



## Issuer Guide Covered Bonds 2024

NORD/LB Floor Research

**NORD/LB  
ISSUER GUIDE  
COVERED BONDS  
2024**

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# Introduction

## Foreword

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **NORD/LB Issuer Guide Covered Bonds in its twelfth edition**

The annual NORD/LB Issuer Guide Covered Bonds is part of a product series published by NORD/LB Floor Research on individual issuers and market segments on the global bond market. Following its first edition in 2013, this issue is now the twelfth publication in this format and has always provided a comprehensive overview of the covered bond market. The focus of the Issuer Guide Covered Bonds is on the issuers of covered bonds and the corresponding cover pools. Listed below are those institutions that have at least one outstanding publicly placed EUR benchmark (from EUR 500m) and/or EUR sub-benchmark (from EUR 250m and less than EUR 500m) with a fixed coupon. With 228 cover pools from 189 institutions from a total of 27 jurisdictions, we are once again convinced that this publication will provide you with a comprehensive insight into the global covered bond market.

### **NORD/LB publications on covered bonds to supplement this Issuer Guide**

To complement the Issuer Guide, which aims to provide as comprehensive a market overview as possible, our publication spectrum also looks at specific market developments and fundamental changes in framework conditions across the covered bond market as a whole. These regular publications can be found in the usual manner on our website ([www.nordlb.de/die-nordlb/floor-research](http://www.nordlb.de/die-nordlb/floor-research)) and on the NORD/LB Research portal at Bloomberg ([RESP NRDR <GO>](#)). Should any of our readers not yet have access to these platforms, then please contact your account manager or alternatively get in touch via email at: [markets@nordlb.de](mailto:markets@nordlb.de).

### **Printed version of the Issuer Guide Covered Bonds will be dictated by actual demand**

In 2024, the Issuer Guide Covered Bonds will again be exclusively available in PDF format. This is a decision that we have taken with sustainability aspects in mind. However, even a sustainable approach calls for some leeway: should any of our readers prefer the Issuer Guide in printed format for their work, then we will gladly supply a printed version. Please get in touch with your account manager to provide a delivery address and indicate the number of copies required. Alternatively, our readers can also contact [markets@nordlb.de](mailto:markets@nordlb.de).

### **NORD/LB Issuer Guide Covered Bonds 2024: content aspects**

As in previous years, this latest edition of the NORD/LB Issuer Guide Covered Bonds focuses on a comprehensive presentation of issuers and cover pools. In addition, the regulatory chapter also contains an analysis of the classification of covered bonds in terms of the CRR and LCR management. The regulatory section is supplemented by the topic of Solvency II. We also summarise the covered bond laws of the relevant jurisdictions for you in tabular form and address the eligibility of covered bonds for central bank borrowing. The importance of the risk assessment of covered bonds has increased, not least against the backdrop of current market developments. This is another reason why we have once again included a summarised presentation of the relevant rating approaches for covered bonds in the 2024 publication. On the market side, you will also find elaborations on the maturity structures of covered bond issues. We also take account of the growing importance of ESG aspects with an article on sustainable covered bonds. We hope you enjoy reading and are convinced that the NORD/LB Issuer Guide Covered Bonds will provide you with added value in your daily work. Please do not hesitate to contact us if you have any questions or suggestions.

## Introduction

# The covered bond market in 2024

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

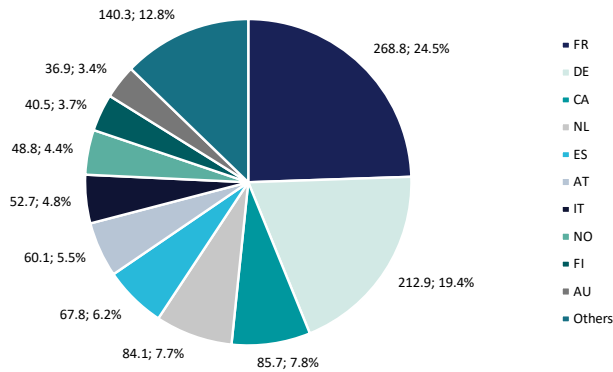
### **Covered bonds and their relevance for investors and issuers remains at a high level**

The global covered bond market was also unable to escape the long phase of repricing, which was largely fuelled or supported by the turnaround in interest rates and the end of quantitative easing. In principle, the widening of spreads for the covered funding of credit institutions took place across the entire range of maturities and jurisdictions. Nevertheless, the spreads for Pfandbriefe were relatively robust, particularly at the beginning of the widening movement – i.e. repricing was less pronounced than for covered bonds from other jurisdictions. This can be explained not least by the combination of a large investor base in Germany in conjunction with a "home bias" that is also common on the covered bond market. At the latest with the emergence of concerns regarding the commercial property financing segment – but also triggered by largely independent shifts on the demand side – the Pfandbrief market caught up with repricing to a certain extent in the first two quarters of 2024. Abstracting from the Pfandbrief segment, it can be stated for the covered bond market as a whole that repricing was largely completed in the first half of 2024. In fact, it was even possible to observe in some jurisdictions at the end of the first quarter that comparable deals could be priced more tightly than in January. From a medium to long-term perspective, this can also be explained by the fact that the withdrawal of the European Central Bank (ECB) as an active player on the primary and secondary markets was completed quickly. The supposed gap left by the Eurosystem on the investor side of the primary market, among others, closed comparatively quickly. Demand was certainly supported by the new yield and spread environment on the market for covered issues. From an issuer's perspective, covered refinancing remains an important component of funding. To summarise, the relevance of the covered bond asset class remains high for both investors and issuers. Below we provide a brief market overview of the EUR benchmark and EUR sub-benchmark segments. These two sub-markets also form the basis for the NORD/LB Issuer Guide Covered Bonds 2024.

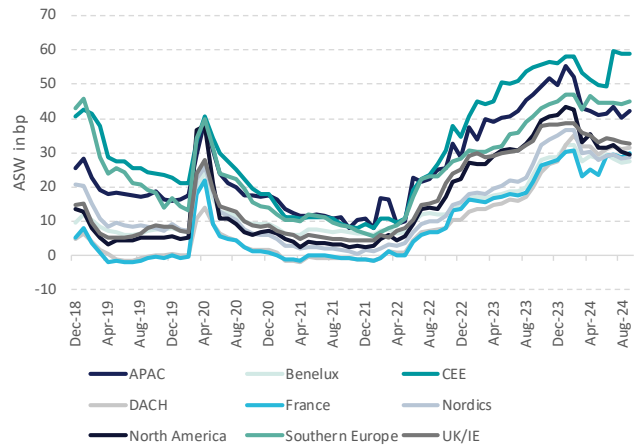
### **EUR benchmark segment: Outstanding issues and spread development**

The EUR benchmark segment for covered bonds continues to grow. At the current margin, the outstanding volume here totals EUR 1,099bn, spread across 1,264 issues. The largest shares are accounted for by France (24.5%) and Germany (19.4%) – followed by Canada (7.8%), the Netherlands (7.7%) and Spain (6.2%). Thanks to continued dynamic issuing activity, Austria has a market share of 5.5% and Italy 4.8%. In contrast to the total outstanding volume, we regularly focus on those bonds that are included in the EUR benchmark index iBoxx EUR Covered, particularly for the spread development in the Issuer Guide. Based on the selection criteria, the index provider excludes issues with a remaining term of less than one year. In its September composition, the iBoxx EUR Covered consists of 1,101 ISINs with a volume of EUR 949.4bn. The spread developments of the bonds represented in the benchmark index indicate that repricing in the covered bond segment has largely been completed. We would also note that the differentiation of the spread landscape is now increasingly following a more market-based composition of investor demand.

**EUR BMK: Outstanding volume (Top 10; EUR bn)**



**EUR BMK: ASW spreads (generic, 5y)**

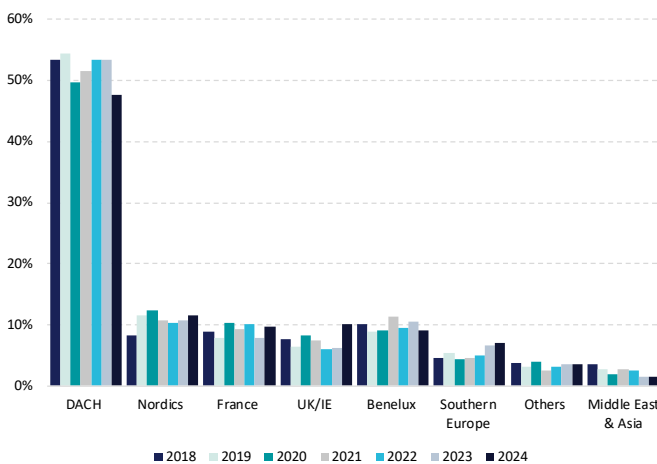


Source: Market data, Bloomberg, NORD/LB Floor Research

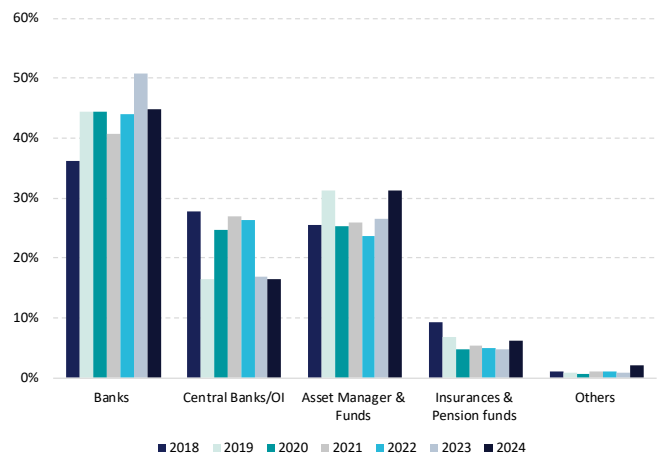
**Primary market: allocations changed by ECB withdrawal, short maturities dominate**

Following the pronounced issuing activity in 2022 and 2023, the primary market remained dynamic in the current year. The market's absorption capacity remained more than robust against the backdrop of the abundance of fresh deals. Strategies that take into account the relative attractiveness of covered bonds became increasingly important. In the course of the phase of ultra-expansive monetary policy and quantitative easing, the spread differences in the fixed income universe were largely levelled out and relative value strategies offered no real added value from the perspective of a large number of investors. What had already become apparent in the course of 2023 materialised in greater form in the first trading weeks and months of 2024: The relative attractiveness of covered bonds – especially compared to unsecured bonds – attracted new demand in the form of real money investors. In addition, the covered product continued to be attractive compared to debt instruments from public issuers in the current year. While the spread premium took centre stage compared to the public issuer/SSA universe, it was more the "comparable" levels of credits that offered greater security with the dual recourse product covered bonds. This structural change on the demand side of the primary market is also evident when looking at the allocation distribution of newly placed deals in the EUR benchmark segment (see chart below).

**Primary market (EUR BMK): Geographical distribution**



**Primary market (EUR BMK): Distribution by investor**

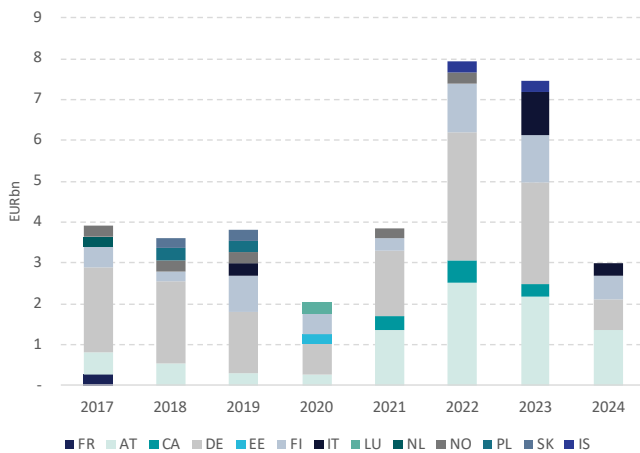


Source: Market data, Bloomberg, NORD/LB Floor Research

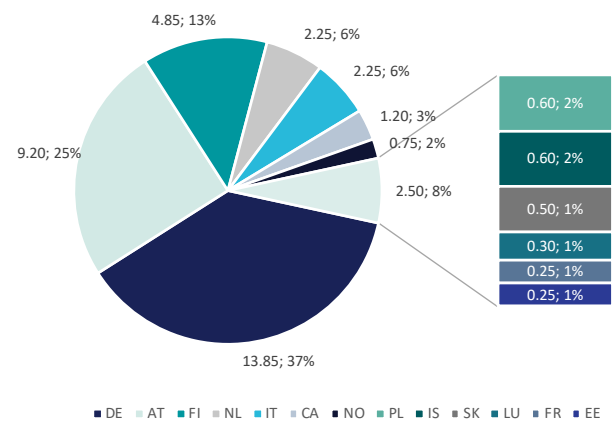
**EUR sub-benchmark segment: niche market with growth potential**

In addition to the EUR benchmark segment, the Issuer Guide's coverage also includes those publicly placed issues with a volume of at least EUR 250m – but not yet a benchmark size (at least EUR 500m). We see the EUR sub-benchmark segment as a niche market with growth potential. After all, this sub-segment offers those issuers the opportunity to approach their investors at regular intervals who do not (yet) have sufficient cover assets to build up a liquid curve in the EUR benchmark segment. From an investor's point of view, the spread premium of smaller issues is often a selling point for EUR sub-benchmarks. The outstanding volume of this submarket totals EUR 36.5bn, with Germany (37%), Austria (25%) and Finland (16%) accounting for the largest shares. In total, the Issuer Guide database comprises 29 cover pools, which are offset by EUR sub-benchmarks but no EUR benchmarks. In comparison, the number of pools with a EUR benchmark reference totals 208, of which a total of 19 programmes are covered bonds in both formats.

**EUR SBMK: Issue history**



**EUR SBMK: Distribution by country**



Source: Market data, Bloomberg, NORD/LB Floor Research

**Conclusion and outlook**

The markets for publicly placed covered bonds denominated in euros in benchmark and sub-benchmark format continue to develop dynamically. This applies in particular to the liquid market for transactions with a volume of EUR 500 million or more. The EUR benchmark segment was still characterised by pronounced repricing at the beginning of the year. This process of strong and sustained spread widening has not yet continued over the course of 2024. Primary market activity should remain strong following the lively start after the summer break. Looking ahead to the second half of 2024 – but also with a view to 2025 – we believe that the fundamental analysis of the individual submarkets will become more relevant. From an investor's point of view, this also requires an analysis down to the level of the individual cover pools. This also applies against the background of our premise that there should be no significant deterioration in the fundamental data. However, this should not be confused with the fact that there is no need to differentiate between different types of pools, their geographical allocation or the granularity of the cover pools. We also see specific factors at issuer level or the legal framework as factors that will increasingly influence prices in the future. This is a return to "normality" after the phase of market distortion by the ECB. This Issuer Guide is intended to provide assistance in analysing the market.

# Introduction

## Overview of issuers

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

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 Ltd	M	12,643	8,256	53.1	BMK	2A / 20%	SB	AAA / Aaa / - / -
Bank of Queensland Ltd	M	2,882	2,155	33.7	BMK	2A / 20%	CPT	AAA / Aaa / - / -
Bank of Queensland Ltd	M	690	592	16.5	BMK	2A / 20%	SB	AAA / - / - / -
Bendigo & Adelaide Bank Ltd	M	2,677	1,228	117.9	BMK	2A / 20%	SB	AAA / Aaa / - / -
Commonwealth Bank of Australia	M	24,421	20,577	18.7	BMK	2A / 20%	SB	AAA / Aaa / - / -
Macquarie Bank Ltd	M	863	536	60.8	BMK	2A / 20%	SB	AAA / Aaa / - / -
National Australia Bank Ltd	M	21,732	17,214	26.2	BMK	2A / 20%	SB	AAA / Aaa / - / -
Westpac Banking Corp	M	26,056	19,400	34.3	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)
Bank für Tirol und Vorarlberg AG	M	766	476	60.9	SBMK	2A / 10%	HB	- / - / AAA / -
Bausparkasse Wüstenrot AG	M	2,031	1,590	27.7	SBMK	2A / 10%	HB	- / - / AAA / -
BAWAG	M	11,365	10,341	9.9	BMK	1 / 10%	HB & SB	- / Aaa / - / -
BAWAG	P	2,956	1,565	88.9	BMK	1 / 10%	HB	- / Aaa / - / -
Erste Group Bank AG	M	31,316	24,953	25.5	BMK	1 / 10%	HB & SB	- / Aaa / - / -
HYPO NOE	M	3,066	2,802	9.4	BMK	1 / 10%	SB	- / Aa1 / - / -
HYPO NOE	P	4,781	3,459	38.2	BMK	1 / 10%	SB	- / Aa1 / - / -
Hypo Tirol Bank AG	M	2,664	2,173	22.6	BMK / SBMK	1 / 10%	SB	- / Aaa / - / -
Hypo Tirol Bank AG	P	956	285	235.4	SBMK	2A / 10%	SB	- / Aaa / - / -
Hypo Vorarlberg Bank AG	M	5,780	4,488	28.8	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Kommunalkredit Austria AG	P	1,204	1,046	15.1	SBMK	2A / 20%	HB	- / - / A+ / -
Oberbank AG	M	3,882	2,577	50.7	SBMK	2A / 10%	HB & SB	- / - / AAA / -
Oberösterreichische Landesbank AG	M	2,819	2,392	17.9	SBMK	2A / 10%	HB	- / - / AA+ / -
Raiffeisen Bank International AG	M	4,486	3,525	27.3	BMK	1 / 10%	SB	- / Aa1 / - / -
Raiffeisen Bausparkasse Gesellschaft mbH	M	401	300	33.6	SMBK	2A / 10%	SB	- / Aaa / - / -
Raiffeisen Landesbank Vorarlberg	M	3,920	2,836	38.3	BMK / SBMK	1 / 10%	HB & SB	- / Aaa / - / -
Raiffeisenlandesbank Niederösterreich-Wien	M	10,740	8,002	34.2	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Raiffeisenlandesbank Niederösterreich-Wien	P	2,626	2,139	22.8	BMK	1 / 10%	SB	- / Aaa / - / -
Raiffeisenlandesbank Oberösterreich AG	M	6,886	4,806	43.3	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Raiffeisen-Landesbank Steiermark AG	M	7,892	5,201	51.7	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Raiffeisen-Landesbank Tirol AG	M	3,618	2,825	28.1	BMK / SBMK	1 / 10%	HB & SB	- / Aaa / - / -
Raiffeisenverband Salzburg eGen	M	2,477	1,776	39.5	SBMK	2A / 10%	HB & SB	- / Aaa / - / -
UniCredit Bank Austria AG	M	17,468	7,684	127.3	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Volksbank Wien AG	M	5,149	3,196	61.1	BMK	1 / 10%	HB & SB	- / 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 NV	M	4,597	3,750	22.6	BMK	1 / 10%	SB	- / - / AAA / -
Belfius Bank SA	M	17,121	13,557	26.3	BMK	1 / 10%	SB	AAA / - / AAA / -
Belfius Bank SA	P	2,343	1,711	36.9	BMK	1 / 10%	SB	- / Aaa / AAA / -
BNP Paribas Fortis SA	M	14,931	11,500	29.8	BMK	1 / 10%	SB	- / Aaa / AAA / -
ING Belgium SA	M	13,300	9,500	40.0	BMK	1 / 10%	SB	AAA / Aaa / - / -
KBC Bank NV	M	19,016	14,920	27.5	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	26,444	16,995	55.6	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Bank of Nova Scotia	M	59,185	37,499	57.8	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Canadian Imperial Bank of Commerce	M	30,629	22,300	37.4	BMK	2A / 20%	SB	AAA / Aaa / - / -
Equitable Bank	M	2,090	1,623	28.8	BMK/SBMK	2A / 20%	SB	AA / - / - / AA
Federation des Caisses Desjardins du Quebec	M	12,753	10,097	26.3	BMK	2A / 20%	SB	AAA / Aaa / - / -
National Bank of Canada	M	15,647	9,123	71.5	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Royal Bank of Canada	M	78,331	48,242	62.4	BMK	2A / 20%	SB	AAA / Aaa / - / AAA
Toronto-Dominion Bank/The	M	63,584	44,217	43.8	BMK	2A / 20%	SB	AAA / 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 AS	M	622	500	24.5	BMK	1 / 10%	SB	AAA / - / - / -
UniCredit Bank Czech Republic & Slovakia AS	M	7,365	5,155	42.9	BMK	1 / 10%	SB	- / Aa2 / - / -

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)
Danmarks Skibskredit A/S	S	1,468	1,194	22.9	BMK	2A / 20%	HB	- / - / A / -
Danske Bank A/S	M	6,283	5,129	22.5	BMK	1 / 10%	SB	AAA / - / AAA / -
Danske Bank A/S	M	6,171	5,633	9.6	BMK	1 / 10%	SB	AAA / - / AAA / -
Jyske Realkredit A/S	M	46,021	43,047	6.9	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 Pank AS	M	670	500	34.0	SBMK	2A / 10%	SB	- / Aa1 / - / -
Luminor Bank AS/Estonia	M	3,130	1,750	78.9	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 Oyj	M	1,764	1,300	35.7	BMK	1 / 10%	SB	- / Aaa / - / -
Aktia Bank Oyj	M	629	500	25.9	BMK	1 / 10%	SB	- / Aaa / - / -
Alandsbanken Abp	M	1,199	950	26.2	SBMK	2A / 10%	SB	- / Aaa / - / -
Danske Mortgage Bank PLC	M	5,481	4,250	29.0	BMK	1 / 10%	SB	- / Aaa / - / -
Nordea Kiinnitysluottopankki Oyj	M	16,556	14,478	14.4	BMK	1 / 10%	HB	- / Aaa / - / -
Nordea Kiinnitysluottopankki Oyj	M	8,267	6,750	22.5	BMK	1 / 10%	SB	- / Aaa / - / -
Oma Saastopankki Oyj	M	3,008	2,350	28.0	BMK / SBMK	1 / 10%	SB	- / - / AAA / -
OP Mortgage Bank	M	5,783	5,250	10.2	BMK	1 / 10%	SB	- / Aaa / - / -
OP Mortgage Bank	M	12,338	9,665	27.7	BMK	1 / 10%	SB	- / Aaa / AAA / -
POP Asuntoluottopankki Oyj	M	677	500	35.4	SBMK	2A / 10%	SB	- / - / AAA / -
S-Pankki Oyj	M	3,187	1,000	218.7	BMK	1 / 10%	SB	- / - / AAA / -
SP-Kiinnitysluottopankki Oyj	M	2,170	1,300	66.9	BMK / SBMK	1 / 10%	SB	- / - / AAA / -
SP-Kiinnitysluottopankki Oyj	M	1,051	750	40.1	BMK	1 / 10%	SB	- / - / AAA / -
Suomen Hypoteekkiyhdistys	M	1,474	1,170	26.0	SBMK	2A / 10%	SB	- / - / AAA / -
Suomen Hypoteekkiyhdistys	M	768	600	28.0	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)
Arkea Home Loans SFH SA	M	12,103	9,683	25.0	BMK	1 / 10%	SB	AAA / Aaa / - / -
Arkea Public Sector SCF SA	P	4,303	3,437	25.2	BMK	1 / 10%	SB	- / Aaa / - / -
AXA Bank Europe SCF	M	13,315	10,000	33.1	BMK / SBMK	1 / 10%	SB	- / Aaa / - / -
AXA Home Loan SFH SA	M	3,738	3,250	15.0	BMK	1 / 10%	SB	AAA / - / AAA / -
BNP Paribas Home Loan SFH SA	M	42,663	34,008	25.4	BMK	1 / 10%	SB	AAA / - / AAA / -
BPCE SFH SA	M	63,963	48,072	33.1	BMK	1 / 10%	HB & SB	- / Aaa / AAA / -
Caisse de Refinancement de l'Habitat SA	M	23,076	16,397	40.7	BMK	1 / 10%	HB & SB	AAA / - / - / -
Caisse Francaise de Financement Local	P	63,355	54,069	17.2	BMK	1 / 10%	HB	- / Aaa / AA+ / AAA
CCF SFH SACA	M	4,376	3,500	25.0	BMK	1 / 10%	SB	- / - / AAA / -
Cie de Financement Foncier SA	M	59,519	51,539	15.5	BMK	1 / 10%	HB	- / Aaa / AAA / -
Credit Agricole Home Loan SFH SA	M	60,679	40,544	49.7	BMK	1 / 10%	SB	AAA / Aaa / AAA / -
Credit Agricole Public Sector SCF SA	P	6,089	4,000	52.2	BMK	1 / 10%	SB	- / Aaa / AAA / -
Credit Mutuel Home Loan SFH SA	M	45,292	30,847	46.8	BMK	1 / 10%	SB	AAA / Aaa / AAA / -
La Banque Postale Home Loan SFH SA	M	26,104	18,466	41.4	BMK	1 / 10%	SB	- / - / AAA / -
MMB SCF SACA	M	4,654	3,500	33.0	BMK	1 / 10%	SB	- / - / AAA / -
Societe Generale SFH SA	M	53,325	43,640	22.2	BMK	1 / 10%	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 AG	M	17,057	14,611	16.7	BMK	1 / 10%	SB	- / Aaa / - / -
Bausparkasse Schwabebisch Hall AG	M	6,318	4,104	53.9	BMK	1 / 10%	SB	- / Aaa / - / -
Bayerische Landesbank	M	11,239	8,621	30.4	BMK	1 / 10%	SB	- / Aaa / - / -
Bayerische Landesbank	P	23,800	13,629	74.6	BMK	1 / 10%	SB	- / Aaa / - / -
Berlin Hyp AG	M	18,823	17,935	4.9	BMK	1 / 10%	SB	- / Aaa / - / -
Commerzbank AG	M	43,399	30,631	41.7	BMK	1 / 10%	SB	- / Aaa / - / -
Commerzbank AG	P	16,972	9,198	84.5	BMK	1 / 10%	SB	- / Aaa / - / -
DekaBank Deutsche Girozentrale	M	1,294	931	39.0	SBMK	2A / 10%	SB	- / Aaa / - / -
DekaBank Deutsche Girozentrale	P	3,755	2,834	32.5	SBMK	2A / 10%	SB	- / Aaa / - / -
Deutsche Apotheker-und Aerztebank eG	M	8,375	4,207	99.1	BMK	1 / 10%	SB	- / - / AAA / -
Deutsche Bank AG	M	15,647	13,079	19.6	BMK	1 / 10%	SB	- / Aaa / - / -
Deutsche Bank AG	M	4,592	3,310	38.7	BMK	- / 20%	CPT	- / Aaa / - / AA
Deutsche Kreditbank AG	M	9,615	3,921	145.2	BMK	1 / 10%	SB	- / Aaa / - / -
Deutsche Kreditbank AG	P	6,350	2,248	182.5	BMK	1 / 10%	SB	- / Aaa / - / -
Deutsche Pfandbriefbank AG	M	19,751	15,233	29.7	BMK	1 / 10%	SB	- / Aa1 / - / -
Deutsche Pfandbriefbank AG	P	8,864	7,619	16.3	BMK	1 / 10%	SB	- / Aa1 / - / -
Die Sparkasse Bremen AG	M	1,133	955	18.6	SMBK	2A / 10%	SB	AA+ / - / - / -
DZ HYP AG	M	41,274	35,171	17.4	BMK	1 / 10%	SB	- / Aaa / AAA / -
DZ HYP AG	P	11,491	8,982	27.9	BMK / SBMK	1 / 10%	SB	- / Aaa / AAA / -
Hamburg Commercial Bank AG	M	2,987	2,500	19.5	BMK	1 / 10%	SB	- / Aaa / - / -
Hamburg Commercial Bank AG	S	1,581	1,300	21.6	BMK	1 / 10%	SB	- / Aa3 / - / -

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)
Hamburger Sparkasse AG	M	8,618	5,504	56.6	BMK	1 / 10%	SB	- / Aaa / - / -
ING-DiBa AG	M	15,973	11,305	41.3	BMK	1 / 10%	SB	- / Aaa / - / -
Landesbank Baden-Wuerttemberg	M	18,328	13,979	31.1	BMK	1 / 10%	SB	- / Aaa / - / -
Landesbank Baden-Wuerttemberg	P	13,938	11,377	22.5	BMK	1 / 10%	SB	- / Aaa / - / -
Landesbank Berlin AG	M	6,827	3,809	79.2	SBMK	2A / 10%	SB	- / Aaa / - / -
Landesbank Hessen-Thuringen	M	15,886	9,158	73.5	BMK	1 / 10%	SB	- / Aaa / - / -
Landesbank Hessen-Thuringen	P	31,475	18,816	67.3	BMK	1 / 10%	SB	- / Aaa / - / -
Landesbank Saar	P	4,885	3,840	27.2	BMK / SBMK	2A / 10%	SB	AAA / - / - / -
Lloyds Bank GmbH	M	543	500	8.6	BMK	1 / 10%	SB	- / Aaa / - / -
Muenchener Hypothekenbank eG	M	37,621	35,361	6.4	BMK	1 / 10%	SB	- / Aaa / - / -
Natixis Pfandbriefbank AG	M	1,693	1,291	31.1	SBMK	2A / 10%	SB	- / Aaa / - / -
Norddeutsche Landesbank-Girozentrale	M	13,809	8,646	59.7	BMK	1 / 10%	SB	- / Aaa / - / -
Norddeutsche Landesbank-Girozentrale	P	13,442	11,928	12.7	BMK	1 / 10%	SB	- / Aaa / - / -
Oldenburgische Landesbank AG	M	1,736	1,481	17.2	BMK / SBMK	1 / 10%	SB	- / Aaa / - / -
Santander Consumer Bank AG	M	1,790	1,025	74.6	BMK	1 / 10%	SB	AAA / Aaa / - / -
Sparkasse Dortmund	M	927	580	59.8	SMBK	2A / 10%	SB	AAA / - / - / -
Sparkasse Hannover	M	3,051	2,159	41.3	BMK / SBMK	1 / 10%	SB	AAA / - / - / -
Sparkasse Hannover	P	1,733	846	104.8	SBMK	2A / 10%	SB	AAA / - / - / -
Sparkasse KoelnBonn	M	8,259	1,292	539.3	BMK	1 / 10%	SB	- / Aaa / - / -
Sparkasse Pforzheim Calw	M	3,002	2,303	30.3	BMK / SBMK	1 / 10%	SB	AAA / - / - / -
Stadtsparkasse Muenchen	M	1,415	715	97.9	SBMK	2A / 10%	SB	AA+ / - / - / -
UniCredit Bank GmbH	M	34,394	26,779	28.4	BMK	1 / 10%	SB	- / Aaa / - / -
UniCredit Bank GmbH	P	8,074	5,928	36.2	BMK	1 / 10%	SB	- / Aaa / - / -
Iceland	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)
Arion Banki HF	M	2,320	2,062	12.5	BMK	2A / 20%	SB	- / Aa2 / - / -
Islandsbanki HF	M	2,476	2,055	20.5	SBMK	2A / 20%	SB	- / - / A+ / -
Landsbankinn HF	M	2,962	2,364	25.3	SBMK	2A / 20%	SB	- / - / A+ / -
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)
Bank Of Ireland Mortgage Bank Ulc	M	12,189	2,127	473.1	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 SpA	M	12,216	6,700	82.3	BMK	1 / 10%	CPT	AA- / Aa3 / - / AA
Banca Popolare dell'Alto Adige SpA	M	736	550	33.7	SBMK	2A / 10%	SB	AA / - / - / -
Banca Popolare di Sondrio SPA	M	1,939	1,000	93.9	BMK	1 / 10%	SB	AA / - / - / -
Banca Sella	M	557	400	39.3	SBMK	2A / 10%	SB	- / Aa3 / - / -
Banco BPM SpA	M	7,191	5,600	28.4	BMK	1 / 10%	SB	- / Aa3 / - / -
Banco di Desio e della Brianza SpA	M	2,341	1,675	39.8	BMK	1 / 10%	SB	AA / - / - / -
BPER Banca SPA	M	6,880	5,000	37.6	BMK	1 / 10%	SB	- / Aa3 / - / -
Credit Agricole Italia SpA	M	17,095	12,727	34.3	BMK	1 / 10%	SB	- / Aa3 / - / -
Credito Emiliano SpA	M	4,596	2,850	61.3	BMK	1 / 10%	SB	AA / Aa3 / - / -
Iccrea Banca SpA	M	3,286	2,450	34.1	BMK	1 / 10%	SB	- / Aa3 / - / -
Intesa Sanpaolo SpA	M	34,560	22,960	50.5	BMK	1 / 10%	SB	- / Aa3 / - / -
Intesa Sanpaolo SpA	M	7,987	5,450	46.6	BMK	1 / 10%	SB	- / Aa3 / - / AA
Mediobanca Banca di Credito Finanziario SpA	M	7,251	5,250	38.1	BMK	1 / 10%	SB	AA / - / - / -
UniCredit SpA	M	29,165	16,500	76.8	BMK	1 / 10%	SB	- / 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 Corp	M	7,590	4,175	81.8	BMK	- / 20%	SB	- / Aaa / - / -
Sumitomo Mitsui Trust Bank Ltd	M	3,755	2,676	40.4	BMK	- / 20%	SB	- / 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	3,009	2,079	44.7	BMK	1 / 20%	HB	- / Aaa / - / -
NORD/LB Luxembourg Covered Bond Bank	RE	343	300	14.4	SBMK	2A / 20%	HB	- / Aaa / - / -
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 Bank NV	M	33,142	25,136	31.9	BMK/SBMK	1 / 10%	SB	AAA / Aaa / - / -
Achmea Bank NV	M	5,714	4,000	42.8	BMK	1 / 10%	SB	- / - / AAA / -
Cooperatieve Rabobank UA	M	24,447	22,638	8.0	BMK	1 / 10%	SB	- / Aaa / - / -
de Volksbank NV	M	5,858	5,070	15.6	BMK	1 / 10%	SB	AAA / Aaa / - / -
ING Bank NV	M	27,870	22,144	25.9	BMK	1 / 10%	SB	AAA / Aaa / AAA / -
Knab NV	M	1,809	1,500	20.6	BMK	1 / 10%	CPT	- / - / AAA / -
Knab NV	M	3,185	2,500	27.4	BMK	1 / 10%	SB	- / - / AAA / -
Nationale-Nederlanden Bank	M	8,908	7,845	13.6	BMK	1 / 10%	SB	- / - / AAA / -

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)
NIBC Bank NV	M	4,270	3,500	22.0	BMK	1 / 10%	CPT	AAA / - / AAA / -
NIBC Bank NV	M	1,446	1,000	44.6	BMK	1 / 10%	SB	- / - / AAA / -
Van Lanschot Kempen NV	M	2,040	1,500	36.0	BMK	1 / 10%	SB	- / - / 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 New Zealand Int'l Ltd/London	M	4,962	1,175	322.1	BMK	2A / 20%	SB	AAA / Aaa / - / -
ASB Bank Ltd	M	2,351	1,661	41.5	BMK	2A / 20%	SB	AAA / Aaa / - / -
Bank of New Zealand	M	4,343	3,618	20.0	BMK	2A / 20%	SB	AAA / Aaa / - / -
Westpac Securities NZ Ltd/London	M	3,417	2,396	42.6	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 Boligkreditt AS	M	55,880	33,922	64.7	BMK	1 / 10%	SB	- / Aaa / AAA / -
Eika Boligkreditt AS	M	9,926	9,132	8.7	BMK	1 / 10%	SB	- / Aaa / - / -
Moere Boligkreditt AS	M	2,813	2,390	17.7	SBMK	2A / 10%	SB	- / Aaa / - / -
SpareBank 1 Boligkreditt AS	M	26,295	24,910	5.6	BMK	1 / 10%	SB	- / Aaa / - / -
Sparebanken Soer Boligkreditt AS	M	4,627	4,101	12.8	BMK	1 / 10%	SB	- / Aaa / - / -
Sparebanken Vest Boligkreditt AS	M	13,005	10,209	27.4	BMK	1 / 10%	SB	- / Aaa / - / -
SR-Boligkreditt AS	M	9,457	7,910	19.6	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 Hipoteczny SA	M	1,935	1,455	33.0	SBMK	2A / 10%	CPT	- / Aa1 / - / -
PKO Bank Hipoteczny SA	M	3,778	1,941	94.6	BMK	1 / 10%	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 SA	M	8,831	6,550	34.8	BMK	1 / 10%	SB	- / Aaa / - / AA
Banco Santander Totta SA	M	12,798	10,831	18.2	BMK	1 / 10%	SB	AA- / Aaa / - / AA
Caixa Economica Montepio Geral	M	3,106	2,050	51.5	BMK	1 / 10%	CPT	AAA / Aaa / - / -
Novo Banco SA	M	8,352	6,000	39.2	BMK	1 / 10%	SB	- / Aaa / - / -
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 Bank Ltd	M	15,473	9,005	71.8	BMK	2A / 20%	SB	AAA / Aaa / - / -
Maybank Singapore Ltd	M	778	508	53.4	BMK	2A / 20%	SB	- / Aaa / AAA / -
Oversea-Chinese Banking Corp Ltd	M	4,301	1,145	275.7	BMK	2A / 20%	SB	AAA / Aaa / - / -
Standard Chartered Bank Singapore Ltd	M	1,286	504	155.2	BMK	2A / 20%	SB	- / Aaa / AAA / -
United Overseas Bank Ltd	M	11,460	5,132	123.3	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)
Ceskoslovenska Obchodna Banka as	M	785	650	20.7	BMK	1 / 10%	SB	- / Aaa / - / -
Prima Banka Slovensko AS	M	3,915	3,000	30.5	BMK	1 / 10%	SB	- / Aaa / - / -
Slovenska Sporitelna AS	M	5,772	4,151	39.0	BMK / SBMK	1 / 10%	SB	- / Aaa / - / -
Tatra Banka as	M	2,270	1,885	20.4	BMK / SBMK	1 / 10%	SB	- / Aaa / - / -
Vseobecna Uverova Banka AS	M	4,746	4,290	10.6	BMK	1 / 10%	SB	- / Aa1 / - / -
South 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)
KEB Hana Bank	M	1,758	1,050	67.5	BMK	2A / 20%	SB	AAA / - / AAA / -
Kookmin Bank	M	2,930	1,867	57.0	BMK	2A / 20%	SB	AAA / - / AAA / -
Korea Housing Finance Corp	M	994	878	13.2	BMK	2A / 20%	HB	- / - / AAA / -
Korea Housing Finance Corp	M	511	457	11.8	BMK	2A / 20%	HB	- / - / AAA / -
Korea Housing Finance Corp	M	1,004	919	9.3	BMK	2A / 20%	HB	- / - / AAA / -
Korea Housing Finance Corp	M	588	509	15.6	BMK	2A / 20%	HB	- / - / AAA / -
Korea Housing Finance Corp	M	710	551	28.8	BMK	2A / 20%	HB	- / - / AAA / -
Korea Housing Finance Corp	M	4,922	4,234	16.2	BMK	2A / 20%	HB	- / Aaa / AAA / -
Shinhan Bank Co Ltd	M	1,686	492	242.6	BMK	2A / 20%	SB	AAA / - / - / -
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 Corp Bancaria SA	M	4,520	2,760	63.7	BMK	1 / 10%	HB	- / Aa1 / AA+ / -
Banco Bilbao Vizcaya Argentaria SA	M	43,511	19,915	118.5	BMK	1 / 10%	HB & SB	- / Aa1 / - / AAA
Banco de Sabadell SA	M	25,739	15,326	67.9	BMK	1 / 10%	HB & SB	- / Aa1 / - / AAA
Banco Santander SA	M	60,876	42,004	44.9	BMK	1 / 10%	HB & SB	AAA / Aa1 / - / -
Banco Santander SA	P	13,909	8,634	61.1	BMK	1 / 10%	SB	- / Aa1 / - / -
Bankinter SA	M	24,989	16,253	53.7	BMK	1 / 10%	HB & SB	- / Aa1 / - / -
CaixaBank SA	M	102,307	55,741	83.5	BMK	1 / 10%	HB	- / Aa1 / AA+ / AAA
Caja Rural de Navarra SCC	M	2,620	2,250	16.4	BMK	1 / 10%	HB & SB	- / Aa1 / - / -
Cajamar Caja Rural SCC	M	7,919	6,200	27.7	BMK	1 / 10%	SB	- / - / AA+ / -
Deutsche Bank SA Espanola	M	6,240	4,500	38.7	BMK	1 / 10%	SB	- / - / - / -



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)
Eurocaja Rural SCC	M	2,610	1,700	53.5	BMK	1 / 10%	HB	- / Aa1 / - / -
Kutxabank SA	M	3,101	2,400	29.2	BMK	1 / 10%	HB	- / Aa1 / - / AAA
Unicaja Banco SA	M	11,397	8,222	38.6	BMK	1 / 10%	HB	- / Aa1 / - / -
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)
Lansforsakringar Hypotek AB	M	27,004	20,811	29.8	BMK	1 / 10%	HB & SB	- / Aaa / AAA / -
Skandinaviska Enskilda Banken AB	M	62,599	31,316	99.9	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Stadshypotek AB	M	6,245	5,677	10.0	BMK	1 / 10%	HB & SB	- / Aaa / - / -
Stadshypotek AB	M	59,932	54,484	10.0	BMK	1 / 10%	SB	- / Aaa / - / -
Sveriges Sakerstallda Obligationer AB	M	37,375	29,197	28.0	BMK	1 / 10%	SB	- / Aaa / - / -
Swedbank Hypotek AB	M	97,205	32,770	196.6	BMK	1 / 10%	HB & SB	- / 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)
UBS Switzerland AG	M	12,110	10,956	12.9	BMK	- / 20%	SB	AAA / - / - / -
UBS Switzerland AG	M	13,627	11,305	20.5	BMK	- / 20%	SB	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)
Clydesdale Bank PLC	M	11,244	5,266	113.5	BMK	2A / 20%	SB	AAA / Aaa / - / -
Coventry Building Society	M	8,260	4,596	79.7	BMK	2A / 20%	SB	AAA / Aaa / - / -
Lloyds Bank PLC	M	35,095	21,492	63.3	BMK	2A / 20%	SB	AAA / Aaa / - / -
Nationwide Building Society	M	28,137	18,270	54.0	BMK	2A / 20%	SB	AAA / Aaa / AAA / -
Santander UK PLC	M	33,897	21,641	56.6	BMK	2A / 20%	SB	AAA / Aaa / AAA / -
Skipton Building Society	M	4,315	2,306	87.1	BMK	2A / 20%	SB	AAA / Aaa / - / -
TSB Bank PLC	M	6,174	3,770	63.8	BMK	2A / 20%	SB	- / Aaa / - / -
Yorkshire Building Society	M	8,416	5,060	66.3	BMK	2A / 20%	SB	AAA / Aaa / - / -

Source: Issuer, Rating agencies, Bloomberg, NORD/LB 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

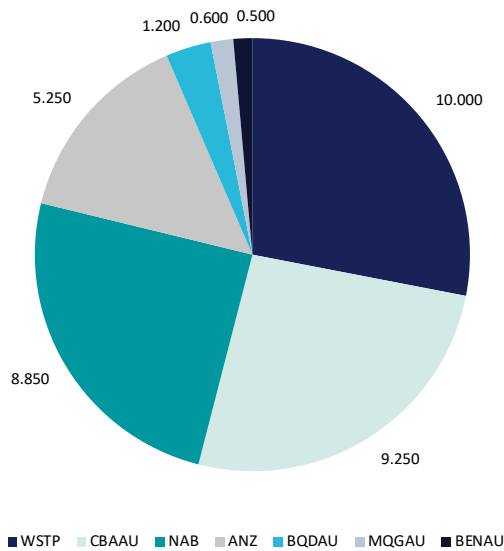
# Market Overview Covered Bonds

Australia 

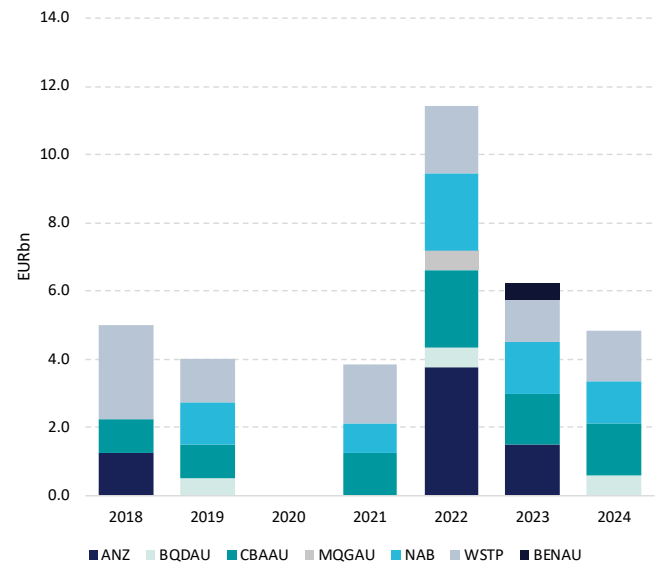
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 91.96bn	Outstanding volume (Bmk)	EUR 36.65bn
Amount outstanding	EUR 69.96bn	Number of benchmarks	33
Number of issuers	7	Outstanding ESG volume (Bmk)	-
No of cover pools	8	Number of ESG benchmarks	-
there of M / PS / others	8 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	SB, CPT

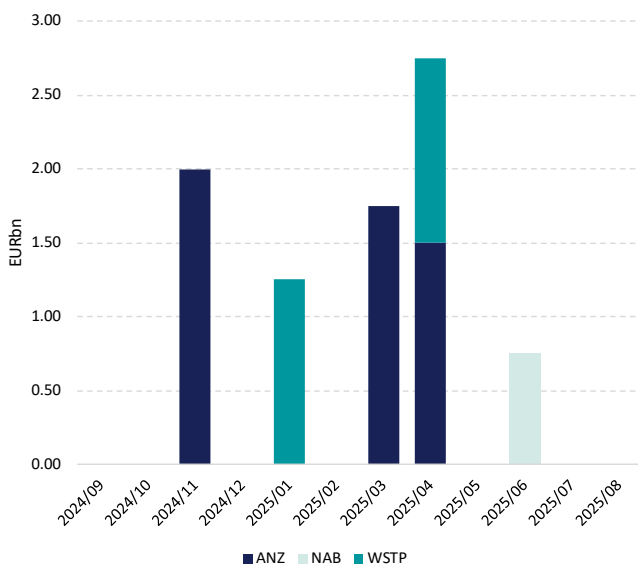
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



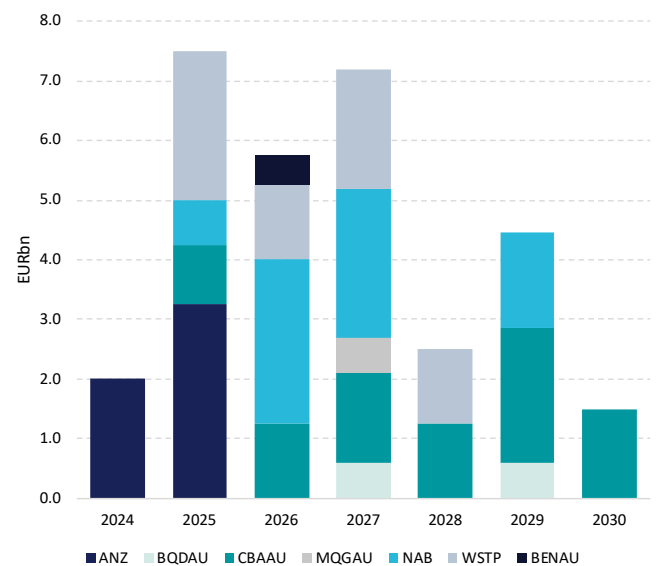
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# ANZ Group Holdings

Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Australia and New Zealand

#### Banking Group

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

## Homepage

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

The Australia and New Zealand Banking Group (ANZ) is a wholly owned subsidiary of ANZ Group Holdings Limited (ANZGHL). ANZGHL, which operates as a non-operational Holding Company, was established in January 2023 as part of a Group restructuring project. As the main operating entity within the Holding Company, ANZ has a geographical focus on the Australian (earnings) and New Zealand markets, although it is also represented in the USA, Europe and Asia. ANZ ranks among the top four major banks in Australia and is the largest banking group in New Zealand and the Pacific. It conducts business with approximately 8.5m customers in just under 30 countries. ANZ offers its retail and business customers a broad range of traditional banking and financial products and services. ANZ reports across the following segments: Australia Retail (31.0% of revenues excluding Group Centre; FY 2023), Australia Commercial (17.0%), Institutional (32.0%), New Zealand (17.0%) and Pacific (1.0%). Based on cash profit (FY 2023), Australia accounts for a share of 53.4%, with 28.2% attributable to New Zealand and 18.4% to the international business. After gaining approval from the competition authorities in February 2024, the acquisition of the Australian Suncorp Bank is expected to be finalised in mid-2024. In April 2023, ANZ set itself the goal of facilitating USD 100bn for environmentally friendly and social projects by the end of 2030 through customer activities or direct investments. By 30 September 2023, it had raised 8.8% of this target figure. These projects must comply with at least one of the 17 UN SDGs. The financial year ends on 30 September each year.

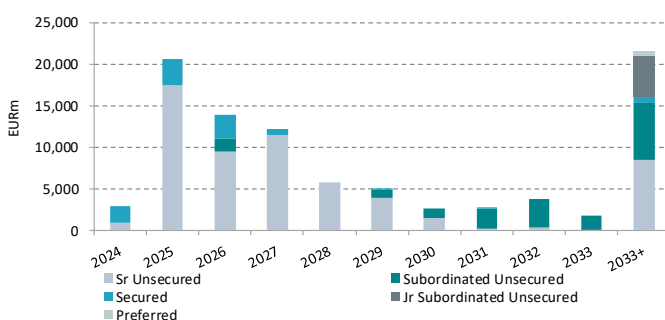
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	441,773	431,061	432,274
Total Securities	138,998	118,787	125,709
Total Deposits	429,995	420,083	411,127
Tier 1 Common Capital	36,708	35,235	35,306
Total Assets	713,327	674,059	658,651
Total Risk-weighted Assets	298,751	264,185	261,586

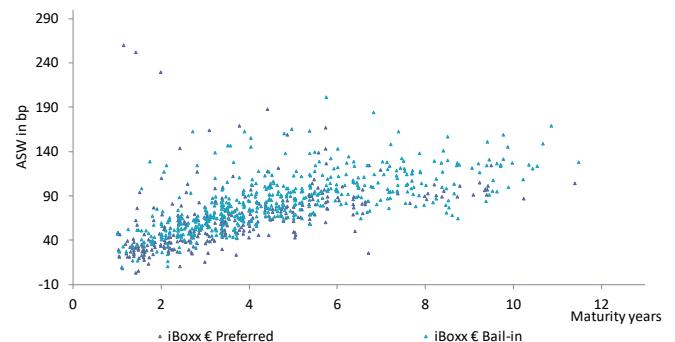
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	9,790	10,347	4,782
Net Fee & Commission Inc.	1,298	1,219	588
Net Trading Income	1,312	958	673
Operating Expense	6,292	6,354	3,178
Credit Commit, Impairment	-143	124	27
Pre-tax Profit	6,634	6,287	2,942

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.63	1.70	1.56	Liquidity Coverage Ratio	-	-
ROAE	10.95	10.45	9.70	IFRS Tier 1 Leverage Ratio	5.61	5.54
Cost-to-Income	49.67	49.87	51.73	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	12.29	13.34	13.50	Reserves/Loans at Amort. Cost	0.53	0.51

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Funding
- Loss absorption reserves

## Risks / Weaknesses

- Trend in house prices
- Debt level of private households
- Dependency on wholesale funding

# ANZ Banking Group – Mortgage

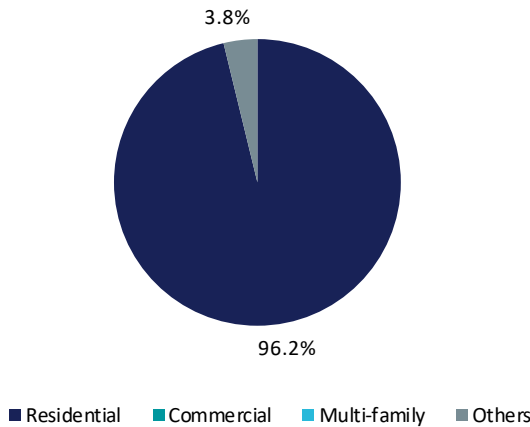
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

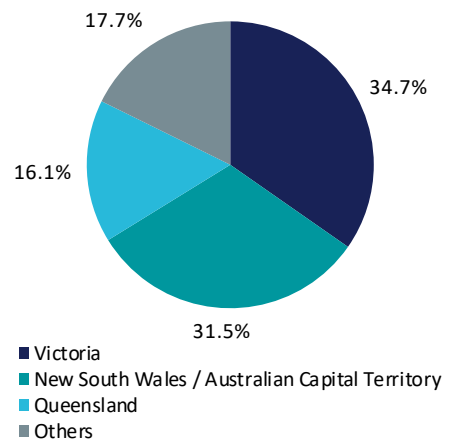
## Cover Pool Data

Cover pool volume (EURm)	12,643	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,256	Rating (S&P)	-
-thereof ≥ EUR 500m	78.7%	Rating (Fitch)	AAA
Current OC (nominal)	53.1%	Rating (DBRS)	-
Committed OC	10.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Australia	Collateral score	4.0%
Main region	35% Victoria	RRL	-
Number of loans	65,444	JRL	-
Number of borrowers	55,844	Unused notches	-
Avg. exposure to borrowers (EUR)	217,788	AAA credit risk (%)	-
WAL (cover pool)	16.3y	PCU	6
WAL (covered bonds)	2.3y	Recovery uplift	1
Fixed interest (cover pool)	7.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	86.0%	LCR eligible	Yes
LTV (indexed)	53.6%	LCR level (Bmk)	2A
LTV (unindexed)	59.5%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

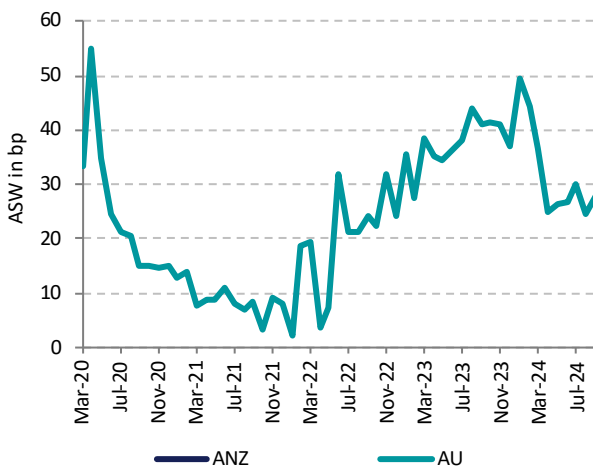
## Borrower Types



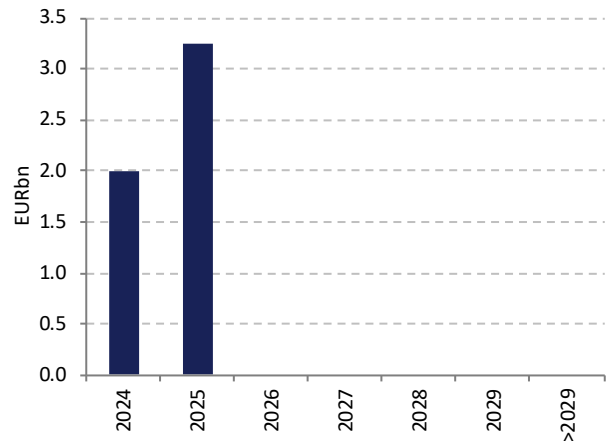
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Bank of Queensland

Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Bank of Queensland Ltd.

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

## Homepage

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

The Bank of Queensland (BOQ) is a leading regional bank which does not form part of any of the major Australian banks. It is listed on the Australian Securities Exchange (ASX) and has a network of 143 branches in Australia. Alongside ME Bank, which was acquired in 2021, BOQ Finance, BOQ Specialist and Virgin Money Australia rank among the wholly owned subsidiaries of BOQ. With around 3,200 employees (H1 2024), BOQ and its subsidiaries serve 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 in the form of asset and resource funding. The bank's geographical focus is on the East Coast of Australia in its home region of Queensland (32.0% of the loan portfolio) as well as New South Wales (30%). At 77.8%, the vast majority of the loan portfolio is accounted for by residential mortgage loans (FY 2023). The bank is divided into the operational segments of Retail Banking (incl. Virgin Money and ME Bank), BOQ Business and Other. The funding mix consists primarily of customer deposits (Q2/2024; 70.7%), short-term (10.6%) and long-term wholesale funding (18.6%) with a proportion of 21.3% covered bonds. In February 2024, BOQ announced the sale of its New Zealand assets to UDC Finance Limited (UDC). Overall, 91% of the asset portfolio, which is valued at NZD 238m (as at 31 January 2024), is being sold off to reduce operational complexity and focus on lending as the core business. This transaction is set to go through in H2 2024. BOQ's financial year ends on 31 August each year.

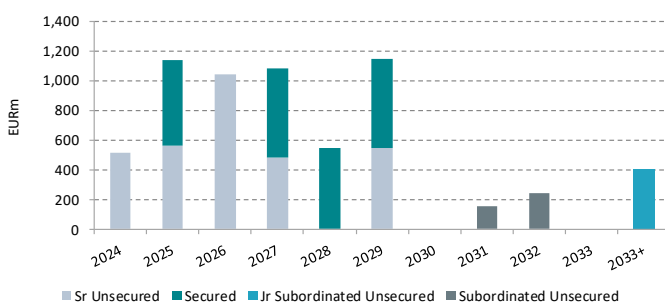
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	55,167	48,088	48,231
Total Securities	9,807	10,363	9,645
Total Deposits	48,182	45,667	45,037
Tier 1 Common Capital	2,979	2,649	2,636
Total Assets	68,106	62,891	60,908
Total Risk-weighted Assets	31,131	24,284	24,487

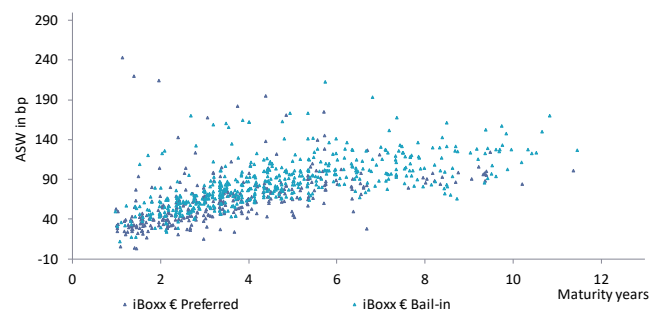
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	991	1,017	442
Net Fee & Commission Inc.	67	71	34
Net Trading Income	6	14	4
Operating Expense	673	721	330
Credit Commit, Impairment	-1	42	8
Pre-tax Profit	393	177	142

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.73	1.70	1.44	Liquidity Coverage Ratio	-	-
ROAE	6.36	1.94	4.98	IFRS Tier 1 Leverage Ratio	4.46	4.27
Cost-to-Income	62.21	65.17	68.68	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	9.57	10.91	10.76	Reserves/Loans at Amort. Cost	0.36	0.41

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity position
- Funding (deposit base)

## Risks / Weaknesses

- Dwindling asset quality (high interest rates)
- Pressure on profitability
- Market position in Australia

# Bank of Queensland (CPT) – Mortgage

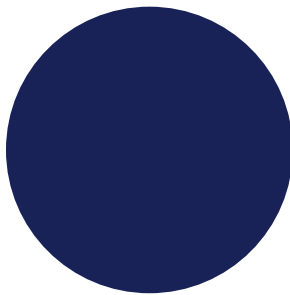
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

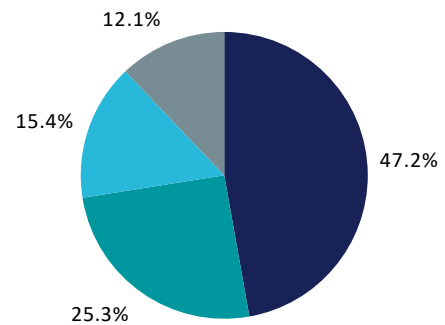
Cover pool volume (EURm)	2,882	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,155	Rating (S&P)	-
-thereof ≥ EUR 500m	27.8%	Rating (Fitch)	AAA
Current OC (nominal)	33.7%	Rating (DBRS)	-
Committed OC	10.0%	TPI	TPI-delinked
Cover type	Mortgage	TPI leeway	Not Applicable
Main country	100% Australia	Collateral score	4.0%
Main region	47% Queensland	RRL	-
Number of loans	17,298	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)	2.2y	Recovery uplift	2
Fixed interest (cover pool)	10.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	48.0%	LCR eligible	Yes
LTV (indexed)	40.9%	LCR level (Bmk)	2A
LTV (unindexed)	53.0%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

## Borrower Types



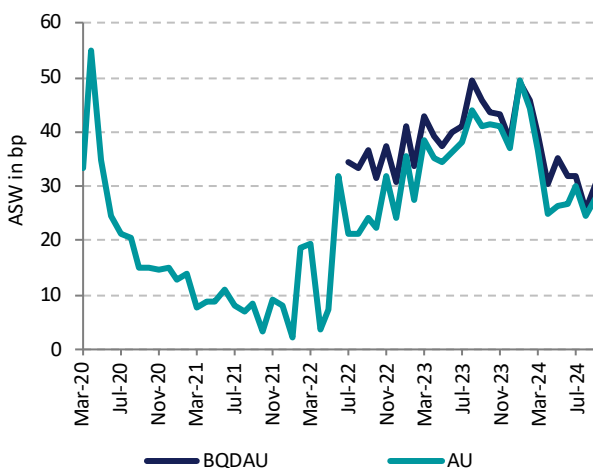
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



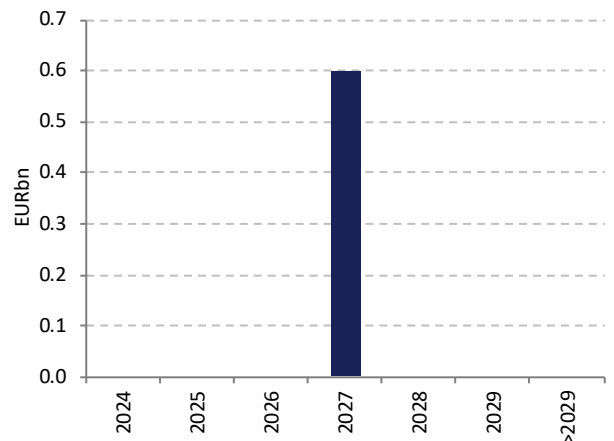
■ Queensland ■ New South Wales ■ Victoria ■ Others

## Spread Development



— BQDAU — AU

## Redemption Profile (Bmk)



# Bank of Queensland (SB)– Mortgage

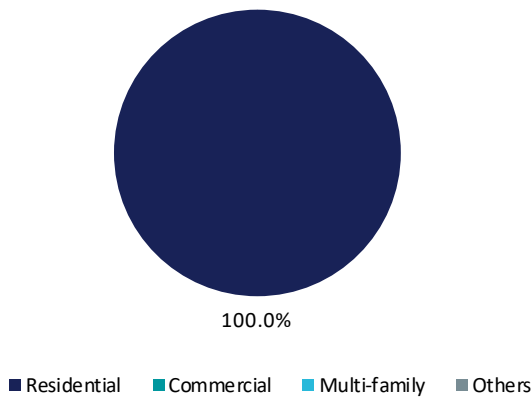
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

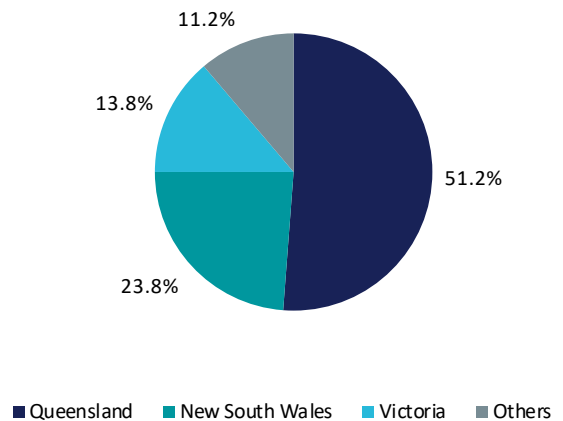
## Cover Pool Data

Cover pool volume (EURm)	690	Rating (Moody's)	Aaa
Amount outstanding (EURm)	592	Rating (S&P)	-
-thereof ≥ EUR 500m	101.3%	Rating (Fitch)	AAA
Current OC (nominal)	16.5%	Rating (DBRS)	-
Committed OC	10.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Australia	Collateral score	4.0%
Main region	51% Queensland	RRL	-
Number of loans	3,098	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	16.1y	PCU	6
WAL (covered bonds)	2.3y	Recovery uplift	1
Fixed interest (cover pool)	11.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	49.2%	LCR level (Bmk)	2A
LTV (unindexed)	55.2%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

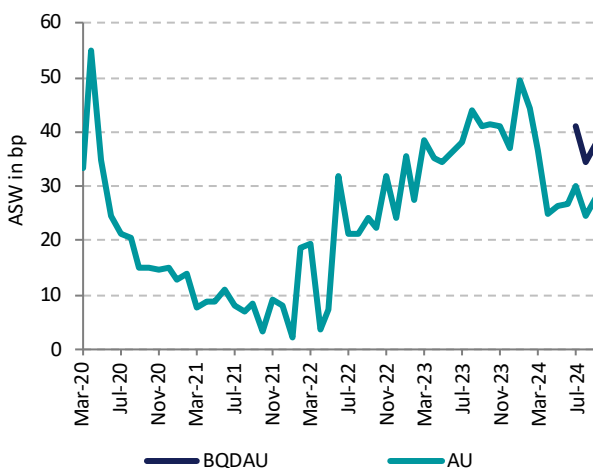
## Borrower Types



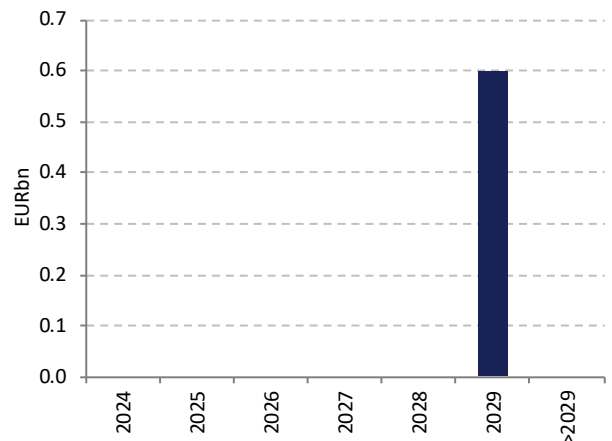
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



# Bendigo and Adelaide

Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bendigo and Adelaide Bank Ltd.

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

## Homepage

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

Bendigo and Adelaide Bank (BEN) is an Australian regional bank based in the state of Victoria and part of the Bendigo and Adelaide Bank Group. This consists of over 80 organisations and is listed on the Australian stock exchange among the top 100 companies. Together with its subsidiaries, BEN offers its 2.5m customers retail and commercial banking services, among others. The bank has a market share in Australia of around 2.0% for loans and deposits. BEN reports its cash earnings based on the segments Consumer (H1 2024: 54.6%) and Business & Agribusiness (45.4%). In total, 75.0% (H1 2024) of the loan portfolio is attributable to the Residential segment, with Business accounting for 13.0% and Agribusiness 8.0%. Geographically, over 50% of the portfolio in all segments is located in the states of Victoria and New South Wales. The bank's funding mix is dominated by customer deposits (FY 2023: 75%). Wholesale funding (25%) is largely made up of the RBA Term Funding Facility (11% of total funding), wholesale deposits (9%), wholesale borrowings (3%) and loan capital (2%). The financial year ends on 30 June of each year. In April 2023, the acquisition of the ANZ Investment Lending Portfolio was completed, with a portfolio totalling AUD 558m. Moreover, in September 2023, BEN announced that it had agreed a deal to sell its subsidiary Bendigo Superannuation Pty Limited to the asset manager Betashare. With the BENZero project, the bank plans to reduce CO2 emissions generated from its business activities and financing by 95% by 2040.

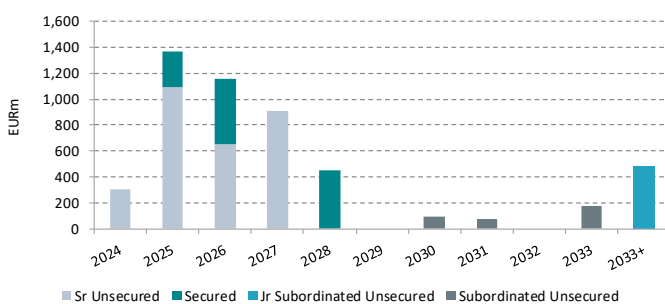
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	51,152	47,874	48,080
Total Securities	6,967	4,761	7,976
Total Deposits	49,157	47,133	48,507
Tier 1 Common Capital	2,691	2,600	2,656
Total Assets	62,771	60,038	61,380
Total Risk-weighted Assets	27,812	23,106	23,650

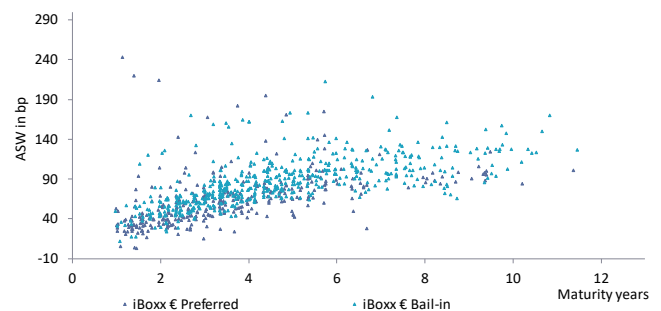
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	910	1,056	482
Net Fee & Commission Inc.	107	109	53
Net Trading Income	15	-	-
Operating Expense	644	732	360
Credit Commit, Impairment	-18	22	7
Pre-tax Profit	452	466	250

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.74	1.92	1.81	Liquidity Coverage Ratio	-	-	-
ROAE	7.47	7.33	8.15	IFRS Tier 1 Leverage Ratio	4.37	4.41	4.41
Cost-to-Income	59.70	60.01	58.44	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	9.68	11.25	11.23	Reserves/Loans at Amort. Cost	0.36	0.36	0.37

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding
- Capitalisation
- Asset quality

## Risks / Weaknesses

- Position in the Australian retail market
- Uncertain economic outlook
- Competition



# Bendigo and Adelaide Bank – Mortgage

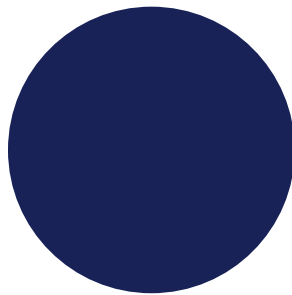
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	2,677	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,228	Rating (S&P)	-
-thereof ≥ EUR 500m	40.7%	Rating (Fitch)	AAA
Current OC (nominal)	117.9%	Rating (DBRS)	-
Committed OC	11.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Australia	Collateral score	4.0%
Main region	55% Victoria	RRL	-
Number of loans	15,398	JRL	-
Number of borrowers	14,266	Unused notches	-
Avg. exposure to borrowers (EUR)	187,623	AAA credit risk (%)	-
WAL (cover pool)	23.2y	PCU	6
WAL (covered bonds)	2.9y	Recovery uplift	1
Fixed interest (cover pool)	22.8%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	67.9%	LCR eligible	Yes
LTV (indexed)	55.4%	LCR level (Bmk)	2A
LTV (unindexed)	55.7%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

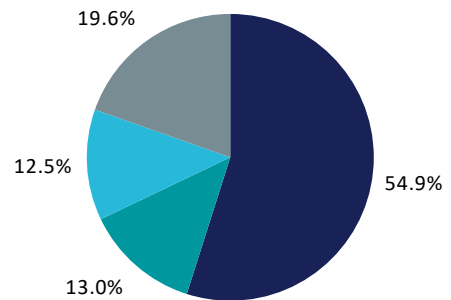
## Borrower Types



100.0%

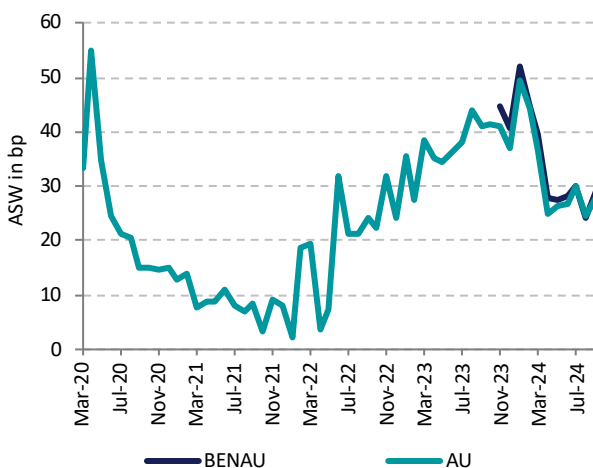
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

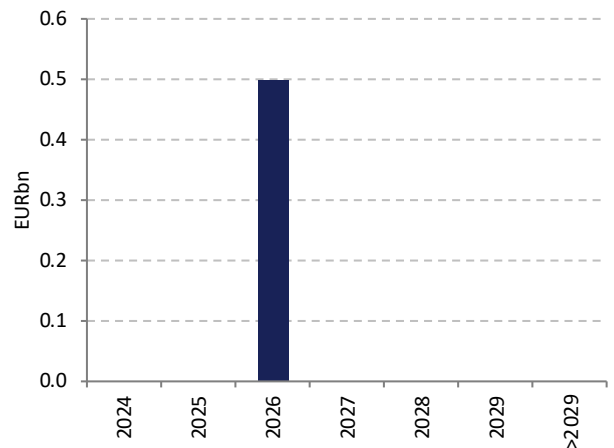


■ Victoria ■ New South Wales ■ Queensland ■ Others

## Spread Development



## Redemption Profile (Bmk)



## Commonwealth Bank of Australia

Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Commonwealth Bank of Australia

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

## Homepage

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

The Commonwealth Bank of Australia (CBA) is the largest bank in Australia and is categorised as a D-SIB (Domestic Systemically Important Bank) by the Australian Prudential Regulation Authority (APRA), which is the country's financial regulatory authority. Its shares are listed on the Sydney Stock Exchange (ASX). The principal shareholders are HSBC Custody Nominees (30 June 2023: 22.2%) and JP Morgan Nominees Australia Limited (14.2%). The Sydney-based financial institute offers the full spectrum of universal bank services to more than 17m customers. CBA's activities are primarily concentrated on the domestic market of Australia (H1 2024; net income: 84.1%), although it does also maintain a presence in New Zealand (12.8%) and other jurisdictions (4.9%). According to information from the bank itself, in Australia CBA serves its customers through roughly 700 branches (H1 2024). The bank reports across the following segments: Retail Banking Services (H1 2023: 47.7% of operating earnings), Business Banking (30.8%), Institutional Banking & Markets (9.6%), New Zealand (10.9%) as well as Corporate Centre and Other (1.0%). In the areas of mortgages and private deposits, CBA boasts market shares of 24.5% and 26.6% respectively in Australia (H1 2023), in addition to 29.0% for credit cards. A total of 75.3% (H1 2023) of the funding mix consists of customer deposits and 24.7% of wholesale funding. Long-term wholesale funding accounts for 70.7% (of which 17.7% are covered bonds). By 2030, CBA intends to invest AUD 70bn in sustainable financing (progress as at 30 June 2023: AUD 44.7bn). Furthermore, the bank has arranged the issuance of bonds with a sustainable focus totalling AUD 8.6bn. The financial year ends on 30 June each year.

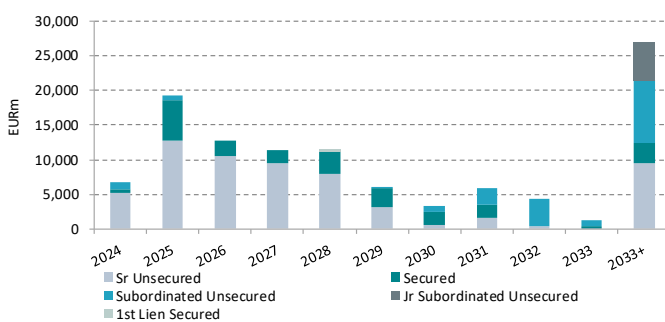
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	579,242	564,586	568,211
Total Securities	95,622	109,187	140,383
Total Deposits	543,366	527,034	536,724
Tier 1 Common Capital	37,583	34,695	35,294
Total Assets	800,963	763,798	786,891
Total Risk-weighted Assets	328,155	285,312	285,930

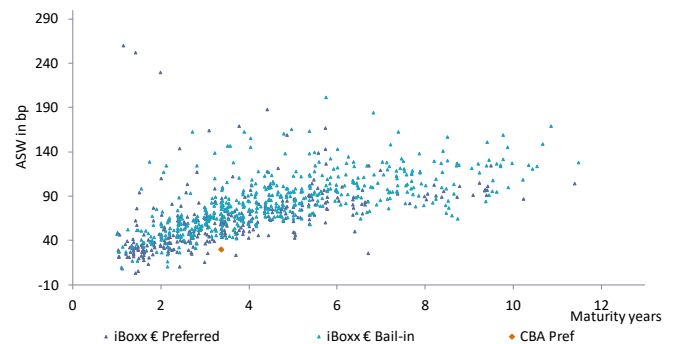
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	12,545	14,832	6,881
Net Fee & Commission Inc.	1,471	1,476	-
Net Trading Income	792	877	343
Operating Expense	6,934	7,277	3,486
Credit Commit, Impairment	-230	713	250
Pre-tax Profit	8,816	9,227	4,263

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.90	2.07	2.00	Liquidity Coverage Ratio	-	-
ROAE	14.22	13.93	13.14	IFRS Tier 1 Leverage Ratio	4.86	4.66
Cost-to-Income	44.35	41.92	43.29	NPL / Loans at Amortised Cost	0.82	0.80
Core Tier 1 Ratio	11.45	12.16	12.34	Reserves/Loans at Amort. Cost	0.59	0.62

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Reserves for potential credit defaults
- Franchise in AU
- Capitalisation

## Risks / Weaknesses

- Debt level of private households (AU, NZ)
- Risk from falling house prices (AU, NZ)
- Dependency on wholesale funding

# Commonwealth Bank of Australia – Mortgage

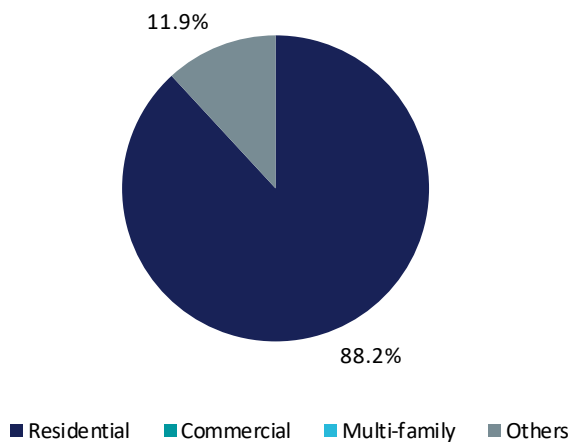
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

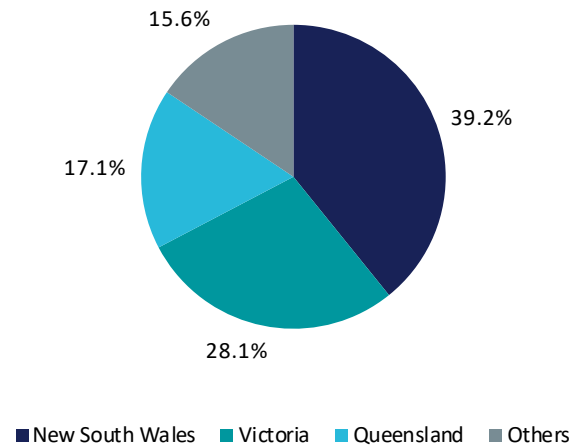
## Cover Pool Data

Cover pool volume (EURm)	24,421	Rating (Moody's)	Aaa
Amount outstanding (EURm)	20,577	Rating (S&P)	-
-thereof ≥ EUR 500m	45.0%	Rating (Fitch)	AAA
Current OC (nominal)	18.7%	Rating (DBRS)	-
Committed OC	5.3%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% Australia	Collateral score	4.0%
Main region	39% New South Wales	RRL	-
Number of loans	147,000	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	28.9y	PCU	6
WAL (covered bonds)	4.9y	Recovery uplift	1
Fixed interest (cover pool)	21.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	92.2%	LCR eligible	Yes
LTV (indexed)	40.4%	LCR level (Bmk)	2A
LTV (unindexed)	51.7%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

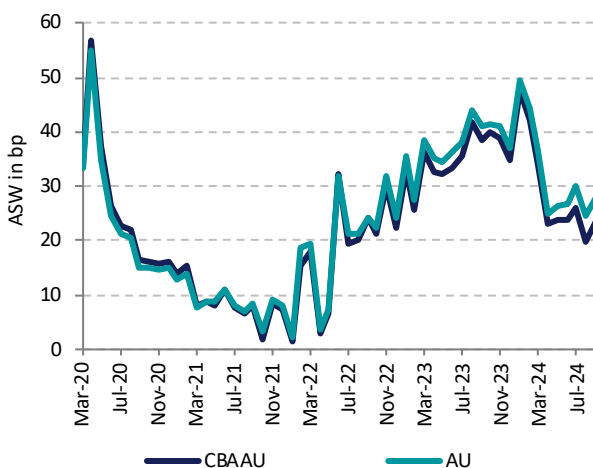
## Borrower Types



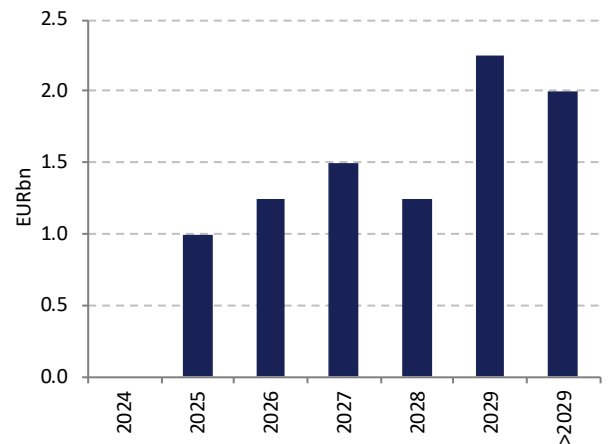
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Macquarie Group

## Australia

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Ratings

#### Macquarie Group Ltd.

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

### Homepage

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

Macquarie Bank Limited (MBL) is responsible for the banking activities of the Macquarie Group (MGL, total assets as at FY 2024: AUD 403.4bn), which is listed on the Sydney stock exchange. Alongside the domestic market of Australia (market share for mortgage loans in October 2023: 5.0%), MBL is active in various regions around the world. Measured by net income (excl. capital income and other corporate costs), the largest portion of income is attributable to North and Latin America (FY 2024: 34.0%), followed by Australia and New Zealand (34.0%), EMEA (23.0%) and Asia (9.0%). The Group reports across the following four operating segments: Banking and Financial Services (BFS, FY 2024: 18.5% of net profit), Commodities and Global Markets (CGM, 47.9%), Macquarie Asset Management (MAM, 18.0%), Macquarie Capital (MCC, 15.6%) and the non-operating business segment Central Service Group (CSG). The BFS segment comprises the areas of personal banking, asset management and business banking products. In the CGM segment, the bank offers its customers solutions in the areas of commodities, financial markets, financing and risk management on a global basis. The CSG segment includes all activities not covered by the operating business areas, including internal risk management. Looking at the mortgage portfolio, a total of 63.0% is attributable to owner-occupied properties (FY 2024). The funding mix of MGL (FY 2024) comprises more than 45.0% customer deposits. MGL plays an active role in financing green finance projects such as the acquisition of the portfolios linked to six major renewable energy projects. Moreover, the bank is planning to achieve carbon neutrality from 2050 onwards. Its financial year ends on 31 March each year.

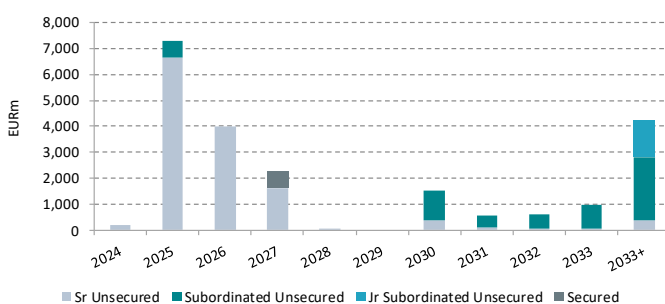
### Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	91,002	97,867	102,116
Total Securities	74,693	46,208	44,022
Total Deposits	68,663	83,143	82,894
Tier 1 Common Capital	10,114	10,529	10,189
Total Assets	269,591	239,387	240,571
Total Risk-weighted Assets	88,230	77,133	77,018

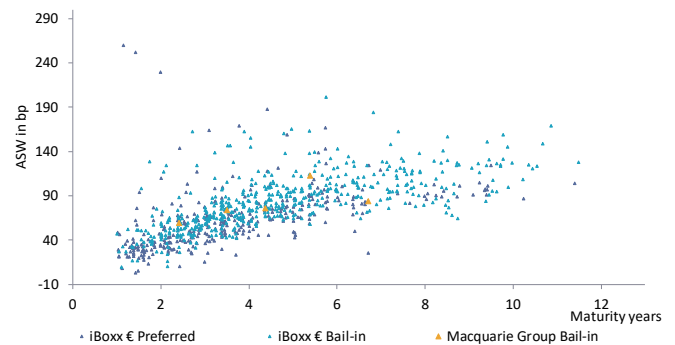
### Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,820	1,991	992
Net Fee & Commission Inc.	3,728	3,532	1,574
Net Trading Income	2,701	4,945	1,672
Operating Expense	6,431	7,607	3,427
Credit Commit, Impairment	89	219	-32
Pre-tax Profit	4,161	4,597	1,210

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.02	0.89	0.98	Liquidity Coverage Ratio	-	-
ROAE	19.36	16.43	8.35	IFRS Tier 1 Leverage Ratio	4.82	4.86
Cost-to-Income	58.91	61.07	75.26	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	11.46	13.65	13.23	Reserves/Loans at Amort. Cost	0.76	0.83

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

### Strengths / Opportunities

- Diversified business
- Capitalisation
- Risk management

### Risks / Weaknesses

- Dependency on wholesale funding
- Increasing earnings volatility (capital market business)
- Operational diversity leads to business complexity

# Macquarie Bank – Mortgage

Australia 

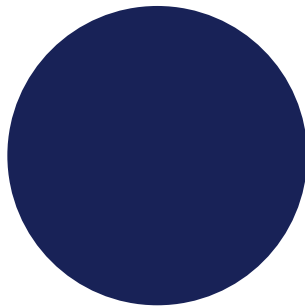
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	863
Amount outstanding (EURm)	536
-thereof ≥ EUR 500m	111.8%
Current OC (nominal)	60.8%
Committed OC	5.3%
Cover type	Mortgage
Main country	100% Australia
Main region	37% New South Wales & ACT
Number of loans	4,230
Number of borrowers	2,627
Avg. exposure to borrowers (EUR)	328,348
WAL (cover pool)	17.3y
WAL (covered bonds)	3.7y
Fixed interest (cover pool)	7.7%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	48.6%
LTV (unindexed)	53.9%
Loans in arrears	0.3%

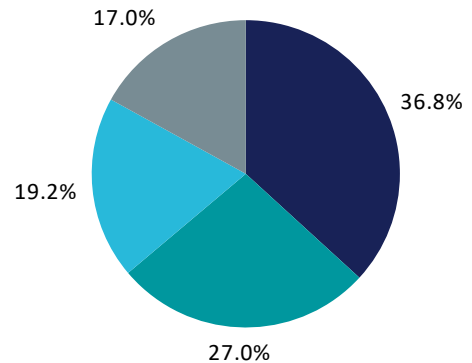
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



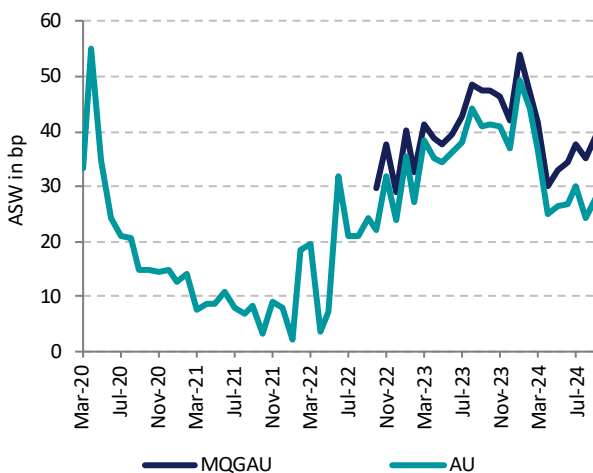
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

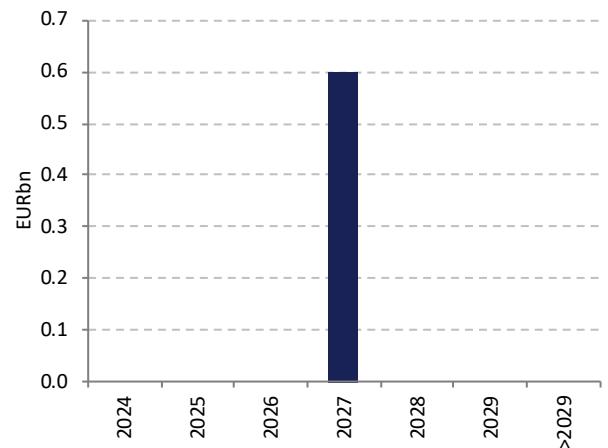


■ New South Wales & ACT ■ Victoria ■ Queensland ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## National Australia Bank

Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## National Australia Bank Ltd.

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

## Homepage

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

National Australia Bank (NAB) is the third largest bank in Australia measured in terms of residential mortgage loans (FY 2023: market share of 17.0%) and private investors (16.9%). More than 38,000 employees serve around 10m customers (FY 2023) across 620 branches (H1 2024). APRA, the Australian financial regulatory body, classifies NAB as a domestic systemically important bank (D-SIB). The largest shareholders of NAB are the BlackRock Group (23 October 2023: 6.0%) and State Street (5.2%). NAB is particularly active in the areas of corporate loans for SMEs in Australia (February 2024 market share: 27.6%) and agricultural businesses (33.0%). In fact, NAB is the largest lender to agricultural businesses in Australia. At 57.0% (H1 2024), property financing accounts for the largest share of its assets. NAB reports across five segments: Business & Private Banking, Personal Banking, Corporate & Institutional Banking and New Zealand Banking, in addition to the Corporate Functions and Other segment. With shares of 84% and 13% respectively (H1 2024), the geographical focus on Australia and New Zealand is reflected in the breakdown of the loan portfolio. Wholesale funding comprises the largest share of the funding mix, with covered bonds accounting for 21.0% here. In 2014, NAB became the first Australian issuer of green bonds certified in accordance with the Climate Bond Standard (CBS). Since this time, a further eight green or social bonds have been issued on the market (as at 30 September 2023: outstanding volume of AUD 2bn). In 2021, NAB joined the Net-Zero Alliance and is striving to achieve climate neutrality in its operational and financial activities by 2050. In order to promote more environmentally friendly agricultural practices, NAB launched a first agri green loan in 2023. NAB's financial year ends on 30 September each year.

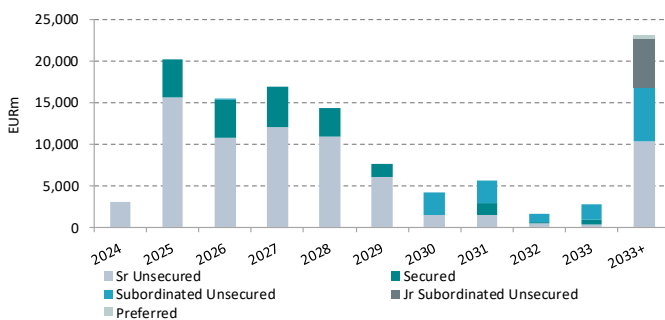
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	448,280	429,172	435,511
Total Securities	104,952	120,318	-
Total Deposits	405,176	392,717	401,041
Tier 1 Common Capital	34,017	32,395	31,759
Total Assets	693,221	645,687	647,352
Total Risk-weighted Assets	295,597	265,209	261,450

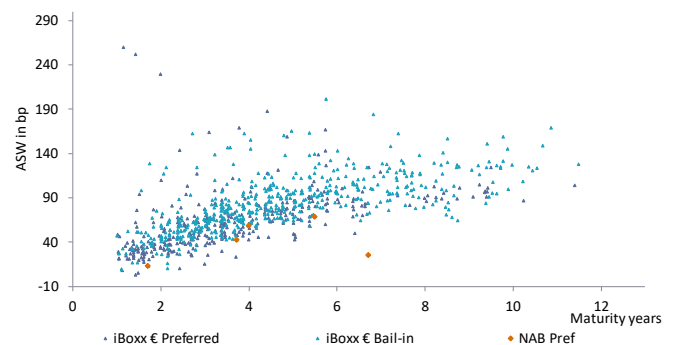
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	9,767	10,488	5,084
Net Fee & Commission Inc.	1,366	1,351	685
Net Trading Income	702	942	389
Operating Expense	5,692	5,835	2,908
Credit Commit, Impairment	82	509	228
Pre-tax Profit	6,413	6,521	3,012

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.65	1.74	1.72	Liquidity Coverage Ratio	-	-
ROAE	11.31	12.31	11.37	IFRS Tier 1 Leverage Ratio	5.21	5.22
Cost-to-Income	46.68	45.33	47.29	NPL / Loans at Amortised Cost	0.96	1.14
Core Tier 1 Ratio	11.51	12.22	12.15	Reserves/Loans at Amort. Cost	0.74	0.79

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in AU and NZ
- Funding
- Capitalisation

## Risks / Weaknesses

- Dependency on wholesale funding
- Debt level of private households
- Asset quality could decline (interest rates up, inflation)

# National Australia Bank – Mortgage

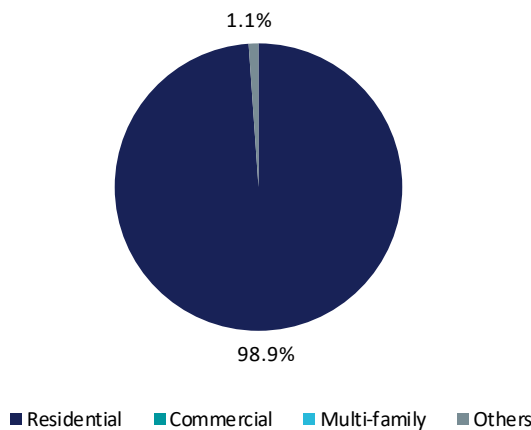
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

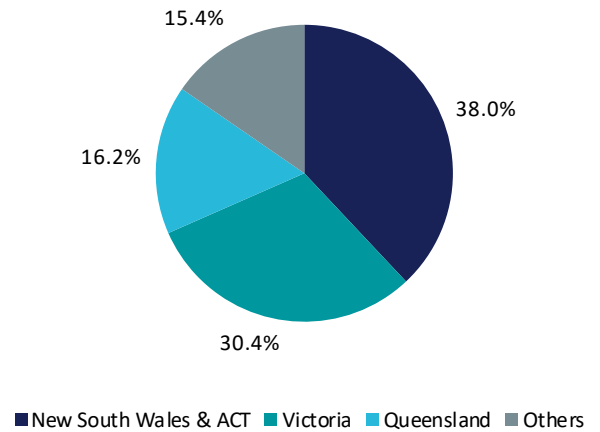
## Cover Pool Data

Cover pool volume (EURm)	21,732	Rating (Moody's)	Aaa
Amount outstanding (EURm)	17,214	Rating (S&P)	-
-thereof ≥ EUR 500m	51.4%	Rating (Fitch)	AAA
Current OC (nominal)	26.2%	Rating (DBRS)	-
Committed OC	5.3%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Australia	Collateral score	4.0%
Main region	38% New South Wales & ACT	RRL	-
Number of loans	108,220	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	25.0y	PCU	6
WAL (covered bonds)	3.3y	Recovery uplift	1
Fixed interest (cover pool)	10.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	75.0%	LCR eligible	Yes
LTV (indexed)	53.3%	LCR level (Bmk)	2A
LTV (unindexed)	57.1%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

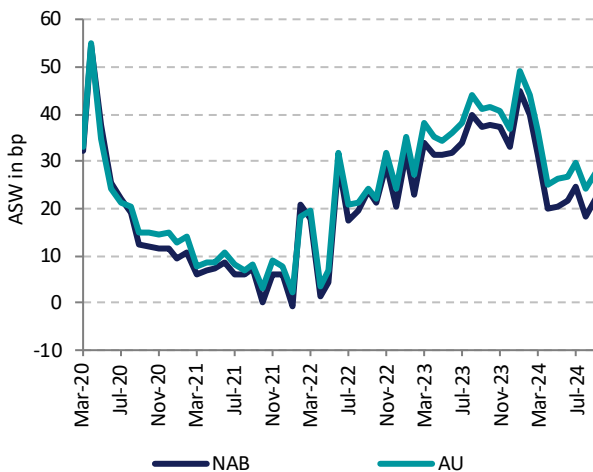
## Borrower Types



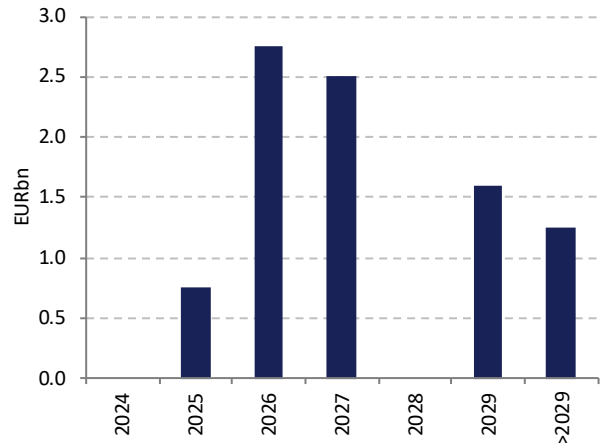
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Westpac Banking Corporation

 Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Westpac Banking Corp

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

## Homepage

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

Westpac Banking Corporation (headquarters in Sydney) is Australia's oldest bank and operates chiefly in Australia and New Zealand. It is the second largest banking group in Australia as measured by market shares for deposits and lending (FY 2023) and is classified as a domestic systemically important bank (D-SIB) by the Australian Financial Regulatory Authority (APRA). Westpac is listed on the ASX in Australia and the NZX in New Zealand. The universal bank has more than 35,300 employees who serve 13m customers (H1 2024) through 749 branches. The focus of the Westpac Banking Corporation is on corporate and retail customers as well as institutional investors. The bank's activities are divided into four operating core segments: Consumer, Business and Wealth, Westpac Institutional Bank and Westpac New Zealand, in addition to the non-operating segment Group Businesses (e.g. risk management). On the domestic market, Westpac reported market shares of 21.0% for retail customer deposits and 21.0% for mortgage loans in H1 2024. In New Zealand, the market shares for deposits and consumer loans each stand at 18%. The subsidiary Westpac Europe GmbH, which is headquartered in Frankfurt (Germany), has been operating since July 2023. As such, Westpac is expanding its business to Europe, with the aim of offering banking services to local customers with links to Australia or New Zealand. In H1 2024, Westpac had disbursed a total of USD 2.5bn in sustainable loans out of its target of USD 55bn by 2030. Westpac is part of the Net-Zero Banking Alliance and is accordingly planning to become a climate neutral bank by 2030. Westpac's financial year ends on 30 September each year.

