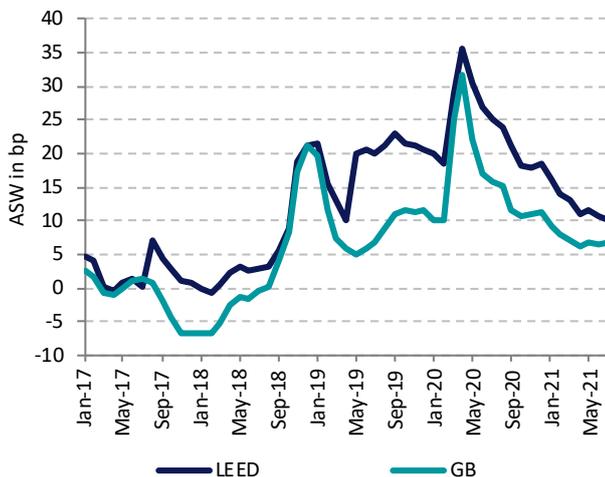
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

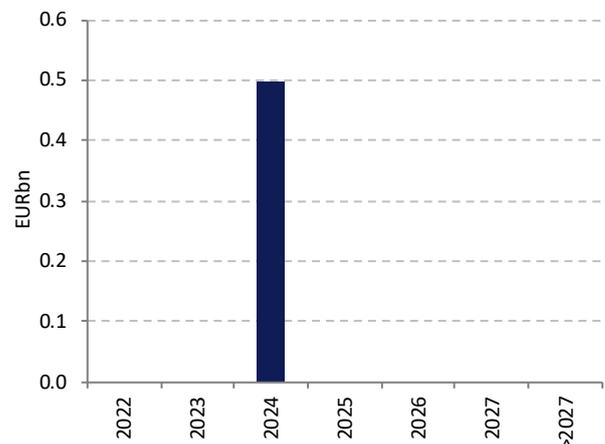


■ South East ■ London ■ Yorkshire ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Lloyds Banking Group

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Stable
Moody's	A3	Stable
S&P	BBB+	Stable

## Homepage

[www.lloydsbankinggroup.com](http://www.lloydsbankinggroup.com)

Lloyds Banking Group (LBG) operates as the holding company for its wholly owned subsidiary, Lloyds Bank, which acts as the key operating unit. As the leading retail bank in the UK, LBG focuses on retail and corporate banking, investments, insurance products and pensions. The largest shareholders of LBG, which is listed on the London and New York stock exchanges, are BlackRock Inc. (5.14%, as at 31 Dec. 2020) and Harris Associates L.P. (5%). LBG reports across the segments Retail, Commercial Banking, Insurance & Wealth and Other. With Lloyds Bank (UK banking), Scottish Widows (insurance business), Bank of Scotland (Scotland banking) and Halifax (mortgage financing), the Group comprises several strong UK brands. Having outsourced the majority of the banking business to Lloyds Bank (ring-fenced bank), with the higher-risk corporate and capital market segments contained within Lloyds Bank Corporate Markets, the Group structure complies with the ring-fencing requirements stipulating that Personal Banking services must be separated from higher-risk business units, which entered into force in 2019. In 2019, LBG invested in various new growth markets. For example, it concluded the acquisition of Schroders Personal Wealth and of Tesco Bank's UK residential mortgage loan portfolio worth GBP 3.5bn. The investments made in digital sales channels resulted in LBG assuming a leading national market position in this segment in 2020. The CET1 ratio for FY 2020 stands at 16.2% (internal target: 13.5%). As at year-end 2020, the provisional MREL ratio amounted to 36.4% and therefore complies with the regulations.

## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	609,052	583,572	-
Total Securities	228,625	229,668	-
Total Deposits	497,236	513,497	552,704
Tier 1 Common Capital	32,743	36,634	39,015
Total Assets	984,149	972,452	1,020,616
Total Risk-weighted Assets	240,087	226,292	233,451

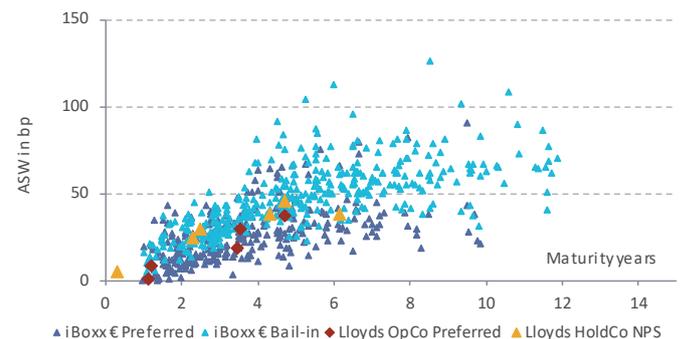
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	11,608	12,095	2,594
Net Fee & Commission Inc.	1,603	1,305	347
Net Trading Income	21,200	8,527	-
Operating Expense	14,447	10,961	2,663
Credit Commit. Impairment	1,473	4,663	-405
Pre-tax Profit	5,009	1,379	2,172

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1		2019FY	2020FY	2021Q1
Net Interest Margin	1.31	1.33	1.11	Liquidity Coverage Ratio	137.17	135.57	134.06
ROAE	6.11	2.78	11.30	IFRS Tier 1 Leverage Ratio	3.46	3.92	-
Cost-to-Income	70.86	65.04	60.11	NPL/ Loans at Amortised Cost	1.22	1.30	1.29
Core Tier 1 Ratio	13.64	16.19	16.71	Reserves/Loans at Amort. Cost	0.65	1.14	1.04

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Market-leading franchise in UK (particularly retail)
- Deposit basis
- Funding profile

## Risks / Weaknesses

- Geographical concentration risks
- Economic environment
- Capital basis (peer comparison)

# Lloyds Bank – Mortgage

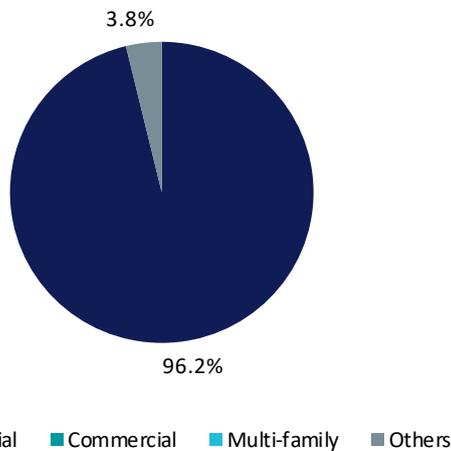
# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	35,706	Rating (Moody's)	Aaa
Amount outstanding (EURm)	22,278	Rating (S&P)	-
-thereof ≥ EUR 500m	34.8%	Rating (Fitch)	AAA
Current OC (nominal)	60.3%	Rating (DBRS)	-
Committed OC	8.7%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	5.7%
Main region	19% South East	RRL	-
Number of loans	308,834	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	13.7y	PCU	6
WAL (covered bonds)	3.3y	Recovery uplift	1
Fixed interest (cover pool)	43.0%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	75.2%	CRR 129 (7)	Yes
LTV (indexed)	45.9%	LCR level (Bmk)	2A
LTV (unindexed)	61.1%	Risk weight	20%
Loans in arrears	0.9%	Maturity structure (Bmk)	SB

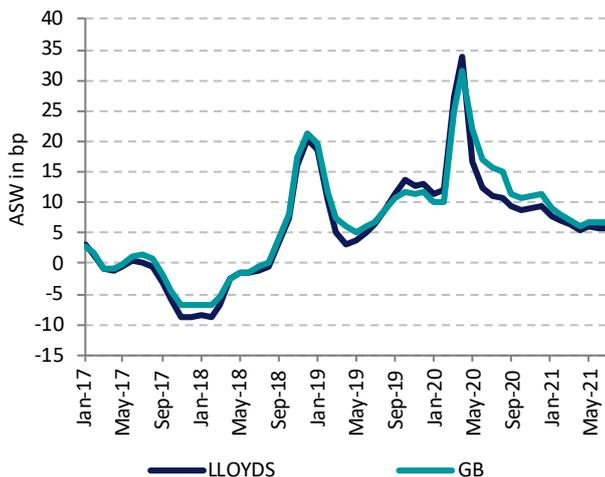
## Borrower Types



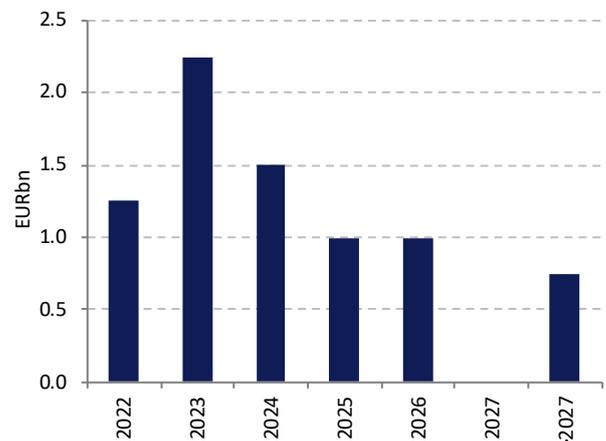
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Nationwide Building Society