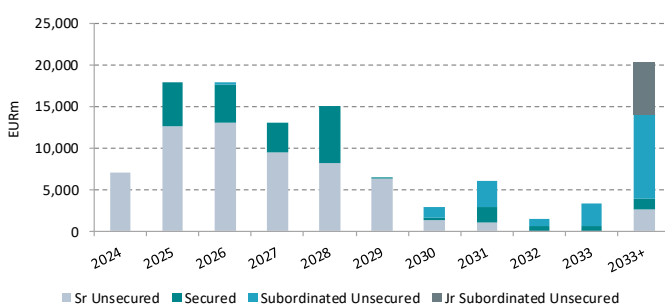
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	485,950	471,427	474,384
Total Securities	95,003	79,306	84,817
Total Deposits	433,050	419,553	424,449
Tier 1 Common Capital	35,441	34,071	33,706
Total Assets	666,331	627,819	636,264
Total Risk-weighted Assets	313,798	275,214	268,621

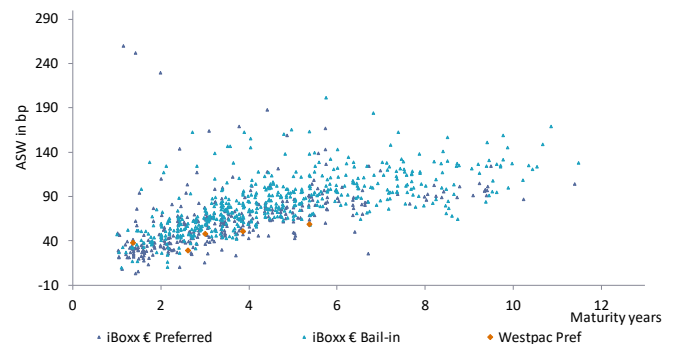
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	11,295	11,430	5,526
Net Fee & Commission Inc.	1,100	1,026	510
Net Trading Income	451	497	234
Operating Expense	7,037	6,667	3,266
Credit Commit, Impairment	219	404	218
Pre-tax Profit	5,574	6,430	2,926

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.93	1.95	1.89	Liquidity Coverage Ratio	-	-
ROAE	7.99	10.07	9.21	IFRS Tier 1 Leverage Ratio	5.59	5.62
Cost-to-Income	54.60	49.36	50.94	NPL / Loans at Amortised Cost	0.98	1.08
Core Tier 1 Ratio	11.29	12.38	12.55	Reserves/Loans at Amort. Cost	0.57	0.57

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in AU, NZ
- Capitalisation
- Profitability

## Risks / Weaknesses

- Dependency on wholesale funding
- Property market (AU, NZ): Risks of a price correction
- Private household debt



# Westpac Banking Corporation – Mortgage

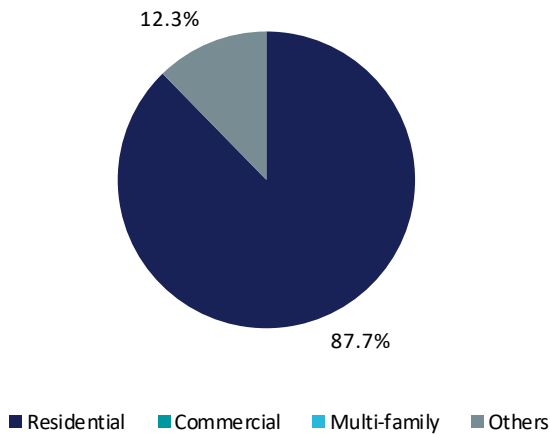
Australia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

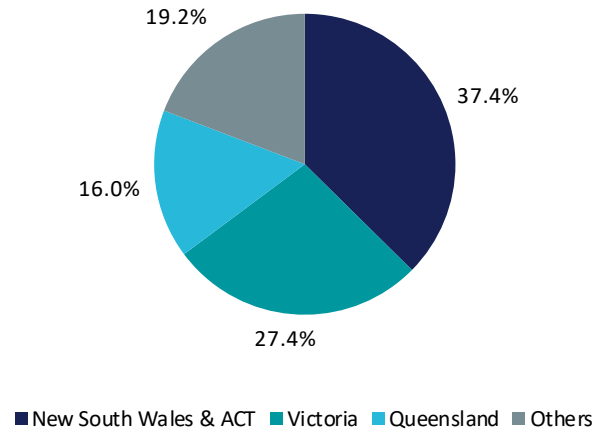
## Cover Pool Data

Cover pool volume (EURm)	26,056	Rating (Moody's)	Aaa
Amount outstanding (EURm)	19,400	Rating (S&P)	-
-thereof ≥ EUR 500m	51.5%	Rating (Fitch)	AAA
Current OC (nominal)	34.3%	Rating (DBRS)	-
Committed OC	5.3%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Australia	Collateral score	4.0%
Main region	37% New South Wales & ACT	RRL	-
Number of loans	123,328	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	24.8y	PCU	6
WAL (covered bonds)	3.5y	Recovery uplift	1
Fixed interest (cover pool)	25.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	88.2%	LCR eligible	Yes
LTV (indexed)	50.5%	LCR level (Bmk)	2A
LTV (unindexed)	57.7%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

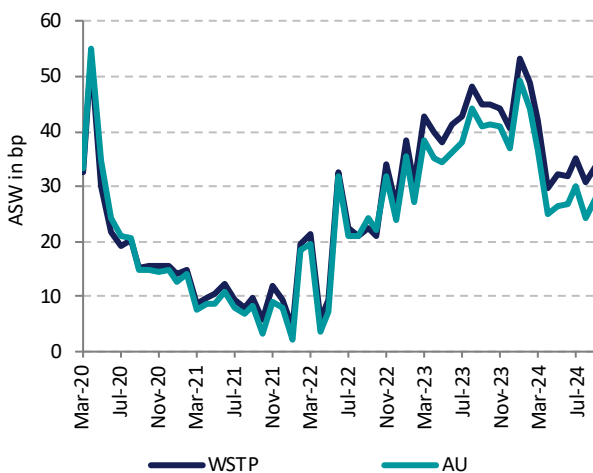
## Borrower Types



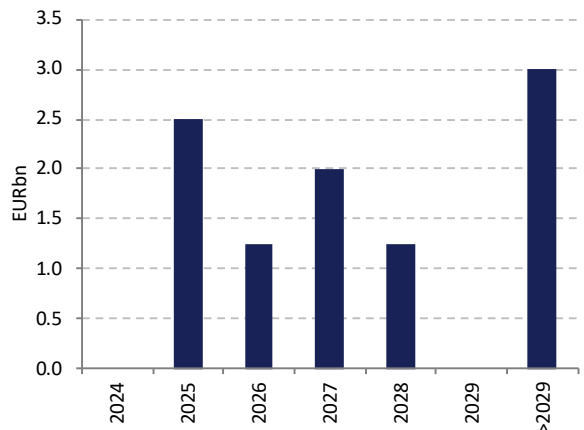
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

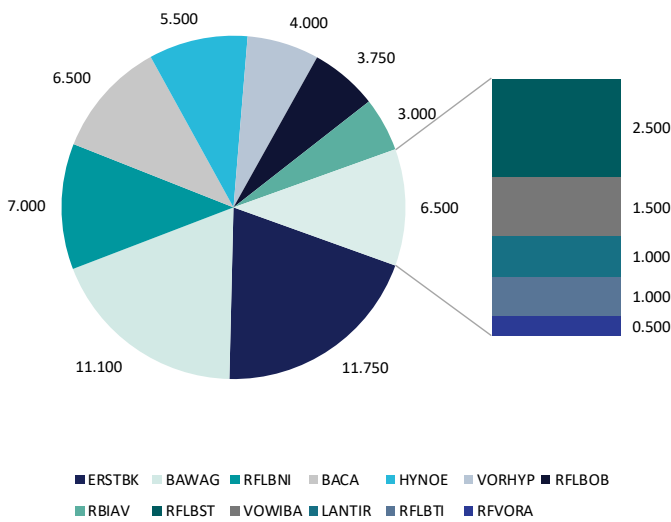
# Market Overview Covered Bonds

Austria 

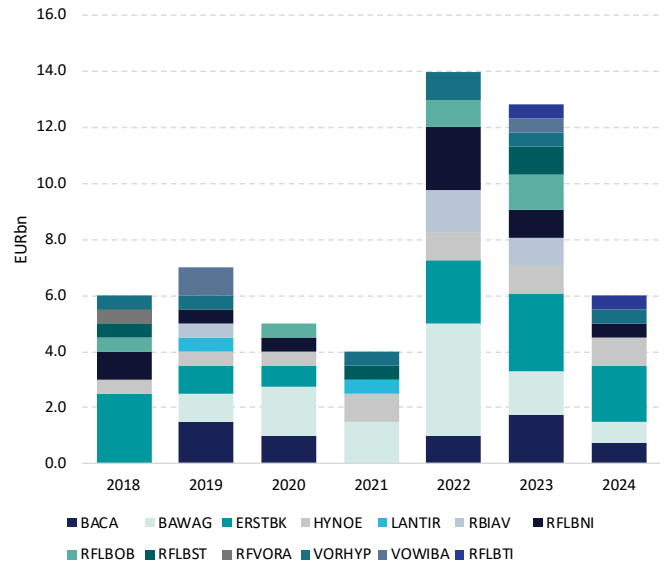
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 139.21bn	Outstanding volume (Bmk)	EUR 59.10bn
Amount outstanding	EUR 100.14bn	Number of benchmarks	99
Number of issuers	20	Outstanding ESG volume (Bmk)	EUR 3.00bn
No of cover pools	24	Number of ESG benchmarks	5
there of M / PS / others	19 / 5 / 0	Outstanding volume (SBmk)	EUR 8.70bn
Ratings (low / high)	A+ / AAA	Number of subbenchmarks	31
Best possible LCR level	Level 1	Maturity types	HB, SB

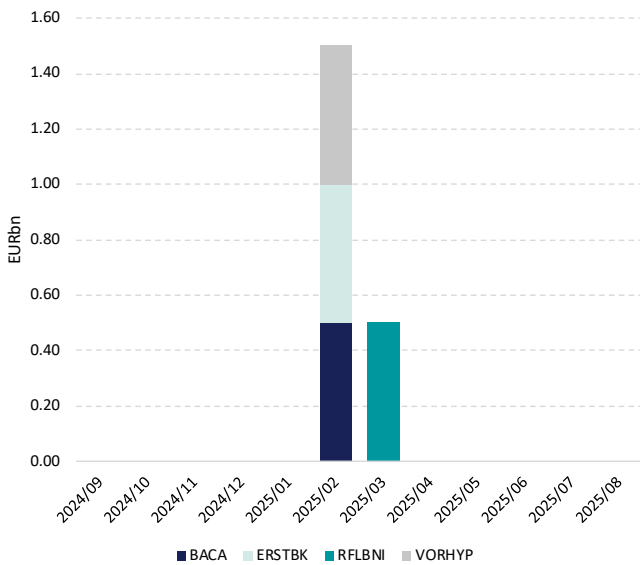
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



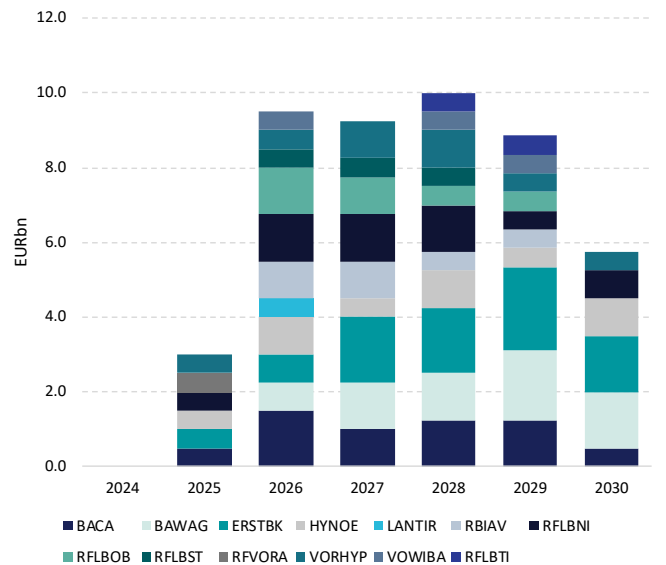
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Bank für Tirol und Vorarlberg

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bank für Tirol und Vorarlberg AG

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

## Homepage

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

Bank für Tirol und Vorarlberg AG (BTV), which was founded in 1904, has been listed on the Vienna stock exchange since 1986. The largest shareholder in BTV as at 31 December 2023 is "CABO Beteiligungsgesellschaft" (37.5%). With the conclusion of the syndicate agreement in 1952, the foundations of the "3 Banken Gruppe" comprising BTV, Oberbank and BKS Bank were laid. In 2011, BTV re-branded as "BTV Vier Länder Bank". Corporate and retail customers, who are the focus of the business strategy, are offered a wide range of products in the areas of financing and hedging, investments, payment transactions, as well as pension and insurance products. The geographical focus of BTV is on the regions Tyrol, Vorarlberg, Vienna, southern Germany and the German-speaking Switzerland. BTV reports across the following business segments: Corporate Customers, Retail Customers, Financial Markets, Leasing and Cable Cars, in addition to Other Segments/Consolidation/Miscellaneous. The Corporate Customers segment plays a key role, contributing 53.4% of the pre-tax result (Q1 2024). In the breakdown of credit risk by country, Austria and Germany are the most strongly represented with shares of 49.2% and 35.7%, respectively, followed by Switzerland at 7.8% (FY 2023). On the liabilities side of the balance sheet, customer liabilities account for the largest share at 60.0% (Q1 2024). In 2023, BTV placed its first covered bond worth EUR 250m. BTV has also been an issuer of green bonds since 2023. The credit institute has a green asset ratio (assets in compliance with the EU taxonomy) of 0.13% (FY 2023).

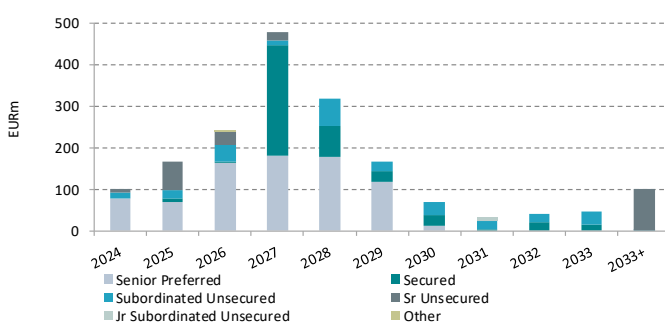
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q1
Net Loans to Customers	8,452	8,615	8,604
Total Securities	1,409	1,381	1,424
Total Deposits	8,435	9,029	9,298
Tier 1 Common Capital	1,278	1,385	1,349
Total Assets	14,098	14,857	15,495
Total Risk-weighted Assets	8,739	9,249	9,322

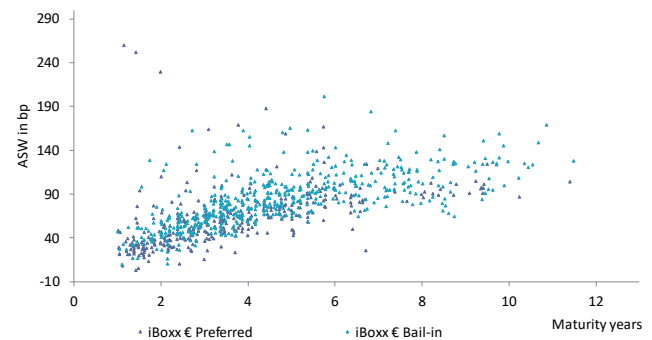
## Income Statement

(EURm)	2022Y	2023Y	2024Q1
Net Interest Income	178	252	68
Net Fee & Commission Inc.	57	58	15
Net Trading Income	-2	-7	1
Operating Expense	218	239	60
Credit Commit, Impairment	25	32	-9
Pre-tax Profit	104	229	88

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q1	2022Y	2023Y	2024Q1
Net Interest Margin	1.41	1.98	1.99	Liquidity Coverage Ratio	201.02	224.29
ROAE	4.25	8.90	12.42	IFRS Tier 1 Leverage Ratio	9.11	9.37
Cost-to-Income	62.68	47.72	42.80	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	14.63	14.97	14.47	Reserves/Loans at Amort. Cost	1.57	1.80

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Diversified loan portfolio
- Earnings situation

## Risks / Weaknesses

- Dependency on customer deposits
- Economic downturn (AT)

# Bank fuer Tirol und Vorarlberg – Mortgage

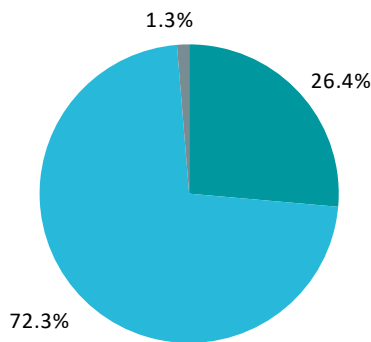
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

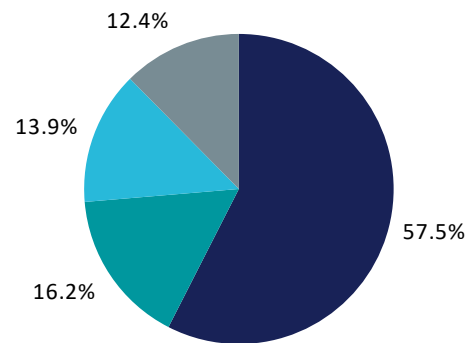
Cover pool volume (EURm)	766	Rating (Moody's)	-
Amount outstanding (EURm)	476	Rating (S&P)	AAA
-thereof ≥ EUR 250m	52.5%	Rating (Fitch)	-
Current OC (nominal)	60.9%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	93% Austria	Collateral score	-
Main region	58% Tyrol	RRL	a
Number of loans	3,955	JRL	aa
Number of borrowers	3,111	Unused notches	1
Avg. exposure to borrowers (EUR)	243,012	AAA credit risk (%)	16.6%
WAL (cover pool)	15.6y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	25.7%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	89.5%	LCR eligible	Yes
LTV (indexed)	39.1%	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB

## Borrower Types



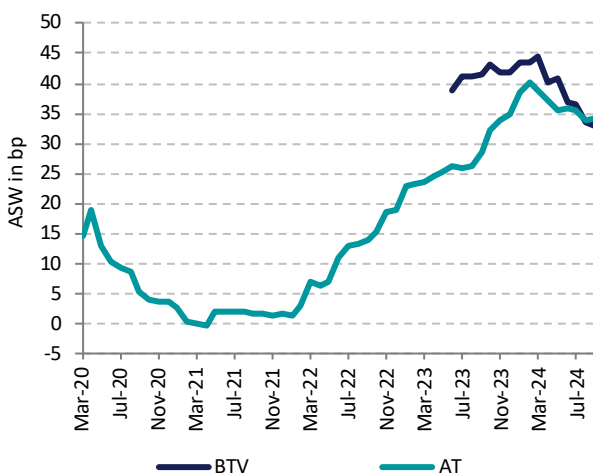
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



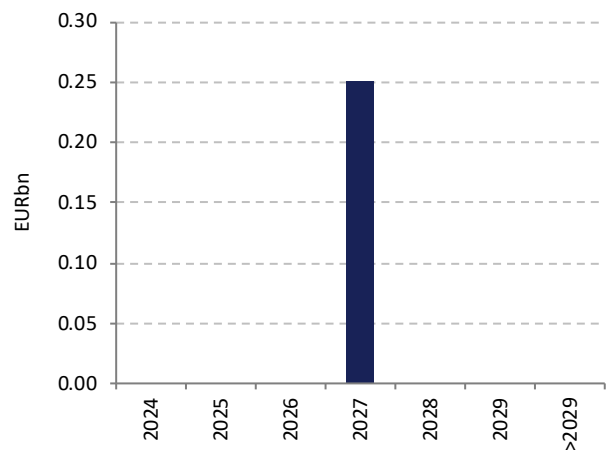
■ Tyrol ■ Vorarlberg ■ Vienna ■ Others

## Spread Development



— BTV — AT

## Redemption Profile (SBmk)



# BAWAG Group

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

**BAWAG PSK Bank für Arbeit und Wirtschaft und Oesterreichische Postsparkasse AG**

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

## Homepage

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

The BAWAG Group is the holding company for BAWAG P.S.K. and is headquartered in Vienna. Its shares are listed on the Austrian stock exchange ATX. As at 31 December 2023, T. Rowe Price had a stake of 6.1%, with Blackrock maintaining a stake of 5.9% and Wellington Management accounting for a share of 4.9%, meaning that the majority of the shares are held in free float. The Group pursues a multi-brand strategy with a geographical focus on the DACH/NL region, where 72% of its assets are located (FY 2023). BAWAG has more than 2.1m customers, who are offered a wide range of retail and corporate banking products. In addition, BAWAG offers international commercial real estate financing and capital market solutions. The business is divided into the core segments of Retail & SME (74.9% of operating income; FY 2023), Corporates, Real Estate & Public Sector (20.8%), Treasury (3.8%) and Corporate Center (0.5%). The bank's strategy is focused on growth in the core markets, efficiency and its own risk profile. In November 2023, BAWAG acquired 100% of the shares in Peak Bancorp., a US holding for Idaho First Bank, which has 10,000 customers. Additionally, a purchase agreement was concluded in February 2024 for the full takeover of Knab, a Dutch online bank for self-employed people with almost 400,000 customers. The group's ESG targets include reducing CO2 emissions by at least 50% by 2025, full carbon-neutrality by 2050 and issuing more than EUR 1.6bn in green loans over the long term. BAWAG has issued four green bonds since 2021 and plans to place at least one additional benchmark on the market each year. BAWAG has a green asset ratio (turnover KPI) of around 1.2% (FY 2023).

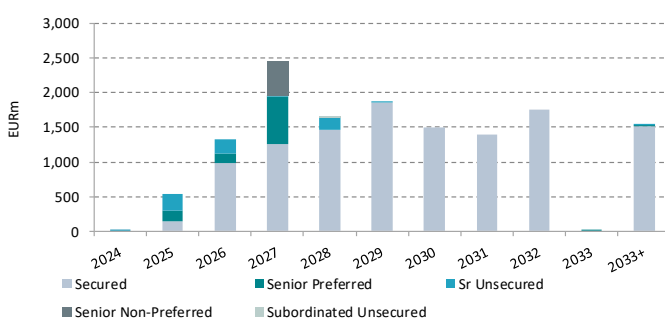
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	35,899	33,558	32,862
Total Securities	6,206	6,895	6,671
Total Deposits	34,293	33,275	32,403
Tier 1 Common Capital	2,793	2,845	2,969
Total Assets	56,523	55,448	53,633
Total Risk-weighted Assets	20,664	19,317	17,995

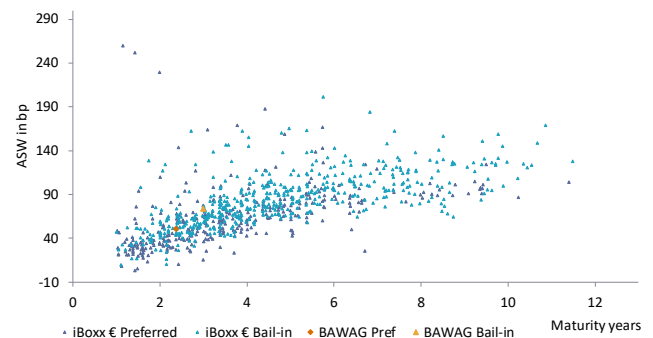
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,021	1,230	622
Net Fee & Commission Inc.	309	307	163
Net Trading Income	-13	-17	-
Operating Expense	482	492	261
Credit Commit, Impairment	119	91	58
Pre-tax Profit	427	910	456

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.88	2.33	2.36	Liquidity Coverage Ratio	225.00	215.00
ROAE	7.62	16.99	16.15	IFRS Tier 1 Leverage Ratio	4.99	5.21
Cost-to-Income	37.95	32.96	33.70	NPL / Loans at Amortised Cost	1.45	1.75
Core Tier 1 Ratio	13.52	14.73	16.50	Reserves/Loans at Amort. Cost	1.18	1.12

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Efficiency
- Funding profile

## Risks / Weaknesses

- Share of unsecured loans (consumer, corp.)
- Non-retail exposure
- Liquidity

# BAWAG P.S.K. – Mortgage

Austria 

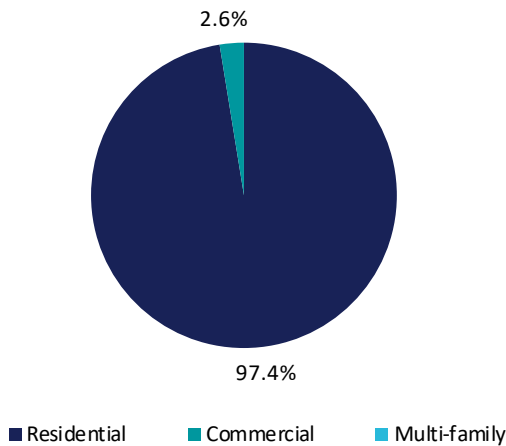
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

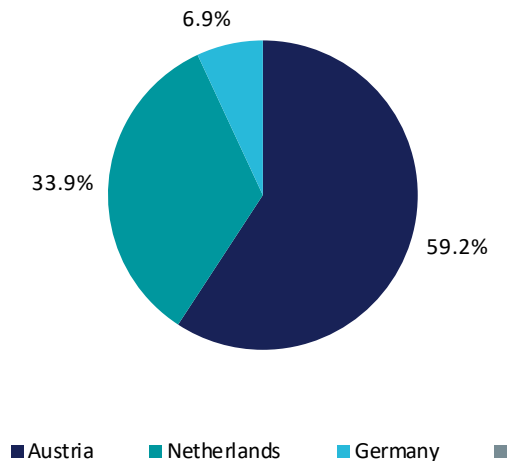
Cover pool volume (EURm)	11,365
Amount outstanding (EURm)	10,341
-thereof ≥ EUR 500m	95.3%
Current OC (nominal)	9.9%
Committed OC	2.0%
Cover type	Mortgage
Main country	59% Austria
Main region	16% Lower Austria
Number of loans	85,881
Number of borrowers	67,903
Avg. exposure to borrowers (EUR)	167,372
WAL (cover pool)	24.6y
WAL (covered bonds)	6.3y
Fixed interest (cover pool)	77.3%
Fixed interest (covered bonds)	99.8%
LTV (indexed)	-
LTV (unindexed)	56.8%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

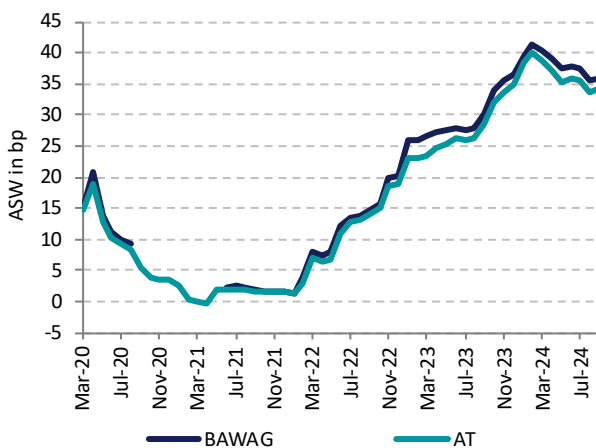
## Borrower Types



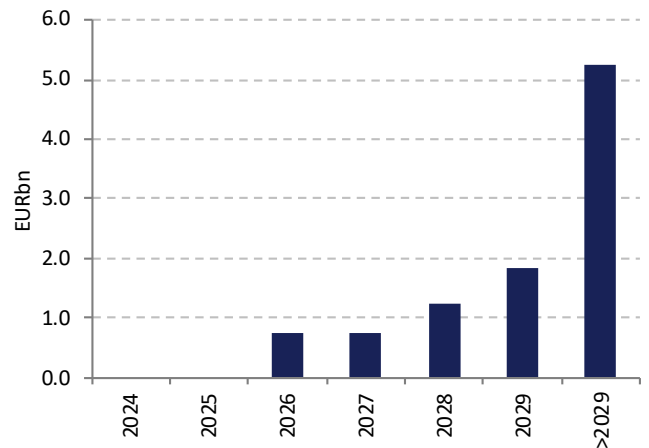
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



# BAWAG P.S.K. – Public Sector

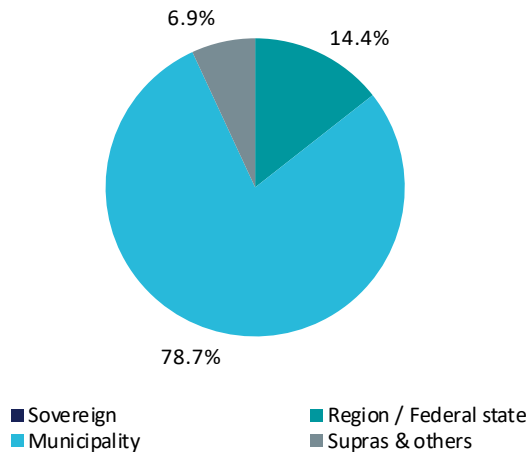
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

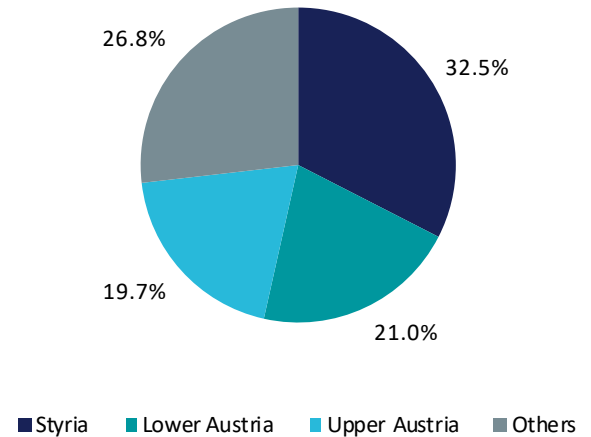
## Cover Pool Data

Cover pool volume (EURm)	2,956	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,565	Rating (S&P)	-
-thereof ≥ EUR 500m	79.9%	Rating (Fitch)	-
Current OC (nominal)	88.9%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	5
Main country	100% Austria	Collateral score	9.7%
Main region	33% Styria	RRL	-
Number of loans	4,107	JRL	-
Number of borrowers	1,255	Unused notches	-
Avg. exposure to borrowers (EUR)	2,355,422	AAA credit risk (%)	-
WAL (cover pool)	16.1y	PCU	-
WAL (covered bonds)	4.9y	Recovery uplift	-
Fixed interest (cover pool)	50.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

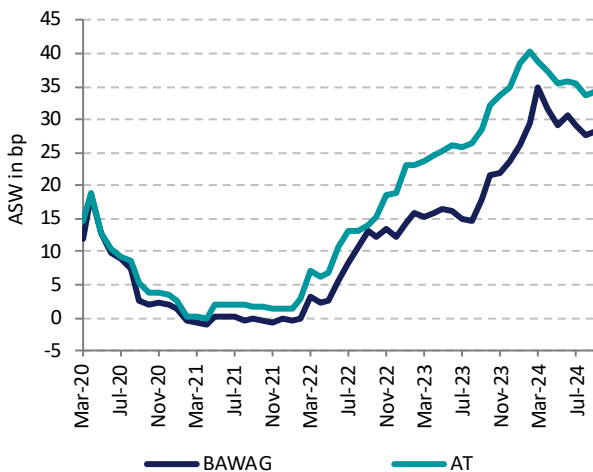
## Borrower Types



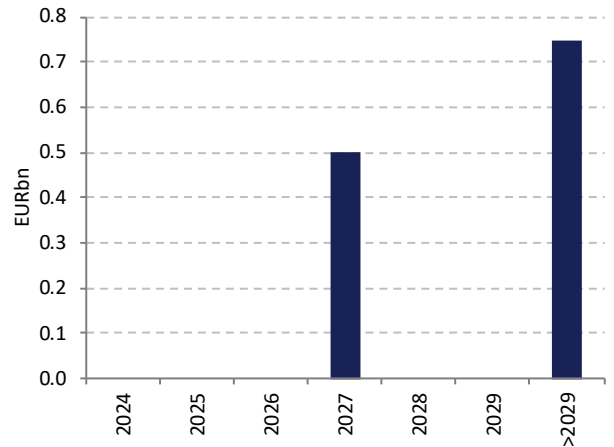
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Bausparkasse Wüstenrot

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bausparkasse Wüstenrot AG

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

## Homepage

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

Bausparkasse Wüstenrot AG was founded in 1925 as the first building society in Austria and, together with the Wüstenrot Versicherungs-AG and the Wüstenrot Bank AG, forms the main units of the Wüstenrot Group. Bausparkasse Wüstenrot AG is responsible for operational management of the product houses. In addition, on 15 December 2022, the ECB granted the Wüstenrot Group's application for a banking licence. With the founding of Wüstenrot Bank AG, the bank, building society and insurance company all now operate under the same roof. According to its own information, with the founding of its online bank, which went live on 01 June 2023, the Group has positioned itself as the only real bancassurance provider in Austria. In the future, it will offer product solutions in the areas of internet banking, savings, financing, insurance and pensions. Savings banks in Slovakia and Croatia are also part of the Group. It has a balance sheet total of EUR 9.7bn (FY 2023), employs around 1,500 staff and serves over 1m customers in Austria alone. The strategic focus of the Group is on the bancassurance-retail customer business in the Austrian market; after selling the Croatian insurance business in 2022, it has since also sold its Hungarian building society to MBH Bank Nyrt in November 2023. At 73.2% (FY 2023), the funding mix of Bausparkasse Wüstenrot is largely centred around building savings deposits. The funds are used for construction and mortgage loans (82.9%). In 2023, Wüstenrot AG placed its first green covered bond (EUR 500m) on the market. Based on the turnover KPI, the green asset ratio of Bausparkasse Wüstenrot AG amounts to 6.4% (FY 2023).

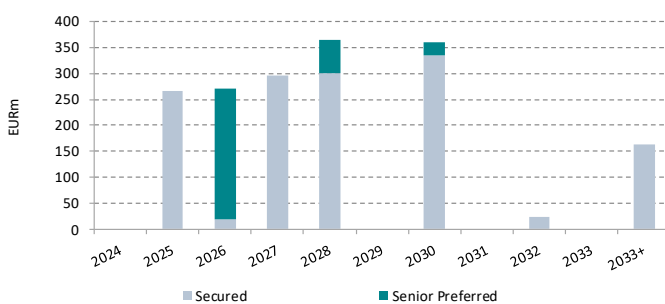
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	4,983	5,458	5,484
Total Securities	617	543	647
Total Deposits	4,330	4,206	3,934
Tier 1 Common Capital	529	646	676
Total Assets	6,341	6,860	6,927
Total Risk-weighted Assets	3,268	3,462	3,322

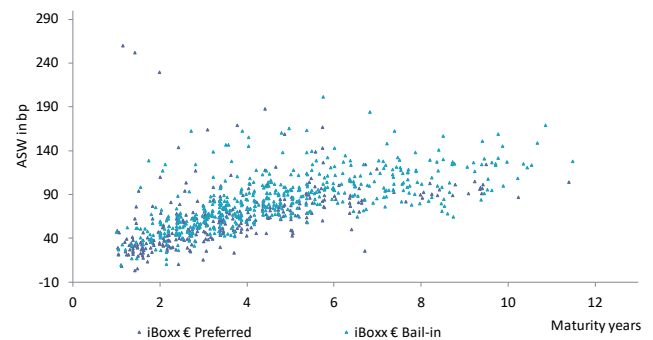
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	83	73	103
Net Fee & Commission Inc.	10	21	17
Net Trading Income	-	-	-
Operating Expense	69	56	55
Credit Commit, Impairment	-	-	-
Pre-tax Profit	28	43	62

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.42	1.21	1.63	Liquidity Coverage Ratio	340.30	265.10	291.60
ROAE	4.08	5.00	7.65	IFRS Tier 1 Leverage Ratio	8.42	9.56	9.89
Cost-to-Income	64.80	54.21	44.47	NPL / Loans at Amortised Cost	-	0.75	0.92
Core Tier 1 Ratio	16.20	18.65	20.36	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in domestic mortgage business
- Capitalisation

## Risks / Weaknesses

- Profitability
- Geographical credit concentration risks (AT)



# Bausparkasse Wüstenrot – Mortgage

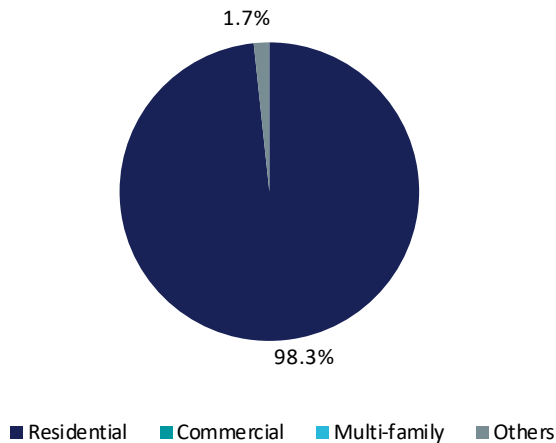
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

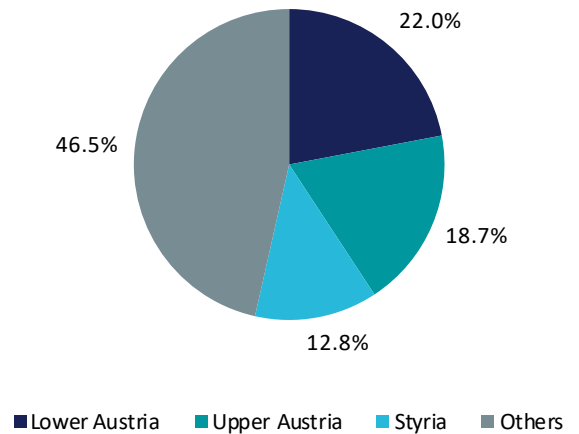
## Cover Pool Data

Cover pool volume (EURm)	2,031	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,590	Rating (S&P)	AAA
-thereof ≥ EUR 250m	69.2%	Rating (Fitch)	-
Current OC (nominal)	27.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	4.0%
Main region	22% Lower Austria	RRL	a
Number of loans	16,606	JRL	aa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	5.6%
WAL (cover pool)	29.0y	PCU	-
WAL (covered bonds)	6.5y	Recovery uplift	-
Fixed interest (cover pool)	81.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	97.2%	LCR eligible	Yes
LTV (indexed)	67.8%	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB

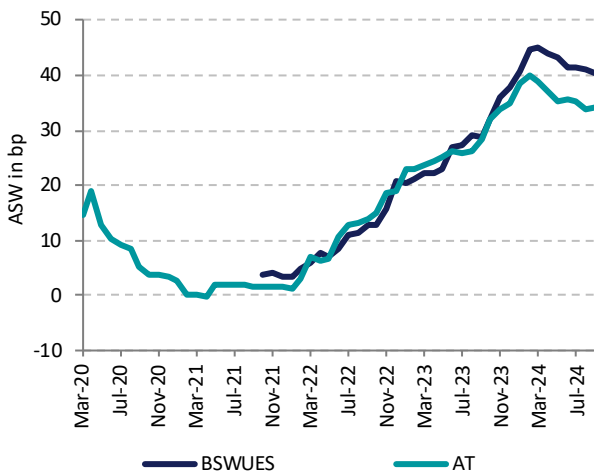
## Borrower Types



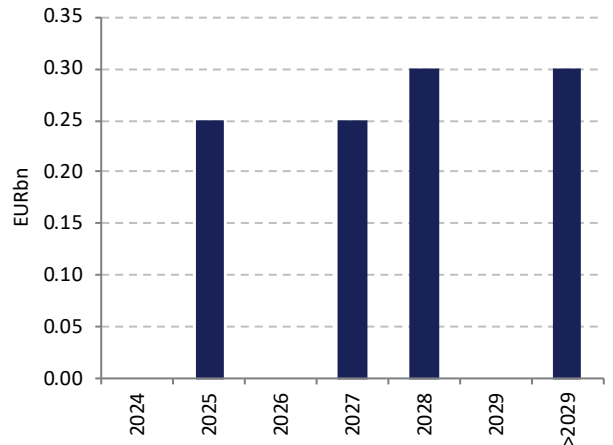
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Erste Group Bank

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Erste Group Bank AG

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

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. As at 31 March 2024, the largest known shareholders are Sparkassen Beteiligungs GmbH & Co KG (12.2%), followed by the direct shareholder ERSTE Stiftung (5.8%). As measured by total assets, Erste is the largest bank in Austria. In geographical terms, the bank operates across Austria, Croatia, Romania, Serbia, Slovakia, Czechia and Hungary via a series of subsidiaries. In its seven core markets, Erste serves more than 16.2m customers (approximately 4.2m of whom are in Austria) via roughly 1,950 branches. In this regard, Erste is among the largest financial service providers in terms of customer numbers and total assets in CEE markets. In Austria, Slovakia and Czechia, the market shares of the Group for retail and corporate customer loans in addition to retail customer deposits stand at more than 20% (FY 2023). Erste operates across the following segments: Retail Customers, Corporate Clients, Capital Market Business, BSM & LCC, Savings Banks, Group Corporate Center and Consolidations. In terms of the core customer groups, Erste focuses on retail customers and SMEs. The loan portfolio is divided into Retail (Q1 2024; 35%), Corporate (37%) and Savings Banks (28%). In 2023, the Erste Group along with its subsidiaries issued green bonds (FY 2023; total volume EUR 2.3bn). The Group has a green asset ratio of 0.5% as measured by turnover. In strategic terms, the Group is striving to achieve a climate-neutral portfolio by 2050. To this end, at least 25% of the corporate customer portfolio should comprise sustainable financing by 2026, with the bank seeking to fully withdraw from the coal sector by 2030.

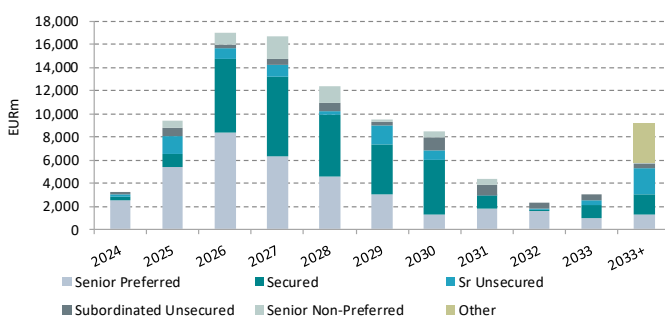
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	199,704	205,248	208,750
Total Securities	59,954	63,848	64,304
Total Deposits	223,973	232,815	240,237
Tier 1 Common Capital	20,443	22,945	23,726
Total Assets	323,865	337,155	344,141
Total Risk-weighted Assets	141,793	145,718	152,717

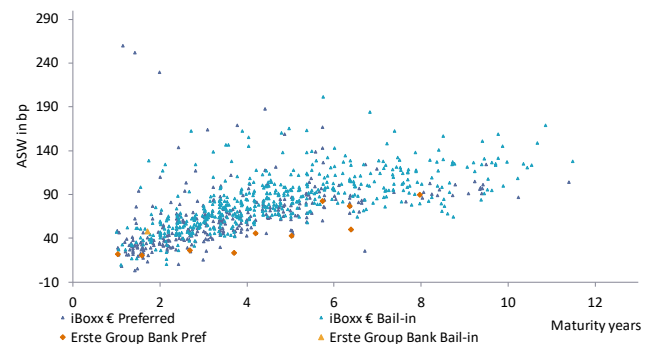
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,951	7,228	3,688
Net Fee & Commission Inc.	2,452	2,640	1,423
Net Trading Income	-123	307	247
Operating Expense	4,575	5,020	2,548
Credit Commit, Impairment	298	137	125
Pre-tax Profit	3,222	4,795	2,592

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.88	2.20	2.22	Liquidity Coverage Ratio	137.96	153.39	153.70
ROAE	11.00	14.55	14.20	IFRS Tier 1 Leverage Ratio	6.40	6.87	6.95
Cost-to-Income	56.37	50.21	48.59	NPL / Loans at Amortised Cost	2.12	2.34	2.47
Core Tier 1 Ratio	14.42	15.75	15.54	Reserves/Loans at Amort. Cost	1.93	1.92	1.93

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Franchise in AT and CEE
- Funding profile and capitalisation

## Risks / Weaknesses

- Highly competitive market in AT
- Asset quality (tail risks linked to Ukraine war)

# Erste Group Bank – Mortgage

Austria 

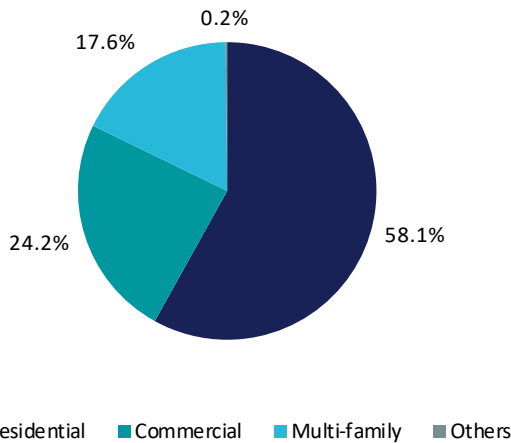
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

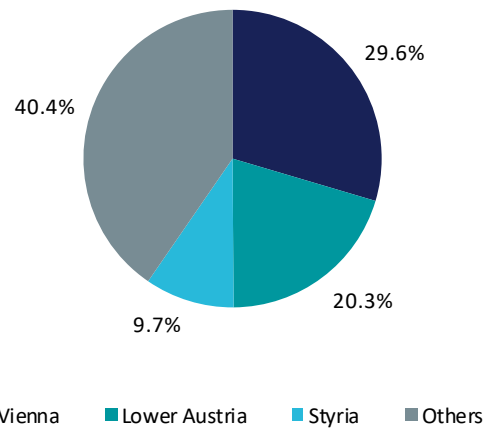
Cover pool volume (EURm)	31,316
Amount outstanding (EURm)	24,953
-thereof ≥ EUR 500m	47.1%
Current OC (nominal)	25.5%
Committed OC	2.0%
Cover type	Mortgage
Main country	97% Austria
Main region	30% Vienna
Number of loans	116,657
Number of borrowers	93,412
Avg. exposure to borrowers (EUR)	334,707
WAL (cover pool)	10.1y
WAL (covered bonds)	4.6y
Fixed interest (cover pool)	52.9%
Fixed interest (covered bonds)	54.5%
LTV (indexed)	58.3%
LTV (unindexed)	65.1%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	12.5%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

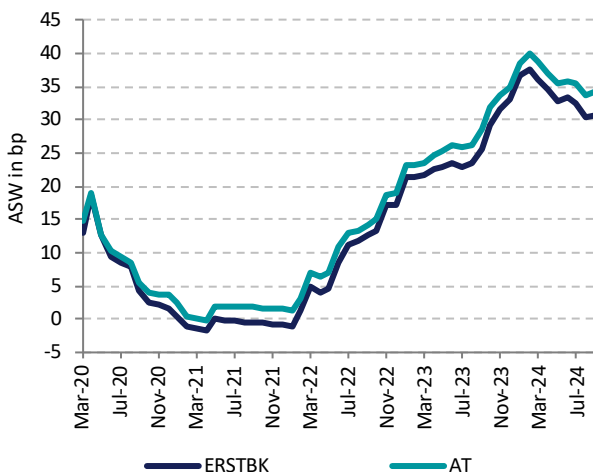
## Borrower Types



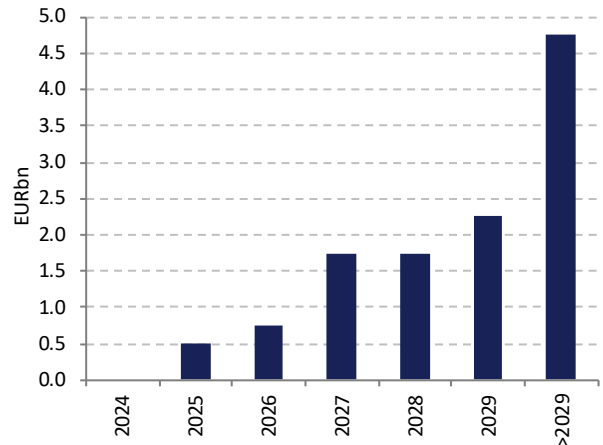
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## HYPO NOE Landesbank für NÖ und Wien

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## HYPO NOE Landesbank für Niederösterreich und Wien AG

	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 Austria's oldest regional mortgage bank. It operates as a commercial bank, state bank and specialised mortgage bank. Austria's largest federal state, Lower Austria, is the 100% owner of the Group. HYPO NOE Landesbank describes the regions of Lower Austria and Vienna as its home markets, with a market share of 24% in Lower Austria. It is also active in the rest of Austria and Germany, which are HYPO NOE's core markets, as well as selectively in other selected EU markets. The HYPO NOE Group's operating segments are Public Sector (24% of operating income in H1 2024; public sector financing, leasing, investment solutions), Real Estate (24%; non-profit and commercial housing), Retail and Corporate Customers (30%; financing, investment, payment and insurance solutions), Treasury & ALM (23%) and the Corporate Centre administrative segment (-2%). The Bank's funding mix as at 30 June 2024 consisted of public and mortgage-backed covered bonds (41.6%), unsecured bonds (18.7%) and deposits (39.7%). HYPO NOE Landesbank is one of Austria's largest issuers of covered bonds. HYPO NOE has been active in the market as an issuer of green bonds since 2020, the proceeds of which are used exclusively to finance green buildings. In December 2023, the Bank expanded its green bond framework to include social components to finance affordable housing and education/health infrastructure.

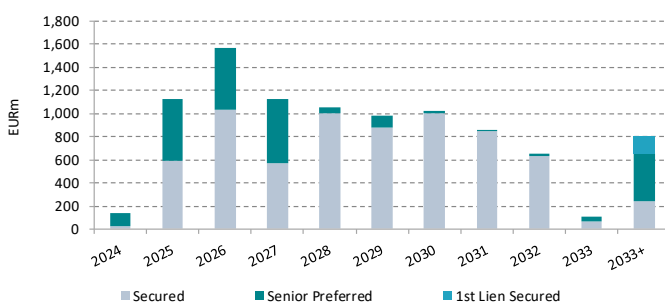
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	12,136	12,389	12,529
Total Securities	2,195	2,286	2,362
Total Deposits	3,340	3,460	4,500
Tier 1 Common Capital	773	817	816
Total Assets	15,121	15,579	16,823
Total Risk-weighted Assets	3,766	3,914	4,116

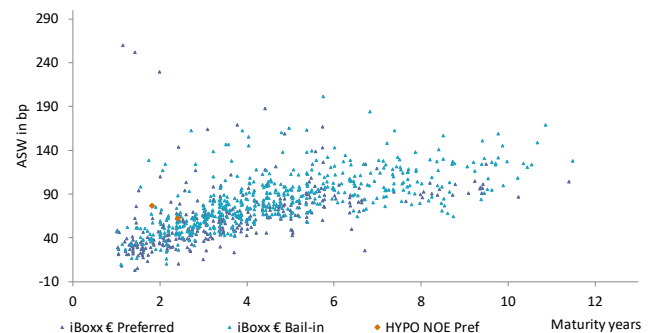
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	142	177	94
Net Fee & Commission Inc.	15	16	11
Net Trading Income	6	3	12
Operating Expense	103	112	56
Credit Commit, Impairment	4	27	12
Pre-tax Profit	62	88	48

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.88	1.14	1.17	Liquidity Coverage Ratio	162.85	235.86	260.02
ROAE	6.16	7.97	8.94	IFRS Tier 1 Leverage Ratio	5.39	5.47	5.04
Cost-to-Income	61.22	49.00	48.15	NPL / Loans at Amortised Cost	1.07	2.62	3.00
Core Tier 1 Ratio	20.52	20.88	19.82	Reserves/Loans at Amort. Cost	0.66	0.85	0.86

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Connection to sole owner (Lower Austria)

## Risks / Weaknesses

- Profitability
- Geographical diversification

# HYPO NOE – Mortgage

Austria 

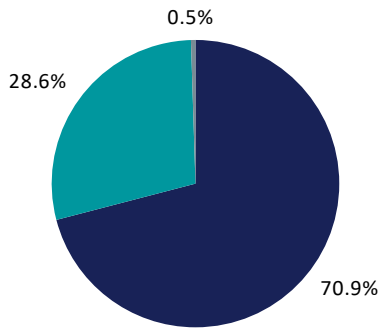
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	3,069
Amount outstanding (EURm)	2,802
-thereof ≥ EUR 500m	89.2%
Current OC (nominal)	9.5%
Committed OC	2.0%
Cover type	Mortgage
Main country	87% Austria
Main region	63% Lower Austria
Number of loans	11,409
Number of borrowers	7,812
Avg. exposure to borrowers (EUR)	390,858
WAL (cover pool)	8.2y
WAL (covered bonds)	3.8y
Fixed interest (cover pool)	54.9%
Fixed interest (covered bonds)	91.0%
LTV (indexed)	51.5%
LTV (unindexed)	-
Loans in arrears	0.0%

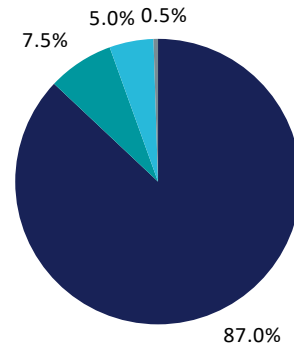
Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	Unpublished
Collateral score	7.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



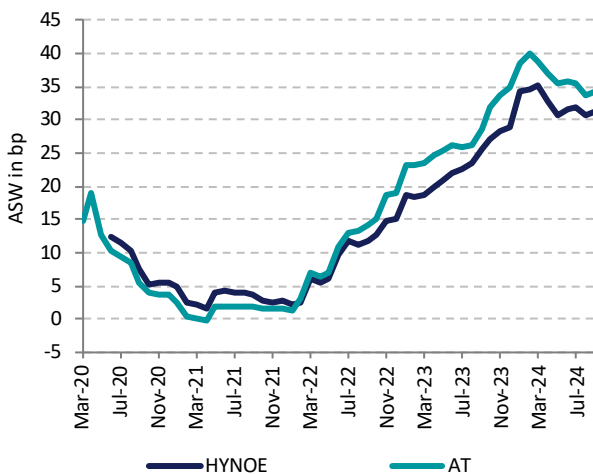
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



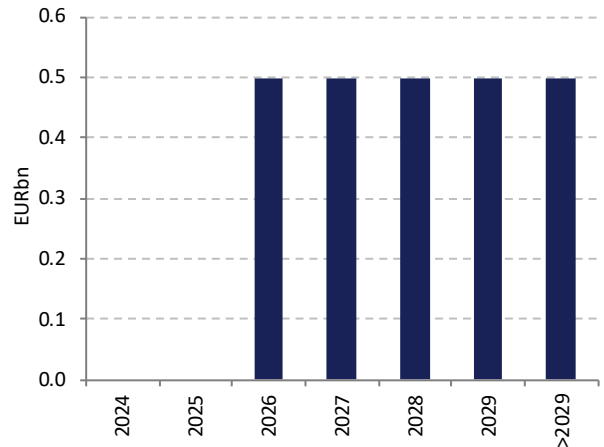
■ Austria ■ Netherlands ■ Germany ■ Others

## Spread Development



— HYN0E — AT

## Redemption Profile (Bmk)



# HYPO NOE – Public Sector

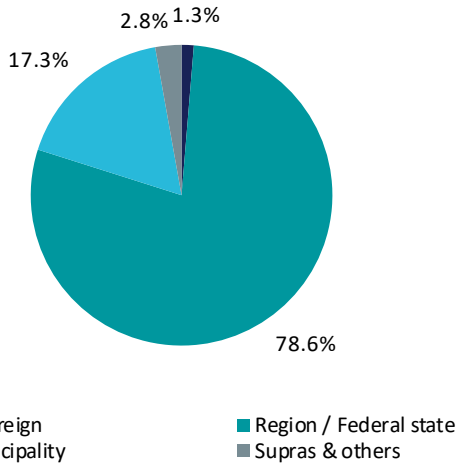
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

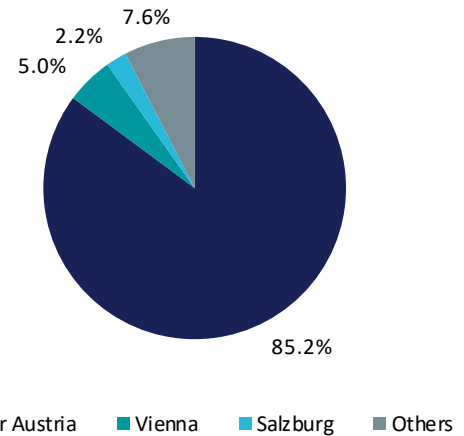
### Cover Pool Data

Cover pool volume (EURm)	4,803	Rating (Moody's)	Aa1
Amount outstanding (EURm)	3,956	Rating (S&P)	-
-thereof ≥ EUR 500m	75.8%	Rating (Fitch)	-
Current OC (nominal)	21.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	Unpublished
Main country	100% Austria	Collateral score	14.2%
Main region	85% Lower Austria	RRL	-
Number of loans	47,165	JRL	-
Number of borrowers	40,392	Unused notches	-
Avg. exposure to borrowers (EUR)	118,917	AAA credit risk (%)	-
WAL (cover pool)	9.8y	PCU	-
WAL (covered bonds)	5.3y	Recovery uplift	-
Fixed interest (cover pool)	46.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	99.5%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

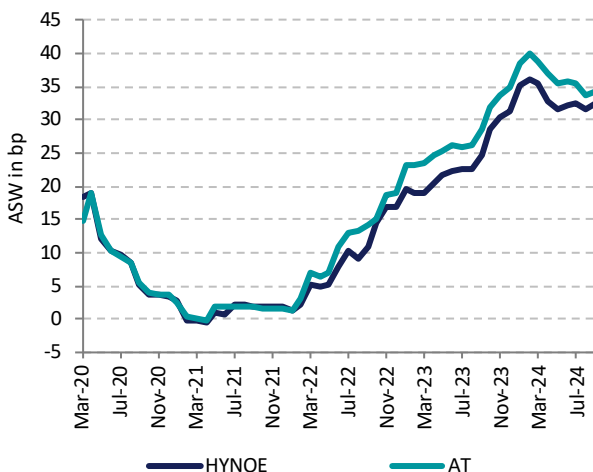
### Borrower Types



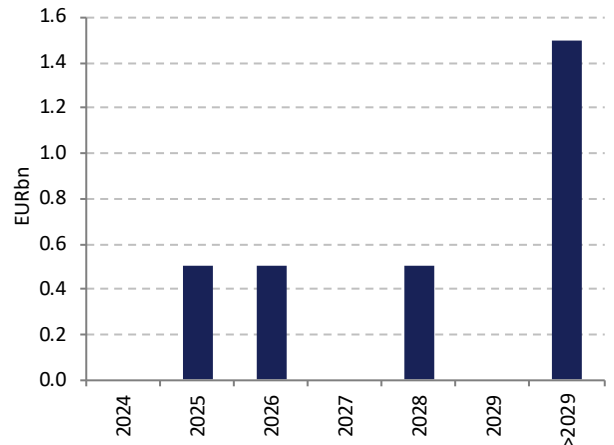
### Regional Distribution



### Spread Development



### Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## HYPO Oberösterreich

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Oberösterreichische

## Landesbank AG

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

## Homepage

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

Hypo Oberösterreich (HO) was established in 1891 as Oberösterreichische Landes-Hypothekenanstalt. As a regional bank, HO operates eleven branches in Upper Austria and Vienna (FY 2023). It employs more than 400 staff and serves more than 100,000 customers. Furthermore, HO is the house bank for the Bundesland Upper Austria and, according to information from the bank itself, is among the market leaders for public and private housing projects in Upper Austria. The majority owner is the Bundesland Upper Austria (50.6%; FY 2023), followed by Raiffeisenlandesbank Oberösterreich AG (41.1%) and Oberösterreichische Versicherung AG (7.5%). The bank defines the following business activities: Major Clients (business with public institutions as well as non-profit and commercial property developers; 37.7% of pre-tax profit in FY 2023), Retail and Residential Housing (support for private households, self-employed people, freelancers and small businesses; 54.2%), Financial Markets (financial investments, trading portfolios, issuance business and interbank operations; -17.8%) and Other (subsidiary companies, equity participations; 25.9%). The lending business comprises loans from the following segments: Retail and Residential Construction (43.8%; FY 2023), Large Residential Construction (21.4%), Institutional Customers (19.9%) as well as Commercial Customers and Real Estate Projects (12.3%). HO is a founding member of the Green Finance Alliance. As a result, it is obligated to make its core businesses climate neutral by 2050. In 2023, HO successfully placed its second green bond in the amount of EUR 250m. Green and social bonds account for 15.1% of its securities portfolio overall.

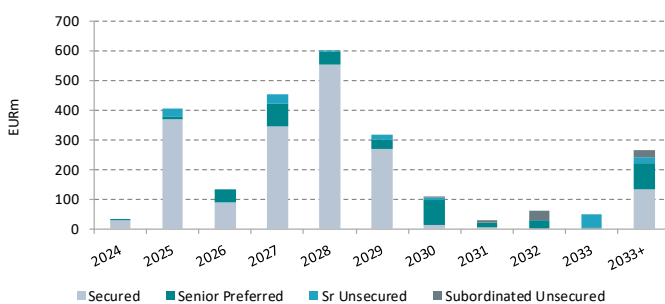
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	5,882	6,155	6,263
Total Securities	1,048	1,079	1,038
Total Deposits	2,301	2,930	3,029
Tier 1 Common Capital	478	517	509
Total Assets	7,969	8,677	8,524
Total Risk-weighted Assets	3,484	3,655	3,753

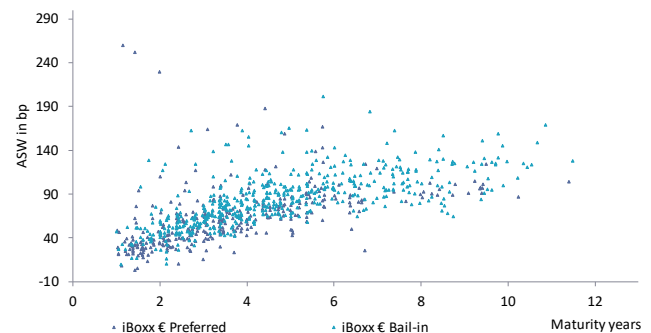
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	77	99	53
Net Fee & Commission Inc.	16	17	9
Net Trading Income	4	-3	2
Operating Expense	60	66	34
Credit Commit, Impairment	4	12	18
Pre-tax Profit	40	43	20

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.98	1.22	1.27	Liquidity Coverage Ratio	165.81	200.80	-
ROAE	6.80	6.83	5.88	IFRS Tier 1 Leverage Ratio	6.10	6.02	6.05
Cost-to-Income	57.60	54.81	47.04	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.72	14.13	13.57	Reserves/Loans at Amort. Cost	0.28	0.46	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Connection to Bundesland of Upper Austria
- Business model
- Capitalisation

## Risks / Weaknesses

- Profitability
- Geographical concentration risks
- Credit concentration risks related to the public sector

# Hypo Oberösterreich – Mortgage

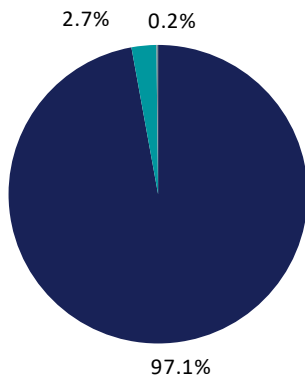
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

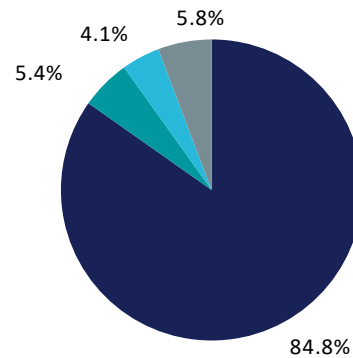
Cover pool volume (EURm)	2,819	Rating (Moody's)	-
Amount outstanding (EURm)	2,392	Rating (S&P)	AA+
-thereof ≥ EUR 250m	54.4%	Rating (Fitch)	-
Current OC (nominal)	17.9%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Austria	Collateral score	-
Main region	85% Upper Austria	RRL	a+
Number of loans	39,498	JRL	aa+
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	10.2%
WAL (cover pool)	10.5y	PCU	-
WAL (covered bonds)	5.1y	Recovery uplift	-
Fixed interest (cover pool)	29.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	87.5%	LCR eligible	Yes
LTV (indexed)	38.5%	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB

## Borrower Types



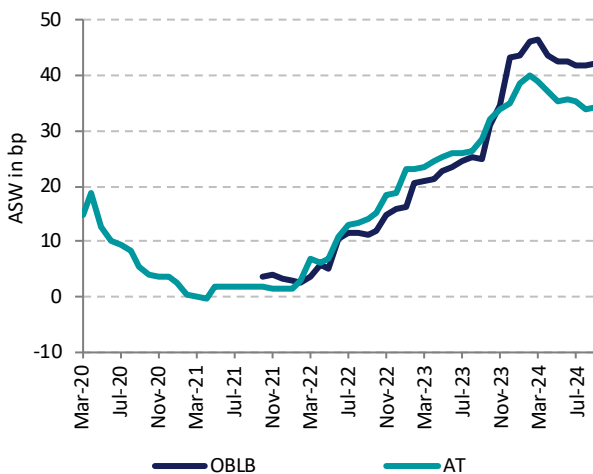
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



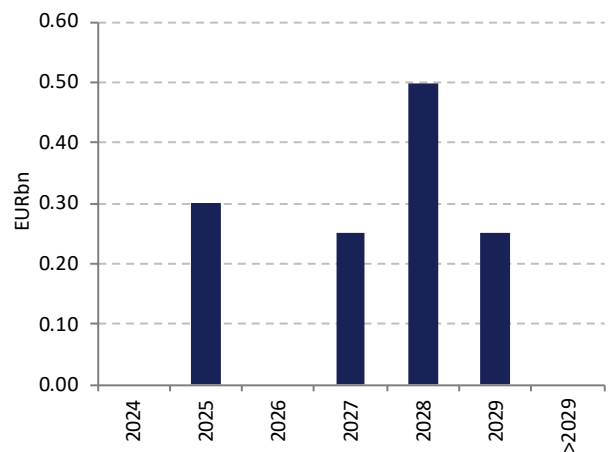
■ Upper Austria ■ Vienna ■ Lower Austria ■ Others

## Spread Development



— OBLB — AT

## Redemption Profile (SBmk)





# Hypo Tirol Bank

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Hypo Tirol Bank AG

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Hypo Tirol Bank AG (Hypo Tirol), headquartered in Innsbruck, is a universal bank founded in 1901 for retail and corporate customers as well as public institutions that is wholly owned by the Austrian Bundesland of Tyrol. Geographically, the universal bank has a clear focus on the Tyrol market, where it operates a network of 18 business centres. However, it is also active with a single branch as a niche provider in the region around Vienna, where the focus is on “upscale” investments and financing for commercial residential housing projects. The broad portfolio of financial services is supplemented by Hypo Tirol Versicherungsmakler GmbH, Hypo Immobilien Betriebs GmbH and Hypo Tirol Leasing GmbH. Hypo Tirol Bank reports in the following segments: Retail Customers, Corporate Customers, Treasury, Real Estate and Participations and Corporate Center. A total of 82.1% of the pre-tax result is attributable to the segment of Retail Customers (FY 2023). Customer loans can be divided into three groups: Corporate customers (61% as at FY 2023), private households (24%) and the public sector (15%), with 95.0% of all customer loans originating in Austria. Pfandbriefe and bonds account for the major share of the securitised liabilities at 70.3% and 19.9% respectively. Private households (48%) and corporate customers (38.6%) account for the largest share of the deposits, while the public sector plays a less significant role at 13.4%. Hypo Tirol has a green asset ratio of 0.05% based on turnover. In addition, following the finalisation and publication in December 2022 of the Green Bond Framework, Hypo Tirol issued its first green covered bond with a volume of EUR 300m in January 2023. The bank also issued a social bond in 2021 worth EUR 500m for the creation and renovation of affordable housing.

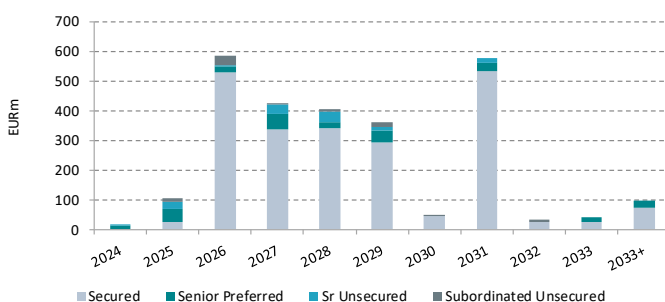
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	6,373	5,825	5,524
Total Securities	1,181	1,296	1,302
Total Deposits	3,718	3,657	3,778
Tier 1 Common Capital	564	591	627
Total Assets	8,957	8,588	7,958
Total Risk-weighted Assets	3,995	3,537	3,554

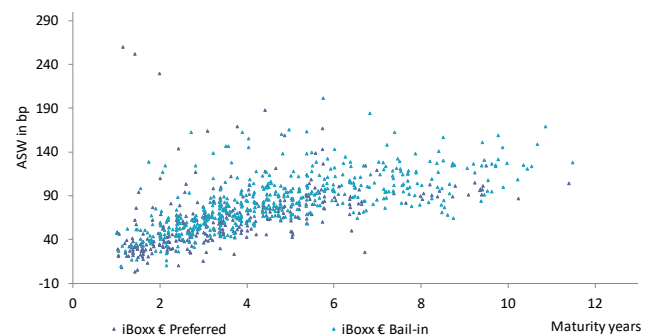
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	87	95	149
Net Fee & Commission Inc.	32	31	34
Net Trading Income	5	15	-3
Operating Expense	74	76	84
Credit Commit, Impairment	11	25	30
Pre-tax Profit	30	44	62

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.00	1.11	1.84	Liquidity Coverage Ratio	197.62	250.14	226.29
ROAE	3.92	5.87	7.58	IFRS Tier 1 Leverage Ratio	6.35	7.13	8.09
Cost-to-Income	64.37	53.22	47.92	NPL / Loans at Amortised Cost	2.41	3.25	3.67
Core Tier 1 Ratio	14.11	16.72	17.64	Reserves/Loans at Amort. Cost	1.19	1.58	1.96

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Asset quality
- Market share among corporate customers in Tyrol

## Risks / Weaknesses

- Profitability
- Concentration on cyclical industries
- Dependency on wholesale funding

# Hypo Tirol Bank – Mortgage

Austria 

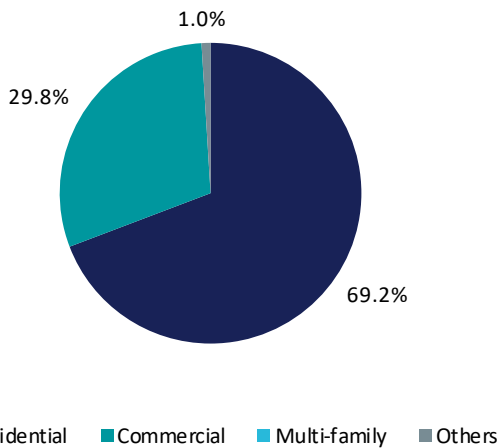
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

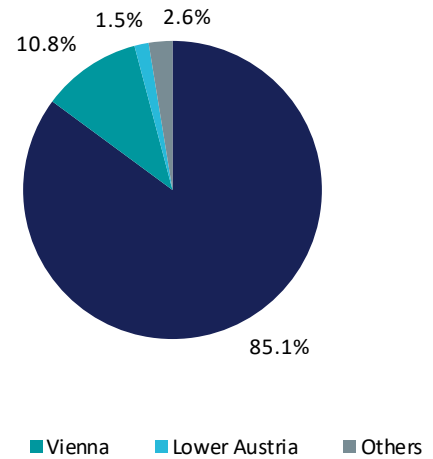
Cover pool volume (EURm)	2,664
Amount outstanding (EURm)	2,173
-thereof ≥ EUR 500m	46.0%
Current OC (nominal)	22.6%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Austria
Main region	85% Tyrol
Number of loans	12,210
Number of borrowers	7,575
Avg. exposure to borrowers (EUR)	348,319
WAL (cover pool)	10.1y
WAL (covered bonds)	4.2y
Fixed interest (cover pool)	29.4%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	57.5%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	2
Collateral score	11.1%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

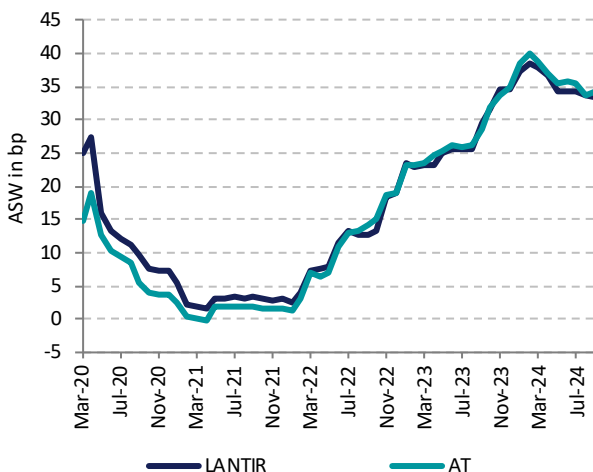
## Borrower Types



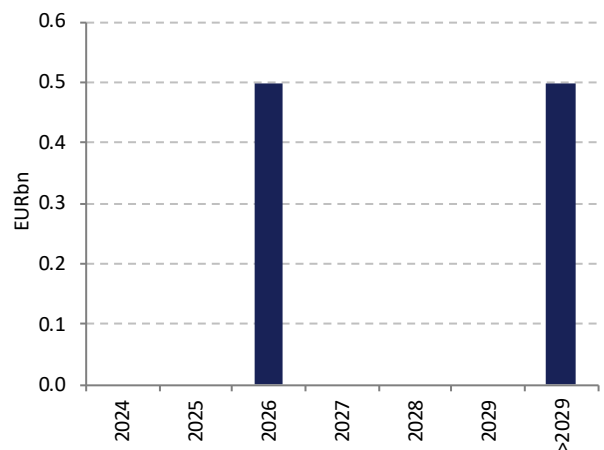
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Hypo Tirol Bank – Public

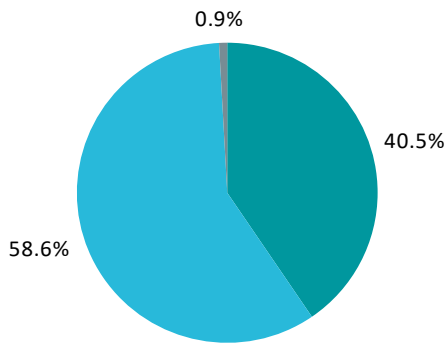
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

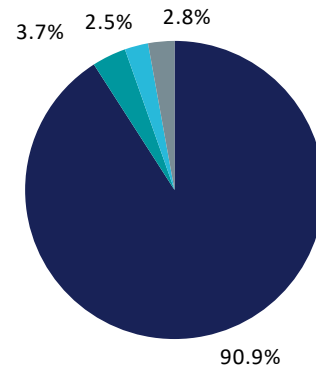
Cover pool volume (EURm)	956	Rating (Moody's)	Aaa
Amount outstanding (EURm)	285	Rating (S&P)	-
-thereof ≥ EUR 500m	87.7%	Rating (Fitch)	-
Current OC (nominal)	235.4%	Rating (DBRS)	-
Committed OC	9.5%	TPI	High
Cover type	Public Sector	TPI leeway	2
Main country	100% Austria	Collateral score	14.4%
Main region	91% Tyrol	RRL	-
Number of loans	939	JRL	-
Number of borrowers	411	Unused notches	-
Avg. exposure to borrowers (EUR)	2,296,819	AAA credit risk (%)	-
WAL (cover pool)	6.9y	PCU	-
WAL (covered bonds)	4.9y	Recovery uplift	-
Fixed interest (cover pool)	32.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



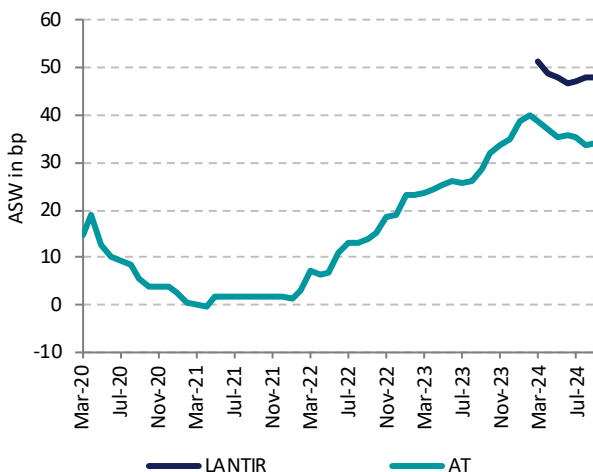
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

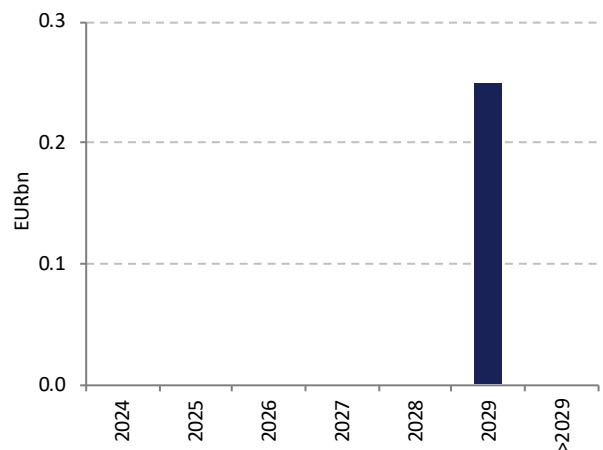


■ Tyrol  
■ Lower Austria  
■ Vorarlberg  
■ Others

## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Hypo Vorarlberg Bank

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Hypo Vorarlberg Bank AG

	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) focuses its business activities on the market regions of Austria, Switzerland, Germany and northern Italy. In addition to the Vorarlberg region, the bank is also represented in other regions of Austria, southern Germany, St. Gallen and Bolzano with around 900 staff. The Bundesland of Vorarlberg holds 76.9% of the shares via Vorarlberger Landesbank-Holding, with Austria Beteiligungsgesellschaft owning the remaining 23.1% (indirectly LBBW 15.4% and L-Bank: 7.7%). Geographically speaking, most of the loan portfolio is located in Austria (FY 2023: 65%), with the remainder split between Germany (14%), Switzerland and Lichtenstein (12%), Italy (7%) and "Other countries" (2%). Hypo VBG operates 19 branches in Austria, of which 14 are located in Vorarlberg. The bank reports across the following four segments: Corporate Customers, Retail Customers, Financial Markets and Corporate Center. Hypo VBG has its own subsidiaries for specialised products, such as real estate, leasing and insurance products. As at FY 2023, the largest share of the funding mix was attributable to securitised liabilities (49%) and customer deposits (33%). As part of its sustainability strategy, green bonds are also issued to supplement the funding mix. For example, the Green Bond Framework was updated in 2023 in order to take account of new regulations (e.g. the EU taxonomy), following which HYPO VBG issued a green senior bond with a volume of EUR 500m. The bank also issued two green bonds (EUR 11m) as retail issues. HYPO VBG has a green asset ratio of 0.14% based on turnover.

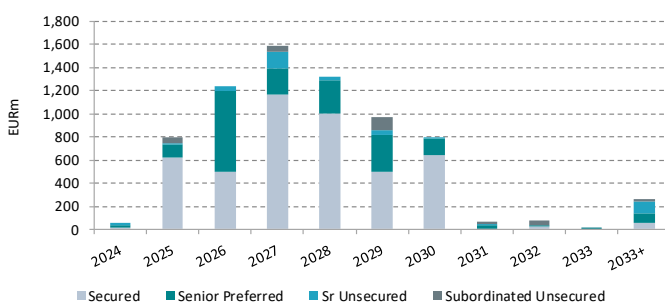
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	10,379	10,645	11,090
Total Securities	2,907	3,108	3,067
Total Deposits	5,418	5,645	5,259
Tier 1 Common Capital	1,302	1,412	1,434
Total Assets	15,626	15,305	15,727
Total Risk-weighted Assets	8,459	8,728	8,914

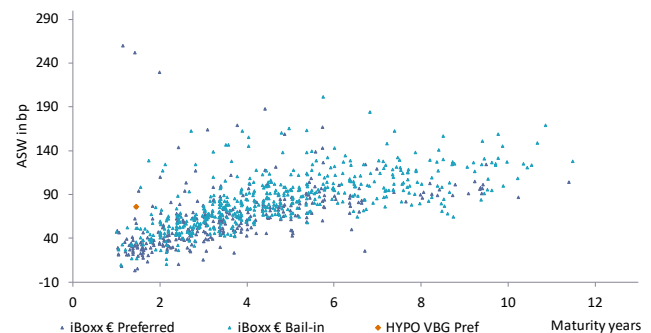
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	196	168	234
Net Fee & Commission Inc.	38	34	35
Net Trading Income	-5	80	-36
Operating Expense	107	114	125
Credit Commit, Impairment	15	-10	78
Pre-tax Profit	94	161	53

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.29	1.10	1.53	Liquidity Coverage Ratio	191.00	162.76	229.00
ROAE	5.29	8.86	2.78	IFRS Tier 1 Leverage Ratio	8.46	9.64	9.42
Cost-to-Income	49.45	42.87	48.47	NPL / Loans at Amortised Cost	2.76	2.63	4.06
Core Tier 1 Ratio	15.39	16.17	16.09	Reserves/Loans at Amort. Cost	1.17	0.93	1.48

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market shares in Vorarlberg
- Capitalisation
- Profitability

## Risks / Weaknesses

- Intense competition in AT
- Geographical risk concentration
- Dependency on wholesale funding

# Hypo Vorarlberg Bank – Mortgage

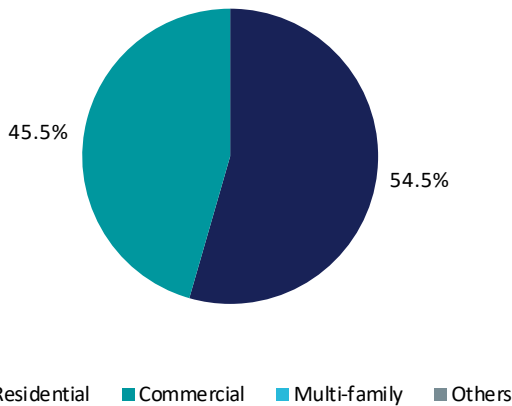
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

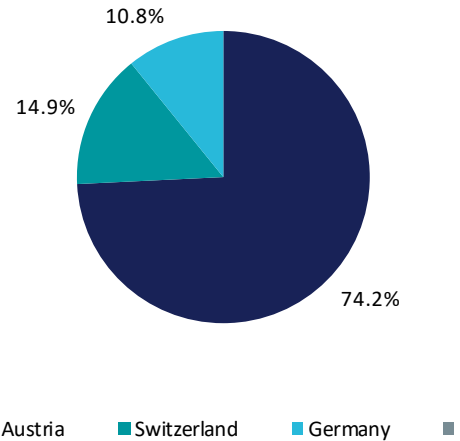
## Cover Pool Data

Cover pool volume (EURm)	5,780	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,488	Rating (S&P)	-
-thereof ≥ EUR 500m	89.1%	Rating (Fitch)	-
Current OC (nominal)	28.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	2
Main country	74% Austria	Collateral score	12.5%
Main region	41% Vorarlberg	RRL	-
Number of loans	18,599	JRL	-
Number of borrowers	12,265	Unused notches	-
Avg. exposure to borrowers (EUR)	471,262	AAA credit risk (%)	-
WAL (cover pool)	16.1y	PCU	-
WAL (covered bonds)	3.2y	Recovery uplift	-
Fixed interest (cover pool)	42.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	59.9%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

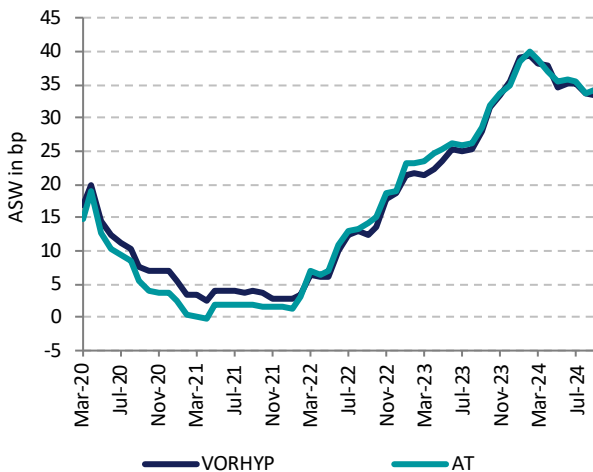
## Borrower Types



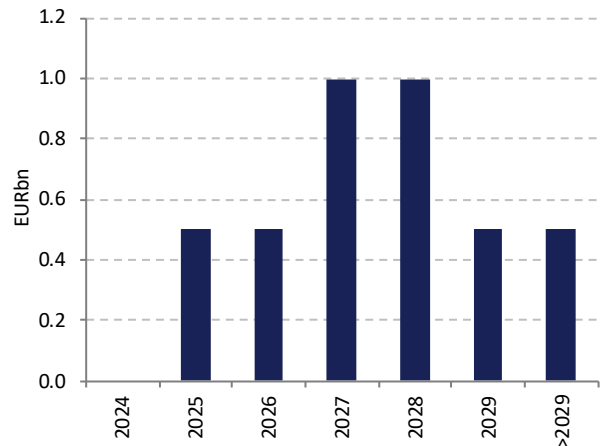
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Kommunalkredit Austria

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Kommunalkredit Austria AG

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

## Homepage

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

Kommunalkredit Austria AG (Kommunalkredit) is a supplier of financing solutions for infrastructure and energy projects in Europe with its headquarters in Austria. The bank is a partner for companies and sponsors involved in the construction, acquisition and/or operation of infrastructure and energy projects. Kommunalkredit also advises the public sector on financing and investments in the public finance business. The bank prioritises projects in the areas of energy and the environment (in particular renewable energy), transport, communication and digitalisation, in addition to social infrastructure. Kommunalkredit is 99.8% owned by Satere Beteiligungsverwaltung (FY 2023), via which Interritus Limited (55%) and Trinity Investments Designated Activity Company (45%) hold their stakes. The institute is mainly active in the EU and countries associated with the EU. A total of 24.8% (FY 2023) of the loan portfolio is located in Austria and 43.6% in the eurozone excluding Austria. The funding mix is largely based on customer deposits (61.3% as at FY 2023) and covered bonds (20.5%). In April 2023, the Federal Competition Authority approved the purchase of an 80% majority stake in Kommunalkredit by Green Opera Finance BidCo AB. Regulatory approval for the transaction is still pending (as at 22 February 2024). In 2023, Kommunalkredit officially subscribed to the UN Principles for Responsible Banking. In so doing, it placed sustainability at the heart of its business activities. With its Sustainable Bond Framework published in 2023, the bank will seek to issue an ESG bond by 2025 in order to increase the ratio of green financing relative to total financing.

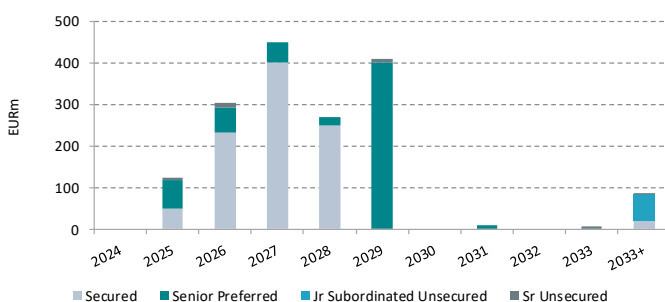
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	2,831	3,292	-
Total Securities	1,151	1,578	-
Total Deposits	2,289	3,314	3,344
Tier 1 Common Capital	402	503	-
Total Assets	4,628	5,871	6,014
Total Risk-weighted Assets	2,534	2,944	-

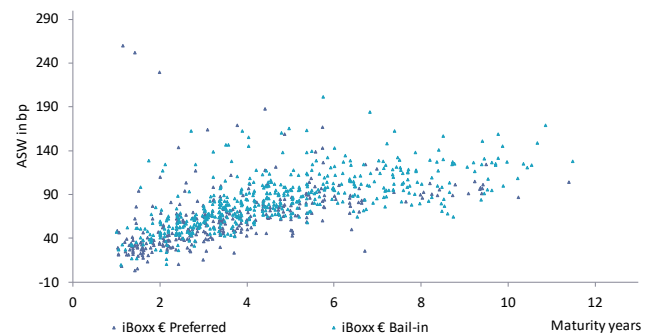
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	126	192	90
Net Fee & Commission Inc.	30	39	21
Net Trading Income	16	-0	-0
Operating Expense	78	95	49
Credit Commit, Impairment	2	1	-1
Pre-tax Profit	99	136	62

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	2.80	3.70	3.04	Liquidity Coverage Ratio	347.75	541.78
ROAE	17.20	19.17	15.78	IFRS Tier 1 Leverage Ratio	9.08	8.83
Cost-to-Income	43.65	41.04	44.11	NPL / Loans at Amortised Cost	-	2.67
Core Tier 1 Ratio	15.85	17.08	-	Reserves/Loans at Amort. Cost	0.29	0.32

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in niche markets
- Asset quality
- Profitability

## Risks / Weaknesses

- Diversification of business areas
- Syndication risk
- Dependency on key personnel

# Kommunalkredit – Public

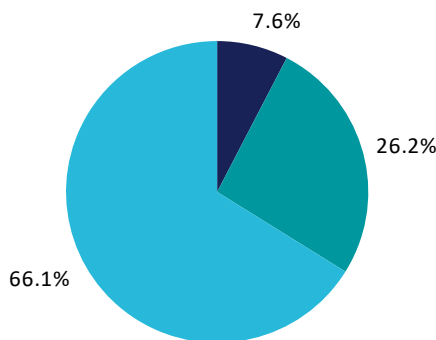
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

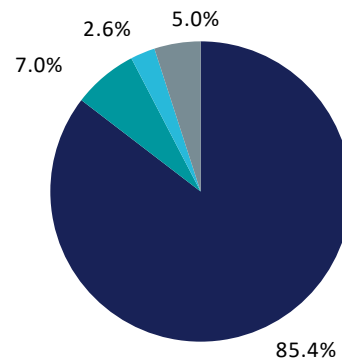
Cover pool volume (EURm)	1,204	Rating (Moody's)	-
Amount outstanding (EURm)	1,046	Rating (S&P)	A+
-thereof ≥ EUR 250m	62.1%	Rating (Fitch)	-
Current OC (nominal)	15.1%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Public Sector	TPI leeway	-
Main country	85% Austria	Collateral score	-
Main region	23% Upper Austria	RRL	a-
Number of loans	2,020	JRL	a+
Number of borrowers	988	Unused notches	1
Avg. exposure to borrowers (EUR)	1,218,234	AAA credit risk (%)	6.9%
WAL (cover pool)	7.7y	PCU	-
WAL (covered bonds)	3.3y	Recovery uplift	-
Fixed interest (cover pool)	70.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	90.4%	LCR eligible	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB

## Borrower Types



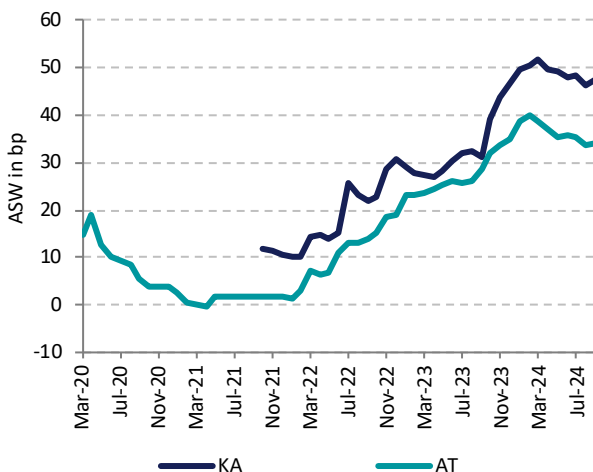
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

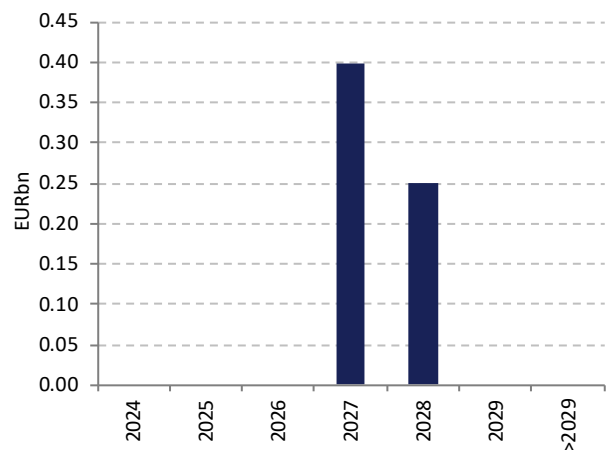


■ Austria  
■ France  
■ Portugal  
■ Others

## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Oberbank

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Oberbank AG

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

## Homepage

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

Founded in 1869, Oberbank AG is a medium-sized universal bank from Austria with a regional focus. 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 IT, investments and the housing sector. Oberbank has more than 2,233 employees, who serve around 274,000 retail customers and more than 59,000 corporate customers across 176 branches in five countries (Austria, Germany, Czechia, Hungary and Slovakia). The bank's ownership structure can be broken down as follows: Around 23.8% (as at 31 March 2024) for CABO Beteiligungsgesellschaft (wholly owned group company of UniCredit Bank Austria), 16.5% for BTV, 14.7% for BKS and 3.4% for UniCredit Bank Austria. A total of 35.4% of the shares are held in free float. The bank reports across the following segments: Corporate Customers, Retail Customers, Financial Markets and Other. The major share of the pre-tax period surplus is attributable to corporate customers (Q1 2024: 78.8%). Although the bank is active in several regions, more than three quarters of the credit risk volume is attributable to Austria (Q1 2024: 70%) and Germany (22%). In 2021, Oberbank issued an inaugural green covered bond (EUR 250m). The bank aims to raise EUR 1.5bn in sustainable private financing (residential construction) by 2025 – it is already around a third of the way towards achieving this goal (FY 2023). Oberbank AG has a green asset ratio (KPI by revenue) of 0.94% (FY 2023).

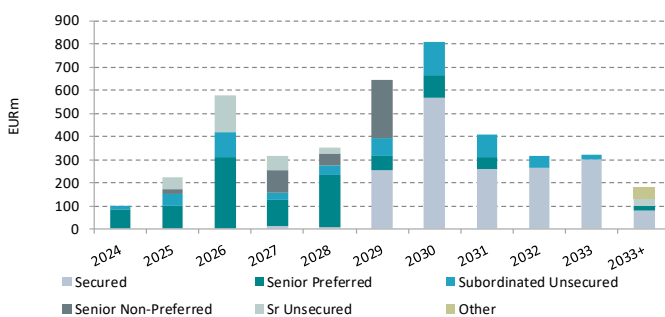
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	19,193	20,074	20,595
Total Securities	2,650	2,419	2,556
Total Deposits	15,061	15,756	15,525
Tier 1 Common Capital	3,126	3,383	3,328
Total Assets	26,798	27,834	27,680
Total Risk-weighted Assets	17,341	18,181	18,451

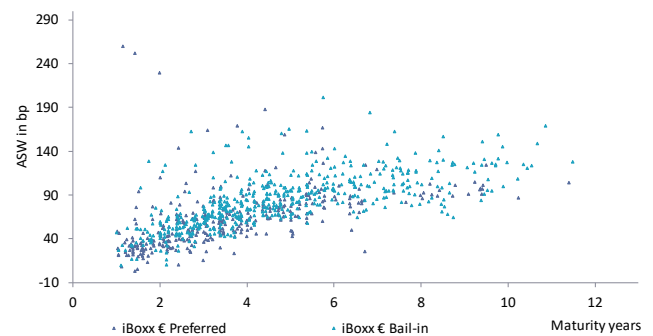
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	406	597	329
Net Fee & Commission Inc.	207	196	102
Net Trading Income	-30	15	15
Operating Expense	328	376	198
Credit Commit, Impairment	41	84	24
Pre-tax Profit	295	478	259

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.56	2.30	2.54	Liquidity Coverage Ratio	179.78	193.63	168.12
ROAE	7.20	10.25	10.25	IFRS Tier 1 Leverage Ratio	11.77	12.22	12.09
Cost-to-Income	49.34	40.09	41.13	NPL / Loans at Amortised Cost	2.52	3.61	-
Core Tier 1 Ratio	18.03	18.61	18.03	Reserves/Loans at Amort. Cost	1.23	1.58	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Franchise (Upper Austria and Salzburg)
- Capitalisation

## Risks / Weaknesses

- Regional concentration risks (corporate business)
- Concentration risks from equity investments



# Oberbank – Mortgage

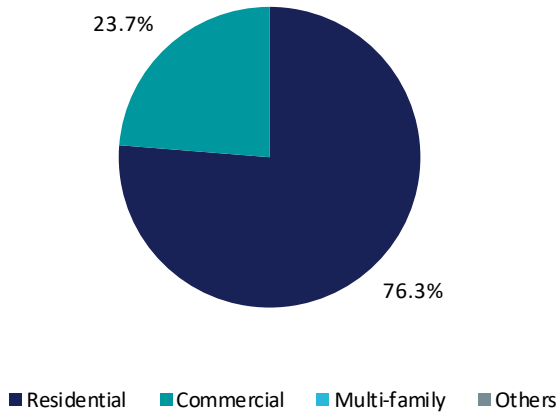
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

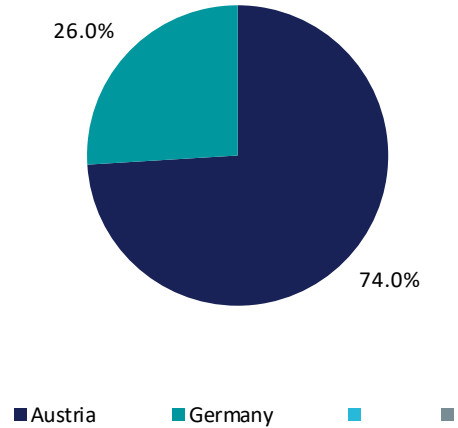
## Cover Pool Data

Cover pool volume (EURm)	3,882	Rating (Moody's)	-
Amount outstanding (EURm)	2,577	Rating (S&P)	AAA
-thereof ≥ EUR 250m	61.1%	Rating (Fitch)	-
Current OC (nominal)	50.7%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	74% Austria	Collateral score	-
Main region	28% Upper Austria	RRL	aa-
Number of loans	17,160	JRL	aa+
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	6.5%
WAL (cover pool)	16.3y	PCU	-
WAL (covered bonds)	5.7y	Recovery uplift	-
Fixed interest (cover pool)	46.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	69.0%	LCR eligible	Yes
LTV (indexed)	58.0%	LCR level (SBmk)	2A
LTV (unindexed)	71.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB & SB

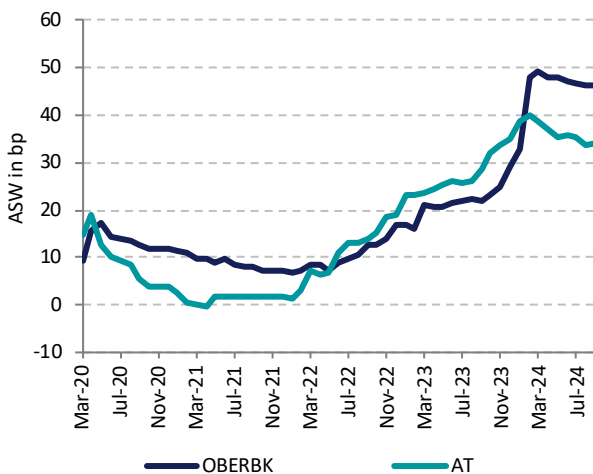
## Borrower Types



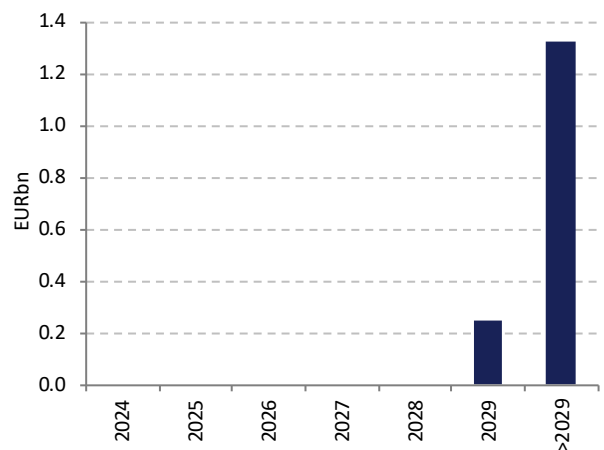
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## RLB Niederösterreich-Wien

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

Raiffeisenlandesbank Nieder-  
österreich-Wien AG

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

## Homepage

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

Raiffeisenlandesbank Niederösterreich-Wien AG (RLB NÖW) is a regional and commercial bank as well as the lead institute of the 42 Raiffeisen banks in Lower Austria (NÖ), which indirectly own 85% of RLB NÖW. Just under one million customers are served by Lower Austria's leading banking group (FY 2023). The main business areas of RLB NÖW include banking, agriculture, media and infrastructure. Furthermore, since January 2024, RLB NÖW has been the lead shareholder (stake: 25.0% plus one share) in Raiffeisen Bank International AG (RBI), a commercial and investment bank that is active in Austria and the CEE region. In this context, RBI covers other areas in addition to its banking operations such as leasing via its subsidiaries. In total, almost 45,000 staff serve 18.5m customers across 1,506 business centres. The business activities of RLB NÖW are organised into the following segments: Retail/Association Services, Commercial Customers, Financial Markets, RBI, Association, Other Investments and Other. In geographical terms, 83% (FY 2023) of the exposure was attributable to Austria as measured by loans to corporate customers, while in terms of the sectoral breakdown, 43.5% of the lending portfolio was assigned to real estate and housing. As at the end of 2023, customer deposits and capital market financing accounted for 32% and 30% of refinancing respectively. The funding mix is rounded off by the interbank market (20%) and the Raiffeisen sector (19%). As part of its climate strategy, RLB NÖW plans to phase out coal-based mining, processing and energy production activities by 2030. The bank has a revenue-based green asset ratio of 1%.

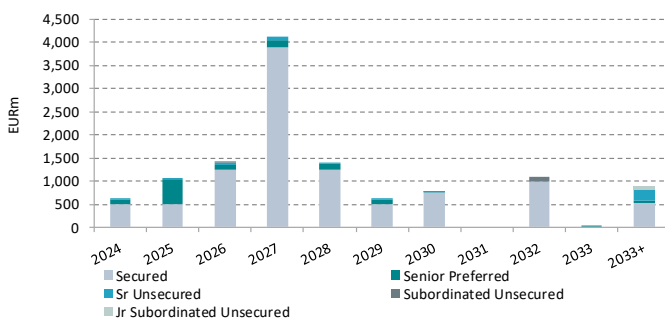
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	13,624	15,003	16,000
Total Securities	4,484	4,991	6,065
Total Deposits	9,088	8,896	9,917
Tier 1 Common Capital	2,578	2,410	3,011
Total Assets	28,592	28,693	35,079
Total Risk-weighted Assets	12,981	13,341	14,396

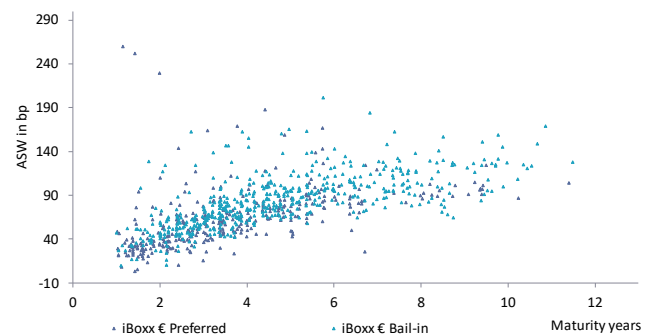
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	175	239	311
Net Fee & Commission Inc.	56	52	53
Net Trading Income	9	15	3
Operating Expense	227	252	273
Credit Commit, Impairment	-12	27	48
Pre-tax Profit	62	-13	816

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.67	0.91	1.06	Liquidity Coverage Ratio	128.63	118.77	144.65
ROAE	2.66	-1.06	33.93	IFRS Tier 1 Leverage Ratio	9.24	8.69	8.79
Cost-to-Income	40.38	21.96	27.04	NPL / Loans at Amortised Cost	1.98	2.00	3.12
Core Tier 1 Ratio	19.86	18.07	20.92	Reserves/Loans at Amort. Cost	1.38	1.30	1.23

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- NPL ratio
- Liquidity

## Risks / Weaknesses

- Stake in RBI (susceptible to impairments)
- Dependency on RBI income

# RLB Niederösterreich-Wien – Mortgage

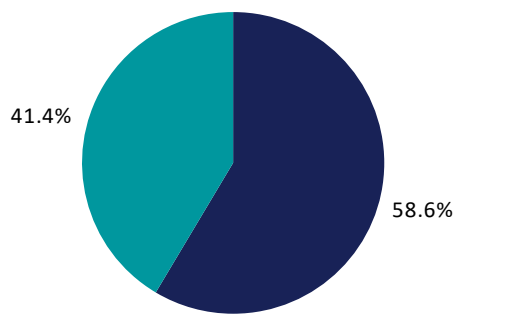
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

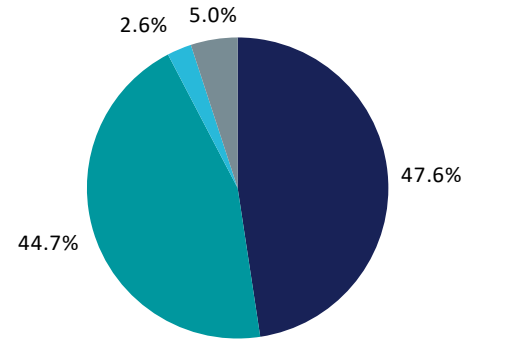
Cover pool volume (EURm)	10,740	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,002	Rating (S&P)	-
-thereof ≥ EUR 500m	87.5%	Rating (Fitch)	-
Current OC (nominal)	34.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	8.5%
Main region	48% Vienna	RRL	-
Number of loans	40,910	JRL	-
Number of borrowers	29,664	Unused notches	-
Avg. exposure to borrowers (EUR)	362,072	AAA credit risk (%)	-
WAL (cover pool)	11.5y	PCU	-
WAL (covered bonds)	3.8y	Recovery uplift	-
Fixed interest (cover pool)	55.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	87.5%	LCR eligible	Yes
LTV (indexed)	51.5%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

## Borrower Types



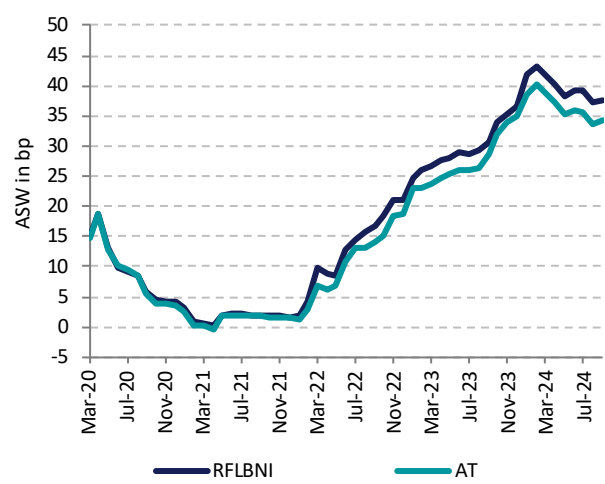
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



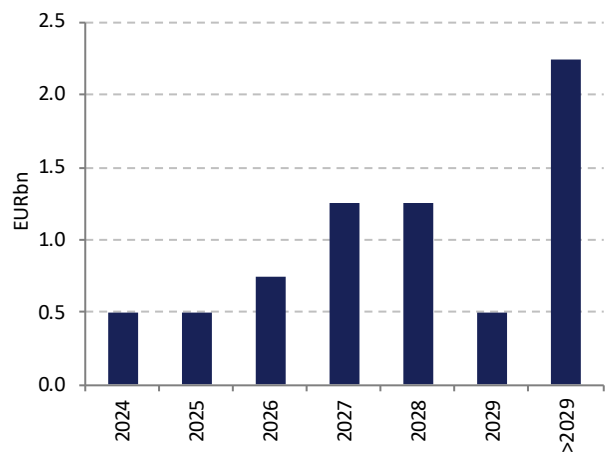
■ Vienna ■ Upper Austria ■ Upper Austria ■ Others

## Spread Development



— RFLBNI — AT

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# RLB Niederösterreich-Wien – Public Sector

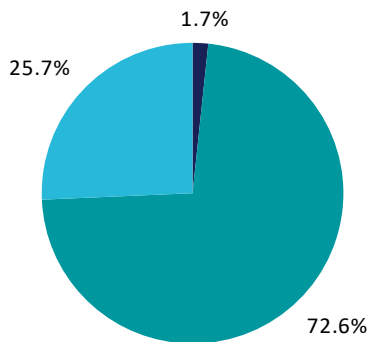
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

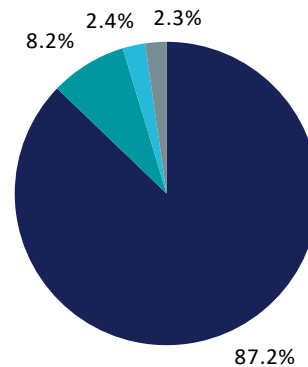
Cover pool volume (EURm)	2,626	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,139	Rating (S&P)	-
-thereof ≥ EUR 500m	23.4%	Rating (Fitch)	-
Current OC (nominal)	22.8%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	4
Main country	100% Austria	Collateral score	25.2%
Main region	87% Lower Austria	RRL	-
Number of loans	3,258	JRL	-
Number of borrowers	1,353	Unused notches	-
Avg. exposure to borrowers (EUR)	1,903,753	AAA credit risk (%)	-
WAL (cover pool)	17.0y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	24.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	23.5%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



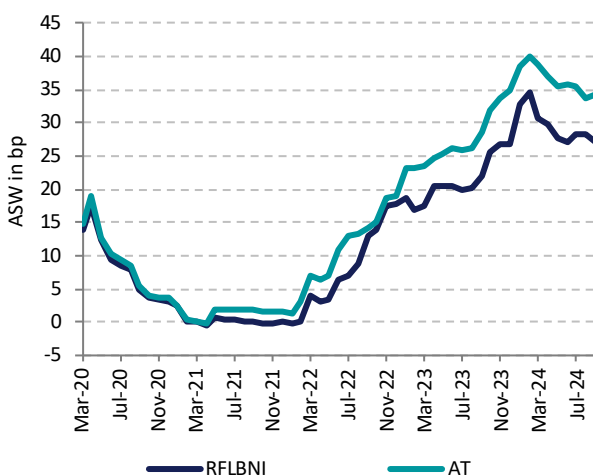
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

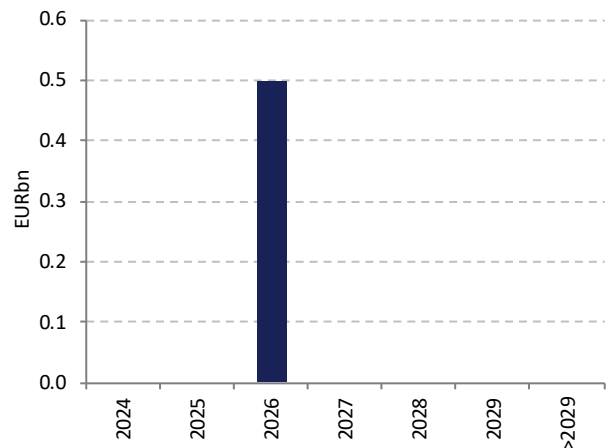


■ Lower Austria  
■ Vienna  
■ Burgenland  
■ Others

## Spread Development



## Redemption Profile (Bmk)



## RLB Oberösterreich

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Raiffeisenlandesbank

## Oberösterreich AG

	Rating	Outlook
Fitch	-	-
Moody's	A2	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 more than a century ago. RLB OÖ is the fifth-largest bank in Austria as measured by assets (data as at year-end 2023). It is part of the Raiffeisen Banking Group in Austria and is wholly owned by 70 independent regional Raiffeisen banks (with over 360 branches). In this way, RLB OÖ is the largest regional Raiffeisen bank in Austria. RLB OÖ is also a shareholder in Raiffeisen Bank International (RBI), which represents the central institute of the Raiffeisen Banking Group in Austria, with a stake of around 9.5%. Reporting takes place in the following segments: Corporates (11.6% of pre-tax profit as at FY 2023), Retail and Private Banking (13.8%), Financial Markets (4.2%), Equity Investments (69.8%) and Corporate Center (0.7%). In terms of the structure of the bank, the Investments segment is divided into four portfolios: Banks & Financial Institutions, Outsourcing & Bank-related Equity Investments, Property and Opportunity & Partner Capital. Geographically, Austria and Germany account for the largest share of customer loans at 68% and 19.9% respectively (as at April 2024). The Funding is largely divided into customer deposits (35.9%) and own issues (29.5%; of which 48.9% are covered bonds). In addition, RLB OÖ is part of the bank-related protection system (Raiffeisen-IPS), which includes more than 350 Raiffeisen banks, the eight regional Raiffeisen banks and Raiffeisen Bank International. The green asset ratio of the bank (based on revenue) amounted to 0.6% at the end of 2023.

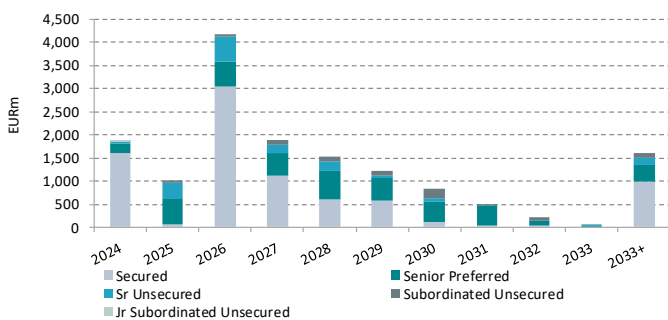
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	25,295	25,933	25,978
Total Securities	7,237	5,966	6,395
Total Deposits	13,501	13,865	13,259
Tier 1 Common Capital	4,595	4,608	5,005
Total Assets	51,447	49,322	47,838
Total Risk-weighted Assets	28,748	29,130	30,237

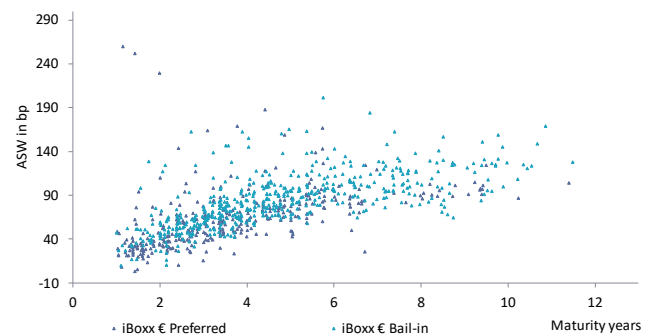
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	429	483	649
Net Fee & Commission Inc.	199	205	187
Net Trading Income	176	110	54
Operating Expense	875	1,005	1,174
Credit Commit, Impairment	40	92	234
Pre-tax Profit	558	429	682

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.94	1.06	1.50	Liquidity Coverage Ratio	185.77	163.26	164.34
ROAE	9.37	6.46	10.92	IFRS Tier 1 Leverage Ratio	9.22	9.71	10.79
Cost-to-Income	54.41	53.70	57.04	NPL / Loans at Amortised Cost	3.40	3.59	5.49
Core Tier 1 Ratio	15.98	15.82	16.55	Reserves/Loans at Amort. Cost	1.62	1.73	2.33

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity

## Risks / Weaknesses

- Sectoral credit risk concentration
- RBI share (asset risk in connection with market risks)

# RLB Oberösterreich – Mortgage

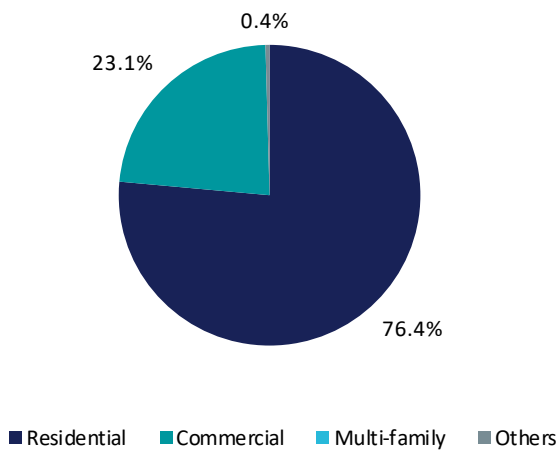
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

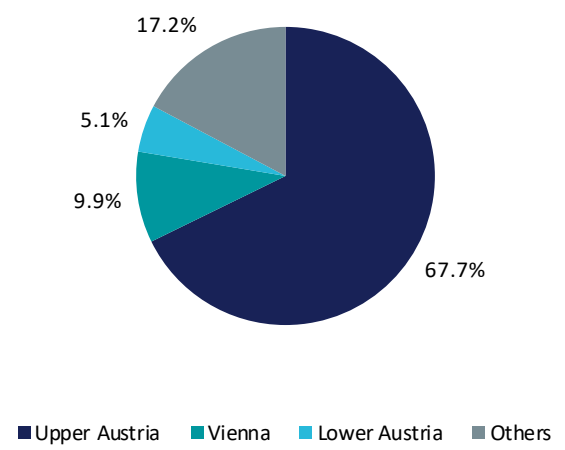
## Cover Pool Data

Cover pool volume (EURm)	6,886	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,806	Rating (S&P)	-
-thereof ≥ EUR 500m	78.0%	Rating (Fitch)	-
Current OC (nominal)	43.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	8.5%
Main region	68% Upper Austria	RRL	-
Number of loans	42,906	JRL	-
Number of borrowers	61,852	Unused notches	-
Avg. exposure to borrowers (EUR)	110,847	AAA credit risk (%)	-
WAL (cover pool)	11.9y	PCU	-
WAL (covered bonds)	5.7y	Recovery uplift	-
Fixed interest (cover pool)	53.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	99.3%	LCR eligible	Yes
LTV (indexed)	58.3%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

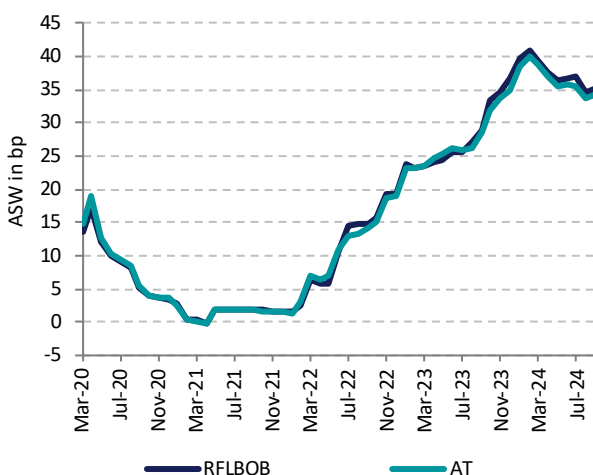
## Borrower Types



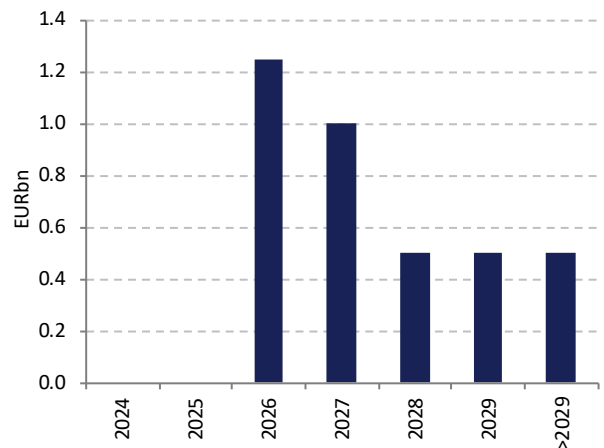
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## RLB Steiermark

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Raiffeisen-Landesbank

## Steiermark AG

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

## Homepage

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

Raiffeisen-Landesbank Steiermark (RLBS), headquartered in Graz, is the leading institute of the independent regional Raiffeisen banks. It is a cooperative that was founded in 1927 and describes itself as the largest regional bank in southern Austria. Together with the 45 Raiffeisen banks in Styria, the bank's workforce of more than 3,000 employees serves around 840,000 retail and corporate customers (data as at FY 2023). RLBS reports in the following business segments: Commercial Customers, Retail Customers, Capital Market and Treasury, Equity Investments, Other and Reconciliation. By far the largest share of the consolidated earnings before taxes in 2023 is attributable to Equity Investments (92.3%). Around 35.0% of the lending portfolio is attributable to corporate customers (FY 2023), with retail customers (11.5%) and real estate (32.1%) as well as institutes (e.g. public sector and local authorities; 21.3%) accounting for additional notable shares. In FY 2023, the funding mix comprised deposits / borrowed funds from credit institutions (37.2%), households (11%) and securitised liabilities (31%). The Raiffeisen banks in Styria constitute the majority shareholder of RLBS (indirectly), holding an overall stake of more than 99%. Raiffeisen Bank International AG (RBI) sits at the top of the Raiffeisen Banking Group structure. With a share of just under 10.0% (FY 2023), RLBS is the second-largest shareholder in RBI. As at year-end 2023, the bank had committed more than EUR 800m for sustainable projects. In May 2023, RLBS placed a green bond (EUR 51.44m), the proceeds from which were used for energy efficient buildings in Austria. RLBS has a revenue-based green asset ratio of 0.97%.

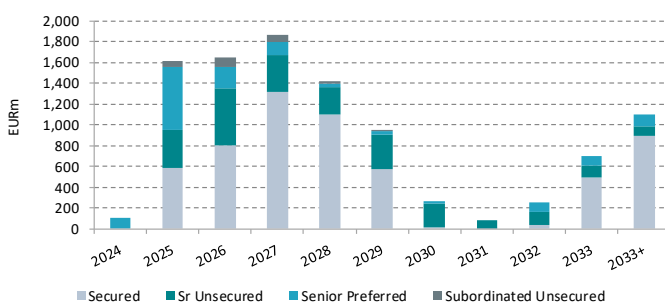
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	7,477	8,319	8,331
Total Securities	3,389	3,094	2,857
Total Deposits	4,178	3,936	4,174
Tier 1 Common Capital	1,420	1,481	1,792
Total Assets	18,513	17,368	17,114
Total Risk-weighted Assets	7,956	8,225	8,415

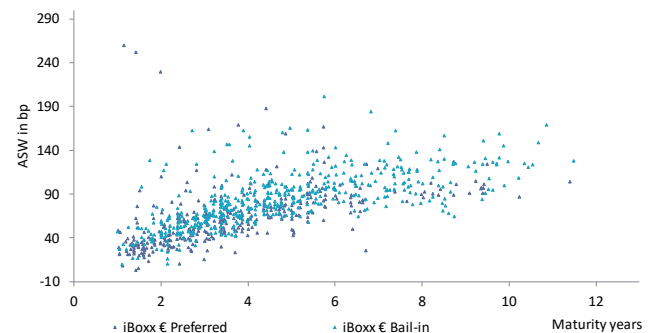
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	110	151	177
Net Fee & Commission Inc.	44	42	42
Net Trading Income	12	-15	19
Operating Expense	135	139	162
Credit Commit, Impairment	-13	17	62
Pre-tax Profit	113	93	356

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0,66	0,90	1,11	Liquidity Coverage Ratio	248,00	145,00	200,83
ROAE	5,51	4,74	19,61	IFRS Tier 1 Leverage Ratio	7,78	8,83	10,76
Cost-to-Income	41,25	22,12	31,84	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	17,85	18,00	21,30	Reserves/Loans at Amort. Cost	2,04	1,98	2,11

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity

## Risks / Weaknesses

- Sectoral credit concentration risks (CRE)
- RBI share (income volatility)

# RLB Steiermark – Mortgage

Austria 

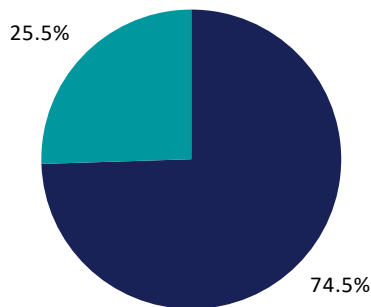
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	7,892
Amount outstanding (EURm)	5,201
-thereof ≥ EUR 500m	48.1%
Current OC (nominal)	51.7%
Committed OC	2.0%
Cover type	Mortgage
Main country	95% Austria
Main region	71% Styria
Number of loans	41,555
Number of borrowers	34,332
Avg. exposure to borrowers (EUR)	229,873
WAL (cover pool)	11.7y
WAL (covered bonds)	6.0y
Fixed interest (cover pool)	42.9%
Fixed interest (covered bonds)	55.1%
LTV (indexed)	55.8%
LTV (unindexed)	-
Loans in arrears	0.0%

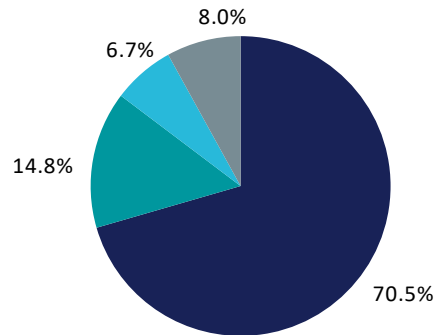
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	3
Collateral score	7.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

## Borrower Types



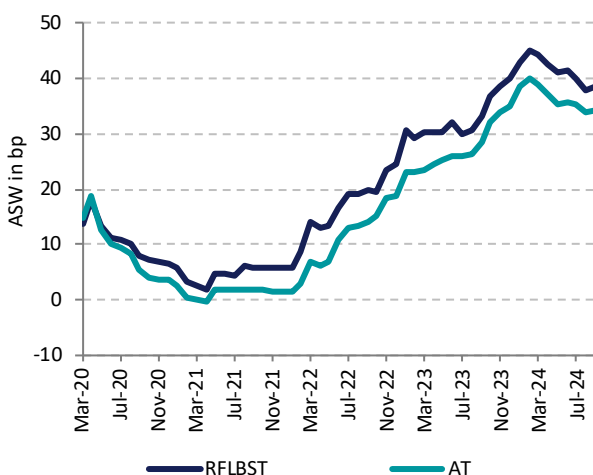
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

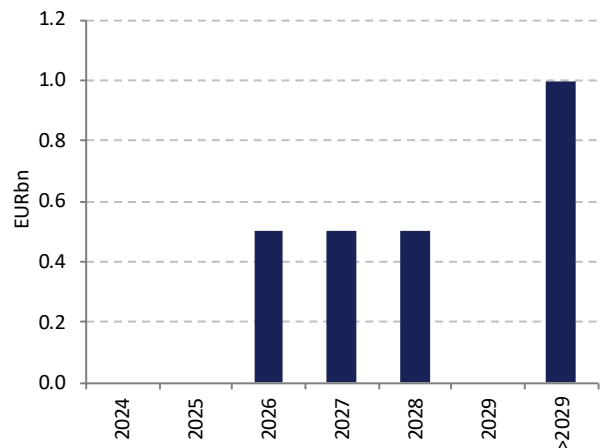


■ Styria ■ Vienna ■ Carinthia ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## RLB Tirol

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Raiffeisen-Landesbank

## Tirol AG

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

## Homepage

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

Raiffeisen-Landesbank Tirol AG (RLBT), founded in 1895, is the leading institute of the Tyrolean Raiffeisen banks. A total of 99.3% of the shares in RLBT were held by the 42 independent local Raiffeisen banks in Tyrol as at 31 December 2023, without a superior financial holding. RLBT employs 438 staff, who serve around 61,000 customers (FY 2023). According to RLBT, the decline of roughly -9.1% in customer numbers versus the previous year (FY 2022: 67,000) can be put down to the strategic divestment of several bank branches in the district of Imst (Austria) to Raiffeisenbank Oberland-Reutte eGen. In Tyrol, RLBT boasts significant market shares in the retail and private banking segment, as well as for SME lending. Among other aspects, RLBT offers its retail and business customers products and services from the areas of savings, financing and pensions, in addition to individualised offerings. Loans to banks (FY 2023: 52.5%) were slightly in excess of those to customers (47.4%). The latter could be divided mainly between the sectors real estate (24.2%), tourism (18.2%) as well as other customers and non-banks (13.4%). Furthermore, RLBT holds a 3.7% stake in RBI (Raiffeisenbank International), which is the central institute for the Austrian Raiffeisen banks. The refinancing structure of RLBT consists of liabilities to banks (FY 2023: 34.3%), customers (31.0%) and securities (19.4%) as well as the cash holdings (11.5%). RLBT awards a bonus of up to 10bp for sustainable financing in order to reward high-impact investments, as no green bonds with an interest rate advantage have been issued to date.

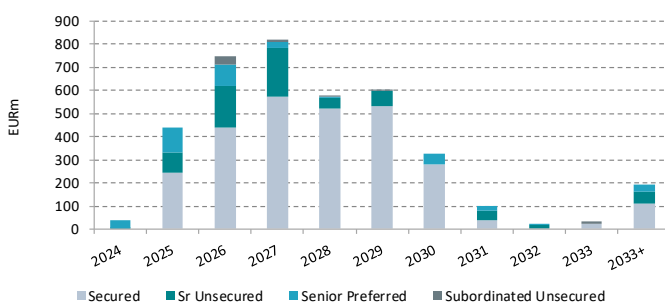
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	3,409	3,298	3,166
Total Securities	2,049	2,061	2,058
Total Deposits	2,265	2,128	2,177
Tier 1 Common Capital	487	518	518
Total Assets	10,310	10,651	10,132
Total Risk-weighted Assets	3,091	3,212	3,231

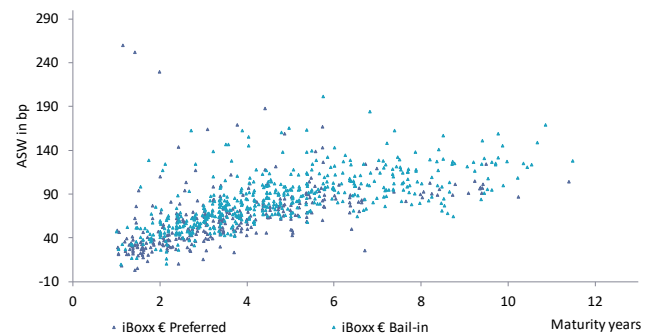
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	74	115	64
Net Fee & Commission Inc.	23	19	12
Net Trading Income	1	1	1
Operating Expense	78	85	34
Credit Commit, Impairment	4	23	6
Pre-tax Profit	28	43	42

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	0.72	1.14	1.29	Liquidity Coverage Ratio	138.36	148.50
ROAE	3.31	6.13	12.08	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	70.79	56.38	41.00	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	15.76	16.11	16.02	Reserves/Loans at Amort. Cost	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Integration in the Raiffeisen group
- Advantage for preferred creditors (debt volume)

## Risks / Weaknesses

- Sectoral concentration risks
- RBI share (influence on the risk profile of RLBT)
- Profitability

# RLB Tirol – Mortgage

Austria 

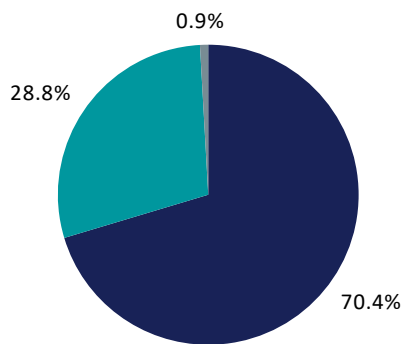
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	3,618
Amount outstanding (EURm)	2,825
-thereof ≥ EUR 500m	35.4%
Current OC (nominal)	28.1%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Austria
Main region	96% Tyrol
Number of loans	17,992
Number of borrowers	24,892
Avg. exposure to borrowers (EUR)	144,083
WAL (cover pool)	12.7y
WAL (covered bonds)	7.4y
Fixed interest (cover pool)	38.3%
Fixed interest (covered bonds)	68.1%
LTV (indexed)	-
LTV (unindexed)	51.3%
Loans in arrears	0.0%

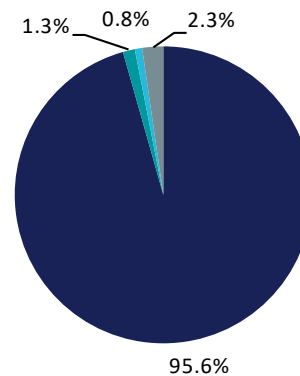
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	1
Collateral score	11.3%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

## Borrower Types



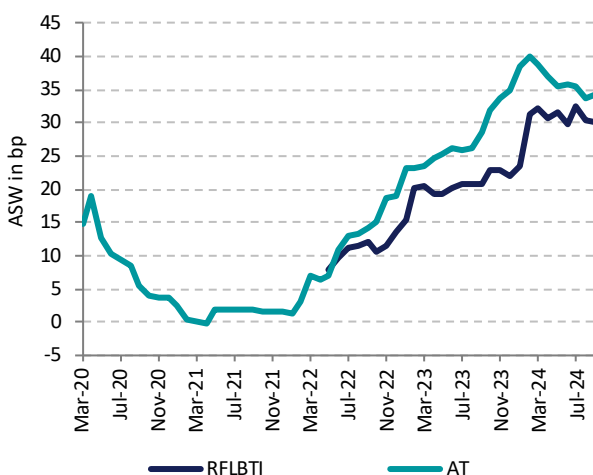
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



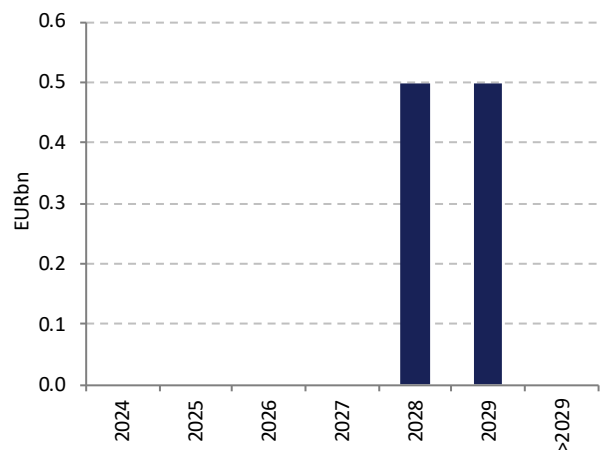
■ Tyrol ■ Salzburg ■ Vienna ■ Others

## Spread Development



— RFLBTI — AT

## Redemption Profile (Bmk)



# RLB Vorarlberg

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Raiffeisen Landesbank

### Vorarlberg mit Revisionsverband eGen

	Rating	Outlook
Fitch	-	-
Moody's	A2	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 the Raiffeisen Bankengruppe Vorarlberg (RBGV) and a regional bank in its own right. The Raiffeisen Banking Group in Austria is structured in three tiers and comprises the local Raiffeisen banks, the regional Raiffeisen banks and Raiffeisen Bank International (RBI), with the latter serving as the central institute of the regional Raiffeisen banks. RBI is 2.9% owned by RLBV. In terms of the ownership structure of RLBV, the Vorarlberg Raiffeisen banks hold a stake of 99.8%. In addition to 21,000 corporate customers, RLBV serves around 239,000 retail customers across a network of 66 bank branches in tandem with the local Raiffeisen banks (FY 2023). According to information from the bank itself, this makes RLBV the market leader in Vorarlberg. RLBV operates as a business bank in the retail and corporate customer business, while it also operates as a service bank for the Raiffeisen banks. Additional business areas include the treasury (financial and capital market operations), equity participation management and the RLBV audit association. In its function as the lead institute of the RBGV, RLBV is responsible for liquidity balancing within the Group and also handles surplus settlement revenues on the financial and capital markets. Within the RBGV, RLBV is responsible for regulatory coordination and compliance (e.g. LCR compliance waiver). As at FY 2023, the RBGV had market shares of around 40% for both customer deposits and loans to customers. RLBV transferred in 2023 its sustainable bonds to its own sub-portfolio in order to significantly increase the volume of sustainable investments.

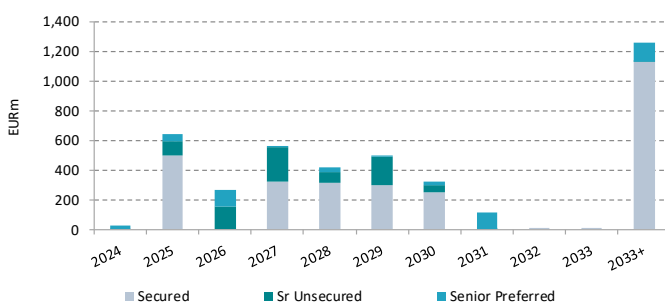
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	1,846	1,783	1,751
Total Securities	1,692	1,719	1,729
Total Deposits	718	848	867
Tier 1 Common Capital	363	372	372
Total Assets	7,147	7,405	6,987
Total Risk-weighted Assets	2,309	2,396	2,374

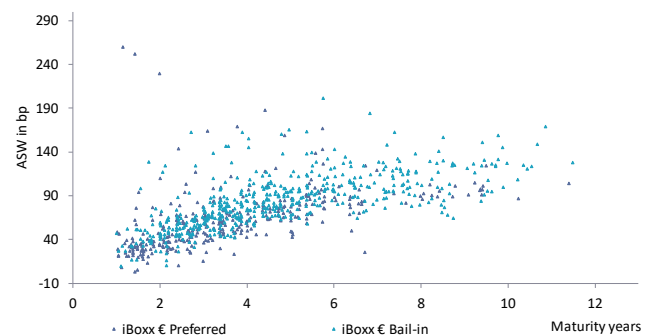
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	41	54	34
Net Fee & Commission Inc.	12	11	6
Net Trading Income	1	1	0
Operating Expense	54	59	30
Credit Commit, Impairment	-	-	-
Pre-tax Profit	11	19	15

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	0.58	0.78	0.98	Liquidity Coverage Ratio	157.99	190.68
ROAE	1.50	3.92	6.23	IFRS Tier 1 Leverage Ratio	5.10	5.07
Cost-to-Income	74.07	67.32	58.08	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	15.71	15.53	15.68	Reserves/Loans at Amort. Cost	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Loan quality
- Access to the Raiffeisen sector

## Risks / Weaknesses

- Profitability (dependent on equity participations)
- Risk profile (share in RBI)
- Decline in loss-absorbing liabilities

# RLB Vorarlberg – Mortgage

Austria 

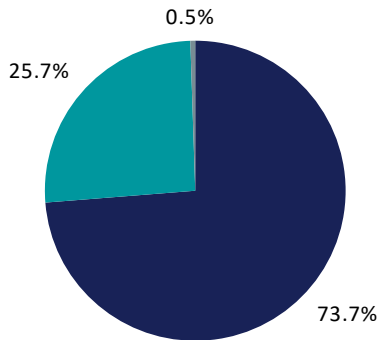
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	3,920
Amount outstanding (EURm)	2,836
-thereof ≥ EUR 500m	17.6%
Current OC (nominal)	38.3%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Austria
Main region	100% Vorarlberg
Number of loans	20,721
Number of borrowers	16,028
Avg. exposure to borrowers (EUR)	243,655
WAL (cover pool)	12.0y
WAL (covered bonds)	7.6y
Fixed interest (cover pool)	31.6%
Fixed interest (covered bonds)	91.0%
LTV (indexed)	-
LTV (unindexed)	49.7%
Loans in arrears	0.0%

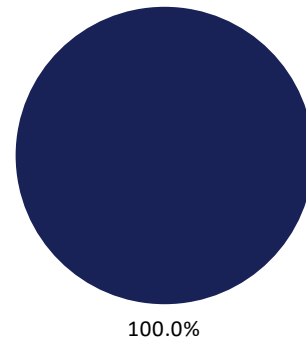
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	3
Collateral score	8.5%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

## Borrower Types



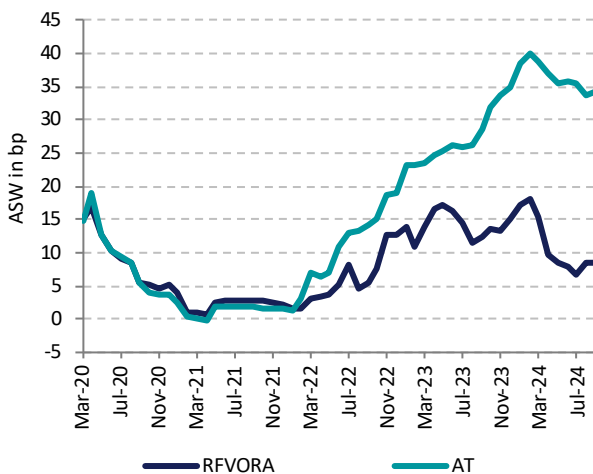
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



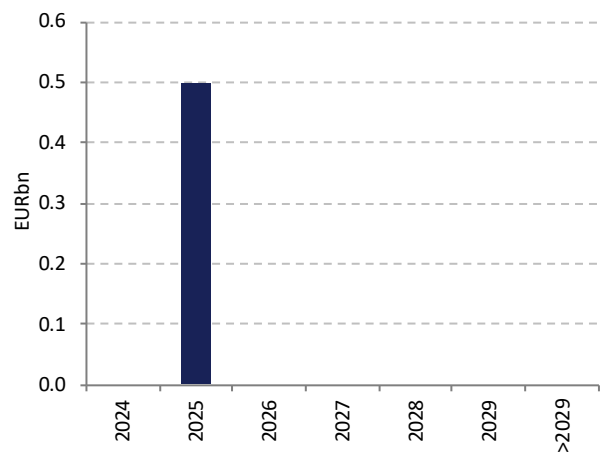
■ Vorarlberg

## Spread Development



— RFVORA — AT

## Redemption Profile (Bmk)



# Raiffeisen Bank International

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Raiffeisen Bank International AG

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Headquartered in Vienna, Raiffeisen Bank International AG (RBI) is a leading commercial and investment bank in Austria. The institute, which is listed on the Vienna stock exchange, is roughly 61.2% (Q1 2024) owned by the eight regional Raiffeisen banks in Austria, while 38.8% of its shares are held in free float. A total of 285 Raiffeisen banks are represented via the eight regional Raiffeisen banks with more than 1,500 branches and approximately 1.7m members. Raiffeisenlandesbank NÖ-Wien holds the largest individual stake in RBI with 25%. RBI considers Austria and Central and Eastern Europe (CEE) to be its domestic market. As at Q1 2024, RBI employs around 45,000 staff, who serve approximately 18.6m customers. RBI reports across the following segments: Central Europe (pre-tax income without reconciliation Q1 2024: 9.7%), South-East Europe (19.7%), Eastern Europe (38.1%) as well as Group Corporates & Markets (9.1%) and Corporate Center (23.3%). RBI is part of the protection system of the Raiffeisen banks, which aims to mutually safeguard the solvency and liquidity of the participating institutes should such a need arise. RBI is also planning to further scale bank its business activities in Russia, with a sale (or spin-off) of the Russia-based business being sought in this regard. The acquisition of 28.5m shares in Strabag SE from Vienna by the Russian subsidiary of RBI is currently under review (as at 02 April 2024). RBI is the largest issuer of green bonds in Austria and the second-largest issuer of sustainable bonds in the CEE region (FY 2023: around EUR 2bn in outstanding green bonds). In FY 2023, the network banks of RBI issued green and sustainable bonds in the amount of EUR 2.9bn. The revenue-based green asset ratio (GAR) of RBI amounts to 0.42% (FY 2023).

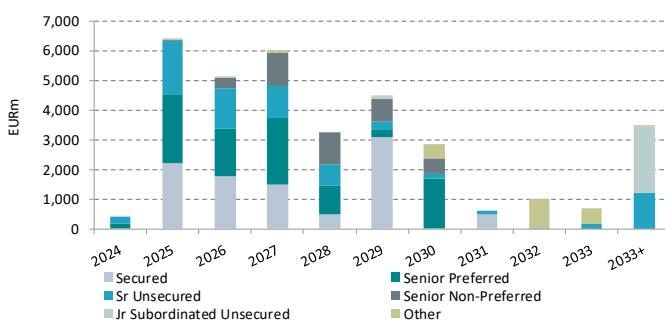
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	103,230	99,433	101,920
Total Securities	29,600	35,858	40,410
Total Deposits	125,099	119,353	125,333
Tier 1 Common Capital	15,643	16,203	17,477
Total Assets	207,057	198,241	209,963
Total Risk-weighted Assets	97,680	93,648	98,453

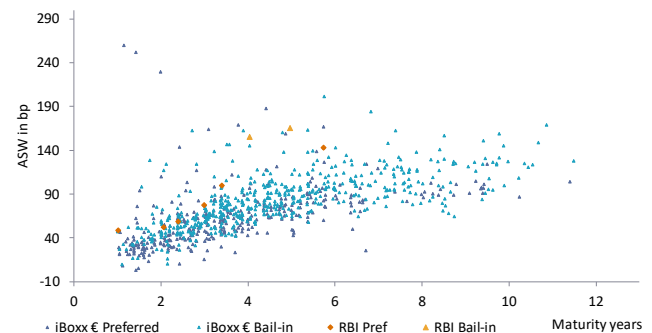
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,053	5,683	2,895
Net Fee & Commission Inc.	3,878	3,042	1,391
Net Trading Income	554	105	39
Operating Expense	3,889	4,192	2,085
Credit Commit, Impairment	782	336	122
Pre-tax Profit	4,203	3,576	1,919

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	2.54	2.83	2.92	Liquidity Coverage Ratio	202.44	189.16	210.35
ROAE	21.58	13.27	14.05	IFRS Tier 1 Leverage Ratio	7.80	8.40	8.53
Cost-to-Income	42.33	51.35	51.48	NPL / Loans at Amortised Cost	3.00	3.53	3.53
Core Tier 1 Ratio	16.01	17.30	17.75	Reserves/Loans at Amort. Cost	2.80	2.84	2.83

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in AT, CEE and SEE
- Funding profile
- Member of the Raiffeisen protection scheme

## Risks / Weaknesses

- Eastern Europe segment (Ukraine war and sanctions)
- Transparency (complex, decentralised structure)
- Competitive market in Austria

# Raiffeisen Bank International – Mortgage

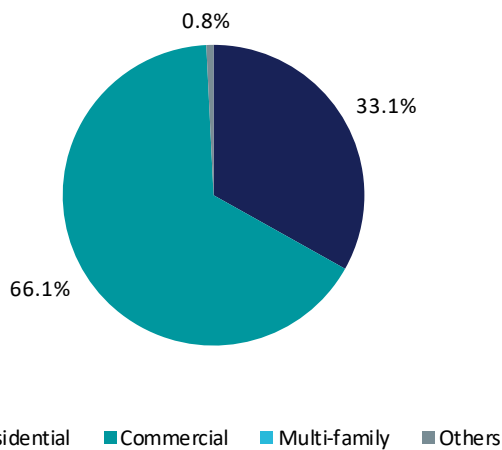
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

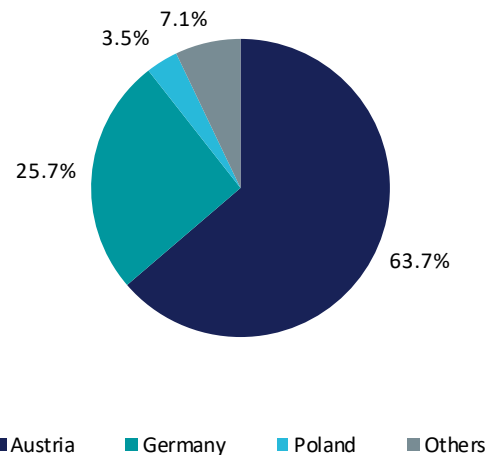
## Cover Pool Data

Cover pool volume (EURm)	4,486	Rating (Moody's)	Aa1
Amount outstanding (EURm)	3,525	Rating (S&P)	-
-thereof ≥ EUR 500m	85.1%	Rating (Fitch)	-
Current OC (nominal)	27.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	64% Austria	Collateral score	15.2%
Main region	29% Vienna	RRL	-
Number of loans	10,367	JRL	-
Number of borrowers	9,387	Unused notches	-
Avg. exposure to borrowers (EUR)	474,189	AAA credit risk (%)	-
WAL (cover pool)	7.4y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	38.2%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	85.8%	LCR eligible	Yes
LTV (indexed)	54.7%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

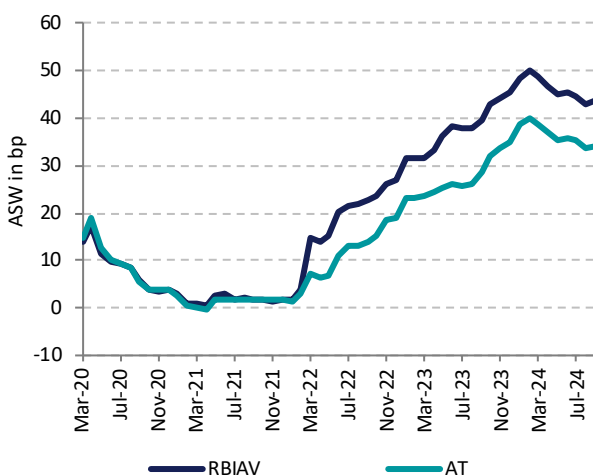
## Borrower Types



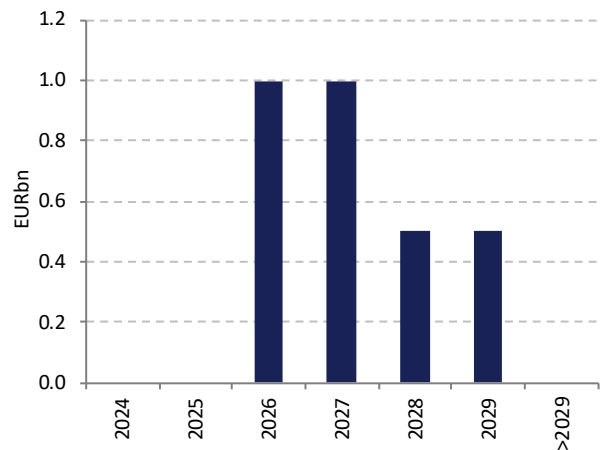
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



# Raiffeisen Bausparkasse Gesellschaft

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Raiffeisen Bausparkasse Gesellschaft m.b.H.

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

## Homepage

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

\*LT Bank Deposits

Headquartered in Vienna, Raiffeisen Bausparkasse Gesellschaft (Raiffeisen Bausparkasse) serves as the specialist institution of the Raiffeisen Banking Group for financing, maintaining and improving residential property. As a wholly owned subsidiary of Raiffeisen Bank International, Raiffeisen Bausparkasse is also part of the bank-related protection system. As such, through the mutual safeguarding of solvency and liquidity among the member institutions, the continued existence of the business is ensured. Core business areas of the bank include bauspar products in addition to granting mortgage loans for private residential properties. In total, the institution serves around 1.3 million customers in Austria and Slovakia (H1 2024) and employs 184 staff. Raiffeisen Bausparkasse holds a stake of 32.5% in the Slovakian building society Prva stavebna sporitelna via its wholly owned subsidiary Raiffeisen Bausparkasse Holding GmbH. As measured by total assets (FY 2023: EUR 9.1bn), it is the largest building society in Austria. Alongside the headquarters in Vienna, the bank also operates a further eight offices in regional centres. In addition to bauspar loans (H1 2024: 58.7%), the lending portfolio of Raiffeisen Bausparkasse comprises both other loans (34.5%) and bridging loans (6.9%). At a share of 79% (FY 2023), bauspar deposits constitute the largest share of the funding mix at this building society. In order to diversify the funding mix, Raiffeisen Bausparkasse issued its first covered bond in the EUR sub-benchmark segment in July 2024. The issue volume of this EUR sub-benchmark debut amounted to EUR 300m (term to maturity: five years).

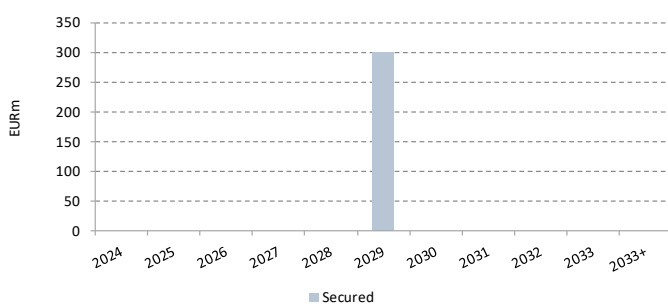
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	7,136	8,079	8,299
Total Securities	358	338	368
Total Deposits	6,362	6,332	6,532
Tier 1 Common Capital	447	525	526
Total Assets	7,961	9,426	9,125
Total Risk-weighted Assets	3,189	3,578	1,668

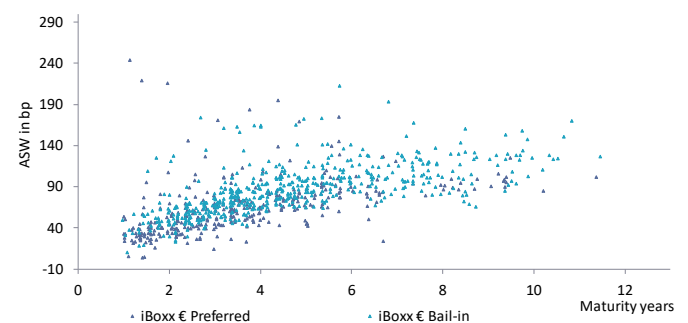
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	157	163	131
Net Fee & Commission Inc.	-8	-9	-17
Net Trading Income	-	-	-
Operating Expense	64	67	64
Credit Commit, Impairment	-9	-12	38
Pre-tax Profit	98	90	65

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	2.02	1.92	1.45	Liquidity Coverage Ratio	-	-	-
ROAE	22.22	16.96	9.42	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	42.08	42.97	39.35	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	14.01	14.68	31.53	Reserves/Loans at Amort. Cost	0.36	0.15	0.60

Source: Bloomberg. S&P Global Market Intelligence. NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Credit performance
- Dependency on capital market funding
- Capitalisation

## Risks / Weaknesses

- Diversification of the business model
- Profitability
- Rating uplift capped by rating of the parent group

# Raiffeisen Bausparkasse Gesellschaft – Mortgage

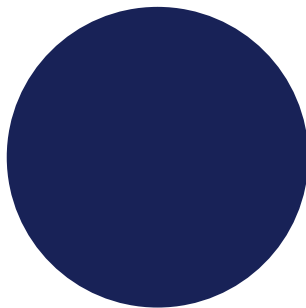
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

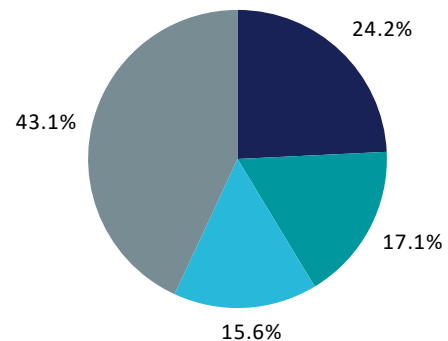
Cover pool volume (EURm)	401	Rating (Moody's)	Aaa
Amount outstanding (EURm)	300	Rating (S&P)	-
-thereof ≥ EUR 250m	100.0%	Rating (Fitch)	-
Current OC (nominal)	33.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	4.0%
Main region	24% Upper Austria	RRL	-
Number of loans	1,701	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	14.2y	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	91.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	n/a	LCR eligible	Yes
LTV (indexed)	50.7%	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	-	Maturity structure (SBmk)	SB

## Borrower Types



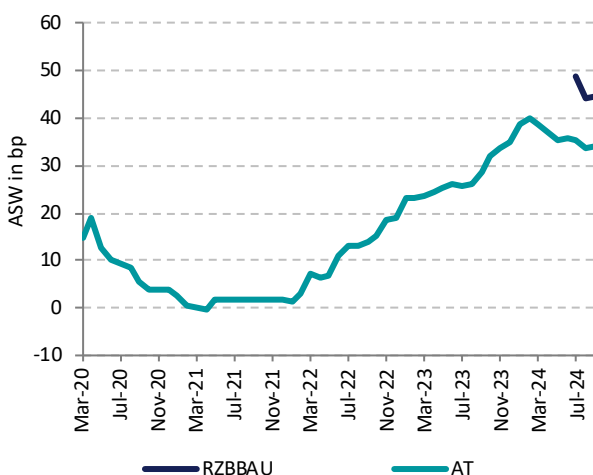
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



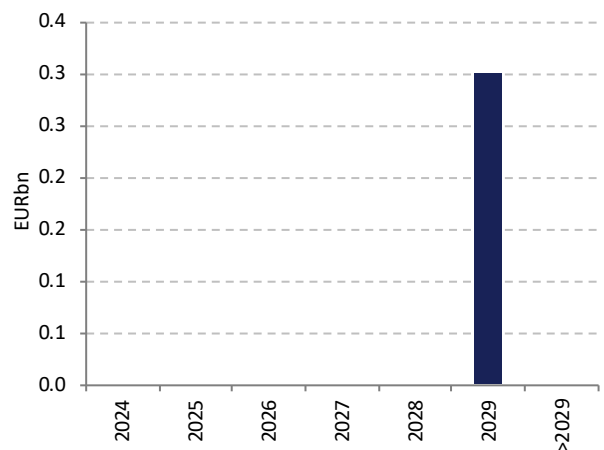
■ Upper Austria ■ Tyrol ■ Others

## Spread Development



— RZBBAU — AT

## Redemption Profile (SBmk)





# Raiffeisenverband Salzburg

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Raiffeisenverband Salzburg eGen

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

## Homepage

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

Raiffeisenverband Salzburg eGen (RVS) is the leading institute of 33 independent Raiffeisen banks in the Austrian Bundesland of Salzburg and one of eight regional Raiffeisen banks in Austria. RSV is 92.1% owned by these 33 Raiffeisen banks in Salzburg and holds a stake (Q1 2024: 3.6%) in Raiffeisen Bank International (RBI). In terms of the overall group structure, there is the parent company, the Raiffeisenverband Salzburg, and five RVS subsidiaries, all of which are financial institutions. RVS offers its customers financing, investment and insurance products in addition to payment transaction and real estate services in 13 branches and two self-service branches. Moreover, RVS is the headquarters of the Lagerhaus cooperatives in Salzburg (major local supplier for consumers in the home and garden segment and agricultural enterprises). As measured by the loan portfolio, the segments of Services (FY 2023: 30.3%), Dependent Institutions (14.8%) and Tourism (14.1%) are the most important. The funding mix at RVS comprised customer deposits (FY 2023: 38.5%), deposits from Raiffeisen banks (23.3%), own issues (26.5%) and interbank deposits (11.7%). In this context, secured issues account for the majority of the funding mix at 53.0% (FY 2023). Overall, 30 of the 33 independent Raiffeisen banks in Salzburg contribute assets to the cover pool. Over the long term, RVS plans to achieve climate-neutral core operations by 2040. Moreover, green bonds and sustainable savings products are to be launched in future to support this transformation process. RVS has a revenue-based green asset ratio of 1.2% (FY 2023).

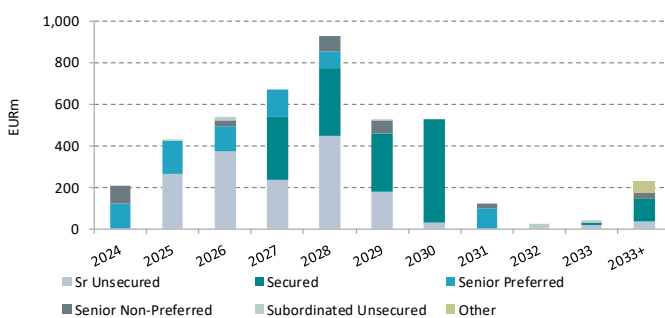
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	4,174	4,392	4,508
Total Securities	837	915	910
Total Deposits	3,107	3,343	3,344
Tier 1 Common Capital	662	714	766
Total Assets	9,699	9,789	10,113
Total Risk-weighted Assets	4,649	4,991	5,288

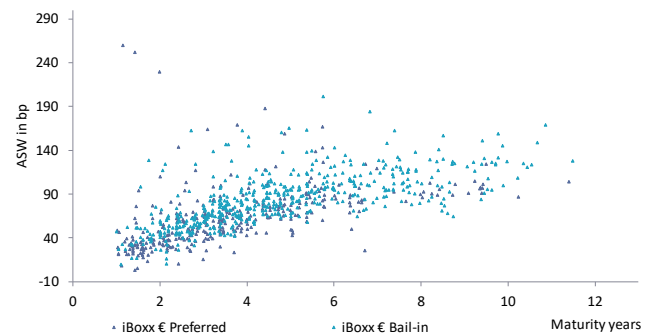
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	83	98	163
Net Fee & Commission Inc.	39	37	32
Net Trading Income	3	3	3
Operating Expense	173	197	206
Credit Commit, Impairment	-	-	-
Pre-tax Profit	43	53	73

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.96	1.09	1.79	Liquidity Coverage Ratio	135.60	152.10	160.60
ROAE	4.97	5.42	7.81	IFRS Tier 1 Leverage Ratio	6.83	7.29	7.58
Cost-to-Income	73.20	77.91	66.85	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	14.25	14.31	14.49	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Liquidity buffer
- Access to the Raiffeisen banking group
- Proportion of loss-absorbing liabilities

## Risks / Weaknesses

- Investment portfolio (relative ratio to capital)
- Capitalisation (risks vis-à-vis equity participations)
- Profitability

# Raiffeisenverband Salzburg – Mortgage

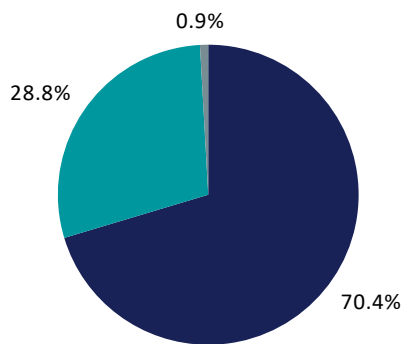
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

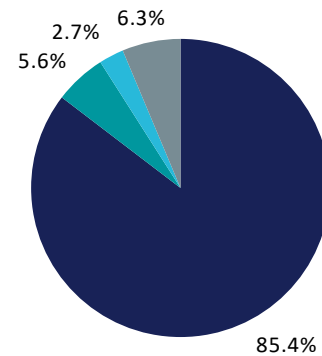
Cover pool volume (EURm)	2,477	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,776	Rating (S&P)	-
-thereof ≥ EUR 250m	49.3%	Rating (Fitch)	-
Current OC (nominal)	39.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	9.7%
Main region	85% Salzburg	RRL	-
Number of loans	11,569	JRL	-
Number of borrowers	10,220	Unused notches	-
Avg. exposure to borrowers (EUR)	240,219	AAA credit risk (%)	-
WAL (cover pool)	13.0y	PCU	-
WAL (covered bonds)	4.9y	Recovery uplift	-
Fixed interest (cover pool)	30.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	57.8%	LCR eligible	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	50.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	HB & SB

## Borrower Types



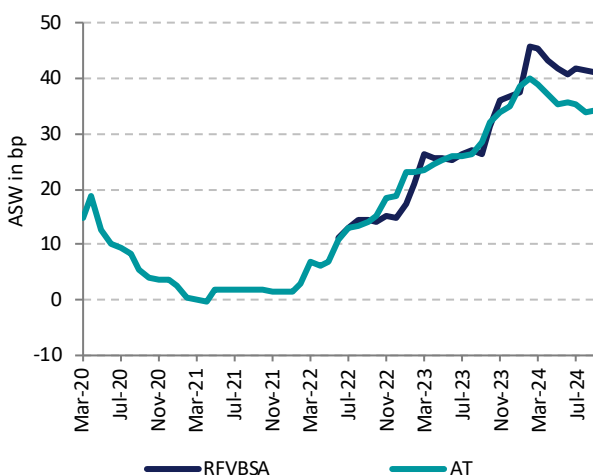
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



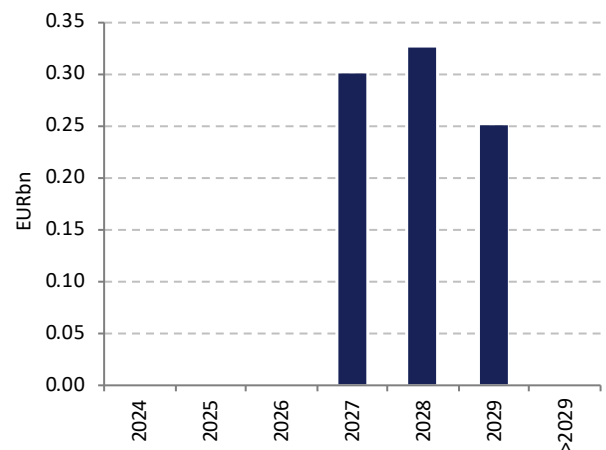
■ Salzburg ■ Upper Austria ■ Vienna ■ Others

## Spread Development



— RFVBSA — AT

## Redemption Profile (SBmk)



# UniCredit Bank Austria

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### UniCredit Bank Austria AG

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

## Homepage

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

\* LT Bank Deposits

UniCredit Bank Austria AG (BA; brand name: Bank Austria) is one of the largest corporate and retail banks in Austria in terms of its balance sheet total. It has been part of the Italian UniCredit Group (UC) since 2005. Total assets of UC amount to EUR 785bn (FY 2023). It has 13 core markets in Europe in addition to a global presence (15 additional countries), with around 15m customers in total. BA has approximately 4,750 employees, who serve retail customers, small business customers, corporates (EUR >1.0bn in sales) as well as institutional customers and the public sector across a network of 104 branches. BA operates as a liquidity reference bank for all Austrian Group units and is a strategic issuance platform on behalf of UC. UniCredit S.p.A. holds 99.9% of the shares in BA (FY 2023), while the remaining 10,000 shares belong to the AVZ Privatstiftung, which manages shareholdings. BA reports across the segments Retail (pro-rata contribution to pre-tax earnings in FY 2023 excl. Corporate Center: 38.8%), Wealth Management & Private Banking (9.9%) and Corporates (56.2%). The segment Corporate Center includes areas of the bank that do not fall under any other segment. According to information from the bank itself, BA boasts a leading position in Austria for Corporate Banking and in Wealth Management & Private Banking. As at February 2024, the market shares for loans and deposits came to 12% in each case. In addition to the first mortgage green covered bond in 2022 (EUR 500m), BA also successfully placed two additional bonds on the market in the years that followed, each amounting to EUR 750m (Q1 2024). Moving forwards, BA aims to issue at least one additional green bond each year.

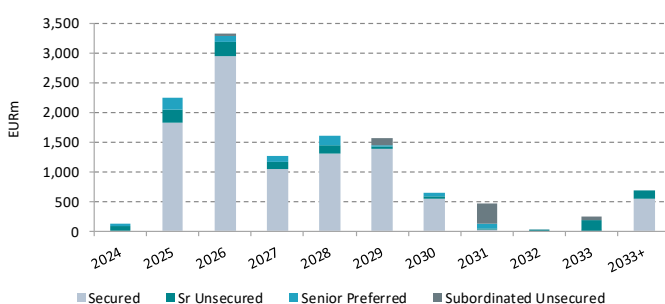
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	68,349	66,046	64,113
Total Securities	16,747	18,644	19,287
Total Deposits	63,007	59,834	60,038
Tier 1 Common Capital	6,188	6,408	6,288
Total Assets	107,332	102,745	113,117
Total Risk-weighted Assets	35,607	33,172	32,372

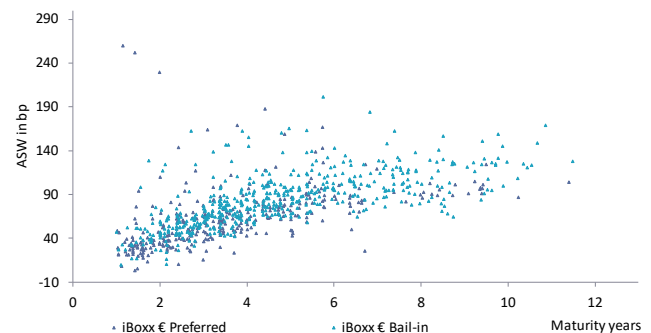
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,078	1,689	856
Net Fee & Commission Inc.	685	689	364
Net Trading Income	117	46	30
Operating Expense	1,224	1,438	593
Credit Commit, Impairment	23	42	-5
Pre-tax Profit	684	1,381	832

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	0.99	1.68	1.66	Liquidity Coverage Ratio	164.40	155.00
ROAE	8.96	11.28	13.08	IFRS Tier 1 Leverage Ratio	6.01	6.44
Cost-to-Income	59.45	50.14	41.73	NPL / Loans at Amortised Cost	3.27	3.50
Core Tier 1 Ratio	17.38	19.32	19.42	Reserves/Loans at Amort. Cost	2.19	2.28
						2.29

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Position in domestic market (corporate banking)
- Capitalisation
- Earnings situation

## Risks / Weaknesses

- Risks from interrelationship with parent company
- Saturated market environment in Austria
- Concentration risks (real estate, equity participations)

# UniCredit Bank Austria – Mortgage

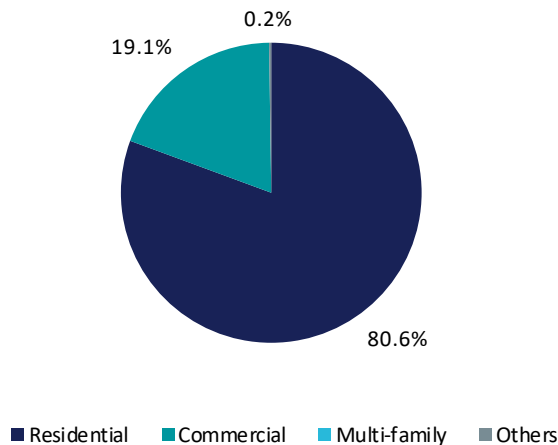
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

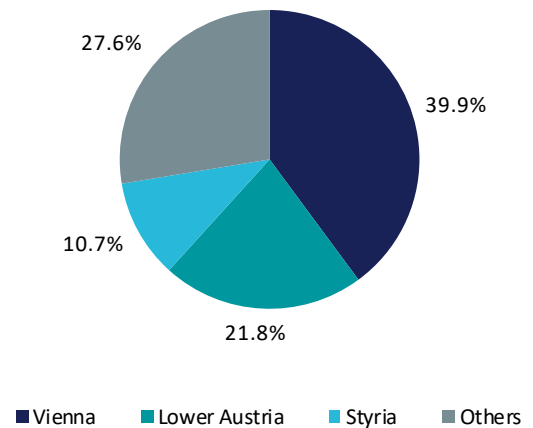
## Cover Pool Data

Cover pool volume (EURm)	17,468	Rating (Moody's)	Aaa
Amount outstanding (EURm)	7,684	Rating (S&P)	-
-thereof ≥ EUR 500m	91.1%	Rating (Fitch)	-
Current OC (nominal)	127.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	6.7%
Main region	40% Vienna	RRL	-
Number of loans	70,469	JRL	-
Number of borrowers	61,231	Unused notches	-
Avg. exposure to borrowers (EUR)	284,625	AAA credit risk (%)	-
WAL (cover pool)	10.4y	PCU	-
WAL (covered bonds)	4.1y	Recovery uplift	-
Fixed interest (cover pool)	54.3%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	73.6%	LCR eligible	Yes
LTV (indexed)	44.1%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

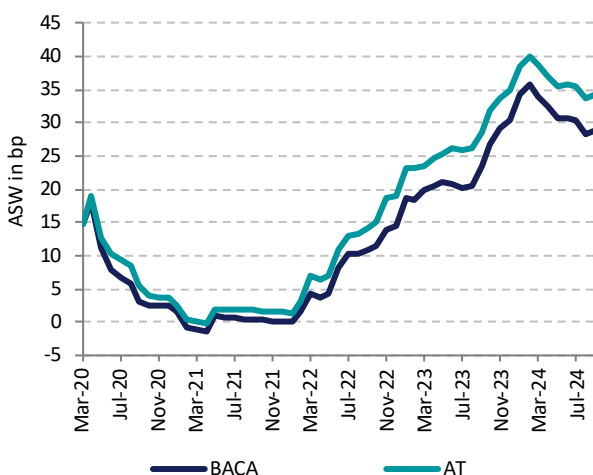
## Borrower Types



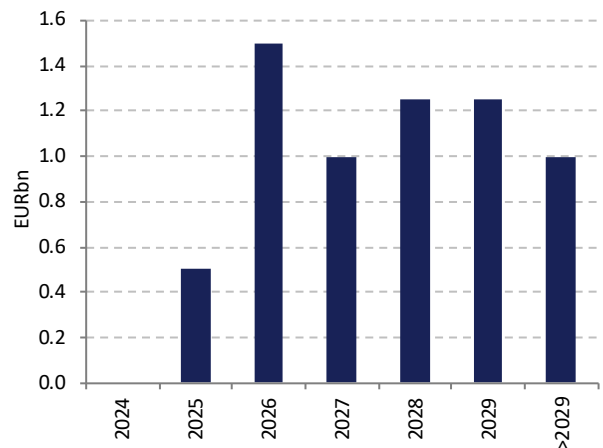
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



# Volksbank Wien

Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Volksbank Wien AG

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Volksbank Wien AG (VBW) is the central organisation of the nine Austrian Volksbanks that form the association of Volksbanks (VB-Verbund) and is the largest regional Volksbank in terms of total assets. VBW is responsible for control and management functions for the VB-Verbund as a whole, which also serves as a joint liability association among its members. After repayment of the Government Participation Rights, previously held by the Republic of Austria (25% share) in December 2022, the ownership structure of VBW is largely centred around the association's member banks as well as holding cooperatives. In FY 2023, the VB-Verbund served 970,000 customers in 232 branches, of which 299,000 alone were served by 54 VBW branches. The association reports in the segments Retail Customers, Corporate – SMEs (construction companies and tourism) and Real Estate. The business model is primarily focused on retail customers and SMEs in Austria. "Real estate" accounted for 41% (FY/2023) of loan receivables, followed by "retail private" with 35%, "corp/SMEs" with 24% and "public sector entities" with 1%. Funding at VBW consists of current account and term deposits (43%; FY 2023), liabilities to banks (23%), savings deposits (8%) and securitised liabilities (26%). Member institutes are obliged to hold surplus liquidity at VBW. As part of its sustainability strategy, the VB-Verbund plans to achieve climate-neutrality in its operations by 2030. Regarding ESG bonds, VBW placed its first green bond (EUR 500m) on the market in 2023. VBW has a revenue-based green asset ratio of 0.32%.

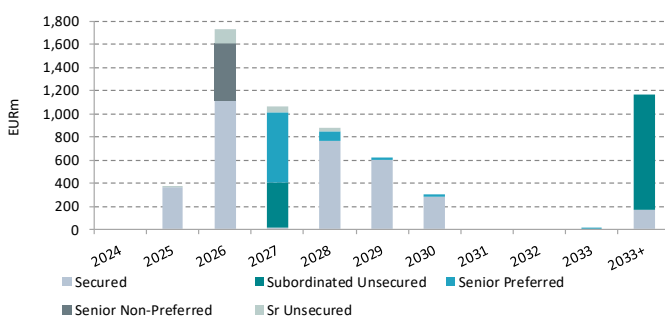
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	5,481	5,817	5,937
Total Securities	2,411	2,993	3,262
Total Deposits	6,765	6,532	6,345
Tier 1 Common Capital	676	781	815
Total Assets	14,460	15,100	14,747
Total Risk-weighted Assets	4,032	4,543	4,812

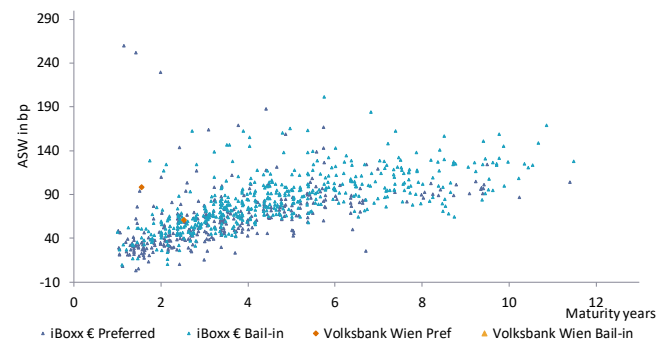
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	130	185	82
Net Fee & Commission Inc.	60	64	38
Net Trading Income	-10	1	4
Operating Expense	207	236	128
Credit Commit, Impairment	-	-	-
Pre-tax Profit	47	117	39

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.85	1.28	1.13	Liquidity Coverage Ratio	180.70	202.90	181.30
ROAE	7.01	12.94	7.99	IFRS Tier 1 Leverage Ratio	4.80	5.30	5.64
Cost-to-Income	76.26	62.65	66.20	NPL / Loans at Amortised Cost	1.98	3.46	4.96
Core Tier 1 Ratio	16.77	17.20	16.94	Reserves/Loans at Amort. Cost	1.20	1.53	1.95

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding
- Capitalisation

## Risks / Weaknesses

- Concentration risks (real estate & tourism)
- Efficiency

# Volksbank Wien – Mortgage

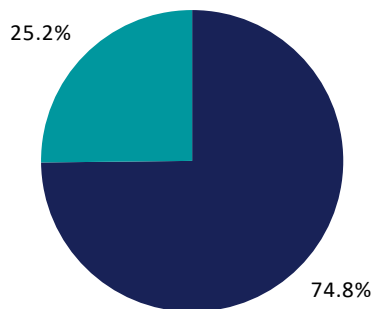
Austria 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

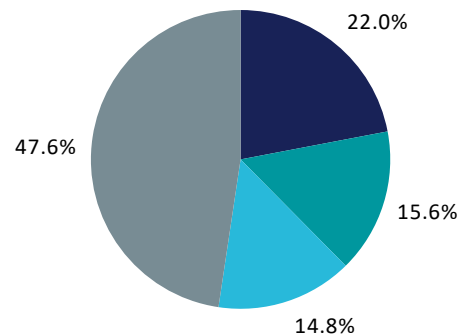
Cover pool volume (EURm)	5,149	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,196	Rating (S&P)	-
-thereof ≥ EUR 500m	46.9%	Rating (Fitch)	-
Current OC (nominal)	61.1%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	3
Main country	100% Austria	Collateral score	6.0%
Main region	22% Lower Austria	RRL	-
Number of loans	36,733	JRL	-
Number of borrowers	30,976	Unused notches	-
Avg. exposure to borrowers (EUR)	166,216	AAA credit risk (%)	-
WAL (cover pool)	18.8y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	62.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	62.0%	LCR eligible	Yes
LTV (indexed)	55.6%	LCR level (Bmk)	1
LTV (unindexed)	63.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

## Borrower Types



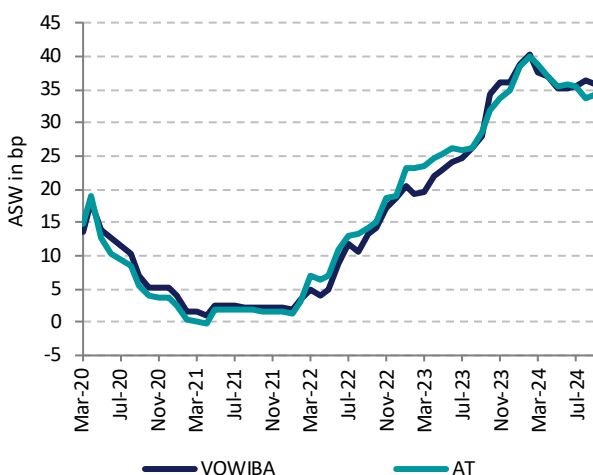
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

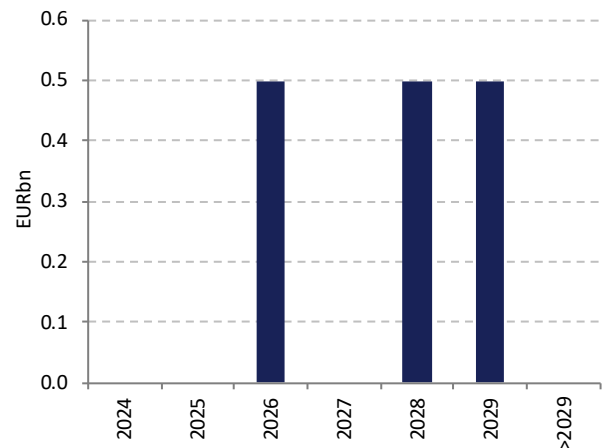


■ Lower Austria ■ Vienna ■ Styria ■ Others

## Spread Development



## Redemption Profile (Bmk)



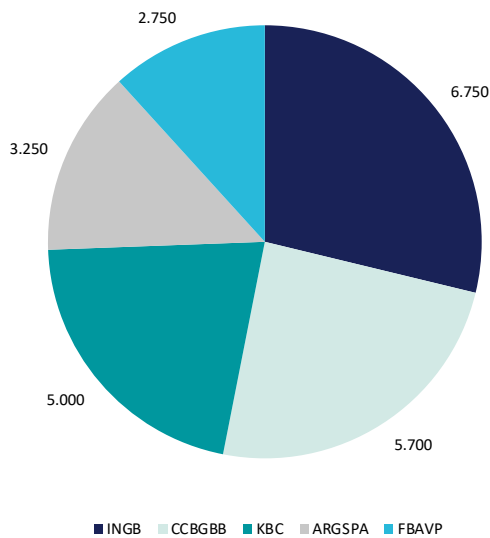
# Market Overview Covered Bonds

Belgium 

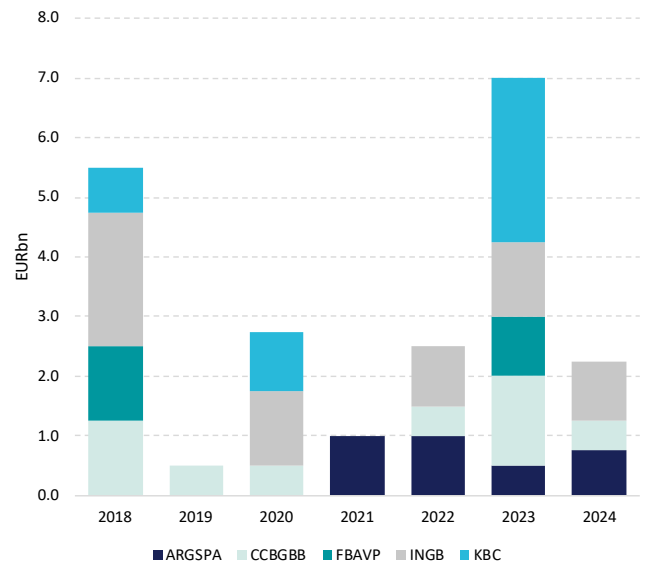
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 71.31bn	Outstanding volume (Bmk)	EUR 23.45bn
Amount outstanding	EUR 54.94bn	Number of benchmarks	31
Number of issuers	5	Outstanding ESG volume (Bmk)	EUR 0.75bn
No of cover pools	6	Number of ESG benchmarks	1
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

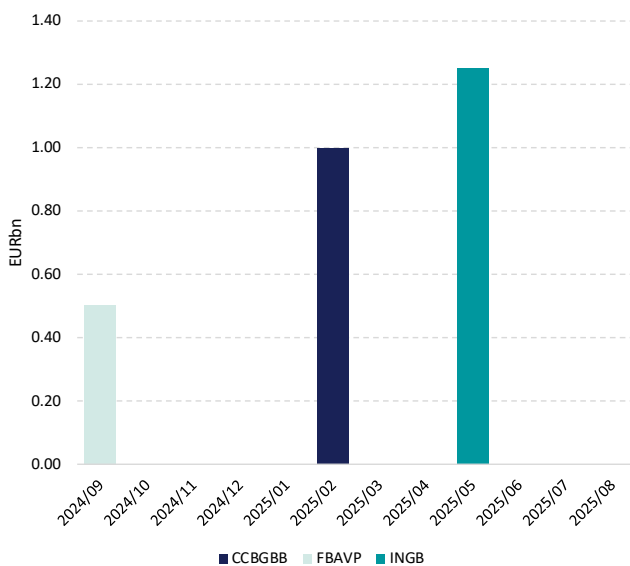
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



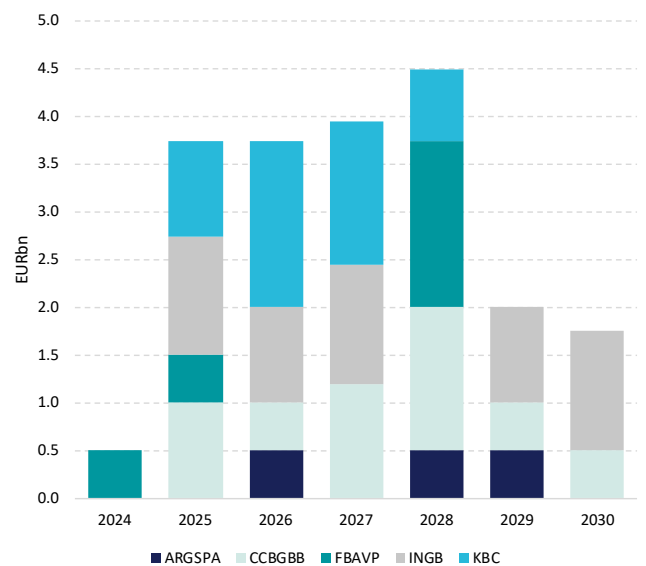
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 – 31.12.2024

# Argenta Spaarbank

## Belgium

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Ratings

#### Argenta Spaarbank NV

	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.; Holding) and offers retail banking services, primarily in Belgium and the Netherlands. Moreover, the Argenta Group operates insurance services via Argenta Assuranties. According to information from Argenta itself, it is the fifth-largest financial institute in Belgium (as measured by customer deposits). Argenta Spaarbank was founded in 1956 and today operates 387 branches (FY 2023), serving more than 1.7 m customers in total. Investar (holding company of the founding family) owns all shares in Argenta Spaarbank and is therefore the sole shareholder. Within the Argenta Group, Argenta Spaarbank is the unit responsible for capital market refinancing activities. The largest share of the loan portfolio (51% in FY 2023) is attributable to mortgage loans in the Netherlands (30% of which come with a national mortgage guarantee), followed by Belgium at 45% (remaining 4%: "Other"). In order to diversify the funding mix (79% retail funding share as at FY 2023; wholesale funding share 12%), two benchmark covered bonds were issued in June 2023 and February 2024. Argenta has been active for several years as a covered bond and green bond issuer, having placed an inaugural covered bond in EUR benchmark format back in February 2021. The first green bonds followed the publication of the Green Bond Framework in January 2022. These are intended to refinance sustainable buildings in Belgium and the Netherlands, among other aspects.

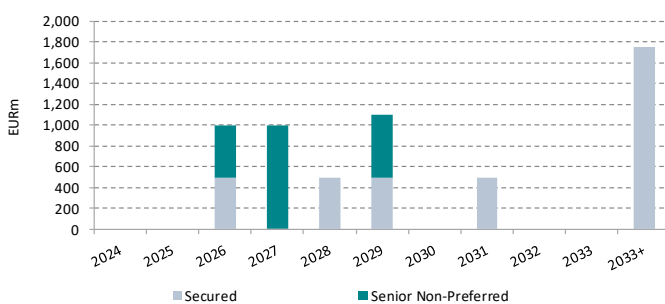
### Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	39,461	40,813	41,883
Total Securities	10,187	10,216	10,484
Total Deposits	42,184	42,615	44,589
Tier 1 Common Capital	2,363	2,661	2,730
Total Assets	53,391	53,842	55,768
Total Risk-weighted Assets	11,017	12,089	10,146

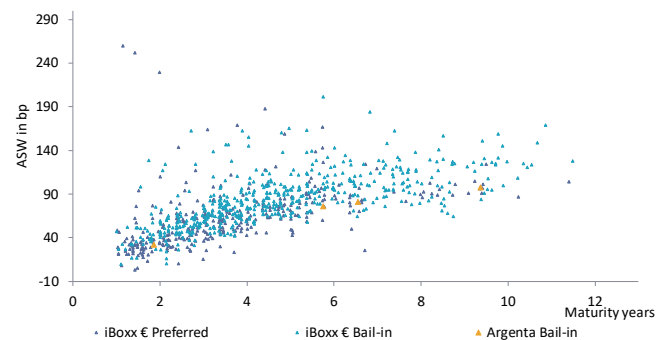
### Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	575	741	337
Net Fee & Commission Inc.	50	50	41
Net Trading Income	-11	3	-6
Operating Expense	433	476	277
Credit Commit, Impairment	14	3	-1
Pre-tax Profit	246	340	134

### Redemption Profile



### Senior Unsecured Bonds (EUR BMK)



### Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.14	1.39	1.24	Liquidity Coverage Ratio	186.01	218.61	242.31
ROAE	8.05	9.33	6.13	IFRS Tier 1 Leverage Ratio	4.45	4.97	4.92
Cost-to-Income	65.78	56.48	67.65	NPL/ Loans at Amortised Cost	0.42	0.44	0.45
Core Tier 1 Ratio	21.45	22.01	26.91	Reserves/Loans at Amort. Cost	0.11	0.11	0.10

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

### Strengths / Opportunities

- Capitalisation
- Loan quality
- Business focus (retail banking)

### Risks / Weaknesses

- Concentration risks
- Interest rate environment
- Inflation pressure on the cost basis



# Argenta Spaarbank – Mortgage

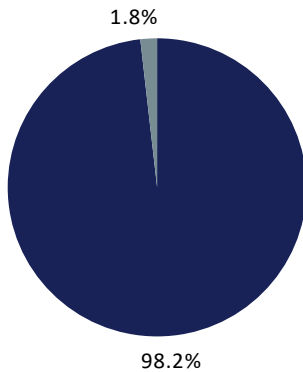
Belgium 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

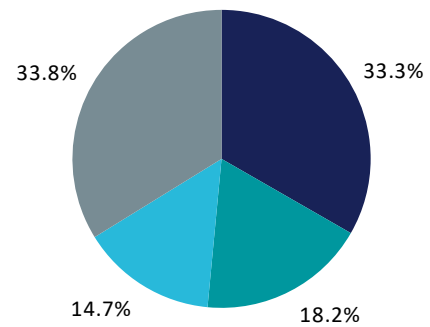
Cover pool volume (EURm)	4,597	Rating (Moody's)	-
Amount outstanding (EURm)	3,750	Rating (S&P)	AAA
-thereof ≥ EUR 500m	86.7%	Rating (Fitch)	-
Current OC (nominal)	22.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Belgium	Collateral score	-
Main region	33% Antwerp	RRL	aa-
Number of loans	50,880	JRL	aa
Number of borrowers	n/a	Unused notches	4
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	14.6%
WAL (cover pool)	9.3y	PCU	-
WAL (covered bonds)	8.1y	Recovery uplift	-
Fixed interest (cover pool)	34.3%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	51.8%	LCR level (Bmk)	1
LTV (unindexed)	61.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



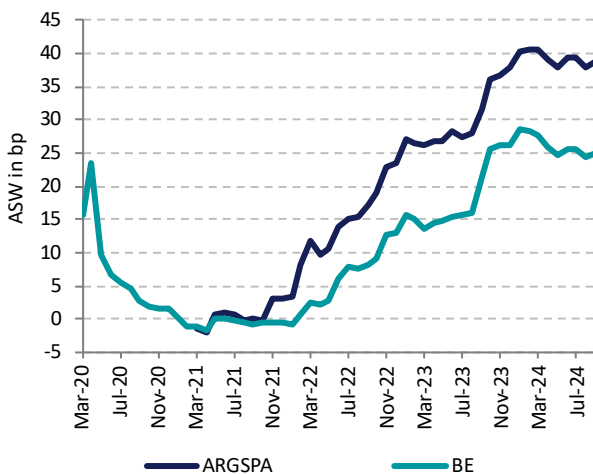
■ Residential ■ Commercial

## Regional Distribution



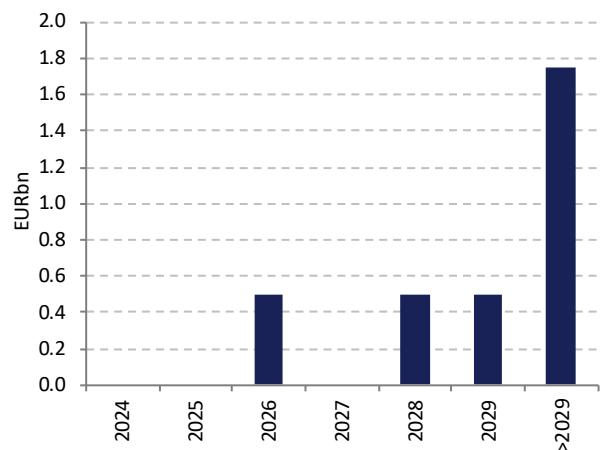
■ Antwerp ■ Oost-Vlaanderen ■ Vlaams-Brabant ■ Others

## Spread Development



— ARGSPA — BE

## Redemption Profile (Bmk)



# Belfius Bank

Belgium 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Belfius Bank SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Belfius Bank (Belfius) is a domestic systemically important bank (D-SIB; additional capital buffer of 1.5%) and insurance group. Since October 2011, it has been wholly owned by the Belgian state. Belfius serves more than 3.8 m customers from the following segments: Retail, SME, Public Sector and Corporates. With a market share of 18%, Belfius is the second-largest mortgage lender in Belgium. In addition, with 350,000 customers in the areas of public sector, start-ups and social establishments, Belfius is also the market leader in the Public and Social Sector segment. The Group includes seven important, wholly owned subsidiaries: Belfius Insurance, Belfius Asset Management, Crefius, Belfius Lease, Belfius Commercial Finance, Belfius Auto Lease and Belfius Lease Services. The loan portfolio consists of public sector and social loans (FY 2023: 21%), corporate and business loans (35%) as well as mortgage loans (40%) and consumer loans (2%). Belfius reports across the following segments: Individuals (45% share of pre-tax profit in 2023), Entrepreneurs, Enterprises & Public (52%) and Group Centre (3%). The Group Center mainly controls the administration of the bond and derivatives portfolio. The majority of the funding mix is attributable to deposits (83% in FY 2023) and secured funding (10%). Belfius Bank has two programmes for the issuance of covered bonds. In 2023, the bank launched a senior green bond in benchmark format on the market. Over the long term, the business activities of Belfius are geared towards the Paris Agreement, an international treaty on climate change adopted in 2015. In order to achieve this climate goal, Belfius will no longer finance coal mining, among other activities.

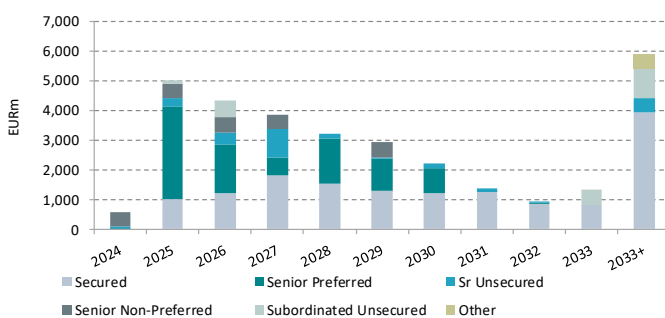
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	102,679	110,203	114,531
Total Securities	44,002	34,024	34,854
Total Deposits	104,404	108,447	104,000
Tier 1 Common Capital	10,658	10,722	11,087
Total Assets	192,151	179,068	179,179
Total Risk-weighted Assets	65,095	64,796	69,504

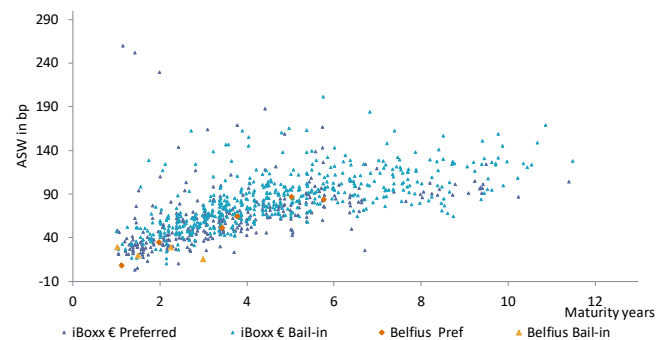
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	2,001	2,079	2,426
Net Fee & Commission Inc.	758	773	779
Net Trading Income	25	20	30
Operating Expense	1,477	1,417	1,538
Credit Commit, Impairment	-1	105	109
Pre-tax Profit	1,226	1,197	1,493

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.07	1.14	1.38	Liquidity Coverage Ratio	195.0	173.0	139.0
ROAE	8.42	7.97	9.26	IFRS Tier 1 Leverage Ratio	6.00	6.23	6.43
Cost-to-Income	54.64	52.32	48.97	NPL/ Loans at Amortised Cost	1.98	1.85	2.06
Core Tier 1 Ratio	16.37	16.55	15.95	Reserves/Loans at Amort. Cost	1.71	1.63	1.64

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position and diversified business model
- Capitalisation
- Loan quality

## Risks / Weaknesses

- Economic risk (especially in the SME business)
- Geographical diversification
- Operational environment (inflation)

# Belfius Bank – Mortgage

Belgium 

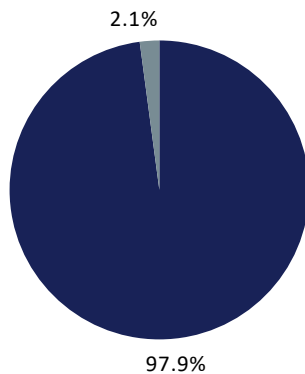
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	17,121
Amount outstanding (EURm)	13,557
-thereof ≥ EUR 500m	34.7%
Current OC (nominal)	26.3%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Belgium
Main region	15% Antwerp
Number of loans	267,845
Number of borrowers	160,971
Avg. exposure to borrowers (EUR)	104,128
WAL (cover pool)	7.1y
WAL (covered bonds)	6.6y
Fixed interest (cover pool)	89.2%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	42.6%
LTV (unindexed)	53.6%
Loans in arrears	0.0%

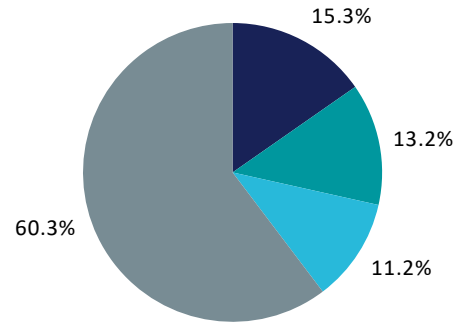
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	aa-
JRL	aa
Unused notches	3
AAA credit risk (%)	6.8%
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



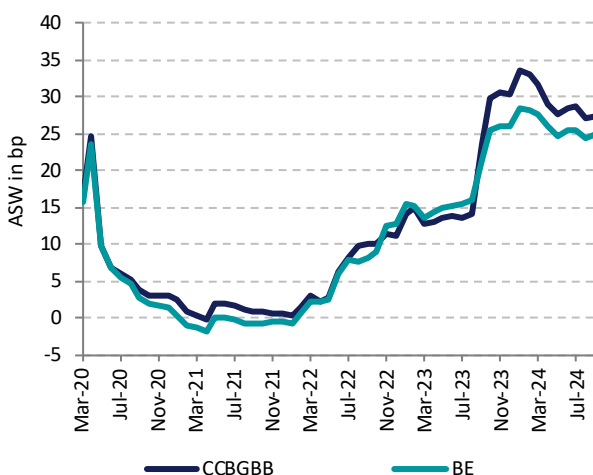
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

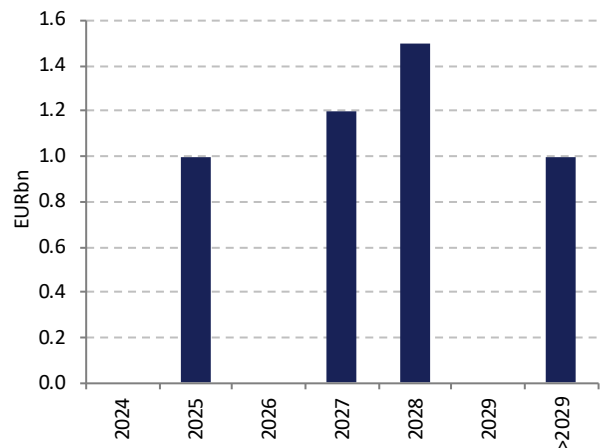


■ Antwerp ■ Oost-Vlaanderen ■ Vlaams-Brabant ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Belfius Bank – Public Sector

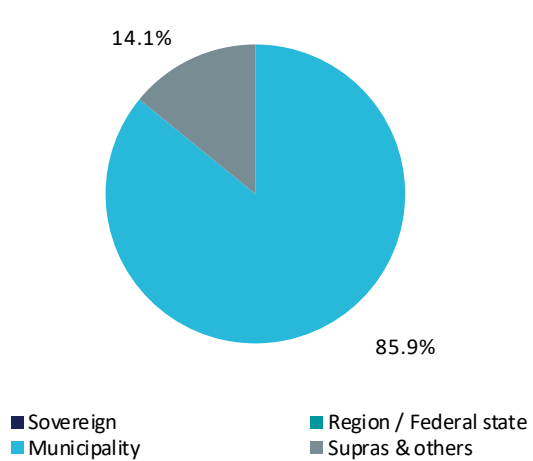
Belgium 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

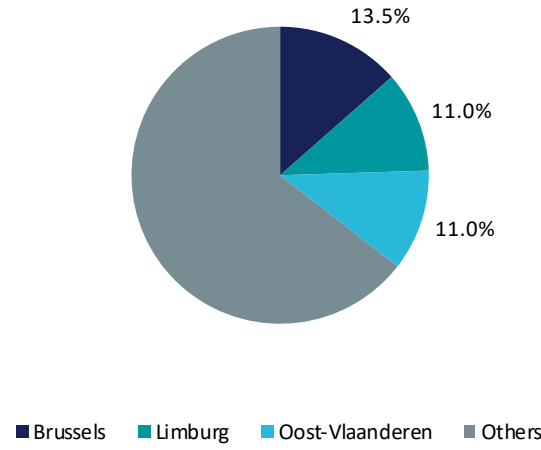
## Cover Pool Data

Cover pool volume (EURm)	2,343	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,711	Rating (S&P)	AAA
-thereof ≥ EUR 500m	58.4%	Rating (Fitch)	-
Current OC (nominal)	36.9%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	4
Main country	100% Belgium	Collateral score	8.9%
Main region	14% Brussels	RRL	aa-
Number of loans	20,121	JRL	aa
Number of borrowers	700	Unused notches	3
Avg. exposure to borrowers (EUR)	3,320,649	AAA credit risk (%)	3.3%
WAL (cover pool)	7.0y	PCU	-
WAL (covered bonds)	6.5y	Recovery uplift	-
Fixed interest (cover pool)	85.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

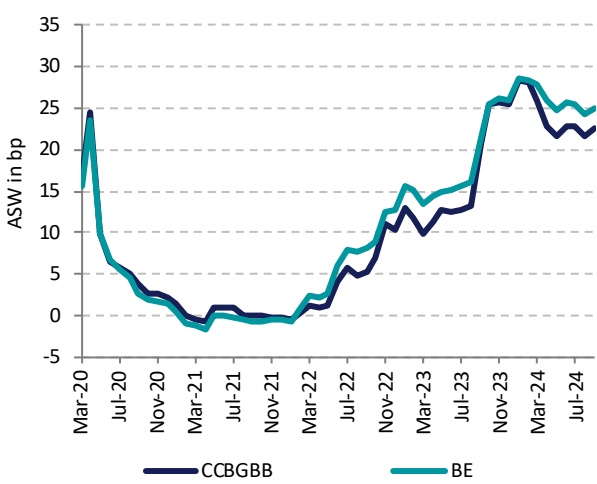
## Borrower Types



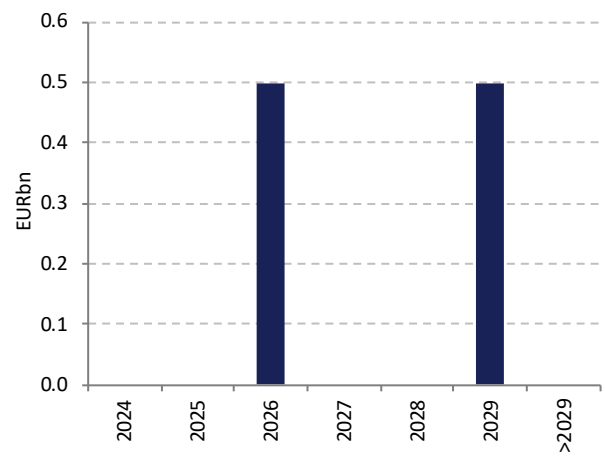
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## BNP Paribas Fortis

Belgium 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## BNP Paribas Fortis SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

BNP Paribas Fortis SA (BNPPF), headquartered in Brussels, employs 10,352 full-time employees (FTEs) in Belgium. It was established from Fortis Bank Belgium SA, which was taken over by the Belgium government in 2008 in the wake of the financial crisis. BNP Paribas acquired a stake of 75% in Fortis in 2009. BNPPF has traded under its current name since 2013. Today, BNPPF is practically wholly owned (99.94%) by the French bank BNP Paribas SA (global systemically important bank [G-SIB] with an additional capital buffer of 1.5%). BNPPF covers both the Retail Banking and Corporate & Institutional Banking activities of the BNP Group in Belgium. BNPPF reports across the following segments: Banking Activities in Belgium (43% of the revenues in FY 2023), Banking Activities in Luxembourg (8%), Banking Activities in Turkey (9%), Specialised Business (40%) and Other. In Belgium, BNPPF serves 3.3m retail customers in 308 branches and 14 entrepreneur centres. The sustainability strategy of BNP Paribas Fortis is broken down into the following areas: Sustainable and responsible investing, Sustainable real estate, Sustainable transition for business, Sustainable mobility and Social inclusiveness. In the mobility and vehicle leasing business, BNPPF is represented by its subsidiary Arval, which has carved out a market-leading position in Europe. As at year-end 2023, Arval was represented in 29 countries with approximately 8,400 staff, with around 1.7m vehicles leased to 300,000 customers. Arval has set itself the target of reducing the CO2 emissions of its vehicle fleet by 35% in comparison with 2020. To this end, electric vehicles are set to make up two thirds of the fleet by 2026.

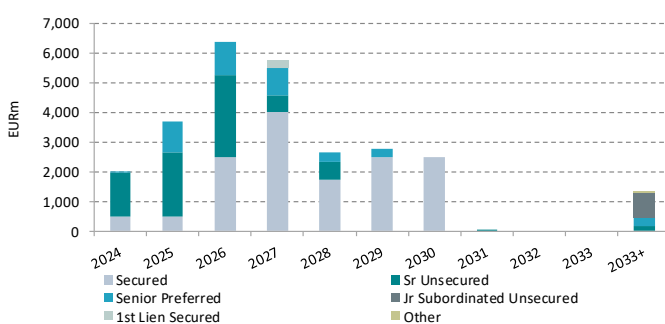
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	194,170	216,841	219,381
Total Securities	36,933	36,879	37,264
Total Deposits	199,037	212,692	203,931
Tier 1 Common Capital	21,704	21,084	20,947
Total Assets	341,648	350,265	373,880
Total Risk-weighted Assets	120,884	122,520	128,972

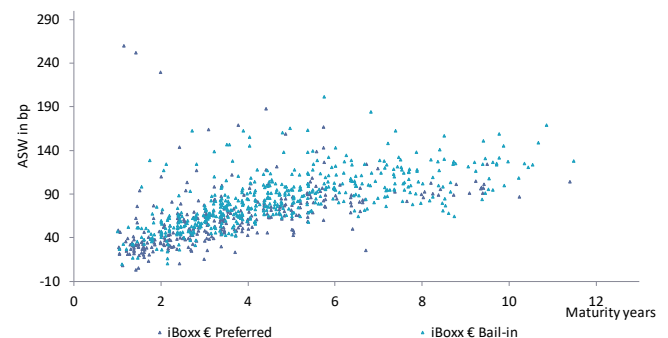
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	4,694	4,866	4,757
Net Fee & Commission Inc.	1,395	1,421	1,439
Net Trading Income	214	430	595
Operating Expense	4,577	5,067	5,496
Credit Commit, Impairment	357	325	274
Pre-tax Profit	3,813	4,809	5,024

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.58	1.61	1.54	Liquidity Coverage Ratio	192.00	126.00	118.00
ROAE	10.03	11.58	11.40	IFRS Tier 1 Leverage Ratio	6.56	6.27	5.79
Cost-to-Income	52.31	51.04	49.72	NPL/ Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	17.95	17.21	16.24	Reserves/Loans at Amort. Cost	1.51	1.36	1.42

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Core subsidiary of the BNP Group (support)
- Strong deposit-based financing

## Risks / Weaknesses

- Inflation-indexed salaries
- Turkey accounts for high share of business

# BNP Paribas Fortis – Mortgage

Belgium 

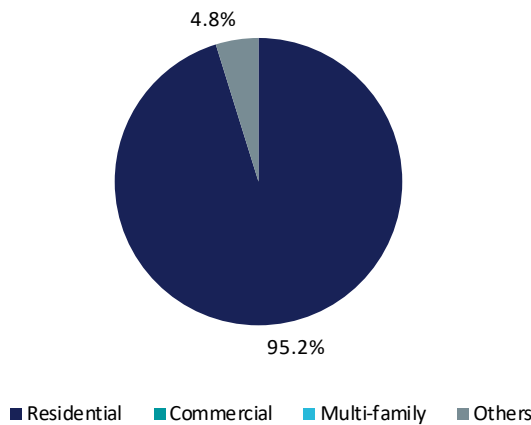
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

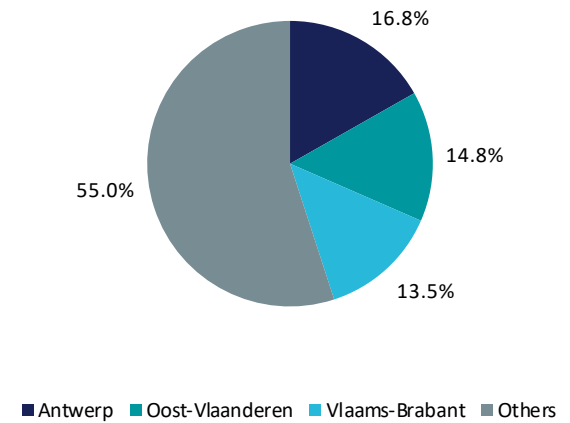
Cover pool volume (EURm)	3,578
Amount outstanding (EURm)	2,750
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	30.1%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Belgium
Main region	17% Antwerp
Number of loans	50,406
Number of borrowers	26,592
Avg. exposure to borrowers (EUR)	128,098
WAL (cover pool)	7.9y
WAL (covered bonds)	2.8y
Fixed interest (cover pool)	92.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	51.8%
LTV (unindexed)	57.7%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.0%
RRL	aa
JRL	aa
Unused notches	4
AAA credit risk (%)	9.2%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

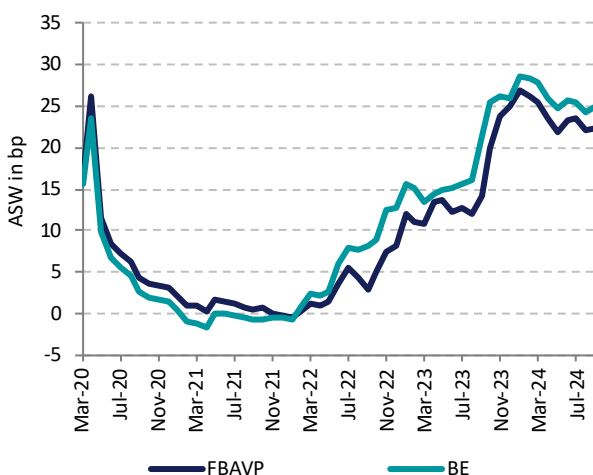
## Borrower Types



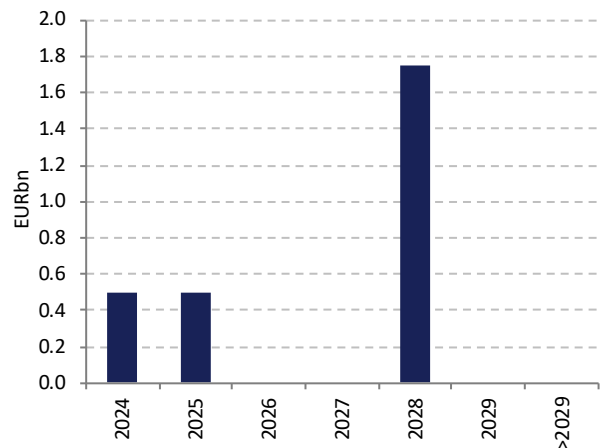
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## ING Belgium

Belgium 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## ING Belgium SA

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

## Homepage

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

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]). It therefore forms part of the ING Group. It is one of the four largest banks in Belgium, where it ranks as a domestic systemically important bank (D-SIB). It offers a number of financial and banking services on both the domestic market and in Luxembourg. ING Belgium focuses on the four segments of Retail Banking, Business Banking, Private Banking and Wholesale Banking. It is a key 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, it can be assumed that that support from the parent company is likely. The loan portfolio amounts to EUR 154bn (FY 2023), of which the largest shares are attributable to the domestic market of Belgium (74%), Luxembourg (9%), the Netherlands (4%) and the rest of Europe (10%). Within the loan portfolio, a distinction is made between retail (64%) and wholesale banking (36%). To improve its sustainability strategy, in 2021 ING adjusted its two degrees Celsius climate target (based on the Paris climate agreement) in line with the 1.5 degrees Celsius climate target defined by the Net-Zero Banking Alliance. As at FY 2023, ING Belgium reduced CO<sub>2</sub> emissions produced by its own operations by 68% compared with 2014 (equivalent figure for FY 2022: 69%). In 2022, ING discontinued financing for new oil and gas fields. Sustainable technologies account for more than 50% of the ING Group's energy portfolio, with the bank launching new sustainable products for customers in 2023.