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A+	Negative
Moody's	A1	Stable
S&P	A	Stable

## Homepage

[www.nationwide.co.uk](http://www.nationwide.co.uk)

Nationwide Building Society (NBS; domestic systemically important bank [D-SIB]) is organised along cooperative lines and represents the UK's largest building society. The institution has more than 16.3 million members. NBS has achieved its strong market position by taking over several building societies in the past. This is also reflected in its market shares: in the domestic market, these stand at 12% for construction loans, 8.1% for current accounts and 9.9% for deposits. Lending at NBS covers the areas of Retail Mortgages (75% of the overall risk exposure), Consumer Banking and Commercial & Other Lending. The focus market of the institute is the UK, with Greater London representing the most important region (33% of mortgage loans). With a CET1 ratio of 31.9% (FY 2020), capitalisation can be described as comfortable. In addition, at 8.5% (FY 2020), the MREL requirements of 6.85% of the regulatory leverage exposure are also fulfilled with a comfortable buffer. The target value for the leverage ratio was defined at >4.5%. With a value of 4.7%, this was achieved in the previous financial year 2020. At 75.9%, the CIR has risen year on year (71.1%). This is primarily linked to increased provisions and strategic investments. The cooperative structure of building societies does not allow for the establishment of a holding company. For this reason, when necessary, NBS can issue non-preferred seniors in order to meet the MREL subordination requirement. At 64%, the majority of funding is obtained from customer deposits, followed by wholesale funding at 28.5%.

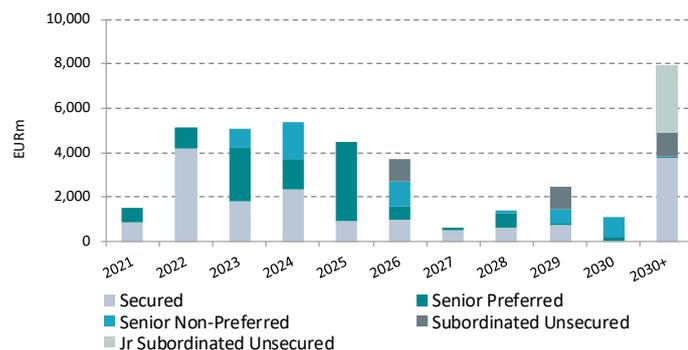
## Balance Sheet

(EURm)	2019FY	2020FY	2021FY
Net Loans to Customers	231,864	228,091	237,039
Total Securities	23,538	30,131	35,551
Total Deposits	185,261	186,321	205,623
Tier 1 Common Capital	12,251	12,104	14,121
Total Assets	277,584	281,503	299,803
Total Risk-weighted Assets	38,069	37,905	38,776

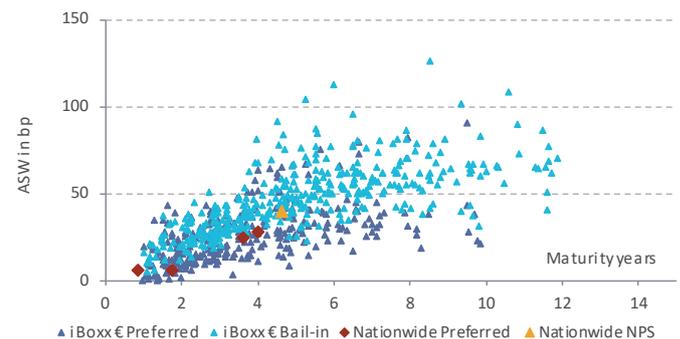
## Income Statement

(EURm)	2019FY	2020FY	2021FY
Net Interest Income	3,306	3,213	3,527
Net Fee & Commission Inc.	228	193	166
Net Trading Income	98	57	84
Operating Expense	2,169	2,643	2,505
Credit Commit. Impairment	128	239	213
Pre-tax Profit	945	533	923

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021FY		2019FY	2020FY	2021FY
Net Interest Margin	1.26	1.17	1.27	Liquidity Coverage Ratio	142.78	150.79	158.51
ROAE	4.97	2.79	4.57	IFRS Tier 1 Leverage Ratio	4.47	4.36	4.76
Cost-to-Income	59.64	76.04	67.31	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	32.18	31.93	36.42	Reserves/Loans at Amort. Cost	0.33	0.39	0.42

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Franchise position in domestic market
- Capitalisation

## Risks / Weaknesses

- Concentration risks (UK residential mortgages)
- Profitability (competition)

# Nationwide Building Society – Mortgage

# United Kingdom

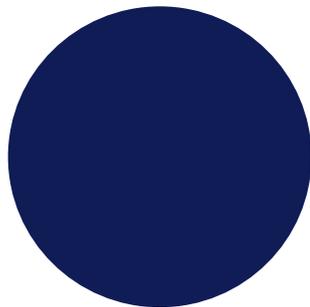
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Cover Pool Data

Cover pool volume (EURm)	27,641
Amount outstanding (EURm)	16,717
-thereof ≥ EUR 500m	43.4%
Current OC (nominal)	65.3%
Committed OC	11.1%
Cover type	Mortgage
Main country	100% United Kingdom
Main region	16% Outer Metropolitan
Number of loans	234,133
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	19.0y
WAL (covered bonds)	5.1y
Fixed interest (cover pool)	77.1%
Fixed interest (covered bonds)	67.4%
LTV (indexed)	48.1%
LTV (unindexed)	56.7%
Loans in arrears	0.4%

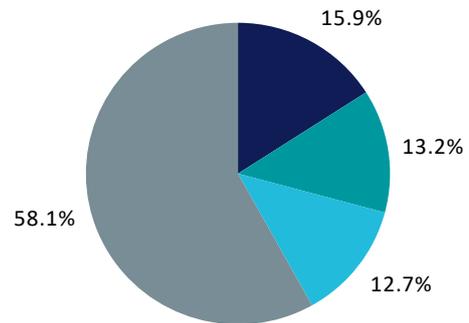
Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	5.0%
RRL	a+
JRL	aa-
Unused notches	1
AAA credit risk (%)	2.5
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

### Borrower Types



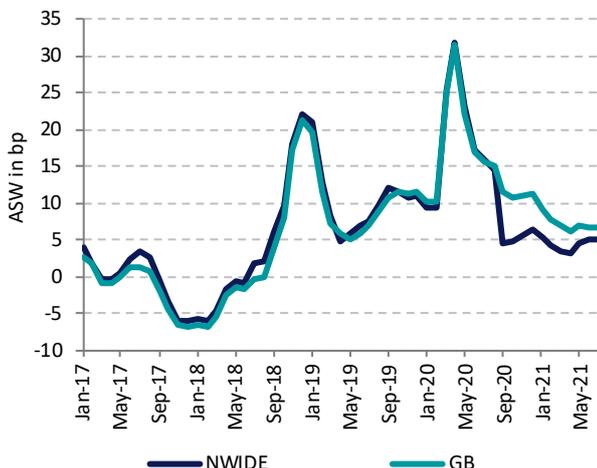
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution

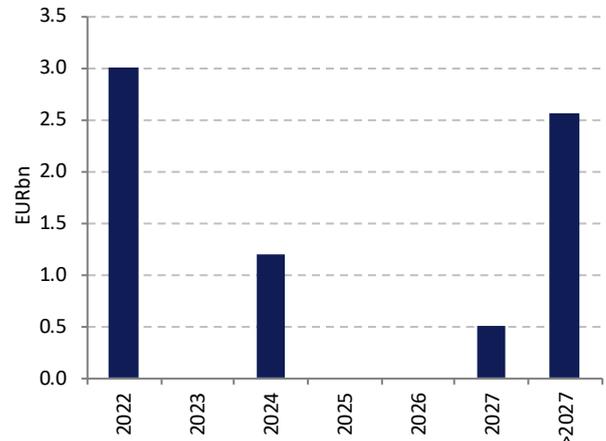


■ Outer Metropolitan ■ London ■ Outer South East ■ Others

### Spread Development (>1y)



### Redemption Profile (Bmk)



# National Westminster Bank

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings\*

	Rating	Outlook
Fitch	A	Stable
Moody's	Baa1	Positive
S&P	BBB	Stable

## Homepage

[www.natwestgroup.com](http://www.natwestgroup.com)