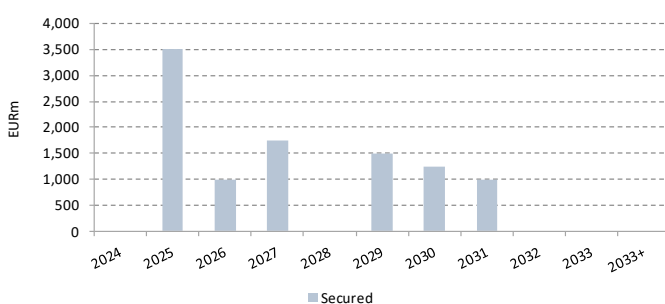
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	105,266	107,351	109,564
Total Securities	21,294	31,608	27,904
Total Deposits	109,178	109,525	103,403
Tier 1 Common Capital	9,116	8,767	7,353
Total Assets	161,757	165,762	157,907
Total Risk-weighted Assets	54,024	50,214	48,607

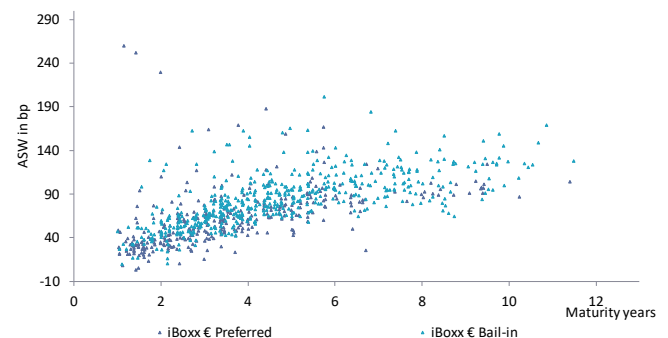
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	2,066	2,069	3,001
Net Fee & Commission Inc.	650	661	650
Net Trading Income	227	240	70
Operating Expense	1,872	1,966	2,026
Credit Commit, Impairment	184	230	139
Pre-tax Profit	948	454	1,538

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.29	1.28	1.87	Liquidity Coverage Ratio	-	173.0	139.0
ROAE	6.99	3.38	11.97	IFRS Tier 1 Leverage Ratio	5.93	5.92	5.08
Cost-to-Income	61.98	64.82	53.05	NPL/ Loans at Amortised Cost	3.27	3.22	3.06
Core Tier 1 Ratio	16.87	17.46	15.13	Reserves/Loans at Amort. Cost	1.13	1.19	1.12

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Diversification of loan portfolio (Retail & Corporates)
- Capitalisation

## Risks / Weaknesses

- NPL ratio
- Profitability

# ING Belgium – Mortgage

Belgium 

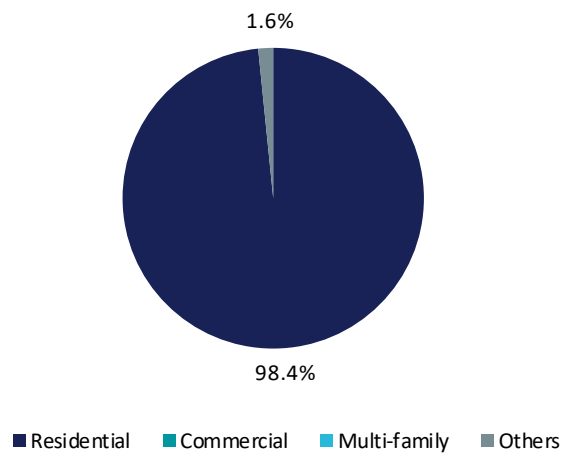
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

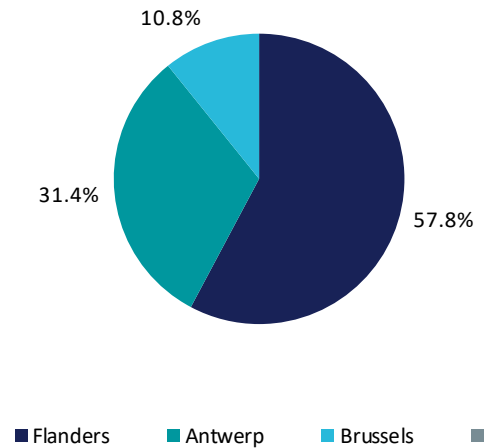
Cover pool volume (EURm)	13,300
Amount outstanding (EURm)	9,500
-thereof ≥ EUR 500m	71.1%
Current OC (nominal)	40.0%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Belgium
Main region	58% Flanders
Number of loans	117,690
Number of borrowers	101,163
Avg. exposure to borrowers (EUR)	129,366
WAL (cover pool)	7.5y
WAL (covered bonds)	3.3y
Fixed interest (cover pool)	99.2%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	52.9%
LTV (unindexed)	79.2%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

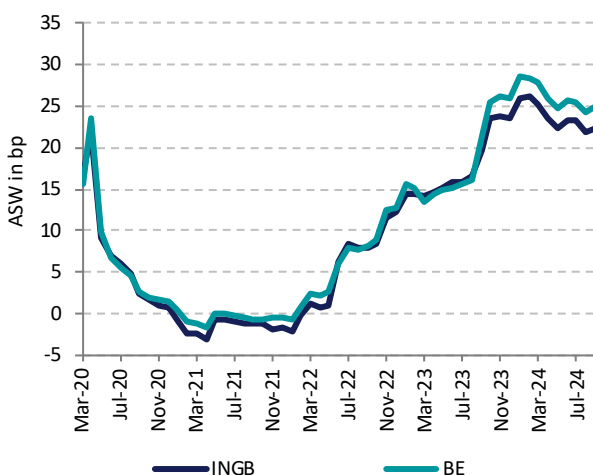
## Borrower Types



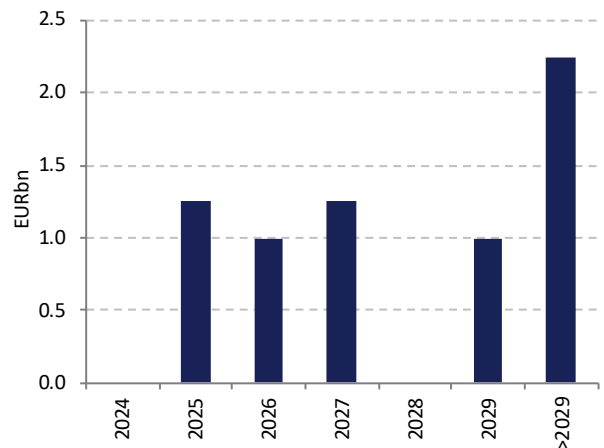
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## KBC Bank

Belgium 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## KBC Bank NV

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

KBC Bank NV (KBC) is the banking arm of KBC Group NV, to which KBC Insurance NV also belongs. The KBC Group is listed on the stock exchange, where the main shareholders are KBC Ancora (19%) and MRBB (12%; as at 16 April 2024). KBC is one of the leading banking groups in Belgium and is classified as a domestic systemically important bank (D-SIB). The KBC Group operates a total of 1,154 banking branches, via which around 38,200 employees serve approximately 12.8m customers. According to its own information, KBC has a market share of around 20% for banking products and 27% for investment funds as at FY 2023. The bank is represented on the market for banking products in the Czech Republic via Ceskoslovenska Obchodni Banka (CSOB), where it boasts a share of 21%. KBC operates as a multi-channel bank, focusing on retail and private banking clients in addition to SMEs and mid-market customers. Its geographic focus is on the core markets of Belgium, Bulgaria, Czech Republic, Hungary and Slovakia. The Group reports across the segments Belgium Business Unit, Czech Republic Business Unit, International Markets Business Unit and Group Centre. The geographical distribution of the loan portfolio shows the importance of the Belgian domestic market with a share of 65% (FY 2023). Czech Republic follows thereafter with a share of 19%. Customer deposits account for the majority of the funding mix (nearly 75% in FY 2023). The bank has set itself the target of reducing its CO<sub>2</sub> emissions and is, for example, a member of the Science-Based Target Initiative to carry out scientific auditing of its climate protection targets. KBC issued an inaugural social bond (EUR 750m) in 2022. The green asset ratio amounts to 64%.

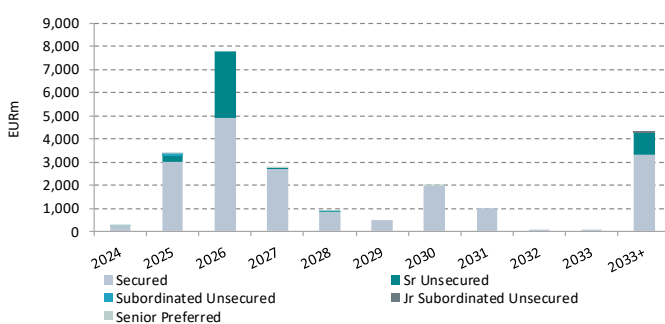
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	158,113	176,872	182,051
Total Securities	54,828	54,314	60,479
Total Deposits	201,026	225,853	220,138
Tier 1 Common Capital	14,915	13,702	15,174
Total Assets	302,991	322,088	312,334
Total Risk-weighted Assets	95,120	100,300	103,201

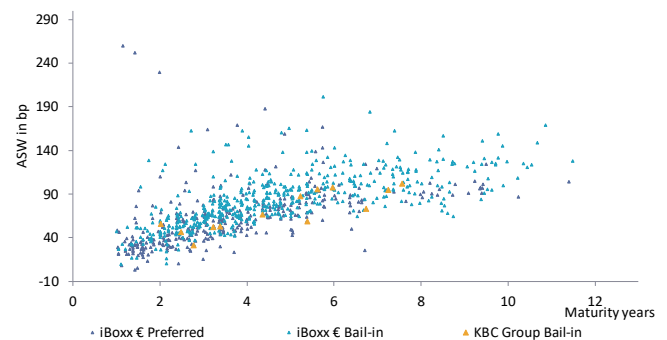
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	4,054	4,724	5,044
Net Fee & Commission Inc.	2,210	2,256	2,387
Net Trading Income	46	304	196
Operating Expense	3,905	4,308	4,624
Credit Commit, Impairment	-330	152	-10
Pre-tax Profit	2,816	2,668	3,439

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	1.44	1.59	1.65	Liquidity Coverage Ratio	-	-
ROAE	12.34	12.08	15.00	IFRS Tier 1 Leverage Ratio	5.04	4.38
Cost-to-Income	60.80	58.22	59.50	NPL/ Loans at Amortised Cost	3.09	2.22
Core Tier 1 Ratio	15.68	13.66	14.70	Reserves/Loans at Amort. Cost	1.61	1.46

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Low-risk core markets (Belgium and Czech Republic)
- Earnings potential
- Capitalisation and ALAC

## Risks / Weaknesses

- Higher risk exposure in CEE and Ireland
- Non-performing assets
- Expansion strategy

# KBC Bank – Mortgage

Belgium 

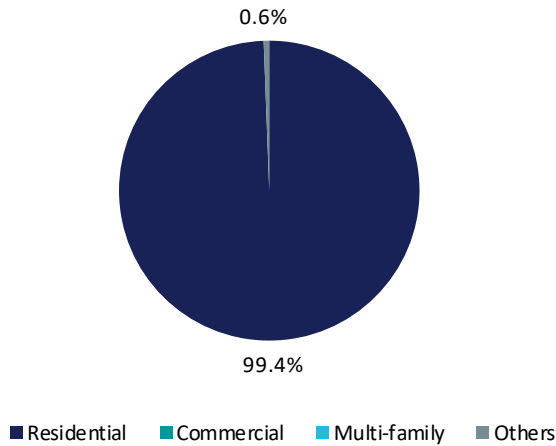
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

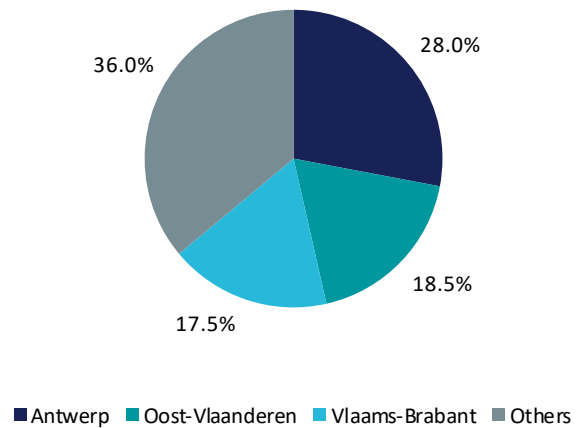
Cover pool volume (EURm)	19,016
Amount outstanding (EURm)	14,920
-thereof ≥ EUR 500m	33.5%
Current OC (nominal)	27.5%
Committed OC	10.5%
Cover type	Mortgage
Main country	100% Belgium
Main region	28% Antwerp
Number of loans	234,228
Number of borrowers	161,369
Avg. exposure to borrowers (EUR)	117,605
WAL (cover pool)	8.8y
WAL (covered bonds)	3.2y
Fixed interest (cover pool)	92.2%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	48.9%
LTV (unindexed)	61.0%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.9%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

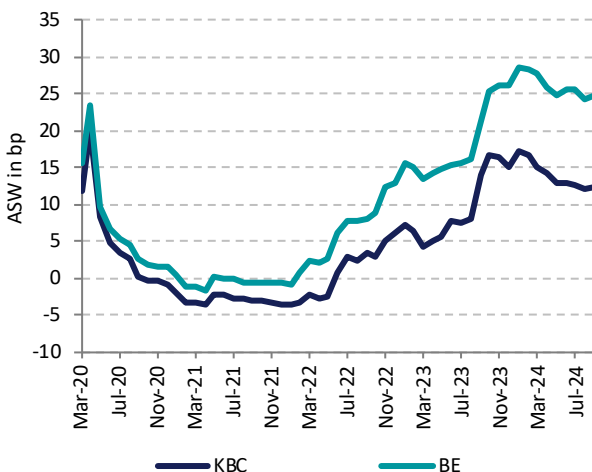
## Borrower Types



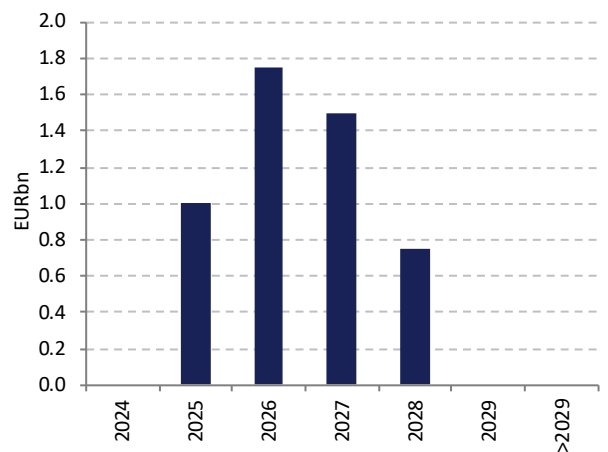
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

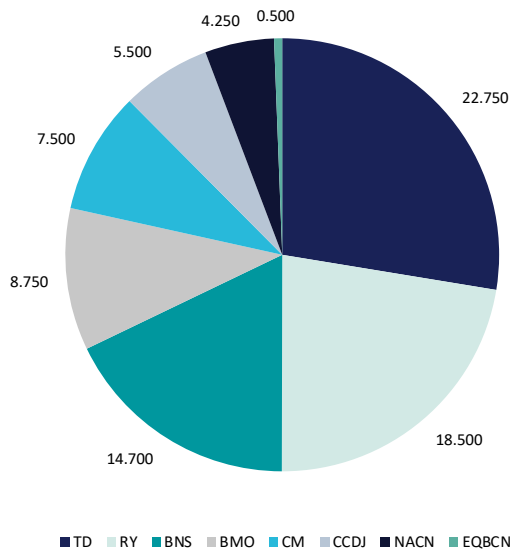
# Market Overview Covered Bonds

Canada 

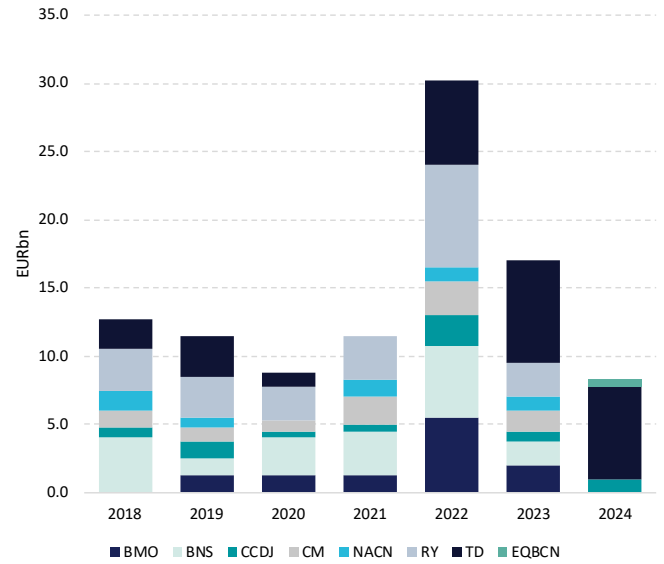
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 288.66bn	Outstanding volume (Bmk)	EUR 82.45bn
Amount outstanding	EUR 190.10bn	Number of benchmarks	60
Number of issuers	8	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	8	Number of ESG benchmarks	1
there of M / PS / others	8 / 0 / 0	Outstanding volume (SBmk)	EUR 1.20bn
Ratings (low / high)	AA / AAA	Number of subbenchmarks	4
Best possible LCR level	Level 2A	Maturity types	SB

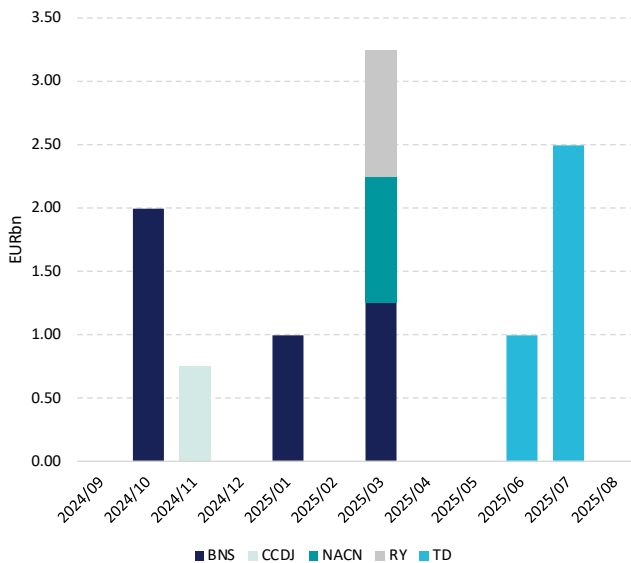
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



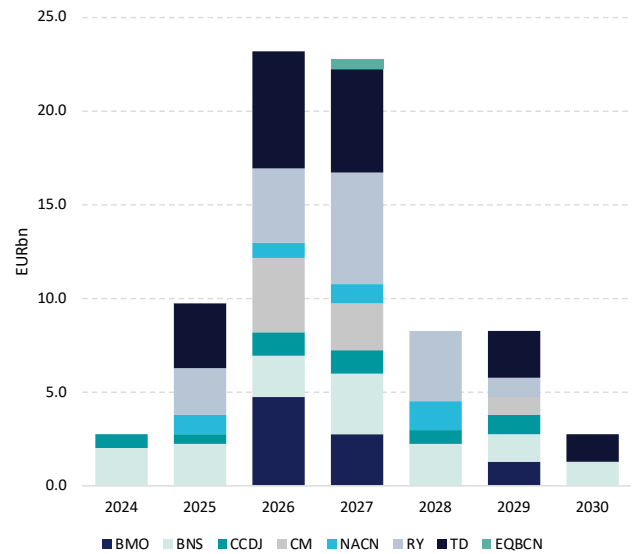
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Bank of Montreal

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bank of Montreal

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Bank of Montreal (BMO) is Canada's oldest bank. As measured by assets (Q1 2024), it is the fourth largest bank in the country and the eighth largest bank in North America. BMO is classified as a domestic systemically important bank (D-SIB) and its geographical focus is on North America. Here, its market position has been significantly strengthened as a result of the acquisition of Bank of the West in the USA, which was concluded in February 2023. Moreover, the AIR MILES business was acquired as a subsidiary of BMO in June. BMO offers a broad product portfolio, ranging from retail and commercial banking to asset management, all the way through to investment banking and the insurance business. Over 55,700 staff serve 13m customers around the world (almost 8m of which are based in Canada) across 1,890 branches (FY 2023). BMO's net income (excluding Corporate Services) is split between the segments BMO Capital Markets (18.0%), BMO Wealth Management (12.0%) and Personal and Commercial Banking (P&C; 70.0%) and is separately attributable to Canada (40.0%) and the USA (30.0%). The loan portfolio can be broken down into the regions of Canada and other (59.3%) and the USA (40.7%). Consumer lending accounts for a share of 43.0% of the loan portfolio, with commercial loans making up the remaining 57.0%. The largest shares of the loan portfolio are attributable to the categories of residential mortgages (Q1 2024: 27.0%) as well as Consumer Instalment and Other Personal (14%). Deposits make up most of the funding mix, which is supplemented in a targeted manner by capital market placements. In Q1 2024, covered bonds accounted for around 10% of the bank's wholesale funding. The financial year ends on 31 October each year.

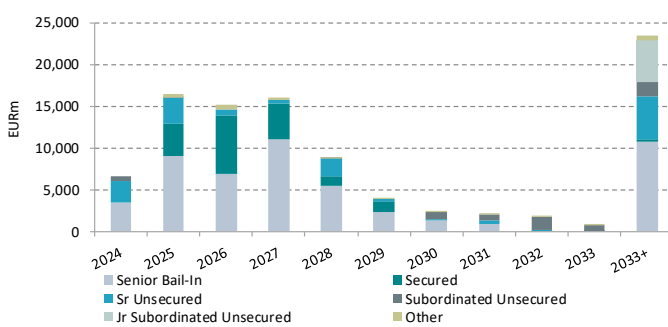
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	409,217	447,814	450,828
Total Securities	322,736	323,890	361,258
Total Deposits	552,960	600,587	625,871
Tier 1 Common Capital	45,156	36,060	37,195
Total Assets	870,174	917,964	936,803
Total Risk-weighted Assets	269,935	289,084	286,873

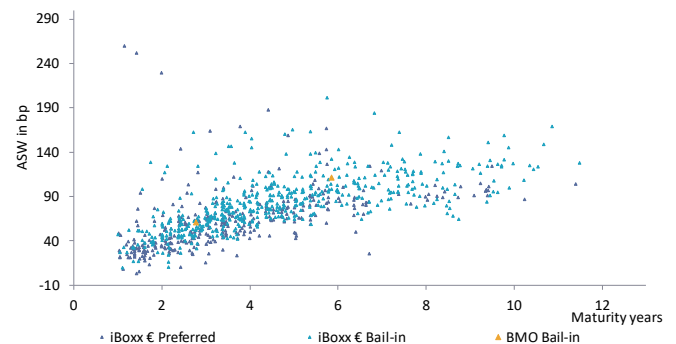
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	11,557	12,906	3,239
Net Fee & Commission Inc.	6,303	6,212	1,663
Net Trading Income	762	1,263	499
Operating Expense	11,533	13,173	3,248
Credit Commit. Impairment	226	1,510	612
Pre-tax Profit	13,013	4,109	1,653

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3	2022Y	2023Y	2024Q3
Net Interest Margin	1.56	1.59	1.48	Liquidity Coverage Ratio	-	-
ROAE	21.10	6.00	9.18	IFRS Tier 1 Leverage Ratio	5.51	4.15
Cost-to-Income	59.26	61.46	58.69	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	16.73	12.47	12.97	Reserves/Loans at Amort. Cost	-	0.58

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Income generation
- Liquidity
- Geographical diversification (USA and Canada)

## Risks / Weaknesses

- Private household debt level in Canada
- CRE exposure in the USA and Canada
- Competition in US banking business

# Bank of Montreal – Mortgage

Canada 

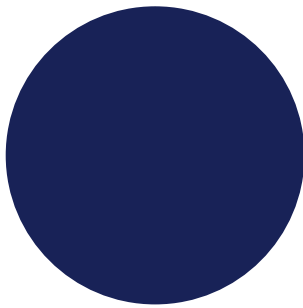
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	26,444
Amount outstanding (EURm)	16,995
-thereof ≥ EUR 500m	51.5%
Current OC (nominal)	55.6%
Committed OC	5.3%
Cover type	Mortgage
Main country	100% Canada
Main region	54% Ontario
Number of loans	126,526
Number of borrowers	125,306
Avg. exposure to borrowers (EUR)	211,037
WAL (cover pool)	2.0y
WAL (covered bonds)	2.5y
Fixed interest (cover pool)	73.3%
Fixed interest (covered bonds)	70.6%
LTV (indexed)	48.8%
LTV (unindexed)	60.0%
Loans in arrears	0.2%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	5
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

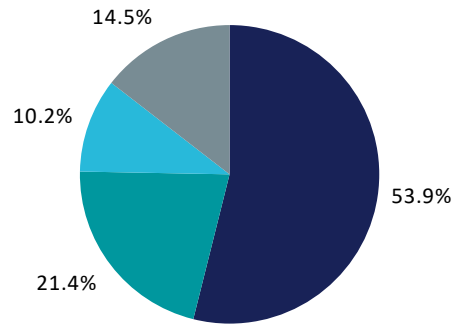
## Borrower Types



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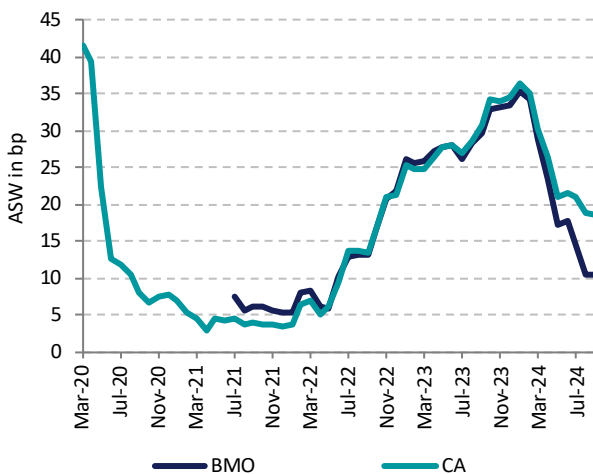
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

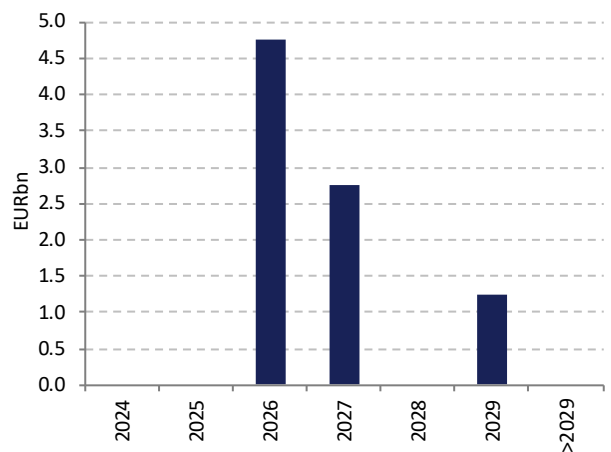


■ Ontario ■ British Columbia ■ Quebec ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Bank of Nova Scotia

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Bank of Nova Scotia/The

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

## Homepage

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

The Bank of Nova Scotia (BNS; brand name: Scotiabank) is one of the six major banks in Canada and is classified as a domestic systemically important bank (D-SIB). Its business activities are highly diversified geographically. This can accordingly be seen in the geographical breakdown of its net profit in Q1 2024, whereby Canada accounted for a share of 47.7% and the USA for 9.5%, while the Pacific Alliance (Mexico, Peru, Chile and Colombia) and the Caribbean and Central America were responsible for shares of 27.7% and 12.2% respectively. The bank reports across the following segments: Canadian Banking, International Banking, Global Banking and Markets, and Global Wealth Management. The range of services includes retail and corporate banking, investment banking, capital market business and wealth management and private banking. The loan portfolio mainly consists of residential mortgages (Q1 2024: 45.8%) in addition to loans to businesses and government institutes (38.7%). Geographically, 84.4% of the total BNS loan portfolio is attributable to the domestic market of Canada (Q1 2024). In terms of a regional breakdown, the provinces Ontario (55.8% of the loan portfolio), British Columbia & Territories (19.8%) as well as Alberta (10.5%) dominate. The overwhelming majority of the BNS funding mix consists of deposits, which grew by 9.0% in the Canadian banking segment and by 10.0% internationally in Q1 2024. Covered bonds account for 16.8% of the wholesale funding of BNS (Q1 2024). In August 2021, BNS issued its first sustainability bond under its Sustainability Bond Framework (USD 1.0bn). The financial year ends on 31 October each year.

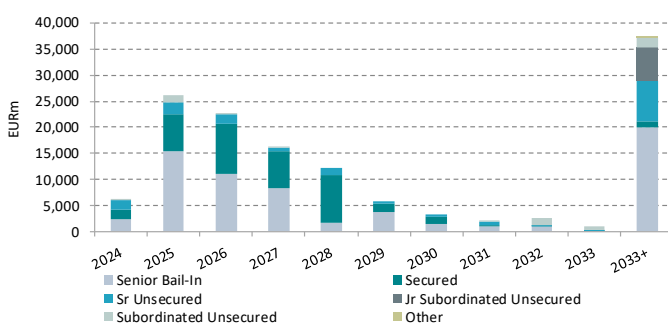
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	558,264	516,875	512,964
Total Securities	331,016	326,585	342,431
Total Deposits	640,366	613,938	604,513
Tier 1 Common Capital	39,364	38,873	40,424
Total Assets	1,000,709	961,604	938,071
Total Risk-weighted Assets	342,945	299,865	303,461

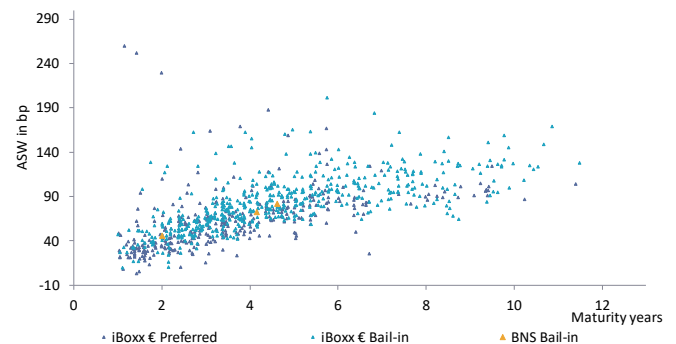
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	13,180	12,617	3,285
Net Fee & Commission Inc.	7,756	7,826	2,034
Net Trading Income	1,357	1,181	251
Operating Expense	12,284	12,667	3,225
Credit Commit. Impairment	999	2,361	711
Pre-tax Profit	9,409	6,682	1,596

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3	2022Y	2023Y	2024Q3
Net Interest Margin	1.50	1.39	1.43	Liquidity Coverage Ratio	-	-
ROAE	13.87	9.65	9.31	IFRS Tier 1 Leverage Ratio	4.19	4.27
Cost-to-Income	53.13	57.57	56.15	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	11.48	12.96	13.32	Reserves/Loans at Amort. Cost	0.71	0.84

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position
- Diversified earnings profile
- Cost discipline

## Risks / Weaknesses

- Investments in emerging markets
- Dependency on wholesale funding
- Unsecured exposure (including consumer loans)

# Bank of Nova Scotia – Mortgage

Canada 

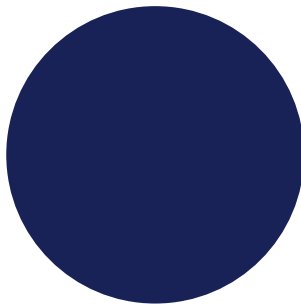
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	59,185
Amount outstanding (EURm)	37,499
-thereof ≥ EUR 500m	39.2%
Current OC (nominal)	57.8%
Committed OC	5.3%
Cover type	Mortgage
Main country	100% Canada
Main region	60% Ontario
Number of loans	320,579
Number of borrowers	288,167
Avg. exposure to borrowers (EUR)	205,386
WAL (cover pool)	1.9y
WAL (covered bonds)	2.9y
Fixed interest (cover pool)	64.3%
Fixed interest (covered bonds)	62.6%
LTV (indexed)	48.9%
LTV (unindexed)	55.4%
Loans in arrears	0.0%

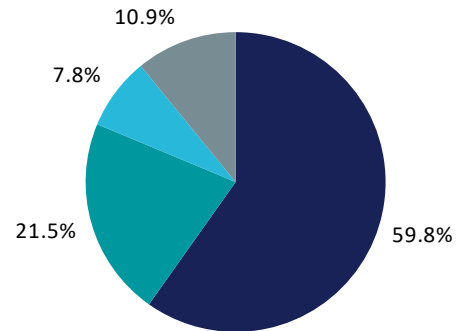
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	5
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



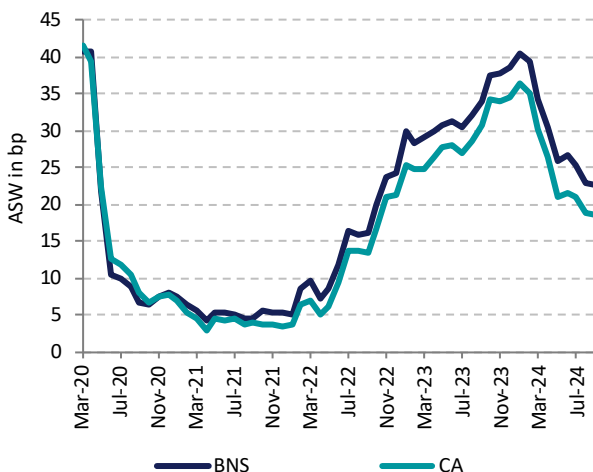
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

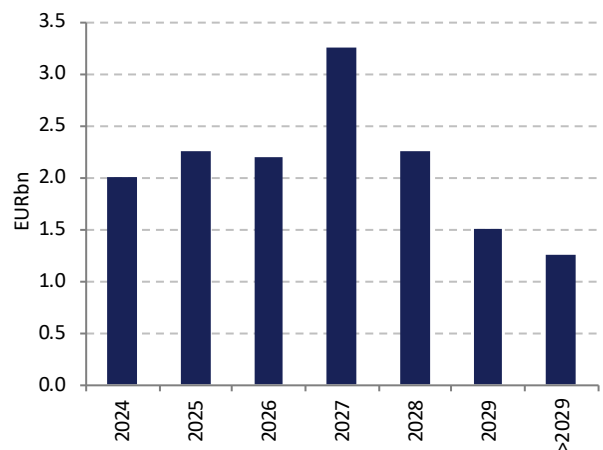


■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Canadian Imperial Bank of Commerce

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Canadian Imperial Bank of Commerce

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

## Homepage

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

In terms of assets, the Canadian Imperial Bank of Commerce (CIBC) is the fifth largest bank in Canada and has been categorised as a domestic systemically important bank (D-SIB) by the Office of the Superintendent of Financial Institutions (OSFI), which is the domestic financial regulatory authority. Approximately 48,000 employees serve around 14m customers (data as at FY 2023). The bank's strategic focus is on Canada and the USA, with the Canadian province of Ontario of particular importance to CIBC in terms of the overall loan portfolio. The bank reports across the following segments: Canadian Personal & Business Banking, Canadian Commercial Banking & Wealth Management, U.S. Commercial Banking & Wealth Management, Capital Markets and Direct Financial Services, and Corporate and Other. CIBC FirstCaribbean concluded the divestment of its banking assets in Aruba in February 2022, before going on to sell its banking assets in St. Vincent and Grenada in March and July 2023. The planned sales in St Kitts and Dominica were not carried out. However, the sale of the banking assets in Curaçao and Sint Maarten have been agreed for 2024. Most of the loan portfolio of CIBC consists of secured residential mortgage loans (51.0%) as well as corporate and public sector loans (38.0%). A total of 25% of the funding mix of CIBC comprises retail deposits, with commercial and public sector deposits accounting for a share of 42%. Wholesale funding has a share of 20.6% in the overall group funding mix. Of this, CP and CDs account for 33.7%, while covered bonds are responsible for a share of 15.9%. The financial year of CIBC ends on 31 October each year.

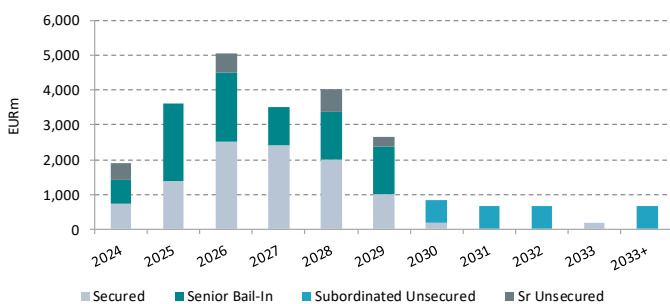
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	383,461	360,735	367,898
Total Securities	225,036	231,314	254,223
Total Deposits	500,606	477,775	478,909
Tier 1 Common Capital	27,442	27,482	29,288
Total Assets	699,758	664,917	683,240
Total Risk-weighted Assets	234,070	222,246	220,210

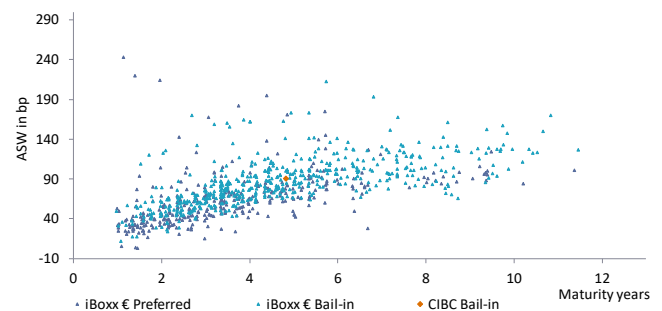
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	9,197	8,861	2,386
Net Fee & Commission Inc.	5,402	5,115	1,331
Net Trading Income	1,056	1,926	656
Operating Expense	9,240	9,914	2,486
Credit Commit. Impairment	769	1,389	326
Pre-tax Profit	5,801	4,818	1,648

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3	2022Y	2023Y	2024Q3
Net Interest Margin	1.58	1.49	1.50	Liquidity Coverage Ratio	-	-
ROAE	12.99	9.86	12.66	IFRS Tier 1 Leverage Ratio	4.19	4.35
Cost-to-Income	58.16	61.50	55.72	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	11.72	12.37	13.30	Reserves/Loans at Amort. Cost	0.59	0.73

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Franchise in Canada
- Income stability
- Asset quality

## Risks / Weaknesses

- Dependency on wholesale funding
- Rapid asset growth in the USA
- Private household debt level in Canada



# Canadian Imperial Bank of Commerce – Mortgage

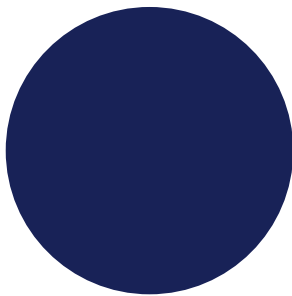
Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

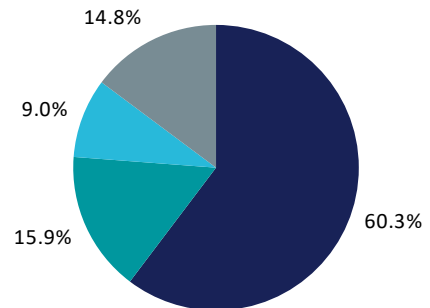
Cover pool volume (EURm)	30,629	Rating (Moody's)	Aaa
Amount outstanding (EURm)	22,300	Rating (S&P)	-
-thereof ≥ EUR 500m	33.6%	Rating (Fitch)	AAA
Current OC (nominal)	37.4%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Canada	Collateral score	4.0%
Main region	60% Ontario	RRL	-
Number of loans	146,555	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	1.8y	PCU	6
WAL (covered bonds)	2.5y	Recovery uplift	2
Fixed interest (cover pool)	75.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	66.6%	LCR eligible	Yes
LTV (indexed)	48.7%	LCR level (Bmk)	2A
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



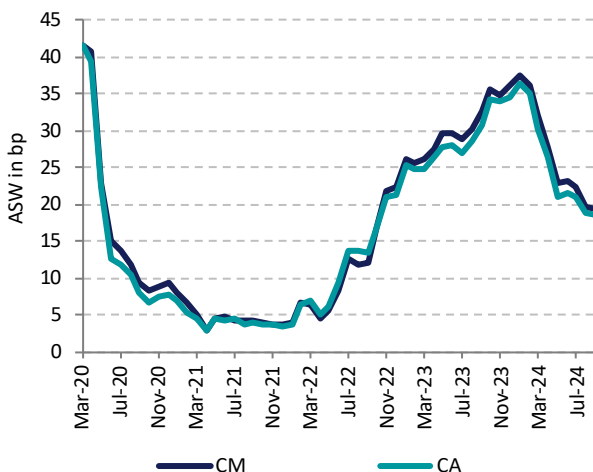
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



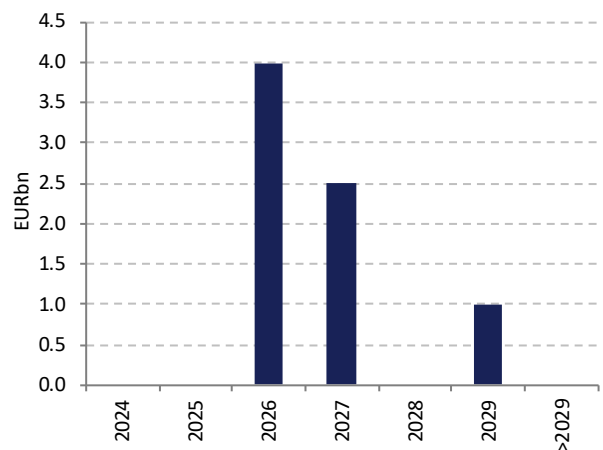
■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development



— CM — CA

## Redemption Profile (Bmk)



## Desjardins Group

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Federation des Caisses

## Desjardins du Quebec

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

## Homepage

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

Federation des Caisses Desjardins du Québec (FCDQ; brand name: Desjardins) is a cooperative group that is mainly active in Quebec and Ontario. Today, the group consists of 204 cooperative banks and employs more than 56,000 staff (FY 2023). Measured in terms of assets, it is the largest cooperative banking group in North America and the seventh largest bank in Canada (Q4 2023). FCDQ serves around 7.7m members and customers (Q4 2023). Within the group structure, FCDQ operates as a central unit, assuming responsibility for management and control functions. The bank reports across three business segments (alongside the Other category): Personal and Business Services (FY 2023: 51% of revenue surplus), Wealth Management and Life and Health Insurance (26%) and Property and Casualty Insurance (22%). In Quebec, the group has high market shares in various segments, including agricultural loans (42%, FY 2023), savings deposits (38%) and residential property mortgages (38%). At 62.0%, the majority of the loan portfolio is attributable to residential mortgages (FY 2023), followed by corporate and public sector loans (29.0%), in addition to consumer lending and credit card receivables (9.0%). On 01 March 2023, Desjardins agreed to acquire Worldsource, which is active in the insurance, investment fund and securities sales business. A total of 79% of the funding consists of customer and corporate deposits, while wholesale funding accounts for 21%. Of this, 20.0% is attributable to covered bonds, while at 26.8%, the largest share is accounted for by commercial paper.

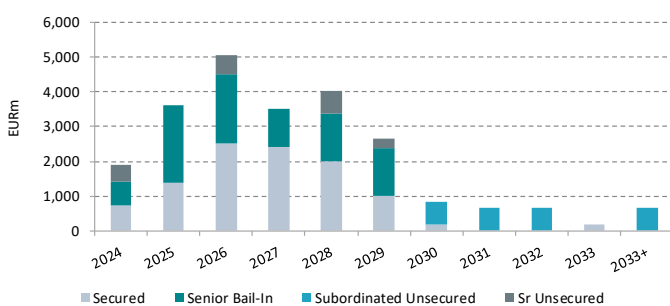
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	172,612	182,179	188,887
Total Securities	74,696	73,920	78,306
Total Deposits	179,442	190,950	197,540
Tier 1 Common Capital	19,466	19,646	21,215
Total Assets	279,271	289,736	303,007
Total Risk-weighted Assets	96,314	96,237	100,292

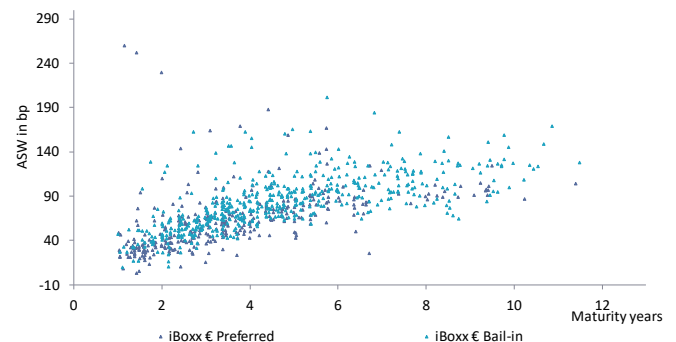
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	4,503	4,536	2,448
Net Fee & Commission Inc.	2,239	2,415	1,304
Net Trading Income	-164	82	35
Operating Expense	6,212	6,327	3,240
Credit Commit. Impairment	202	363	150
Pre-tax Profit	1,141	1,930	1,593

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	2.08	2.15	2.07	Liquidity Coverage Ratio	-	-
ROAE	2.87	5.89	9.13	IFRS Tier 1 Leverage Ratio	7.10	6.92
Cost-to-Income	82.22	73.40	65.03	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	20.21	20.41	21.15	Reserves/Loans at Amort. Cost	0.41	0.44

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in the main market of Quebec
- Capitalisation
- Diversified income sources

## Risks / Weaknesses

- Regional concentration risks (Quebec)
- Level of debt among private Canadian households
- Profitability

# Desjardins – Mortgage

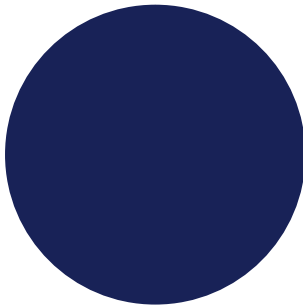
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	12,753
Amount outstanding (EURm)	10,097
-thereof ≥ EUR 500m	61.9%
Current OC (nominal)	26.3%
Committed OC	3.0%
Cover type	Mortgage
Main country	100% Canada
Main region	100% Quebec
Number of loans	89,223
Number of borrowers	87,033
Avg. exposure to borrowers (EUR)	146,536
WAL (cover pool)	2.2y
WAL (covered bonds)	3.0y
Fixed interest (cover pool)	84.5%
Fixed interest (covered bonds)	85.8%
LTV (indexed)	48.8%
LTV (unindexed)	59.3%
Loans in arrears	0.0%

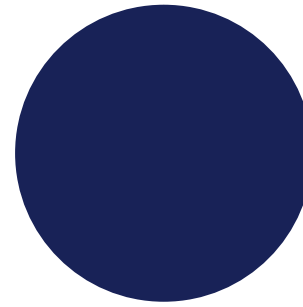
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



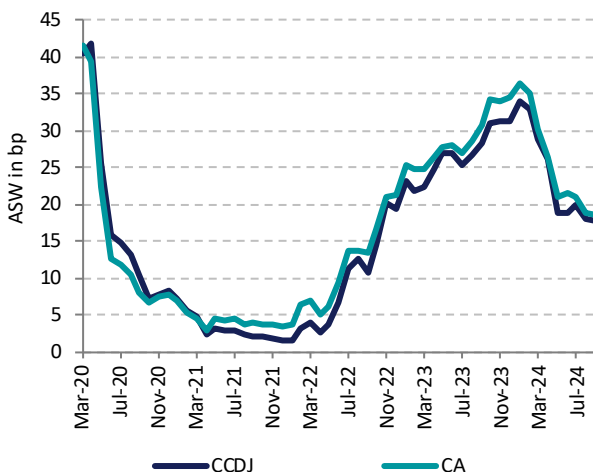
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

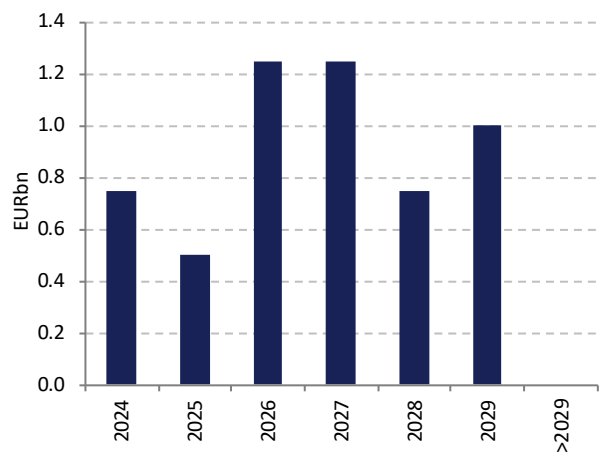


■ Quebec ■ ■ ■

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Equitable Bank

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Equitable Bank

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

## Homepage

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

Equitable Bank (EQB) was founded in 1970 and is headquartered in Toronto. According to its own information, it is the seventh largest Schedule I bank in Canada (FY 2023; as measured by assets). EQB is a wholly owned subsidiary of EQB Inc. that employs nearly 1,800 staff, who serve more than 607,000 customers (Q1 2024). As a purely online bank, EQB does not operate any physical branches. The bank divides its business into the following segments: Personal Banking (Q1 2024: 68.0% of the loan portfolio) and Commercial Banking (32.0%). In these segments, the bank focuses on the provision of mortgages for single-family homes and apartment blocks, as well as on corporate mortgages, which are distributed via brokers and other partners. Geographically, more than half of the overall loan portfolio is attributable to the region Ontario (56.7%). In December 2023, EQB acquired a majority stake (75%) in ACM Advisors, making it an independent subsidiary. In so doing, the bank has made its first foray into the alternative asset management business. EQB expects that the acquisition of ACM Advisors will help to boost return on equity (ROE) to 15.0-17.0% over the long term. As at Q1 2024, 66.0% of the funding mix comprised deposits, which consists of brokered deposits (56.0%), EQ Bank Deposits (26.0%) and covered bonds (5.0%). In March 2024, EQB presented its Sustainable Bond Framework, under which green, social and sustainable bonds can be issued. EQB placed its first covered bond in social format via this framework (volume: EUR 500m) in April 2024. The financial year of EQB ends on 31 October each year.

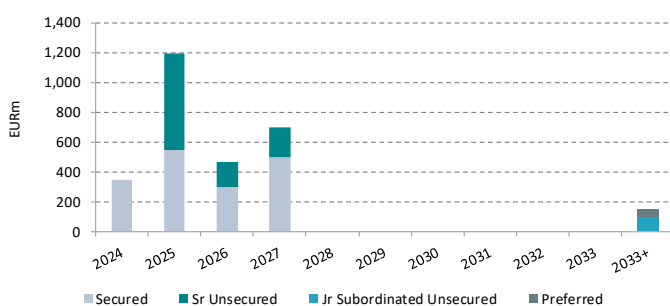
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	32,155	32,276	32,080
Total Securities	2,142	2,631	2,733
Total Deposits	21,468	21,805	22,248
Tier 1 Common Capital	1,793	1,883	1,933
Total Assets	35,360	36,073	36,168
Total Risk-weighted Assets	13,084	13,500	13,144

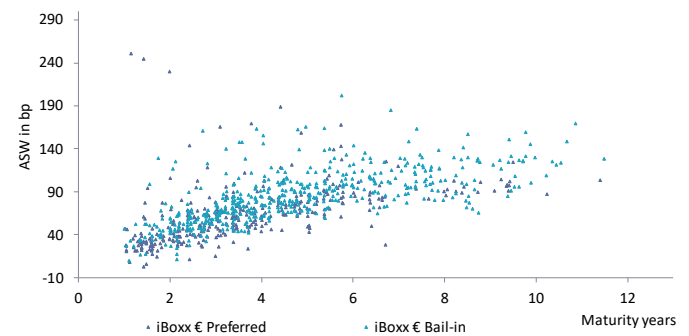
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	536	576	183
Net Fee & Commission Inc.	-	-	-
Net Trading Income	13	62	23
Operating Expense	275	299	102
Credit Commit. Impairment	27	27	14
Pre-tax Profit	269	345	105

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3		2022Y	2023Y	2024Q3
Net Interest Margin	1.87	1.99	2.05	Liquidity Coverage Ratio	-	-	-
ROAE	12.66	16.67	14.33	IFRS Tier 1 Leverage Ratio	5.11	5.26	5.39
Cost-to-Income	48.13	44.56	46.01	Gr. Imp. Loans/ Loans at Am. Cost	-	-	-
Core Tier 1 Ratio	13.70	13.95	14.71	Reserves/Loans at Amort. Cost	0.21	0.25	0.29

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Earning power (online bank)

## Risks / Weaknesses

- Credit risk (unsecured single-family mortgages)
- Funding structure

# Equitable Bank – Mortgage

Canada 

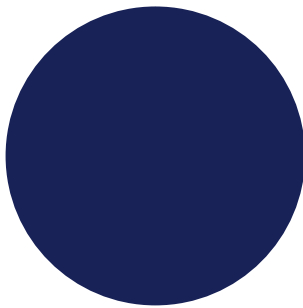
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	2,090
Amount outstanding (EURm)	1,623
-thereof ≥ EUR 500m	30.8%
Current OC (nominal)	28.8%
Committed OC	10.0%
Cover type	Mortgage
Main country	100% Canada
Main region	71% Ontario
Number of loans	6,263
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	1.1y
WAL (covered bonds)	1.7y
Fixed interest (cover pool)	93.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	61.6%
LTV (unindexed)	66.6%
Loans in arrears	0.3%

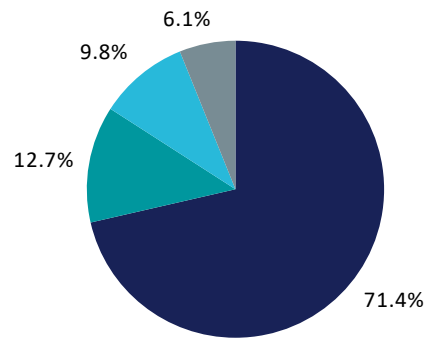
Rating (Moody's)	-
Rating (S&P)	-
Rating (Fitch)	AA
Rating (DBRS)	AA
TPI	-
TPI leeway	-
Collateral score	-
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



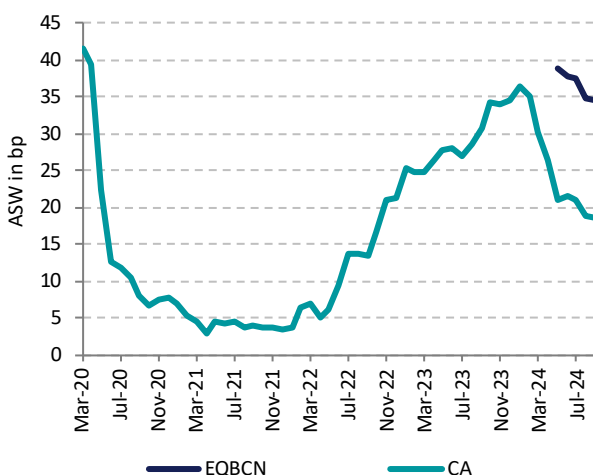
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

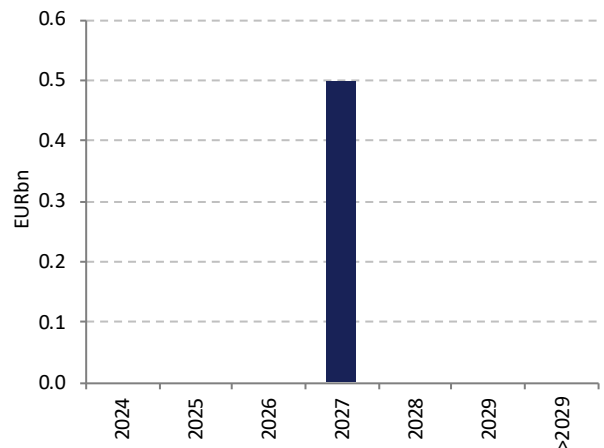


■ Ontario ■ British Columbia ■ Quebec ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# National Bank of Canada

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### National Bank of Canada

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

## Homepage

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

The National Bank of Canada (NBC; brand name: National Bank) is headquartered in Montreal. It was formed following a number of mergers and ranks among the domestic systemically important banks (D-SIBs) in Canada. NBC employs more than 31,000 staff and serves approximately 2.8m customers. The bank's geographic focus is on Canada, with the province of Quebec (51.0% of total income as at FY 2023) assuming a particularly prominent role. NBC reports across the following four segments: Personal & Commercial Banking (PCB), Wealth Management (WM), Financial Markets (FM) and US Specialty Finance & International (USSF&I). PCB (41.0%), FM (25.0%), WM (23.0%) and USSF&I (11.0%) all contributed towards total Revenue (excluding the Other segment) in Q1 2024. In the loan portfolio (gross loan volume CAD 230.2bn), the shares of loans to retail customers and non-retail customers are roughly equal at 52.4% and 47.4% respectively (Q1 2024). Quebec accounts for 53.0% of the regional breakdown of the lending portfolio, followed by Ontario at 27.2%. NBC has designated 95.0% of the loans in the retail portfolio as secured. A total of 72.0% of Canadian mortgage loans have a fixed interest rate. Customer deposits account for the overwhelming majority of the bank's funding mix, which is supplemented by capital market placements. The Sustainability Framework published in 2022 allows issuance proceeds to be used for efficient and renewable energy as well as sustainable and social housing. By the end of October 2023, NBC had issued a total of CAD 5.5bn in sustainable bonds, around 66% of which are allocated to the category of Sustainability Bonds. The financial year of NBC ends on 31 October each year.

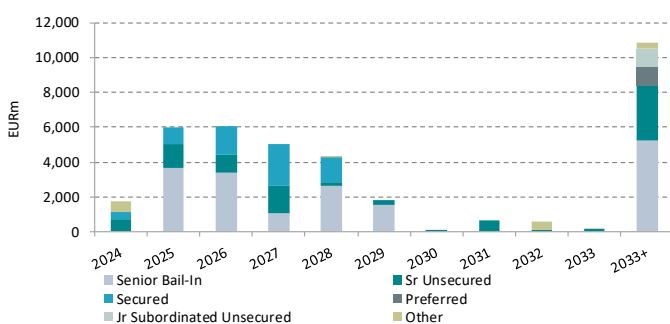
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	153,318	153,636	160,239
Total Securities	114,762	102,627	112,795
Total Deposits	195,067	194,367	210,778
Tier 1 Common Capital	10,989	11,531	12,512
Total Assets	299,408	288,593	303,645
Total Risk-weighted Assets	86,647	85,589	92,925

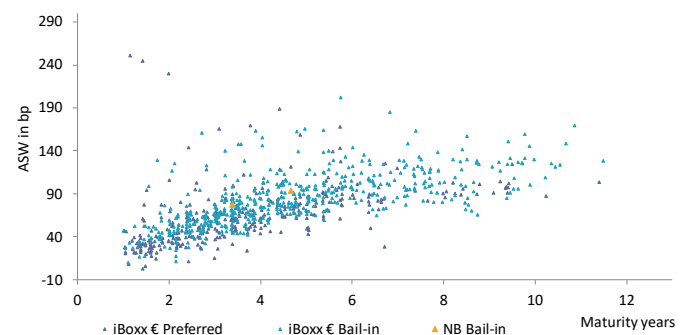
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	3,835	2,478	520
Net Fee & Commission Inc.	2,245	2,218	582
Net Trading Income	631	2,024	859
Operating Expense	3,805	3,874	1,036
Credit Commit. Impairment	102	272	100
Pre-tax Profit	3,112	2,700	882

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3	2022Y	2023Y	2024Q3
Net Interest Margin	1.51	0.93	0.72	Liquidity Coverage Ratio	-	-
ROAE	16.74	14.60	16.70	IFRS Tier 1 Leverage Ratio	3.89	4.22
Cost-to-Income	54.19	56.26	53.34	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	12.68	13.47	13.46	Reserves/Loans at Amort. Cost	0.48	0.55

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional market position (Quebec)
- Profitability
- Capitalisation

## Risks / Weaknesses

- Geographical concentration risks
- Private household debt level in Canada
- Volatility of capital market-based revenue sources

# National Bank of Canada – Mortgage

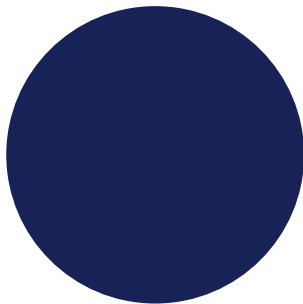
Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	15,647	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,123	Rating (S&P)	-
-thereof ≥ EUR 500m	54.8%	Rating (Fitch)	AAA
Current OC (nominal)	71.5%	Rating (DBRS)	AAA
Committed OC	7.5%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% Canada	Collateral score	4.0%
Main region	67% Quebec	RRL	-
Number of loans	153,826	JRL	-
Number of borrowers	119,538	Unused notches	-
Avg. exposure to borrowers (EUR)	130,893	AAA credit risk (%)	-
WAL (cover pool)	1.9y	PCU	6
WAL (covered bonds)	2.4y	Recovery uplift	2
Fixed interest (cover pool)	76.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	84.3%	LCR eligible	Yes
LTV (indexed)	49.8%	LCR level (Bmk)	2A
LTV (unindexed)	60.1%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

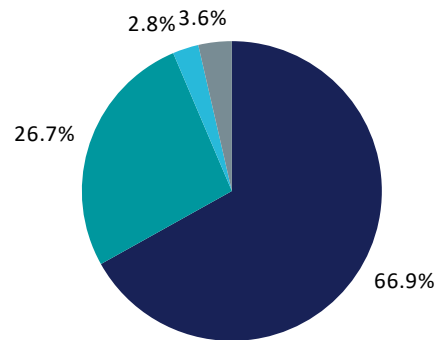
## Borrower Types



100.0%

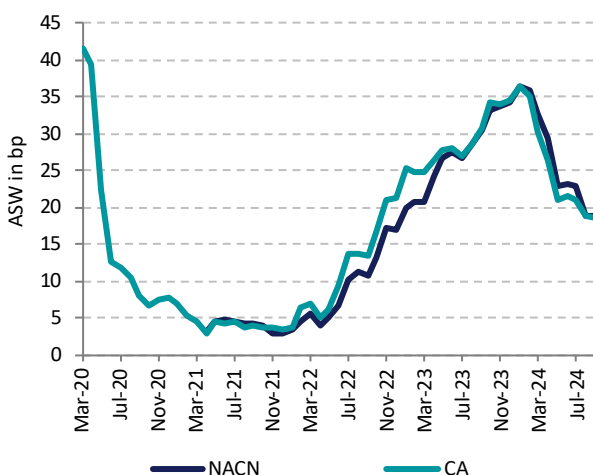
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

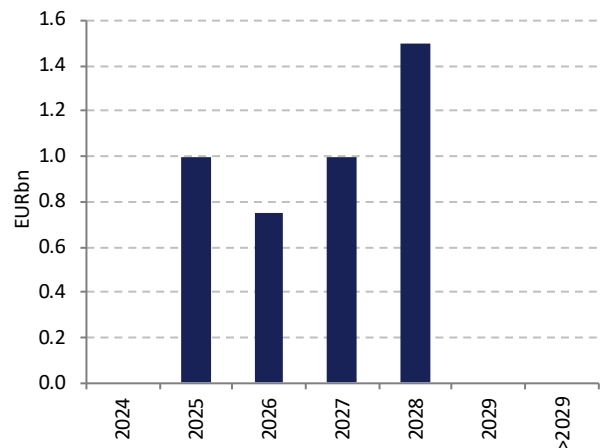


■ Quebec ■ Ontario ■ British Columbia ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Royal Bank of Canada

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Royal Bank of Canada

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

## Homepage

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

Headquartered in Toronto, Royal Bank of Canada (RBC) is the 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: 1.0%). As a major universal bank offering a broad spectrum of financial products and services, RBC has 97,000 employees serving more than 17m customers and is active in 29 countries. As at Q1 2024, 61.0% of income from the previous twelve months was generated in Canada, while the USA accounted for 26.0%. Moreover, according to its own information, RBC ranks among the top ten largest banks in the world (as measured by market capitalisation). RBC reports in four main segments: Personal & Commercial Banking (PCB; 54.0% of the earnings in Q1 2024), Capital Markets (27.0%), Wealth Management (14%) and Insurance (5.0%). RBC is among the market leaders in all core areas of the Canadian banking business, while its focus is also on Canada in terms of lending (Q1 2024: 75.0%). The largest shares of the loan portfolio are attributable to the areas of real estate financing (Q1 2024; 49.0%), wholesale (35.0%) and personal loans (11.0%). Having signed an agreement to purchase HSBC Bank Canada in November 2022, the transaction was finally closed in March 2024. HSBC Bank Canada's outstanding covered bonds are being transferred to the RBC programme. RBC has a green bond asset portfolio of CAD 4.1bn (FY 2023), the majority of which goes towards electric vehicles (54.0%) and energy efficient buildings (19.0%). The financial year of RBC ends on 31 October.

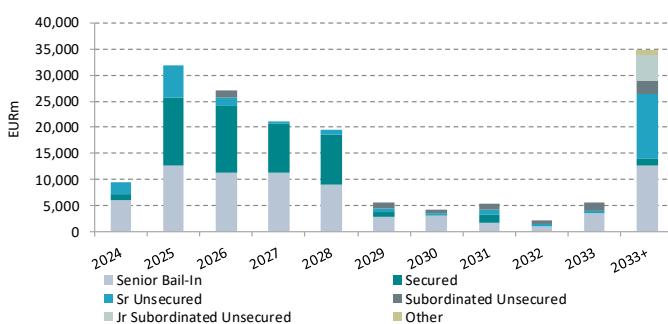
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	608,074	581,151	650,055
Total Securities	586,228	608,137	583,463
Total Deposits	863,800	808,936	882,923
Tier 1 Common Capital	57,061	59,024	57,681
Total Assets	1,421,782	1,367,419	1,388,751
Total Risk-weighted Assets	452,277	406,317	442,275

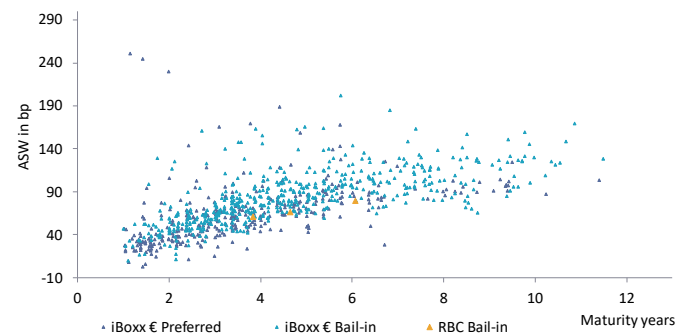
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	16,528	17,361	4,950
Net Fee & Commission Inc.	14,645	14,303	4,012
Net Trading Income	1,460	2,679	559
Operating Expense	19,345	20,951	5,699
Credit Commit. Impairment	362	1,724	449
Pre-tax Profit	14,630	12,562	3,630

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3	2022Y	2023Y	2024Q3
Net Interest Margin	1.27	1.33	1.52	Liquidity Coverage Ratio	-	-
ROAE	15.28	13.41	14.58	IFRS Tier 1 Leverage Ratio	4.41	4.69
Cost-to-Income	56.33	58.73	57.65	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	12.62	14.53	13.04	Reserves/Loans at Amort. Cost	0.46	0.59

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market position in Canada
- Risk management culture

## Risks / Weaknesses

- Private household debt level in Canada
- Dependency on wholesale funding
- Volatility in the capital markets segment



# Royal Bank of Canada – Mortgage

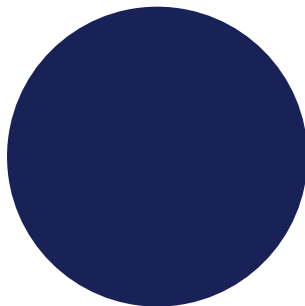
Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

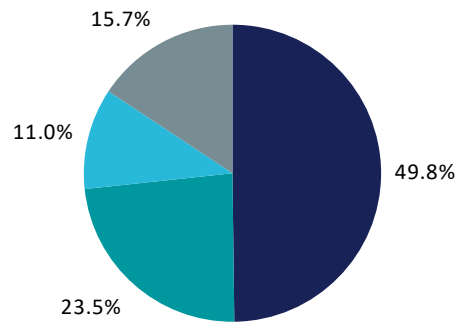
Cover pool volume (EURm)	78,331	Rating (Moody's)	Aaa
Amount outstanding (EURm)	48,242	Rating (S&P)	-
-thereof ≥ EUR 500m	42.0%	Rating (Fitch)	AAA
Current OC (nominal)	62.4%	Rating (DBRS)	AAA
Committed OC	7.5%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	6
Main country	100% Canada	Collateral score	4.0%
Main region	50% Ontario	RRL	-
Number of loans	431,793	JRL	-
Number of borrowers	358,882	Unused notches	-
Avg. exposure to borrowers (EUR)	218,264	AAA credit risk (%)	-
WAL (cover pool)	1.8y	PCU	6
WAL (covered bonds)	3.0y	Recovery uplift	2
Fixed interest (cover pool)	74.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	65.3%	LCR eligible	Yes
LTV (indexed)	49.7%	LCR level (Bmk)	2A
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



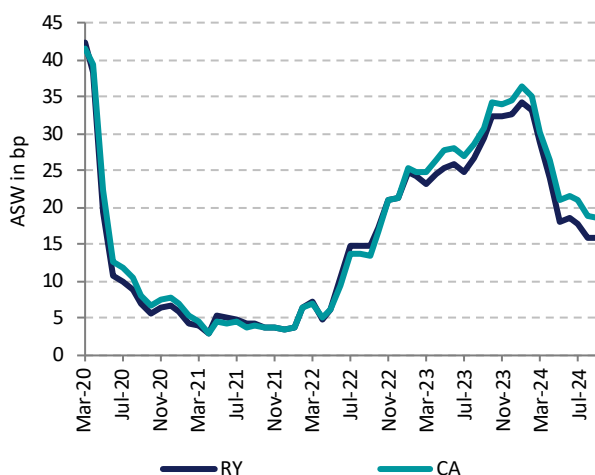
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

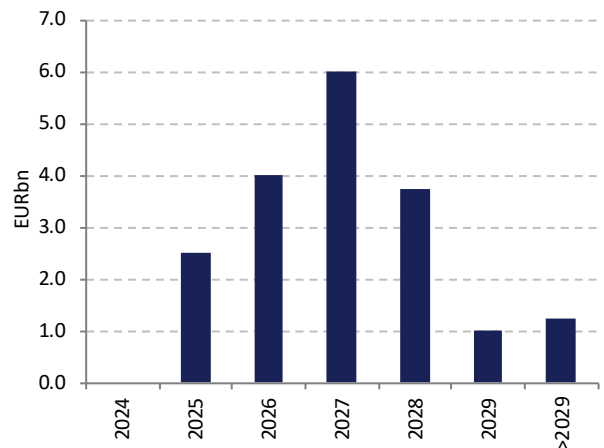


■ Ontario ■ British Columbia ■ Quebec ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Toronto-Dominion Bank

Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Toronto-Dominion Bank/The

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

## Homepage

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

Toronto-Dominion Bank (TD) and its subsidiaries together form the TD Bank Group, headquartered in Toronto. In terms of deposits and assets, TD is the second largest banking group in Canada and the sixth largest across North America as a whole (Q1 2024). TD is also classified as a global systemically important bank (G-SIB; additional capital buffer: 1.0%). With more than 103,000 employees, TD serves in excess of 31m customers worldwide (Q1 2024). The North American focus of the banking group is reflected in its reporting. In this context, the bank mainly reports in the following four segments: Canadian Personal and Commercial Banking (Q1 2024: 51.7% of net income), U.S. Retail (26.3%), Wealth Management and Insurance (16.1%) and Wholesale Banking (5.9%). Geographically, 60.9% of the loan portfolio is attributable to Canada and 27.8% to the USA. Most of the funding mix consists of deposits from retail and business customers (70.0%). The vast majority of the wholesale funding is made up of senior unsecured funding (Q1 2024: 53.0%) and covered bonds (29.0%). In March 2023, TD announced the closing of its acquisition of the business and investment bank Cowen Inc. Meanwhile, negotiations for the acquisition of First Horizon Corp. were discontinued due to a delayed approval procedure. TD has both a Sustainable Bonds Framework and a Green Bond Framework, as part of which the bank regularly places bonds on the market. The issuance volume in both sustainable formats amounted to CAD 3.5bn as at the end of the first quarter. The financial year ends on 31 October.

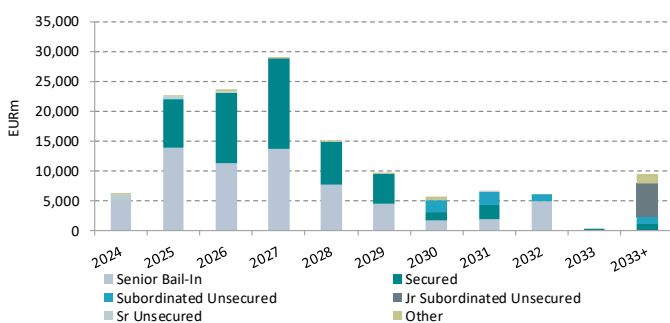
## Balance Sheet

(EURm)	2022Y	2023Y	2024Q3
Net Loans to Customers	629,168	625,006	643,515
Total Securities	607,235	554,501	535,643
Total Deposits	1,022,021	947,218	944,687
Tier 1 Common Capital	62,049	56,098	52,428
Total Assets	1,422,011	1,332,397	1,315,888
Total Risk-weighted Assets	383,435	389,237	408,364

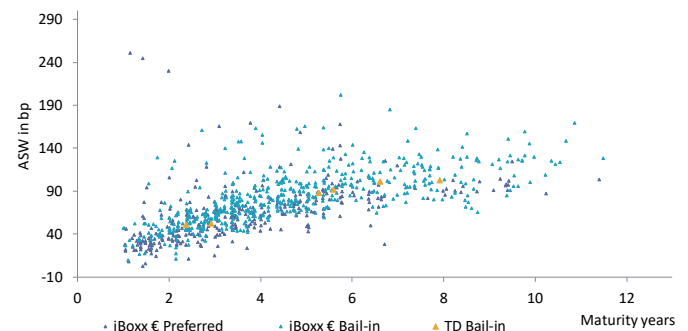
## Income Statement

(EURm)	2022Y	2023Y	2024Q3
Net Interest Income	19,901	20,688	5,120
Net Fee & Commission Inc.	9,636	9,439	2,506
Net Trading Income	-146	-	844
Operating Expense	17,845	18,495	7,302
Credit Commit. Impairment	781	2,026	724
Pre-tax Profit	14,859	8,904	286

## Redemption Profile



## Senior Unsecured Bonds (EUR BMK)



## Company Ratios

	2022Y	2023Y	2024Q3	2022Y	2023Y	2024Q3
Net Interest Margin	1.69	1.74	1.71	Liquidity Coverage Ratio	-	-
ROAE	17.02	9.40	-0.65	IFRS Tier 1 Leverage Ratio	4.63	4.42
Cost-to-Income	56.48	56.61	86.42	Gr. Imp. Loans/ Loans at Am. Cost	-	-
Core Tier 1 Ratio	16.18	14.41	12.84	Reserves/Loans at Amort. Cost	0.77	0.79

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in Canada and the USA
- Asset quality
- Liquidity

## Risks / Weaknesses

- Competitive pressure in the USA
- Private household debt level in Canada
- Dependency on wholesale funding

# Toronto-Dominion Bank – Mortgage

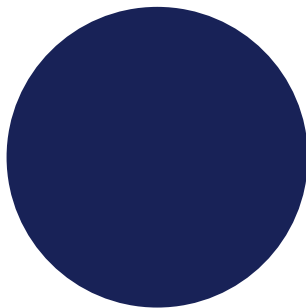
Canada 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

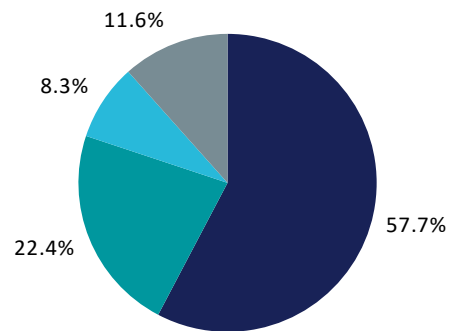
Cover pool volume (EURm)	63,584	Rating (Moody's)	Aaa
Amount outstanding (EURm)	44,217	Rating (S&P)	-
-thereof ≥ EUR 500m	51.5%	Rating (Fitch)	AAA
Current OC (nominal)	43.8%	Rating (DBRS)	AAA
Committed OC	3.1%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Canada	Collateral score	4.0%
Main region	58% Ontario	RRL	-
Number of loans	286,507	JRL	-
Number of borrowers	276,570	Unused notches	-
Avg. exposure to borrowers (EUR)	229,903	AAA credit risk (%)	-
WAL (cover pool)	1.9y	PCU	6
WAL (covered bonds)	3.0y	Recovery uplift	2
Fixed interest (cover pool)	74.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	66.8%	LCR eligible	Yes
LTV (indexed)	51.2%	LCR level (Bmk)	2A
LTV (unindexed)	67.6%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



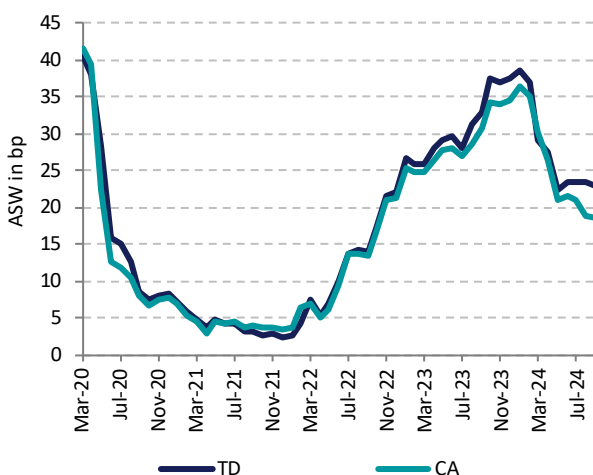
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

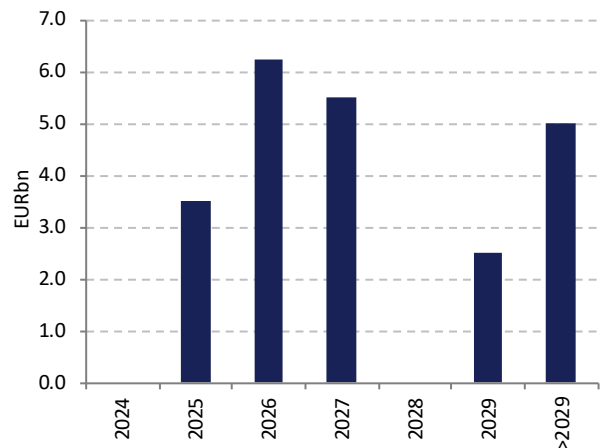


■ Ontario ■ British Columbia ■ Alberta ■ Others

## Spread Development



## Redemption Profile (Bmk)

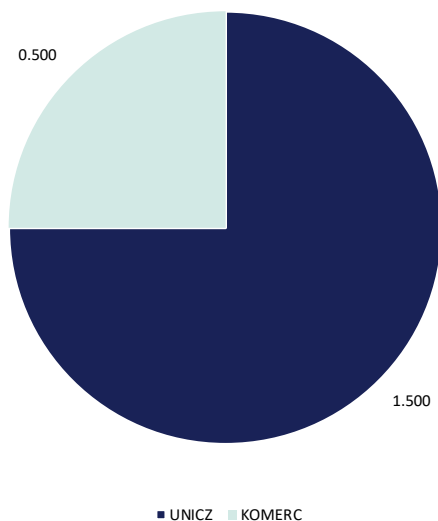


# Market Overview Covered Bonds

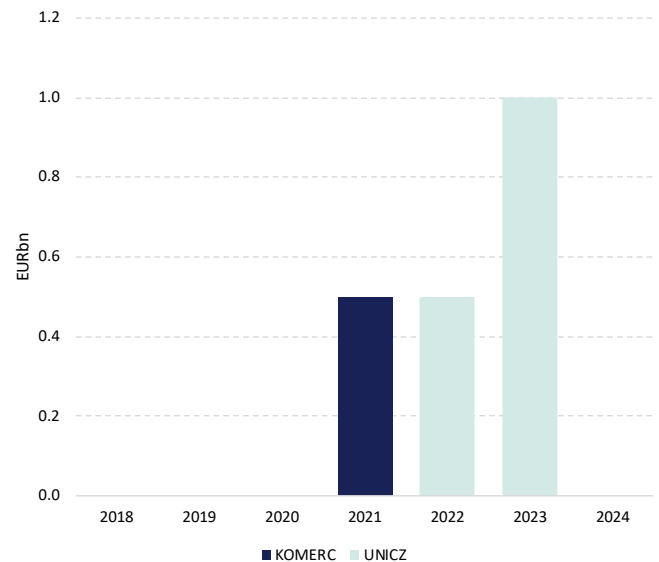
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 7.99bn	Outstanding volume (Bmk)	EUR 2.00bn
Amount outstanding	EUR 5.66bn	Number of benchmarks	4
Number of issuers	2	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	2	Number of ESG benchmarks	1
there of M / PS / others	2 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB

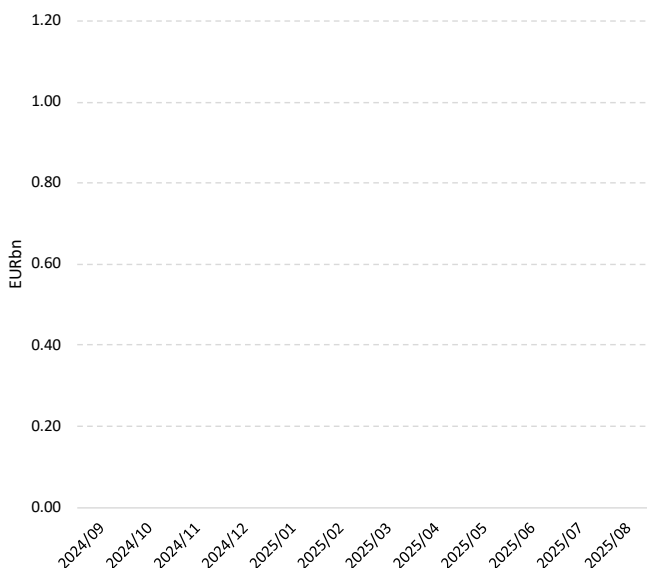
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



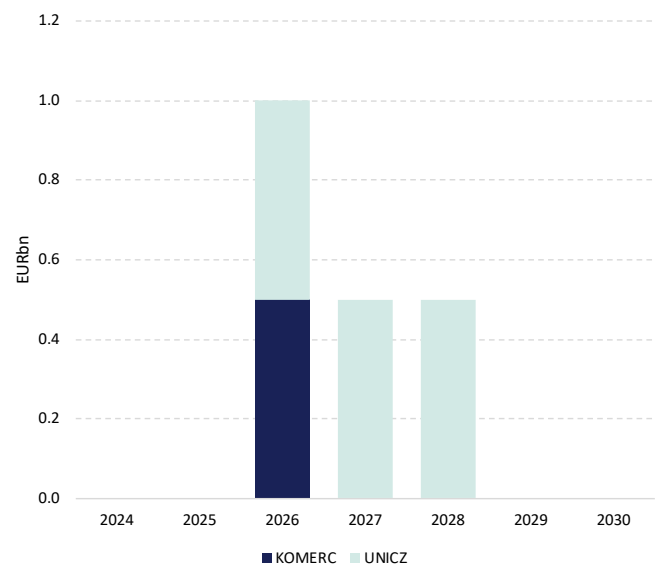
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Komerční Banka

Czechia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Komerční Banka AS

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Originally founded in 1990, Komerční Banka, a.s. (KB) is the parent company of the KB Group and part of the Societe Generale Group, which, as a strategic investor, holds 60.4% of shares in the institute (31 March 2024). The remaining shares are listed on the Prague stock exchange. According to information from KB itself, it boasts a leading position in Czechia as well as Central and Eastern Europe in a wider sense. KB is classified as a domestic systemically important bank (D-SIB) by the Czech central bank. In addition to the traditional banking business, the KB Group also offers products and services in the areas of pensions and building society savings contracts, leasing, factoring, consumer loans and insurance. KB reports across the segments of Retail Banking (FY 2023: 52.9% of net operating income), Corporate Banking (37.6%), Investment Banking (2.6%) and Other (6.9%). The loan portfolio of the KB Group mostly consists of corporate and other loans (Q1 2024: 50.3%) as well as mortgage loans to private individuals (33.7%). At 76.1%, customer deposits constitute the largest share of the funding mix of KB (as measured by liabilities). In order to comply with the MREL requirements stipulated by the regulatory authorities, KB concluded an agreement with its parent company for senior non-preferred loans in the amount of EUR 900m in 2023. As a member of the Net-Zero Banking Alliance, KB is pursuing the aim of achieving carbon neutrality by 2050. In 2023, the share of ESG investment loans in the total number of newly granted investment loans stood at 53.6%. The KB Group is expected to publish the first data on its green asset ratio in 2024.

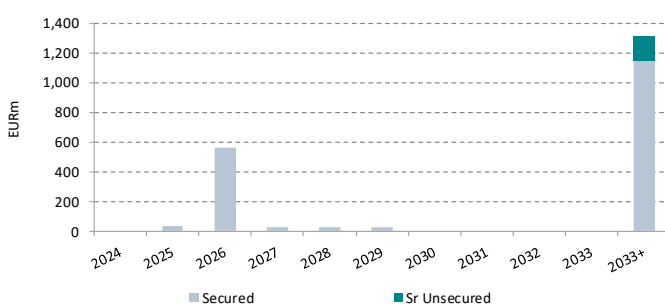
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	32,349	33,744	33,219
Total Securities	10,178	9,119	8,304
Total Deposits	39,354	45,633	47,935
Tier 1 Common Capital	4,082	4,037	3,995
Total Assets	54,033	61,383	61,240
Total Risk-weighted Assets	21,649	22,827	22,392

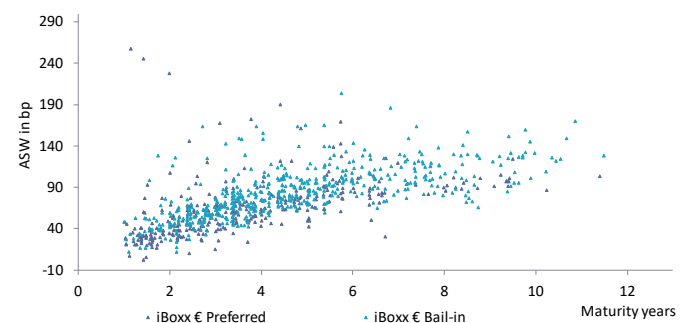
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,166	1,067	497
Net Fee & Commission Inc.	249	267	130
Net Trading Income	149	160	68
Operating Expense	652	722	363
Credit Commit. Impairment	48	1	23
Pre-tax Profit	889	796	317

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	2.07	1.80	1.62	Liquidity Coverage Ratio	160.00	145.00	170.00
ROAE	13.96	12.64	10.14	IFRS Tier 1 Leverage Ratio	8.00	6.78	-
Cost-to-Income	41.11	47.55	51.43	NPL / Loans at Amortised Cost	2.35	1.83	1.95
Core Tier 1 Ratio	18.86	17.68	17.84	Reserves/Loans at Amort. Cost	1.75	1.43	1.51

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Domestic market position
- Capitalisation

## Risks / Weaknesses

- Credit concentration (corporate lending)
- Share of corporate deposits

# Komerční Banka – Mortgage

Czechia 

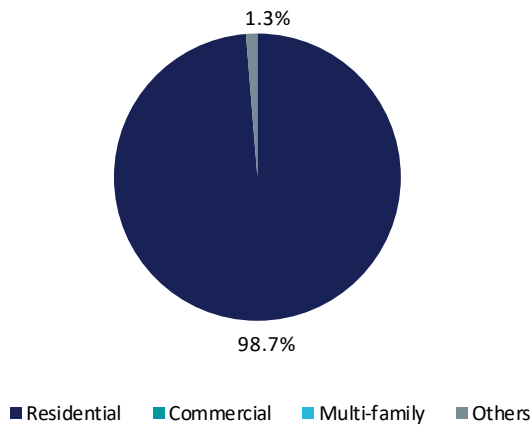
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

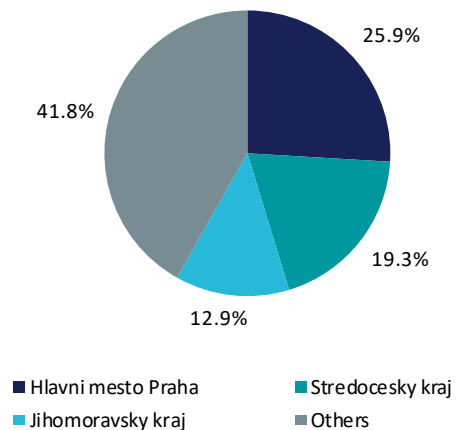
Cover pool volume (EURm)	622
Amount outstanding (EURm)	500
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	24.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Czechia
Main region	26% Hlavní město Praha
Number of loans	9,972
Number of borrowers	9,936
Avg. exposure to borrowers (EUR)	61,828
WAL (cover pool)	11.3y
WAL (covered bonds)	1.6y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	59.9%
Loans in arrears	0.0%

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

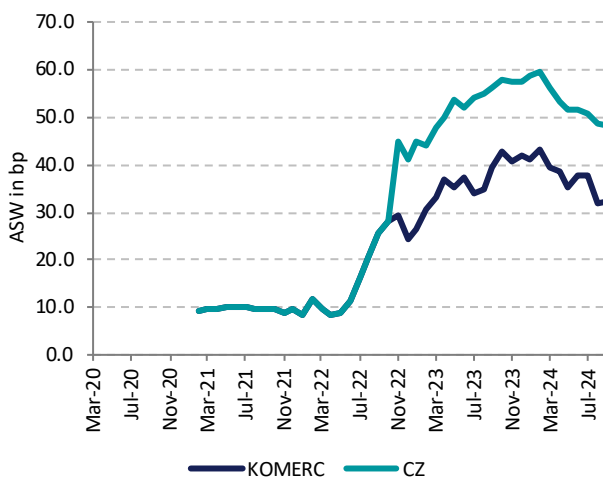
## Borrower Types



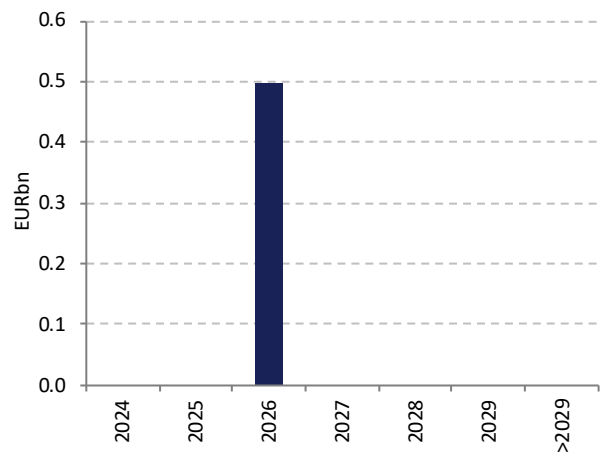
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# UniCredit Bank Czech Republic and Slovakia

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### UniCredit Bank Czech Republic & Slovakia AS

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Headquartered in Prague, UniCredit Bank Czech Republic and Slovakia (UniCredit CZ) is the fourth largest bank in Czechia. As a wholly owned subsidiary of the UniCredit Group, a global systemically important bank (G-SIB), the bank operates with a particular focus on Eastern European countries. In geographical terms, more than two thirds (FY 2023: 79.3%) of total assets are attributable to the bank's business in Czechia, while Slovakia accounts for a lower share of 20.7%. UniCredit CZ employs around 2,100 staff in Czechia and 970 staff in Slovakia across 104 branches. As a universal bank, UniCredit CZ offers comprehensive services in the areas of retail, commercial and investment banking. In addition to the original banking business, UniCredit CZ also provides its customers with services via its subsidiaries in the areas of leasing, factoring and real estate. The bank reports across the segments of Retail and Private Banking, Corporate and Investment Banking, Leases and the business segment Other. In 2023, a total of CZK 13bn was issued in ESG corporate loans. The volume of sustainable loans comprises 19% of the long-term corporate loans of UniCredit CZ. Moreover, the share of corporate loans in the net customer loan portfolio amounts to 68.2% (FY 2023), while loans to retail customers account for a share of 31.8%. Of the loans to retail customers, mortgages comprise 87.6%. The bank's funding mix is primarily based on customer deposits (69.8% of liabilities; incl. lease liabilities). UniCredit CZ is striving to achieve carbon neutrality in its loan portfolio by 2040. In May 2023, the bank placed the first green covered bond in benchmark format on the Czech market.

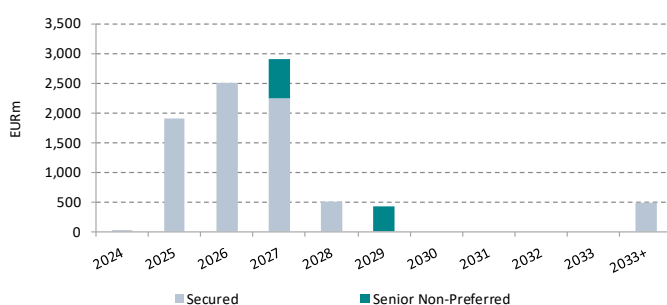
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	19,425	22,233	24,334
Total Securities	2,772	4,132	4,111
Total Deposits	18,895	20,837	24,993
Tier 1 Common Capital	3,157	3,285	3,211
Total Assets	27,870	31,726	35,783
Total Risk-weighted Assets	14,548	14,248	14,340

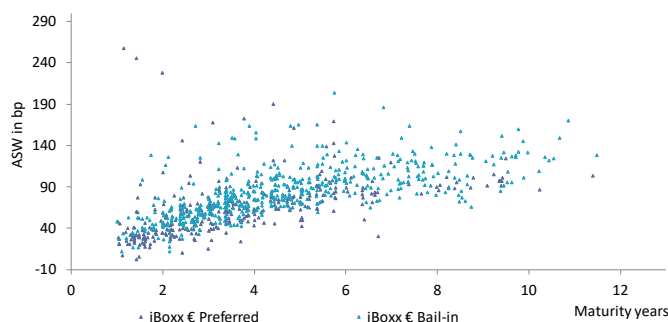
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	506	594	643
Net Fee & Commission Inc.	140	155	153
Net Trading Income	99	96	125
Operating Expense	351	391	430
Credit Commit. Impairment	79	59	21
Pre-tax Profit	345	454	524

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.95	2.04	1.90	Liquidity Coverage Ratio	-	-	-
ROAE	8.34	11.18	12.45	IFRS Tier 1 Leverage Ratio	12.27	11.61	9.62
Cost-to-Income	45.32	43.05	44.31	NPL / Loans at Amortised Cost	2.55	1.91	1.48
Core Tier 1 Ratio	21.70	23.06	22.39	Reserves/Loans at Amort. Cost	2.24	2.06	1.85

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Profitability
- Share of NPLs

## Risks / Weaknesses

- Risks in the real estate and construction sector
- Dependency on corporate deposits (volatility)
- Lending restrictions imposed by the UniCredit Group

# UniCredit Bank CZ and SK – Mortgage

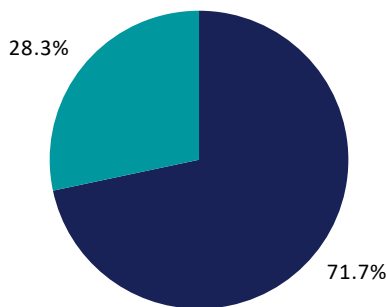
Czechia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

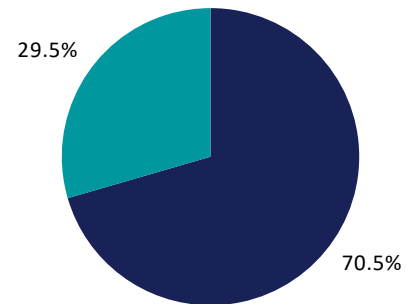
Cover pool volume (EURm)	7,365	Rating (Moody's)	Aa2
Amount outstanding (EURm)	5,155	Rating (S&P)	-
-thereof ≥ EUR 500m	29.1%	Rating (Fitch)	-
Current OC (nominal)	42.9%	Rating (DBRS)	-
Committed OC	10.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	71% Czechia	Collateral score	12.5%
Main region	26% Hlavni mesto Praha	RRL	-
Number of loans	84,174	JRL	-
Number of borrowers	75,414	Unused notches	-
Avg. exposure to borrowers (EUR)	97,663	AAA credit risk (%)	-
WAL (cover pool)	16.7y	PCU	-
WAL (covered bonds)	2.5y	Recovery uplift	-
Fixed interest (cover pool)	77.5%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	40.3%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	58.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



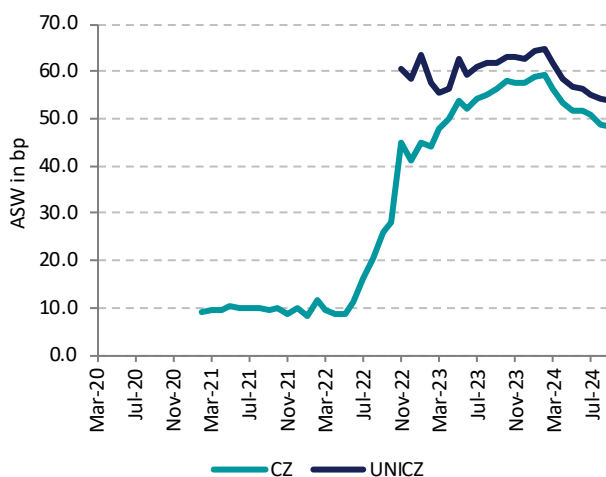
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



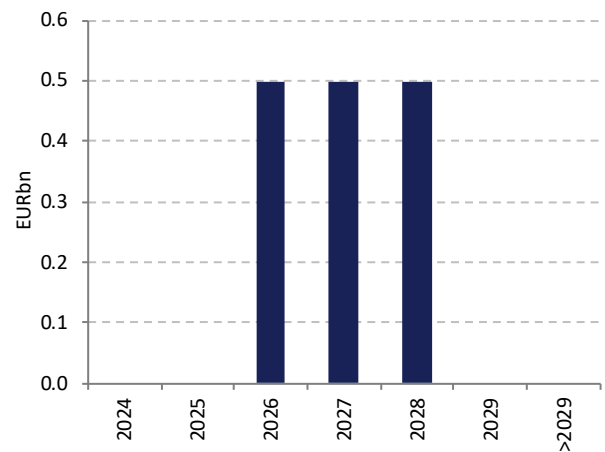
■ Czechia ■ Slovakia ■ ■

## Spread Development



— CZ — UNICZ

## Redemption Profile (Bmk)





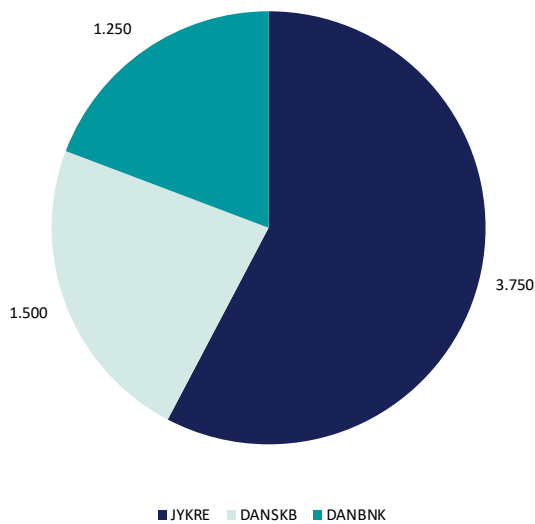
# Market Overview Covered Bonds

Denmark 

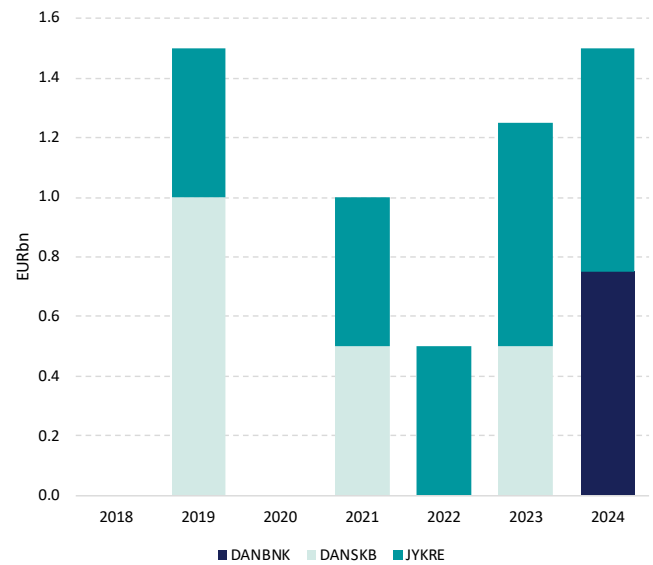
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 59.94bn	Outstanding volume (Bmk)	EUR 6.50bn
Amount outstanding	EUR 55.00bn	Number of benchmarks	11
Number of issuers	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

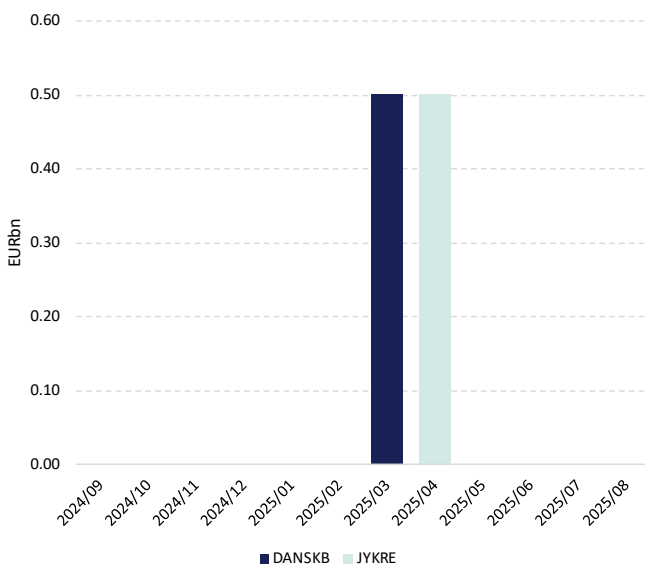
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



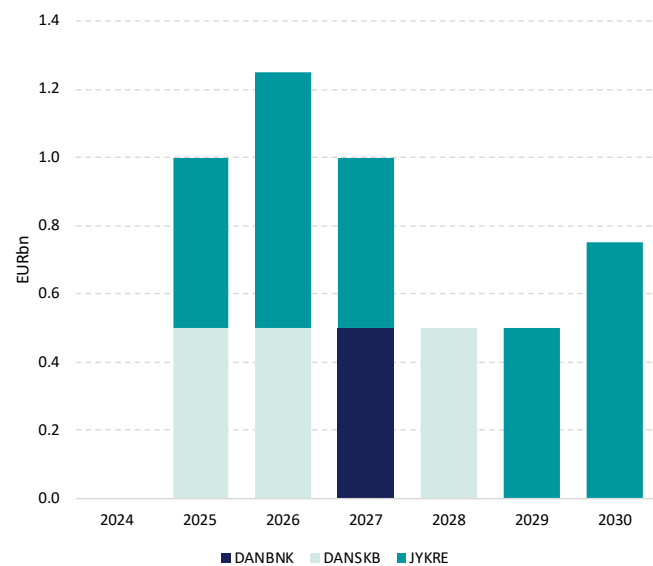
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Danish Ship Finance

Denmark 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Danmarks Skibskredit A/S

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

## Homepage

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

Danish Ship Finance A/S (DSF, Danmarks Skibskredit) is a special financier for the maritime industry, with a focus on both the Danish and international markets. In FY 2023, Danish Ship Finance Holding A/S (DSFH) acquired 86.6% of all shares in DSF. In June 2024, the Danish regulatory authorities approved the sale of the shares in DSFH to Magellan Capital Holding Ltd. The business model of DSF is based on three pillars: loans to ship owners (FY 2023; Lending segment: 54.8% of net profit), investments in highly liquid assets (Investments: 43.7%) and refinancing of the lending business, mainly through covered bonds and macro-hedging (Funding: 1.5%). The credit risk (FY 2023) is diversified via ship types, customers and countries. Looking at the loan portfolio, the most financed ship types include bulk carriers (20.1%), crude oil tankers (15.3%) and product tankers (13.2%). The bank's five biggest credit commitments (FY 2023: 32.7% of the loan portfolio) are secured by mortgages on 61 ships, split across nine ship categories. In terms of refinancing, the focus is on bond issuances (share of the funding mix: 81.1%). Most covered bonds are issued in DKK and EUR, while loans are mainly denominated in USD. DSF is pursuing a strategic target of supporting the sustainable transformation of the shipping sector into a carbon-neutral industry. As such, DSF intends for more than 50% of newly issued loans in 2024 to be sustainability-related issuances, before rising to 100% in 2025. In 2023, the ratio of sustainability-related, newly issued loans amounted to 24%.

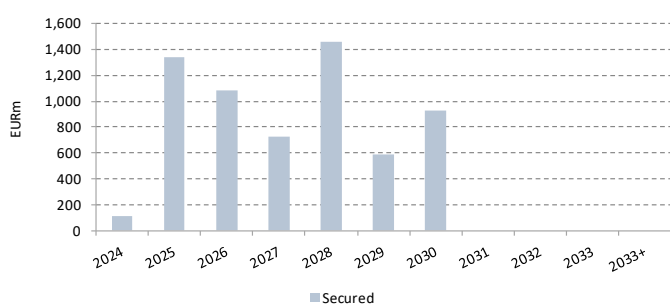
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	4,575	4,184	4,395
Total Securities	3,215	3,868	3,730
Total Deposits	-	-	-
Tier 1 Common Capital	1,245	1,335	1,205
Total Assets	7,907	8,617	8,372
Total Risk-weighted Assets	5,699	5,647	5,674

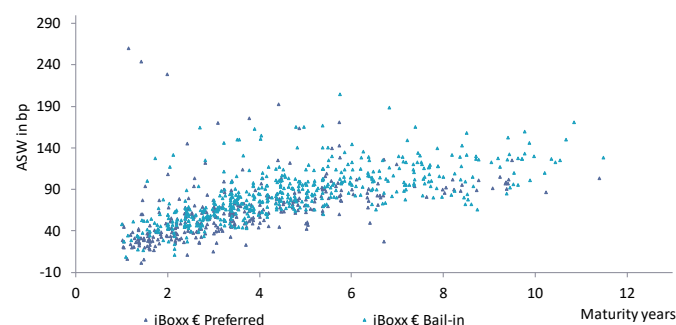
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	84	81	47
Net Fee & Commission Inc.	2	2	1
Net Trading Income	-28	23	15
Operating Expense	25	27	13
Credit Commit. Impairment	-78	-68	-14
Pre-tax Profit	112	147	65

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	560.00	498.00	-
ROAE	6.95	8.11	6.87	IFRS Tier 1 Leverage Ratio	16.97	16.20	-
Cost-to-Income	43.45	25.44	20.08	NPL/Loans at Amortised Cost	3.66	2.90	1.96
Core Tier 1 Ratio	21.85	23.64	21.25	Reserves/Loans at Amort. Cost	2.09	1.96	1.79

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity buffer

## Risks / Weaknesses

- Dependency on wholesale funding
- Concentrated business model

# Danish Ship Finance – Ship

Denmark 

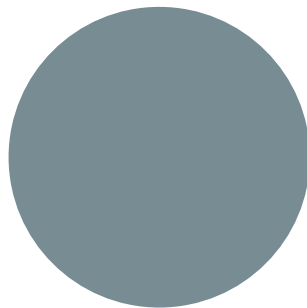
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	1,468
Amount outstanding (EURm)	1,194
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	22.9%
Committed OC	13.3%
Cover type	Ship
Main country	34% Denmark
Main region	n/a
Number of loans	85
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	2.7y
WAL (covered bonds)	3.0y
Fixed interest (cover pool)	1.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	38.0%
LTV (unindexed)	-
Loans in arrears	0.0%

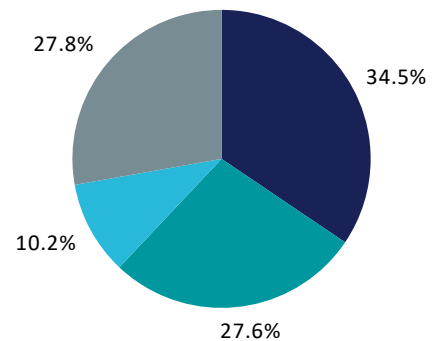
Rating (Moody's)	-
Rating (S&P)	A
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a-
JRL	a
Unused notches	N/A
AAA credit risk (%)	2.5%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	HB

## Borrower Types



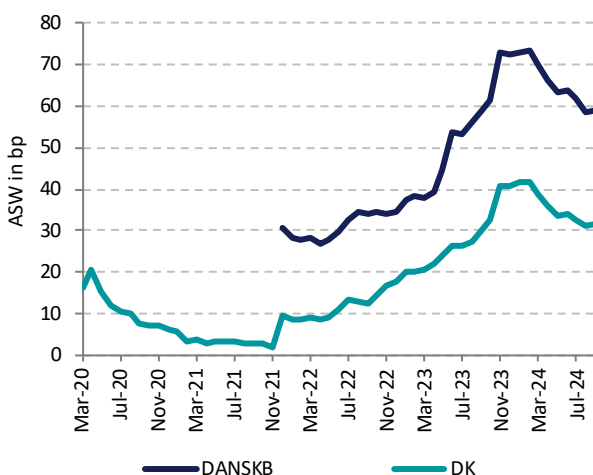
■ Residential ■ Commercial ■ Multi-family ■ Ship

## Regional Distribution



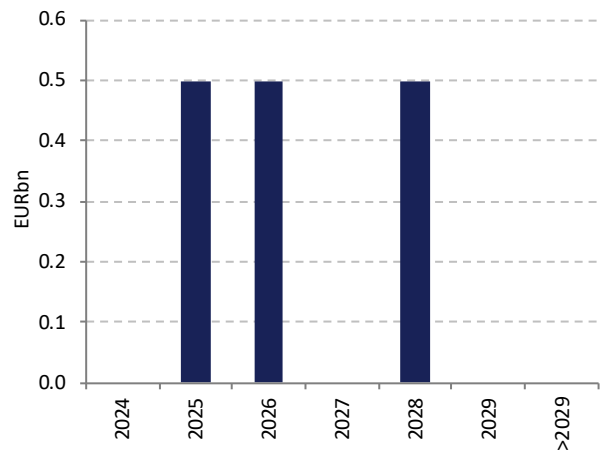
■ Denmark ■ Greece ■ Singapore ■ Others

## Spread Development



— DANKSB — DK

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Danske Bank

Denmark 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Danske Bank A/S

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

## Homepage

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

Danske Bank A/S (Danske) is a Danish universal bank headquartered in Copenhagen. It is the largest institute in the country as measured by total assets. The largest shareholder of the group, which is listed on the Nasdaq Copenhagen, is A.P. Moller Holding (Mærsk Group) with a stake of 21.0% (as at 31 December 2023). The distribution of the branch network reveals a focus on Denmark (FY 2023; 41.7%). Danske has 20,000 staff, who serve 3.2m customers in 10 countries. The bank reports across the main business segments Personal Customers (FY 2023: 30.6% of pre-tax profit), Business Customers (34.7%), Large Corporates & Institutions (LC&I; 32.8%) and Northern Ireland (7.2%), Danica (5.5%) and Group Functions (-10.2%). In Denmark, the bank has a market share of 24% for the lending business and 28% for deposits. The loan portfolio is largely distributed among the areas of retail customers (H1 2024: 39%), of which 24% are located in Denmark, and corporate customers (34%). In February 2024, the Norwegian regulatory authorities approved the sale of the Norwegian retail customer business to Nordea, meaning that the transaction is expected to close before the end of 2024. As at H1 2024, almost half of the long-term funding mix of the bank is attributable to deposits (49%), followed by covered bonds, which are issued via Realkredit Danmark (33.2%). The bank set itself a target of providing DKK 300bn in sustainable financing by 2023, which it ultimately managed to exceed (DKK 365bn). Danske also registered a turnover-based green asset ratio of 1.2% in FY 2023.

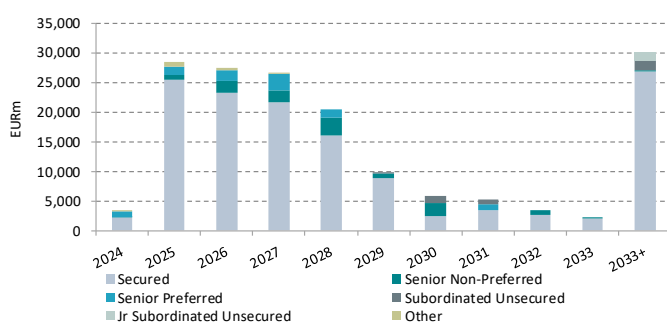
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	270,963	247,784	253,495
Total Securities	124,521	111,639	103,389
Total Deposits	169,702	163,976	158,205
Tier 1 Common Capital	20,058	20,837	21,003
Total Assets	509,602	505,931	504,685
Total Risk-weighted Assets	112,687	111,072	113,465

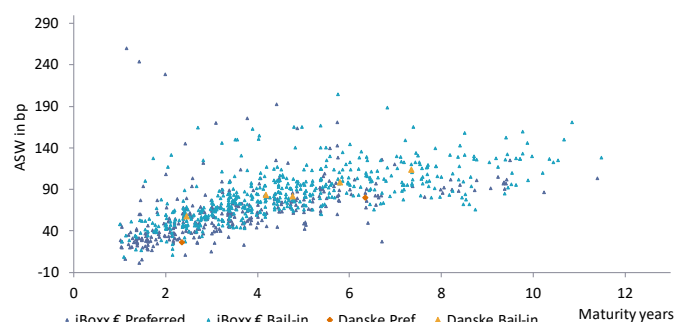
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,374	4,694	2,452
Net Fee & Commission Inc.	1,848	1,732	949
Net Trading Income	98	351	185
Operating Expense	3,567	3,416	1,719
Credit Commit. Impairment	202	35	-13
Pre-tax Profit	-228	3,581	2,051

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.76	1.13	1.22	Liquidity Coverage Ratio	151.04	170.41	186.70
ROAE	-2.73	12.70	13.09	IFRS Tier 1 Leverage Ratio	4.45	4.54	4.46
Cost-to-Income	65.71	48.04	45.79	NPL/Loans at Amortised Cost	2.98	3.56	3.56
Core Tier 1 Ratio	17.80	18.76	18.51	Reserves/Loans at Amort. Cost	1.78	2.14	2.21

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Capitalisation

## Risks / Weaknesses

- Dependency on wholesale funding
- Profitability

# Danske Bank – Mortgage (Pool C)

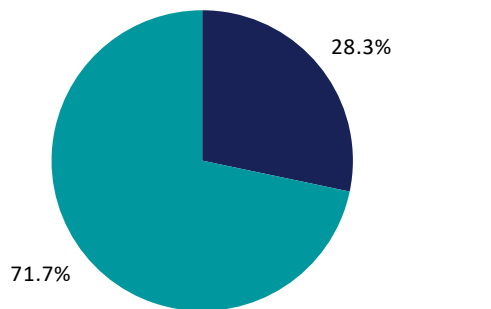
Denmark 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

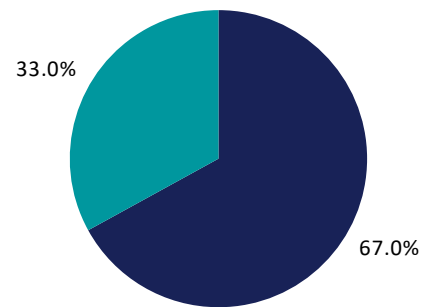
Cover pool volume (EURm)	6,283	Rating (Moody's)	-
Amount outstanding (EURm)	5,129	Rating (S&P)	AAA
-thereof ≥ EUR 500m	9.7%	Rating (Fitch)	AAA
Current OC (nominal)	22.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	67% Sweden	Collateral score	-
Main region	19% Greater Stockholm	RRL	aa
Number of loans	4,210	JRL	aaa
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5%
WAL (cover pool)	4.3y	PCU	6
WAL (covered bonds)	3.5y	Recovery uplift	2
Fixed interest (cover pool)	16.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	48.7%	LCR eligible	Yes
LTV (indexed)	48.6%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



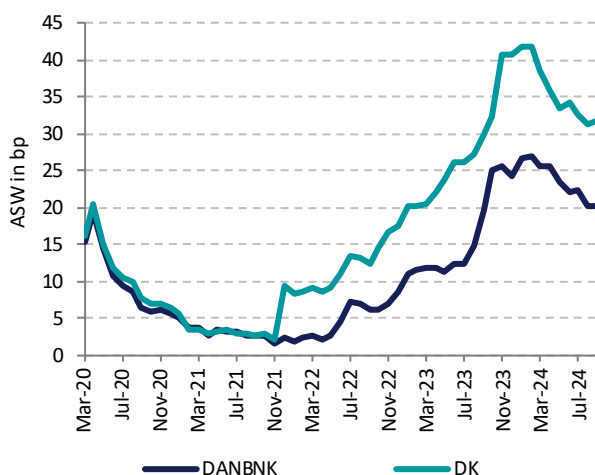
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

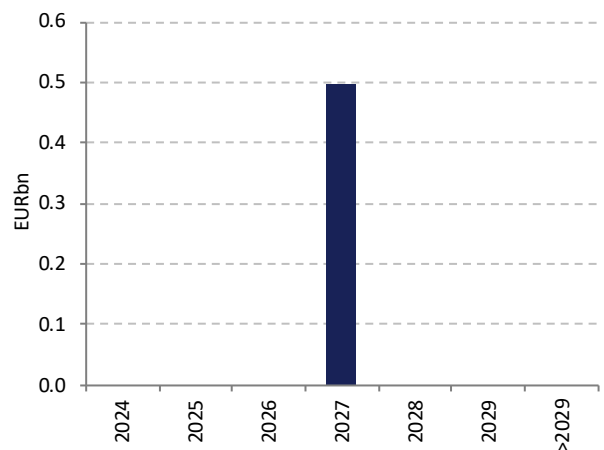


■ Sweden ■ Norway

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Danske Bank – Mortgage (Pool D)

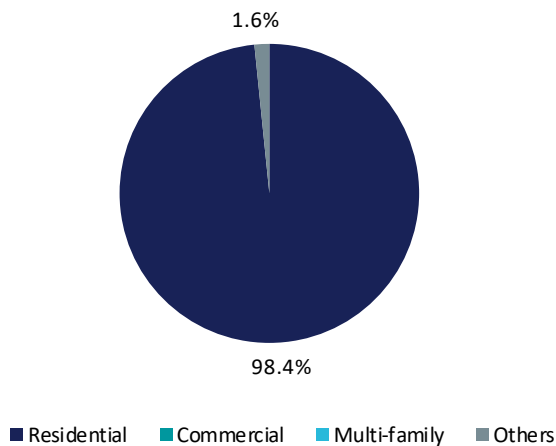
Denmark 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

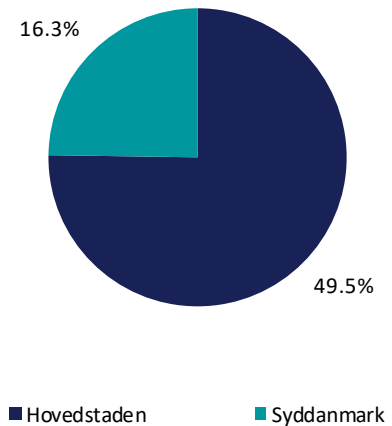
## Cover Pool Data

Cover pool volume (EURm)	6,171	Rating (Moody's)	-
Amount outstanding (EURm)	5,633	Rating (S&P)	AAA
-thereof ≥ EUR 500m	13.3%	Rating (Fitch)	AAA
Current OC (nominal)	9.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Denmark	Collateral score	-
Main region	50% Hovedstaden	RRL	aa
Number of loans	48,857	JRL	aaa
Number of borrowers	40,679	Unused notches	1
Avg. exposure to borrowers (EUR)	149,278	AAA credit risk (%)	7.0%
WAL (cover pool)	23.8y	PCU	6
WAL (covered bonds)	3.5y	Recovery uplift	2
Fixed interest (cover pool)	38.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	91.1%	LCR eligible	Yes
LTV (indexed)	53.6%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

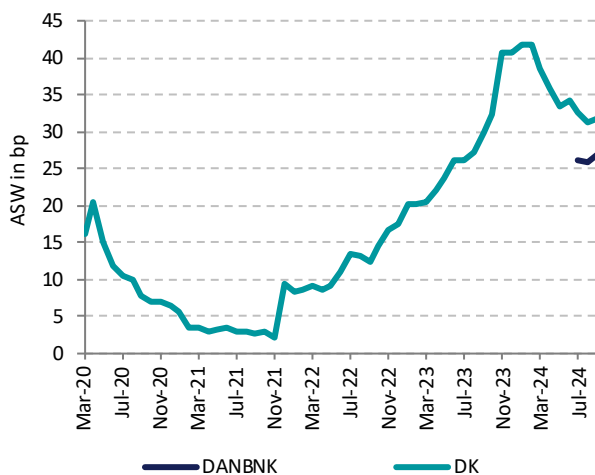
## Borrower Types



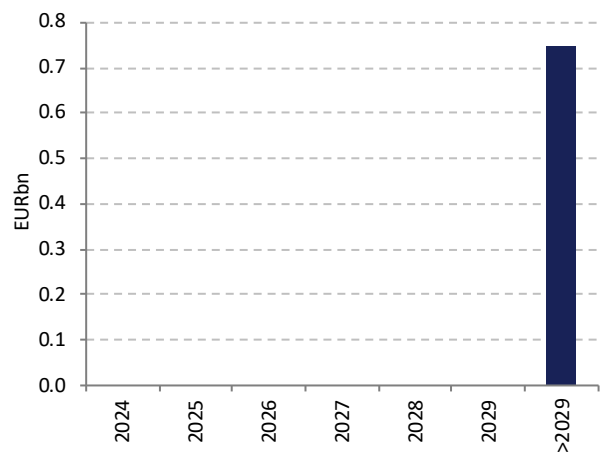
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Jyske Bank

Denmark 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Jyske Bank A/S

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Jyske Bank A/S (Jyske) is the third largest bank in Denmark as measured by total assets (FY 2023). The largest shareholder of Jyske, which is listed on the Nasdaq Copenhagen, is BRFFholding A/S (31 December 2023: 28.1%), a subsidiary of BRFFonden. The mortgage business of the bank is operated by Jyske Realkredit, while Jyske Finans is responsible for leasing and Jyske Bank covers the banking business. The Jyske Group reports across three segments: Banking (59.0% of pre-tax profit: FY 2023), Mortgage (34.0%) and Leasing (7.0%). The major share of the loan portfolio is attributable to retail customers (FY 2023: 49%) and businesses (38%). A total of 86% of the loans are used to finance residential property (of which 53% are owner-occupied properties). In geographical terms, 88% of loans are attributable to Denmark, while 8% is allocated to borrowers from other EU countries. The market shares for mortgage loans and the deposit business each stand at around 12%. In December 2022, the transaction to acquire the Danish business activities of Svenska Handelsbanken was concluded and fully integrated in 2023. As a result, Jyske managed to strengthen its own market position by around one fifth after acquiring the Handelsbanken loan portfolio worth DKK 65.2bn including deposits worth DKK 35.4bn. The majority of the bank's funding consists of covered bonds and other mortgage bonds (FY 2023: 44.0% of liabilities) in addition to customer deposits (25.4%). Jyske Realkredit is an active issuer on the market for green covered bonds, of which it had an outstanding volume of DKK 14bn as at the end of FY 2023. Jyske reported a turnover-based green asset ratio of 3.7% in FY 2023.

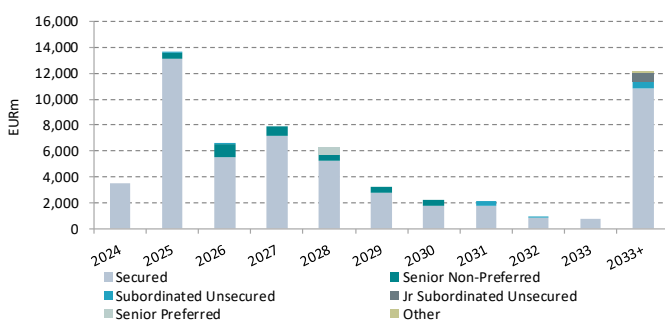
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	72,824	74,771	73,686
Total Securities	16,570	16,261	15,207
Total Deposits	27,053	28,281	26,954
Tier 1 Common Capital	4,511	5,103	5,144
Total Assets	100,829	104,605	103,235
Total Risk-weighted Assets	29,701	30,257	31,000

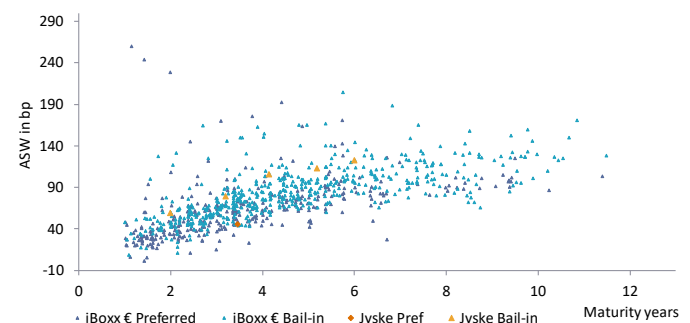
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	793	1,295	647
Net Fee & Commission Inc.	340	346	162
Net Trading Income	-1	220	69
Operating Expense	725	883	449
Credit Commit. Impairment	-81	17	13
Pre-tax Profit	613	1,059	475

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.89	1.29	1.28	Liquidity Coverage Ratio	417.00	211.00	185.00
ROAE	9.66	13.67	10.88	IFRS Tier 1 Leverage Ratio	4.67	5.02	5.10
Cost-to-Income	57.02	44.29	47.66	NPL/Loans at Amortised Cost	5.07	4.38	4.81
Core Tier 1 Ratio	15.19	16.87	16.59	Reserves/Loans at Amort. Cost	2.09	2.20	2.23

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Group franchise in Denmark
- Capitalisation
- Asset quality

## Risks / Weaknesses

- Dependency on wholesale funding
- Concentration risk (property market DK)
- Profitability

# Jyske Realkredit – Mortgage (Pool E)

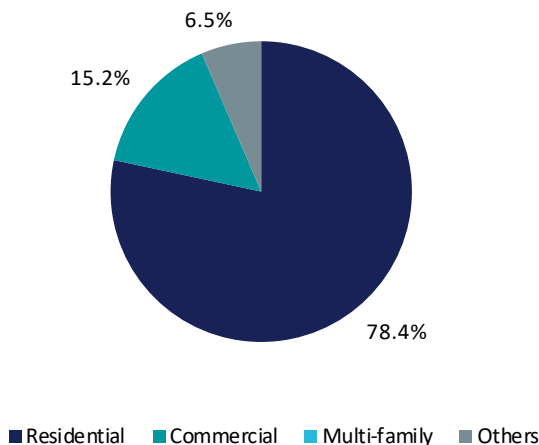
Denmark 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

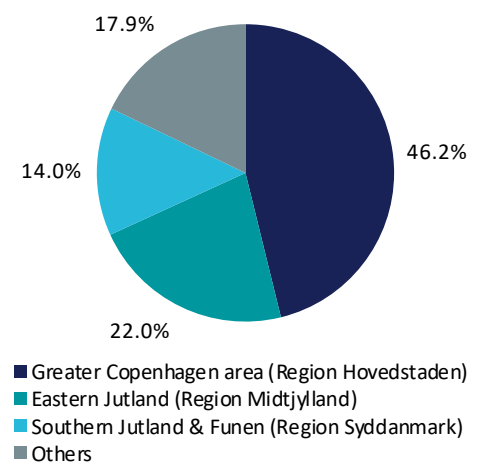
## Cover Pool Data

Cover pool volume (EURm)	46,021	Rating (Moody's)	-
Amount outstanding (EURm)	43,047	Rating (S&P)	AAA
-thereof ≥ EUR 500m	7.0%	Rating (Fitch)	-
Current OC (nominal)	6.9%	Rating (DBRS)	-
Committed OC	0.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Denmark	Collateral score	-
Main region	46% Greater Copenhagen area	RRL	aa
Number of loans	132,296	JRL	aaa
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	25.3%
WAL (cover pool)	24.0y	PCU	-
WAL (covered bonds)	9.2y	Recovery uplift	-
Fixed interest (cover pool)	57.6%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	81.8%	LCR eligible	Yes
LTV (indexed)	51.0%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

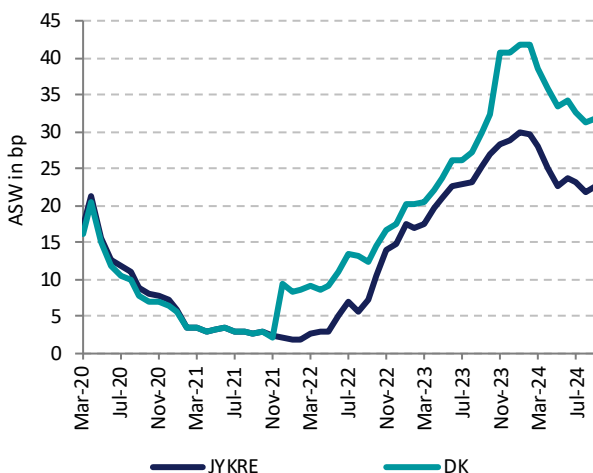
## Borrower Types



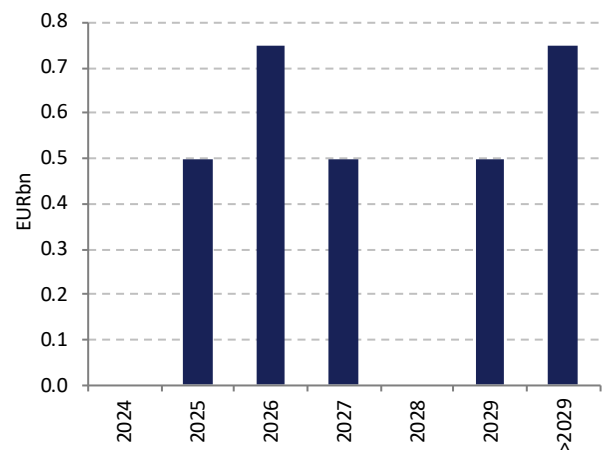
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



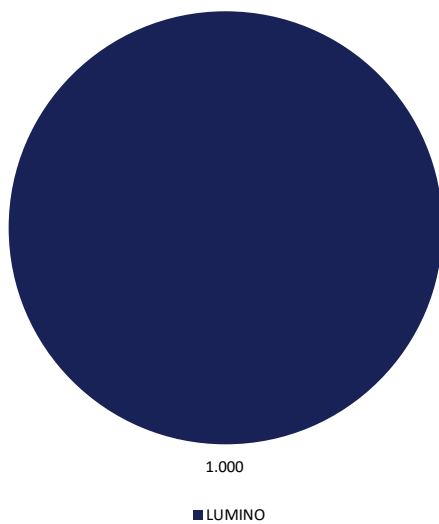
# Market Overview Covered Bonds

Estonia 

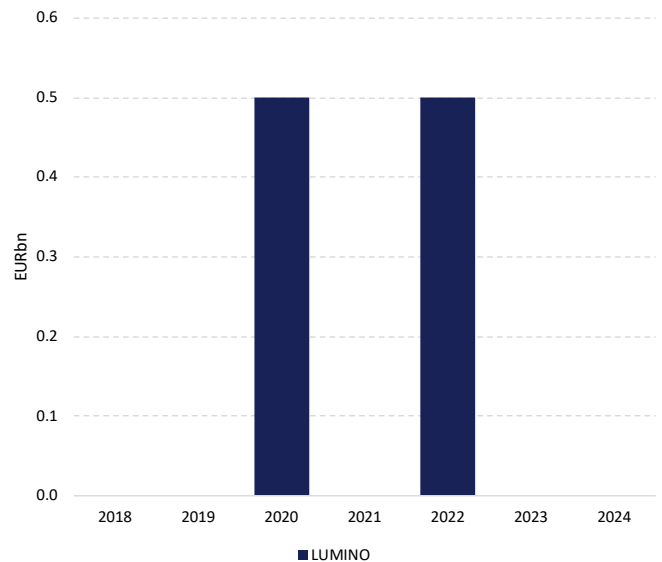
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 3.80bn	Outstanding volume (Bmk)	EUR 1.00bn
Amount outstanding	EUR 2.25bn	Number of benchmarks	2
Number of issuers	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

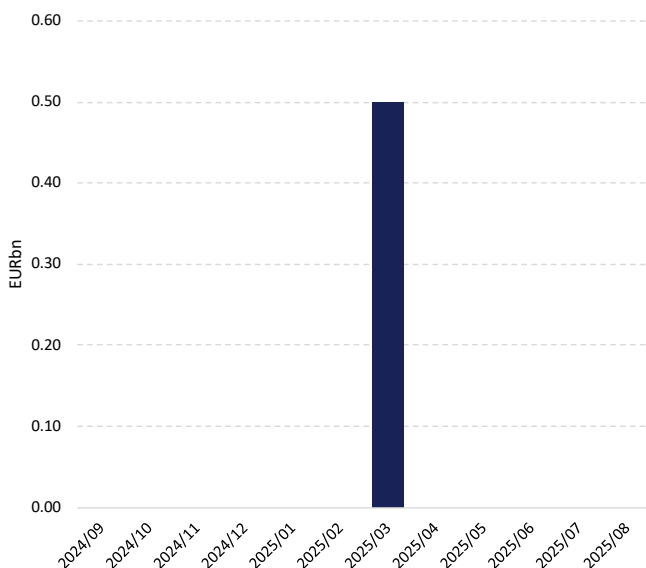
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



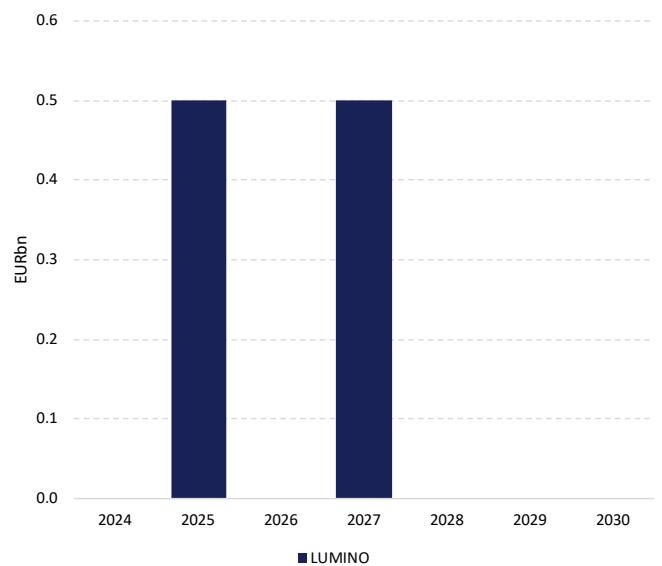
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

## LHV Group

Estonia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## LHV Pank AS

	Rating	Outlook
Fitch	-	-
Moody's*	Baa3	Positive
S&P	-	-

## Homepage

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

LHV Pank, headquartered in the capital city of Tallinn, is the fourth largest bank in Estonia as measured by assets. It is a wholly owned subsidiary of the LHV Group, which has been listed on the Nasdaq Tallinn since 2016. Rain Lõhmus (co-founder and Chair of the Supervisory Board) is personally and through AS Lõhmus Holdings the lead shareholder in the group (31 May 2024: together 19.3%), followed by Viisemann Investments AG with 10.5%. In addition to LHV Pank, the subsidiaries LHV Varahaldus (investment management), LHV Kindlustus (insurance business), LHV Paytech (payment solution) and LHV Finance (consumer finance) are also part of the LHV Group. The majority of the group assets are attributable to LHV Pank. It has nearly 800 staff, who serve around 428,000 customers. The business model covers a variety of banking services in addition to SME financing and deposit products for retail customers. The group reports in the following business segments: Retail Banking (Q1 2024: 41.0% of operating profit), Corporate Banking (39.6%), Hire-Purchase and Consumer Finance (2.0%), Financial Intermediates (2.0%) and Other Activities (7.5%). Most of the group's loan portfolio comprises the categories private individuals (Q1 2024: 38.0%) and mortgages (25.0%). Geographically, the major share of the loan portfolio is allocated to Estonia. The majority of the funding mix is made up of customer deposits at 87.6% (Q1 2024). In May 2023, the subsidiary LHV UK Ltd. received its UK banking licence, following which it took over responsibility for the UK business of LHV Pank. Sustainable mortgages and property financing are also offered to customers of LHV Pank.

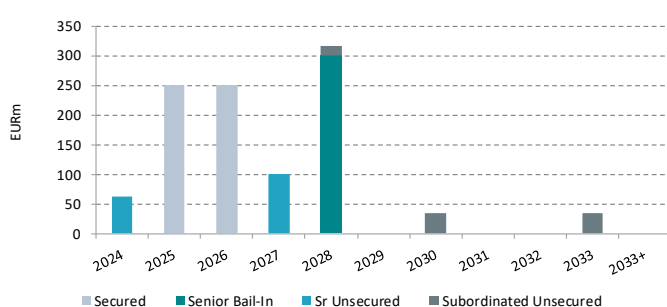
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	3,187	3,549	3,744
Total Securities	365	329	143
Total Deposits	4,957	5,535	5,459
Tier 1 Common Capital	371	437	444
Total Assets	6,057	6,755	6,775
Total Risk-weighted Assets	2,216	2,481	2,709

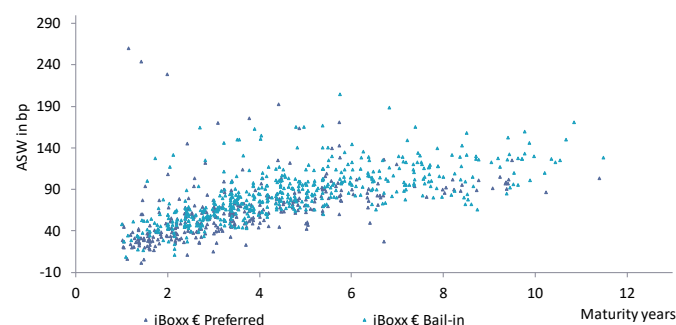
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	129	228	120
Net Fee & Commission Inc.	32	27	16
Net Trading Income	0	3	0
Operating Expense	65	85	46
Credit Commit. Impairment	3	11	8
Pre-tax Profit	94	163	84

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	2.03	3.68	3.55	Liquidity Coverage Ratio	135.60	191.40	191.50
ROAE	25.03	30.81	28.11	IFRS Tier 1 Leverage Ratio	6.13	6.48	6.56
Cost-to-Income	39.92	32.77	33.46	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	16.74	17.62	16.40	Reserves/Loans at Amort. Cost	0.64	0.84	0.92

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Liquidity profile
- Cost efficiency

## Risks / Weaknesses

- High credit growth
- Expansion in the SME segment in the UK

# LHV Pank – Mortgage

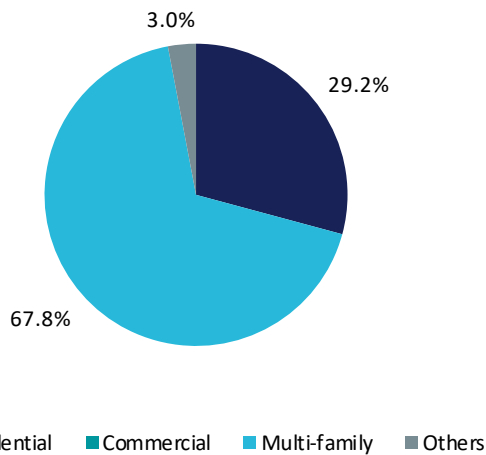
Estonia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

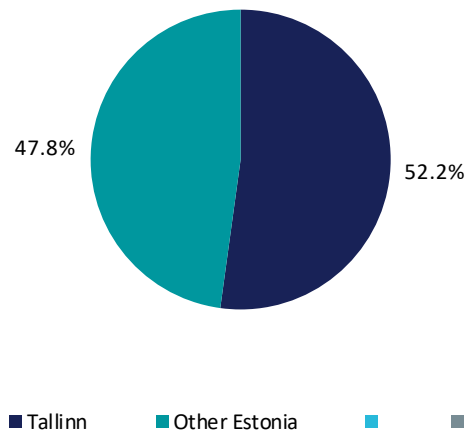
## Cover Pool Data

Cover pool volume (EURm)	670	Rating (Moody's)	Aa1
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 250m	50.0%	Rating (Fitch)	-
Current OC (nominal)	34.0%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Improbable
Cover type	Mortgage	TPI leeway	0
Main country	100% Estonia	Collateral score	10.0%
Main region	52% Tallinn	RRL	-
Number of loans	8,527	JRL	-
Number of borrowers	8,259	Unused notches	-
Avg. exposure to borrowers (EUR)	78,711	AAA credit risk (%)	-
WAL (cover pool)	12.6y	PCU	-
WAL (covered bonds)	1.8y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	50.0%	LCR eligible	Yes
LTV (indexed)	52.3%	LCR level (SBmk)	2A
LTV (unindexed)	61.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

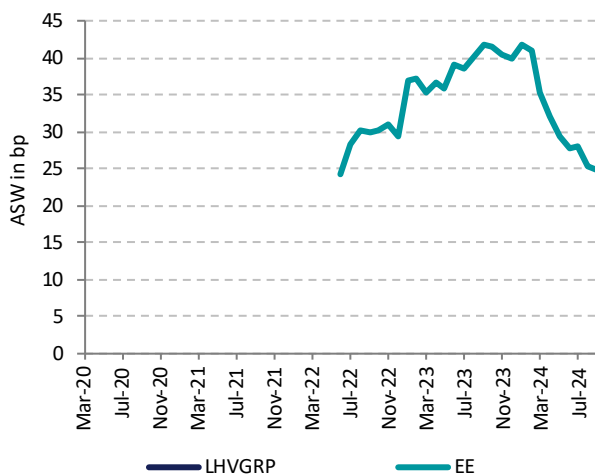
## Borrower Types



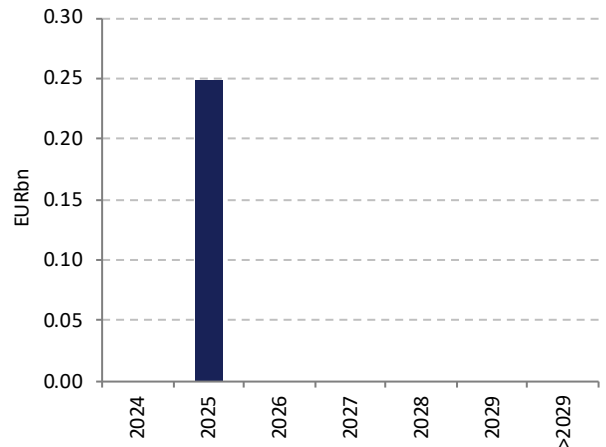
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Luminor Bank

Estonia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Luminor Bank AS/Estonia

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Luminor Bank AS (Luminor) is one of the largest banks in Estonia as measured by assets. It is active in Estonia, where it is also headquartered, as well as via branches in Latvia and Lithuania. The institute specialises in the retail customer business, although it also offers services in the areas of leasing and pension funds in addition to other activities via its own subsidiaries. The bank was formed in 2017 following the merger between DNB Bank ASA (DNB) and Nordea Bank Abp (Nordea) along with their business activities in the three Baltic countries. The owners of Luminor (via Luminor Holding AS) are Braavos Bidcoo Konsortium, which is managed by a Blackstone private equity fund (80%) and DNB Bank ASA (20%). At 15.0% in FY 2023, Luminor has the third largest market share in the Baltic lending business after Swedbank (33.0%) and SEB (24.0%). The bank reports across the business segments Retail (Q1 2024: 48.1% of pre-tax profit), Corporate (57.9%) and Other (-6.0%). The main geographic focus of the loan portfolio is Lithuania (49.9%), followed by Latvia (27.4%) and Estonia (22.7%). As at Q1 2024, funding consisted of customer deposits (83.1%) and issued securities (14.1%). The latter were made up of covered bonds (44%) and senior bonds (56%; Q1 2024). The bank has committed to issuing loans for sustainable real estate assets and renewable energies in the amount of EUR 700m by 2030. Additionally, arrangements for the issuance of covered bonds are set to be put in place in 2024. Luminor had a green asset ratio of 2.7% at the end of 2023 (as measured by turnover).

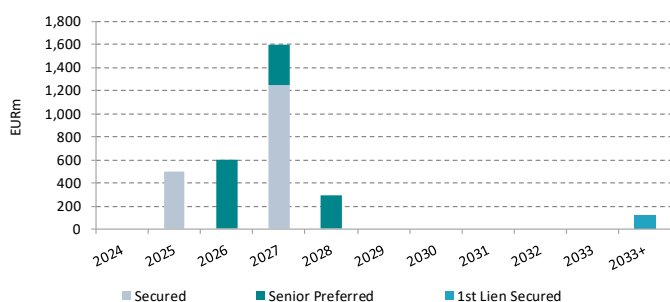
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	10,875	10,503	10,426
Total Securities	1,414	1,587	1,550
Total Deposits	10,948	11,287	11,189
Tier 1 Common Capital	1,408	1,441	1,416
Total Assets	14,757	15,493	15,286
Total Risk-weighted Assets	7,663	7,057	7,068

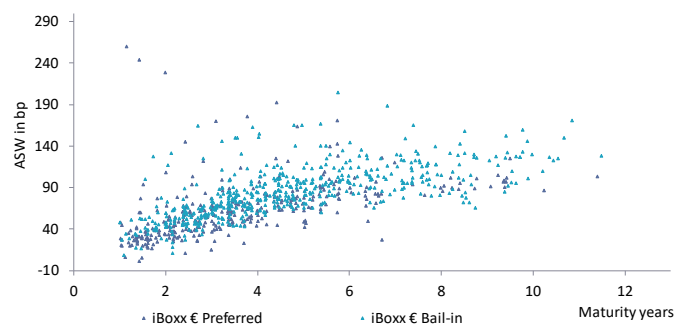
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	301	542	271
Net Fee & Commission Inc.	80	85	41
Net Trading Income	24	35	16
Operating Expense	233	370	187
Credit Commit. Impairment	-	-	-
Pre-tax Profit	142	243	139

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	2.13	3.59	3.56	Liquidity Coverage Ratio	138.80	200.70	201.80
ROAE	7.96	11.48	12.50	IFRS Tier 1 Leverage Ratio	9.71	9.39	9.33
Cost-to-Income	59.47	57.00	58.12	NPL / Loans at Amortised Cost	1.23	1.93	1.99
Core Tier 1 Ratio	18.37	20.42	20.03	Reserves/Loans at Amort. Cost	0.92	1.15	1.04

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Resolution of NPLs

## Risks / Weaknesses

- Short maturity structures in funding
- Digital infrastructure

# Luminor Bank – Mortgage

Estonia 

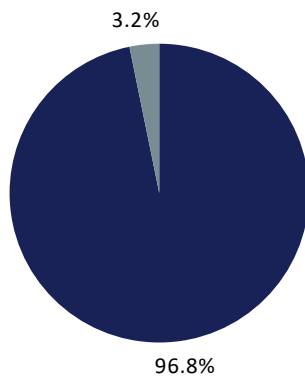
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	3,130
Amount outstanding (EURm)	1,750
-thereof ≥ EUR 500m	57.1%
Current OC (nominal)	78.9%
Committed OC	5.0%
Cover type	Mortgage
Main country	51% Lithuania
Main region	27% Vilnius
Number of loans	55,669
Number of borrowers	52,031
Avg. exposure to borrowers (EUR)	58,234
WAL (cover pool)	12.2y
WAL (covered bonds)	2.2y
Fixed interest (cover pool)	2.3%
Fixed interest (covered bonds)	57.1%
LTV (indexed)	49.4%
LTV (unindexed)	63.6%
Loans in arrears	0.0%

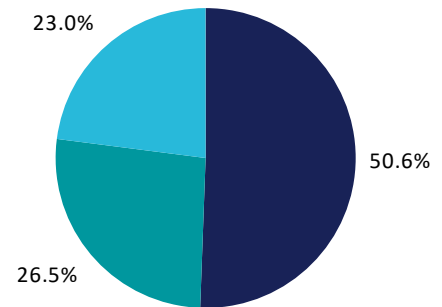
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Improbable
TPI leeway	2
Collateral score	10.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



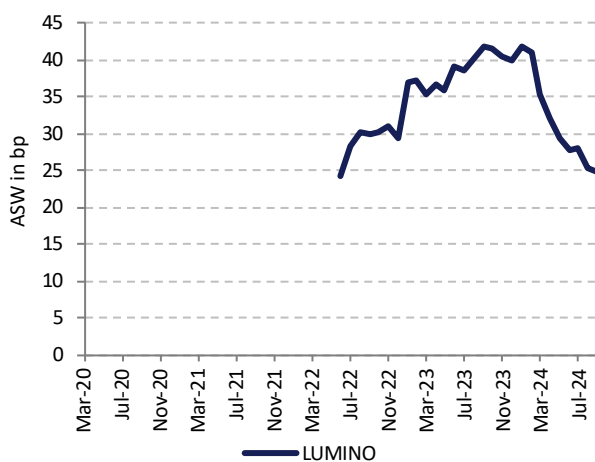
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



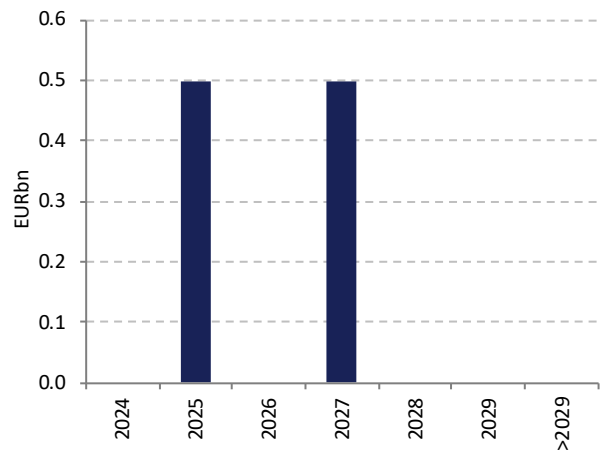
■ Lithuania ■ Latvia ■ Estonia ■ Others

## Spread Development



— LUMINO

## Redemption Profile (Bmk)

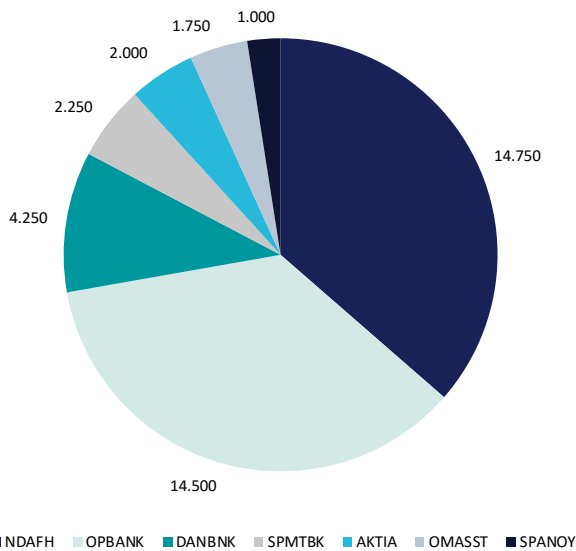


# Market Overview Covered Bonds

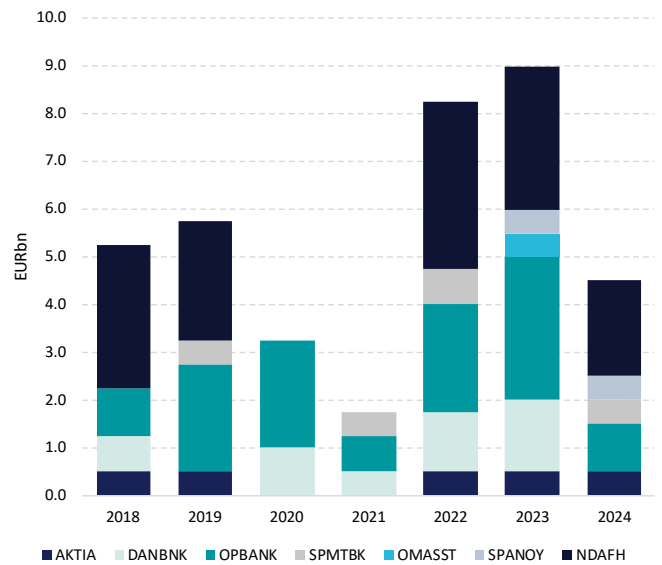
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 64.35bn	Outstanding volume (Bmk)	EUR 40.50bn
Amount outstanding	EUR 50.81bn	Number of benchmarks	46
Number of issuers	10	Outstanding ESG volume (Bmk)	EUR 3.75bn
No of cover pools	15	Number of ESG benchmarks	4
there of M / PS / others	15 / 0 / 0	Outstanding volume (SBmk)	EUR 3.00bn
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	10
Best possible LCR level	Level 1	Maturity types	HB, SB

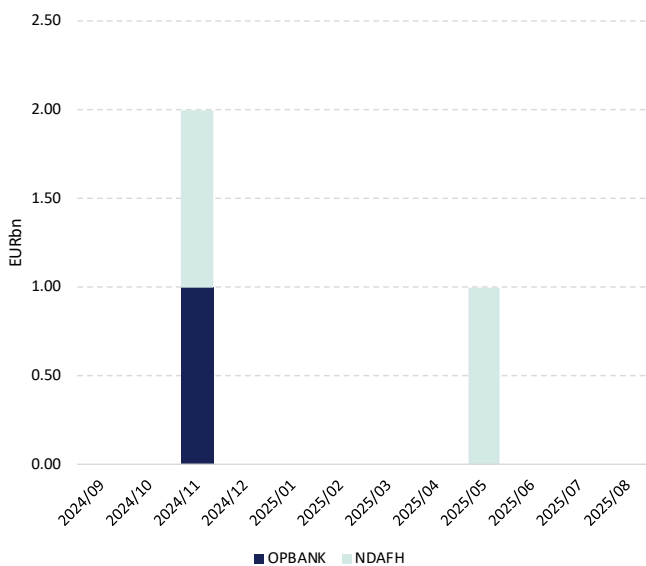
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



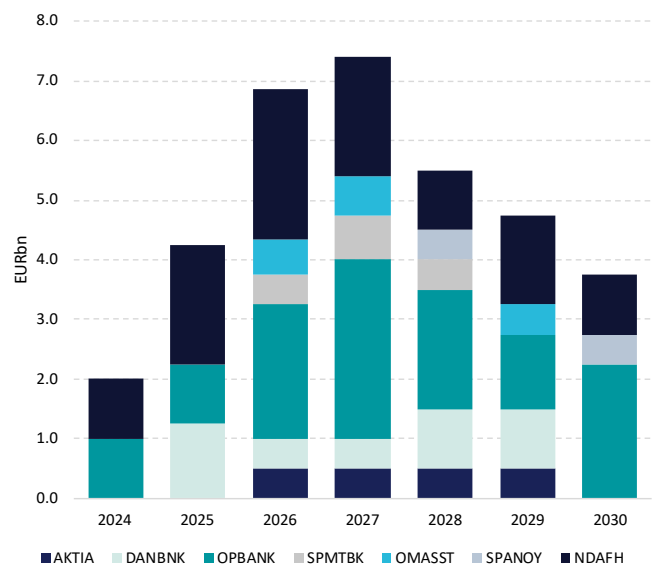
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

## Aktia Bank

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Aktia Bank Oyj

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Originally founded in 1826, Aktia Bank plc (Aktia) forms the parent company of the Aktia Group and is listed on the Helsinki stock exchange. The Group focuses exclusively on the Finnish market with its three business segments of Banking (255,000 retail customers; 23,500 corporate and institutional customers), Asset Management (EUR 13.7bn AuM) and Life Insurance (85,000 insurance contracts). On the Finnish market, Aktia has a market share of 3.8% for home loans (FY 2023) and 2.9% for deposits. The bank offers its customers a broad range of products, including banking and financial services, property financing as well as insurance and asset management activities. Aktia reports in the three main segments Banking Business (Q4 2023 69.2% of operating profit), Asset Management (20.3%) and Life Insurance (10.5%), as well as the segment Group Functions and Eliminations. Around 65.5% of the loan portfolio (as at FY 2023) comprises loans to retail customers, followed by loans to corporate clients (18.0%) and real estate companies (15.6%). The strategic aim of Aktia is to improve its standing in the area of wealth management on both a national and international level. The Sustainable Loan Framework was developed and published as planned in 2023, on the basis of which Aktia developed its first green loan programme. A Green Bond Framework is in the pipeline for 2024. Aktia intends to increase the share of green bonds in its corporate credit fund to 35% (as at 31 December 2023: 25%). Aktia has a green asset ratio of 1.3% (FY 2023).

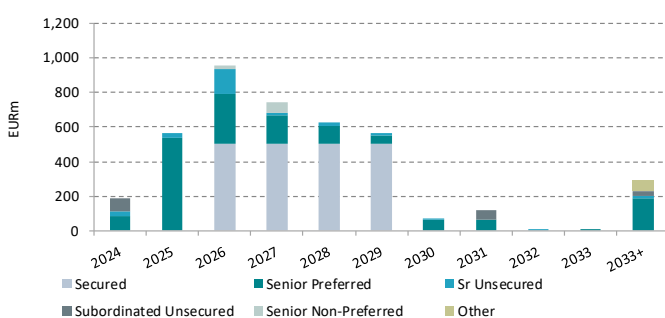
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	7,792	7,866	7,807
Total Securities	1,829	1,856	1,846
Total Deposits	5,900	5,345	5,063
Tier 1 Common Capital	339	385	395
Total Assets	12,412	12,038	12,368
Total Risk-weighted Assets	3,131	3,411	3,426

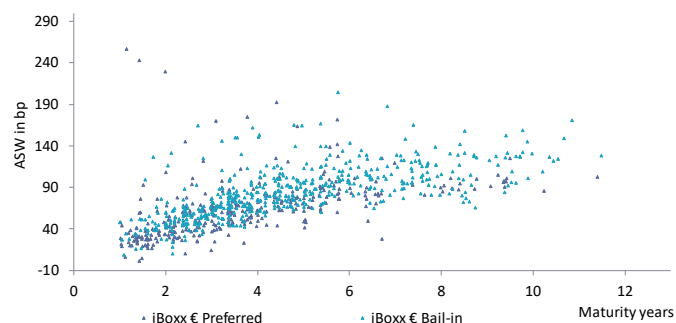
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	99	140	78
Net Fee & Commission Inc.	122	120	61
Net Trading Income	1	1	0
Operating Expense	164	174	85
Credit Commit. Impairment	10	7	5
Pre-tax Profit	124	103	63

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.95	1.32	1.48	Liquidity Coverage Ratio	183.27	220.61	277.00
ROAE	15.30	12.18	14.18	IFRS Tier 1 Leverage Ratio	2.84	3.31	3.30
Cost-to-Income	54.06	60.64	54.88	NPL / Loans at Amortised Cost	1.78	1.64	1.73
Core Tier 1 Ratio	10.84	11.30	11.52	Reserves/Loans at Amort. Cost	0.48	0.46	0.46

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Diversified sources of revenue
- Franchise in Finland

## Risks / Weaknesses

- Sensitivity towards local housing market
- Dependency on capital market funding
- Profitability

# Aktia Bank – Mortgage (Pool 2)

Finland 

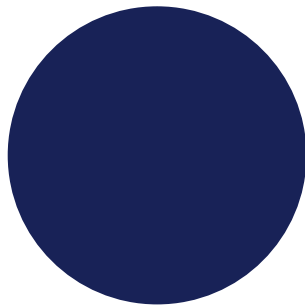
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	1,764
Amount outstanding (EURm)	1,300
-thereof ≥ EUR 500m	115.4%
Current OC (nominal)	35.7%
Committed OC	10.0%
Cover type	Mortgage
Main country	100% Finland
Main region	64% Uusimaa
Number of loans	26,144
Number of borrowers	19,077
Avg. exposure to borrowers (EUR)	92,467
WAL (cover pool)	7.5y
WAL (covered bonds)	2.4y
Fixed interest (cover pool)	7.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	46.6%
LTV (unindexed)	-
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	3
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

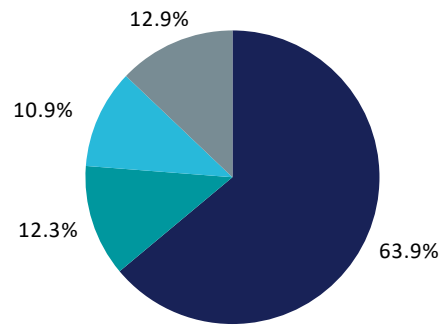
## Borrower Types



100.0%

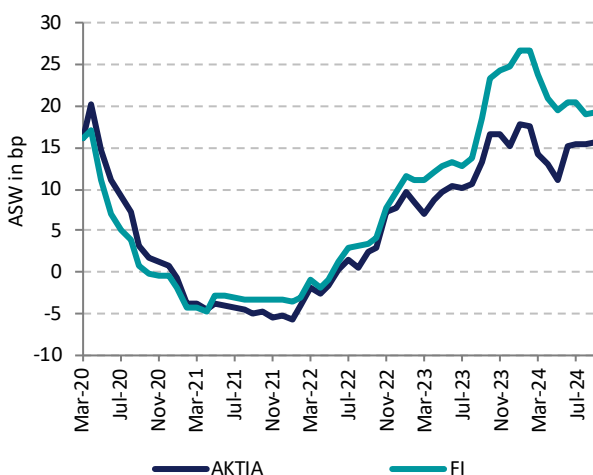
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

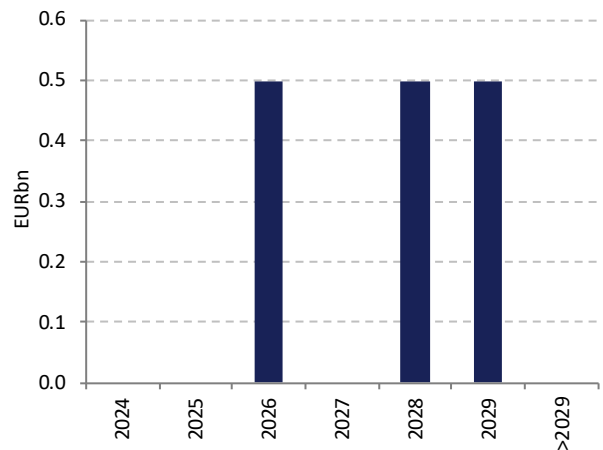


■ Uusimaa ■ Ostrobothnia ■ Varsinais-Suomi ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Alandsbanken

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Alandsbanken Abp

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Alandsbanken Abp (Bank of Aland Plc) is a universal bank that operates in Finland and Sweden. The largest shareholder of the bank, which is listed on the Helsinki stock exchange, is Wiklöf Anders and companies (FY 2023: 29.8%; CEO of Alandsbanken). Wholly owned subsidiaries of Ålandsbanken Abp include Alandsbanken Fondbolag (fund management services) and Crosskey Banking Solutions AB (IT). On the Åland islands, the bank offers a broad range of banking services, while on the Finnish mainland and in Sweden, the focus is on entrepreneurs as well as wealthy families and retail customers. The bank reports across the operating segments Private Banking (FY 2023: 63.2% of net operating profit), Premium Banking (43.1%), IT (1.6%) and Corporate and Other (-7.0%). In November 2023, the institute concluded the transfer of its Swedish mortgage loan portfolio (SEK 5.8bn) to the Swedish mortgage bank Borgo AB., a partner of Alandsbanken Abp. The funding mix of the institute mainly consists of deposits (FY 2023: 70%), followed by covered bonds (1%). In 2021, the institute published its Green Finance Framework, which restricts use of issuance proceeds to the financing of renewable energies and green buildings. At the end of 2023, the bank had an outstanding green bond (tier 2) in the amount of SEK 150m and a green asset ratio of 0.4%. The CET1 ratio of the institute (FY 2023: 13.7%) is set to be 1.8 to 3.0 percentage points above the national regulatory requirements over the long term.

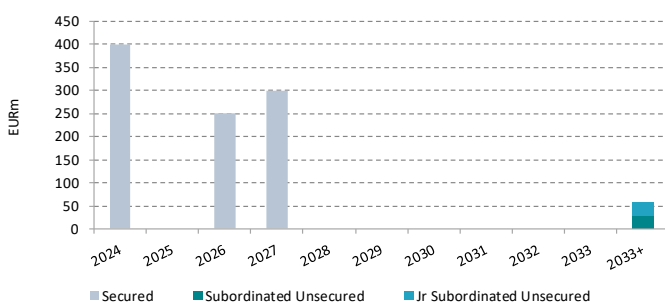
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	4,303	3,859	3,530
Total Securities	1,075	893	741
Total Deposits	4,182	3,595	3,475
Tier 1 Common Capital	234	243	236
Total Assets	5,898	5,342	4,782
Total Risk-weighted Assets	1,938	1,774	1,681

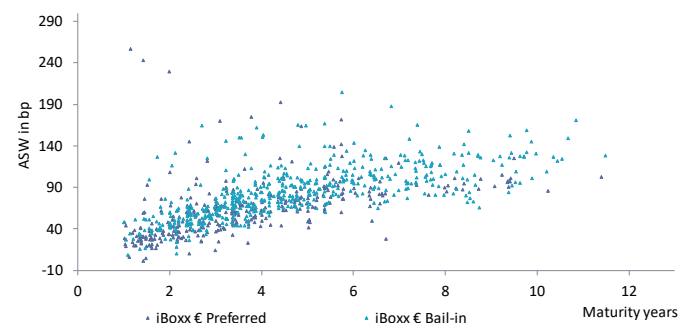
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	68	100	53
Net Fee & Commission Inc.	78	77	38
Net Trading Income	13	-3	0
Operating Expense	132	138	75
Credit Commit. Impairment	6	2	2
Pre-tax Profit	46	62	33

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.15	1.84	2.15	Liquidity Coverage Ratio	138.36	156.03	156.58
ROAE	11.70	15.80	16.76	IFRS Tier 1 Leverage Ratio	4.00	4.58	4.96
Cost-to-Income	75.63	68.41	68.65	NPL / Loans at Amortised Cost	1.69	1.70	1.99
Core Tier 1 Ratio	12.07	13.69	14.01	Reserves/Loans at Amort. Cost	0.48	0.55	0.62

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Business activities in robust regions
- Diversified income sources
- Deposit base

## Risks / Weaknesses

- Regional concentration risks
- Cost efficiency
- Property markets in Finland and Sweden

# Alandsbanken – Mortgage (CBA Pool)

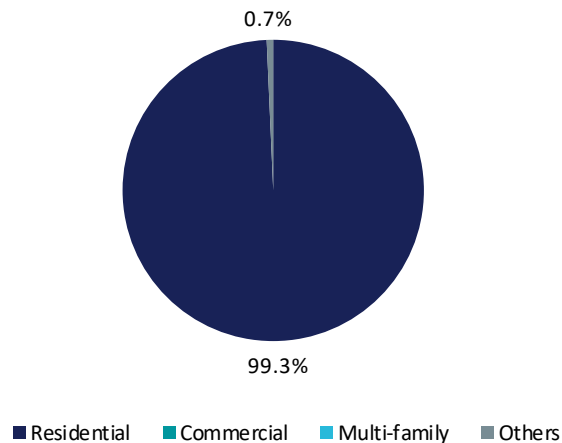
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

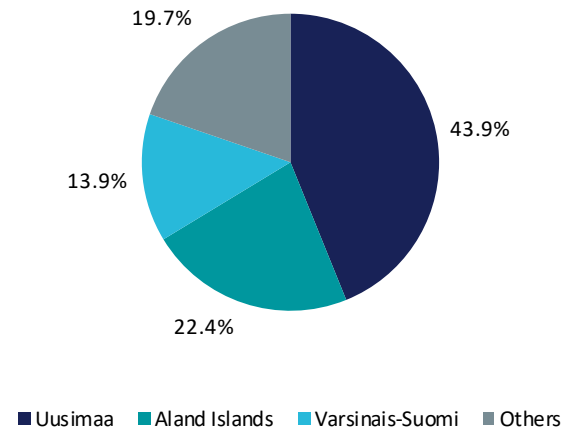
## Cover Pool Data

Cover pool volume (EURm)	1,199	Rating (Moody's)	Aaa
Amount outstanding (EURm)	950	Rating (S&P)	-
-thereof ≥ EUR 250m	57.9%	Rating (Fitch)	-
Current OC (nominal)	26.2%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	2
Main country	100% Finland	Collateral score	4.0%
Main region	44% Uusimaa	RRL	-
Number of loans	12,444	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)	1.6y	Recovery uplift	-
Fixed interest (cover pool)	4.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	57.9%	LCR eligible	Yes
LTV (indexed)	58.3%	LCR level (SBmk)	2A
LTV (unindexed)	54.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

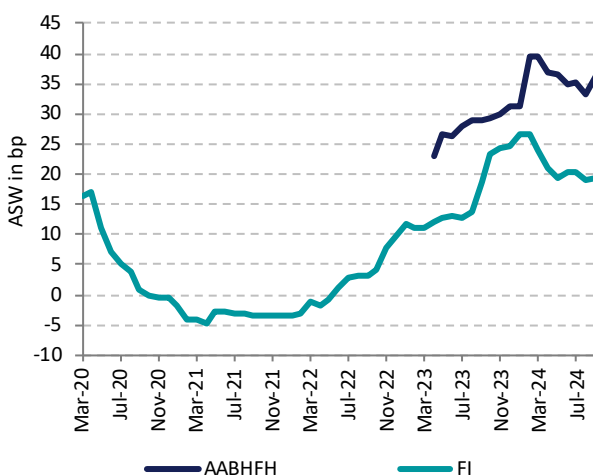
## Borrower Types



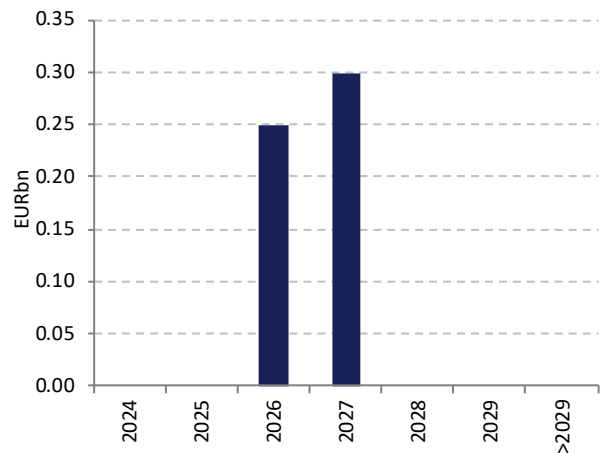
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Danske Bank

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Danske Bank A/S

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

## Homepage

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

Danske Bank A/S (Danske) is a Danish universal bank headquartered in Copenhagen. It is the largest institute in the country as measured by total assets. The largest shareholder of the group, which is listed on the Nasdaq Copenhagen, is A.P. Moller Holding (Mærsk Group) with a stake of 21.0% (as at 31 December 2023). The distribution of the branch network reveals a focus on Denmark (FY 2023; 41.7%). Danske has 20,000 staff, who serve 3.2m customers in 10 countries. The bank reports across the main business segments Personal Customers (FY 2023: 30.6% of pre-tax profit), Business Customers (34.7%), Large Corporates & Institutions (LC&I; 32.8%) and Northern Ireland (7.2%), Danica (5.5%) and Group Functions (-10.2%). In Denmark, the bank has a market share of 24% for the lending business and 28% for deposits. The loan portfolio is largely distributed among the areas of retail customers (H1 2024: 39%), of which 24% are located in Denmark, and corporate customers (34%). In February 2024, the Norwegian regulatory authorities approved the sale of the Norwegian retail customer business to Nordea, meaning that the transaction is expected to close before the end of 2024. As at H1 2024, almost half of the long-term funding mix of the bank is attributable to deposits (49%), followed by covered bonds, which are issued via Realkredit Danmark (33.2%). The bank set itself a target of providing DKK 300bn in sustainable financing by 2023, which it ultimately managed to exceed (DKK 365bn). Danske also registered a turnover-based green asset ratio of 1.2% in FY 2023.

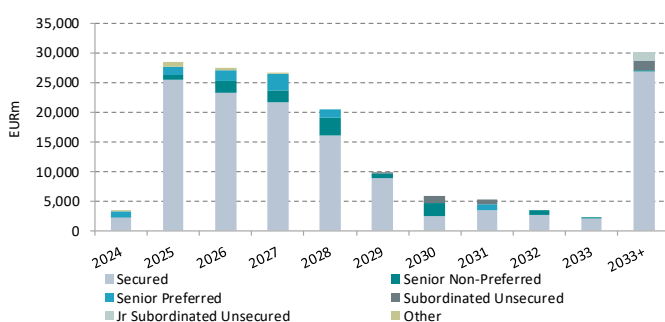
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	270,963	247,784	253,495
Total Securities	124,521	111,639	103,389
Total Deposits	169,702	163,976	158,205
Tier 1 Common Capital	20,058	20,837	21,003
Total Assets	509,602	505,931	504,685
Total Risk-weighted Assets	112,687	111,072	113,465

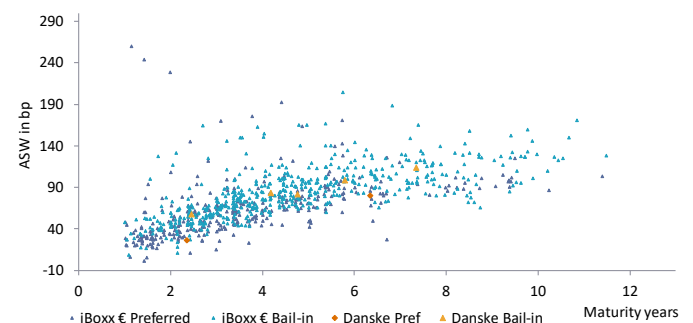
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,374	4,694	2,452
Net Fee & Commission Inc.	1,848	1,732	949
Net Trading Income	98	351	185
Operating Expense	3,567	3,416	1,719
Credit Commit. Impairment	202	35	-13
Pre-tax Profit	-228	3,581	2,051

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.76	1.13	1.22	Liquidity Coverage Ratio	151.04	170.41	186.70
ROAE	-2.73	12.70	13.09	IFRS Tier 1 Leverage Ratio	4.45	4.54	4.46
Cost-to-Income	65.71	48.04	45.79	NPL/Loans at Amortised Cost	2.98	3.56	3.56
Core Tier 1 Ratio	17.80	18.76	18.51	Reserves/Loans at Amort. Cost	1.78	2.14	2.21

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Capitalisation

## Risks / Weaknesses

- Dependency on wholesale funding
- Profitability

# Danske Bank – Mortgage

Finland 

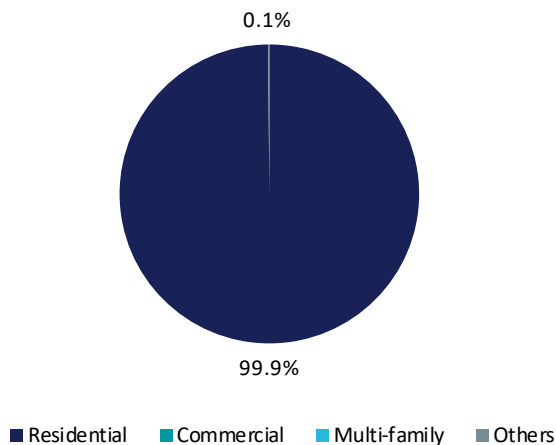
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

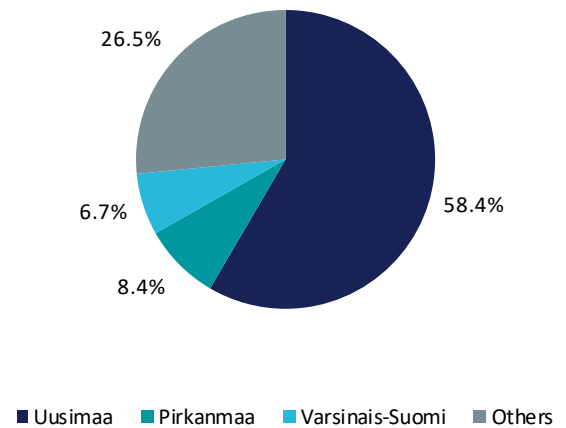
Cover pool volume (EURm)	5,481
Amount outstanding (EURm)	4,250
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	29.0%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Finland
Main region	58% Uusimaa
Number of loans	69,201
Number of borrowers	69,201
Avg. exposure to borrowers (EUR)	79,109
WAL (cover pool)	8.9y
WAL (covered bonds)	3.1y
Fixed interest (cover pool)	0.9%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	53.0%
LTV (unindexed)	52.9%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	2
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

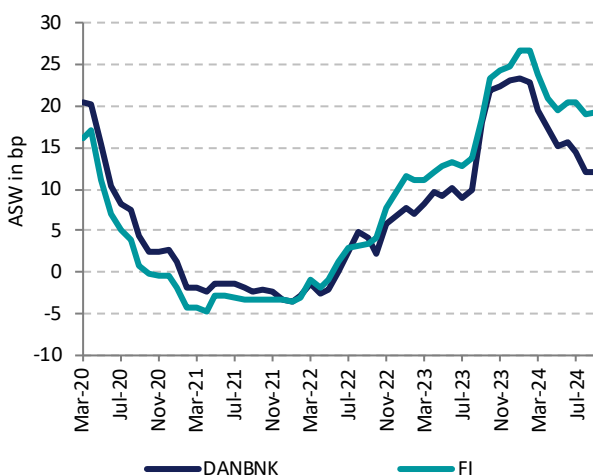
## Borrower Types



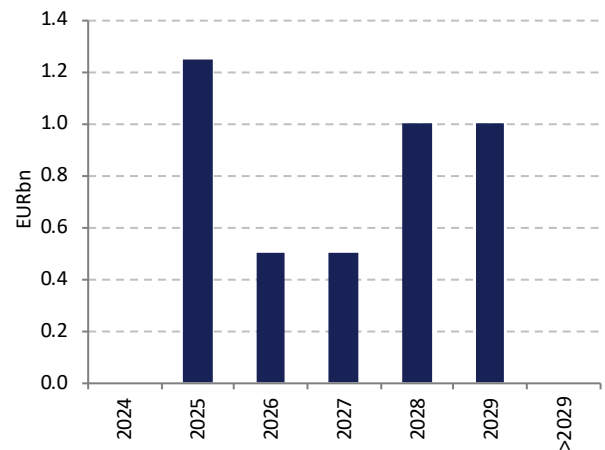
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Nordea Bank / Nordea Mortgage Bank

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Nordea Bank Abp

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Nordea Bank Abp (headquarters: Helsinki) is the largest bank in the Nordic countries, with BlackRock (31 December 2023; 5.1%) the largest shareholder of the Group. The bank enjoys leading market positions in the Nordics, with Sweden accounting for a share of 32% (as at FY 2023) in the overall lending portfolio, followed by Denmark (24%), Norway (22%) and Finland (21%). The loan portfolio comprises loans to households (FY 2023; 71.7%) and loans to businesses (28.3%). Nordea divides its business into the following segments: Personal Banking (FY 2023; share of operating income excl. Group Functions 39%), Business Banking (29%), Large Corporates & Institutions (20%) and Asset & Wealth Management (12%). Nordea continued to reduce all asset management investments connected with Russia over the course of 2023. In December of the same year, the Norwegian supervisory authorities approved Nordea's takeover offer for Danske Bank's Norwegian business segments Personal Customers and Private Banking Business. The acquisition is set to be concluded by the end of 2024 as planned. The major share of the bank's funding mix consists of deposits and long-term capital market funding (term >12 months). The institute aims to integrate sustainability considerations into the heart of its business model over the long term. To this end, the bank has put in place a green funding framework and a sustainability-linked loan funding framework, among other aspects. The institute has outstanding bonds in green format totalling EUR 10.2bn (FY 2023). The green asset ratio was 2.0% as at the end of financial year 2023.

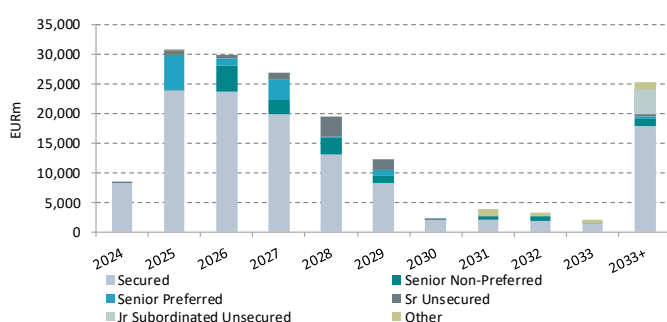
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	345,743	344,828	346,894
Total Securities	118,787	115,812	133,931
Total Deposits	217,464	210,062	223,825
Tier 1 Common Capital	23,872	23,645	24,315
Total Assets	594,729	584,702	606,828
Total Risk-weighted Assets	145,299	138,719	139,333

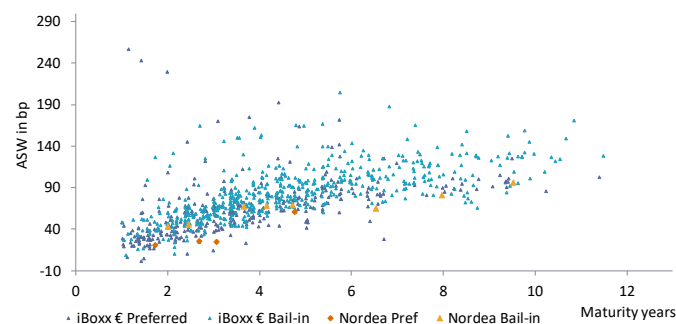
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,664	7,451	3,858
Net Fee & Commission Inc.	3,186	3,021	1,558
Net Trading Income	1,184	1,019	520
Operating Expense	4,809	5,039	2,567
Credit Commit. Impairment	36	187	90
Pre-tax Profit	4,762	6,338	3,447

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.04	1.39	1.46	Liquidity Coverage Ratio	161.95	165.24	160.00
ROAE	11.66	16.63	17.85	IFRS Tier 1 Leverage Ratio	4.32	4.29	4.19
Cost-to-Income	46.94	42.84	42.05	NPL / Loans at Amortised Cost	0.42	0.50	0.53
Core Tier 1 Ratio	16.43	17.05	17.45	Reserves/Loans at Amort. Cost	0.59	0.60	0.61

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in the Nordics
- Capitalisation
- Diversification of the loan portfolio

## Risks / Weaknesses

- Dependency on wholesale funding
- Macroeconomic development
- Property markets in Sweden and Norway

# Nordea Mortgage Bank – Mortgage Cover Pool 1

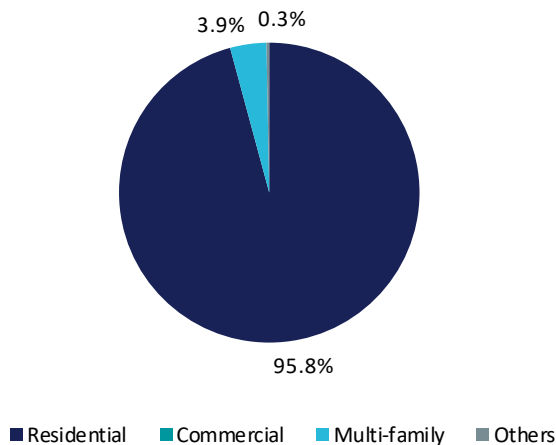
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

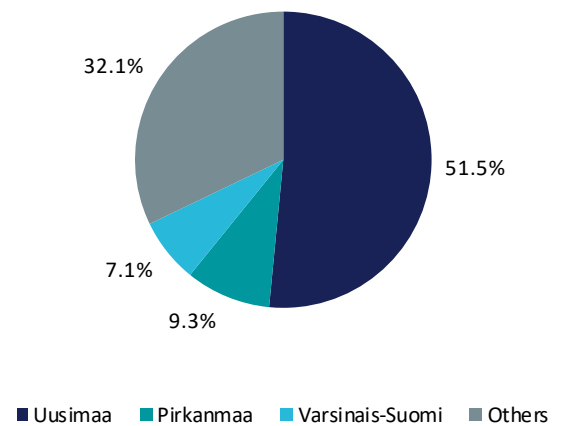
## Cover Pool Data

Cover pool volume (EURm)	16,556	Rating (Moody's)	Aaa
Amount outstanding (EURm)	14,478	Rating (S&P)	-
-thereof ≥ EUR 500m	53.5%	Rating (Fitch)	-
Current OC (nominal)	14.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Finland	Collateral score	4.0%
Main region	52% Uusimaa	RRL	-
Number of loans	218,907	JRL	-
Number of borrowers	167,674	Unused notches	-
Avg. exposure to borrowers (EUR)	98,738	AAA credit risk (%)	-
WAL (cover pool)	10.6y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	1.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	58.6%	LCR eligible	Yes
LTV (indexed)	50.9%	LCR level (Bmk)	1
LTV (unindexed)	49.6%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

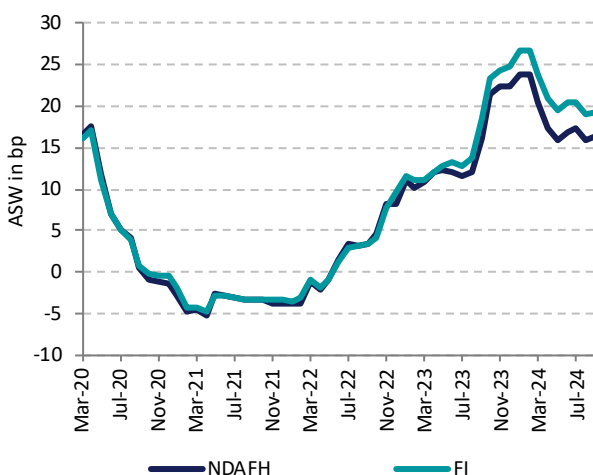
## Borrower Types



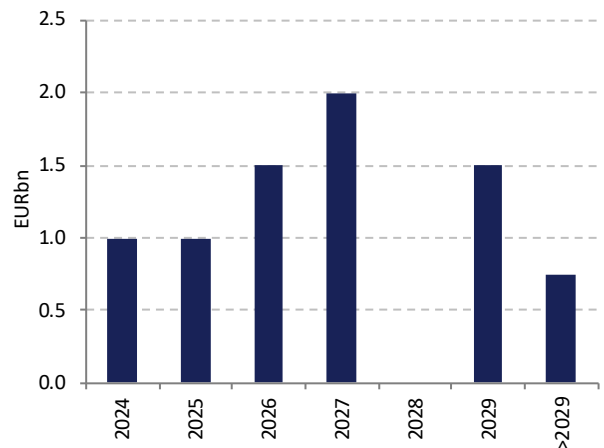
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



# Nordea Mortgage Bank – Mortgage Cover Pool 2

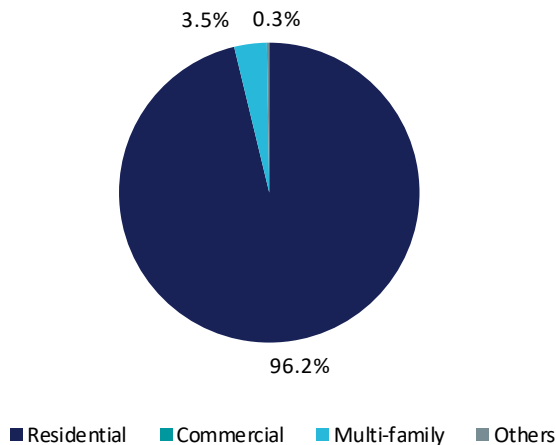
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

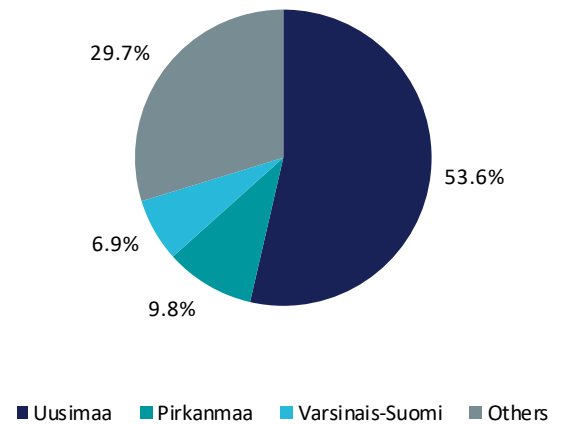
## Cover Pool Data

Cover pool volume (EURm)	8,267	Rating (Moody's)	Aaa
Amount outstanding (EURm)	6,750	Rating (S&P)	-
-thereof ≥ EUR 500m	103.7%	Rating (Fitch)	-
Current OC (nominal)	22.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Finland	Collateral score	4.0%
Main region	54% Uusimaa	RRL	-
Number of loans	88,863	JRL	-
Number of borrowers	87,014	Unused notches	-
Avg. exposure to borrowers (EUR)	95,009	AAA credit risk (%)	-
WAL (cover pool)	11.5y	PCU	-
WAL (covered bonds)	4.8y	Recovery uplift	-
Fixed interest (cover pool)	1.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	88.9%	LCR eligible	Yes
LTV (indexed)	55.5%	LCR level (Bmk)	1
LTV (unindexed)	53.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

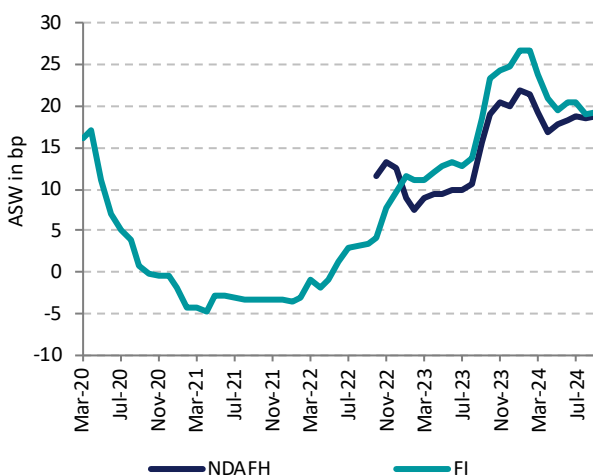
## Borrower Types



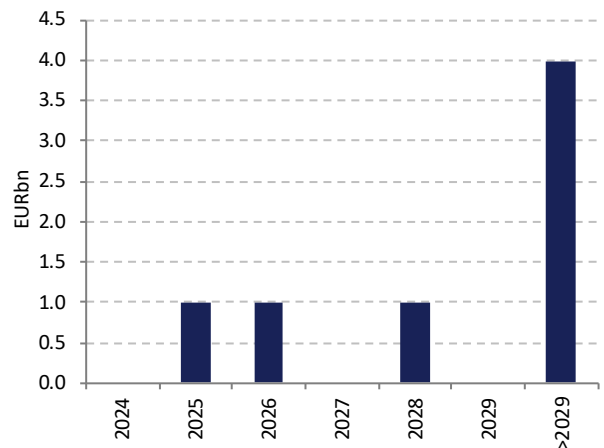
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Oma Savings Bank

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Oma Saastopankki Oyj

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

## Homepage

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

Oma Savings Bank Plc (Oma Säästöpankki Oyj; short: Oma) is the largest savings bank in Finland as measured by total assets. It has 445 employees, who serve more than 200,000 customers across 45 locations. Oma has been listed on the Helsinki stock exchange since 2018 and offers its customers a wide range of services – including day-to-day banking activities, lending and asset management. Seven savings bank associations are the main shareholders of Oma, together holding a stake of around 70% (FY 2023). The largest overall shareholder is the South Karelia savings bank association (FY 2023: 26%). Lending is divided into the areas of retail customers (59%) and corporate customers (41%). The latter largely covers property financing as well as loans to forestry companies. As a result, 85% of loans are attributable to the private sector. The Oma Savings Bank Group includes the real estate company Lappeenrannan Säästökeskus (wholly owned subsidiary) as well as minority shares in various companies and joint ventures. Having concluded the acquisition of the banking business of Liedon Savings Bank (LSB; incl. mortgage loans totalling EUR 250m) in March 2023, Oma then announced that it would also be acquiring the Finnish SME business of Handelsbanken (deposits of around EUR 1.2bn and a loan volume of EUR 460m). Deposits constitute the majority of the funding mix (54%), along with covered bonds (35%). As part of its sustainability strategy, the bank intends to focus on instruments such as green bonds in 2026. To this end, it plans to finalise a Green Framework in 2024. Additionally, Oma plans to make its own operations carbon neutral by 2026.

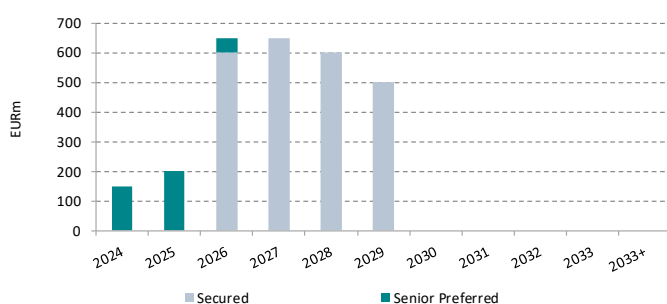
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	4,754	5,997	5,987
Total Securities	553	605	541
Total Deposits	3,112	3,778	3,598
Tier 1 Common Capital	339	491	507
Total Assets	5,942	7,643	7,284
Total Risk-weighted Assets	2,547	3,300	3,342

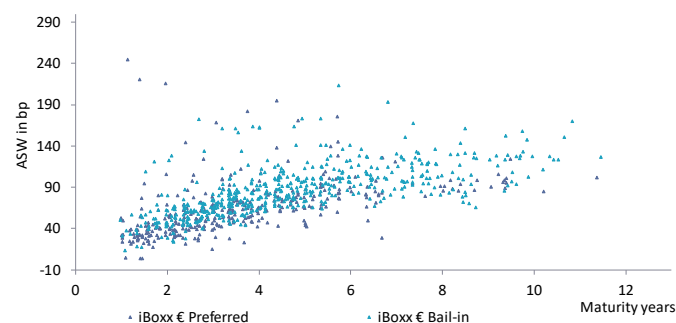
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	105	197	110
Net Fee & Commission Inc.	39	47	25
Net Trading Income	-6	-2	0
Operating Expense	72	87	47
Credit Commit. Impairment	2	17	63
Pre-tax Profit	69	138	29

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.87	2.86	3.00	Liquidity Coverage Ratio	159.90	248.90	199.10
ROAE	15.16	23.59	8.77	IFRS Tier 1 Leverage Ratio	5.73	6.44	6.98
Cost-to-Income	49.63	35.37	33.45	NPL / Loans at Amortised Cost	0.84	0.89	1.51
Core Tier 1 Ratio	13.33	14.88	15.17	Reserves/Loans at Amort. Cost	0.52	0.59	1.49

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional franchise
- Capitalisation
- Profitability

## Risks / Weaknesses

- Concentration risks
- Dependency on partner products
- High balance sheet growth → Risk appetite



# Oma Säästöpankki – Mortgage

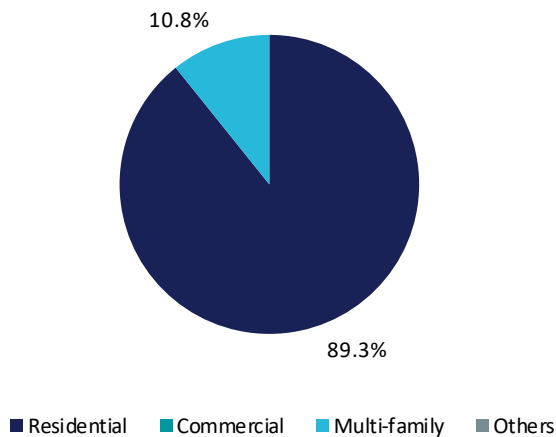
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

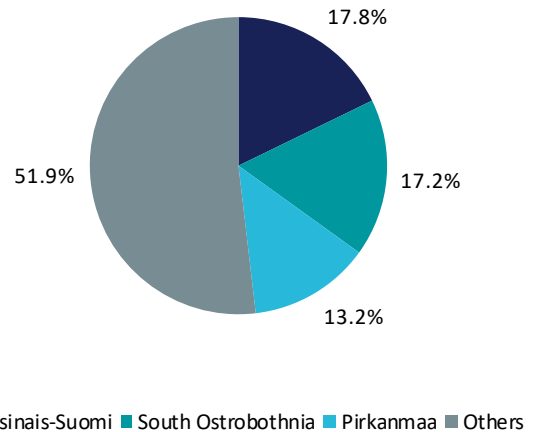
## Cover Pool Data

Cover pool volume (EURm)	3,008	Rating (Moody's)	-
Amount outstanding (EURm)	2,350	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	28.0%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	18% Varsinais-Suomi	RRL	a
Number of loans	40,365	JRL	aa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	8.3%
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	12.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	65.4%	LCR level (Bmk)	1
LTV (unindexed)	64.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

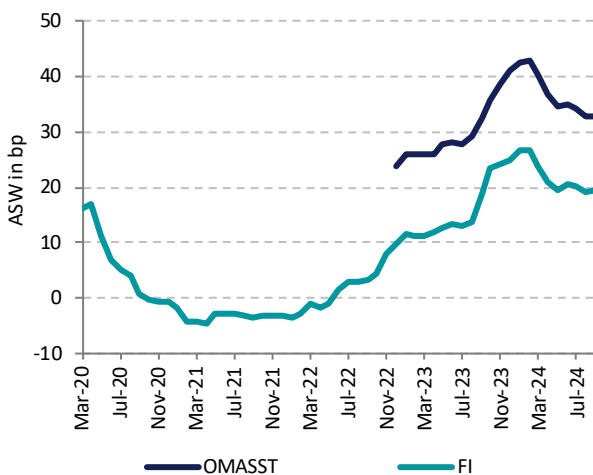
## Borrower Types



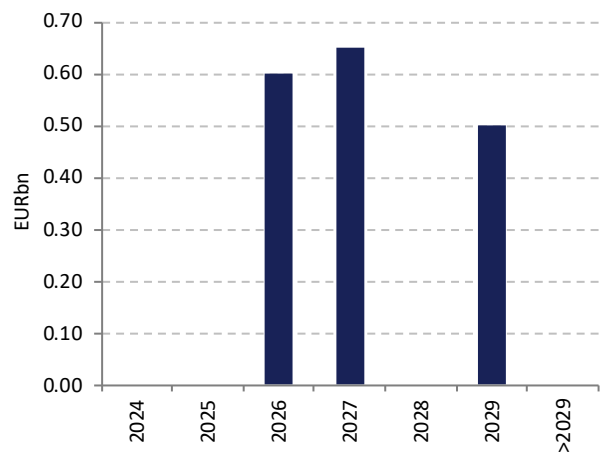
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# OP Financial Group

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### OP Corporate Bank plc

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

## Homepage

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

The OP Financial Group (OP FG) is the largest banking and insurance group in Finland as measured by market shares and the second largest in terms of assets. It comprises a wide range of subsidiaries as well as 101 independent member institutions. OP FG serves 2.1m customers, who are also the owners of the group (H1 2024). The subsidiaries include OP Corporate Bank plc (OP CB) and OP Mortgage Bank (OP MB). The Group reports across the following segments: Retail Banking (H1 2024: 56% of operating profit excl. Group Functions and Eliminations), Insurance (22%), Corporate Banking (22%). The Group boasts market shares of 39% and 38% for private mortgage loans and corporate loans respectively (H1 2024). In the insurance sector, market penetration stands at 33% for non-life insurance and 19% for life insurance. In addition, OP FG has a market share of 39% for deposits. The major share of the loan portfolio of OP FG is made up of loans for CRE financing (H1 2024: 51%) and home loans (30%). Customer deposits account for the most significant share of the funding mix at 48% of the balance sheet total (H1 2024). Covered bonds, which are issued via the subsidiary OPMB, comprise around 35% of wholesale funding. OP MB has already supported the sustainability strategy of OP FG with two covered bonds (2021: EUR 750m; 2022: EUR 1bn), which were issued under the Green Bond Framework. In March 2024, OPCB published an updated Green Bond Framework, which was adapted in line with the new EU standard for green bonds.