\*NatWest Group

National Westminster Bank (NatWest) is a wholly owned subsidiary of NatWest Holding, which is now a wholly owned subsidiary of NatWest Group. The renaming of the parent company from Royal Bank of Scotland Group plc to NatWest Group plc took place on July 22, 2020. In accordance with UK ring-fencing legislation in force since January 2019, low-risk customer business (e.g., personal banking services) must be separated from high-risk business (e.g., investment banking). Within the NatWest Group, ring-fenced institutions include NatWest, Royal Bank of Scotland plc and Ulster Bank Ireland DAC, which are collectively grouped under NatWest Holdings Ltd. NatWest serves customers in the United Kingdom and Western Europe with a broad range of products for private and business customers. It divides its business lines into Retail Banking (39% of operating revenues FY/2020), Ulster Bank Republic of Ireland (5%), Commercial Banking (37%), Private Banking (7%), RBSI International (4%), NatWest Markets (10%), and Central Items and Other (-2%). As in the previous year, the significant increase in operating costs (CIR FY/2020: 72.9%; CIR FY/19: 65.1%) can be explained by the shift of shared services and parts of the Group's treasury activities to NatWest. The CET1 ratio increased by 230bp y-o-y to 18.5% including approximately 100bp related to IFRS 9 relief in 2020, while the LCR increased by 13 percentage points y-o-y to 165%. The leverage ratio also increased to 5.2% (FY/2020). Funding is largely provided by customer deposits (76.5%).

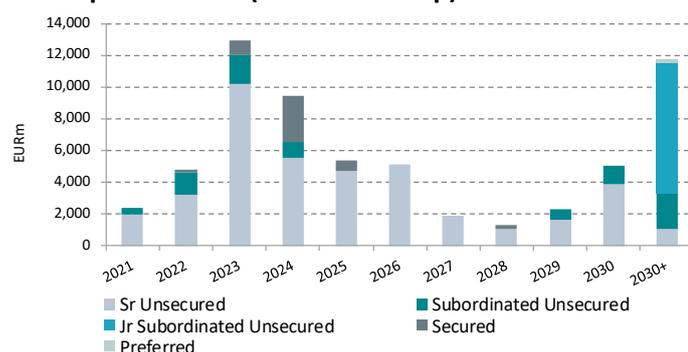
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	227,004	274,627	303,652
Total Securities	46,750	51,769	45,546
Total Deposits	264,742	285,874	327,704
Tier 1 Common Capital	14,625	15,167	17,215
Total Assets	345,012	375,881	434,777
Total Risk-weighted Assets	84,136	95,677	96,972

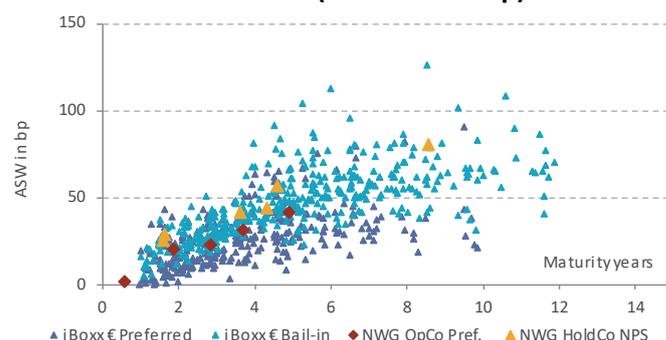
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	6,572	6,655	6,537
Net Fee & Commission Inc.	1,866	1,965	1,557
Net Trading Income	250	-6	144
Operating Expense	5,508	8,126	6,836
Credit Commit. Impairment	484	652	2,441
Pre-tax Profit	3,968	1,512	677

## Redemption Profile (NatWest Group)



## Senior Unsecured Bonds (NatWest Group)



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.89	1.90	1.68	Liquidity Coverage Ratio	-	-	-
ROAE	15.26	4.47	2.71	IFRS Tier 1 Leverage Ratio	4.26	4.11	4.04
Cost-to-Income	53.66	86.96	69.65	NPL/ Loans at Amortised Cost	1.54	1.22	1.20
Core Tier 1 Ratio	17.38	15.85	17.75	Reserves/Loans at Amort. Cost	0.88	0.86	1.35

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Capitalization
- Market position in UK (retail, commercial)
- Funding and liquidity

## Risks / Weaknesses

- Geographic focus on the UK and Ireland
- Restructuring
- COVID19-related uncertainty

# National Westminster Bank – Mortgage

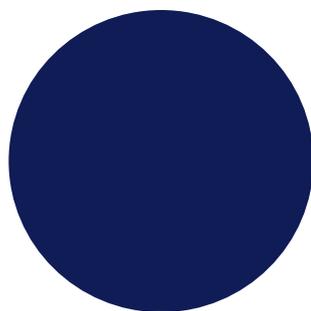
# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

### Cover Pool Data

Cover pool volume (EURm)	10,844	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,267	Rating (S&P)	-
-thereof ≥ EUR 500m	38.3%	Rating (Fitch)	AAA
Current OC (nominal)	231.9%	Rating (DBRS)	-
Committed OC	11.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	5.0%
Main region	20% Greater London	RRL	-
Number of loans	113,794	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	18.3y	PCU	6
WAL (covered bonds)	2.6y	Recovery uplift	1
Fixed interest (cover pool)	90.5%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	73.6%	CRR 129 (7)	Yes
LTV (indexed)	49.4%	LCR level (Bmk)	2A
LTV (unindexed)	57.3%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

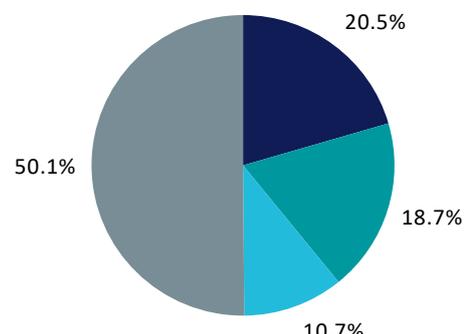
### Borrower Types



100.0%

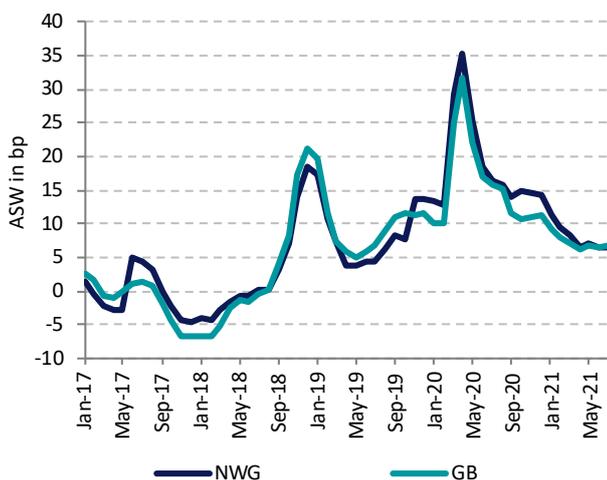
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution

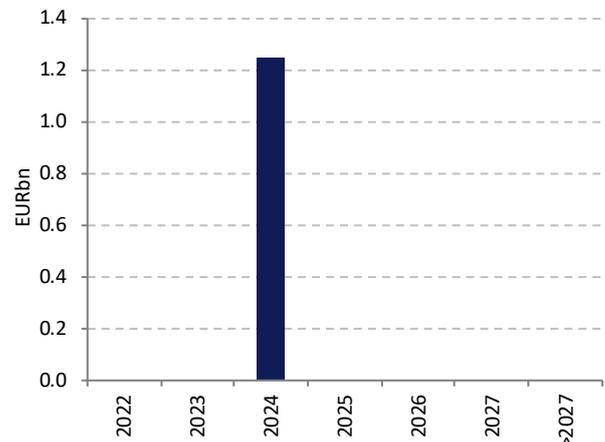


■ Greater London ■ South East ■ East Anglia ■ Others

### Spread Development (>1y)



### Redemption Profile (Bmk)



# Santander UK

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Negative
Moody's	Baa1	Negative
S&P	BBB	Negative

## Homepage

[www.santander.co.uk](http://www.santander.co.uk)

Santander UK Group Holding (Santander UK) is a wholly owned subsidiary of the global systemically important bank (G-SIB) Banco Santander. In turn, Santander UK plc is a wholly owned subsidiary of Santander UK Group Holding and is categorised as a domestic systemically important bank (D-SIB) by the UK financial supervisory body. Santander UK plc is the Group's ring-fenced bank. The ring-fencing legislation stipulates that high-risk and low-risk business segments must be separated. In 2020, Santander UK served more than 14.4 million customers, 6.3 million of which via online channels. In the past, development in the UK has been dominated by a number of acquisitions such as the two former building societies Abbey National and Alliance & Leicester as well as the branch network of Bradford & Bingley. The Banco Santander Group's business strategy traditionally allows for its subsidiaries to operate in a highly independent manner. This is reflected in autonomous management and restricted financial and direct-operative connections to the parent company. Through the implementation of a ring-fenced structure, the corporate and wholesale market business of Santander UK was transferred to Banco Santander (London branch). As part of the capital market funding, the issuance of capital market instruments takes place via either the holding company or Santander UK plc, depending on the funding requirement. In principle, subordinate instruments tend to be issued via the Santander UK Group Holding. These also include MREL and TLAC-eligible positions. Santander UK has defined a strategic RoTE target of 9%–11% (4.3% in FY 2020).

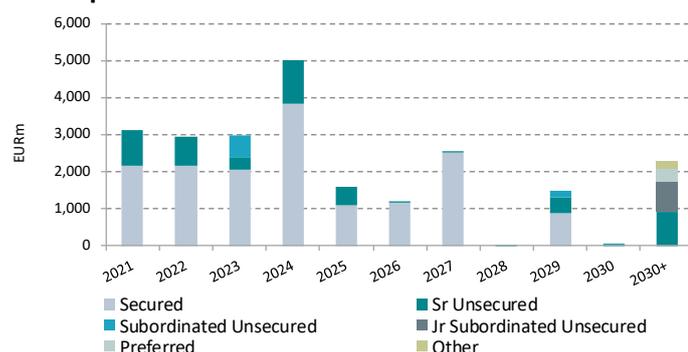
## Balance Sheet

(EURm)	2019FY	2020FY	2021Q1
Net Loans to Customers	244,812	233,127	243,435
Total Securities	51,920	37,062	-
Total Deposits	215,169	218,215	219,726
Tier 1 Common Capital	12,296	12,341	13,038
Total Assets	332,461	326,281	337,570
Total Risk-weighted Assets	85,698	80,205	83,925

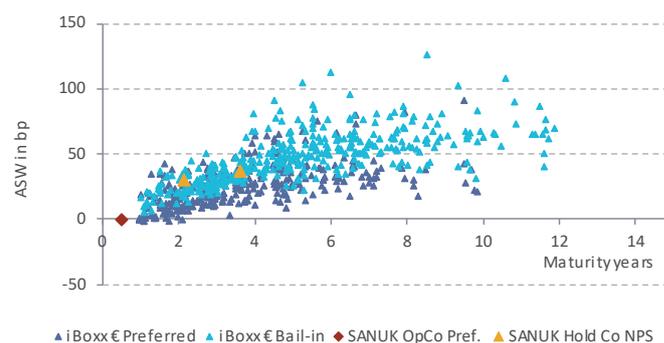
## Income Statement

(EURm)	2019FY	2020FY	2021Q1
Net Interest Income	3,754	3,874	1,061
Net Fee & Commission Inc.	782	433	-
Net Trading Income	-64	9	-
Operating Expense	3,140	3,038	974
Credit Commit. Impairment	252	726	5
Pre-tax Profit	1,154	681	201

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2019FY	2020FY	2021Q1	2019FY	2020FY	2021Q1
Net Interest Margin	1.19	1.23	-	Liquidity Coverage Ratio	145.46	151.73
ROAE	4.57	2.86	3.23	IFRS Tier 1 Leverage Ratio	3.74	3.82
Cost-to-Income	66.23	67.92	82.54	NPL/ Loans at Amortised Cost	1.14	1.44
Core Tier 1 Ratio	14.35	15.39	15.54	Reserves/Loans at Amort. Cost	0.38	0.62

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Domestic market position (particularly retail)
- Loan quality
- Capitalisation

## Risks / Weaknesses

- Profitability
- Debt ratio
- Dependency on capital market funding

# Santander UK – Mortgage

United Kingdom

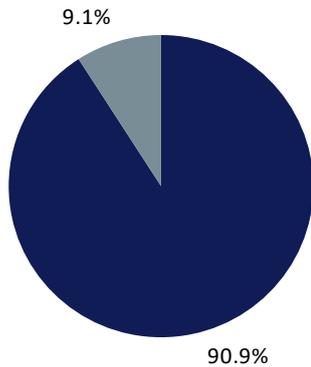
Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	26,309
Amount outstanding (EURm)	17,076
-thereof ≥ EUR 500m	33.7%
Current OC (nominal)	54.1%
Committed OC	12.0%
Cover type	Mortgage
Main country	100% United Kingdom
Main region	22% South East
Number of loans	200,113
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	18.9y
WAL (covered bonds)	3.4y
Fixed interest (cover pool)	70.4%
Fixed interest (covered bonds)	65.9%
LTV (indexed)	n/a
LTV (unindexed)	n/a
Loans in arrears	0.0%

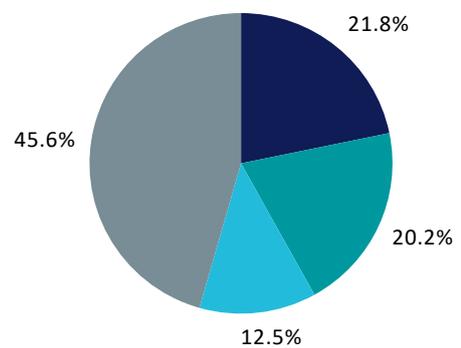
Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	5.0%
RRL	a+
JRL	aa-
Unused notches	1
AAA credit risk (%)	2.5
PCU	6
Recovery uplift	1
Outstanding ESG Bmk	No
CRR 129 (7)	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



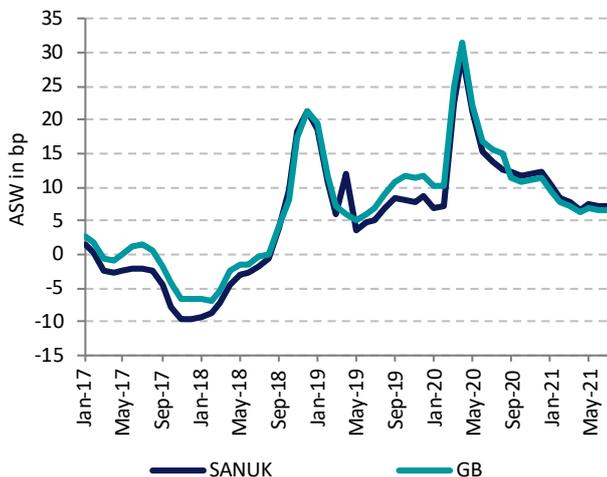
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

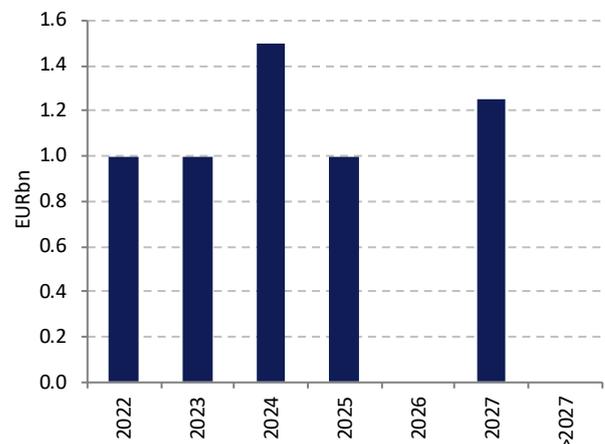


■ South East ■ London ■ East Anglia ■ Others

## Spread Development (>1y)



## Redemption Profile (Bmk)



# Skipton Building Society

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A-	Negative
Moody's	Baa1	Stable
S&P	-	-

## Homepage

[www.skipton.co.uk](http://www.skipton.co.uk)

Established in 1853, Skipton Building Society (Skipton) is the fourth-largest building society in the UK by assets. Today, the Skipton Group employs just over 9,400 staff and has more than one million members. Skipton's traditional banking activities comprise a broad product portfolio, including mortgages, savings accounts, financial consultancy services in addition to real estate brokerage and other associated services. Skipton divides its business segments into Mortgages and Savings, Estate Agency and Investment Portfolio. The conventional banking business, which is focused on the UK, is predominantly carried out in the first of the three segments named previously. Skipton holds shares in Jade Software Corporation, among others, via its Investment Portfolio. This New Zealand software development service provider is active in the USA, the UK, Australia and New Zealand. As at year-end 2020, the CET1 ratio had risen by 60 basis points to 39.7%. This is above all due to the adjustment of the IRB method, as a result of which RWAs have been reduced. In view of the implementation of the Basel III finalisation, the ratio is likely to fall again in a few years. Capitalisation therefore already exceeds the MREL requirement, which stands at 18% by the end of 2021. Conversely, at 5.7% (FY 2019: 6%), the leverage ratio has remained almost on a par with the prior year. In terms of refinancing at Skipton, retail funding provides a total of 79%. In this context, client deposits are an important funding source. The majority of real estate loans consist of residential mortgage loans (80%), with the rest made up of buy-to-let mortgages (20%).

## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	20,629	24,167	24,890
Total Securities	1,621	2,623	1,753
Total Deposits	19,819	22,637	23,260
Tier 1 Common Capital	1,559	1,762	1,770
Total Assets	25,816	30,082	31,546
Total Risk-weighted Assets	4,759	4,508	4,461

## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	273	271	268
Net Fee & Commission Inc.	553	535	465
Net Trading Income	2	-0	-3
Operating Expense	614	635	589
Credit Commit. Impairment	4	0	30
Pre-tax Profit	213	175	134

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY	2018FY	2019FY	2020FY	
Net Interest Margin	1.11	1.00	0.90	Liquidity Coverage Ratio	214.60	192.77	185.21
ROAE	10.13	7.77	5.81	IFRS Tier 1 Leverage Ratio	6.16	5.98	5.73
Cost-to-Income	73.71	78.46	80.17	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	32.76	39.10	39.67	Reserves/Loans at Amort. Cost	0.10	0.08	0.19

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Profitability (in comparison with peers)

## Risks / Weaknesses

- Economic environment
- Pressure on margins
- Geographical concentration

# Skipton Building Society – Mortgage

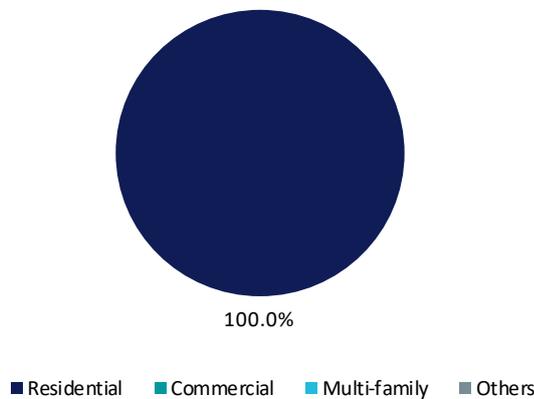
United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

Cover pool volume (EURm)	3,158	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,205	Rating (S&P)	-
-thereof ≥ EUR 500m	45.4%	Rating (Fitch)	AAA
Current OC (nominal)	43.3%	Rating (DBRS)	-
Committed OC	8.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% United Kingdom	Collateral score	5.0%
Main region	18% South East	RRL	-
Number of loans	22,672	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	20.4y	PCU	6
WAL (covered bonds)	2.8y	Recovery uplift	1
Fixed interest (cover pool)	91.7%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	46.0%	CRR 129 (7)	Yes
LTV (indexed)	52.9%	LCR level (Bmk)	2A
LTV (unindexed)	61.2%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

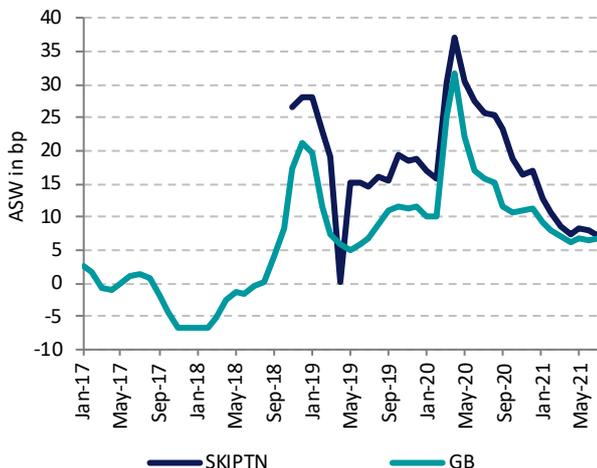
## Borrower Types



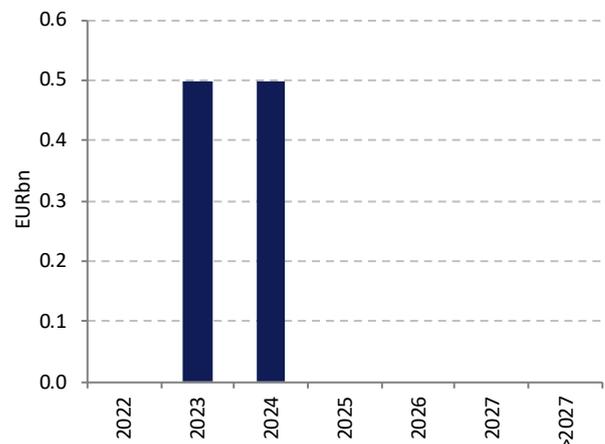
## Regional Distribution



## Spread Development (>1y)



## Redemption Profile (Bmk)



# Yorkshire Building Society

# United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Ratings

	Rating	Outlook
Fitch	A	Negative
Moody's	A3	Negative
S&P	-	-

## Homepage

[www.ybs.co.uk](http://www.ybs.co.uk)

The cooperative Yorkshire Building Society (YBS) was founded in 1864. The business development of YBS has been shaped by a number of mergers, mainly with other building societies. As a result, it has grown to become the third largest building society in the UK. In addition to traditional building society products such as savings accounts and mortgages, the institute's 2,300 employees (FTEs) also offer insurance products to customers across just under 487 branches and roughly 100 agencies in the UK. Up to 2019, YBS divided its operations into four business segments: Retail Business, Non-Retail Business, Secondary Business (non-core private and corporate lending) and Central Functions (treasury and other Group functions). Previously, Retail Business had been by far the most important segment, contributing almost 84% of pre-tax profit (FY 2019). In 2020, YBS started to reorganise its segments. As a result, it opted not to provide separate segment-based reporting for this financial year. As at year-end 2020, the CET1 ratio (KSA) stood at 16.7%, while the leverage ratio (in accordance with CRR) totalled 5.9%. According to its own data, YBS complied with MREL requirements by successfully issuing senior non-preferred bonds (GBP 280.2m) in 2020. YBS has set a number of strategic targets and has successfully implemented the planned reduction in costs to GBP 260m in 2020 (2019: GBP 290 million). In the medium term, the cost-income ratio should come in below 55% (FY 2020: 69%). YBS obtains the majority of its funding from member stakes (deposits), followed by capital market funds. Of these, covered bonds constitute around 50%. At 192%, the LCR can be described as comfortable.

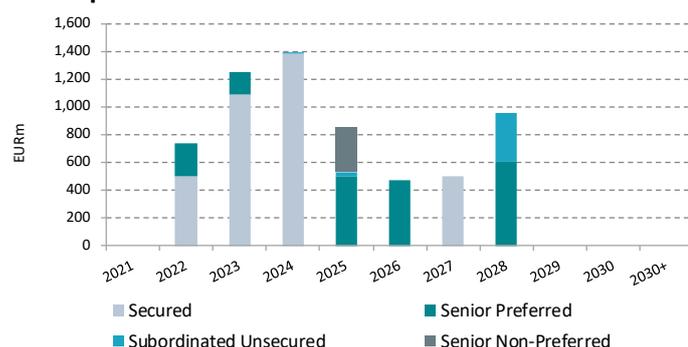
## Balance Sheet

(EURm)	2018FY	2019FY	2020FY
Net Loans to Customers	40,856	44,829	43,304
Total Securities	2,488	3,441	3,657
Total Deposits	33,470	36,895	37,841
Tier 1 Common Capital	2,697	3,008	3,023
Total Assets	47,927	52,256	53,497
Total Risk-weighted Assets	16,521	18,151	18,054

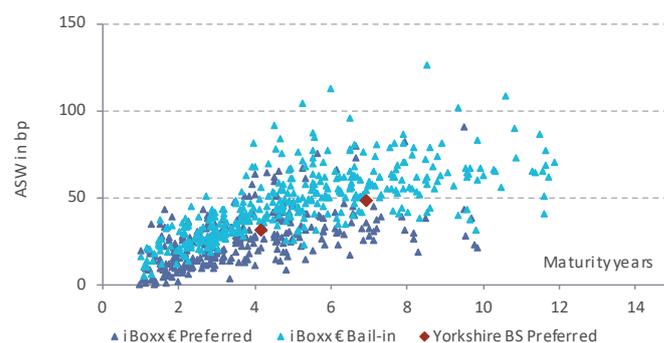
## Income Statement

(EURm)	2018FY	2019FY	2020FY
Net Interest Income	533	530	493
Net Fee & Commission Inc.	8	9	10
Net Trading Income	10	-24	2
Operating Expense	360	331	316
Credit Commit. Impairment	-0	0	14
Pre-tax Profit	218	191	181