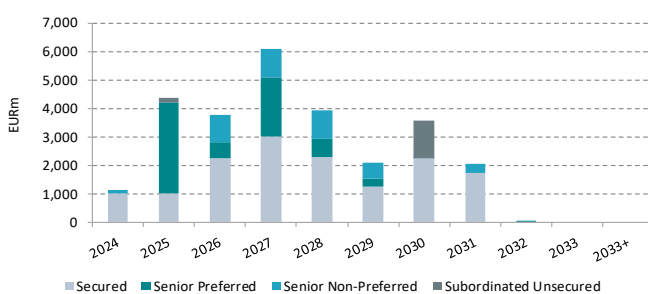
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	98,546	97,836	97,146
Total Securities	24,149	24,632	25,136
Total Deposits	81,468	76,656	77,207
Tier 1 Common Capital	12,569	14,111	14,902
Total Assets	175,691	160,391	158,560
Total Risk-weighted Assets	72,327	73,511	71,598

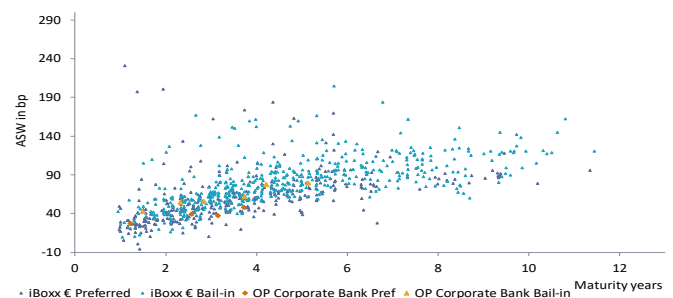
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,618	2,871	1,407
Net Fee & Commission Inc.	942	908	400
Net Trading Income	-2,938	1,729	1,025
Operating Expense	2,150	1,910	842
Credit Commit. Impairment	115	269	66
Pre-tax Profit	1,120	2,050	1,229

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.06	2.02	2.00	Liquidity Coverage Ratio	217.00	199.00	193.00
ROAE	6.45	10.71	11.86	IFRS Tier 1 Leverage Ratio	7.39	9.04	9.63
Cost-to-Income	63.38	44.50	39.40	NPL / Loans at Amortised Cost	2.78	3.49	3.52
Core Tier 1 Ratio	17.38	19.20	20.81	Reserves/Loans at Amort. Cost	0.71	0.89	0.94

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market penetration in Finland
- Capitalisation
- Association of cooperatives

## Risks / Weaknesses

- Dependency on capital market funding
- Geographical concentration
- Cost efficiency

# OP Mortgage Bank – Mortgage (EMTCN Pool)

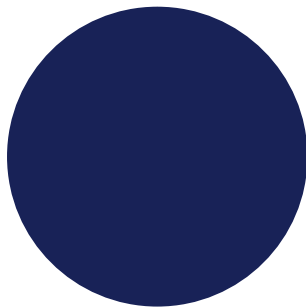
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

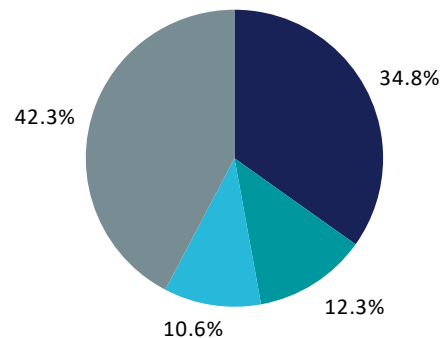
Cover pool volume (EURm)	12,338	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,665	Rating (S&P)	AAA
-thereof ≥ EUR 500m	95.7%	Rating (Fitch)	-
Current OC (nominal)	27.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Finland	Collateral score	4.0%
Main region	35% Uusimaa	RRL	aa+
Number of loans	189,947	JRL	aa+
Number of borrowers	287,739	Unused notches	5
Avg. exposure to borrowers (EUR)	42,881	AAA credit risk (%)	9.6%
WAL (cover pool)	8.8y	PCU	-
WAL (covered bonds)	3.8y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	96.9%	LCR eligible	Yes
LTV (indexed)	52.9%	LCR level (Bmk)	1
LTV (unindexed)	59.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



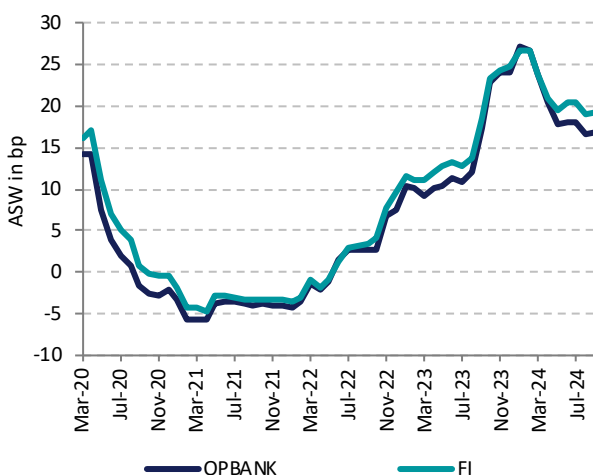
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



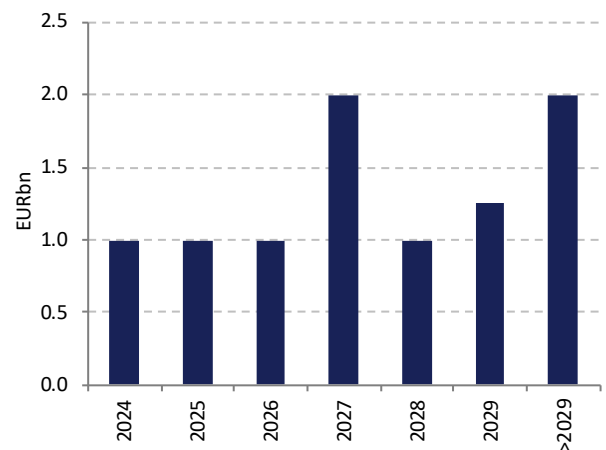
■ Uusimaa ■ Pirkanmaa ■ Southwest Finland ■ Others

## Spread Development



— OPBANK — FI

## Redemption Profile (Bmk)



# OP Mortgage Bank – Mortgage (EMTCB Pool)

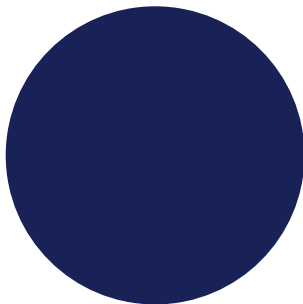
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

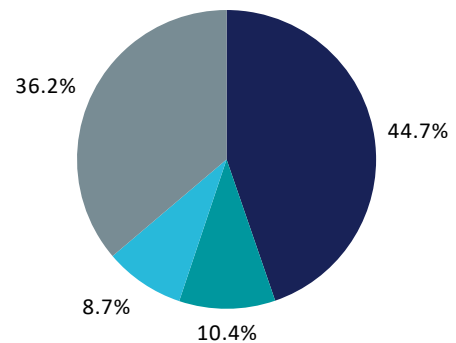
Cover pool volume (EURm)	5,783	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,250	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	10.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% Finland	Collateral score	4.0%
Main region	45% Uusimaa	RRL	-
Number of loans	107,410	JRL	-
Number of borrowers	160,738	Unused notches	-
Avg. exposure to borrowers (EUR)	35,978	AAA credit risk (%)	-
WAL (cover pool)	8.9y	PCU	-
WAL (covered bonds)	4.5y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	50.1%	LCR level (Bmk)	1
LTV (unindexed)	55.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



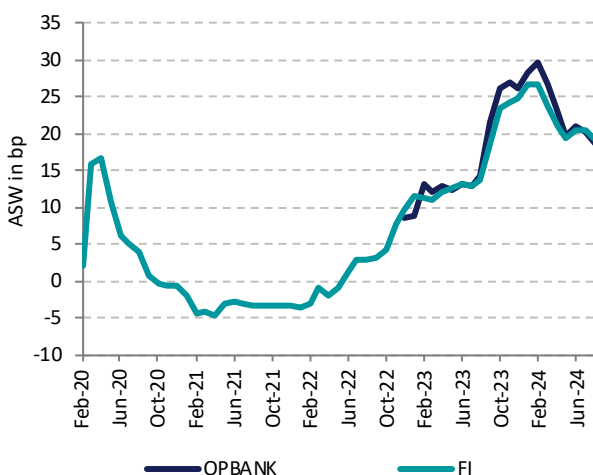
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

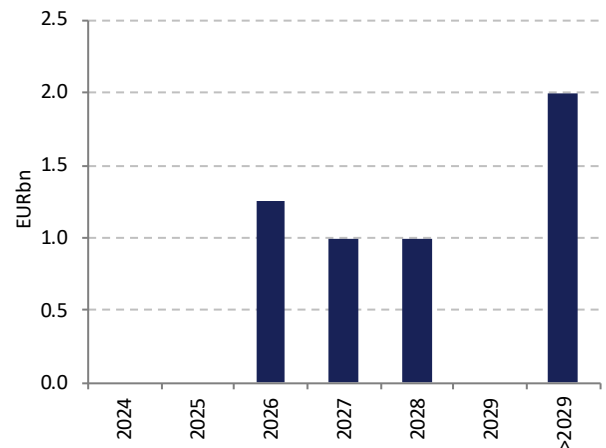


■ Uusimaa ■ Pirkanmaa ■ North Ostrobothnia ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## POP Bank

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Bonum Bank PLC\*

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

## Homepage

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

\*Group Rating

POP Mortgage Bank (POPMB) is a wholly owned subsidiary of POP Bank Centre Coop (POPC) and serves as a funding vehicle for the POP Bank Group. The POP Bank Group comprises 18 cooperative banks, the central institute POPC, the funding vehicle POPMB and the central credit entity Bonum Bank (Bonum). As the central institute, POPC assumes management and control tasks for group members. There is also a joint and several liability scheme in place between the individual institutes within the group. Geographically, the focus is on the growth centres in the central, western and southern regions of Finland. In May 2023, POPC sold 70% of its shares in the previously wholly owned subsidiary P&C Insurance LTD to the LocalTapiola Group. In addition, a new partnership with LocalTapiola was announced in order to offer its customers a wider range of financial solutions. Following the sale of P&C Insurance LTD, the group now only reports in the operating segment of Banking. The bank's customers can primarily be categorised as retail and corporate customers (share in the loan portfolio as at FY 2023: 64% and 23% respectively), in addition to customers from the agricultural sector (13%). At 63%, the vast majority of the loan portfolio is attributable to loans for residential property financing. The most important component in the funding mix of POPC are customer deposits. These are supplemented by issuances of secured and unsecured bonds on the capital market, among other things. POPC has been an active issuer in the covered bond sub-benchmark segment since 2022 via its wholly owned subsidiary POPMB.

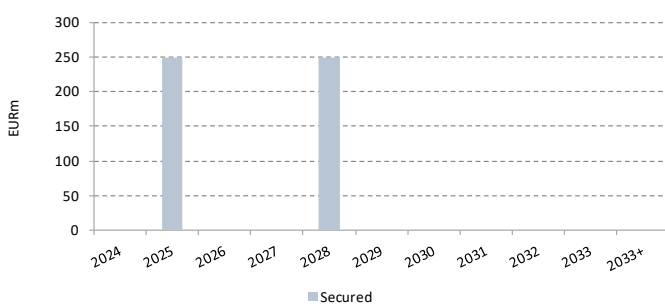
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	4,448	4,562	4,652
Total Securities	688	784	679
Total Deposits	4,326	4,330	4,321
Tier 1 Common Capital	556	588	667
Total Assets	5,774	6,075	5,918
Total Risk-weighted Assets	2,872	2,899	2,925

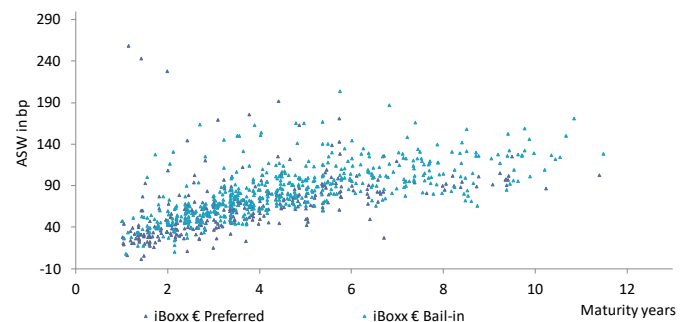
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	93	178	96
Net Fee & Commission Inc.	42	44	23
Net Trading Income	-0	-0	0
Operating Expense	108	119	66
Credit Commit. Impairment	8	17	13
Pre-tax Profit	26	89	47

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.71	3.08	3.30	Liquidity Coverage Ratio	184.80	273.90	230.30
ROAE	4.26	18.62	10.64	IFRS Tier 1 Leverage Ratio	9.67	9.70	11.30
Cost-to-Income	73.81	51.91	52.26	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	19.37	20.28	22.81	Reserves/Loans at Amort. Cost	0.92	1.14	1.27

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Focus on low-risk loan business
- Regional franchise

## Risks / Weaknesses

- Concentration risks in lending segment
- Cost efficiency
- Asset quality in comparison with peers

# POP Mortgage Bank – Mortgage

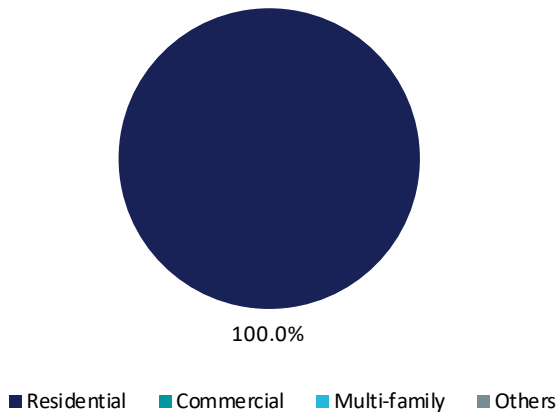
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

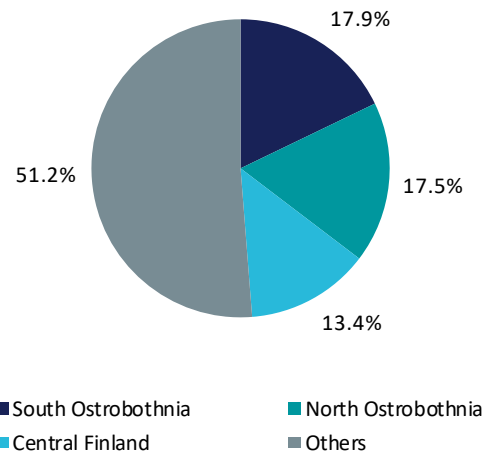
## Cover Pool Data

Cover pool volume (EURm)	677	Rating (Moody's)	-
Amount outstanding (EURm)	500	Rating (S&P)	AAA
-thereof ≥ EUR 250m	100.0%	Rating (Fitch)	-
Current OC (nominal)	35.4%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	18% South Ostrobothnia	RRL	a-
Number of loans	11,578	JRL	aa-
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	4.0%
WAL (cover pool)	8.0y	PCU	4
WAL (covered bonds)	2.8y	Recovery uplift	-
Fixed interest (cover pool)	6.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	68.4%	LCR level (SBmk)	2A
LTV (unindexed)	68.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

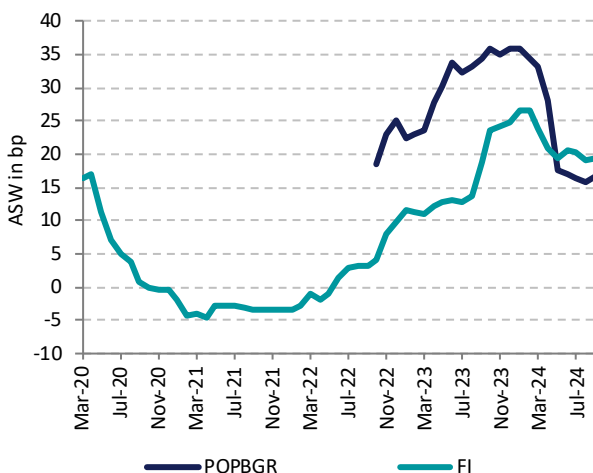
## Borrower Types



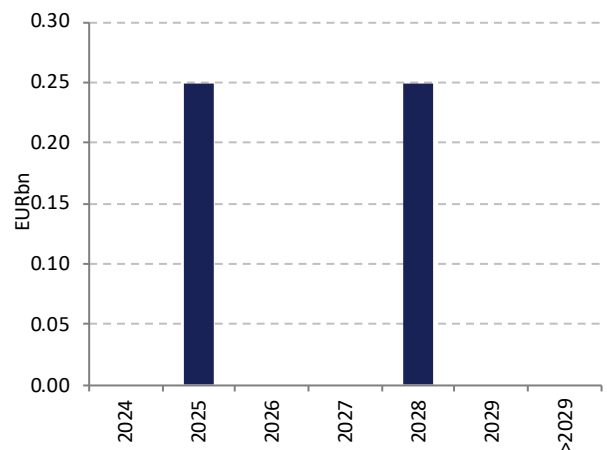
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Sp Mortgage Bank/Savings Bank Group

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## CBSBF\*

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

## Homepage

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

\*Zentrales Kreditinstitut der Savings Bank Group

Sp Mortgage Bank (SP-Kiinnitysluottopankki Oyj) is the covered bond funding vehicle for the Finnish Savings Bank Group (SBG). The bank's remit is limited exclusively to the issuance of covered bonds. The bank does not have its own customer base or distribution network, with the operating business instead handled via SBG. Two mergers took place within SBG in 2022 and one savings bank left the Group in 2023, leaving a total of 14 savings banks. In accordance with the Amalgamation Act, the 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. SBG reports across the following segments: Banking (share of pre-tax profit in FY 2023: 65%) and Asset Management Services (35%). A total of 67% of the loan portfolio comprises loans to private individuals (FY 2023), while corporate loans account for 16% and 8% is attributable to agricultural enterprises and other customers. At the same time, 59% of all loans issued were property loans. In total, the loan portfolio has reduced by 8% compared with the end of 2022. This is due to the exit of Liedon Savings Bank (LSB; part of SBG) from the Savings Bank Amalgamation (Sparkassenverbund) in March 2023. In May 2023, SBG implemented the ESG criteria in its lending guidelines in order to define what constitutes a sustainable project and to exclude various industries in accordance with the European Investment Fund (EIF) and the Green Bond Principles of the International Capital Market Association (ICMA). As at the end of financial year 2023, the green asset ratio of SBG stood at 0.11%.

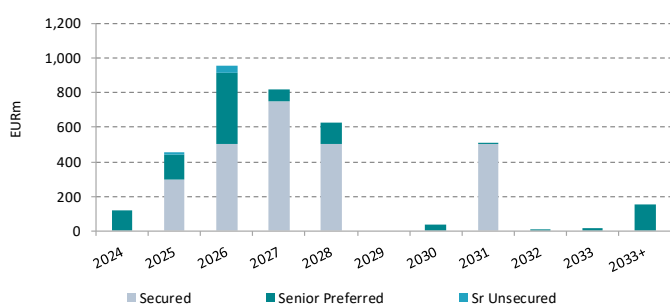
## Balance Sheet (Savings Bank Group)

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	9,024	9,539	9,813
Total Securities	904	892	838
Total Deposits	6,994	7,017	6,966
Tier 1 Common Capital	1,091	1,031	1,093
Total Assets	13,780	13,206	13,944
Total Risk-weighted Assets	5,837	5,302	5,346

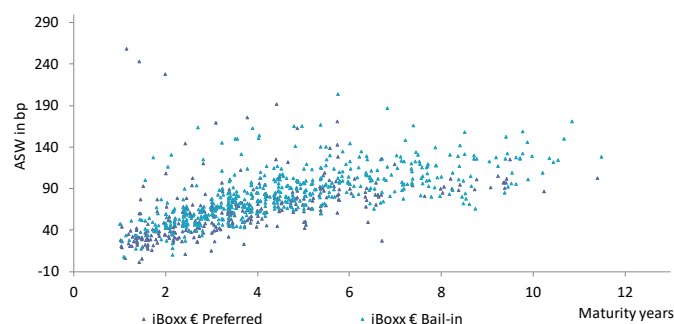
## Income Statement (Savings Bank Group)

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	170	264	139
Net Fee & Commission Inc.	129	126	56
Net Trading Income	5	6	4
Operating Expense	218	232	119
Credit Commit. Impairment	16	10	11
Pre-tax Profit	71	136	83

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios (Savings Bank Group)

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.47	2.26	2.24	Liquidity Coverage Ratio	-	226.00	-
ROAE	5.69	9.34	11.31	IFRS Tier 1 Leverage Ratio	8.08	7.94	7.97
Cost-to-Income	71.56	61.50	56.12	NPL / Loans at Amortised Cost	2.37	2.64	2.95
Core Tier 1 Ratio	18.68	19.45	20.44	Reserves/Loans at Amort. Cost	0.48	0.51	0.58

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Regional franchise

## Risks / Weaknesses

- Geographical presence in Finnish growth markets
- Asset quality

# Sp Mortgage Bank – Mortgage (SP-01)

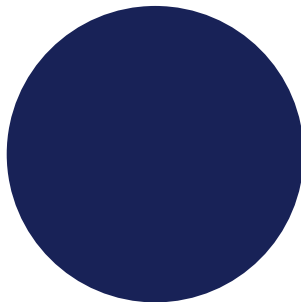
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

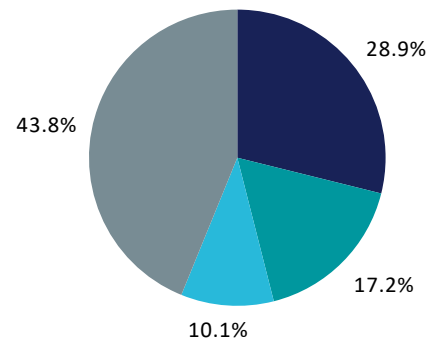
Cover pool volume (EURm)	2,170	Rating (Moody's)	-
Amount outstanding (EURm)	1,300	Rating (S&P)	AAA
-thereof ≥ EUR 500m	76.9%	Rating (Fitch)	-
Current OC (nominal)	66.9%	Rating (DBRS)	-
Committed OC	17.3%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	29% Uusimaa	RRL	a+
Number of loans	26,376	JRL	aa+
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	7.5%
WAL (cover pool)	8.7y	PCU	-
WAL (covered bonds)	2.7y	Recovery uplift	-
Fixed interest (cover pool)	15.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	57.3%	LCR level (Bmk)	1
LTV (unindexed)	57.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



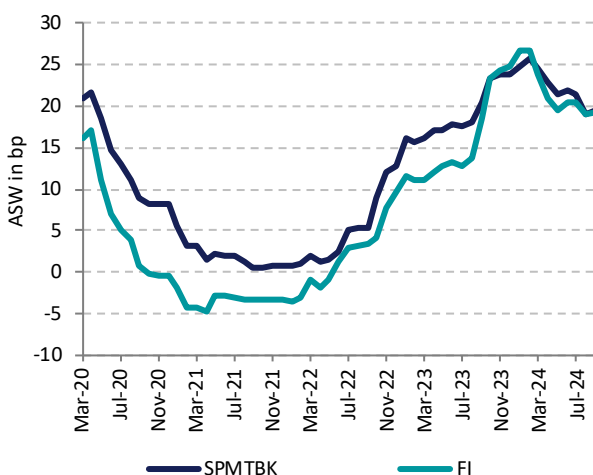
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

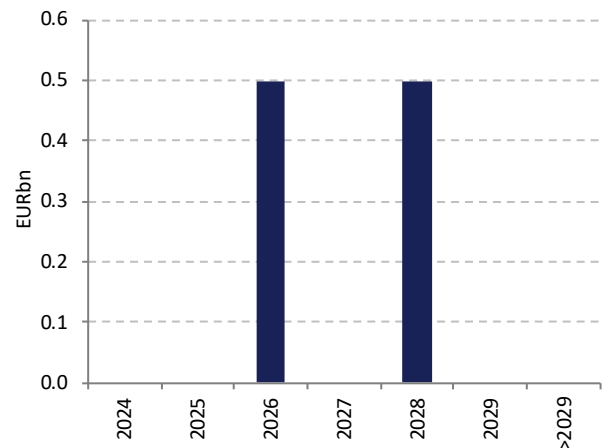


■ Uusimaa ■ Pirkanmaa ■ Ostrobothnia ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Sp Mortgage Bank – Mortgage (SP-02)

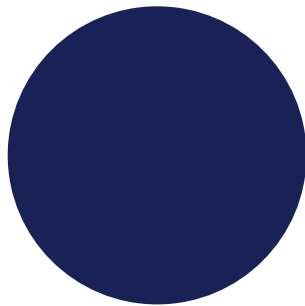
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

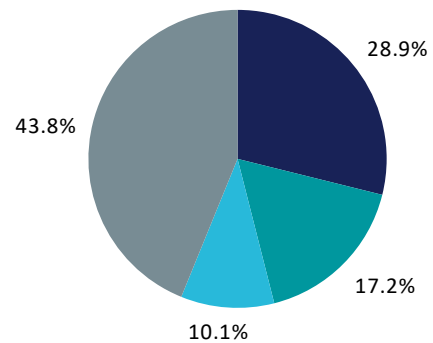
Cover pool volume (EURm)	1,051	Rating (Moody's)	-
Amount outstanding (EURm)	750	Rating (S&P)	AAA
-thereof ≥ EUR 500m	166.7%	Rating (Fitch)	-
Current OC (nominal)	40.1%	Rating (DBRS)	-
Committed OC	22.1%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	29% Uusimaa	RRL	a+
Number of loans	25,295	JRL	aa+
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	6.7%
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	3.4y	Recovery uplift	-
Fixed interest (cover pool)	15.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	61.7%	LCR level (Bmk)	1
LTV (unindexed)	62.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



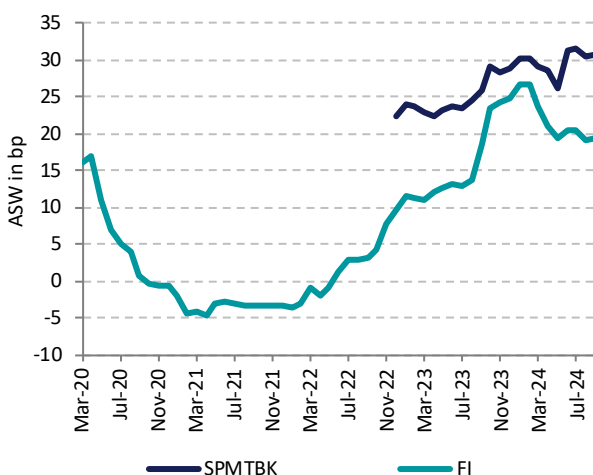
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

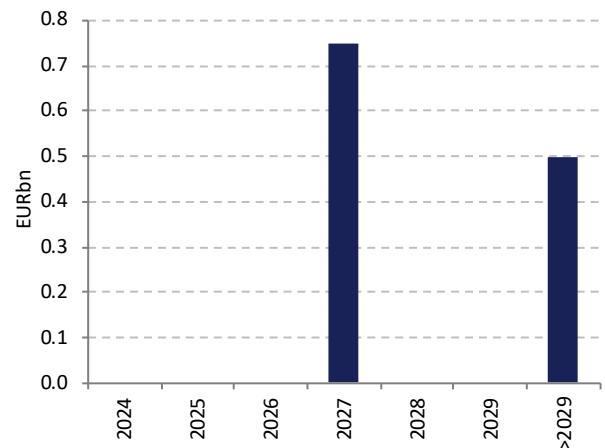


■ Uusimaa ■ Pirkanmaa ■ Ostrobothnia ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## S-Bank

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## S-Bank PLC

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

## Homepage

[www.s-pankki.fi](http://www.s-pankki.fi)

S-Bank (S-Pankki) was founded in 2007 and is headquartered in Helsinki. Together with its subsidiaries, it forms the cooperatively organised S-Bank Group. The institute is around 50%-owned by the SOK Corporation. The remaining shares are held by the 19 cooperative banks that belong to the S-Bank Group. Banking services for households and selected businesses, in addition to wealth management activities, constitute the core business of the Group, whereby the cooperative subsidiaries act as sales units for S-Bank services. In December 2023, S-Bank adopted its new strategy for the years 2024 to 2027. The institute plans to become the fourth-largest bank for household customers by means of acquisitions and a stronger customer focus. The bank operates in the three operating segments Banking, Wealth Management and Other Activities. Loans to households and businesses account for shares of 57.2% and 11.8% respectively of the total assets of S-Bank (FY 2023). Lending is mainly financed via household deposits (FY 2023: 74.2% of liabilities). On 31 May 2023, S-Bank announced that it would be taking over the Finnish retail customer, asset management and investment service business of Svenska Handelsbanken AB (loans: EUR 3.6bn; deposits: EUR 1.6bn). In order to finance the deal, the institute placed its first covered bond in benchmark format in September 2023, among other measures. The closing of the acquisition is set to take place in the second half of 2024. The group had a green asset ratio of 0.22% as at the end of the financial year.

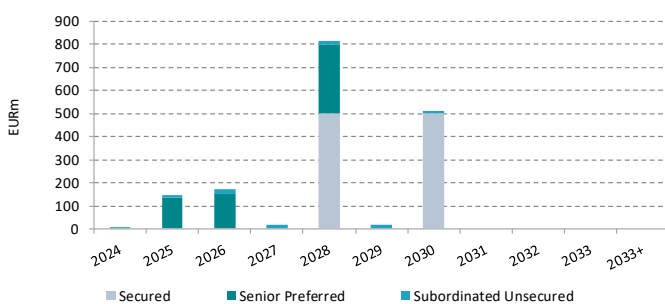
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	9,024	9,539	9,813
Total Securities	904	892	838
Total Deposits	6,994	7,017	6,966
Tier 1 Common Capital	1,091	1,031	1,093
Total Assets	13,780	13,206	13,944
Total Risk-weighted Assets	5,837	5,302	5,346

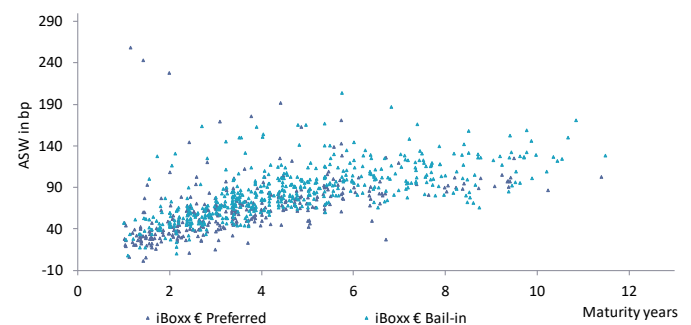
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	170	264	139
Net Fee & Commission Inc.	129	126	56
Net Trading Income	5	6	4
Operating Expense	218	232	119
Credit Commit. Impairment	16	10	11
Pre-tax Profit	71	136	83

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.47	2.26	2.24	Liquidity Coverage Ratio	-	226.00	-
ROAE	5.69	9.34	11.31	IFRS Tier 1 Leverage Ratio	8.08	7.94	7.97
Cost-to-Income	71.56	61.50	56.12	NPL / Loans at Amortised Cost	2.37	2.64	2.95
Core Tier 1 Ratio	18.68	19.45	20.44	Reserves/Loans at Amort. Cost	0.48	0.51	0.58

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Group integration
- Capitalisation
- Deposit base

## Risks / Weaknesses

- Significant investment requirement (medium term)
- Acquisition Handelsbanken retail customer portfolio
- Profitability in a peer group comparison

# S-Pankki – Mortgage

Finland 

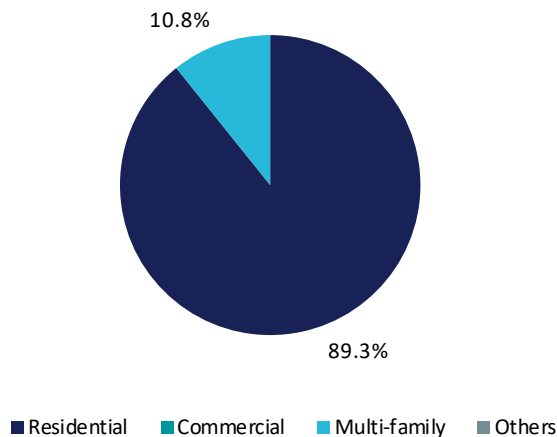
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

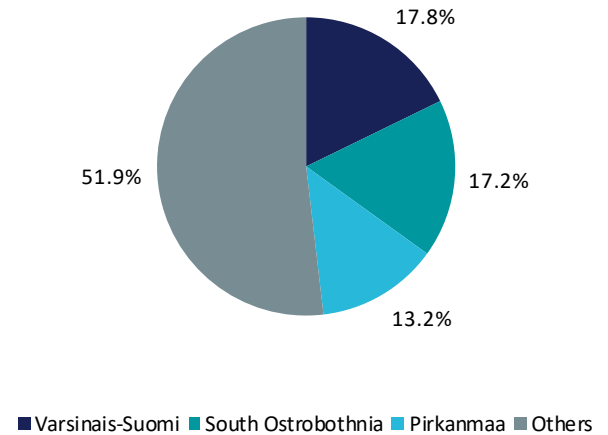
Cover pool volume (EURm)	3,008
Amount outstanding (EURm)	2,350
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	28.0%
Committed OC	-
Cover type	Mortgage
Main country	100% Finland
Main region	18% Varsinais-Suomi
Number of loans	40,365
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	7.8y
WAL (covered bonds)	3.5y
Fixed interest (cover pool)	12.5%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	65.4%
LTV (unindexed)	64.4%
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	2
AAA credit risk (%)	8.3%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

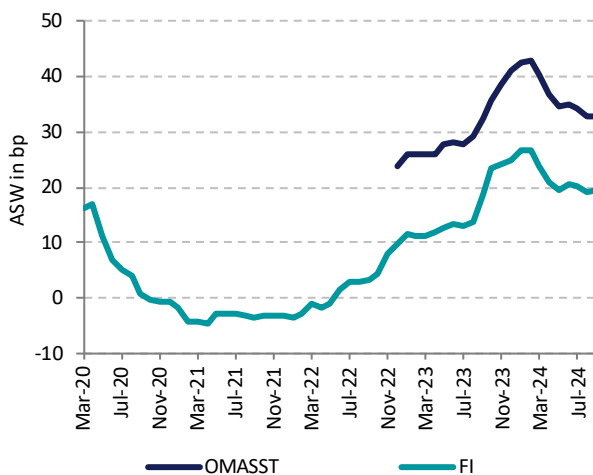
## Borrower Types



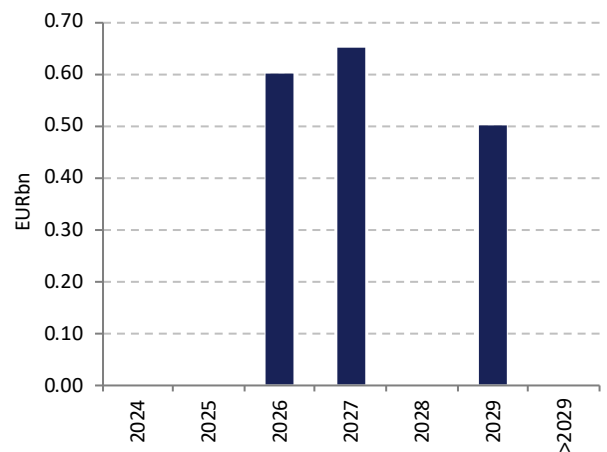
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Suomen Hypoteekkiyhdistys

Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Suomen Hypoteekkiyhdistys

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

## Homepage

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

Founded in 1860, The Mortgage Society of Finland Group (Suomen Hypoteekkiyhdistys; short: Hypo) is a Finnish bank that exclusively specialises in the financing of residential property. Since 2002, deposit products and retail banking services have also been offered via the wholly owned subsidiary AsuntoHypoPankki Oy. Furthermore, Hypo holds a stake of 54.6% (as at FY 2023) in the real estate management firm Bostadsaktiebolaget Taos. Hypo is a cooperative bank and is therefore owned by its member customers. A total of 67 staff, of whom 50 are financing specialists, serve approximately 29,000 customers from the headquarters in Helsinki. Hypo's customers can be categorised into two main groups: property companies are the largest group at 69% of the loan portfolio (FY 2023), followed by retail customers (29%) and buy-to-let (2%). In geographical terms, Hypo chiefly focuses on the metropolitan region of Helsinki and other fast-growing cities. All loans granted are denominated in EUR and according to Hypo, loans are exclusively securitised by residential property located in Finland. Most of the funding mix of the institute comprises covered bonds (FY 2023: 49%) and customer deposits (47%). The ratio of non-performing loans stood at 0.19% as at the end of financial year 2023. Hypo's business is above all concentrated on the growth regions of Finland, with Helsinki forming a particular focal point. In order to bolster the bank's business activities, a new core banking system was launched at the start of 2022, enabling Hypo to develop its own products and services on its own system.

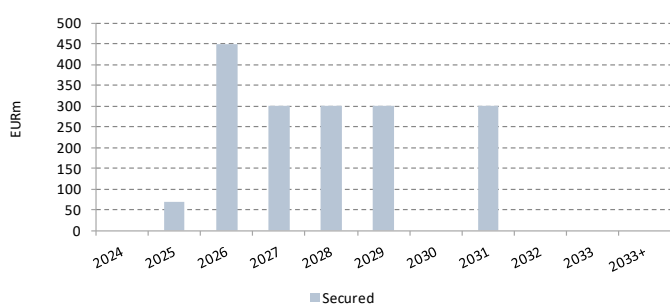
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	2,754	2,786	2,819
Total Securities	144	165	161
Total Deposits	1,474	1,569	1,655
Tier 1 Common Capital	137	142	149
Total Assets	3,461	3,619	3,665
Total Risk-weighted Assets	992	1,000	1,058

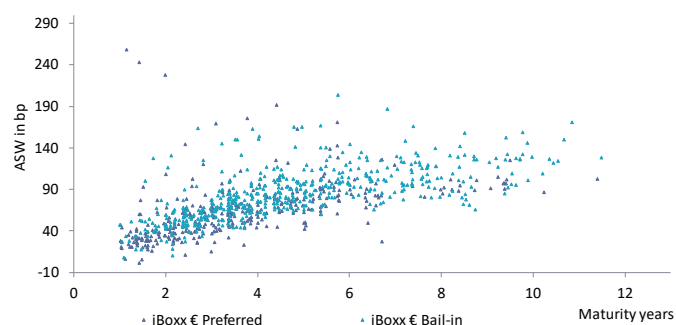
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	15	18	8
Net Fee & Commission Inc.	4	5	3
Net Trading Income	3	-3	0
Operating Expense	18	16	9
Credit Commit. Impairment	0	0	0
Pre-tax Profit	7	9	3

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.48	0.53	0.43	Liquidity Coverage Ratio	201.63	326.37	328.01
ROAE	3.95	4.51	3.28	IFRS Tier 1 Leverage Ratio	4.10	4.02	4.16
Cost-to-Income	71.18	65.52	72.51	NPL / Loans at Amortised Cost	0.15	0.20	0.19
Core Tier 1 Ratio	13.81	14.22	14.09	Reserves/Loans at Amort. Cost	0.01	0.01	0.01

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Conservative lending standards
- Asset quality

## Risks / Weaknesses

- Concentration risks in lending business
- Deposit base in comparison with peers
- Diversification of income sources (monoline)

# Suomen Hypo – Mortgage (Pool 1)

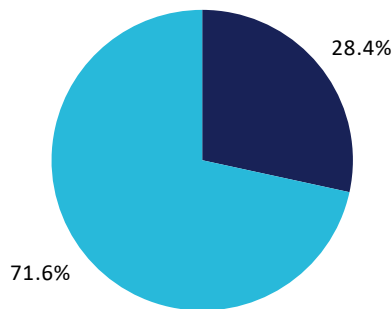
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

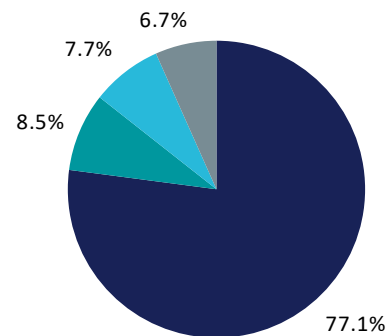
Cover pool volume (EURm)	1,474	Rating (Moody's)	-
Amount outstanding (EURm)	1,170	Rating (S&P)	AAA
-thereof ≥ EUR 250m	64.1%	Rating (Fitch)	-
Current OC (nominal)	26.0%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	77% Uusimaa	RRL	a-
Number of loans	6,351	JRL	aa-
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	10.1%
WAL (cover pool)	7.5y	PCU	-
WAL (covered bonds)	1.8y	Recovery uplift	-
Fixed interest (cover pool)	2.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	94.0%	LCR eligible	Yes
LTV (indexed)	30.0%	LCR level (SBmk)	2A
LTV (unindexed)	28.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



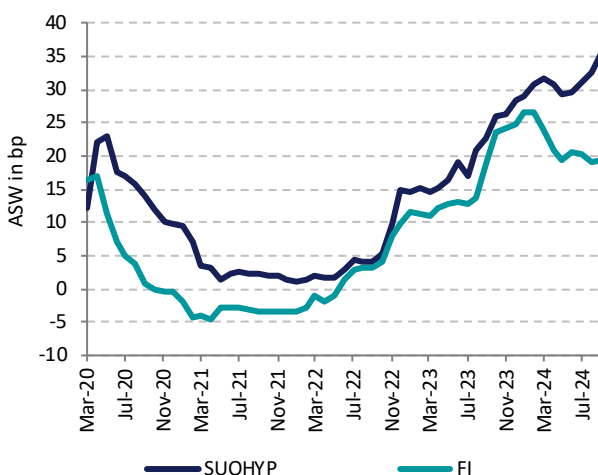
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

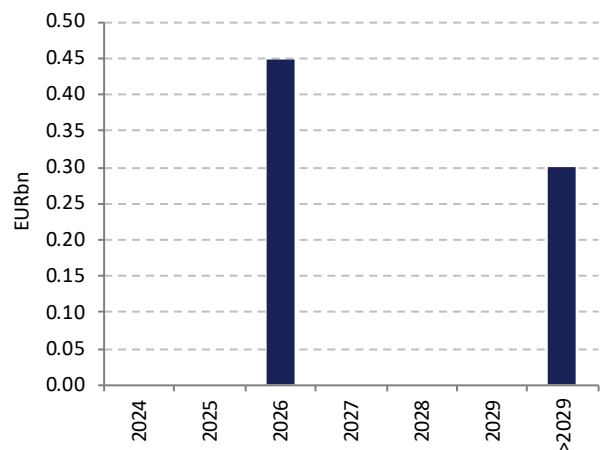


■ Uusimaa ■ Varsinais-Suomi ■ Pirkanmaa ■ Others

## Spread Development



## Redemption Profile (SBmk)



# Suomen Hypo – Mortgage (Pool 2)

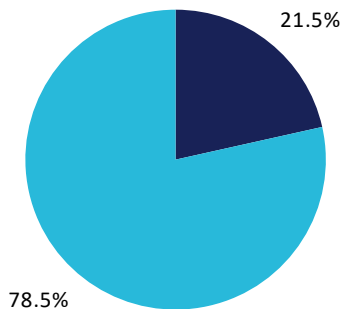
Finland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

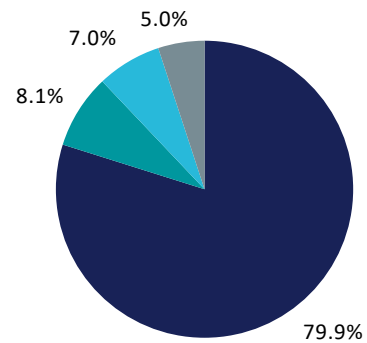
Cover pool volume (EURm)	768	Rating (Moody's)	-
Amount outstanding (EURm)	600	Rating (S&P)	AAA
-thereof ≥ EUR 250m	150.0%	Rating (Fitch)	-
Current OC (nominal)	28.0%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Finland	Collateral score	-
Main region	80% Uusimaa	RRL	a-
Number of loans	3,438	JRL	aa-
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	8.1%
WAL (cover pool)	7.3y	PCU	-
WAL (covered bonds)	4.1y	Recovery uplift	-
Fixed interest (cover pool)	1.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	25.7%	LCR level (SBmk)	2A
LTV (unindexed)	24.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

## Borrower Types



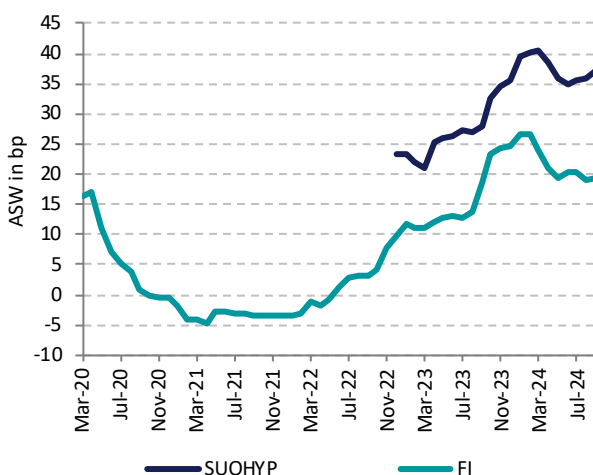
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



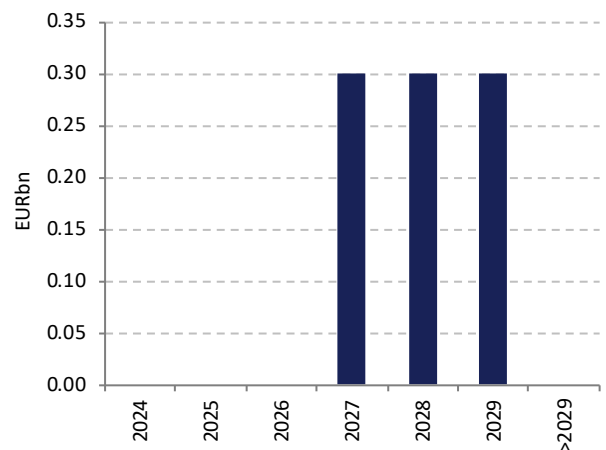
■ Uusimaa ■ Varsinais-Suomi ■ Pirkanmaa ■ Others

## Spread Development



— SUOHYP — FI

## Redemption Profile (SBmk)



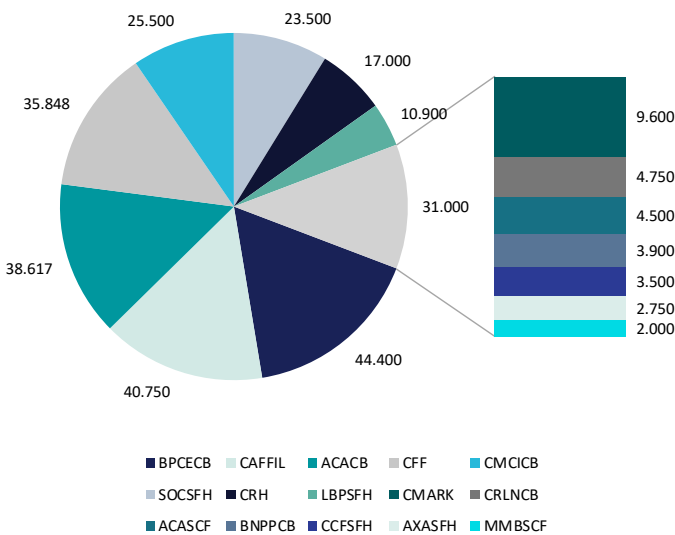
# Market Overview Covered Bonds

France 

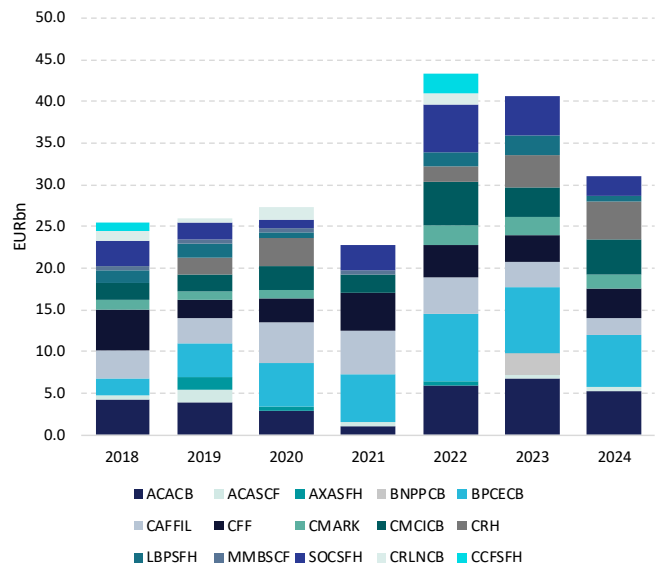
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 486.55bn	Outstanding volume (Bmk)	EUR 265.02bn
Amount outstanding	EUR 374.95bn	Number of benchmarks	255
Number of issuers	16	Outstanding ESG volume (Bmk)	EUR 25.00bn
No of cover pools	16	Number of ESG benchmarks	26
there of M / PS / others	13 / 3 / 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

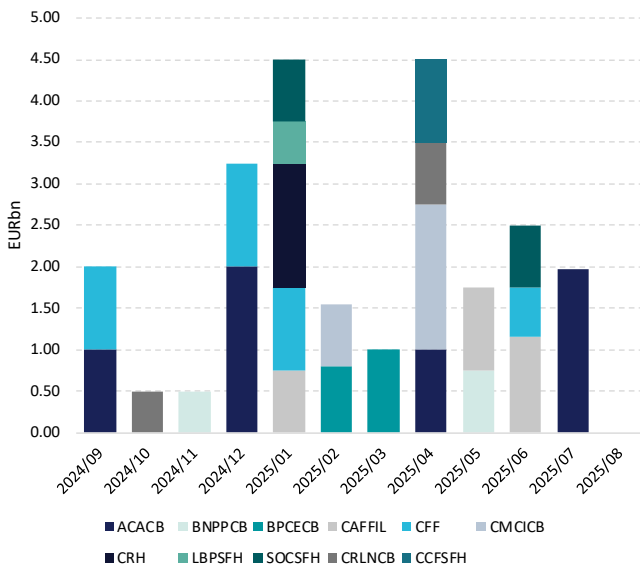
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



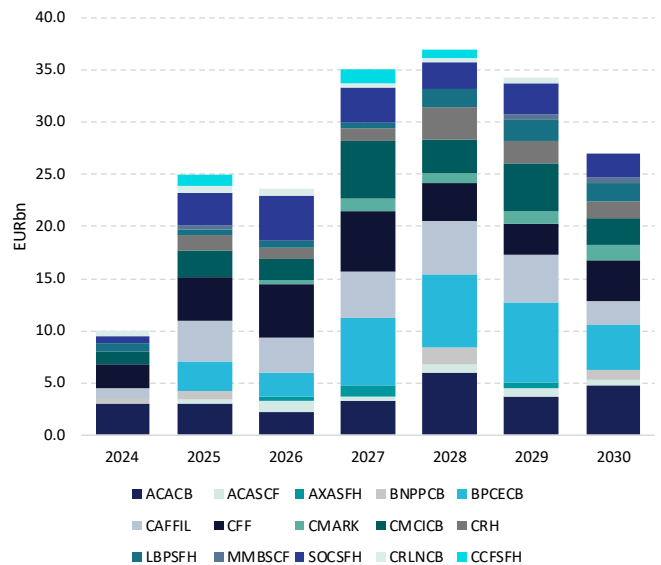
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Crelan/AXA Bank Europe SCF

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Crelan NV

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

AXA Bank Europe Societe de Credit Foncier (AXA SCF) is a French subsidiary of the Belgian Crelan NV (Crelan), which holds 99.99% of the shares. On 31 December 2021, Crelan acquired all shares in AXA Bank Belgium (ABB), which was the owner of AXA SCF until the conclusion of the takeover process in June 2024. Following the conclusion of the takeover process, ABB ceased to exist once all assets and liabilities were transferred to Crelan. Within the Crelan Group, Crelan is the central institute and is wholly owned by the cooperative CrelanCo. AXA SCF has no operating business of its own, but rather serves the sole purpose within the group structure of refinancing via covered bonds. The Belgian central bank designated Crelan as a domestic systemically important bank (D-SIB). The group employs around 1,700 staff (FY 2023) in 792 branches to serve nearly 1.8m customers. In terms of assets, it is the fifth largest banking group in Belgium. The group offers its customers a broad spectrum of banking and insurance services, with a focus on retail customers, self-employed individuals and SMEs. The customer loan portfolio at group level comprises the customer groups of Retail (FY 2023: 83.6%), Professional (12.1%) and Agricultural (4.3%). The majority of the group's funding mix is based on customer deposits (FY 2023: 78.5% of liabilities), followed by covered bonds (8.7%). Based on its Green Bond Framework, Crelan successfully issued its second green bond in January 2024.

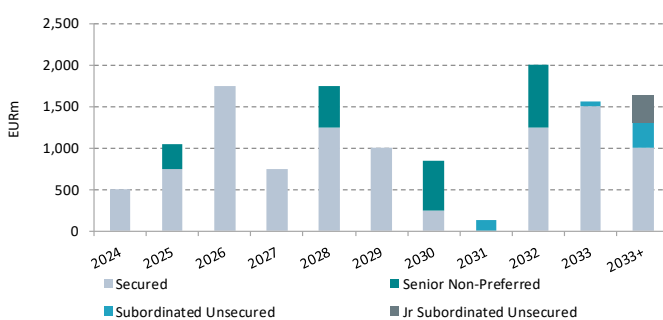
## Balance Sheet (Crelan NV)

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	45,279	47,306	48,434
Total Securities	1,940	-	-
Total Deposits	41,201	42,405	42,391
Tier 1 Common Capital	1,841	1,896	2,145
Total Assets	53,012	53,842	53,988
Total Risk-weighted Assets	11,602	8,915	8,415

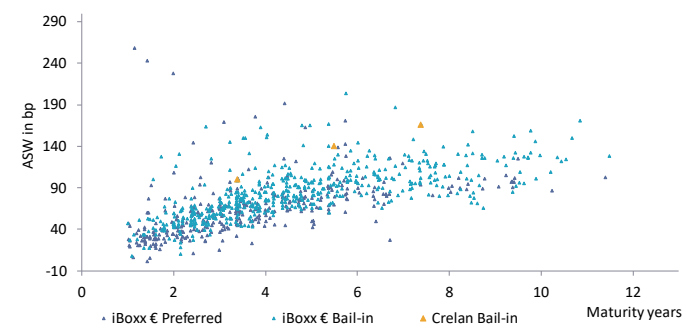
## Income Statement (Crelan NV)

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	256	678	988
Net Fee & Commission Inc.	33	54	13
Net Trading Income	7	6	10
Operating Expense	263	540	713
Credit Commit. Impairment	22	25	51
Pre-tax Profit	685	213	276

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios (Crelan NV)

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	0.68	1.28	1.85	Liquidity Coverage Ratio	178.42	195.69	188.40
ROAE	37.68	6.99	8.55	IFRS Tier 1 Leverage Ratio	3.48	3.53	3.98
Cost-to-Income	72.71	69.81	68.62	NPL / Loans at Amortised Cost	0.56	0.74	0.82
Core Tier 1 Ratio	15.87	21.27	25.48	Reserves/Loans at Amort. Cost	0.33	0.36	0.43

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- National market position
- Deposit base

## Risks / Weaknesses

- Concentration risks (mortgages in BE)
- Integration of ABB



# AXA Bank Europe SCF – Mortgage

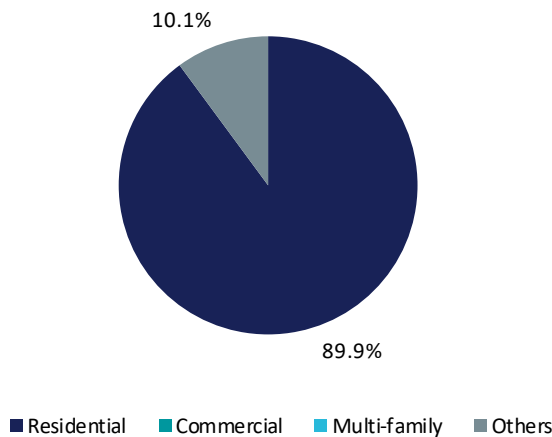
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

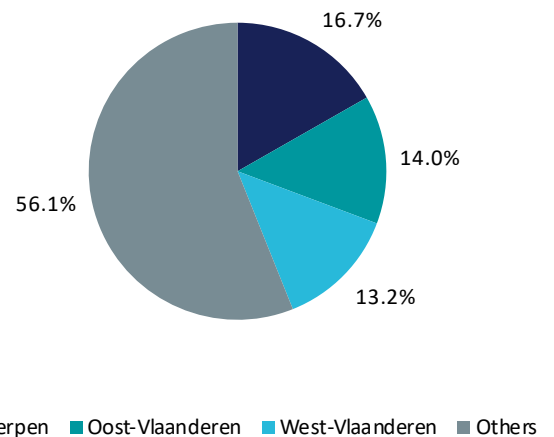
## Cover Pool Data

Cover pool volume (EURm)	13,315	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,000	Rating (S&P)	-
-thereof ≥ EUR 500m	47.5%	Rating (Fitch)	-
Current OC (nominal)	33.1%	Rating (DBRS)	-
Committed OC	12.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Belgium	Collateral score	5.0%
Main region	17% Antwerpen	RRL	-
Number of loans	146,202	JRL	-
Number of borrowers	145,997	Unused notches	-
Avg. exposure to borrowers (EUR)	81,992	AAA credit risk (%)	-
WAL (cover pool)	8.4y	PCU	-
WAL (covered bonds)	5.6y	Recovery uplift	-
Fixed interest (cover pool)	95.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	62.2%	LCR eligible	Yes
LTV (indexed)	96.2%	LCR level (Bmk)	1
LTV (unindexed)	65.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

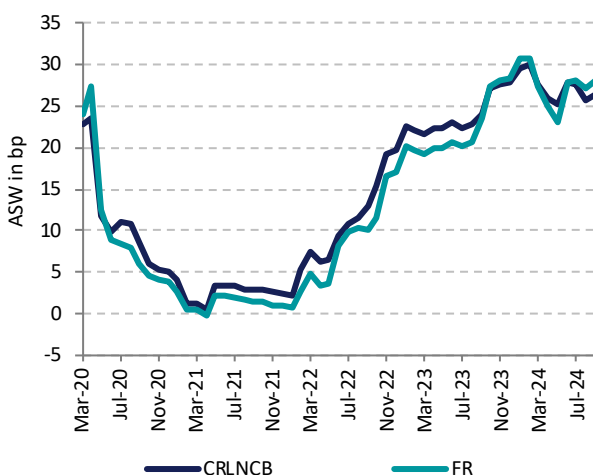
## Borrower Types



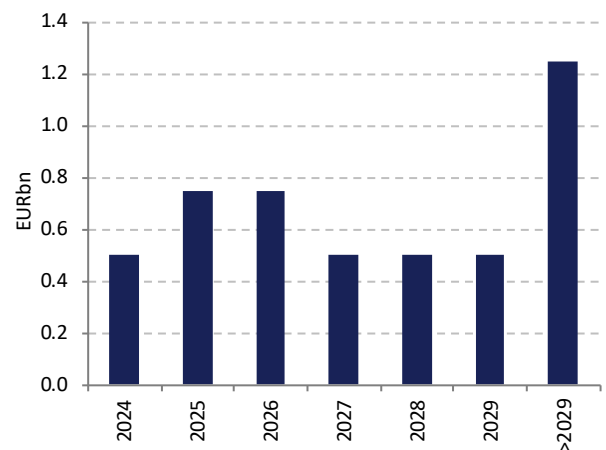
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# AXA Banque/AXA Home Loan SFH

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### AXA Banque

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

## Homepage

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

AXA Home Loan SFH is a subsidiary of the French AXA Banque SA (AXA Banque), which is headquartered in Fontenay-sous-Bois. The owners of AXA Home Loan SFH are AXA Banque SA (FY 2023: 99.99% of the shares) and AXA Banque Financement SA (0.01%). As at December 2023, AXA Banque is 51% owned by AXA France Participations, with a share of 49% held by AXA France Vie. Ultimately, AXA Banque is wholly owned by the AXA insurance group through direct and indirect participations. As a universal bank, AXA Banque operates with a distinct focus on retail customers. In 2023, AXA Banque employed 586 staff on average, who served around 450,000 customers overall. In addition to the day-to-day banking business, AXA Banque offers mortgage loans and consumer lending, wealth management, as well as insurance, savings and investment products. AXA Banque does not have its own branches. Rather, it makes use of AXA's commercial network to sell its products. Mortgage lending constitutes the most important areas of business for AXA Banque. Over the course of 2023, however, activities here were temporarily suspended owing to unfavourable market conditions in order to maintain profitability. In addition to customer deposits, AXA Banque's refinancing structure consists of unsecured bonds, group-internal liquidity and covered bonds, which have been issued via AXA Home Loan SFH since 2019. As at year-end 2023, AXA Banque reported a CET1 ratio of 14.8% and therefore comfortably fulfilled the regulatory requirement of 4.0%.

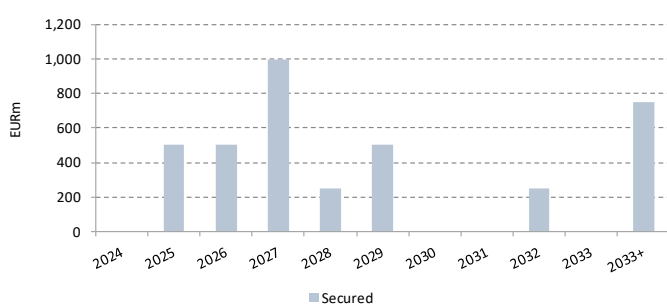
## Balance Sheet (AXA Banque)

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	11,599	10,970	10,031
Total Securities	1,385	1,860	1,729
Total Deposits	5,267	5,055	4,929
Tier 1 Common Capital	470	447	533
Total Assets	16,308	15,583	13,806
Total Risk-weighted Assets	4,365	4,258	3,611

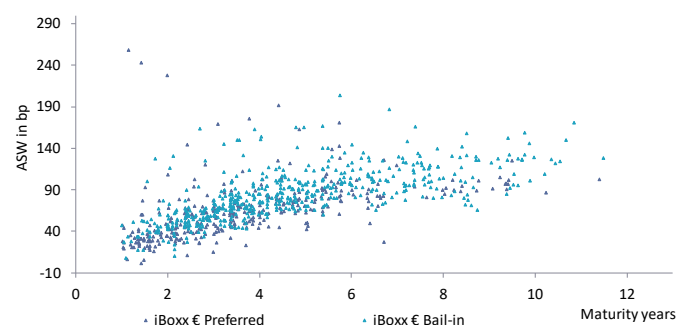
## Income Statement (AXA Banque)

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	159	148	62
Net Fee & Commission Inc.	10	-1	7
Net Trading Income	38	120	28
Operating Expense	183	162	132
Credit Commit. Impairment	-	-	-
Pre-tax Profit	11	75	-66

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios (AXA Banque)

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	0.99	0.94	0.43	Liquidity Coverage Ratio	197.10	221.09	208.30
ROAE	0.77	10.44	-13.33	IFRS Tier 1 Leverage Ratio	2.93	3.04	4.05
Cost-to-Income	89.63	62.59	144.56	NPL / Loans at Amortised Cost	2.88	4.39	5.55
Core Tier 1 Ratio	10.77	10.50	14.76	Reserves/Loans at Amort. Cost	0.77	0.76	1.33

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Strategically important part of the AXA Group
- Integration in the AXA Group
- Diversified product range

## Risks / Weaknesses

- Concentration risks (retail banking in France)
- Earning power
- Size of the bank

# AXA Home Loan SFH – Mortgage

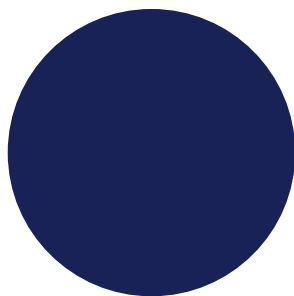
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

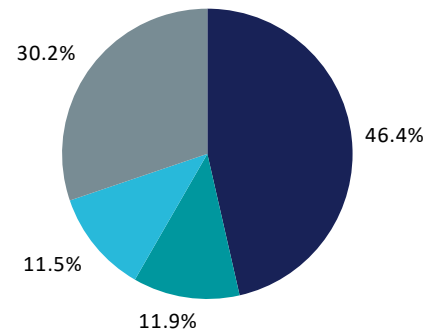
Cover pool volume (EURm)	3,738	Rating (Moody's)	-
Amount outstanding (EURm)	3,250	Rating (S&P)	AAA
-thereof ≥ EUR 500m	84.6%	Rating (Fitch)	AAA
Current OC (nominal)	15.0%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	46% Ile-de-France	RRL	aa
Number of loans	26,697	JRL	aa
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	5.3%
WAL (cover pool)	8.5y	PCU	6
WAL (covered bonds)	5.5y	Recovery uplift	2
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	67.2%	LCR level (Bmk)	1
LTV (unindexed)	60.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



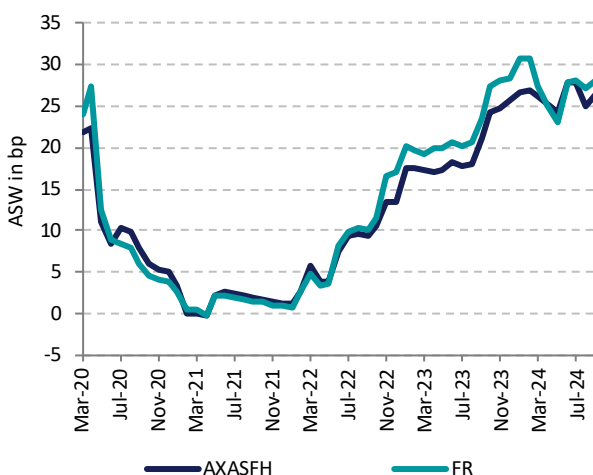
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

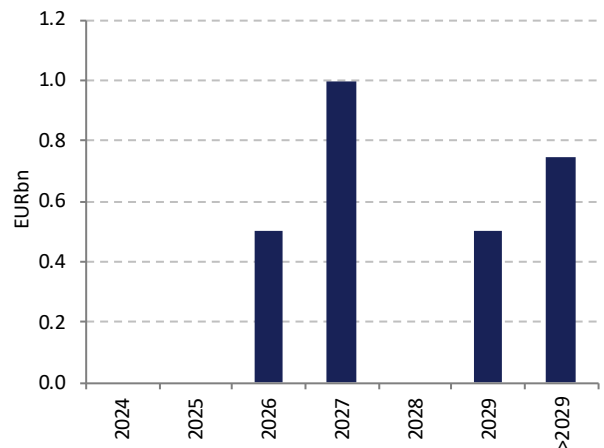


■ Ile-de-France ■ Occitanie ■ Provence-Alpes-Cote d'Azur ■ Others

## Spread Development



## Redemption Profile (Bmk)



## Banque Federative du Credit Mutuel

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Banque Federative du Credit Mutuel SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

As part of the Credit Mutuel Group, Banque Federative du Credit Mutuel SA (BFCM) constitutes the holding and funding unit for Credit Mutuel Alliance Federale (CMAF). The main shareholders of BFCM are Caisse Federale de Credit Mutuel (around 91.7%), which belongs to CMAF, in addition to 13 regional banks of Credit Mutuel (6.6% overall; data as at 11 April 2024). BFCM also owns the CIC Group (Credit Industriel et Commercial), several specialist subsidiaries and various other financial institutions (e.g. Targobank), as well as the covered bond issuer Credit Mutuel Home Loan SFH. As a retail and commercial bank, CMAF offers its customers through a range of subsidiaries conventional financial services such as retail banking and insurance products, as well as asset management, private banking and special services in the areas of media and logistics. CMAF has around six million members in total. As at financial year 2023, CMAF employs around 84,600 staff, who serve more than 38 million customers in approximately 5,100 branches. In addition to other EU and non-EU countries, CMAF generated 75% (FY 2023) of its net income in its domestic market of France, followed by Germany at 12% and the Benelux countries at 6%. CMAF reports across the segments of Retail Banking (57% of net income as at FY 2023; excluding the Holding Segment), Insurance (19%), Specialized Business Lines (21%) and Other Business Lines (3%). Funding at CMAF has been supplemented by green bonds since 2020, with social bonds joining the mix in 2022. CMAF's turnover-based green asset ratio stands at 5.1%.

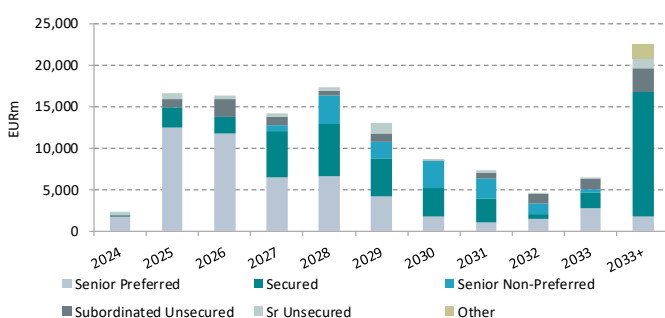
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	332,036	348,812	352,389
Total Securities	58,086	63,239	71,747
Total Deposits	283,682	299,302	290,913
Tier 1 Common Capital	-	-	-
Total Assets	702,632	719,492	728,428
Total Risk-weighted Assets	-	-	-

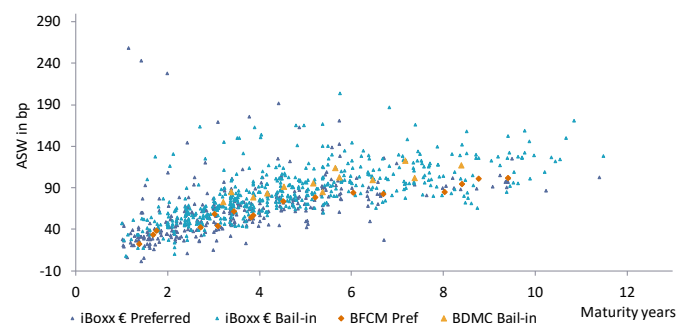
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	6,325	6,725	3,512
Net Fee & Commission Inc.	2,999	3,005	1,634
Net Trading Income	496	607	236
Operating Expense	5,642	6,077	3,191
Credit Commit. Impairment	808	1,231	818
Pre-tax Profit	3,943	4,525	2,210

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.17	1.19	1.22	Liquidity Coverage Ratio	-	-
ROAE	7.25	8.27	7.99	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	49.69	51.24	51.34	NPL / Loans at Amortised Cost	3.36	3.75
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	2.42	2.50
					2.61	

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Core member of the group
- Risk profile
- Capitalisation

## Risks / Weaknesses

- Profitability (competitive market in FR)
- Cost efficiency in comparison with European peers
- Diversification

# Credit Mutuel – CIC Home Loan SFH – Mortgage

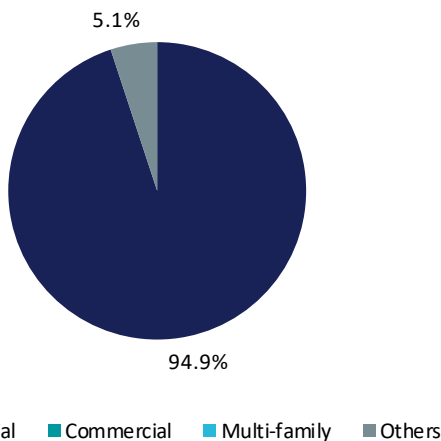
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

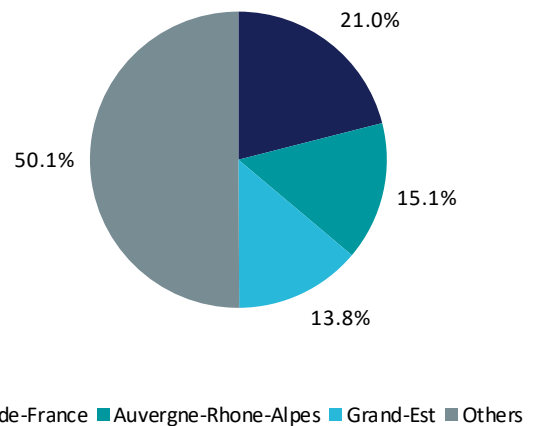
## Cover Pool Data

Cover pool volume (EURm)	45,292	Rating (Moody's)	Aaa
Amount outstanding (EURm)	30,847	Rating (S&P)	AAA
-thereof ≥ EUR 500m	82.7%	Rating (Fitch)	AAA
Current OC (nominal)	46.8%	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	21% Ile-de-France	RRL	aa
Number of loans	418,336	JRL	aa
Number of borrowers	370,027	Unused notches	5
Avg. exposure to borrowers (EUR)	116,211	AAA credit risk (%)	-
WAL (cover pool)	8.0y	PCU	4
WAL (covered bonds)	4.5y	Recovery uplift	2
Fixed interest (cover pool)	98.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	96.8%	LCR eligible	Yes
LTV (indexed)	67.0%	LCR level (Bmk)	1
LTV (unindexed)	59.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

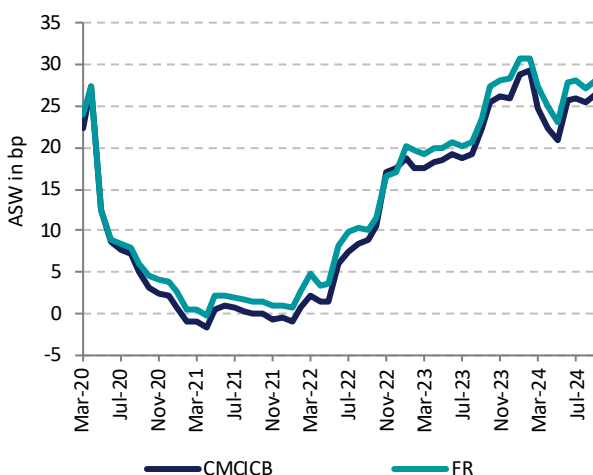
## Borrower Types



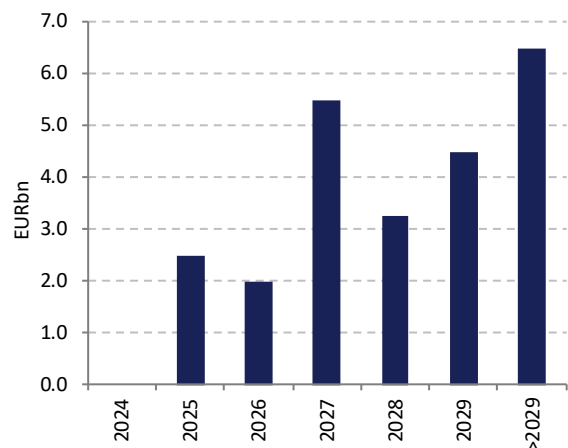
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# BNP Paribas

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### BNP Paribas SA

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

## Homepage

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

With almost 183,000 staff located in 63 countries, of which 145,000 are based in Europe, BNP Paribas SA (BNP) is one of the largest banks in the world. The Financial Stability Board has classified it as a global systemically important bank (G-SIB; additional capital buffer: 1.5%). With a stake of 6.9% (as at 31 December 2023), BlackRock Inc. is the largest shareholder in BNP, followed by the Societe Federale de Participations et d'Investissement (SFPI) with 5.5%, which is wholly owned by the Belgian state. A further 5.4% is held by Amundi. In total, institutional investors around the world hold 70.2% of the shares. BNP reports across the following segments: Commercial, Personal Banking & Services (CBPS; purpose: retail banking in the eurozone and specialised businesses), Investment & Protection Services (IPS; insurance, wealth management and asset management) and Corporate & Institutional Banking (CIB; global banking, global markets and the securities business), as well as Other Activities (includes treasury services and mortgages, among other aspects). The segment CPBS made the greatest earnings contribution in H1 2024 (52%). Within the framework of the Growth Technology Sustainability 2025 Plan, BNP concluded the takeover of Kantox, a global leader in the area of currency management with customers in over 75 countries, in July 2023. According to information from the bank itself, BNP is the global leader (as at the end of March 2024) in the area of sustainable financing and bond issuances. For example, BNP reported USD 62.5bn in sustainable financing (bonds and loans) in 2023, of which USD 25.6bn came in the form of green bonds. Up to 2025, BNP is planning sustainable bond issuances in the amount of EUR 200bn (FY 2023: EUR 67bn).

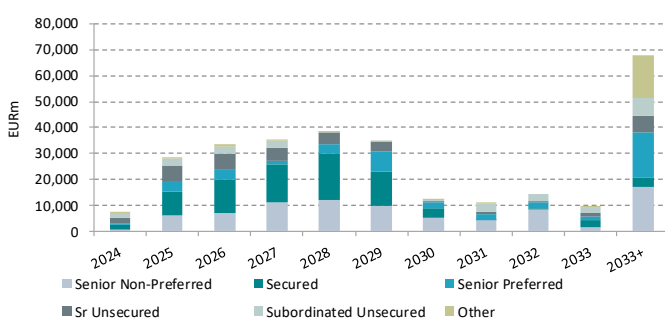
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	867,610	870,116	882,317
Total Securities	844,548	912,713	1,070,538
Total Deposits	1,008,056	988,549	1,003,053
Tier 1 Common Capital	91,828	92,857	95,500
Total Assets	2,663,748	2,591,499	2,699,258
Total Risk-weighted Assets	744,851	703,694	733,000

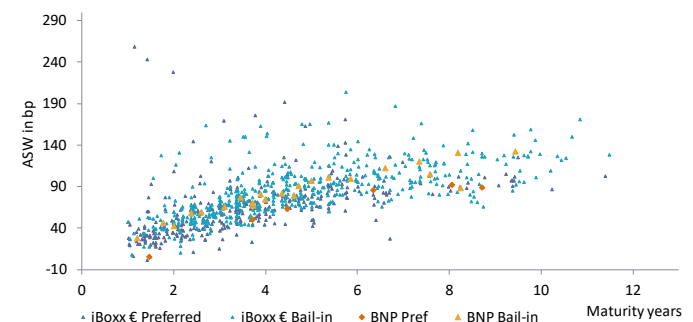
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	20,933	19,058	9,572
Net Fee & Commission Inc.	10,165	9,821	5,411
Net Trading Income	9,320	10,356	6,214
Operating Expense	29,326	30,085	14,862
Credit Commit. Impairment	2,958	3,655	1,405
Pre-tax Profit	13,214	11,725	8,785

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.94	0.88	0.88	Liquidity Coverage Ratio	129.00	148.00	132.00
ROAE	8.30	8.82	10.40	IFRS Tier 1 Leverage Ratio	3.93	4.07	3.98
Cost-to-Income	64.39	64.90	59.35	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12.33	13.20	13.03	Reserves/Loans at Amort. Cost	2.09	2.00	1.95

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Earning power
- Capitalisation
- Asset quality

## Risks / Weaknesses

- Cost efficiency
- Dependency on wholesale funding
- Volatile earnings (capital market franchise)

# BNP Home Loan SFH – Mortgage

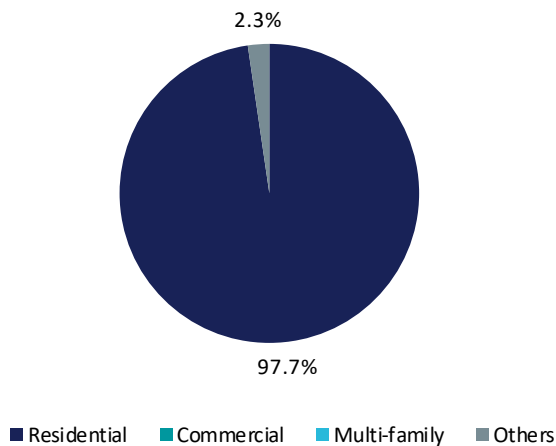
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

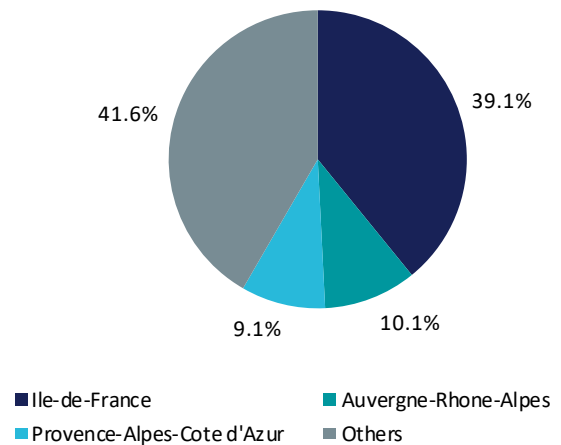
## Cover Pool Data

Cover pool volume (EURm)	42,663	Rating (Moody's)	-
Amount outstanding (EURm)	34,008	Rating (S&P)	AAA
-thereof ≥ EUR 500m	11.5%	Rating (Fitch)	AAA
Current OC (nominal)	25.4%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	39% Ile-de-France	RRL	aa
Number of loans	346,438	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)	7.8y	PCU	3
WAL (covered bonds)	4.8y	Recovery uplift	2
Fixed interest (cover pool)	98.6%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	64.0%	LCR level (Bmk)	1
LTV (unindexed)	58.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

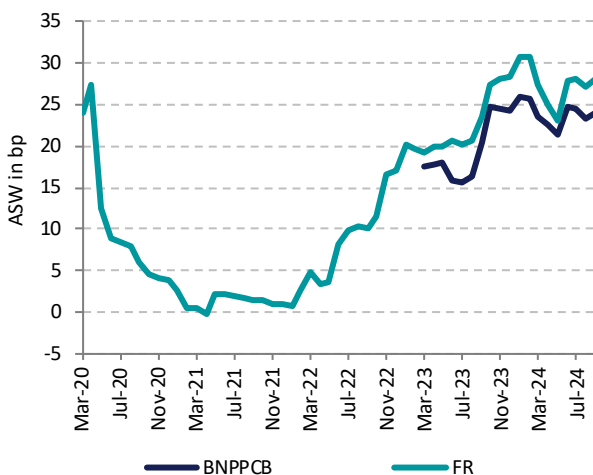
## Borrower Types



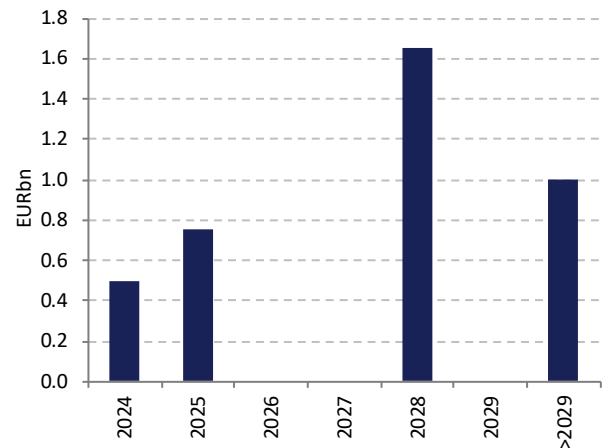
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Caisse de Refinancement de l'Habitat

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Caisse de Refinancement de l'Habitat SA

	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 with the aim of refinancing residential mortgage loans granted by French financial institutes. Today, CRH is a non-for-profit institute and private company owned by French banks, which contribute equity on a pro rata basis and benefit from funding. As at 31 December 2023, the largest shareholders in CRH were the Credit Agricole Group (38.1%), Credit Mutuel (27.1%), BPCE (21.1%), Societe Generale (10.4%) and BNP Paribas (3.3%). CRH does not charge a margin for its refinancing activity. Its sole 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 mortgage SSDs issued by participating banks. In this context, covered bonds are issued under identical conditions (term to maturity, interest rate and currency) to match every mortgage SSD. In accordance with the legal framework, CRH owns the cover pool. As such, in the event of an insolvency, the pledged cover assets pass directly to CRH, which can then sell the portfolio in order to buy back the underlying bonds. The cover assets are solely French property loans, which are backed by first mortgages or guarantees from credit institutions and insurance policies. In addition to the legal requirements, the loans must comply with CRH's far more stringent conditions. Since 01 January 2022, CRH has also been subject to supervision by the Prudential Supervision and Resolution Authority (Autorite de controle prudentiel et de resolution; ACPR), which is the French financial regulatory body, on account of its reduced balance sheet total. As such, it no longer comes under the supervision of the ECB.

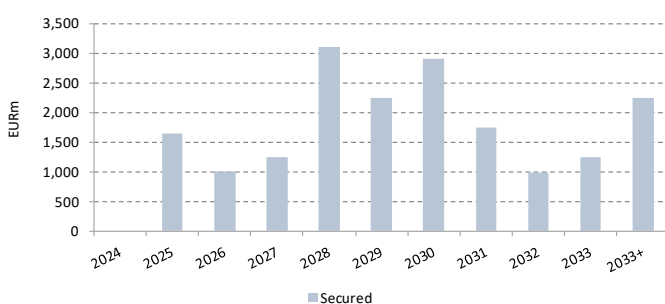
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	-	-	-
Total Securities	16,318	15,736	17,273
Total Deposits	-	-	-
Tier 1 Common Capital	592	592	595,376
Total Assets	16,793	16,244	17,783
Total Risk-weighted Assets	2,140	2,105	2,268,965

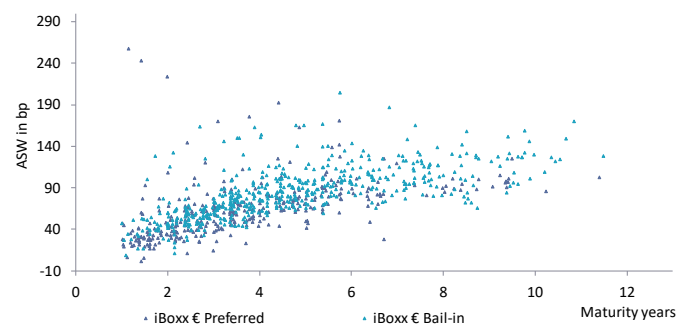
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	-1	-5	-9
Net Fee & Commission Inc.	-0	-0	-0
Net Trading Income	-	-	-
Operating Expense	11	7	1
Credit Commit. Impairment	-	-	-
Pre-tax Profit	5	6	4

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	-0.00	-0.03	-0.11	Liquidity Coverage Ratio	-	-	-
ROAE	0.20	0.58	0.92	IFRS Tier 1 Leverage Ratio	3.53	3.64	NM
Cost-to-Income	70.84	53.62	26.76	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	27.67	28.12	26.24	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Membership association
- Asset quality

## Risks / Weaknesses

- Monoline business (mortgage refinancing)
- Nominal debt level



# CRH – Mortgage

France 

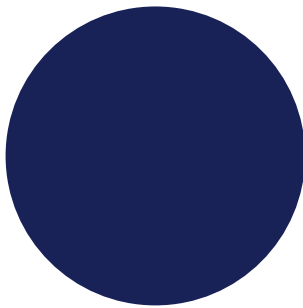
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	23,076
Amount outstanding (EURm)	16,397
-thereof ≥ EUR 500m	111.3%
Current OC (nominal)	40.7%
Committed OC	-
Cover type	Mortgage
Main country	100% France
Main region	17% Ile-de-France
Number of loans	423,184
Number of borrowers	374,430
Avg. exposure to borrowers (EUR)	61,628
WAL (cover pool)	6.7y
WAL (covered bonds)	5.4y
Fixed interest (cover pool)	98.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	46.9%
LTV (unindexed)	37.6%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	n/a
TPI leeway	n/a
Collateral score	n/a
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	1
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

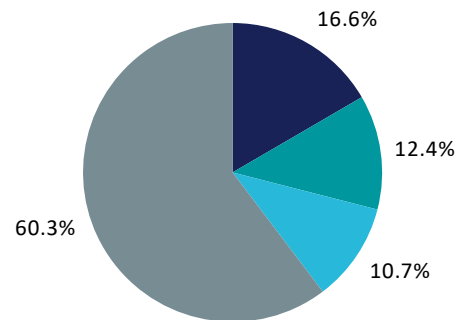
## Borrower Types



100.0%

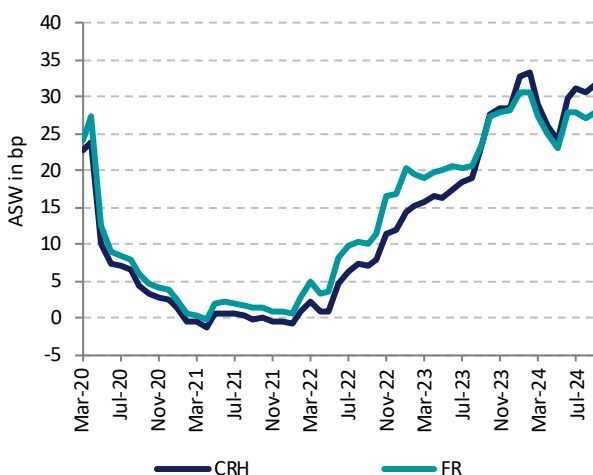
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

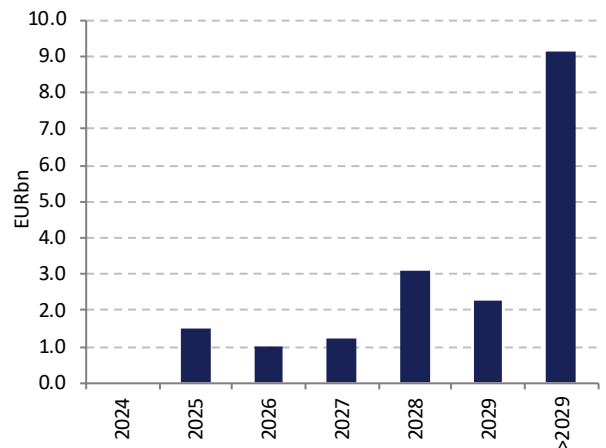


■ Ile-de-France ■ Auvergne-Rhone-Alpes  
■ Pays-de-la-Loire ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Caisse Francaise de Financement Local

France 

## Ratings

### Caisse Francaise de Financement Local

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

## Homepage

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

Caisse Francaise 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 Societe 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 Societe de Credit Foncier (SCF). SFIL is 99.99% owned by Caisse des Depots. The French government continues to hold a single share and retains the right to elect a board member of SFIL without voting rights. CAFFIL remains a wholly owned subsidiary of SFIL. For example, CAFFIL is responsible for the refinancing of La Banque Postale and Banque des Territoires loans to public institutions by issuing covered bonds (Obligations Foncieres). CAFFIL and the SFIL Group hold a leading position in France in the areas of lending to state schools, the public healthcare system and clean public transport. CAFFIL aims to issue EUR 4-6bn in covered bonds every year. The SFIL Group plans to use a sustainable format for 25% of new issues. At 76%, loans to public institutions are the main component of the public sector loan portfolio (FY 2023), while loans guaranteed by the French state and for public hospitals account for shares of 13.6% and 10.4% respectively. Since 2019, funding has also been supplemented by bonds in ESG format (green and social bonds). For example, as at the end of March 2024, the total volume of outstanding ESG bonds amounts to around EUR 6.5bn.

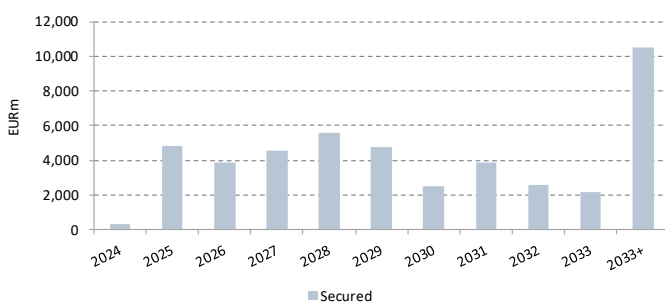
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	46,662	47,346	46,238
Total Securities	6,328	5,286	7,075
Total Deposits	-	-	-
Tier 1 Common Capital	-	-	-
Total Assets	64,280	63,490	64,973
Total Risk-weighted Assets	3,777	3,370	3,377

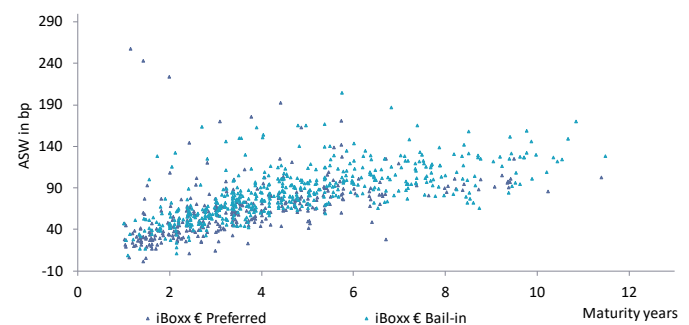
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	202	227	179
Net Fee & Commission Inc.	1	-3	-3
Net Trading Income	4	-4	7
Operating Expense	104	110	109
Credit Commit. Impairment	-7	-6	-2
Pre-tax Profit	109	112	77

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.30	0.37	0.29	Liquidity Coverage Ratio	771.00	100.00	100.00
ROAE	5.51	5.87	4.43	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	50.49	50.93	59.56	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Indirectly owned by the government
- Strategic unit within the group structure

## Risks / Weaknesses

- Profitability
- Leverage

# CAFFIL – Public Sector

France 

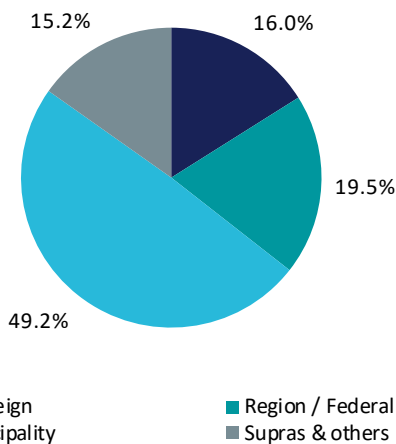
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

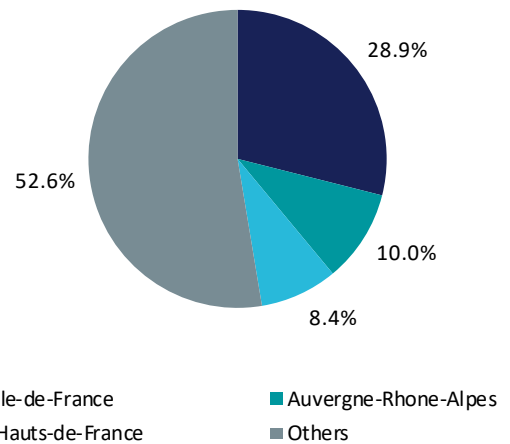
Cover pool volume (EURm)	63,355
Amount outstanding (EURm)	54,069
-thereof ≥ EUR 500m	54.4%
Current OC (nominal)	17.2%
Committed OC	5.0%
Cover type	Public Sector
Main country	93% France
Main region	29% Ile-de-France
Number of loans	38,072
Number of borrowers	12,261
Avg. exposure to borrowers (EUR)	4,909,084
WAL (cover pool)	6.8y
WAL (covered bonds)	6.2y
Fixed interest (cover pool)	69.3%
Fixed interest (covered bonds)	36.9%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	AA+
Rating (Fitch)	-
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	4
Collateral score	6.7%
RRL	aa
JRL	aa
Unused notches	0
AAA credit risk (%)	6.4%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

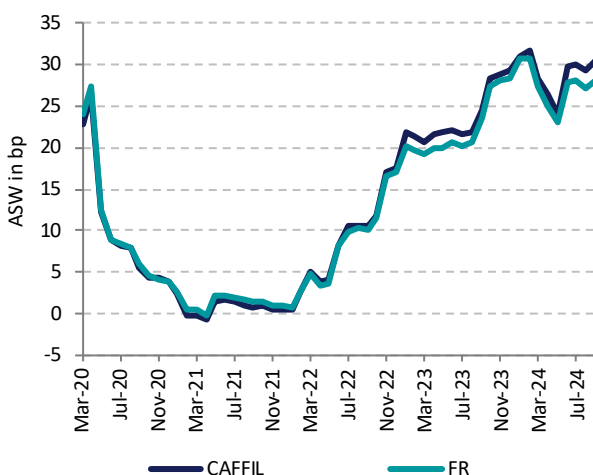
## Borrower Types



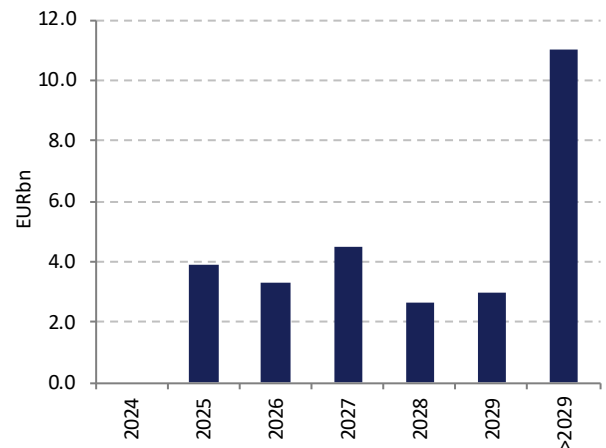
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Compagnie de Financement Foncier

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Cie de Financement Foncier SA

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

## Homepage

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

The credit institute Compagnie de Financement Foncier (CFF) was established in 1999 as a wholly owned subsidiary of Credit Foncier de France (CF) in order to take account of the altered legislative framework for covered bond issuers. Today, CFF is an indirect wholly owned subsidiary of BPCE SA (France's second-largest banking group) via CF. Since 2019, its main task has been to refinance the BPCE Group, with loans to public institutions and other similar loans playing a particularly key role in this regard. As an accredited Societe de Credit Foncier, CFF issues covered bonds (Obligations Foncieres) to refinance BPCE, among other aspects. A distinct geographical focus can be determined by looking at the assets (FY 2023: 88% located in France). Thereafter follows the rest of the European Union at 7%. In terms of the type of assets, the focus is loans to the public sector at around 47% and mortgage loans at 43% (FY 2023). CFF offers its capital market transactions in the form of publicly placed deals as well as private placements. According to information from CFF itself, it is among the leading covered bond issuers in France. In FY 2023, CFF issued covered bonds (Obligations Foncieres) in the amount of EUR 4.5bn, bringing the total volume outstanding to EUR 51.5bn. The same year also marked CFF's inaugural social bond deal. The issuance volume here amounted to EUR 500m, with the proceeds going towards the financing of public health infrastructure and social housing projects.

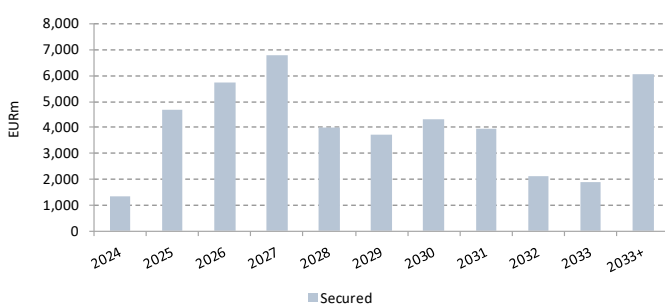
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	34,702	33,228	32,318
Total Securities	5,875	5,293	5,262
Total Deposits	-	-	-
Tier 1 Common Capital	1,974	1,974	1,974
Total Assets	60,459	60,250	61,392
Total Risk-weighted Assets	7,748	7,304	6,858

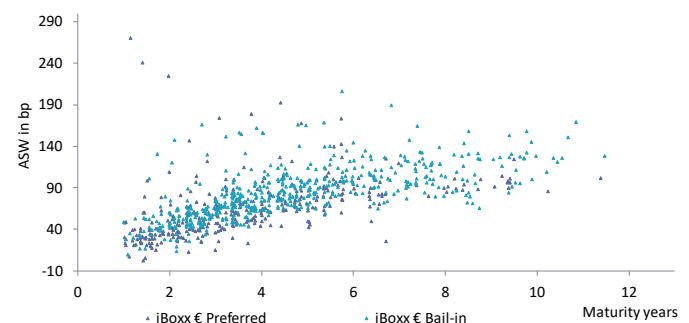
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	228	219	75
Net Fee & Commission Inc.	22	13	4
Net Trading Income	0	0	0
Operating Expense	85	68	26
Credit Commit. Impairment	-7	-3	-1
Pre-tax Profit	168	165	52

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.37	0.37	0.25	Liquidity Coverage Ratio	-	-	-
ROAE	4.52	5.68	3.78	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	34.48	29.55	33.93	NPL / Loans at Amortised Cost	1.86	1.88	1.95
Core Tier 1 Ratio	25.48	27.03	28.78	Reserves/Loans at Amort. Cost	0.11	0.08	0.08

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Integration in the banking group
- Positioning in FR (covered bond market)

## Risks / Weaknesses

- Share of buy-to-let financing
- Competition in the mortgage financial segment in FR

# CFF – Mortgage

France 

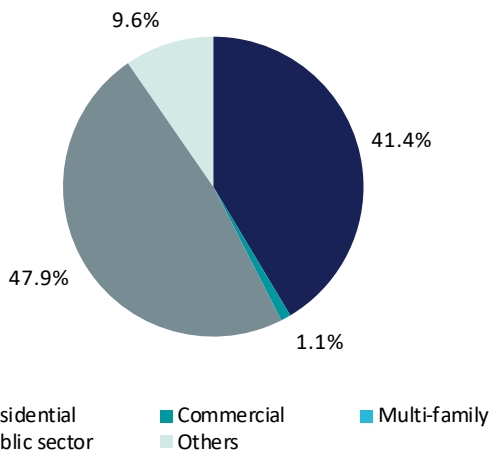
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

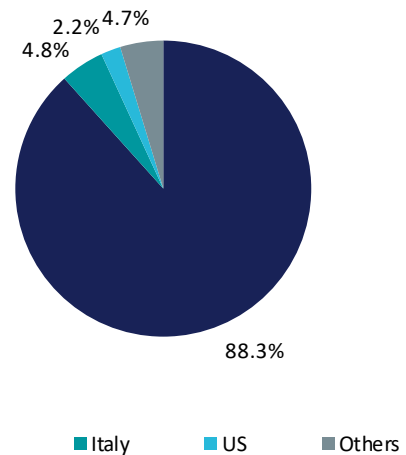
Cover pool volume (EURm)	59,519
Amount outstanding (EURm)	51,539
-thereof ≥ EUR 500m	69.6%
Current OC (nominal)	15.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	88% France
Main region	23% Ile-de-France
Number of loans	341,105
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	7.6y
WAL (covered bonds)	6.4y
Fixed interest (cover pool)	95.2%
Fixed interest (covered bonds)	64.7%
LTV (indexed)	61.0%
LTV (unindexed)	70.6%
Loans in arrears	1.1%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	9.5%
RRL	aa-
JRL	aa-
Unused notches	3
AAA credit risk (%)	18.1%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

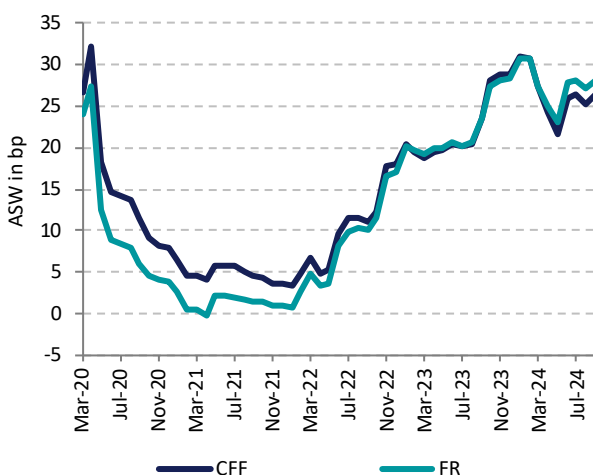
## Borrower Types



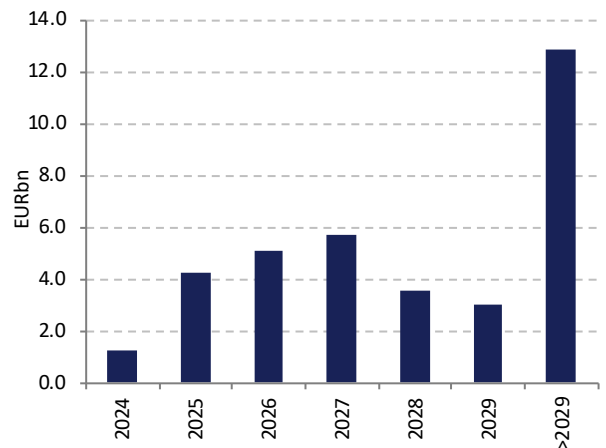
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Credit Agricole Group

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Credit Agricole SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Credit Agricole SA (CASA) was formed in 1894 following the merger between regional French banks with the mission of supporting small, family-owned farming enterprises. Today, 39 regional banks hold 59.7% of the shares in CASA via the holding company SAS Rue La Boetie (as at FY 2023). The Credit Agricole Group comprises CASA, the regional banks and the local banks, plus their subsidiaries. CASA is designated as a global systemically important bank (G-SIB). Around the world, the bank's 154,000 employees serve a total of 54m customers at 8,250 branches. Customers are advised with regard to the full product range of a universal bank. In France, the group boasts market shares of 26% for retail and corporate deposits and 33% for mortgage loans (data as at March 2024). The business areas of CASA are divided into the following operating units: Retail Banking (FY 2023: 54% of stated revenues), Asset Gathering and Insurance (17%), Large Customers (20%) and Specialised Financial Services (9%). On a global basis, the Credit Agricole Group is active in 46 countries across the regions of Europe, Africa, the Middle East, Asia, Oceania as well as North and South America. The majority of the loan portfolio of CASA comprises corporate loans (FY 2023: 43%) and home loans (27%). As measured by the balance sheet total, 45.3% of the funding mix is attributable to customer deposits (FY 2023), with long-term funding accounting for a share of 10.7%. In this context, CASA is active in the field of ESG bonds. By FY 2023, the outstanding volume of social bonds came to EUR 6.1bn, with EUR 10bn in green bonds too. The turnover-based green asset ratio totalled 3% in FY 2023.