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2018FY	2019FY	2020FY		2018FY	2019FY	2020FY
Net Interest Margin	1.12	1.07	0.96	Liquidity Coverage Ratio	162.02	153.15	158.67
ROAE	6.09	4.96	4.52	IFRS Tier 1 Leverage Ratio	5.65	5.79	5.71
Cost-to-Income	64.83	64.17	62.20	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	16.33	16.57	16.74	Reserves/Loans at Amort. Cost	0.08	0.08	0.11

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Markets Strategy & Floor Research; as of: 16.07.2021

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Deposit basis

## Risks / Weaknesses

- Competition in the domestic market
- Net interest margin, low interest rate environment
- Expenses from investment programme

# Yorkshire Building Society – Mortgage

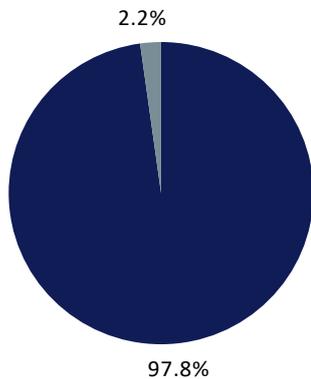
United Kingdom

Authors: Dr. Frederik Kunze // Henning Walten, CIIA

## Cover Pool Data

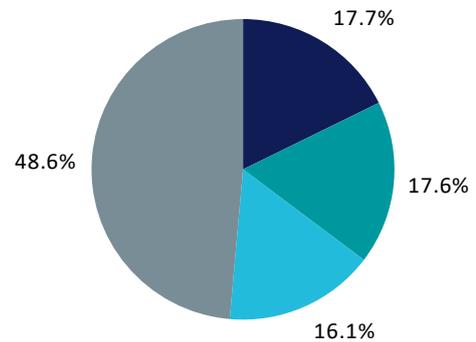
Cover pool volume (EURm)	5,723	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,878	Rating (S&P)	-
-thereof ≥ EUR 500m	51.6%	Rating (Fitch)	AAA
Current OC (nominal)	47.6%	Rating (DBRS)	-
Committed OC	10.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% United Kingdom	Collateral score	5.0%
Main region	18% South East	RRL	-
Number of loans	34,792	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	19.8y	PCU	6
WAL (covered bonds)	3.0y	Recovery uplift	1
Fixed interest (cover pool)	90.4%	Outstanding ESG Bmk	No
Fixed interest (covered bonds)	62.4%	CRR 129 (7)	Yes
LTV (indexed)	54.2%	LCR level (Bmk)	2A
LTV (unindexed)	58.5%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



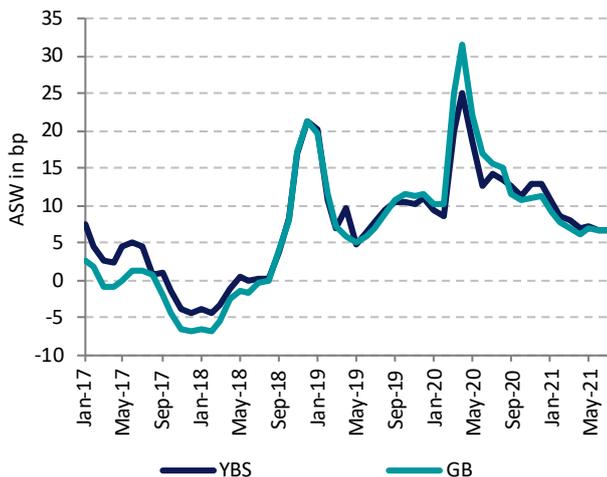
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



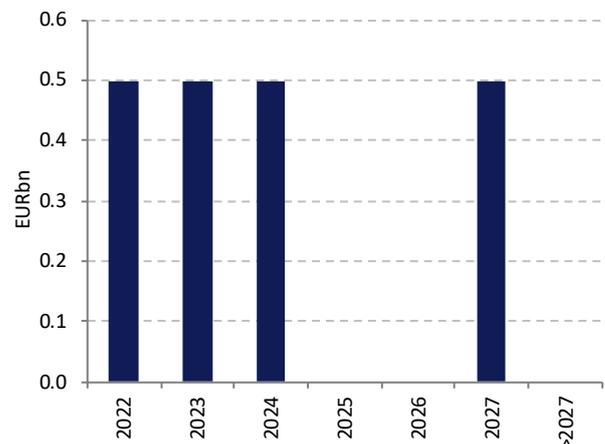
■ South East ■ London ■ Yorkshire and Humber ■ Others

## Spread Development (>1y)



— YBS — GB

## Redemption Profile (Bmk)



## Appendix

### Bloomberg ticker

Country	Ticker	Issuer
Australia	ANZ	Australia & New Zealand Banking Group Ltd
Australia	BQDAU	Bank of Queensland Ltd
Australia	CBAAU	Commonwealth Bank of Australia
Australia	MQGAU	Macquarie Bank Ltd
Australia	NAB	National Australia Bank Ltd
Australia	WSTP	Westpac Banking Corp
Austria	BACA	UniCredit Bank Austria AG
Austria	BAWAG	BAWAG PSK Bank fuer Arbeit und Wirtschaft und Oesterreichische Postsparkasse AG
Austria	ERSTBK	Erste Group Bank AG
Austria	HYNOE	HYPO NOE Landesbank fuer Niederoesterreich und Wien AG
Austria	KA	Kommunalkredit Austria AG
Austria	KAFIN	KA Finanz AG
Austria	LANTIR	Hypo Tirol Bank AG
Austria	OBERBK	Oberbank AG
Austria	OBLB	Oberoesterreichische Landesbank AG
Austria	RBIIV	Raiffeisen Bank International
Austria	RFLBNI	Raiffeisenlandesbank Niederoesterreich-Wien AG
Austria	RFLBOB	Raiffeisenlandesbank Oberoesterreich AG
Austria	RFLBST	Raiffeisen-Landesbank Steiermark AG
Austria	RFVORA	Raiffeisenlandesbank Vorarlberg Waren-und Revisionsverband registrierte GenmbH
Austria	VORHYP	Hypo Vorarlberg Bank AG
Austria	VOWIBA	Volksbank Wien AG
Belgium	ARGSPA	Argenta Spaarbank NV
Belgium	CCBGBB	Belfius Bank SA
Belgium	FBAVP	BNP Paribas Fortis SA
Belgium	INGB	ING Belgium SA
Belgium	KBC	KBC Bank NV
Canada	BMO	Bank of Montreal
Canada	BNS	Bank of Nova Scotia/The
Canada	CCDJ	Federation des Caisses Desjardins du Quebec
Canada	CM	Canadian Imperial Bank of Commerce
Canada	NACN	National Bank of Canada
Canada	RY	Royal Bank of Canada
Canada	TD	Toronto-Dominion Bank/The
Czechia	KOMERC	Komercni banka as
Denmark	DANBNK	Danske Bank A/S
Denmark	DANSKB	Danmarks Skibskredit A/S
Denmark	JYKRE	Jyske Realkredit A/S
Denmark	NYKRE	Nykredit Realkredit A/S
Estonia	LHVGRP	LHV Pank AS
Estonia	LUMINO	Luminor Bank AS/Estonia
Finland	AABHFH	Alandsbanken Abp
Finland	AKTIA	Aktia Bank OYJ
Finland	DANBNK	Danske Kiinnitysluottopankki Oyj
Finland	NDASS	Nordea Mortgage Bank Plc

Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

Country	Ticker	Issuer
Finland	OMASST	Oma Saastopankki Oyj
Finland	OPBANK	OP Mortgage Bank
Finland	SPMTBK	SP-Kiinnitysluottopankki Oyj
Finland	SUOHYP	Suomen Hypoteekkiyhdistys
France	ACACB	Credit Agricole Home Loan SFH SA
France	ACASCF	Credit Agricole Public Sector SCF SA
France	AXASA	AXA Bank Europe SCF
France	AXASFH	AXA Home Loan SFH SA
France	BNPPCB	BNP Paribas Home Loan SFH SA
France	BPCECB	BPCE SFH SA
France	CAFFIL	Caisse Francaise de Financement Local
France	CFF	Cie de Financement Foncier SA
France	CIFEUR	CIF Euromortgage SA
France	CMARK	Arkea Home Loans SFH SA
France	CMCICB	Credit Mutuel - CIC Home Loan SFH SA
France	CRH	Caisse de Refinancement de l'Habitat SA
France	HSBC	HSBC SFH France SA
France	LBPSFH	La Banque Postale Home Loan SFH SA
France	MMBSCF	MMB SCF SACA
France	SOCSCF	Societe Generale SCF SA
France	SOCSFH	Societe Generale SFH SA
Germany	AARB	Aareal Bank AG
Germany	BAUSCH	Bausparkasse Schwaebisch Hall AG
Germany	BHH	Berlin Hyp AG
Germany	BYLAN	Bayerische Landesbank
Germany	CMZB	Commerzbank AG
Germany	DAA	Deutsche Apotheker-und Aerztebank eG
Germany	DB	Deutsche Bank AG
Germany	DEKA	DekaBank Deutsche Girozentrale
Germany	DKRED	Deutsche Kreditbank AG
Germany	DZHYP	DZ HYP AG
Germany	HASPA	Hamburger Sparkasse AG
Germany	HCOB	Hamburg Commercial Bank AG
Germany	HESLAN	Landesbank Hessen-Thueringen Girozentrale
Germany	HVB	UniCredit Bank AG
Germany	INGDIB	ING-DiBa AG
Germany	KNFP	Natixis Pfandbriefbank AG
Germany	KRSKOE	Kreissparkasse Koeln
Germany	LBBER	Landesbank Berlin AG
Germany	LBBW	Landesbank Baden-Wuerttemberg
Germany	LBOLD	Oldenburgische Landesbank AG
Germany	MUNHYP	Muenchener Hypothekenbank eG
Germany	NDB	Norddeutsche Landesbank-Girozentrale
Germany	PBBGR	Deutsche Pfandbriefbank AG
Germany	SAARLB	Landesbank Saar
Germany	SCBGER	Santander Consumer Bank AG
Germany	SKPPFO	Sparkasse Pforzheim Calw
Germany	SPKKB	Sparkasse KoelnBonn
Germany	SSPHAN	Sparkasse Hannover
Germany	SSPMUE	Stadtsparkasse Muenchen
Germany	WUWGR	Wuestenrot Bausparkasse AG

Source: Bloomberg, NORD/LB Markets Strategy &amp; Floor Research

Country	Ticker	Issuer
Greece	ALPHA	Alpha Bank AE
Greece	ETEGA	National Bank of Greece SA
Greece	EUROB	Eurobank SA
Ireland	AIB	AIB Mortgage Bank
Ireland	BKIR	Bank of Ireland Mortgage Bank
Italy	BACRED	Mediobanca Banca di Credito Finanziario SpA
Italy	BAMIIM	Banco BPM SpA
Italy	BANCAR	Banca Carige SpA
Italy	BANDES	Banco di Desio e della Brianza SpA
Italy	BPEIM	BPER Banca
Italy	BPOPAA	Banca Popolare dell'Alto Adige
Italy	BPSOIM	Banca Popolare di Sondrio SCPA
Italy	CARPP	Credit Agricole Italia SpA
Italy	CRDEM	Credito Emiliano SpA
Italy	ISPIM	Intesa Sanpaolo SpA
Italy	MONTE	Banca Monte dei Paschi di Siena SpA
Italy	UBIIM	Unione di Banche Italiane SpA
Italy	UCGIM	UniCredit SpA
Japan	SUMIBK	Sumitomo Mitsui Banking Corp
Japan	SUMITR	Sumitomo Mitsui Trust Bank Ltd
Korea	CITNAT	Kookmin Bank
Korea	KEBHN	Hana Bank
Korea	KHFC	Korea Housing Finance Corp
Luxembourg	NDB	NORD/LB Luxembourg SA Covered Bond Bank
Netherlands	ABNAV	ABN AMRO Bank NV
Netherlands	ACHMEA	Achmea Bank NV
Netherlands	AEGON	Aegon Bank NV
Netherlands	DEVOBA	de Volksbank NV
Netherlands	INTNED	ING Bank NV
Netherlands	LANSNA	Van Lanschot NV
Netherlands	NIBCAP	NIBC Bank NV
Netherlands	NNGRNV	Nationale-Nederlanden Bank NV/The Netherlands
Netherlands	RABOBK	Cooperatieve Rabobank UA
New Zealand	ANZSZ	ANZ New Zealand Int'l Ltd/London
New Zealand	ASBBNK	ASB Finance Ltd/London
New Zealand	BZLNZ	BNZ International Funding Ltd/London
New Zealand	WSTP	Westpac Securities NZ Ltd/London
Norway	DNBNO	DNB Boligkreditt AS
Norway	EIKBOL	Eika Boligkreditt AS
Norway	MOREBO	Moere Boligkreditt AS
Norway	SBANBK	Sbanken Boligkreditt AS
Norway	SORBNO	Sparebanken Soer Boligkreditt AS
Norway	SPABOL	SpareBank 1 Boligkreditt AS
Norway	SRBANK	SR-Boligkreditt AS
Norway	SVEGNO	Sparebanken Vest Boligkreditt AS
Poland	MBKHIP	mBank Hipoteczny SA
Poland	PKOBHB	PKO Bank Hipoteczny SA
Portugal	BCPPL	Banco Comercial Portugues SA
Portugal	BPIPL	Banco BPI SA
Portugal	CXGD	Caixa Geral de Depositos SA
Portugal	MONTPI	Caixa Economica Montepio Geral Caixa Economica Bancaria SA
Portugal	SANTAN	Banco Santander Totta SA

Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

Country	Ticker	Issuer
Singapore	DBSSP	DBS Bank Ltd
Singapore	OCBCSP	Oversea-Chinese Banking Corp Ltd
Singapore	UOBSP	United Overseas Bank Ltd
Slovakia	PKBSK	Prima Banka Slovensko AS
Slovakia	SLOSPO	Slovenska Sporitelna AS
Slovakia	TATSK	Tatra Banka AS
Slovakia	VUBSK	Vseobecna Uverova Banka AS
Spain	ABANCA	Abanca Corp Bancaria SA
Spain	BBVASM	Banco Bilbao Vizcaya Argentaria SA
Spain	BKIASM	Bankia SA
Spain	BKTSM	Bankinter SA
Spain	CABKSM	CaixaBank SA
Spain	CAJAMA	Cajamar Caja Rural SCC
Spain	CAZAR	Ibercaja Banco SA
Spain	CRUNAV	Caja Rural de Navarra SCC
Spain	DB	Deutsche Bank SA Espanola
Spain	EUROCR	Eurocaja Rural SCC
Spain	KUTXAB	Kutxabank SA
Spain	LBKSM	Liberbank SA
Spain	SABSM	Banco de Sabadell SA
Spain	SANTAN	Banco Santander SA
Sweden	LANSBK	Lansforsakringar Hypotek AB
Sweden	SBAB	Sveriges Sakerstallda Obligationer AB
Sweden	SEB	Skandinaviska Enskilda Banken AB
Sweden	SHBASS	Stadshypotek AB
Sweden	SWEDA	Swedbank Hypotek AB
Switzerland	CS	Credit Suisse AG/Guernsey
Switzerland	UBS	UBS AG/London
United Kingdom	BARUK	Barclays Bank UK PLC
United Kingdom	CLYDES	Clydesdale Bank PLC
United Kingdom	COVBS	Coventry Building Society
United Kingdom	LEED	Leeds Building Society
United Kingdom	LLOYDS	Lloyds Bank PLC
United Kingdom	LLOYDS	Bank of Scotland PLC
United Kingdom	NWIDE	Nationwide Building Society
United Kingdom	RBS	National Westminster Bank PLC
United Kingdom	SANUK	Santander UK PLC
United Kingdom	SKIPTN	Skipton Building Society
United Kingdom	YBS	Yorkshire Building Society