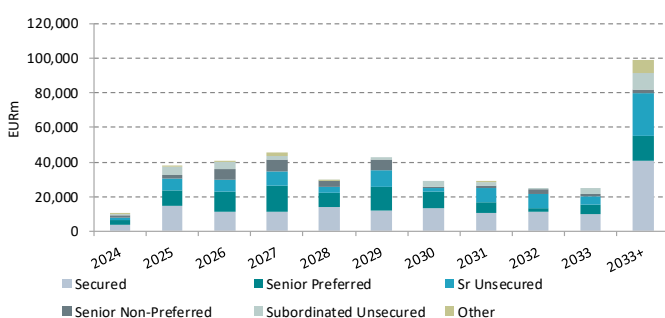
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	1,117,485	1,158,696	1,169,022
Total Securities	794,764	877,166	913,970
Total Deposits	1,112,238	1,149,656	1,242,419
Tier 1 Common Capital	100,861	106,881	108,800
Total Assets	2,350,870	2,467,099	2,516,772
Total Risk-weighted Assets	574,595	609,852	627,700

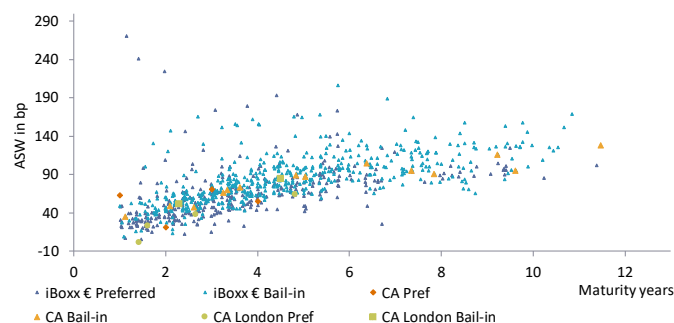
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	21,092	20,112	10,026
Net Fee & Commission Inc.	11,583	11,837	6,262
Net Trading Income	-12,587	9,982	4,611
Operating Expense	21,018	22,211	11,310
Credit Commit. Impairment	2,946	2,765	1,458
Pre-tax Profit	11,253	11,822	6,361

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.93	0.88	0.84	Liquidity Coverage Ratio	167.60	140.80	-
ROAE	6.52	6.53	6.77	IFRS Tier 1 Leverage Ratio	4.61	4.59	4.58
Cost-to-Income	59.61	60.26	58.98	NPL / Loans at Amortised Cost	2.15	2.17	2.21
Core Tier 1 Ratio	17.55	17.53	17.33	Reserves/Loans at Amort. Cost	1.75	1.76	1.78

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market positioning in France (retail business)
- Diversified business model
- Capitalisation

## Risks / Weaknesses

- Dependency on capital market funding
- Exposure to Italian market
- Economic environment

# Credit Agricole Home Loan SFH – Mortgage

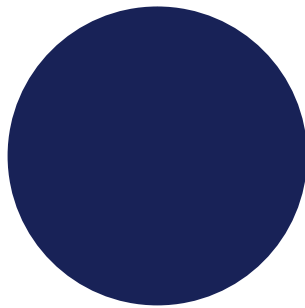
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

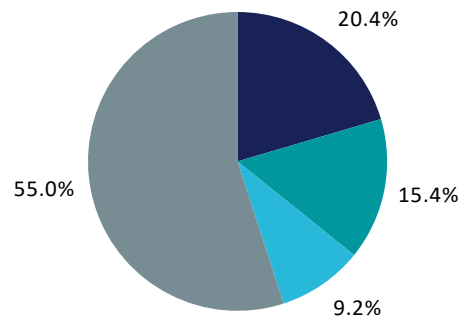
Cover pool volume (EURm)	60,679	Rating (Moody's)	Aaa
Amount outstanding (EURm)	40,544	Rating (S&P)	AAA
-thereof ≥ EUR 500m	95.2%	Rating (Fitch)	AAA
Current OC (nominal)	49.7%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% France	Collateral score	5.0%
Main region	20% Île-de-France	RRL	aa
Number of loans	934,515	JRL	aa
Number of borrowers	701,757	Unused notches	5
Avg. exposure to borrowers (EUR)	86,467	AAA credit risk (%)	7.4%
WAL (cover pool)	7.3y	PCU	6
WAL (covered bonds)	5.3y	Recovery uplift	2
Fixed interest (cover pool)	95.9%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	59.2%	LCR level (Bmk)	1
LTV (unindexed)	49.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



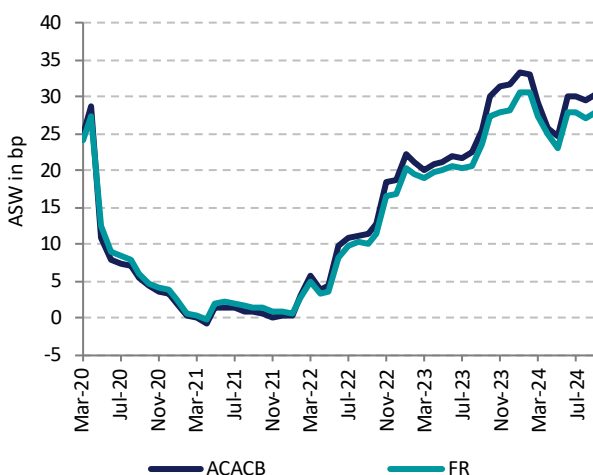
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

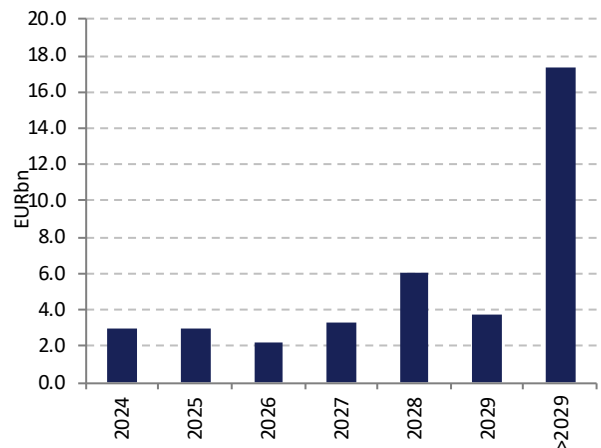


■ Île-de-France ■ Auvergne-Rhone-Alpes ■ Occitanie ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Credit Agricole Public Sector SCF – Public Sector

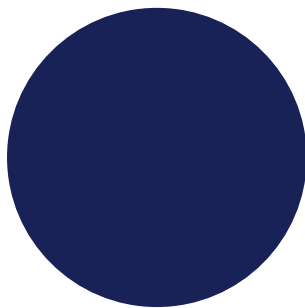
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

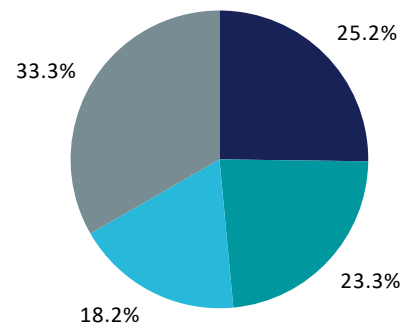
Cover pool volume (EURm)	6,089	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,000	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	52.2%	Rating (DBRS)	-
Committed OC	5.3%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	5
Main country	25% United Kingdom	Collateral score	13.6%
Main region	n/a	RRL	aa
Number of loans	122	JRL	aa
Number of borrowers	60	Unused notches	4
Avg. exposure to borrowers (EUR)	101,002,708	AAA credit risk (%)	-
WAL (cover pool)	4.0y	PCU	-
WAL (covered bonds)	3.9y	Recovery uplift	-
Fixed interest (cover pool)	37.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



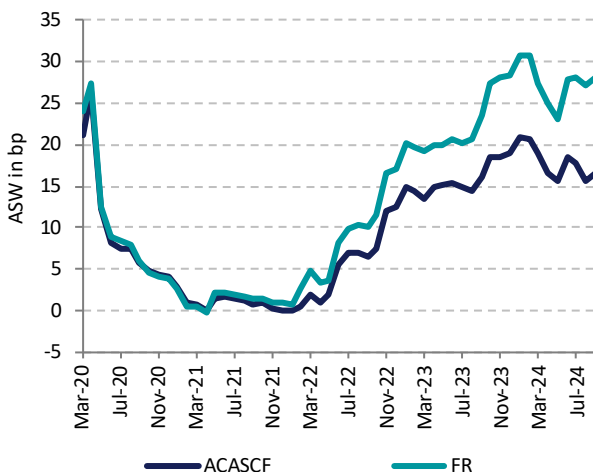
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

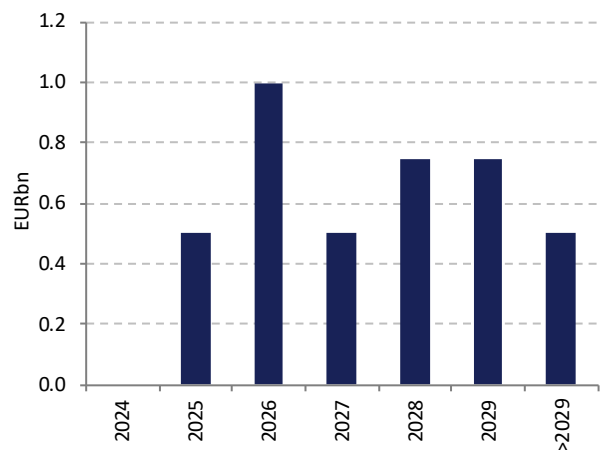


■ United Kingdom  
■ France  
■ South Korea  
■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Credit Commercial de France

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### CCF

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

## Homepage

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

Credit Commercial de France (CCF; formerly Bank des Caraïbes) is a wholly owned subsidiary of CCF Holding (formerly Promontoria MMB) and therefore part of the CCF Group (known as the My Money Group until January 2024), which is also the sole owner of My Money Bank. Through the CCF Group, CCF is wholly owned by the private equity firm Cerberus Capital Management. In its current form, CCF was created following a takeover of HSBC Continental Europe's retail customer business in France. In the future, the corporate structure is to be streamlined, as a result of which CCF will become the central company of the group. Within the group, CCF focuses on the retail customer business. The bank has around 740,000 customers, who are offered a conventional lending and deposit business in addition to services in the areas of asset management and insurance. With more than 240 branches (Q1 2024), CCF is represented throughout France, although the focus of its business activities is on wealthy retail banking customers in metropolitan regions. For example, the Ile de France region alone accounts for more than 40% of the bank's loan portfolio and more than 35% of its deposits. The loan portfolio primarily comprises retail mortgage loans mainly acquired as part of the takeover of HSBC Continental Europe. Customer deposits constitute the bulk of the funding mix at CCF and are diversified, among other aspects, by issuing covered bonds via CCF SFH (formerly HSBC SFH), which was taken over in conjunction with the acquisition of the retail customer business of HSBC Continental Europe.

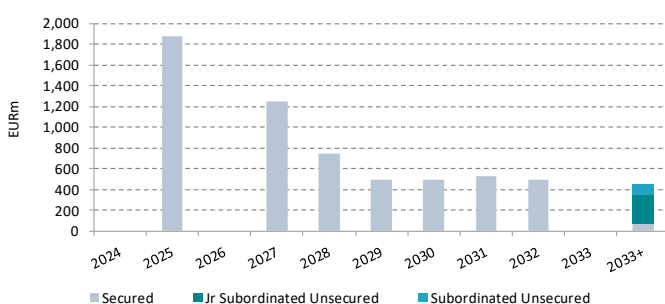
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	405	357	11,985
Total Securities	2	2	4,163
Total Deposits	251	8	19,754
Tier 1 Common Capital	-	-	-
Total Assets	610	601	26,483
Total Risk-weighted Assets	-	-	-

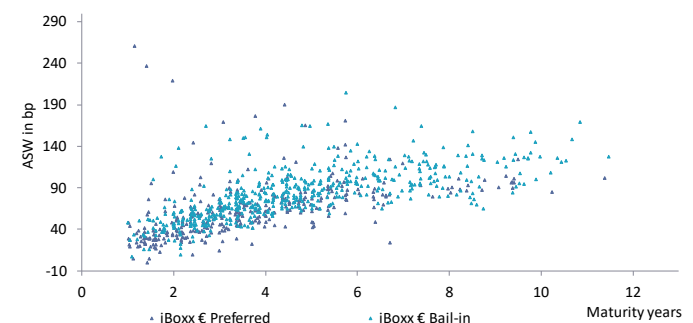
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	8	7	-
Net Fee & Commission Inc.	3	1	-
Net Trading Income	0	0	-
Operating Expense	118	151	-
Credit Commit. Impairment	-	-	-
Pre-tax Profit	-109	-152	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.55	1.42	-	Liquidity Coverage Ratio	-	-	-
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	-	-	-	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	3.77	5.93	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Deposit base
- Liquidity

## Risks / Weaknesses

- Ongoing transformation process of the CCF Group
- Challenging economic environment in France

# CCF SFH – Mortgage

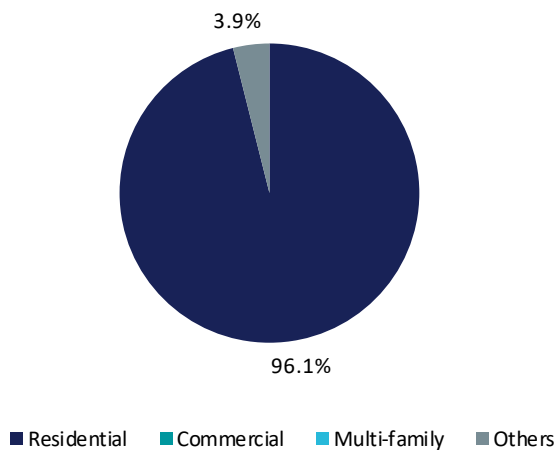
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

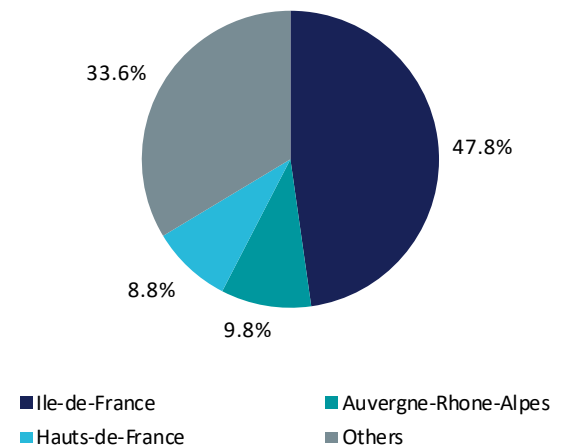
## Cover Pool Data

Cover pool volume (EURm)	4,376	Rating (Moody's)	-
Amount outstanding (EURm)	3,500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	25.0%	Rating (DBRS)	-
Committed OC	5.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	48% Ile-de-France	RRL	bbb+
Number of loans	34,713	JRL	a+
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	86.7%
WAL (cover pool)	6.6y	PCU	-
WAL (covered bonds)	3.3y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	41.1%	LCR level (Bmk)	1
LTV (unindexed)	41.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

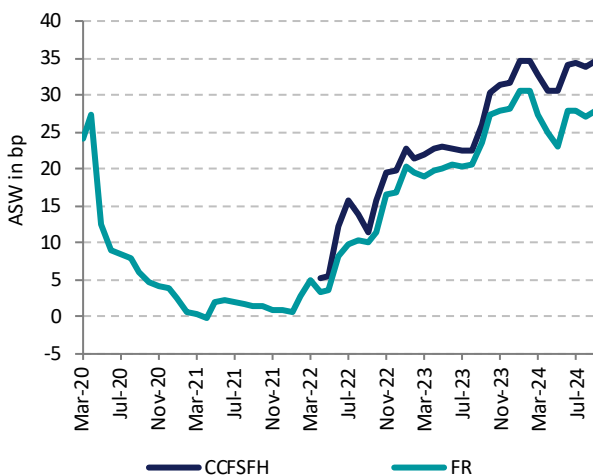
## Borrower Types



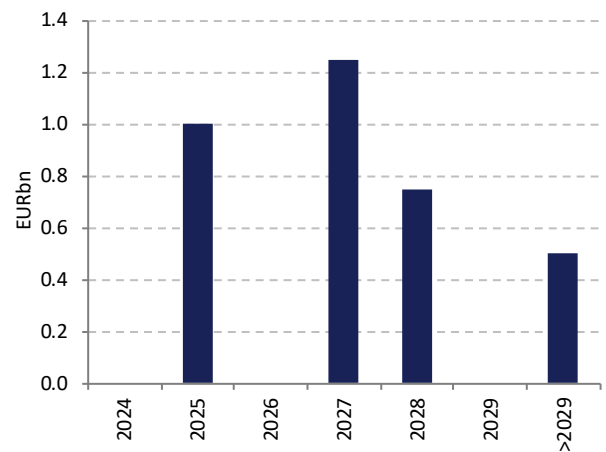
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Credit Mutuel Arkea

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Credit Mutuel Arkea SA

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

## Homepage

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

The Credit Mutuel Arkea Group (Arkea) is a cooperative bank and insurance company in France that has historically been active primarily in Brittany and the south-west of France. Arkea serves more than 5.1m customers, of which roughly 1.5m are members of Arkea with voting rights. Arkea includes the two legally independent regional associations Credit Mutuel de Bretagne and Credit Mutuel du Sud-Ouest federations, which comprise 291 local banks overall, in addition to 40 specialist subsidiaries. A solidarity mechanism exists within the Credit Mutuel Group (CMG), which makes compensation payments to loss-making member institutes via a solidarity fund and a reserve fund. The group offers financial services for retail customers, corporates and institutions, in addition to services in the areas of banking, insurance, real estate, asset management and B2B activities. Arkea reports across the segments of Banking (FY 2023: 25.1% of pre-tax profit) and Insurance and Asset Management (74.9%). In terms of outstanding bonds (total volume: EUR 29.2bn), covered bonds account for the largest share at 32.2%, followed by senior preferred bonds (21.8%). Issuances in 2023 included a green covered bond (EUR 1bn) and a social senior preferred bond (EUR 500m). In order to achieve its goal of climate neutrality within its own operations by 2050, Arkea discontinued financing for private and commercial aircraft in 2023. Arkea reported a green asset ratio of 7.8% (FY 2023) as measured by turnover.

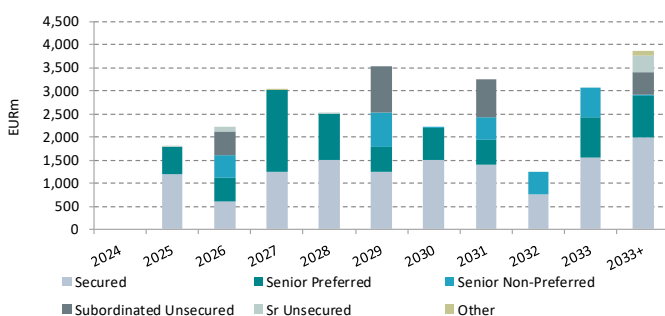
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	73,264	81,189	86,920
Total Securities	12,573	10,919	12,763
Total Deposits	74,598	81,540	85,606
Tier 1 Common Capital	7,308	7,508	8,400
Total Assets	178,718	187,652	191,625
Total Risk-weighted Assets	43,077	44,545	49,736

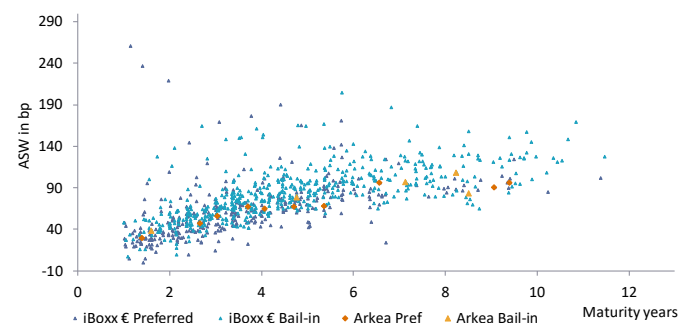
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	725	839	668
Net Fee & Commission Inc.	520	558	590
Net Trading Income	273	197	113
Operating Expense	1,701	1,542	1,575
Credit Commit. Impairment	118	141	89
Pre-tax Profit	717	812	542

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.64	0.69	0.52	Liquidity Coverage Ratio	163.31	157.12	139.71
ROAE	7.11	7.52	4.42	IFRS Tier 1 Leverage Ratio	4.14	4.10	4.47
Cost-to-Income	67.11	61.88	72.07	NPL / Loans at Amortised Cost	1.98	1.83	1.81
Core Tier 1 Ratio	16.96	16.85	16.89	Reserves/Loans at Amort. Cost	1.51	1.44	1.33

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Diversification as bancassurance group
- Capitalisation

## Risks / Weaknesses

- Profitability
- Inflation-led risks

# Credit Mutuel Arkea SFH – Mortgage

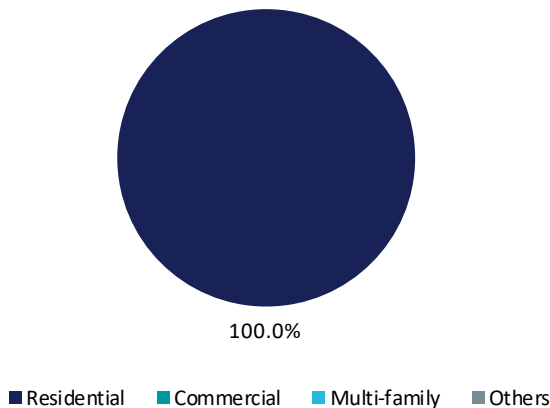
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

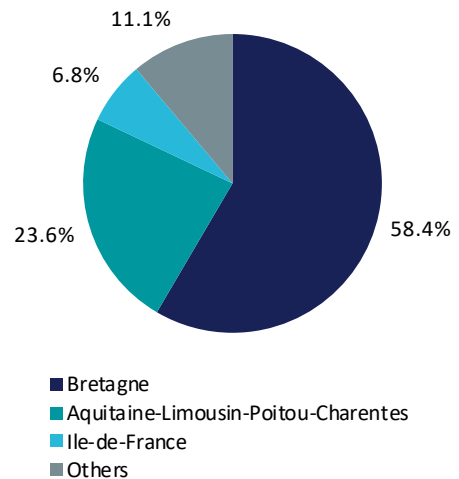
## Cover Pool Data

Cover pool volume (EURm)	12,103	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,683	Rating (S&P)	-
-thereof ≥ EUR 500m	77.5%	Rating (Fitch)	AAA
Current OC (nominal)	25.0%	Rating (DBRS)	-
Committed OC	10.7%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	5
Main country	100% France	Collateral score	5.0%
Main region	58% Bretagne	RRL	-
Number of loans	200,106	JRL	-
Number of borrowers	120,924	Unused notches	-
Avg. exposure to borrowers (EUR)	100,089	AAA credit risk (%)	-
WAL (cover pool)	7.0y	PCU	4
WAL (covered bonds)	6.7y	Recovery uplift	2
Fixed interest (cover pool)	99.8%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	69.0%	LCR level (Bmk)	1
LTV (unindexed)	52.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

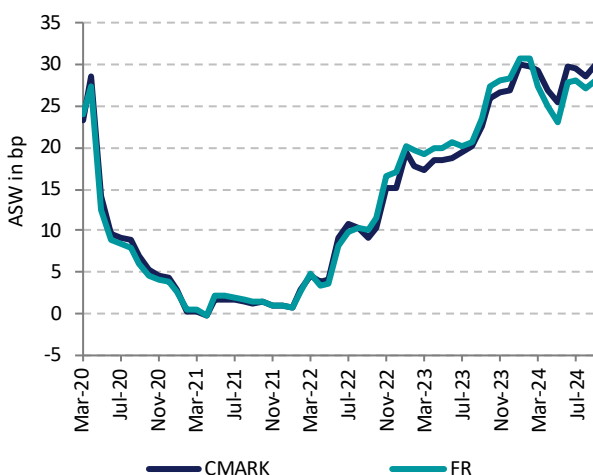
## Borrower Types



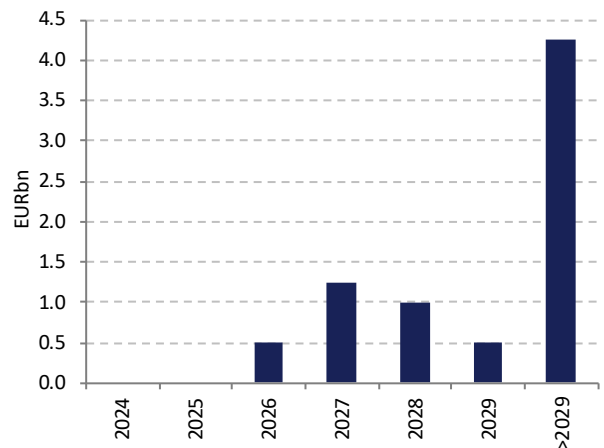
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Credit Mutuel Arkea SCF – Public Sector

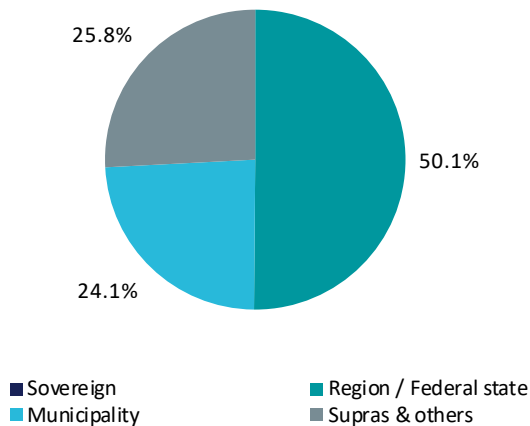
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

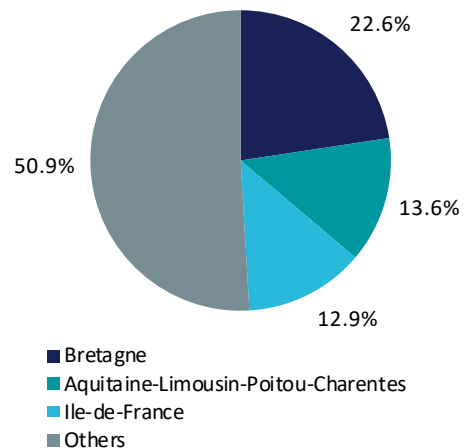
## Cover Pool Data

Cover pool volume (EURm)	4,303	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,437	Rating (S&P)	-
-thereof ≥ EUR 500m	61.1%	Rating (Fitch)	-
Current OC (nominal)	25.2%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Public Sector	TPI leeway	5
Main country	100% France	Collateral score	7.4%
Main region	23% Bretagne	RRL	-
Number of loans	1,690	JRL	-
Number of borrowers	1,266	Unused notches	-
Avg. exposure to borrowers (EUR)	3,398,966	AAA credit risk (%)	-
WAL (cover pool)	6.9y	PCU	-
WAL (covered bonds)	6.6y	Recovery uplift	-
Fixed interest (cover pool)	65.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

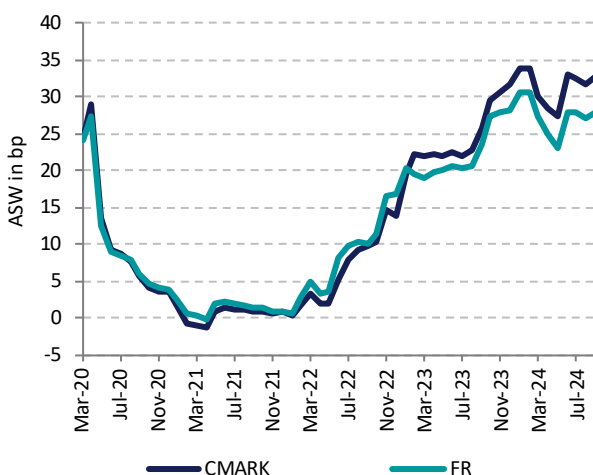
## Borrower Types



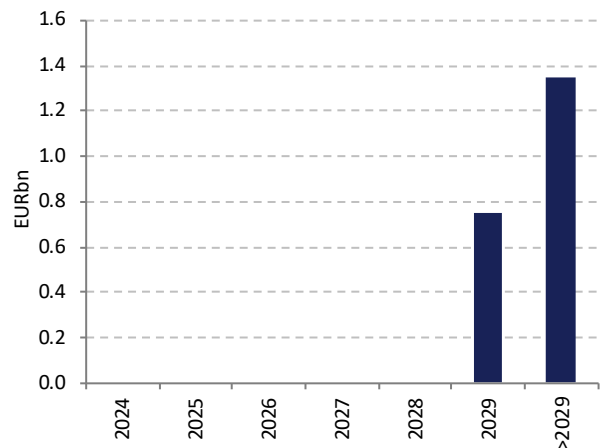
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Groupe BPCE

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### BPCE SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Groupe BPCE is the fourth largest banking group in France with total assets of EUR 1.5tn and is classified as a globally systemically important bank (G-SIB). Operationally, the focus is on the retail and insurance business. The distribution network consists of the Banques Populaires, Caisse d'Epargne as well as Banque Palatine and Oney Bank (online bank). With Natixis, it is also globally active in corporate and investment banking as well as asset and wealth management. The group serves approximately 35m customers across 50 countries. The market shares in France for customer deposits and loans came to 21.9% and 22.2% respectively as at year-end 2023. The shares in BPCE SA, which is also the central bank within the French Groupe BPCE, are held 50% each by the 15 Caisses d'Epargne and the 14 Banques Populaires. Within the group, BPCE SA is additionally responsible for strategy, management and capitalisation. The group has a solidarity mechanism that provides banks with capital in an emergency situation. In June 2024, BPCE published its strategic plan "Vision 30" as a reaction to topical transformation processes (environment, demographic changes, technology, protectionism). The plan envisages an expansion of global market shares, an increased focus on SMEs, strategic sectors and infrastructure, as well as the creation of an internal house building and real estate division. As an issuer of sustainable bonds, BPCE is regularly active on the capital market. In 2023, the bank placed green and social bonds in the amount of EUR 2.3bn. The green asset ratio as measured by turnover came to around 4% in FY 2023.

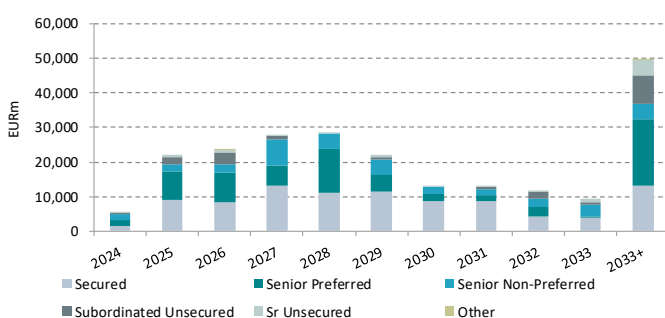
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	898,733	927,227	928,165
Total Securities	198,750	207,687	216,816
Total Deposits	694,012	711,714	715,174
Tier 1 Common Capital	69,665	71,246	71,500
Total Assets	1,503,668	1,544,139	1,552,828
Total Risk-weighted Assets	460,858	457,606	458,000

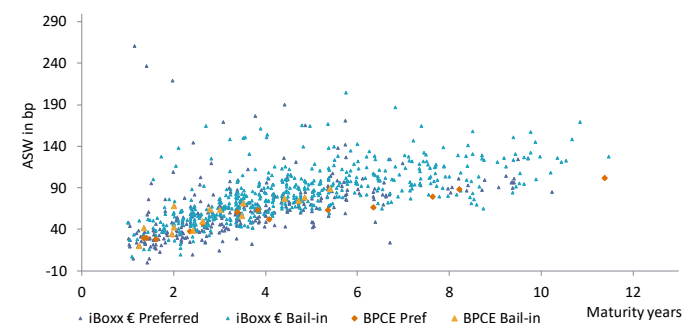
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	9,672	7,289	3,482
Net Fee & Commission Inc.	10,164	10,317	5,330
Net Trading Income	2,882	2,712	1,673
Operating Expense	16,638	16,328	8,159
Credit Commit. Impairment	1,917	1,571	921
Pre-tax Profit	5,473	4,182	2,358

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.71	0.53	0.50	Liquidity Coverage Ratio	139.00	143.00	149.00
ROAE	4.71	3.39	4.00	IFRS Tier 1 Leverage Ratio	4.86	4.79	4.77
Cost-to-Income	68.92	73.36	71.17	NPL / Loans at Amortised Cost	2.45	2.59	2.76
Core Tier 1 Ratio	15.12	15.57	15.61	Reserves/Loans at Amort. Cost	1.69	1.67	1.70

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Risk profile
- Capitalisation
- Market position in France

## Risks / Weaknesses

- Asset quality susceptible to economic downturn
- Cyclical business areas (Natixis)
- Cost pressure (inflation)

# BPCE SFH – Mortgage

France 

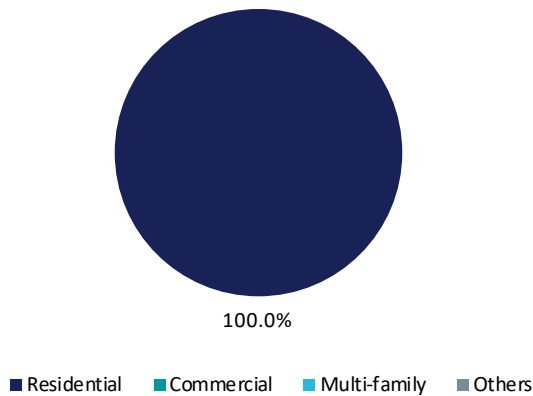
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

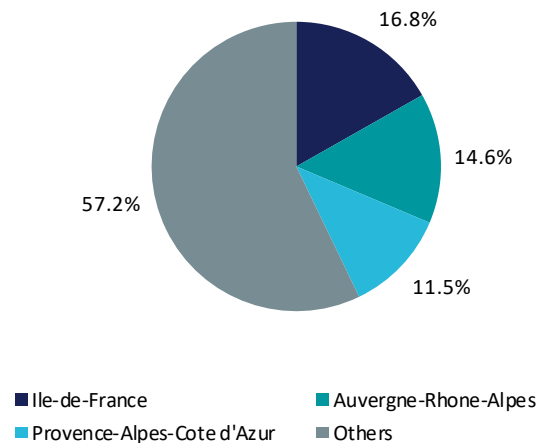
Cover pool volume (EURm)	63,963
Amount outstanding (EURm)	48,072
-thereof ≥ EUR 500m	92.4%
Current OC (nominal)	33.1%
Committed OC	8.1%
Cover type	Mortgage
Main country	100% France
Main region	17% Ile-de-France
Number of loans	763,903
Number of borrowers	688,815
Avg. exposure to borrowers (EUR)	92,860
WAL (cover pool)	7.7y
WAL (covered bonds)	5.7y
Fixed interest (cover pool)	99.8%
Fixed interest (covered bonds)	99.9%
LTV (indexed)	69.6%
LTV (unindexed)	57.6%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.0%
RRL	aa-
JRL	aa-
Unused notches	4
AAA credit risk (%)	7.0%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

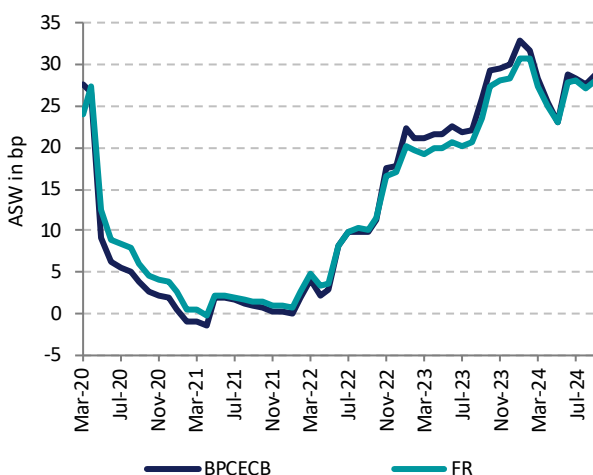
## Borrower Types



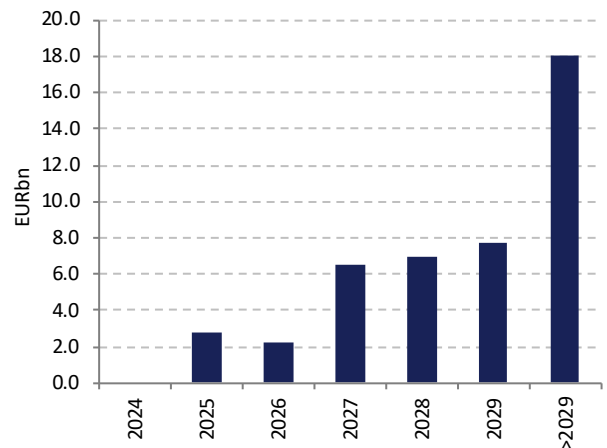
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# La Banque Postale

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### La Banque Postale SA

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

## Homepage

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

La Banque Postale (LBP), which is headquartered in Paris, was established at the end of 2005 and is a wholly owned subsidiary of Le Groupe La Poste, which in turn is 66% owned by Caisse des Depots and 34% owned by the French state. LBP is active in the fields of banking, life and non-life insurance, corporate and investment banking as well as asset and wealth management. In geographical terms, the bank is active in 19 countries in Europe and South America. LBP organises its business activities in the business lines of Bancassurance France (FY 2023: 33.2% of net income), International Bancassurance (46.3%), Corporate and Investment Banking (16.4%), Wealth and Asset Management (7.8%) and Corporate Centre (-3.7%). Deposits are the most important refinancing instrument, accounting for 88% of the funding mix (February 2024). The remaining 12% of funding is attributable to covered bonds, senior non-preferred and preferred bonds, as well as AT1 and Tier 2 bonds. LBP operates a range of subsidiaries. In the area of asset management, the subsidiary LBT AM acquired 75% of La Financiere de l'Echiquier in 2023. CNP Assurances Holding (insurance) was also founded, while the discontinuation of operations at Ma French Bank was announced too. LBP is a founding member of the Net-Zero Banking Alliance. In this context, the bank is striving to achieve climate neutrality in its entire banking business by 2040 and to phase out the fossil fuel business as early as 2030. The volume of green and social bonds outstanding under the Sustainable Bonds Framework amounts to EUR 2.2bn and EUR 3bn respectively. In FY 2023, the turnover-based green asset ratio stood at 5.5%.

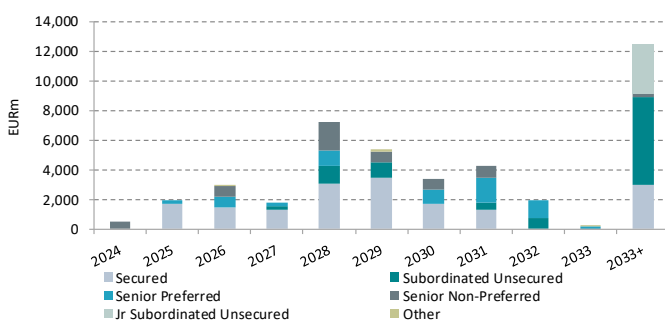
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	133,014	133,382	128,666
Total Securities	438,710	457,624	460,716
Total Deposits	215,798	225,138	226,710
Tier 1 Common Capital	16,607	17,471	17,879
Total Assets	717,131	738,151	727,039
Total Risk-weighted Assets	92,775	96,291	94,100

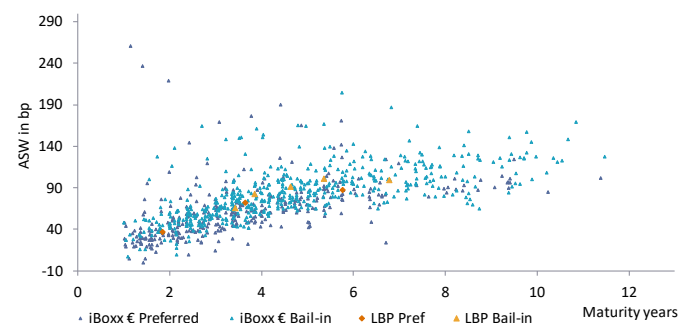
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,449	5,529	2,566
Net Fee & Commission Inc.	1,927	2,028	1,130
Net Trading Income	-10,465	5,720	6,097
Operating Expense	4,841	4,843	2,478
Credit Commit. Impairment	224	212	100
Pre-tax Profit	1,206	2,047	1,072

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.77	0.80	0.74	Liquidity Coverage Ratio	147.00	146.00	169.00
ROAE	3.34	4.51	4.53	IFRS Tier 1 Leverage Ratio	-	2.40	-
Cost-to-Income	77.33	66.96	67.89	NPL / Loans at Amortised Cost	1.65	1.99	-
Core Tier 1 Ratio	17.90	18.14	19.00	Reserves/Loans at Amort. Cost	1.14	1.23	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Insurance business
- Probability of support from parent company
- Liquidity

## Risks / Weaknesses

- Cost structure in a peer comparison
- Profitability
- Risk taking (lending business)



# La Banque Postale Home Loan SFH – Mortgage

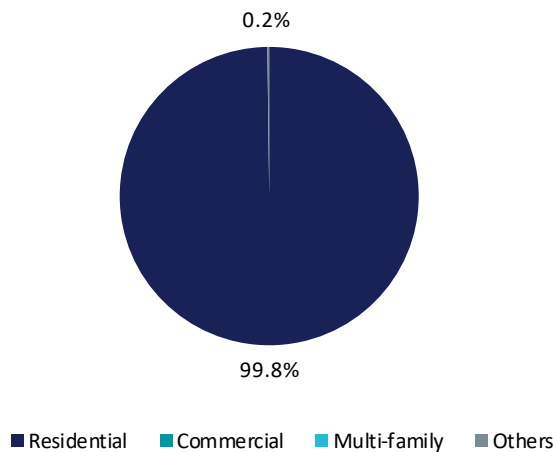
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

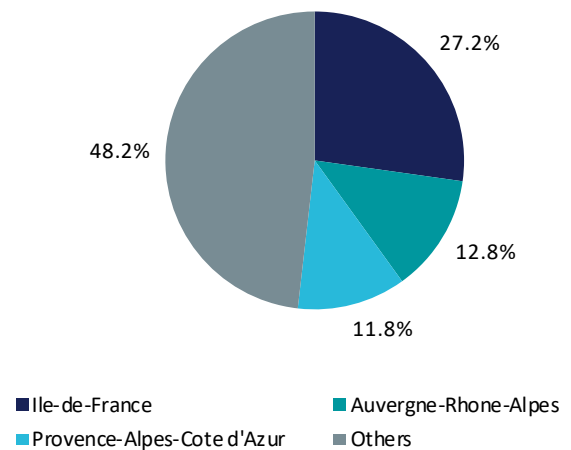
## Cover Pool Data

Cover pool volume (EURm)	26,104	Rating (Moody's)	-
Amount outstanding (EURm)	18,466	Rating (S&P)	AAA
-thereof ≥ EUR 500m	59.0%	Rating (Fitch)	-
Current OC (nominal)	41.4%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	27% Ile-de-France	RRL	aa-
Number of loans	311,895	JRL	aa-
Number of borrowers	n/a	Unused notches	3
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	14.4%
WAL (cover pool)	8.0y	PCU	-
WAL (covered bonds)	6.2y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	55.3%	LCR level (Bmk)	1
LTV (unindexed)	65.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

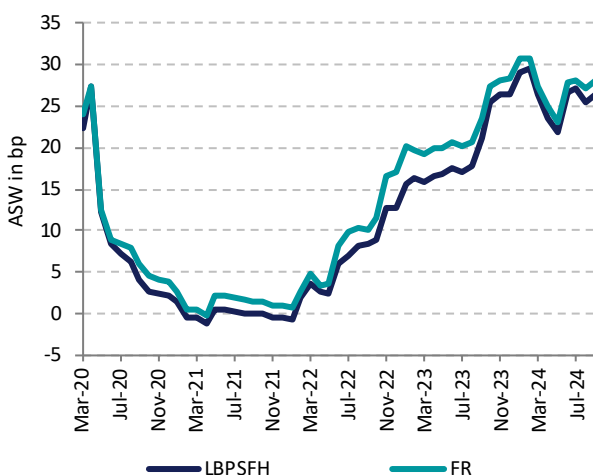
## Borrower Types



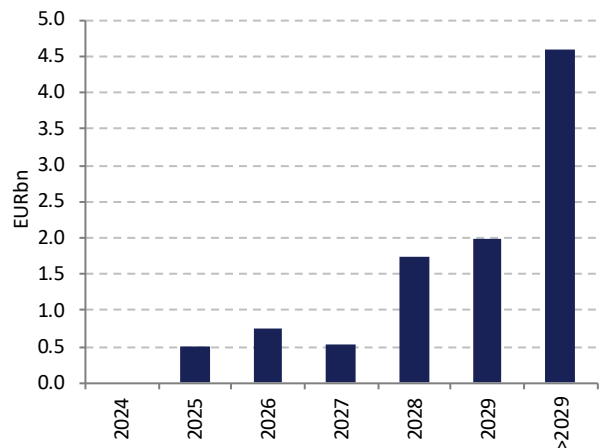
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# My Money Bank

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### My Money Bank SA

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

## Homepage

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

Alongside Credit Commercial de France (CCF; formerly Banque des Caraïbes), My Money Bank SA (MMB) is one of the two operating units of the Paris-based CCF Group (known as the My Money Group until January 2024). As a holding company, the group is wholly owned by the private equity firm Cerberus Capital Management. The group was renamed following the takeover of the French retail business of HSBC Continental Europe (800,000 customers, loan portfolio of EUR 11bn), which was completed on 1 January 2024. In the near future, the corporate structure is to be streamlined, as a result of which CCF will become the central company of the group and the parent company of MBB. However, MMB will continue to act as the specialist financier within the group. MMB's offering in France primarily comprises mortgage refinancing. According to its own information, MMB has a market share of 40% (Q1 2024) in this area. Through its two subsidiaries Somafi-Soguafi and Sorefi, MMB also offers car financing and consumer loans for private individuals and SMEs in the French Caribbean and on the island of Reunion. In geographical terms, the group focuses on the region of Greater Paris and the French Riviera. The loan portfolio primarily consists of credit financing (Q1 2024: 56%), car loans (14%) and professional mortgage loans (25%). The bulk of the funding mix at MMB comprises customer deposits, the majority of which are deposits from retail banking customers (Q1 2024: 63%). The refinancing activities of the bank are supplemented by covered bond issuances on the capital market via the wholly owned subsidiary MMB SCF.

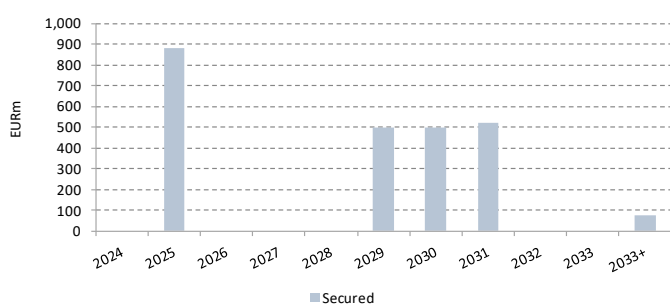
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	5,392	5,079	5,163
Total Securities	1,525	1,542	620
Total Deposits	4,299	4,789	4,024
Tier 1 Common Capital	-	-	-
Total Assets	8,478	8,522	7,385
Total Risk-weighted Assets	-	-	-

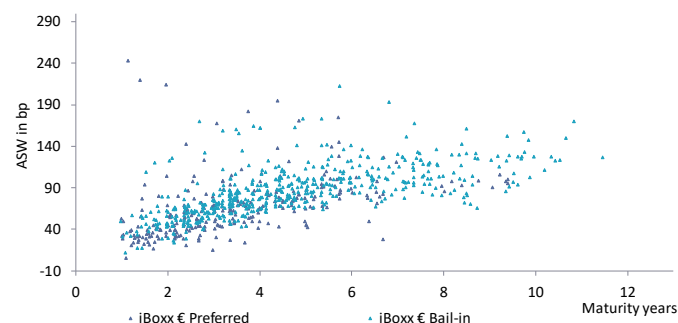
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	130	111	-
Net Fee & Commission Inc.	-16	-11	-
Net Trading Income	-8	-12	-
Operating Expense	117	123	-
Credit Commit. Impairment	-	-	-
Pre-tax Profit	12	-28	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.68	1.37	-	Liquidity Coverage Ratio	-	-	-
ROAE	2.44	-6.10	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	79.51	96.44	-	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	1.18	1.32	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market position in French refinancing business
- Liquidity from the HSBC retail business

## Risks / Weaknesses

- Earnings profile post-takeover (HSBC)
- Concentration risks (France)
- Operational costs in a peer comparison

# MMB SCF – Mortgage

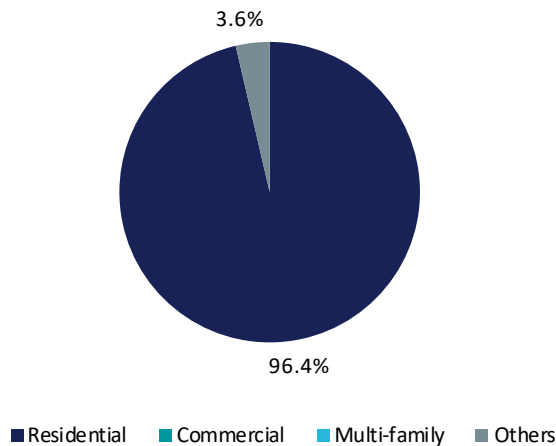
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

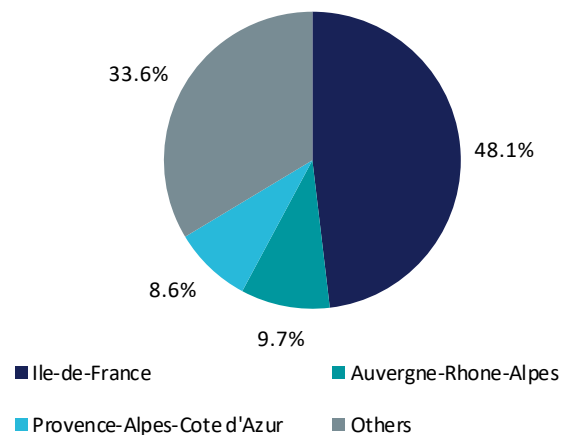
## Cover Pool Data

Cover pool volume (EURm)	4,654	Rating (Moody's)	-
Amount outstanding (EURm)	3,500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	57.1%	Rating (Fitch)	-
Current OC (nominal)	33.0%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% France	Collateral score	-
Main region	48% Ile-de-France	RRL	bbb+
Number of loans	36,348	JRL	a+
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	11.6%
WAL (cover pool)	6.6y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	41.1%	LCR level (Bmk)	1
LTV (unindexed)	41.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

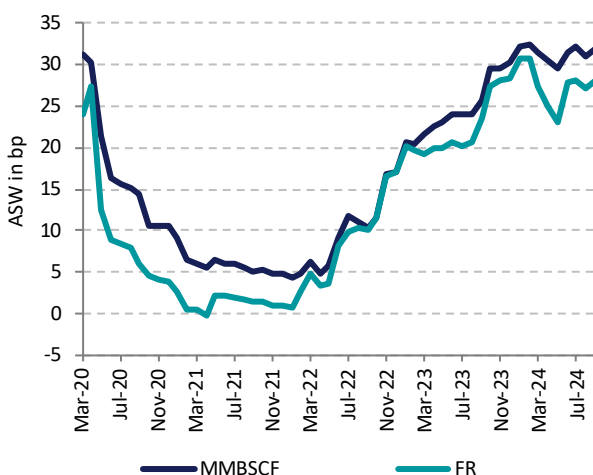
## Borrower Types



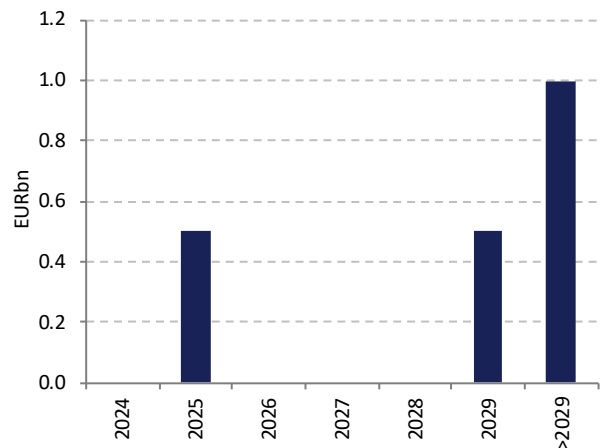
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Societe Generale

France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Societe Generale SA

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

## Homepage

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

The French bank Societe Generale (SocGen), headquartered in Paris, is one of the leading financial institutions in Europe and is classified as a global systemically important bank (G-SIB; additional capital buffer: 1.0%). Around 126,000 employees provide services to approximately 25m customers in 65 countries worldwide. SocGen is France's third largest bank and reports in the following operating segments: French Retail, Private Banking and Insurance (FY 2023: 14.6% of operating income), Global Banking and Investor Solutions (50.8%) and International Retail, Mobility and Leasing Services (58.6%), as well as the Corporate Centre (-24.0%). In total, 67% of assets are located in France (FY 2023). Additional shares of 17% are attributable to the rest of Europe, 9% to the Americas, 5% to Asia and Oceania, and 2% to Africa. Customer deposits constitute 63.1% of the refinancing mix of SocGen. Long-term debt and equity accounts for a share of 28.5%, with short-term wholesale funding and TLTRO responsible for 6.7% and 1.8% respectively. The merger of the SocGen branch network with Credit du Nord was completed on 1 January 2023, which is now expected to operate under the new SG brand. In May 2023, SocGen announced the acquisition of LeasePlan by its subsidiary ALD Automotive. Together, these two entities have formed the Ayvens brand, which offers leasing and fleet management services. With a network comprising 3.4m vehicles across 43 countries, Ayvens is the market leader in the area of sustainable mobility. In terms of sustainability, SocGen has earmarked around EUR 300bn for ESG financing across the period 2022-2025. As measured against turnover, the green asset ratio amounted to 1.4% (FY 2023).

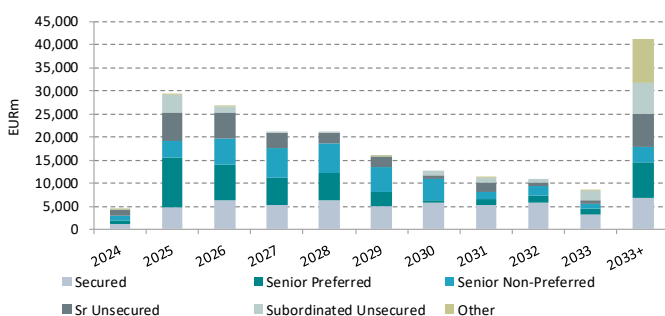
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	534,156	513,174	476,616
Total Securities	549,442	597,350	636,232
Total Deposits	530,764	541,677	540,355
Tier 1 Common Capital	48,639	51,127	50,900
Total Assets	1,484,900	1,554,045	1,592,144
Total Risk-weighted Assets	360,464	388,825	388,500

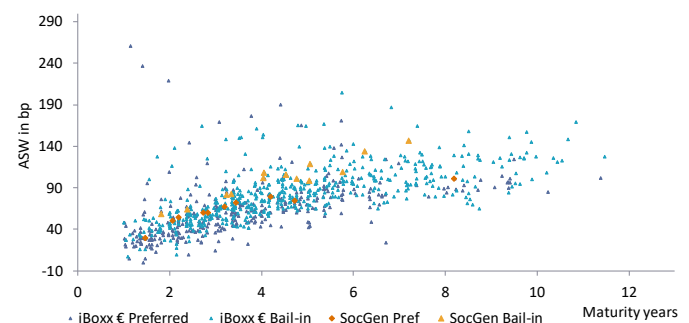
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	12,841	10,310	4,855
Net Fee & Commission Inc.	5,217	5,588	2,968
Net Trading Income	866	10,290	5,695
Operating Expense	18,017	18,432	9,528
Credit Commit. Impairment	1,623	1,087	809
Pre-tax Profit	4,239	5,128	2,918

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.01	0.72	0.69	Liquidity Coverage Ratio	141.00	160.00	152.00
ROAE	3.86	4.50	5.88	IFRS Tier 1 Leverage Ratio	3.55	3.54	3.44
Cost-to-Income	66.13	72.80	71.89	NPL / Loans at Amortised Cost	3.10	3.24	3.34
Core Tier 1 Ratio	13.49	13.15	13.10	Reserves/Loans at Amort. Cost	2.06	2.03	1.95

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Diversification of the business model
- Asset quality
- Capitalisation

## Risks / Weaknesses

- Scope of capital market transactions
- Dependency on wholesale funding
- Profitability in a peer comparison

# Societe Generale SFH – Mortgage

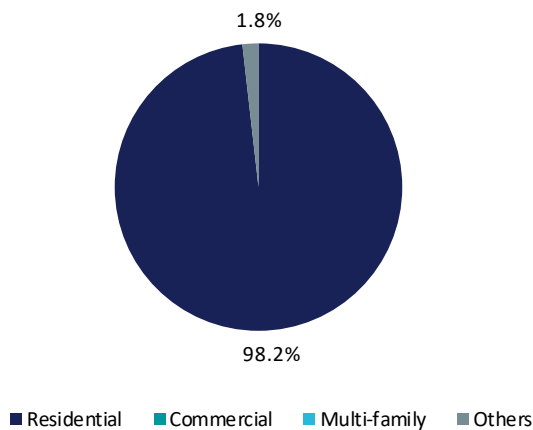
France 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

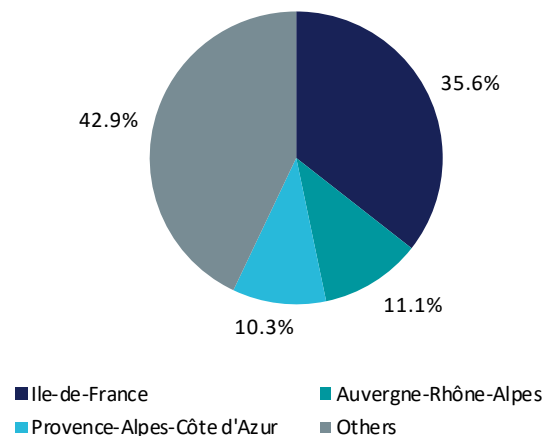
## Cover Pool Data

Cover pool volume (EURm)	53,325	Rating (Moody's)	Aaa
Amount outstanding (EURm)	43,640	Rating (S&P)	-
-thereof ≥ EUR 500m	53.8%	Rating (Fitch)	AAA
Current OC (nominal)	22.2%	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	36% Ile-de-France	RRL	-
Number of loans	407,699	JRL	-
Number of borrowers	375,424	Unused notches	-
Avg. exposure to borrowers (EUR)	139,491	AAA credit risk (%)	-
WAL (cover pool)	7.9y	PCU	6
WAL (covered bonds)	5.4y	Recovery uplift	2
Fixed interest (cover pool)	99.6%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	99.8%	LCR eligible	Yes
LTV (indexed)	57.9%	LCR level (Bmk)	1
LTV (unindexed)	66.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

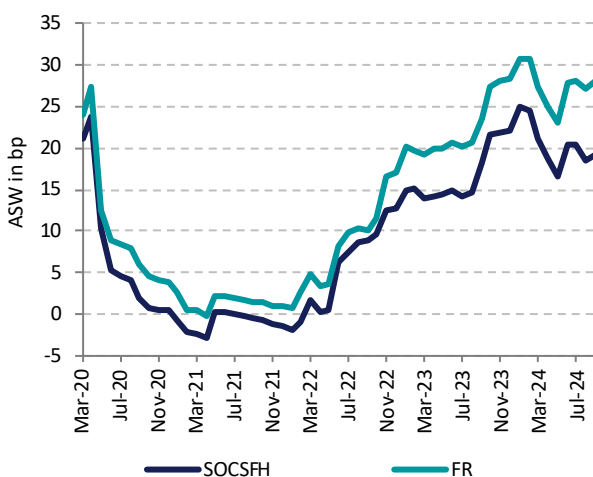
## Borrower Types



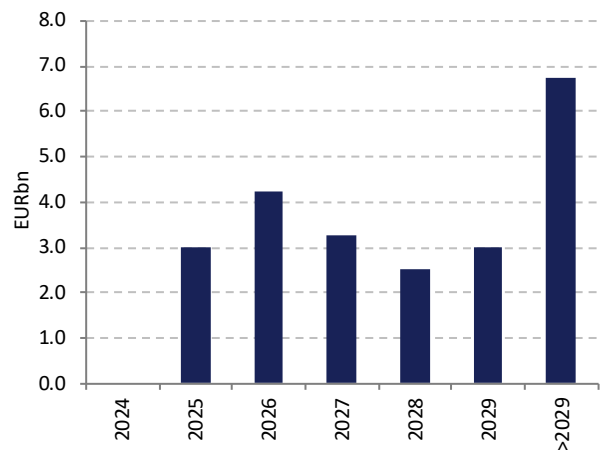
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

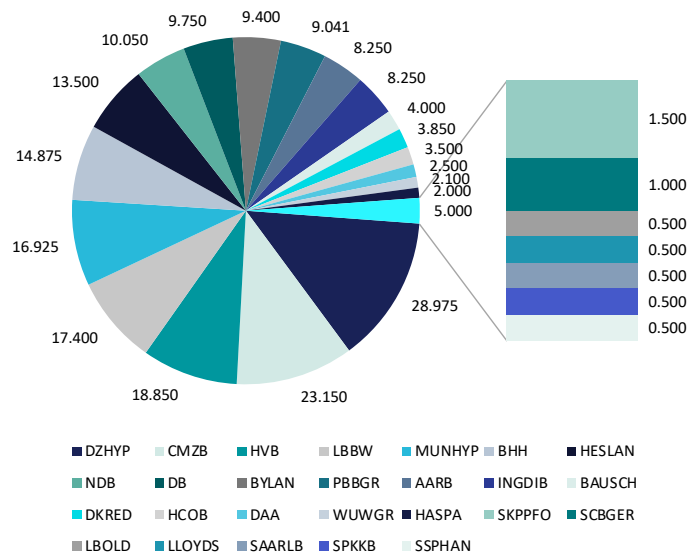
# Market Overview Covered Bonds

Germany 

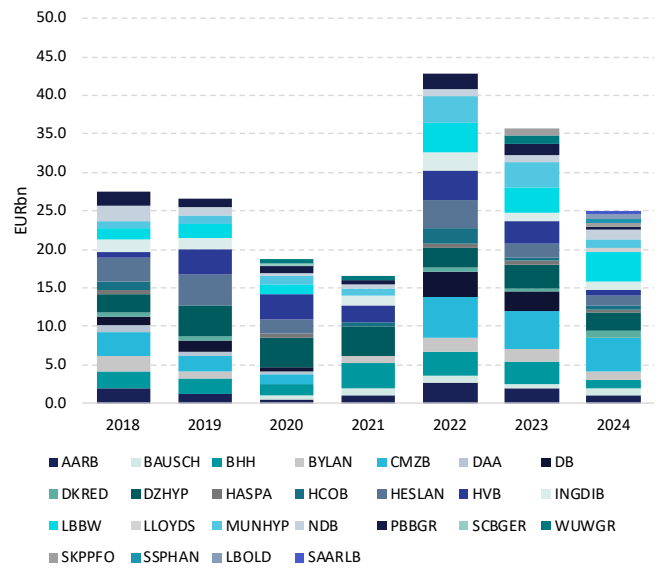
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 526.09bn	Outstanding volume (Bmk)	EUR 211.37bn
Amount outstanding	EUR 383.10bn	Number of benchmarks	298
Number of issuers	31	Outstanding ESG volume (Bmk)	EUR 27.58bn
No of cover pools	45	Number of ESG benchmarks	43
there of M / PS / others	32 / 12 / 1	Outstanding volume (SBmk)	EUR 12.60bn
Ratings (low / high)	AA- / AAA	Number of subbenchmarks	49
Best possible LCR level	Level 1	Maturity types	SB, CPT

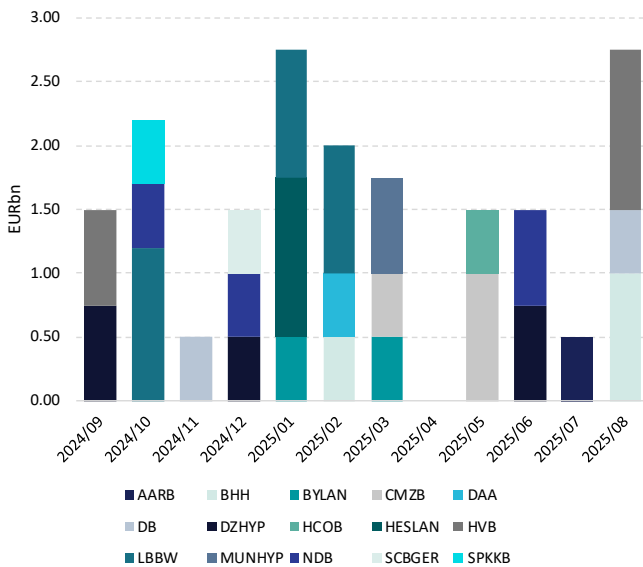
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



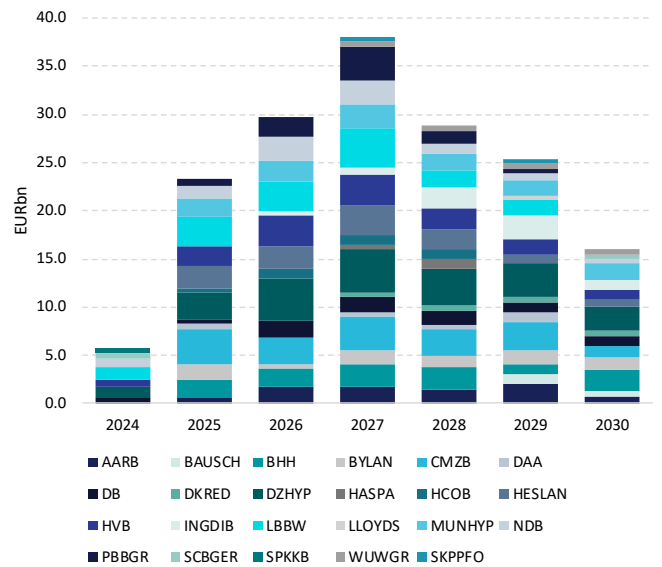
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Aareal Bank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Aareal Bank AG

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

## Homepage

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

Headquartered in Wiesbaden, 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. In December 2023, more than 95% of the shares in Aareal were held by Atlantic BidCo GmbH. In May 2024, the shareholders voted 99.12% in favour of a squeeze-out of minority shareholders to the benefit of the lead shareholders Atlantic BidCo GmbH. Reporting is conducted across the business segments of Structured Property Financing (SPF; 52.4% of operating earnings in Q1 2024), Banking & Digital Solutions (BDS; 36.9%) and Aareon (10.7%). The SPF segment deals with financing commercial real estate and group refinancing activities. BDS offers customers a joint package of consultancy services focused on digitalisation, corporate banking and the deposit business. Aareon offers software and digital solutions for the European real estate business. In geographical terms, the commercial real estate portfolio is focused on the regions of Western Europe (FY 2023: 38%) and North America (30%), with additional shares attributable to Southern Europe (9%), Germany (6%), CEE (8%) and Northern Europe (5%). Hotels and office space constitute the main asset types at 37% and 28% respectively. The funding mix at Aareal primarily comprises customer deposits (Q1 2024: 45%) and mortgage Pfandbriefe (30%). Moreover, the bank is also active on the market with unsecured bond deals. Under the Green Finance Framework, Aareal regularly issues green bonds. In 2023, the green asset ratio (based on turnover) stood at 0.08%.

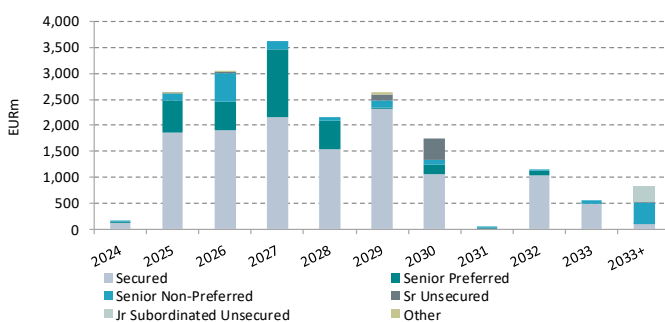
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	29,889	32,050	31,665
Total Securities	10,497	11,928	10,762
Total Deposits	13,115	12,669	12,912
Tier 1 Common Capital	2,468	2,661	2,744
Total Assets	47,331	46,833	46,289
Total Risk-weighted Assets	12,782	13,720	13,676

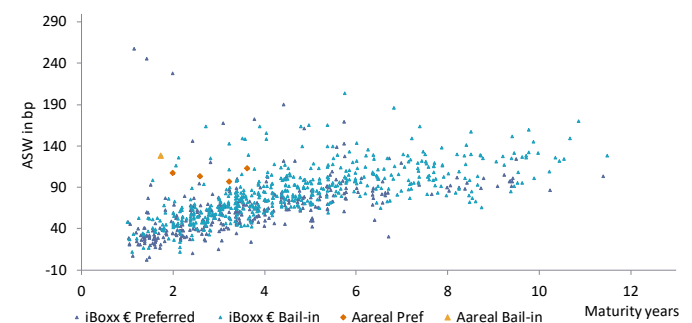
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	702	1,014	530
Net Fee & Commission Inc.	277	32	-2
Net Trading Income	25	-45	-12
Operating Expense	559	337	180
Credit Commit. Impairment	192	441	163
Pre-tax Profit	239	221	181

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.44	2.17	2.36	Liquidity Coverage Ratio	210.00	-	239.00
ROAE	4.79	1.45	-0.48	IFRS Tier 1 Leverage Ratio	5.71	6.13	6.30
Cost-to-Income	55.79	33.84	34.35	NPL/Loans at Amortised Cost	3.79	5.05	4.55
Core Tier 1 Ratio	19.31	19.40	20.06	Reserves/Loans at Amort. Cost	1.62	1.32	1.29

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity
- Deposit base

## Risks / Weaknesses

- Concentration of CRE segment
- Moderate profitability
- Moderate asset quality

# Aareal Bank – Mortgage

Germany 

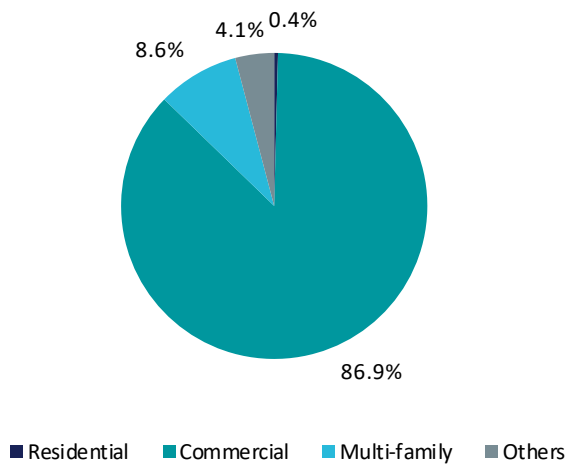
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

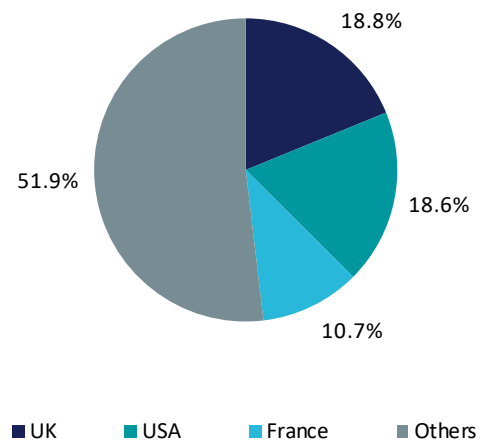
Cover pool volume (EURm)	17,057
Amount outstanding (EURm)	14,611
-thereof ≥ EUR 500m	56.5%
Current OC (nominal)	16.7%
Committed OC	2.0%
Cover type	Mortgage
Main country	19% UK
Main region	n/a
Number of loans	3,016
Number of borrowers	4,884
Avg. exposure to borrowers (EUR)	3,349,046
WAL (cover pool)	2.5y
WAL (covered bonds)	3.9y
Fixed interest (cover pool)	51.8%
Fixed interest (covered bonds)	68.7%
LTV (indexed)	-
LTV (unindexed)	55.6%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	1
Collateral score	12.9%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

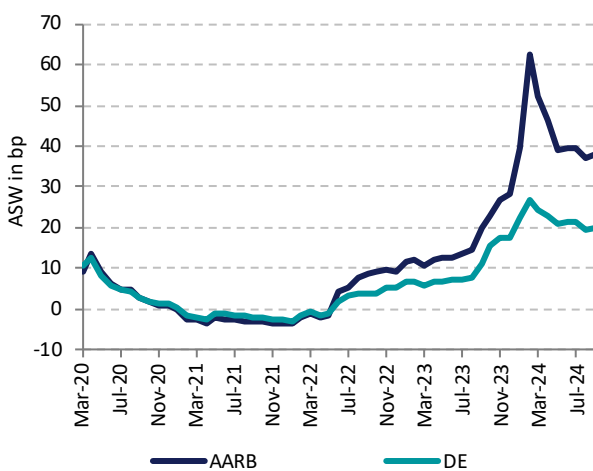
## Borrower Types



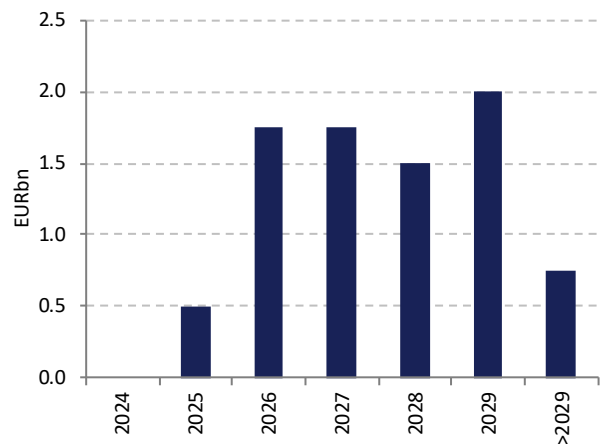
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Bausparkasse Schwäbisch Hall

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bausparkasse Schwaebisch Hall AG

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

## Homepage

[www.schwaebisch-hall.de](http://www.schwaebisch-hall.de)

\*Verbundrating

Bausparkasse Schwäbisch Hall AG (BSH) is majority-owned by DZ BANK AG and forms part of the German cooperative FinanzGruppe, which comprises around 700 cooperative banks. There is a profit transfer agreement in place between DZ BANK as the lead cooperative bank and BSH. The two core business areas are the Building Society and Property Financing. The Property Financing segment includes construction loans and brokering real estate loans for cooperative banks. In the Cross Selling business area, BSH brokers R+V Versicherung products in the areas of real estate, pensions at cooperative banks and fund solutions from Union Investment. In addition to Germany, BSH is represented in China, Slovakia and Hungary. The bank splits its business activities into the following three segments: Bausparen and Housing Financing Domestic, Bausparen and Housing Financing Non-Domestic and Other Domestic. According to information from the bank itself, BSH is the largest German building society with a market share of around 31.2% on the domestic market and serves around 7 million customers at home and abroad, 6.3 million of which are located in Germany. BSH has concluded approximately 7 million baupar contracts (form of building loan agreement in Germany) at a volume of more than EUR 321bn (FY 2023). The largest portion of the refinancing activities involves baupar deposits, which are supplemented by Pfandbrief issues, the share of which is to be further increased in future. As part of this strategy, BSH issued its first green Pfandbrief in the amount of EUR 500m in January 2024. The share of property financing that complies with the aims of the EU taxonomy stood around 21% at the end of 2023.

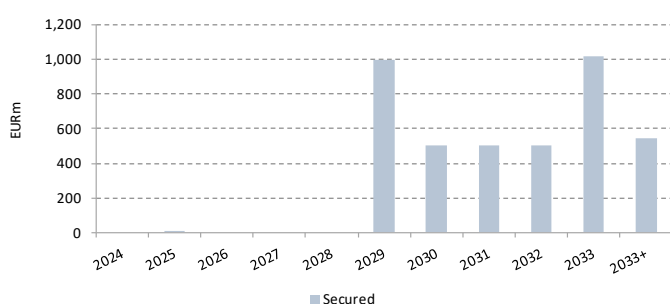
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	62,979	66,163	66,786
Total Securities	12,895	9,511	10,241
Total Deposits	66,733	66,851	64,152
Tier 1 Common Capital	5,047	4,086	4,138
Total Assets	85,371	85,599	84,369
Total Risk-weighted Assets	16,490	16,478	17,183

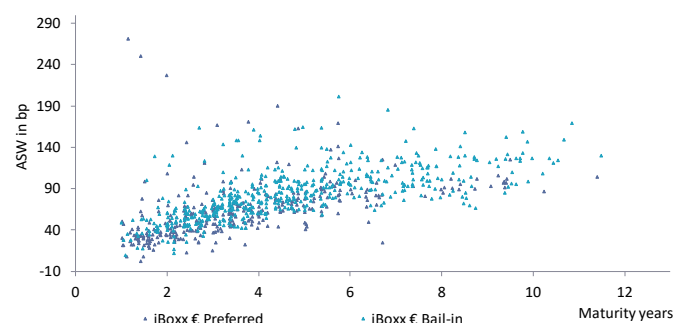
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	581	676	473
Net Fee & Commission Inc.	12	6	-18
Net Trading Income	20	-81	1
Operating Expense	515	487	491
Credit Commit. Impairment	14	12	19
Pre-tax Profit	130	127	-13

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	0.70	0.80	0.57	Liquidity Coverage Ratio	NM	317.21	254.80
ROAE	1.52	1.82	0.78	IFRS Tier 1 Leverage Ratio	-	-	4.92
Cost-to-Income	78.70	77.70	98.28	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	30.61	24.80	24.08	Reserves/Loans at Amort. Cost	0.31	0.32	0.30

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding profile
- Asset quality
- Capitalisation

## Risks / Weaknesses

- Profitability
- Moderate liquidity
- Concentrated business activities

# Bausparkasse Schwäbisch Hall – Mortgage

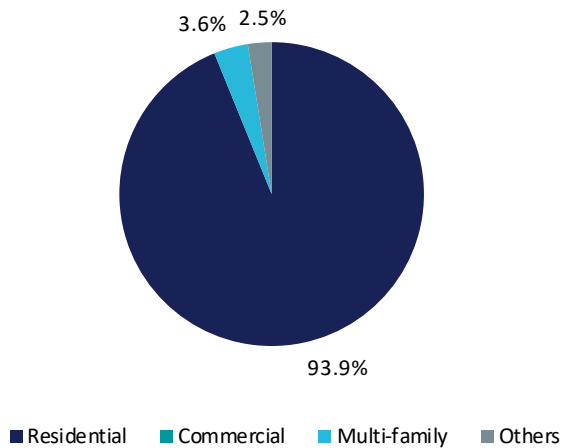
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

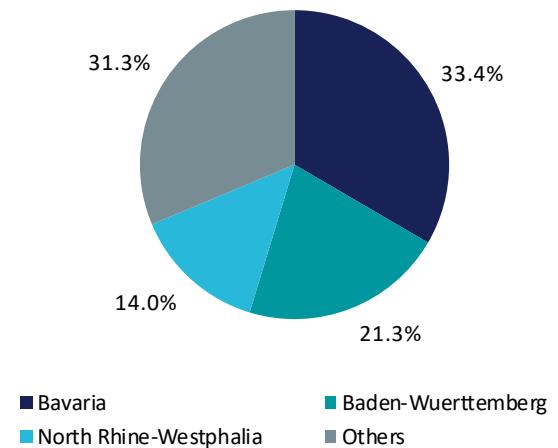
## Cover Pool Data

Cover pool volume (EURm)	6,318	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,104	Rating (S&P)	-
-thereof ≥ EUR 500m	92.2%	Rating (Fitch)	-
Current OC (nominal)	53.9%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	100% Germany	Collateral score	4.0%
Main region	33% Bavaria	RRL	-
Number of loans	42,248	JRL	-
Number of borrowers	64,086	Unused notches	-
Avg. exposure to borrowers (EUR)	96,110	AAA credit risk (%)	-
WAL (cover pool)	10.4y	PCU	-
WAL (covered bonds)	7.6y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	49.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

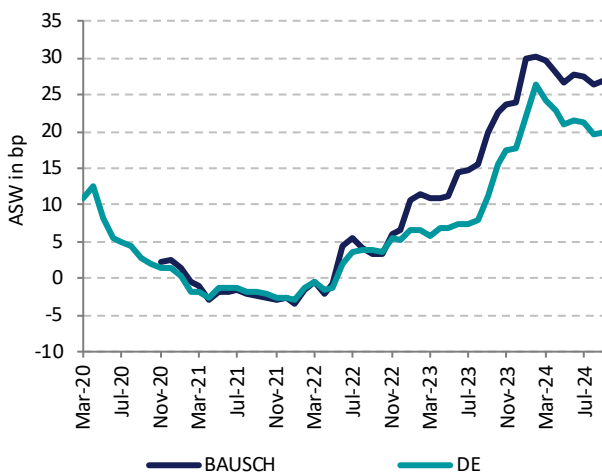
## Borrower Types



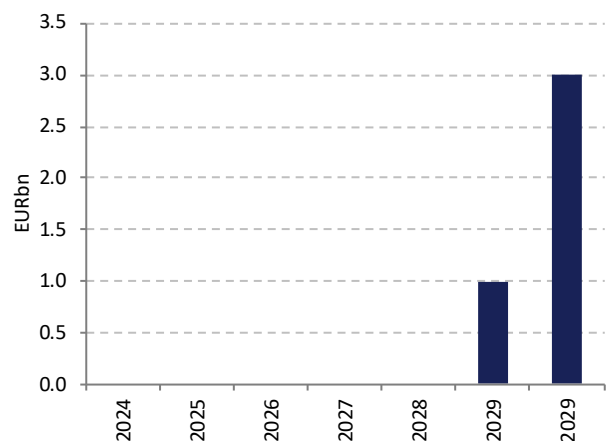
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Bayerische Landesbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bayerische Landesbank

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

## Homepage

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

Bayerische Landesbank (BayernLB) is a specialist bank headquartered in Munich. It is approximately 75% owned by the Free State of Bavaria, with the Association of Bavarian Savings Banks (Sparkassenverband Bayern) holding around 25%. BayernLB focuses on financial services and real estate financing for retail customers, medium-sized and large corporates in Bavaria and Germany. It also operates as the lead bank of the S-Finanzgruppe in Bavaria on behalf of the Bavarian savings banks. Moreover, BayernLB is the parent company of the group and operates via its subsidiaries as a direct bank (DKB) and promotional bank of the Free State of Bavaria (BayernLabo) with a legal mandate to promote social housing, as well as in the areas of asset and capital management (Real I.S. and BayernInvest). The group reports across the operating segments of Real Estate & Savings Banks/Financial Institutions (FY 2023: 16.8% of pre-tax profit), Corporates & Markets (16.4%) and DKB (69.6%). Reporting is supplemented by the segments Central Areas and Other (-3%) and Consolidation. BayernLB focuses on the German market and is represented internationally via branches in New York, London, Paris and Milan. Geographically speaking, the loan portfolio (FY 2023) is geared towards Germany (84.2%), followed by Western Europe (8.8%), North America (4.4%) and Eastern Europe (1%). The green bonds issued as part of the Sustainable Financing Framework are used to finance sustainable projects in the categories of wind power, solar energy, mobility and real estate. In FY 2023, BayernLB's green asset ratio as measured against turnover stood at 0.1%.

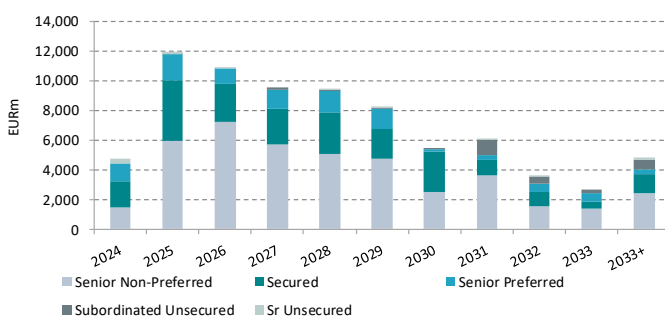
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	166,483	173,290	177,980
Total Securities	23,447	23,812	23,209
Total Deposits	123,304	143,309	143,009
Tier 1 Common Capital	11,357	12,424	12,305
Total Assets	259,343	273,364	279,025
Total Risk-weighted Assets	65,311	64,532	66,508

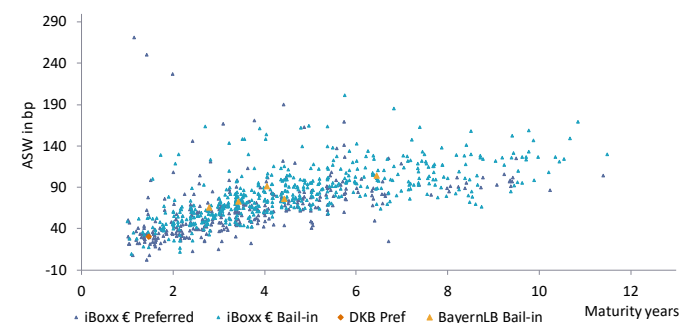
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,137	2,919	1,407
Net Fee & Commission Inc.	424	473	275
Net Trading Income	-124	7	166
Operating Expense	1,710	1,744	835
Credit Commit. Impairment	70	180	154
Pre-tax Profit	1,122	1,441	944

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.83	1.12	1.04	Liquidity Coverage Ratio	175.40	241.40	179.80
ROAE	8.27	8.35	10.00	IFRS Tier 1 Leverage Ratio	4.56	4.68	4.53
Cost-to-Income	58.90	51.77	43.20	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	17.39	19.25	18.50	Reserves/Loans at Amort. Cost	0.69	0.73	0.76

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Liquidity profile

## Risks / Weaknesses

- Profitability
- Concentration risk in the CRE sector
- Dependency on wholesale funding

# Bayerische Landesbank – Mortgage

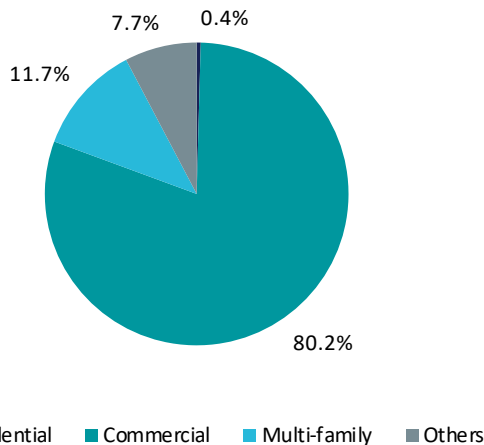
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

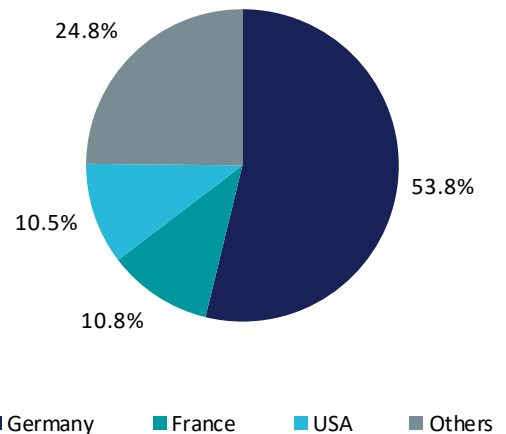
## Cover Pool Data

Cover pool volume (EURm)	11,239	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,621	Rating (S&P)	-
-thereof ≥ EUR 500m	55.1%	Rating (Fitch)	-
Current OC (nominal)	30.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	54% Germany	Collateral score	12.0%
Main region	41% Bavaria	RRL	-
Number of loans	580	JRL	-
Number of borrowers	448	Unused notches	-
Avg. exposure to borrowers (EUR)	23,158,186	AAA credit risk (%)	-
WAL (cover pool)	2.9y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	72.6%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	74.2%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	57.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

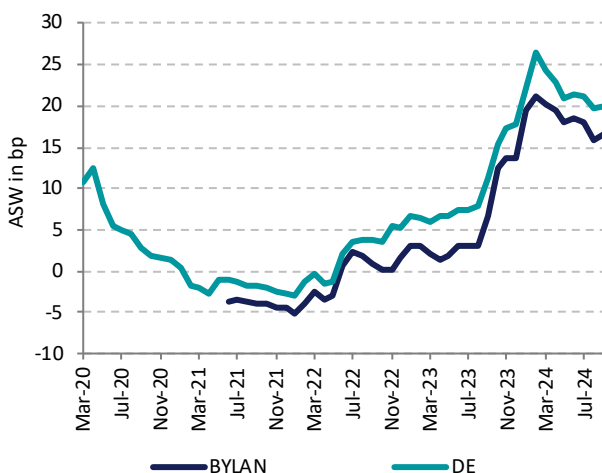
## Borrower Types



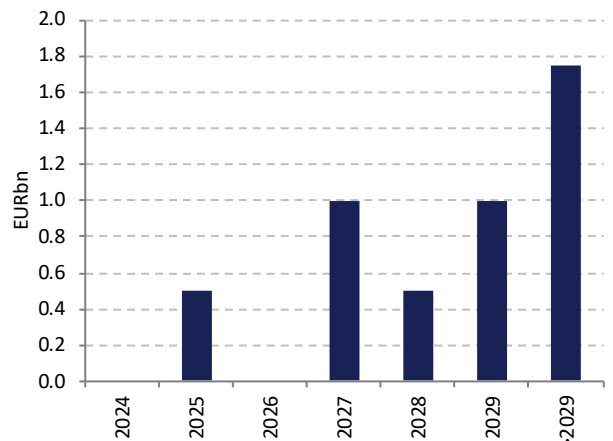
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Bayerische Landesbank – Public Sector

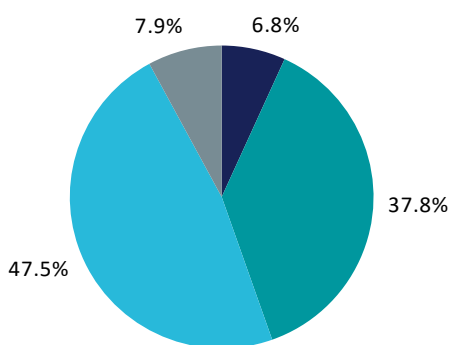
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

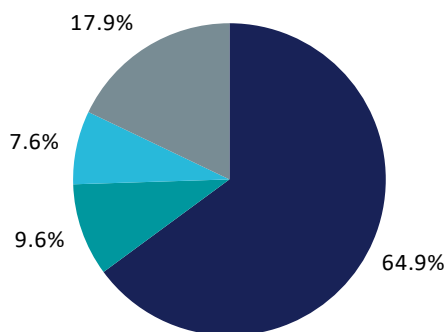
Cover pool volume (EURm)	23,800	Rating (Moody's)	Aaa
Amount outstanding (EURm)	13,629	Rating (S&P)	-
-thereof ≥ EUR 500m	34.1%	Rating (Fitch)	-
Current OC (nominal)	74.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	6
Main country	96% Germany	Collateral score	6.6%
Main region	65% Bavaria	RRL	-
Number of loans	75,441	JRL	-
Number of borrowers	48,628	Unused notches	-
Avg. exposure to borrowers (EUR)	473,239	AAA credit risk (%)	-
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	5.7y	Recovery uplift	-
Fixed interest (cover pool)	93.9%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	97.6%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



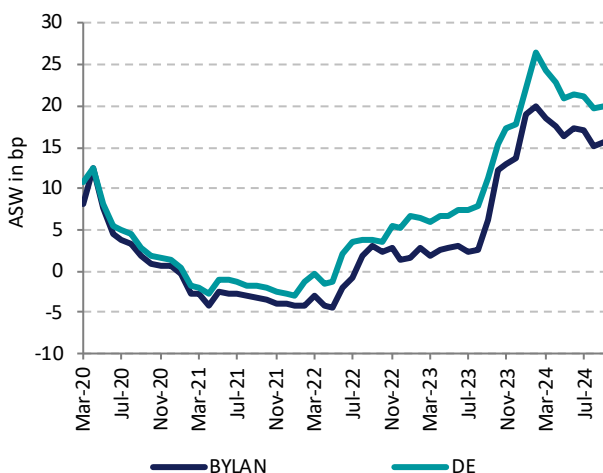
■ Sovereign      ■ Region / Federal state  
■ Municipality      ■ Supras & others

## Regional Distribution

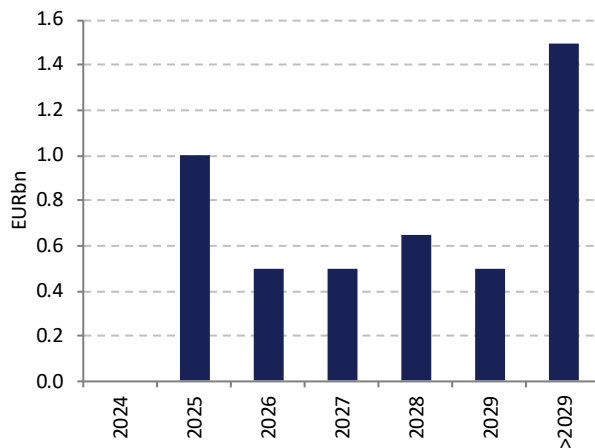


■ Bavaria    ■ North Rhine-Westphalia    ■ Hamburg    ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Berlin Hyp

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Berlin Hyp AG

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

## Homepage

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

Founded in 1868 and headquartered in Berlin, Berlin Hyp AG has been a wholly owned subsidiary of Landesbank Baden-Württemberg (LBBW) and an independent real estate financier in the Sparkassen-Finanzgruppe since 1 July 2022. The institute is a specialist in the area of large-volume real estate financing for professional investors and housing companies. In addition to fixed-interest loans, the range of products offered by Berlin Hyp also includes avals, business current accounts, financing products for construction projects and payment transaction services. Outside of Germany, Berlin Hyp is represented in Amsterdam, Paris and Warsaw. Geographically, the real estate portfolio (FY 2023) focuses on Germany (69%), followed by the Benelux countries (15%), France (7%) and Poland/Czechia (6%). In terms of asset type, the majority is attributable to the segments Office (41%), Residential (29%) and Retail (14%). Capital market funding is primarily obtained via the issuance of mortgage Pfandbriefe (66%) in addition to senior preferred (20%) and senior non-preferred bonds (11%). The topic of sustainability has been anchored as a central component of Berlin Hyp's corporate strategy for many years. In 2015, the bank placed its first green Pfandbrief, which was followed by an inaugural green senior unsecured bond in 2016. In February 2024, Berlin Hyp issued a green Pfandbrief in the amount of EUR 500m and in so doing increased the number of its outstanding benchmark bonds to 20. In FY 2023, the green asset ratio as measured by turnover came in at 0.4%.

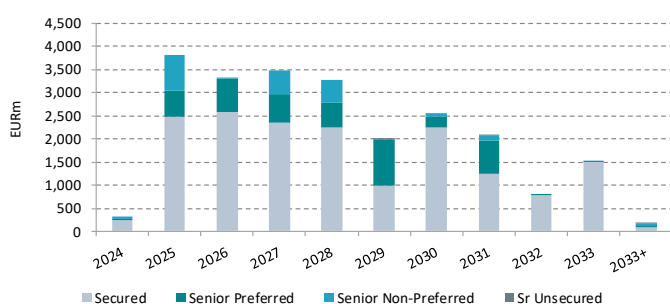
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	26,191	28,003	29,219
Total Securities	6,795	5,554	5,323
Total Deposits	3,972	4,677	6,031
Tier 1 Common Capital	1,562	1,623	1,657
Total Assets	36,210	34,412	35,457
Total Risk-weighted Assets	10,952	11,854	10,753

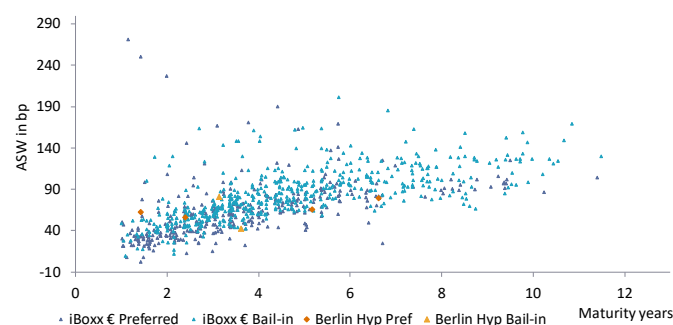
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	406	456	498
Net Fee & Commission Inc.	25	24	18
Net Trading Income	-	-	-
Operating Expense	184	207	207
Credit Commit. Impairment	17	-13	152
Pre-tax Profit	51	100	124

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.19	1.31	1.45	Liquidity Coverage Ratio	128.40	124.50	149.80
ROAE	-	2.46	4.24	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	43.39	44.16	39.99	NPL/Loans at Amortised Cost	0.56	0.45	1.68
Core Tier 1 Ratio	14.26	13.69	15.41	Reserves/Loans at Amort. Cost	1.20	1.07	1.49

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Profitability
- Probability of support from LBBW

## Risks / Weaknesses

- Dependency on wholesale funding
- Concentration risk in the CRE sector
- Regulatory pressure on capital ratios

# Berlin Hyp – Mortgage

Germany 

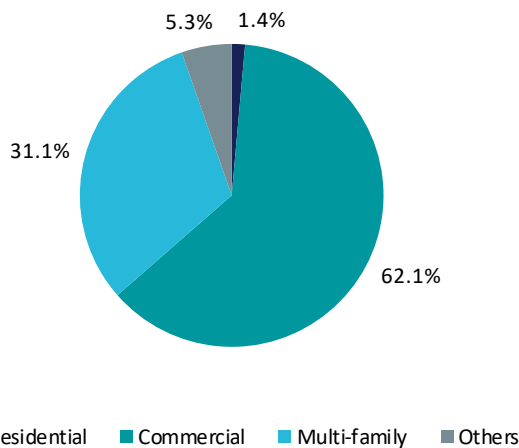
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

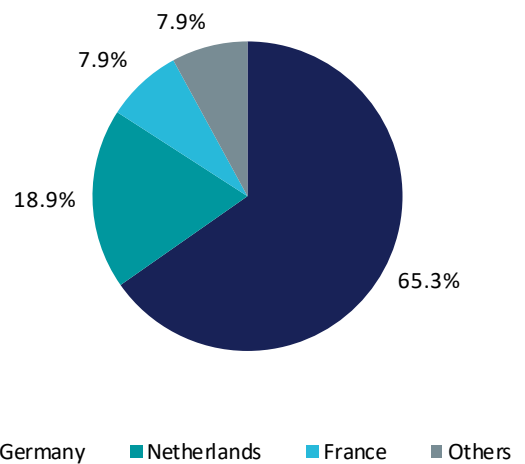
Cover pool volume (EURm)	18,823
Amount outstanding (EURm)	17,935
-thereof ≥ EUR 500m	82.9%
Current OC (nominal)	4.9%
Committed OC	2.0%
Cover type	Mortgage
Main country	65% Germany
Main region	23% Berlin
Number of loans	1,334
Number of borrowers	1,244
Avg. exposure to borrowers (EUR)	14,323,547
WAL (cover pool)	3.9y
WAL (covered bonds)	5.2y
Fixed interest (cover pool)	75.3%
Fixed interest (covered bonds)	97.1%
LTV (indexed)	-
LTV (unindexed)	57.3%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	6
Collateral score	17.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

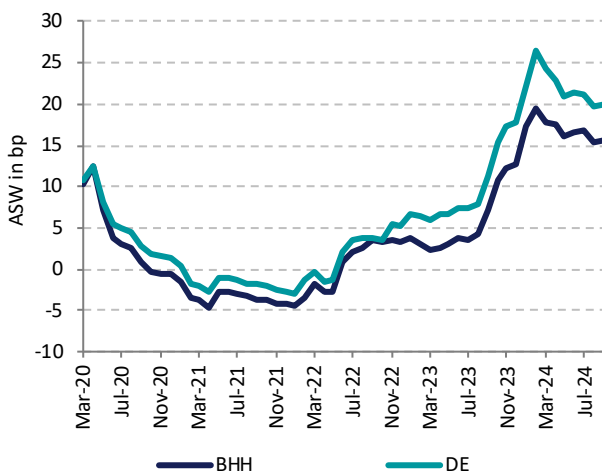
## Borrower Types



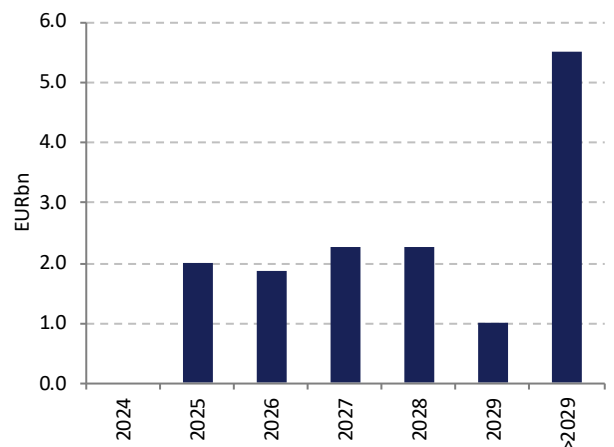
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Commerzbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Commerzbank AG

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

## Homepage

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

As measured by assets (Q1 2024: EUR 552bn), the Frankfurt-based Commerzbank AG (Coba) is one of Germany's largest banks. It serves nearly 11 million retail and commercial customers in addition to approximately 25,500 corporate clients (FY 2023) in 400 branches nationwide. The largest shareholder in the DAX-listed bank is the Federal Republic of Germany with over 15% (data as at March 2024), which it holds via the Financial Market Stabilisation Fund (FMS). Coba is represented on an international basis via 15 foreign branches and 27 representative offices in more than 40 countries. Reporting is conducted across three business areas: Retail and Business Customers (RBC; 46.6% of the pre-tax profit in Q1 2024), Corporate Customers (CC; 61%) and Other and Consolidation (OC; -7.7%). Coba bundles its domestic branch business in the RBC segment, in addition to activities under the Comdirect brand and business with its subsidiaries Commerz Real and the mBank Group. The CC segment comprises all SME and large corporate customers in Germany and abroad in addition to institutional clients. The OC segment covers, among other aspects, the Group Treasury and equity participations that are not allocated to either of the other segments PUK and CC. Coba reported a volume of EUR 58.5bn (FY 2023) in terms of capital market refinancing. A share of 51% of the funding mix is made up of covered bonds, with 38% attributable to senior bonds (preferred and non-preferred) and 11% to subordinated capital. In 2023, Coba issued its fourth green bond (non-preferred senior) in the amount of EUR 600m. Based on turnover, Coba reported a green asset ratio of 2.3% in FY 2023.