Source: Bloomberg, NORD/LB Markets Strategy & Floor Research

## Appendix

### Rating scale mapping and rating modifiers

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

	Long-term ratings				Credit quality step acc. to CRR <sup>1</sup>	Credit quality step acc. to ECB <sup>2</sup>	Credit quality step acc. to Solvency II <sup>3</sup>
	Fitch	S&P	Moody's	DBRS			
Investment grade	AAA	AAA	Aaa	AAA	CQS 1	CQS 1	CQS 0
	AA+	AA+	Aa1	AA (high)			
	AA	AA	Aa2	AA			
	AA-	AA-	Aa3	AA (low)	CQS 2	CQS 2	CQS 1
	A+	A+	A1	A (high)			
	A	A	A2	A			
	A-	A-	A3	A (low)	CQS 3	CQS 3	CQS 2
	BBB+	BBB+	Baa1	BBB (high)			
BBB	BBB	Baa2	BBB				
BBB-	BBB-	Baa3	BBB (low)	CQS 4	CQS 4	CQS 3	
BB+	BB+	Ba1	BB (high)				
BB	BB	Ba2	BB				
Non investment grade	BB-	BB-	Ba3	BB (low)	CQS 5	CQS 5	CQS 4
	B+	B+	B1	B (high)			
	B	B	B2	B			
	B-	B-	B3	B (low)	CQS 6	CQS 6	CQS 5
	CCC+	CCC+	Caa1	CCC (high)			
	CCC	CCC	Caa2	CCC			
	CCC-	CCC-	Caa3	CCC (low)	CQS 6	CQS 6	CQS 4
	CC	CC	Ca	CC (high)			
	C	C	C	CC (low)			
				C (high)	CQS 6	CQS 6	CQS 5
			C				
			C (low)				
	RD/D	SD/D	D			CQS 6	

#### Rating modifiers

*	Review with direction uncertain	e	Expected rating
*+	Review for possible upgrade	WD	Withdrawn
*-	Review for possible downgrade	WR	Withdrawn
u	Unsolicited	NR	Not rated
(P)	Provisional / Preliminary		

<sup>1</sup> [Article 136 Regulation \(EU\) No 575/2013 \(CRR\)](#), [Regulation \(EU\) 2016/1799](#)

<sup>2</sup> [Guideline \(EU\) 2015/510](#), <https://www.ecb.europa.eu/paym/coll/risk/ecaf/html/index.en.html>

<sup>3</sup> [Article 109a Directive 2009/138/EC \(Solvency II\)](#), [Regulation \(EU\) 2016/1800](#)

Source: Rating agencies, ECB, EU, NORD/LB Markets Strategy & Floor Research

## Appendix

### Explanation financial figures

#### Balance sheet

<b>Net Loans to Customers</b>	Total loans to customers, net of reserves for loan losses. Includes any loans held at amortised cost, available for sale, fair value through profit and loss and trading. For U.S. GAAP companies, this is total loans and finance leases outstanding, including those held for sale.
<b>Total Securities</b>	Total of all securities owned, valued as shown on the balance sheet according to the applicable accounting standards used for this financial statement. For U.S. GAAP, includes all securities in the trading, available for sale, held to maturity and other securities categories and does not include segregated securities or securities pledged as collateral for broker-dealers and asset managers. For full coverage banks outside of the U.S. and Canada and summary coverage banks, includes other financial assets
<b>Total Deposits</b>	Total amount of deposits from customers.
<b>Tier 1 Common Capital</b>	Tier 1 Common Capital (Common Equity Tier 1) as defined by the latest regulatory and supervisory guidelines. For US institutions, this will be transitional amounts when applicable. For non-US institutions, this may be transitional or fully loaded amounts, depending on availability.
<b>Total Assets</b>	All assets owned by the company as of the date indicated, as carried on the balance sheet and defined under the indicated accounting principles.
<b>Total Risk-weighted Assets</b>	Total risk-weighted assets according to appropriate accounting or regulatory standards.

#### Income statement

<b>Net Interest Income</b>	Interest income less interest expense before the provision for loan losses.
<b>Net Fee &amp; Commission Income</b>	Revenue from services to customers, net of expense from third parties related to services provided to the company.
<b>Net Trading Income</b>	Realised and unrealised gains on trading account securities, plus any realised gains on securities available for sale or held to maturity.
<b>Operating Expense</b>	Total operating expenses from banking, insurance and asset management.
<b>Credit Commitments Impairment</b>	Impairment charge of on and off-balance sheet loans.
<b>Pre-tax Profit</b>	Net profit before the effect of income taxes and any after-tax items, including minority interest and extraordinary items.

## Company ratios

<b>Net Interest Margin</b>	Net interest income, on a fully taxable-equivalent basis if available, as a percent of average earning assets. If average earning assets is not available, average financial assets may be used.
<b>ROAE</b>	Return on average equity; net profit as a percent of average equity.
<b>Cost-to-Income</b>	Operating expense as a percent of operating income
<b>Core Tier 1 Ratio</b>	Tier 1 common capital (core capital) as a percent of total risk-adjusted assets. For full coverage European banks, this excludes transitional capital adjustments when available.
<b>Liquidity Coverage Ratio</b>	High quality liquid assets as a percent of net cash outflows over a thirty day period as defined by local regulatory requirements.
<b>IFRS Tier 1 Leverage Ratio</b>	Tier 1 common capital as a percent of tangible assets less derivative liabilities. This ratio seeks to replicate the U.S. GAAP Leverage Ratio by roughly netting derivative assets against liabilities.
<b>Net Stable Funding Ratio</b>	Portfolio of permanently available liabilities (at least 1 year) as a percentage of the required stable refinancing for the lending business.
<b>NPL / Loans at Amortised Cost</b>	Non-performing loans as a percent of loans held at amortised cost
<b>Reserves / Loans at Amortised Cost</b>	Reserves for loan losses as a percent of loans held at amortised cost

# Appendix

## Data base

Authors: Dr. Frederik Kunze // Henning Walten, CIAA

### **The data used for cover pool analysis and market overview**

The cover pool ratios shown are based on information provided by issuers and rating agencies, using the most up-to-date data available at the time of recording. This implies that cover pools may have different reporting dates. Key figures were either adopted unchanged or calculated on the basis of the reported data. In some cases, for example, the "borrower types" are classified in the individual categories in a partially modified way. The percentage data on the regional distribution may in turn refer to the country with the highest representation. Cover pool data in foreign currencies were translated using exchange rates as of 30 June 2021 as reported by the European Central Bank. The items „CRR 129(7)“, „LCR level (Bmk/SBmk)“, und „Risk weight“ represent the estimates made on the basis of the data available to us. The guaranteed overcollateralisation can be both a contractual obligation, e.g. to a rating agency, and a legal requirement. The portion of loans in arrears relates to arrears of three months or more (90 days) where available. Spread development is performed on an aggregated basis at the level of benchmark issues ( $\geq$ EUR 500m) and sub-benchmark issues ( $\text{EUR } 250\text{m} \leq X < \text{EUR } 500\text{m}$ ) of the individual issuers, taking into account the specific asset class, while country aggregations comprise all types of collateral. Significant spread jumps may be attributable in particular to new issues or repayments. The "Spread Development" is based on data as of 17 July 2021 and only contains EUR benchmarks or sub-benchmarks with a residual term of at least one year each. The "Redemption Profile" is based on data as at 21 June 2021 and may therefore contain bonds which are not yet included in the cover pool due to their issue date. The "Market Overview Covered Bonds" shown at jurisdiction level refers to the cover pools covered by the Issuer Guide and the outstanding EUR benchmarks for the key figures shown. The graphic representation exclusively represents EUR benchmarks and is based on Bloomberg tickers. The presentations on the second page are based on the bonds of the relevant iBoxx indices. The spread comparison between covered bonds and sovereigns refers to the respective sovereign in the case of investment grade eurozone states; in all other cases, a comparison is made against the sovereign.

### **Ratings of Covered Bonds**

The ratings of the covered bond programs were reviewed as at 21 July 2021 via Bloomberg, while other rating ratios were taken from a regular reporting of the rating agencies as appropriate and may therefore refer to an earlier reporting date and thus to an older rating. The ratings presented in the Cover Pool Overview should only be understood as aggregated information. For example, it is imperative to review ratings at ISIN level, as the rating agencies evaluate ISINs and not programmes. As a result, ISINs from one programme can have different ratings and are therefore treated differently in the regulatory framework.

**The data used for the issuer profiles**

The figures, data and information used in the issuer profiles are based on information provided by the respective issuer or group included in the analysis, the data provider S&P Global Markets Intelligence, Bloomberg L.P., the national central banks or supervisory authorities and the individual and sector analyses by the rating agencies Moody's, Standard & Poor's and Fitch (where available). The tables of financial data relating to the issuers were used in line with S&P Global Markets Intelligence's uniform presentation system (templated). Since the time periods for the data used in the publications sometimes differ, however, this study could only use the nearest available data. An attempt was also invariably made to report the same data. In some cases, however, this is not possible due to different accounting periods. The date of the last data update is indicated in each case. The Redemption Profile (Bloomberg DDIS) is classified by payment rank. Asset-Swap Spreads (ASW) of the Issuer's EUR-denominated Senior Unsecured Bonds (benchmark issues) and of the iBoxx € Financials Senior plotted against maturity are based on Bloomberg data. The ratings in the issuer profiles were reviewed as of 22 July 2021.

# Appendix

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