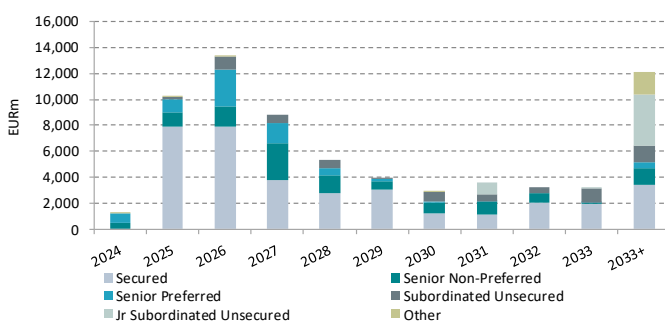
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	261,411	270,219	-
Total Securities	96,729	100,511	108,022
Total Deposits	312,652	349,195	-
Tier 1 Common Capital	23,854	25,720	25,500
Total Assets	477,428	517,166	560,087
Total Risk-weighted Assets	168,731	175,114	172,900

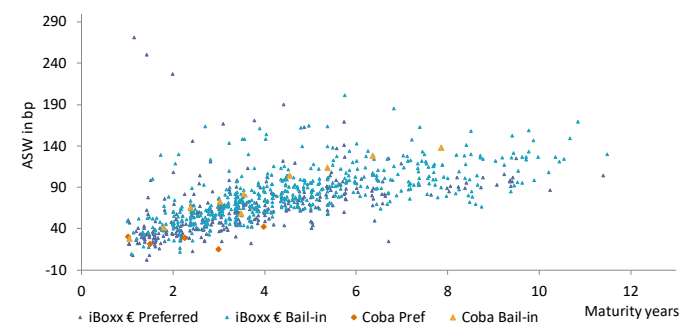
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	6,459	8,368	4,204
Net Fee & Commission Inc.	3,519	3,386	1,799
Net Trading Income	35	-275	-80
Operating Expense	6,570	6,415	3,189
Credit Commit. Impairment	865	621	272
Pre-tax Profit	2,005	3,403	1,953

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.27	1.70	1.57	Liquidity Coverage Ratio	145.90	145.40	149.10
ROAE	4.60	6.90	8.08	IFRS Tier 1 Leverage Ratio	5.25	5.15	4.68
Cost-to-Income	67.84	61.60	57.64	NPL/Loans at Amortised Cost	2.24	1.88	-
Core Tier 1 Ratio	14.14	14.69	14.75	Reserves/Loans at Amort. Cost	1.19	1.29	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Liquidity
- Capital buffer
- Asset quality

## Risks / Weaknesses

- Legal dispute concerning the subsidiary mBank
- Uncertainty macro-economic environment
- Dependency on wholesale funding



# Commerzbank – Mortgage

Germany 

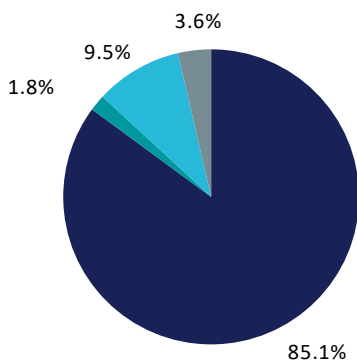
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Cover Pool Data

Cover pool volume (EURm)	43,399
Amount outstanding (EURm)	30,631
-thereof ≥ EUR 500m	69.9%
Current OC (nominal)	41.7%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Germany
Main region	20% North-Rhine Westphalia
Number of loans	317,992
Number of borrowers	244,474
Avg. exposure to borrowers (EUR)	171,129
WAL (cover pool)	5.8y
WAL (covered bonds)	4.3y
Fixed interest (cover pool)	98.1%
Fixed interest (covered bonds)	77.4%
LTV (indexed)	-
LTV (unindexed)	51.0%
Loans in arrears	0.0%

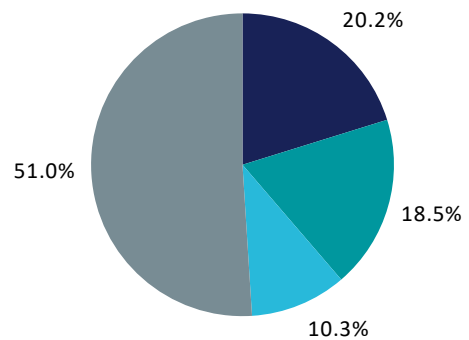
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	4
Collateral score	4.3%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

### Borrower Types



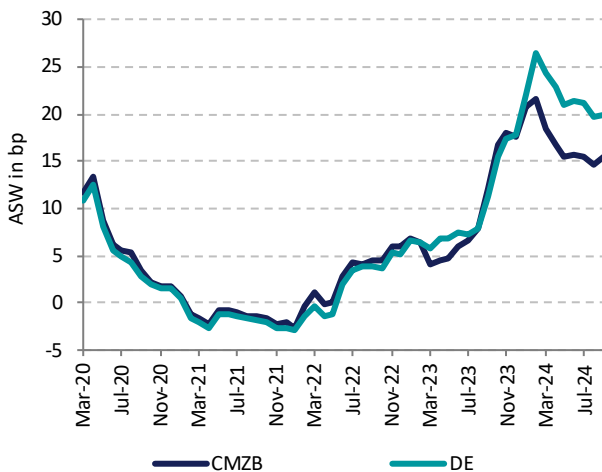
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution



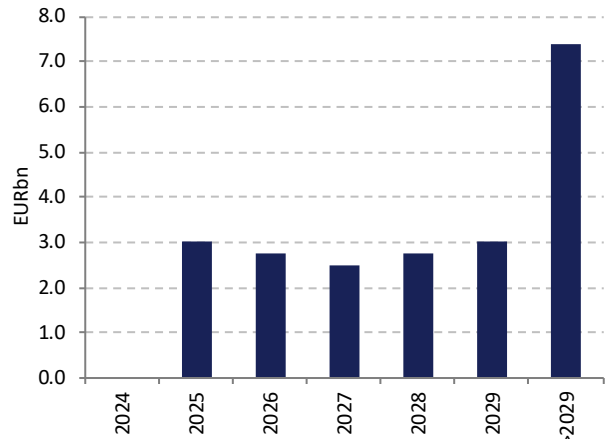
■ North-Rhine Westphalia ■ Bavaria ■ Hesse ■ Others

### Spread Development



— CMZB — DE

### Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Commerzbank – Public Sector

Germany 

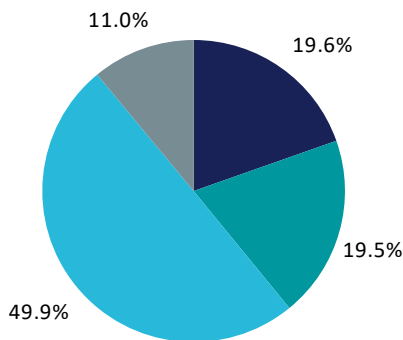
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	16,972
Amount outstanding (EURm)	9,198
-thereof ≥ EUR 500m	19.0%
Current OC (nominal)	84.5%
Committed OC	2.0%
Cover type	Public Sector
Main country	80% Germany
Main region	20% North-Rhine Westphalia
Number of loans	2,187
Number of borrowers	878
Avg. exposure to borrowers (EUR)	19,329,979
WAL (cover pool)	8.3y
WAL (covered bonds)	4.5y
Fixed interest (cover pool)	77.4%
Fixed interest (covered bonds)	61.9%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.0%

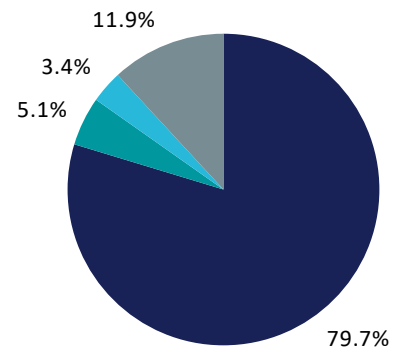
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	4
Collateral score	2.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



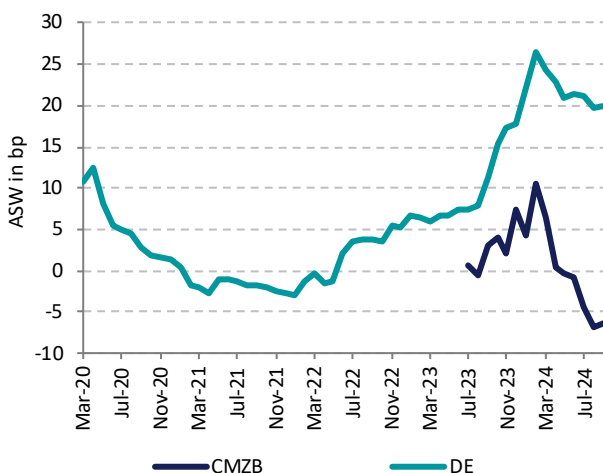
■ Sovereign  
■ Region / Federal state  
■ Municipality  
■ Supras & others

## Regional Distribution

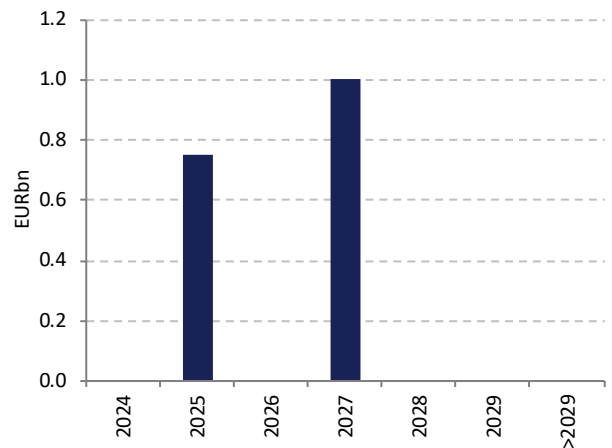


■ Germany  
■ Switzerland  
■ UK  
■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# DekaBank Deutsche Girozentrale

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

**DekaBank Deutsche Girozentrale**

	Rating	Outlook
Fitch	-	-
Moody's	Aa1	Stable
S&P	A	Stable

## Homepage

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

DekaBank Deutsche Girozentrale (DekaBank) operates in the legal form of a public law institution (Anstalt öffentlichen Rechts) and is headquartered in Frankfurt am Main and Berlin. It is designated as another systemically important bank (O-SIB). With a market share of 12.5%, DekaBank is the third largest provider of public funds in Germany. With more than 3,600 employees, DekaBank functions as an investment firm for the German savings banks. Together with its subsidiaries, these all form the Deka Group. A total of 50% of the shares are held by the German Savings Banks Association (DSGV), with the other 50% owned by Deka Erwerbsgesellschaft mhb & CO. KG. DekaBank is also a member of the Sparkassen-Finanzgruppe. In organisational terms, DekaBank divides its activities into five business fields: both of the asset management segments (AM Securities: 58.4% of pre-tax profit in FY 2023; and AM Real Estate: 20.7%) are focused on funds-based products and services. The business unit AM Services (0.6%) concentrates on the provision of banking services for asset management activities. In addition, the banking business is rounded off by the business areas Capital Markets, Financing and Other. The gross lending volume is split between Germany (FY 2023: 48%), Luxembourg (12%), France (10%) and the UK (8%), in addition to the category Other (22%). The primary lenders were other financial institutes (24%), commercial banks (17%) and savings banks (11%). Within the Deka Group, the sum of investment products with sustainability hallmarks totalled EUR 59.8bn (FY 2023). Based on turnover, the green asset ratio amounted to 0.8% (FY 2023).

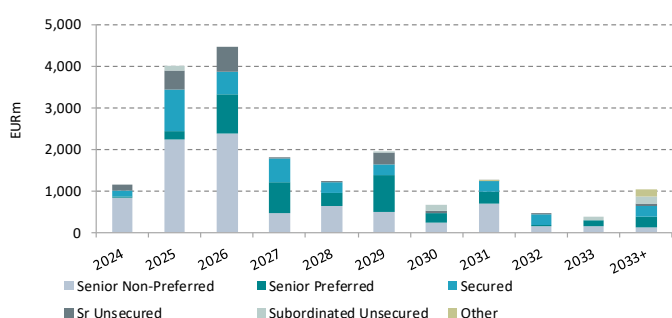
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	29,661	26,250	26,096
Total Securities	27,029	26,569	31,485
Total Deposits	25,106	26,951	31,070
Tier 1 Common Capital	5,462	5,848	5,710
Total Assets	97,396	84,800	95,111
Total Risk-weighted Assets	31,360	30,486	31,234

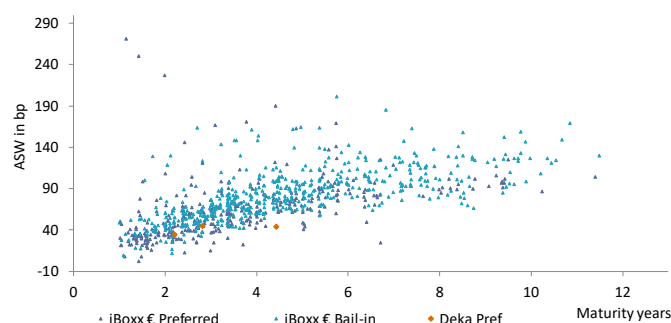
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	216	344	154
Net Fee & Commission Inc.	1,593	1,638	786
Net Trading Income	290	568	244
Operating Expense	1,252	1,311	627
Credit Commit. Impairment	36	123	4
Pre-tax Profit	801	1,107	515

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.24	0.38	0.35	Liquidity Coverage Ratio	159.10	209.00	167.70
ROAE	8.15	10.77	9.83	IFRS Tier 1 Leverage Ratio	6.54	7.72	6.68
Cost-to-Income	59.79	51.52	54.74	NPL/Loans at Amortised Cost	1.19	2.87	3.35
Core Tier 1 Ratio	17.42	19.18	18.28	Reserves/Loans at Amort. Cost	0.71	1.32	1.35

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Member of the Sparkassen-Finanzgruppe
- Capitalisation
- Market position in the asset management business

## Risks / Weaknesses

- Dependency on wholesale funding
- Income volatility from capital market link
- Risk diversification (credit business)

# DekaBank – Mortgage

Germany 

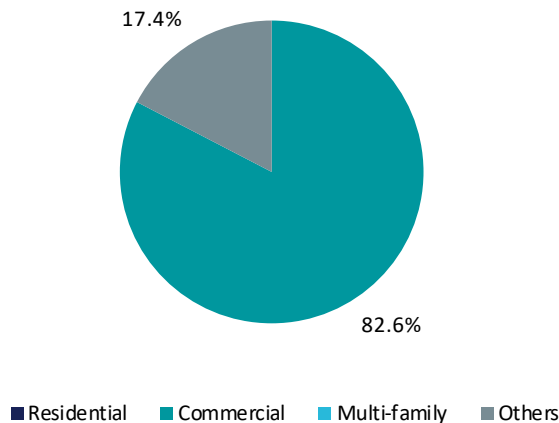
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

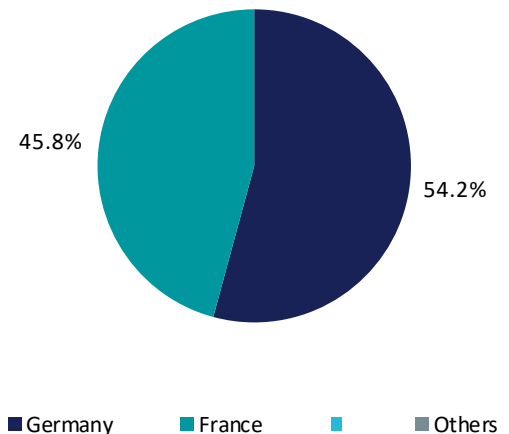
Cover pool volume (EURm)	1,294
Amount outstanding (EURm)	931
-thereof ≥ EUR 250m	53.7%
Current OC (nominal)	39.0%
Committed OC	2.0%
Cover type	Mortgage
Main country	54% Germany
Main region	22% Bavaria
Number of loans	27
Number of borrowers	34
Avg. exposure to borrowers (EUR)	31,440,294
WAL (cover pool)	2.7y
WAL (covered bonds)	1.5y
Fixed interest (cover pool)	90.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	60.0%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	7
Collateral score	26.1%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	10%
Maturity structure (SBmk)	SB

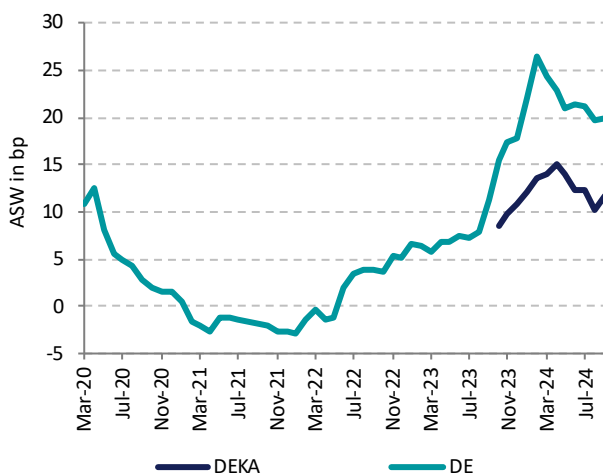
## Borrower Types



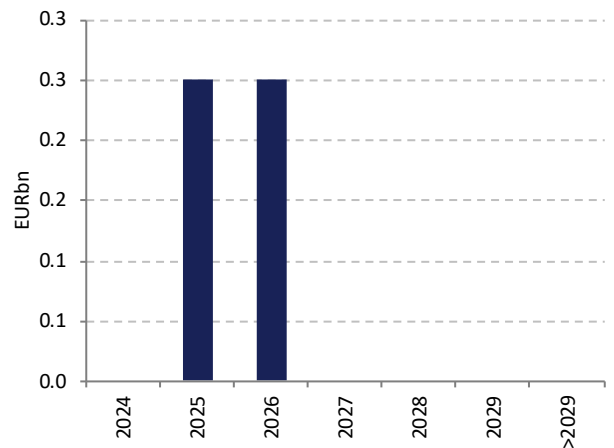
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# DekaBank – Public Sector

Germany 

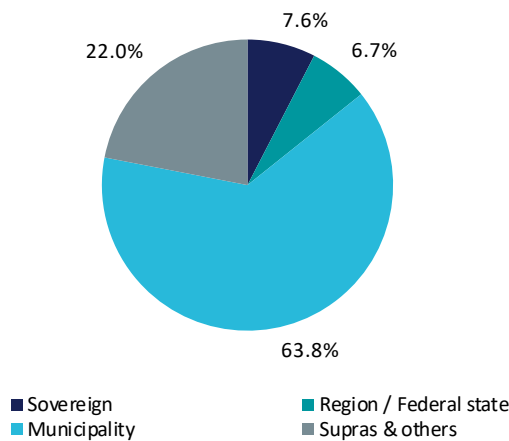
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

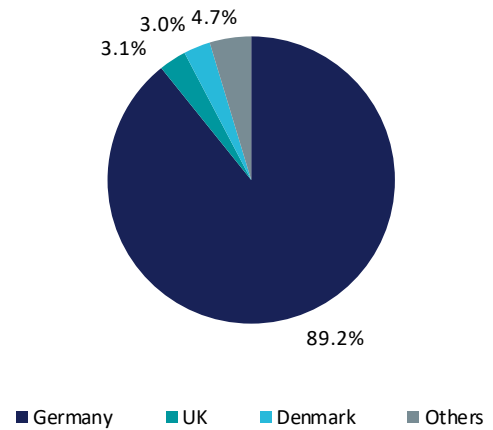
Cover pool volume (EURm)	3,755
Amount outstanding (EURm)	2,834
-thereof ≥ EUR 250m	88.2%
Current OC (nominal)	32.5%
Committed OC	2.0%
Cover type	Public Sector
Main country	89% Germany
Main region	48% North Rhine-Westphalia
Number of loans	253
Number of borrowers	81
Avg. exposure to borrowers (EUR)	44,988,605
WAL (cover pool)	5.9y
WAL (covered bonds)	4.3y
Fixed interest (cover pool)	90.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	7
Collateral score	7.9%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	10%
Maturity structure (SBmk)	SB

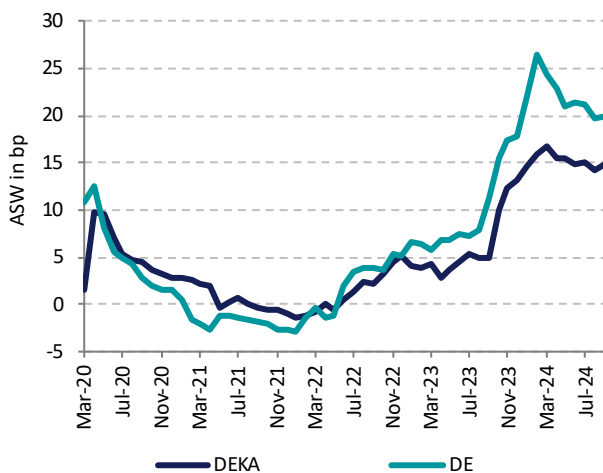
## Borrower Types



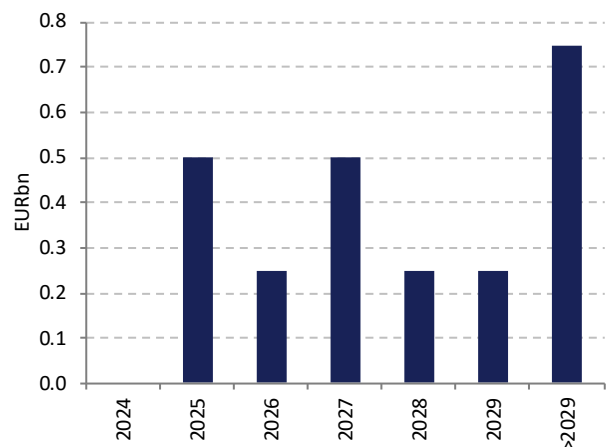
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Deutsche Apotheker- und Ärztebank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Deutsche Apotheker- und Ärztebank eG

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

## Homepage

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

\* Verbundrating

The Düsseldorf-based Deutsche Apotheker- und Ärztebank eG (apoBank), which operates as a cooperative, specialises in providing economic assistance and support for health professionals and their organisations in Germany. It has in excess of 112,500 members (FY 2023), who are simultaneously the owners of the bank. Nearly 2,300 employees of apoBank serve a total of around 500,000 customers and members across 77 locations. The bank forms part of the German cooperative FinanzGruppe and is a member of the cooperative protection scheme of the National Association of German Cooperative Banks (Bundesverbandes der Deutschen Volksbanken und Raiffeisenbanken e.V. [BVR]). apoBank advises individuals from the academic medical professions as well as medical and pharmaceutical associations, chambers, unions, and companies and institutions from the healthcare sector. Its services include payment transactions, lending and deposit business, asset management, pensions and business start-ups. The bank's loan portfolio (FY 2023) comprises the categories Real Estate (50.1%), Start-Ups (24.3%), Corporate Clients (14.4%) and Investment Finance (11.1%). The bank's capital market refinancing activities comprise three components: Pfandbriefe, unsecured bonds (preferred and non-preferred) and subordinated issuances. In addition, apoBank takes advantage of the option of refinancing via public development banks, although the majority of the funding mix comprises deposits. By 2045, the bank plans to achieve net zero for all of its business activities and will seek to consistently further develop its sustainability strategy over the next few years.

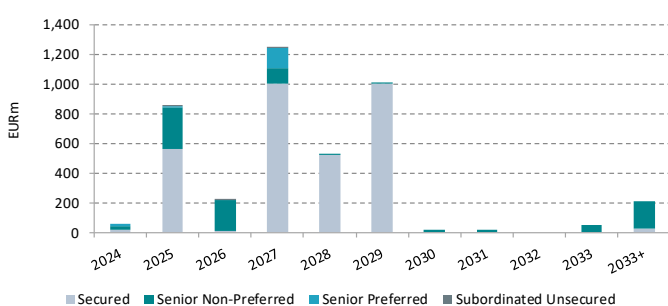
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	37,008	35,309	34,930
Total Securities	7,206	8,420	8,213
Total Deposits	33,934	29,422	29,190
Tier 1 Common Capital	2,331	2,661	2,826
Total Assets	54,184	50,727	50,706
Total Risk-weighted Assets	14,752	15,895	16,622

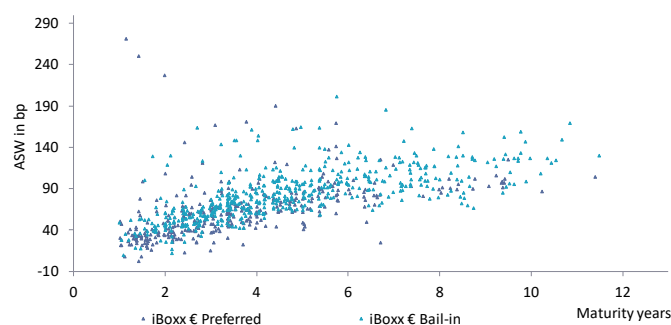
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	766	969	495
Net Fee & Commission Inc.	184	178	91
Net Trading Income	6	4	1
Operating Expense	760	763	368
Credit Commit. Impairment	36	72	34
Pre-tax Profit	151	238	145

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.27	1.87	1.98	Liquidity Coverage Ratio	206.30	212.20	216.60
ROAE	2.26	3.10	3.03	IFRS Tier 1 Leverage Ratio	4.31	5.26	5.59
Cost-to-Income	75.92	63.73	58.39	NPL/Loans at Amortised Cost	2.50	2.00	-
Core Tier 1 Ratio	15.80	16.74	17.00	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Member of the FinanzGruppe protection scheme
- Market position in the healthcare sector
- Asset quality

## Risks / Weaknesses

- Customer satisfaction
- Concentration & dependency on the healthcare sector
- Profitability

# apoBank – Mortgage

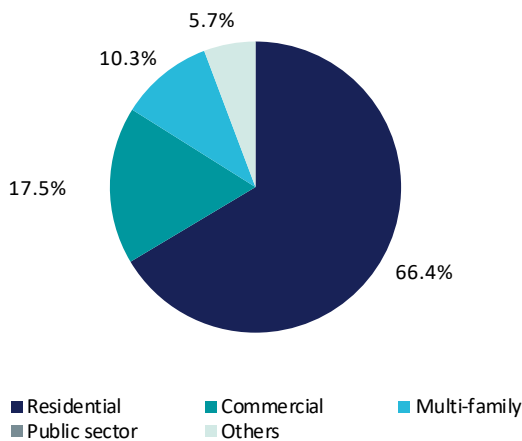
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

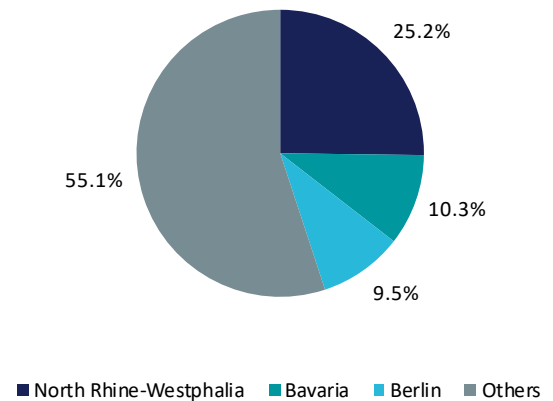
## Cover Pool Data

Cover pool volume (EURm)	8,375	Rating (Moody's)	-
Amount outstanding (EURm)	4,207	Rating (S&P)	AAA
-thereof ≥ EUR 500m	59.4%	Rating (Fitch)	-
Current OC (nominal)	99.1%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	25% North Rhine-Westphalia	RRL	aa
Number of loans	72,615	JRL	aaa
Number of borrowers	39,996	Unused notches	4
Avg. exposure to borrowers (EUR)	197,389	AAA credit risk (%)	2.5%
WAL (cover pool)	4.8y	PCU	-
WAL (covered bonds)	6.5y	Recovery uplift	-
Fixed interest (cover pool)	93.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	98.9%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	54.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

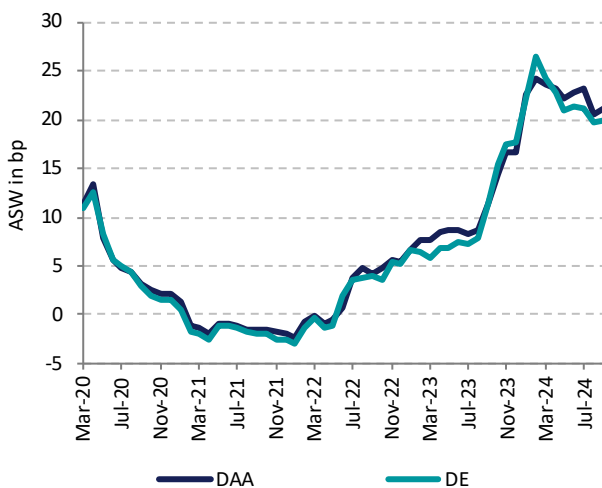
## Borrower Types



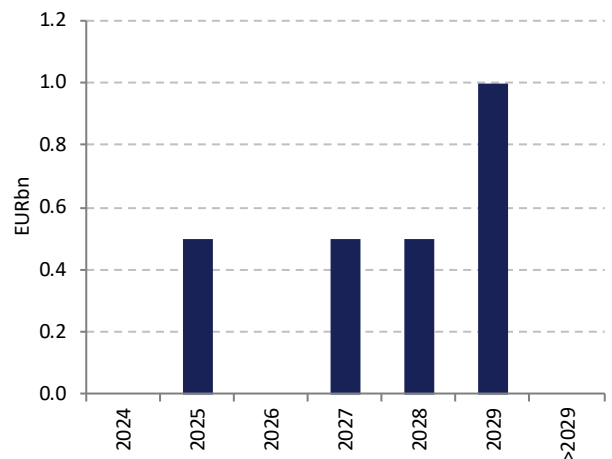
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Deutsche Bank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Deutsche Bank AG

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

## Homepage

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

As measured by total assets (FY 2023: EUR 1.31tn), Deutsche Bank AG (DB) is Germany's largest financial institution and is classified as a global systemically important bank (G-SIB). In 57 countries, DB employs around 90,100 staff, who work across a network of approximately 1,400 branches. Reporting is broken down into the following business units: Corporate Bank (CB; 52.6% of earnings before tax in FY 2023), Investment Bank (IB; 32.3%), Private Bank (PB; 17.9%), Asset Management (DWS; 7.0%) and Corporate and Other (-9.7%). Corporate and commercial customers in addition to multinational companies are served via the CB segment. The IB segment combines business focused on net interest income and FX dealings, issuance and consulting activities, as well as research services. The PB business unit caters to retail customers, high net worth private individuals, entrepreneurs and family offices, while SMEs are also advised on international business matters. DWS includes wealth management and offers private and institutional investors access to a wide range of asset classes. In geographical terms, a total of 47.1% of the loan portfolio was attributable to Germany (FY 2023) and 18.7% to the USA. In terms of loan type, German mortgage loans (Q1 2024: 32%), strategic corporate lending (20%) and wealth management (12%) accounted for the largest shares. A total of 6.5% of the loan portfolio comprised CRE, with 56% of the CRE loans granted in the USA. As at year-end 2023, the most important wholesale funding instruments of DB were senior bonds (preferred and non-preferred), followed by covered bonds and ABS. Since 2020, DB has been active as an issuer of green bonds. To date, it has placed a volume of EUR 4.7bn (FY 2023) on the market. DB reported a green asset ratio of 1.3% at the end of FY 2023.

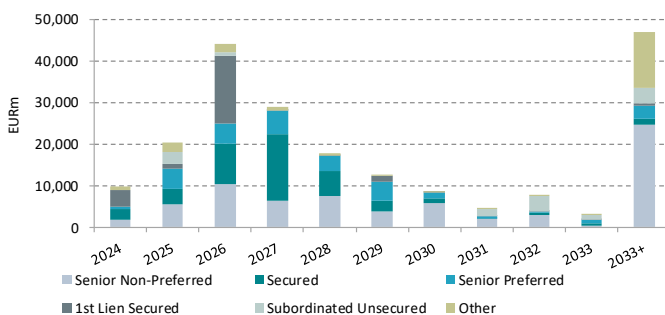
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	489,781	482,491	476,741
Total Securities	513,716	502,462	541,795
Total Deposits	536,404	531,001	-
Tier 1 Common Capital	48,097	48,066	48,113
Total Assets	1,336,788	1,312,331	1,351,406
Total Risk-weighted Assets	360,003	349,742	356,427

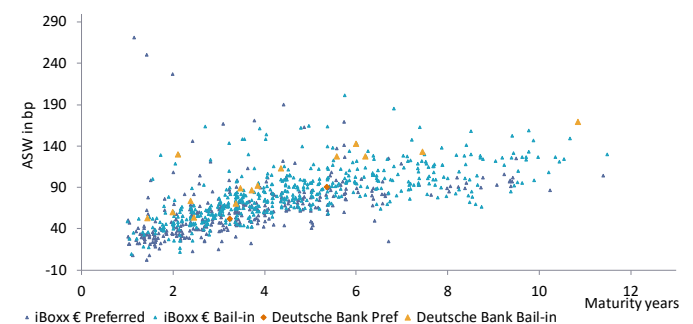
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	13,650	13,602	6,152
Net Fee & Commission Inc.	9,838	9,206	5,207
Net Trading Income	2,630	6,057	3,704
Operating Expense	20,281	21,629	12,006
Credit Commit. Impairment	1,226	1,505	915
Pre-tax Profit	5,594	5,678	2,446

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.11	1.16	1.06	Liquidity Coverage Ratio	142.00	140.00	136.00
ROAE	8.12	6.67	3.98	IFRS Tier 1 Leverage Ratio	4.60	4.51	-
Cost-to-Income	74.54	74.89	78.12	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.36	13.74	13.50	Reserves/Loans at Amort. Cost	1.01	1.10	1.12

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Diversified business model
- Deposit base

## Risks / Weaknesses

- Macroeconomic environment
- Ongoing legal disputes
- Complexity of the investment bank



# Deutsche Bank – Mortgage

Germany 

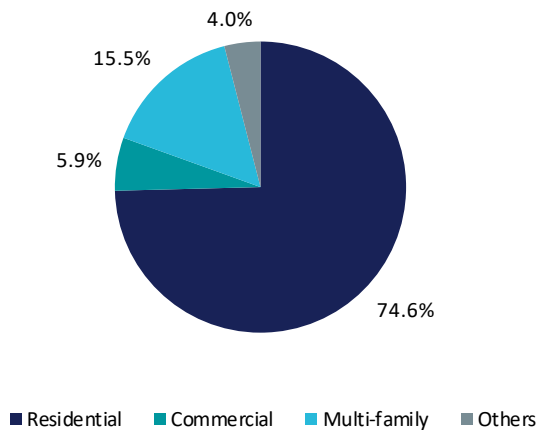
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

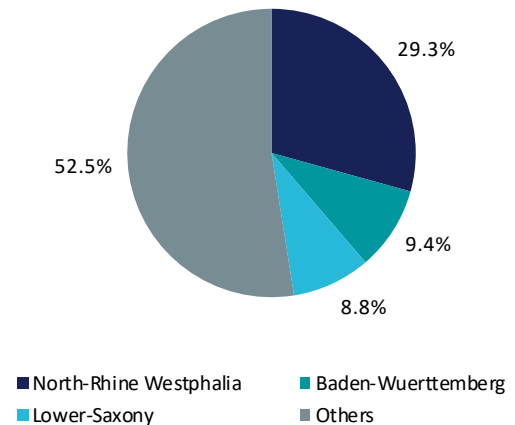
Cover pool volume (EURm)	15,647
Amount outstanding (EURm)	13,079
-thereof ≥ EUR 500m	70.7%
Current OC (nominal)	19.6%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Germany
Main region	29% North-Rhine Westphalia
Number of loans	135,680
Number of borrowers	116,574
Avg. exposure to borrowers (EUR)	128,795
WAL (cover pool)	9.1y
WAL (covered bonds)	5.5y
Fixed interest (cover pool)	99.5%
Fixed interest (covered bonds)	88.7%
LTV (indexed)	-
LTV (unindexed)	54.0%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	4
Collateral score	4.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

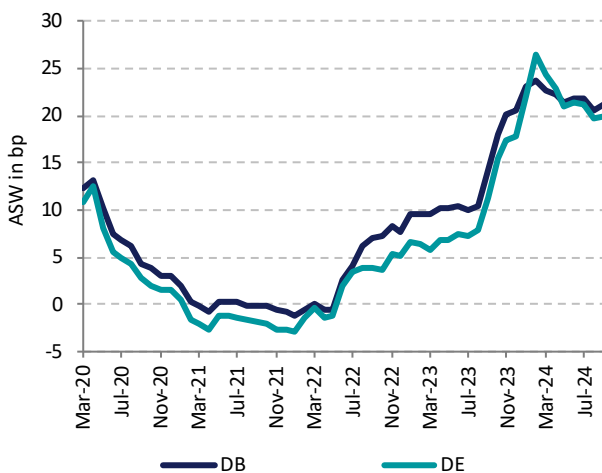
## Borrower Types



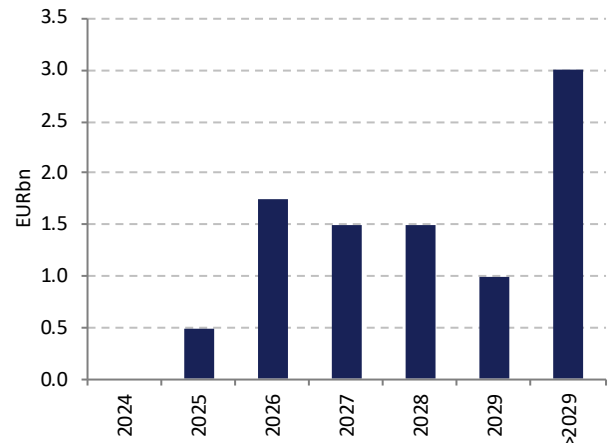
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Deutsche Bank – Mortgage (CPT)

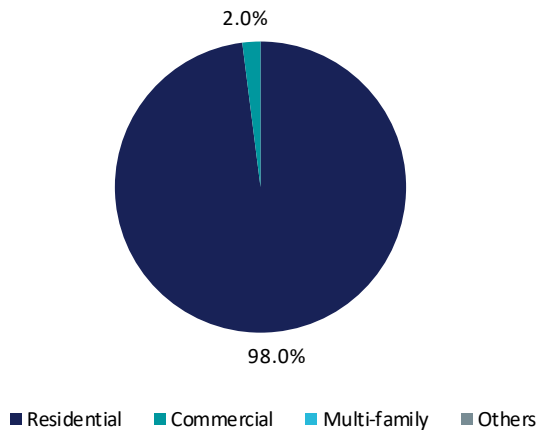
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

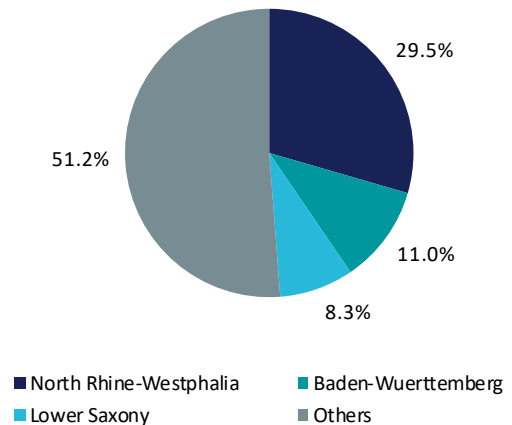
## Cover Pool Data

Cover pool volume (EURm)	4,592	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,310	Rating (S&P)	-
-thereof ≥ EUR 500m	15.1%	Rating (Fitch)	-
Current OC (nominal)	38.7%	Rating (DBRS)	AA
Committed OC	15.0%	TPI	High
Cover type	Mortgage	TPI leeway	3
Main country	100% Germany	Collateral score	6.6%
Main region	29% North Rhine-Westphalia	RRL	-
Number of loans	48,102	JRL	-
Number of borrowers	38,189	Unused notches	-
Avg. exposure to borrowers (EUR)	120,245	AAA credit risk (%)	-
WAL (cover pool)	10y	PCU	-
WAL (covered bonds)	3.4y	Recovery uplift	-
Fixed interest (cover pool)	93.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	69.8%	LCR eligible	No
LTV (indexed)	-	LCR level (Bmk)	Not eligible
LTV (unindexed)	73.5%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

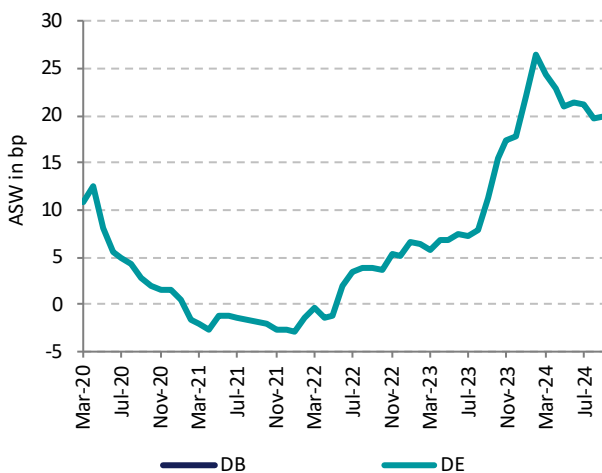
## Borrower Types



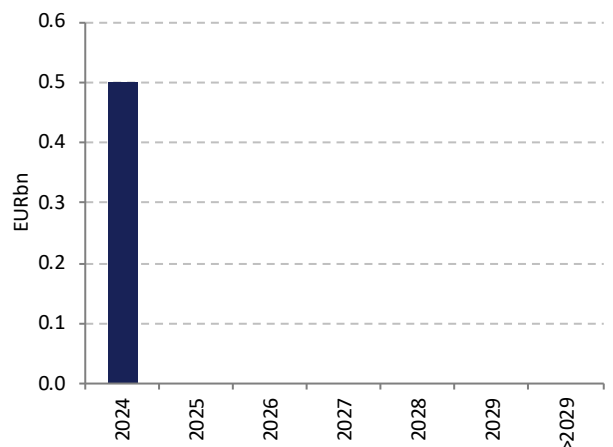
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Deutsche Kreditbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Deutsche Kreditbank AG

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

## Homepage

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

Deutsche Kreditbank AG (DKB), headquartered in Berlin, is a leading direct bank and is wholly owned by Bayerische Landesbank (BayernLB). The DKB business model is based on the direct banking business with more than 5.7 million retail customers (H1 2024), who are served on a digital basis across Germany, and the corporate customer business, which offers consulting services to these customers at 26 different locations in Germany. DKB employs around 5,000 staff overall, who offer customers products including current accounts and business accounts, deposits, home loans in addition to financing products for municipalities and energy projects. The DKB Group comprises DKB AG and its subsidiaries such as DKB Finance GmbH and DKB Service GmbH, for example. DKB reports across three operating segments: Retail Customers (H1 2024: 22.6% of pre-tax profit), Commercial Customers (84.8%) and Financial Markets (2.6%). Moreover, reporting is also carried out in the Other (-6.3%) and Transition/Consolidation (-3.8%) business units. Geographically speaking, the loan portfolio is almost exclusively based in Germany. DKB's refinancing activities are primarily focused on customer deposits (FY 2023: 76.1% of total assets) and pass-through loans (11.6%). The funding mix is supplemented by securitised liabilities in addition to mortgage and public Pfandbriefe (3.6%). According to information from DKB itself, it was the first German bank to issue both a green and social bond, in addition to being the largest financier of renewable energies in Germany at a total value of EUR 12bn. Moreover, by 2030, the bank intends for 80% of its portfolio to make a significant contribution to the UN Sustainable Development Goals (SDGs).

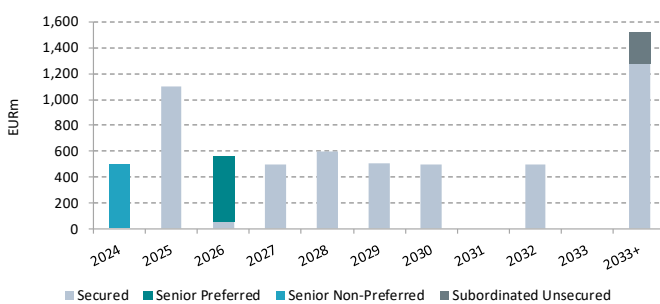
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	88,887	94,376	96,915
Total Securities	4,738	3,116	2,667
Total Deposits	85,232	102,313	92,044
Tier 1 Common Capital	4,912	5,096	5,004
Total Assets	121,035	134,517	124,005
Total Risk-weighted Assets	42,341	32,155	33,584

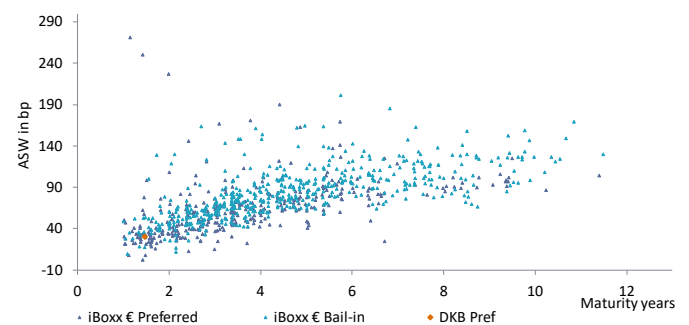
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,313	1,937	950
Net Fee & Commission Inc.	88	130	121
Net Trading Income	-217	-41	29
Operating Expense	819	962	441
Credit Commit. Impairment	13	59	91
Pre-tax Profit	356	1,002	561

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.03	1.52	1.48	Liquidity Coverage Ratio	207.00	262.00	212.00
ROAE	4.29	12.32	12.55	IFRS Tier 1 Leverage Ratio	4.07	3.79	-
Cost-to-Income	68.82	47.45	40.26	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	11.60	15.85	14.90	Reserves/Loans at Amort. Cost	0.42	0.42	0.47

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding profile
- Asset quality
- Capitalisation

## Risks / Weaknesses

- Regional and sectoral loan concentration
- Profitability
- Liquidity

# Deutsche Kreditbank – Mortgage

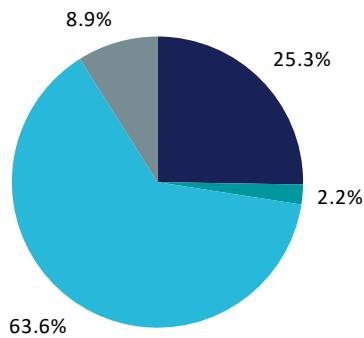
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

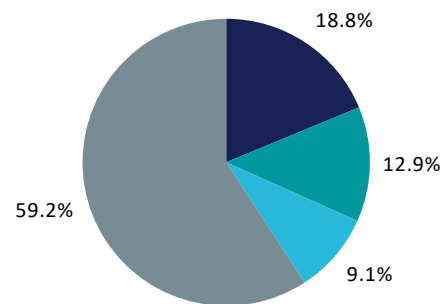
Cover pool volume (EURm)	9,615	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,921	Rating (S&P)	-
-thereof ≥ EUR 500m	57.4%	Rating (Fitch)	-
Current OC (nominal)	145.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Germany	Collateral score	14.4%
Main region	19% Berlin	RRL	-
Number of loans	29,102	JRL	-
Number of borrowers	24,928	Unused notches	-
Avg. exposure to borrowers (EUR)	351,197	AAA credit risk (%)	-
WAL (cover pool)	7.4y	PCU	-
WAL (covered bonds)	7.2y	Recovery uplift	-
Fixed interest (cover pool)	96.7%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	53.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



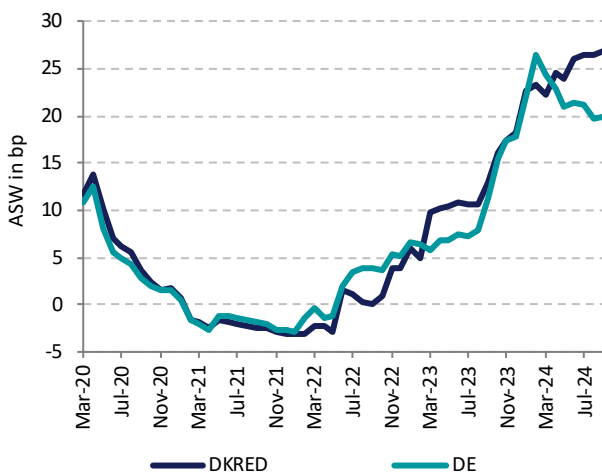
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



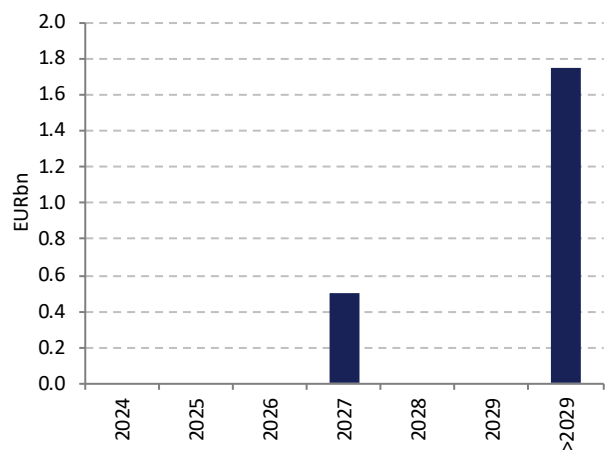
■ Berlin ■ North Rhine-Westphalia ■ Hesse ■ Others

## Spread Development



— DKRED — DE

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Deutsche Kreditbank – Public Sector

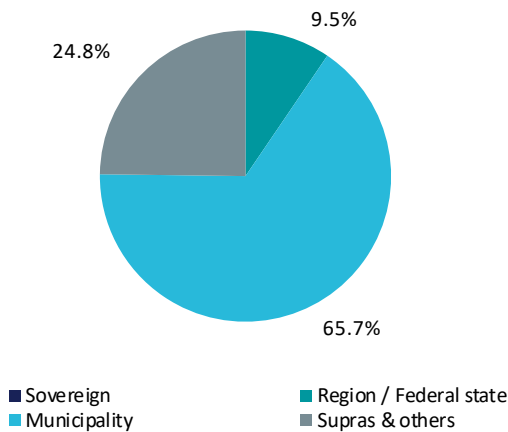
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

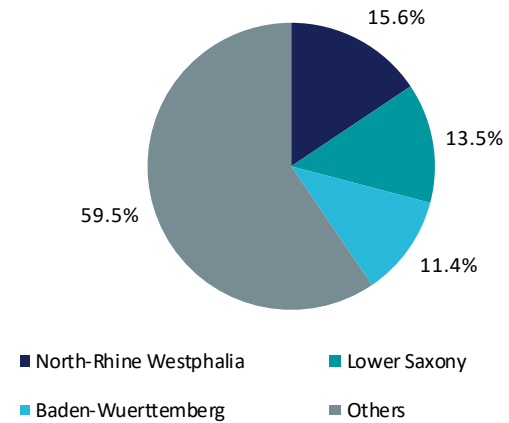
## Cover Pool Data

Cover pool volume (EURm)	6,350	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,248	Rating (S&P)	-
-thereof ≥ EUR 500m	71.2%	Rating (Fitch)	-
Current OC (nominal)	182.5%	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	16% North-Rhine Westphalia	RRL	-
Number of loans	4,018	JRL	-
Number of borrowers	1,986	Unused notches	-
Avg. exposure to borrowers (EUR)	3,197,604	AAA credit risk (%)	-
WAL (cover pool)	7.7y	PCU	-
WAL (covered bonds)	5.9y	Recovery uplift	-
Fixed interest (cover pool)	98.1%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

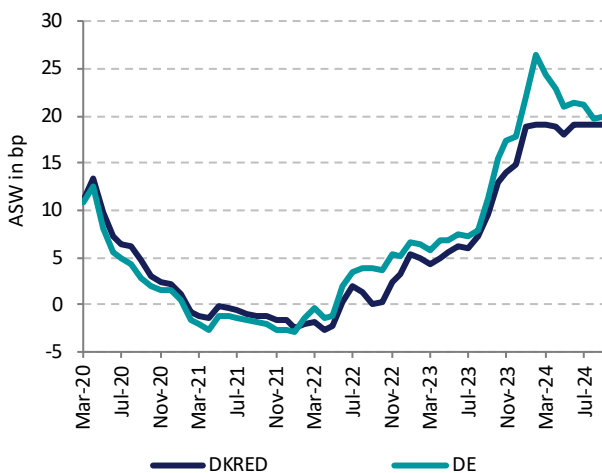
## Borrower Types



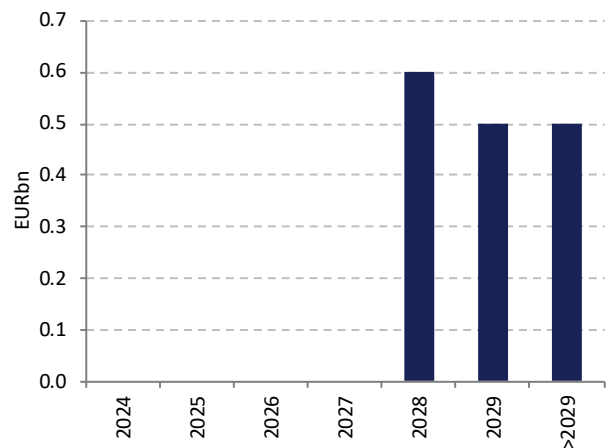
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Deutsche Pfandbriefbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Deutsche Pfandbriefbank AG

	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 with a focus on Pfandbrief-eligible business. The core business of pbb is real estate lending, whereby it offers derivative financial instruments to hedge the risk of lending transactions, in addition to customised financing solutions. In 2023, pbb participated in the joint venture Eco Estate GmbH (sustainability consulting) and newly founded the pbb invest business division (real estate fund for professional investors). Conversely, it also resolved to withdraw from financing public investment projects. Funding is largely provided by Pfandbriefe (Q1 2024: 48.4% of the funding mix), followed by unsecured funding (18.9%). To diversify the funding mix, customer deposits in EUR and USD are increasingly being raised directly via the platform "pbb direct". The loan portfolio is divided into the areas of Real Estate Finance (REF; Q1 2024: 71.4%) and Non-Core (NC; 28.6%). Geographically, the majority of the REF portfolio is attributable to Germany (44%), the USA (15%) and France (12%). Office properties (51%) and residential real estate (18%) constitute the most important asset classes within the REF portfolio. Under its Green Bond Framework, the bank has been able to issue green bonds since 2021 in both covered bond and senior format with a volume of EUR 3.1bn (FY 2023). The bank reported a green asset ratio (based on turnover) of 0.24% (FY 2023). The share of green financing in the REF portfolio is expected to increase to 30% by 2026.

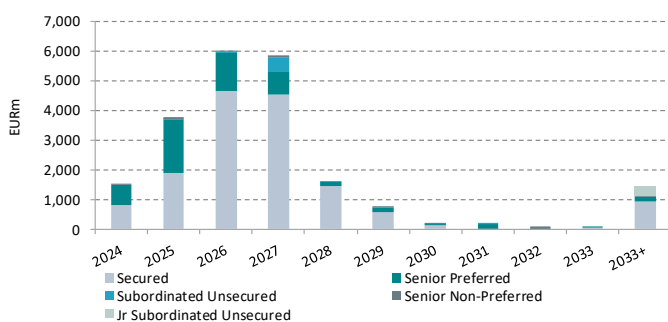
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	38,272	39,153	36,898
Total Securities	7,644	6,182	5,439
Total Deposits	17,889	18,829	18,912
Tier 1 Common Capital	2,839	2,910	2,934
Total Assets	53,007	50,883	45,988
Total Risk-weighted Assets	17,017	18,495	20,925

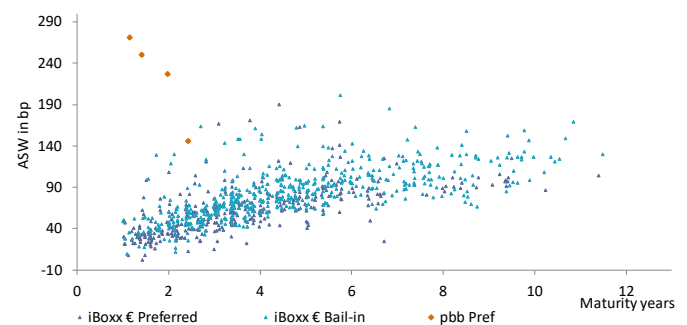
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	489	482	246
Net Fee & Commission Inc.	8	3	3
Net Trading Income	31	89	32
Operating Expense	274	293	128
Credit Commit. Impairment	44	212	103
Pre-tax Profit	213	90	47

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H
Net Interest Margin	0.88	0.95	1.02	Liquidity Coverage Ratio	171.00	212.00 304.00
ROAE	5.49	2.69	2.37	IFRS Tier 1 Leverage Ratio	5.54	5.89 6.58
Cost-to-Income	51.60	48.59	46.04	NPL/Loans at Amortised Cost	2.22	3.97 4.39
Core Tier 1 Ratio	16.68	15.73	14.02	Reserves/Loans at Amort. Cost	1.02	1.48 1.44

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation (ALAC & RAC)
- CRE franchise

## Risks / Weaknesses

- USA exposure (CRE)
- Dependency on wholesale funding

# Deutsche Pfandbriefbank – Mortgage

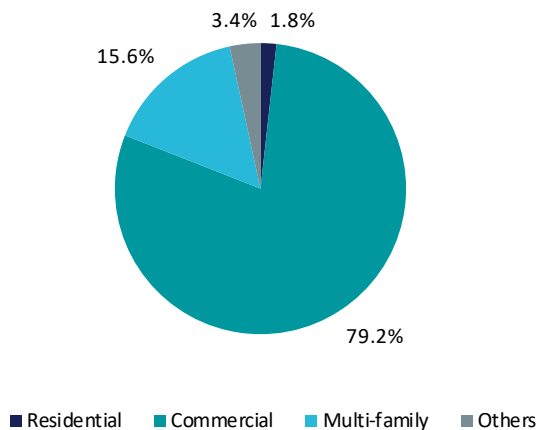
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

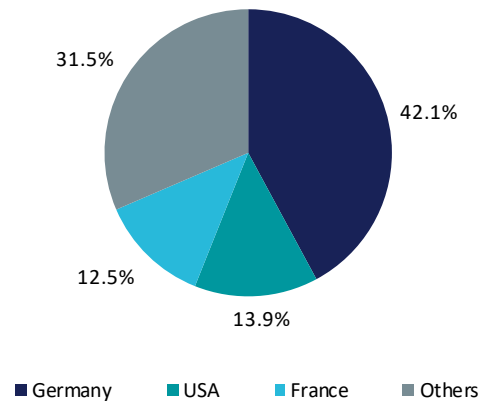
## Cover Pool Data

Cover pool volume (EURm)	19,751	Rating (Moody's)	Aa1
Amount outstanding (EURm)	15,233	Rating (S&P)	-
-thereof ≥ EUR 500m	54.8%	Rating (Fitch)	-
Current OC (nominal)	29.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	Unpublished
Main country	42% Germany	Collateral score	18.6%
Main region	39% Berlin	RRL	-
Number of loans	1,408	JRL	-
Number of borrowers	687	Unused notches	-
Avg. exposure to borrowers (EUR)	27,770,015	AAA credit risk (%)	-
WAL (cover pool)	3.1y	PCU	-
WAL (covered bonds)	5.4y	Recovery uplift	-
Fixed interest (cover pool)	58.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	90.0%	LCR eligible	Yes
LTV (indexed)	36.0%	LCR level (Bmk)	1
LTV (unindexed)	57.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

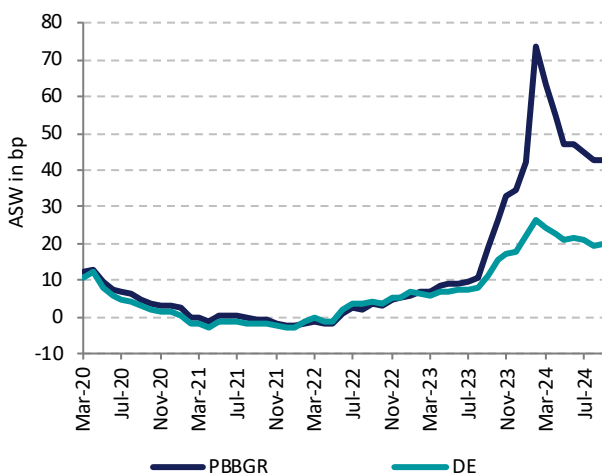
## Borrower Types



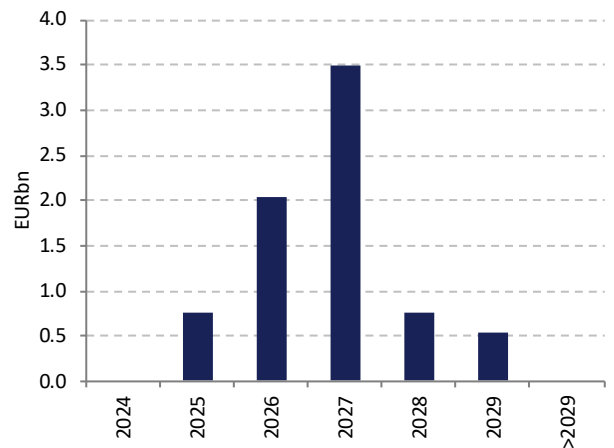
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Deutsche Pfandbriefbank – Public Sector

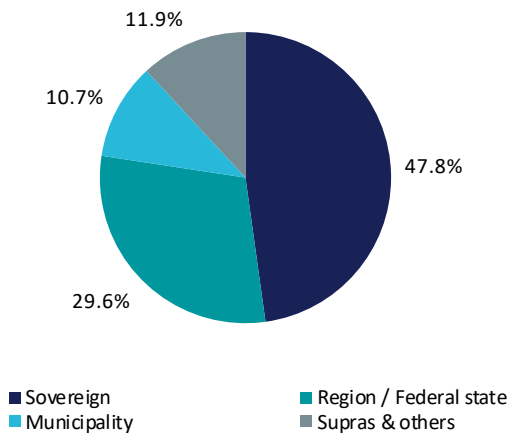
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

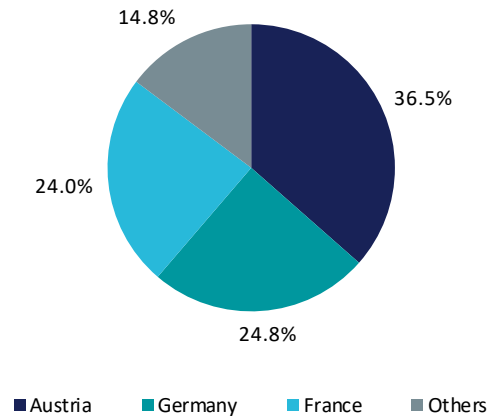
## Cover Pool Data

Cover pool volume (EURm)	8,864	Rating (Moody's)	Aa1
Amount outstanding (EURm)	7,619	Rating (S&P)	-
-thereof ≥ EUR 500m	18.9%	Rating (Fitch)	-
Current OC (nominal)	16.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	Unpublished
Main country	37% Austria	Collateral score	17.3%
Main region	98% Vienna	RRL	-
Number of loans	391	JRL	-
Number of borrowers	177	Unused notches	-
Avg. exposure to borrowers (EUR)	50,079,096	AAA credit risk (%)	-
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	6.1y	Recovery uplift	-
Fixed interest (cover pool)	75.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	73.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

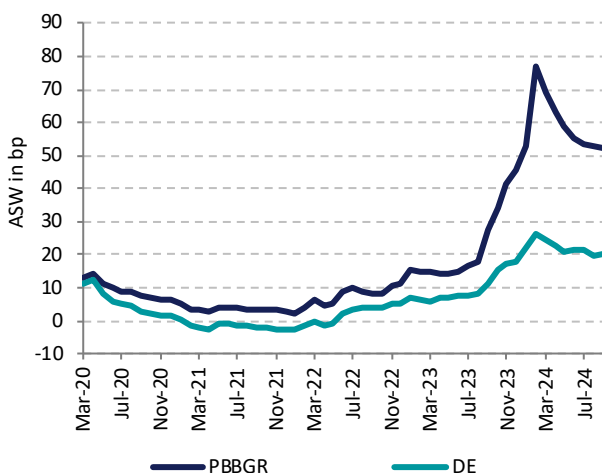
## Borrower Types



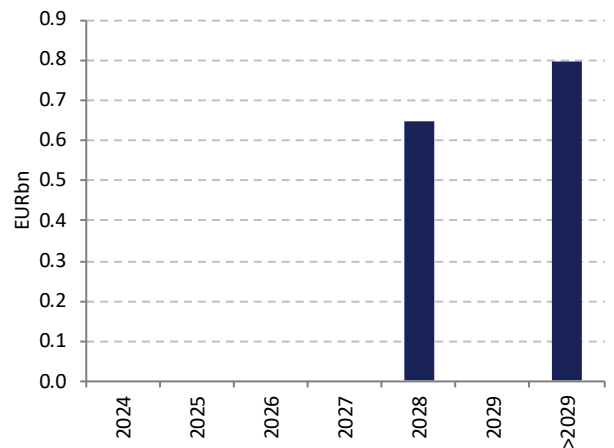
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Die Sparkasse Bremen

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Die Sparkasse Bremen AG

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

## Homepage

[www.sparkasse-bremen.de](http://www.sparkasse-bremen.de)

\*Verbundrating

Founded in 1825, Sparkasse Bremen AG (Sparkasse Bremen) is wholly owned by the financial HoldCo "Die Sparkasse Bremen AG" and, as an independent savings bank, is free of municipal influences. It is a member of the Hanseatic Savings Bank and Clearing House Association (HSGV) and therefore also part of the protection system of the German Savings Banks Association (DSGV). The institute's business activities are limited to Bremen and the surrounding area. With around 1,150 employees (FY 2023), Sparkasse Bremen serves around 400,000 retail customers and 25,000 corporate customers (primarily SMEs). The focus of the savings banks is on saving products, financing, asset management, cash management, corporate succession and public funding. According to information from Sparkasse Bremen itself, it boasts a market share of 40% among retail customers in the Bremen region. In FY 2023, the loan portfolio was dominated by loans to corporate customers (75.6%), which mainly operate in the service sector. Loans to retail banking customers accounted for 23.3% of the loan portfolio, while public budgets claimed a share of 1.1%. Sparkasse Bremen intends to structure its refinancing as independently as possible from capital market fluctuations and has ruled out the option of raising uncovered, long-term refinancing via the capital market. The refinancing mix at Sparkasse Bremen primarily comprises customer deposits and has been diversified since 2009 through the issuance of registered mortgage bonds to institutional investors. In April 2024, Sparkasse Bremen successfully issued an inaugural mortgage bond in EUR sub-benchmark format and plans to be regularly active on the market. Sparkasse Bremen reported a turnover-based green asset ratio of 0.1% in FY 2023.

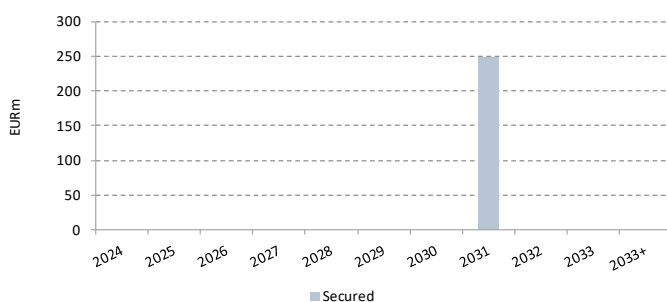
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	10,558	10,665	10,683
Total Securities	1,507	1,494	1,396
Total Deposits	10,427	10,915	10,540
Tier 1 Common Capital	1,037	1,089	1,159
Total Assets	15,213	15,020	14,566
Total Risk-weighted Assets	8,217	8,276	8,590

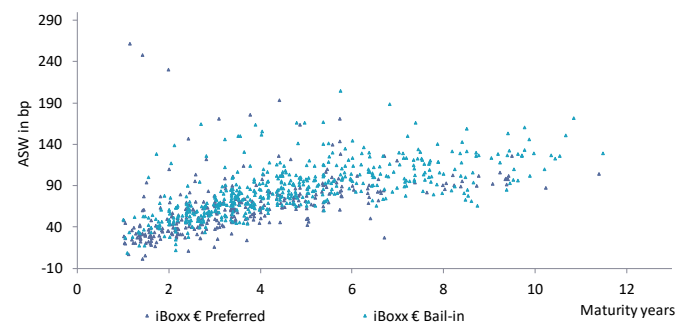
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	193	223	338
Net Fee & Commission Inc.	76	77	80
Net Trading Income	0	0	0
Operating Expense	177	201	223
Credit Commit. Impairment	19	24	34
Pre-tax Profit	77	89	136

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Q1	2021Y	2022Y	2023Q1
Net Interest Margin	1.31	1.44	1.93	Liquidity Coverage Ratio	254.81	207.29
ROAE	2.25	4.79	5.12	IFRS Tier 1 Leverage Ratio	5.01	-
Cost-to-Income	63.85	56.99	67.92	NPL/Loans at Amortised Cost	5.41	3.59
Core Tier 1 Ratio	18.16	19.31	19.40	Reserves/Loans at Amort. Cost	1.65	1.62

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional market leader for corporate customers
- Deposit base
- Liability member of the Sparkassen-Finanzgruppe

## Risks / Weaknesses

- Regional concentration
- Profitability
- Fierce competition

# Die Sparkasse Bremen – Mortgage

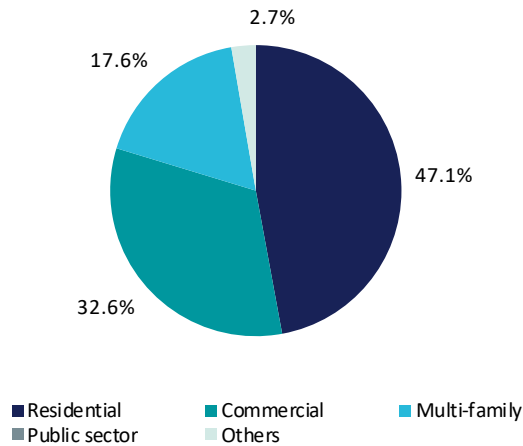
Germany 

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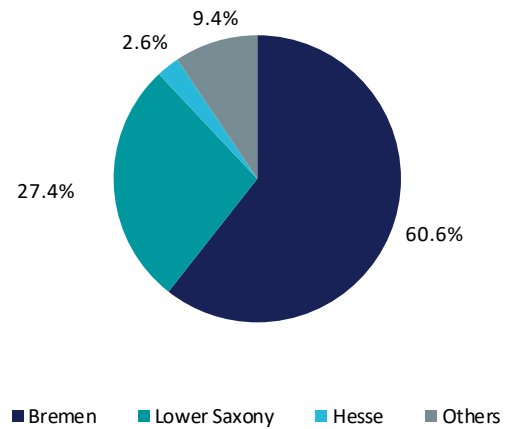
## Cover Pool Data

Cover pool volume (EURm)	1,133	Rating (Moody's)	-
Amount outstanding (EURm)	955	Rating (S&P)	-
-thereof ≥ EUR 250m	26.2%	Rating (Fitch)	AA+
Current OC (nominal)	18.6%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	61% Bremen	RRL	-
Number of loans	9,161	JRL	-
Number of borrowers	6,936	Unused notches	-
Avg. exposure to borrowers (EUR)	158,940	AAA credit risk (%)	-
WAL (cover pool)	5.2y	PCU	6
WAL (covered bonds)	5.1y	Recovery uplift	1
Fixed interest (cover pool)	98.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	2A
LTV (unindexed)	53.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



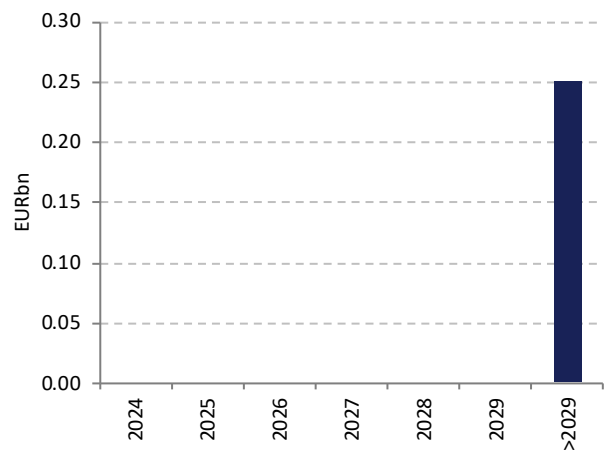
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## DZ HYP

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## DZ HYP AG

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

## Homepage

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

\*Verbundrating

DZ HYP AG is a leading German real estate bank headquartered in Hamburg and Münster. It is a subsidiary of DZ Bank AG (which holds 96.4% of the shares; data as at FY 2023) and therefore forms part of the German Cooperative Financial Group. The remaining shares are held by the Westfälische Landschaft foundation (1.9%) and the Volksbanks/Raiffeisenbanks (1.7%). 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. DZ HYP is active in the segments of Corporate Customers (SME customers and the residential housing sector), Retail Customers (this essentially relates to the brokerage business through the Volksbanks and Raiffeisenbanks) and Public Sector Clients (municipal loans and Kassenkredite). The major share of the loan portfolio comprises mortgage loans (FY 2023: 75.7%), followed by capital market transactions (12.8%) and municipal loans (11.5%). In terms of the breakdown by property type of the real estate portfolio, the main focus is on multiple family dwellings (FY 2023: 29.7%), with other notable shares accounted for by office space (24.9%) and residential (21.7%). Long-term funding primarily consists of mortgage Pfandbriefe (FY 2023: 54.7%), followed by unsecured bonds (30.7%) and public-sector Pfandbriefe (14.6%). DZ Hyp has been a regular issuer of green covered bonds since 2022, most recently issuing a green benchmark worth EUR 500m under its Green Bond Framework in August 2023. As at 30 April 2024, the bank had financed a total of EUR 12.5bn in green real estate, of which EUR 9bn was included in the bank's green mortgage portfolio.

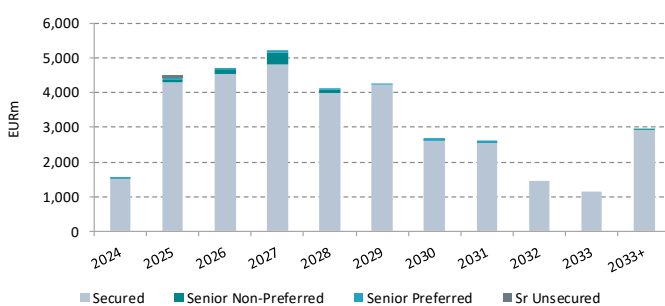
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	67,352	68,104	67,659
Total Securities	9,834	6,292	6,006
Total Deposits	13,814	12,425	11,523
Tier 1 Common Capital	1,669	1,820	1,820
Total Assets	81,631	77,224	77,477
Total Risk-weighted Assets	15,601	15,040	15,290

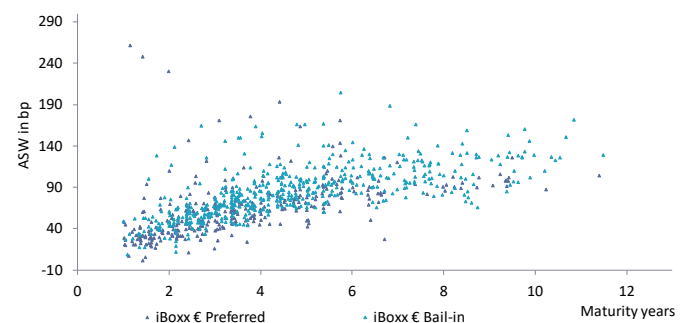
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	665	669	708
Net Fee & Commission Inc.	-38	-20	-14
Net Trading Income	-	-	-
Operating Expense	274	289	254
Credit Commit. Impairment	25	79	110
Pre-tax Profit	192	142	200

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.82	0.85	0.93	Liquidity Coverage Ratio	204.90	163.10	305.30
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	41.91	42.36	35.24	NPL/Loans at Amortised Cost	0.21	0.17	0.78
Core Tier 1 Ratio	10.70	12.10	11.90	Reserves/Loans at Amort. Cost	0.44	0.54	0.70

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Group integration
- Expertise in the mortgage market
- Asset quality

## Risks / Weaknesses

- Moderate profitability
- Commercial real estate (cyclical market)
- Dependency on wholesale funding

# DZ HYP – Mortgage

Germany 

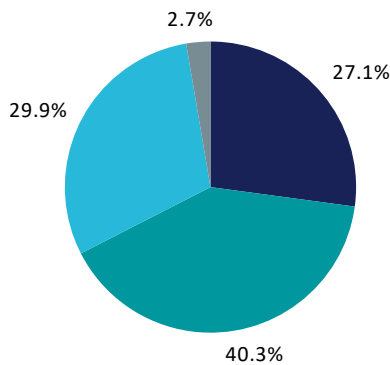
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	41,274
Amount outstanding (EURm)	35,171
-thereof ≥ EUR 500m	81.7%
Current OC (nominal)	17.4%
Committed OC	2.0%
Cover type	Mortgage
Main country	54% Germany
Main region	31% North Rhine-Westphalia
Number of loans	111,689
Number of borrowers	97,282
Avg. exposure to borrowers (EUR)	412,918
WAL (cover pool)	6.1y
WAL (covered bonds)	5.5y
Fixed interest (cover pool)	89.9%
Fixed interest (covered bonds)	98.7%
LTV (indexed)	-
LTV (unindexed)	53.9%
Loans in arrears	0.0%

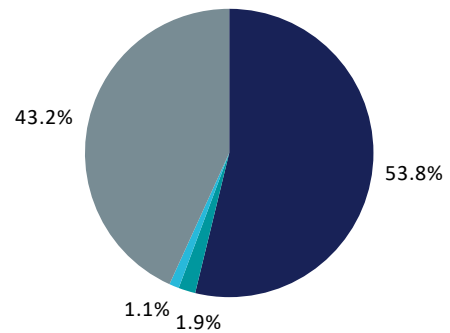
Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	6
Collateral score	13.1%
RRL	aa
JRL	aaa
Unused notches	4
AAA credit risk (%)	2.5%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



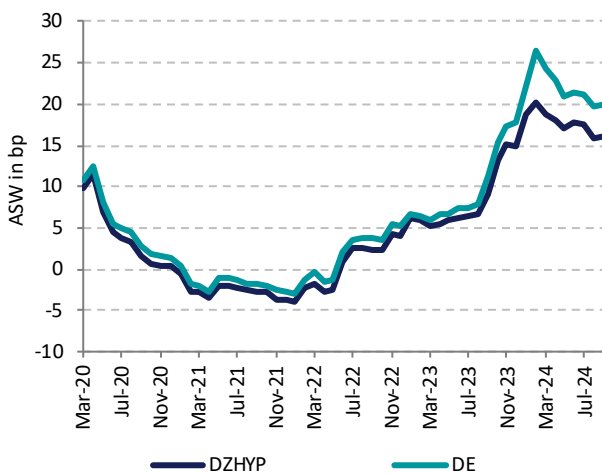
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

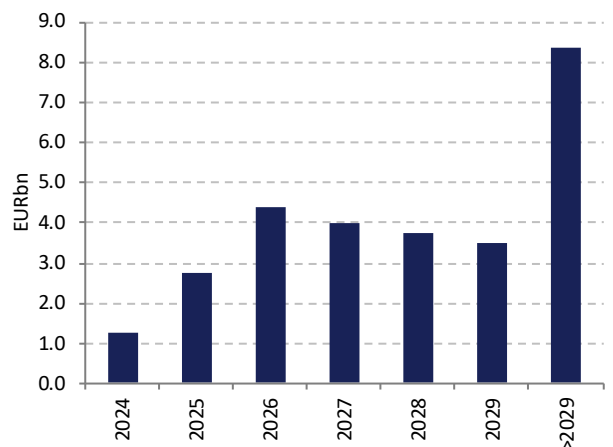


■ Germany ■ Netherlands ■ France ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# DZ HYP – Public Sector

Germany 

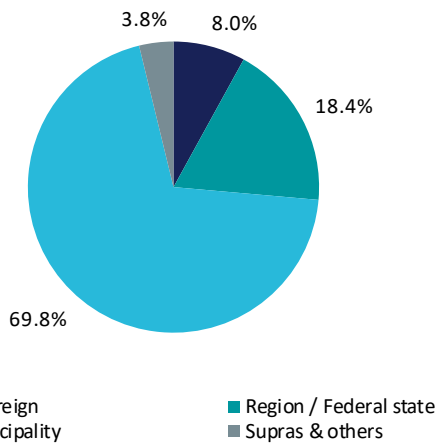
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

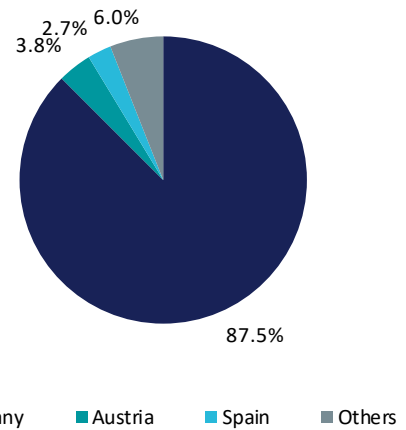
Cover pool volume (EURm)	11,491
Amount outstanding (EURm)	8,982
-thereof ≥ EUR 500m	11.1%
Current OC (nominal)	27.9%
Committed OC	2.0%
Cover type	Public Sector
Main country	88% Germany
Main region	24% North Rhine-Westphalia
Number of loans	15,448
Number of borrowers	4,678
Avg. exposure to borrowers (EUR)	2,456,340
WAL (cover pool)	7.5y
WAL (covered bonds)	7.1y
Fixed interest (cover pool)	96.2%
Fixed interest (covered bonds)	95.4%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	6
Collateral score	2.4%
RRL	aa
JRL	aaa
Unused notches	4
AAA credit risk (%)	6.6%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

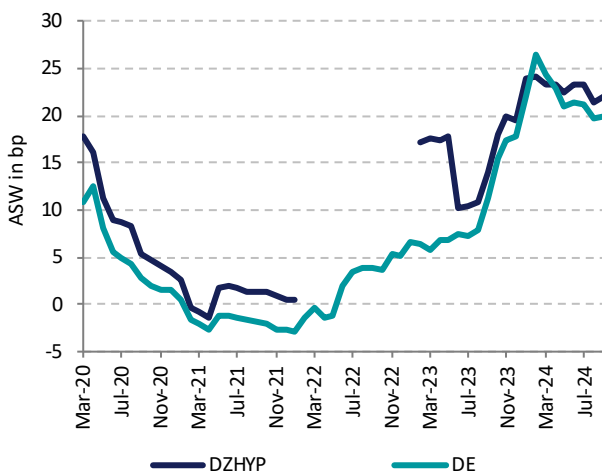
## Borrower Types



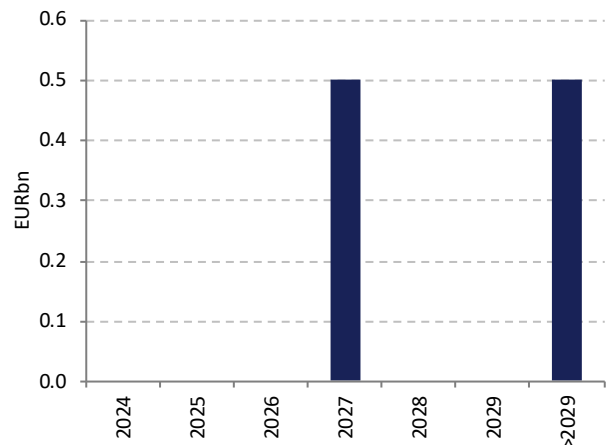
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Hamburg Commercial Bank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Hamburg Commercial Bank AG

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

## Homepage

[www.hcob-bank.de](http://www.hcob-bank.de)

Hamburg Commercial Bank AG (HCOB), headquartered in Hamburg, is a private commercial bank and specialist financier. Up to February 2019, HCOB traded under the name HSH Nordbank AG. At the end of 2018, HSH was successfully privatised. The largest shareholders are Cerberus Capital Management (FY 2023: 40.6%) and J.C. Flowers & Co. (33.3%). Since 01 January 2022, HCOB has been part of the Compensation Scheme of German Banks (Entschädigungseinrichtung deutscher Banken GmbH) and is also voluntarily involved in the Deposit Protection Fund of the Association of German Banks e.V. (ESF). The business activities extend to real estate financing, corporate customers as well as international project and ship financing. In addition, the bank extended its financing activities to include the global aviation sector in 2023. In addition to branches in major German cities, HCOB is also active abroad through branches in Athens and Luxembourg, as well as a representative office in London. Reporting is conducted across the segments of Real Estate, Shipping, Project Finance, Corporates and Treasury & Group Functions. In terms of the asset type, the CRE portfolio comprises Office Space (FY 2023: exposure at default: 40%), Retail Space (20%), Residential (14%), Hotels (8%) and Other (11%). The funding mix at HCOB consists of ship and mortgage Pfandbriefe, customer deposits and equity (69%), followed by senior preferred and senior non-preferred bonds (15%). In 2023, HCOB published its Sustainable & Transformational Finance Framework with criteria for the designation of financing activities as "sustainable" or "transformative". The green asset ratio as measured by turnover amounted to 0.03% (FY/2023).

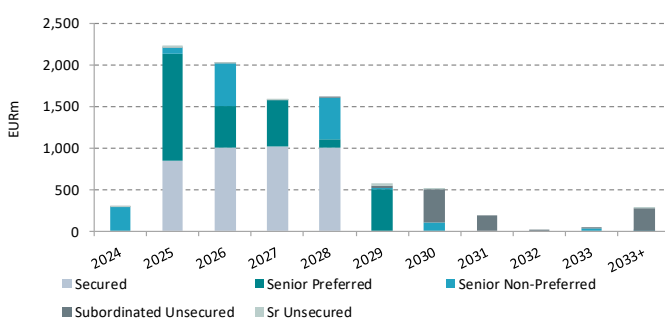
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	19,178	18,143	19,622
Total Securities	5,779	8,130	8,394
Total Deposits	13,246	13,616	14,821
Tier 1 Common Capital	3,150	3,216	3,200
Total Assets	31,818	31,541	32,336
Total Risk-weighted Assets	15,403	16,465	18,500

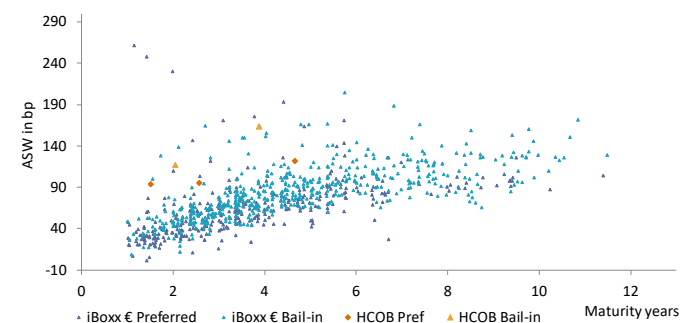
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	550	663	376
Net Fee & Commission Inc.	33	23	12
Net Trading Income	90	76	-5
Operating Expense	362	353	176
Credit Commit. Impairment	-11	79	40
Pre-tax Profit	363	427	129

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.83	2.16	2.43	Liquidity Coverage Ratio	197.00	184.00	196.00
ROAE	8.60	5.91	5.70	IFRS Tier 1 Leverage Ratio	10.03	10.30	9.99
Cost-to-Income	48.27	40.95	51.01	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	20.45	19.53	17.30	Reserves/Loans at Amort. Cost	2.21	2.07	1.97

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity buffer

## Risks / Weaknesses

- Concentration risks
- Dependency on capital market funding

# Hamburg Commercial Bank – Mortgage

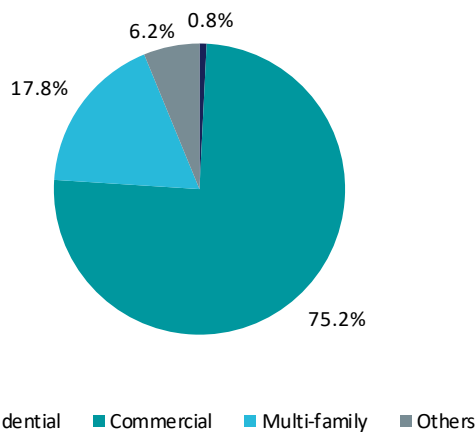
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

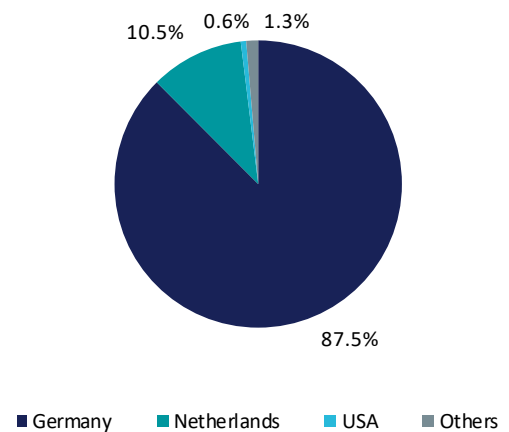
## Cover Pool Data

Cover pool volume (EURm)	2,987	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,500	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	19.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	2
Main country	88% Germany	Collateral score	21.2%
Main region	18% North Rhine-Westphalia	RRL	-
Number of loans	298	JRL	-
Number of borrowers	187	Unused notches	-
Avg. exposure to borrowers (EUR)	14,980,360	AAA credit risk (%)	-
WAL (cover pool)	3.0y	PCU	-
WAL (covered bonds)	3.1y	Recovery uplift	-
Fixed interest (cover pool)	57.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	57.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

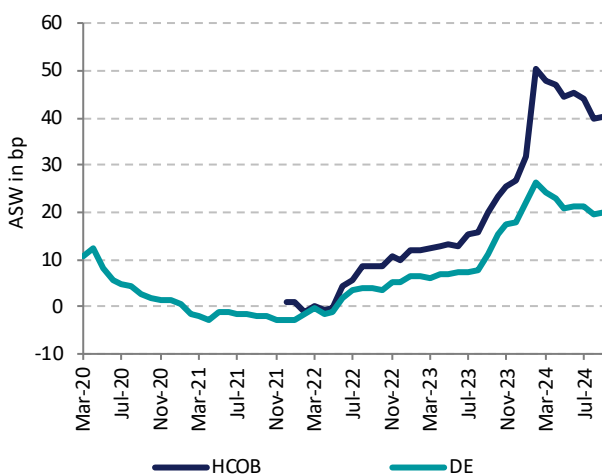
## Borrower Types



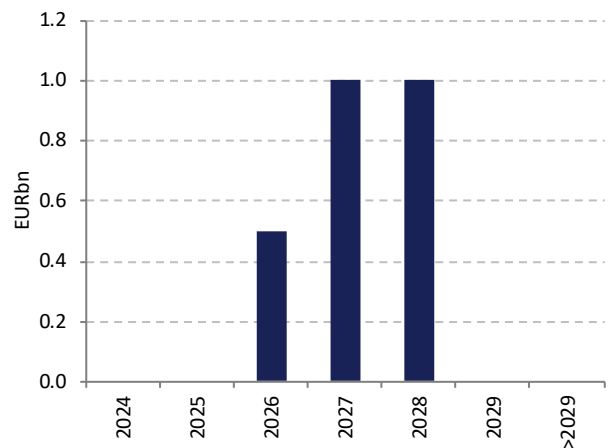
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Hamburg Commercial Bank – Ship

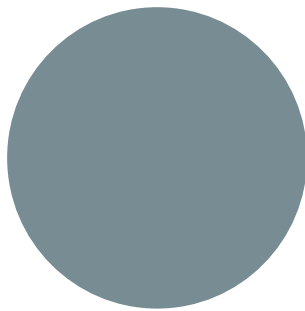
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

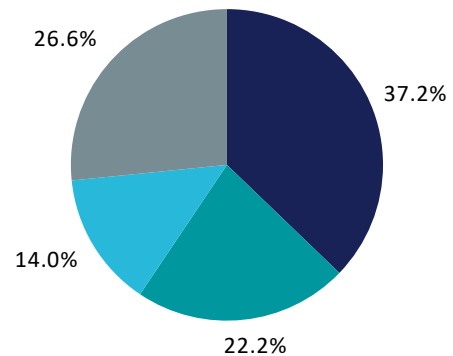
Cover pool volume (EURm)	1,581	Rating (Moody's)	Aa3
Amount outstanding (EURm)	1,300	Rating (S&P)	-
-thereof ≥ EUR 500m	38.5%	Rating (Fitch)	-
Current OC (nominal)	21.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Improbable
Cover type	Ship	TPI leeway	2
Main country	37% Marshall Islands	Collateral score	65.0%
Main region	n/a	RRL	-
Number of loans	200	JRL	-
Number of borrowers	95	Unused notches	-
Avg. exposure to borrowers (EUR)	0	AAA credit risk (%)	-
WAL (cover pool)	2.3y	PCU	-
WAL (covered bonds)	1.1y	Recovery uplift	-
Fixed interest (cover pool)	96.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	5.1%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



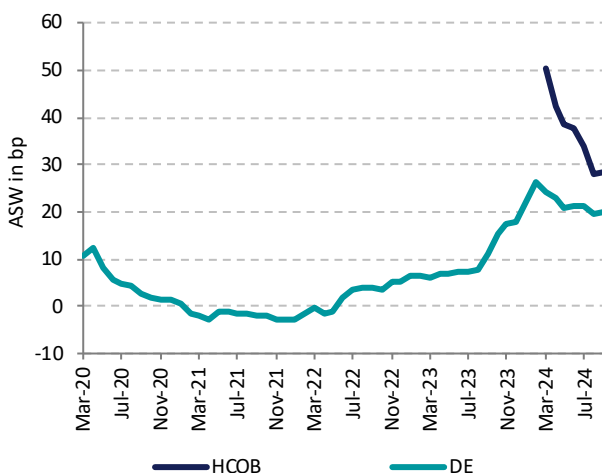
■ Residential ■ Commercial ■ Multi-family ■ Ships

## Regional Distribution



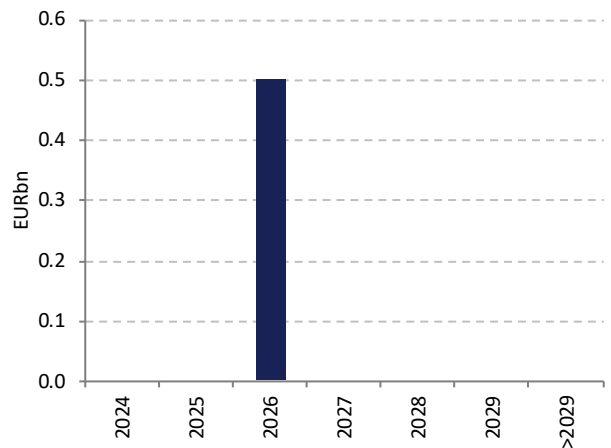
■ Marshall Islands ■ Liberia ■ Panama ■ Others

## Spread Development



— HCOB — DE

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Hamburger Sparkasse

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Hamburger Sparkasse AG

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

## Homepage

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

Hamburger Sparkasse AG (Haspa) is the largest German savings bank as measured by assets (FY 2023: EUR 59.6bn). According to information from the bank itself, Haspa is the leading bank for retail customers and SMEs in the Hamburg metropolitan region with a total lending volume of EUR 47bn. 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. In addition to traditional services for retail customers and SMEs, Haspa offers the Haspa Private Banking platform for wealthy individuals, a start-up centre and specialised consulting for large real estate and corporate customers. 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 e.V. (Association of Independent Savings Banks), which is based in Frankfurt am Main. Its membership of the HSGV means Haspa is part of the Association of German Savings Banks (DSGV). Haspa is therefore a member of the Sparkassen-Finanzgruppe and fully integrated in the comprehensive protection system of German savings banks. The loan portfolio is fully based in Germany, with the metropolitan region of Hamburg and Berlin forming specific focal points here. The vast majority of the portfolio is attributable to residential mortgages (70%) and invested in loans with a volume of less than EUR 1.25m (40%). In terms of the refinancing structure at Haspa, customer deposits (FY 2023: 69.2%) are the most important component. The remainder of the funding mix is covered by the issuance of secured and unsecured bonds (24.8%), in addition to TLTRO funding (5.9%).

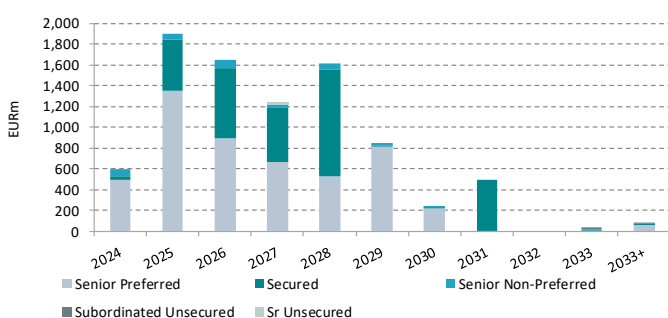
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	37,235	38,074	36,726
Total Securities	8,758	10,488	10,243
Total Deposits	37,279	39,132	39,338
Tier 1 Common Capital	3,523	3,523	-
Total Assets	59,931	57,006	59,624
Total Risk-weighted Assets	27,328	27,214	-

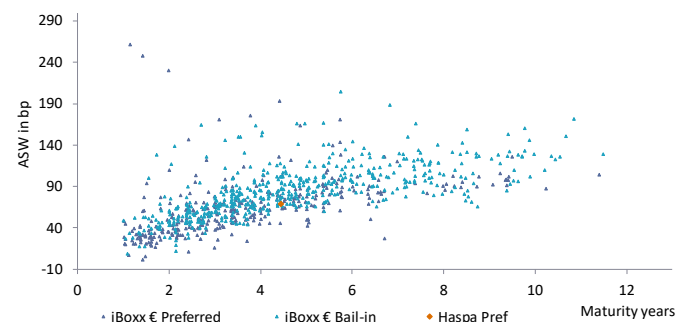
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	666	673	873
Net Fee & Commission Inc.	347	359	360
Net Trading Income	3	-1	6
Operating Expense	879	845	850
Credit Commit. Impairment	40	78	86
Pre-tax Profit	116	145	256

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	1.17	1.16	1.51	Liquidity Coverage Ratio	154.00	196.00
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	5.88	6.18
Cost-to-Income	83.37	77.89	65.76	NPL/Loans at Amortised Cost	0.55	0.78
Core Tier 1 Ratio	12.89	12.95	13.40	Reserves/Loans at Amort. Cost	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Asset quality

## Risks / Weaknesses

- Regional credit risk concentration
- CRE exposure

# Hamburger Sparkasse – Mortgage

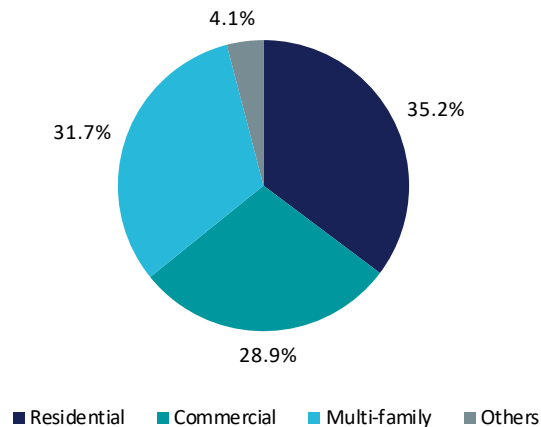
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

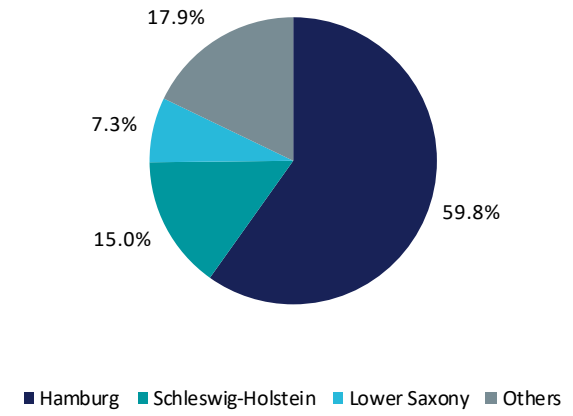
## Cover Pool Data

Cover pool volume (EURm)	8,618	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,504	Rating (S&P)	-
-thereof ≥ EUR 500m	36.3%	Rating (Fitch)	-
Current OC (nominal)	56.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	7
Main country	100% Germany	Collateral score	11.5%
Main region	60% Hamburg	RRL	-
Number of loans	26,917	JRL	-
Number of borrowers	22,103	Unused notches	-
Avg. exposure to borrowers (EUR)	374,078	AAA credit risk (%)	-
WAL (cover pool)	6.3y	PCU	-
WAL (covered bonds)	4.5y	Recovery uplift	-
Fixed interest (cover pool)	89.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	98.4%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	52.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

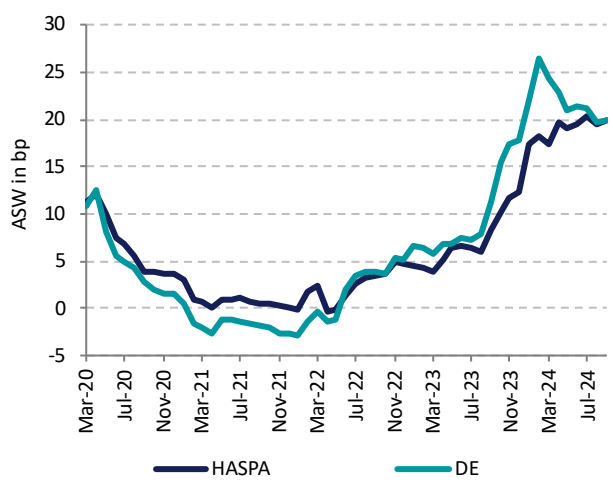
## Borrower Types



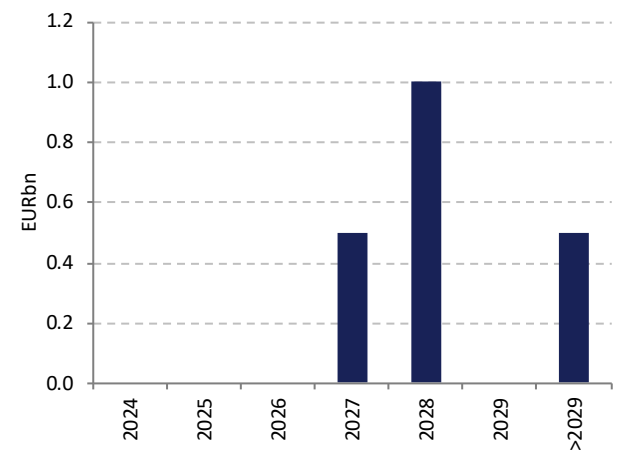
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## ING-DiBa

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## ING-DiBa AG

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

## Homepage

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

Headquartered in Frankfurt, ING-DiBa AG (ING) is a universal bank and one of the largest direct banks for retail customers in Germany. ING Deutschland GmbH is the parent company of ING-DiBa and Interhyp AG. The holding company ING Holding Deutschland GmbH, which in turn is the parent company of ING Deutschland GmbH, is wholly owned by ING Bank N.V. In addition to its headquarters, ING-DiBa also has branches in other major German cities, including Hanover, Nuremberg and Berlin. The focus is on the direct banking business with retail customers and financing solutions for corporate customers. Interhyp AG brokers loans in the area of private construction financing. The bank reports across the Retail Banking and Wholesale Banking segments. The former includes investments and credit transactions for retail customers as well as lending to self-employed people and SMEs. The core products here include current accounts, home loans, consumer loans and securities. For its part, the Wholesale Banking segment at ING-DiBa serves global companies and public sector clients. The bank's assets are largely composed of mortgage loans (FY 2023: 47.7%), followed by assets related to the wholesale banking business (15.9%) and consumer loans (5.1%). This is set against a funding mix that is 73.8% made up of customer deposits, with covered bonds accounting for a share of 3.6%. As part of its Green Bond Framework, ING-DiBa has issued green covered bonds in the amount of EUR 3.3bn since 2021. The group (ING Group) is also a member of the Net-Zero Banking Alliance.

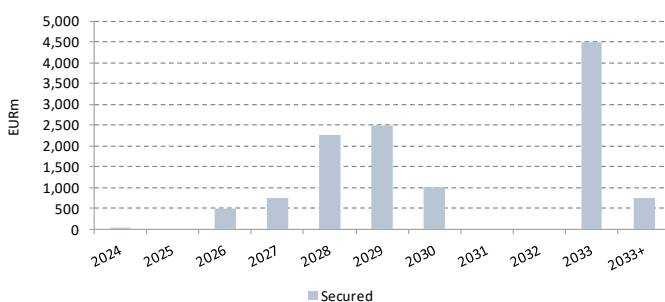
## Balance Sheet (ING Holding Deutschland GmbH)

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	127,476	126,012	132,680
Total Securities	26,421	42,151	36,420
Total Deposits	136,005	138,895	145,224
Tier 1 Common Capital	7,629	7,635	7,413
Total Assets	181,897	198,189	195,498
Total Risk-weighted Assets	45,579	48,067	41,700

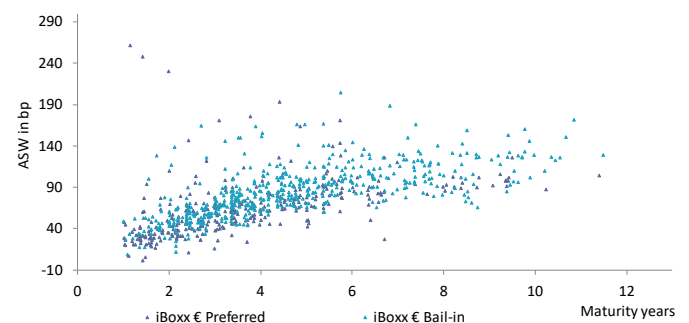
## Income Statement (ING Holding Deutschland GmbH)

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	1,965	2,245	3,704
Net Fee & Commission Inc,	543	496	414
Net Trading Income	107	75	-199
Operating Expense	1,348	1,341	1,446
Credit Commit, Impairment	-	-	-
Pre-tax Profit	1,169	1,040	2,466

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios (ING Holding Deutschland GmbH)

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.06	1.19	1.90	Liquidity Coverage Ratio	-	214.80	-
ROAE	8.60	7.67	17.20	IFRS Tier 1 Leverage Ratio	4.30	4.25	4.09
Cost-to-Income	51.27	47.20	36.62	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	16.74	15.88	17.78	Reserves/Loans at Amort. Cost	0.44	0.67	0.56

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Profitability
- Deposit base
- Capitalisation

## Risks / Weaknesses

- Loan portfolio concentration (real estate)
- ING Group N.V. ratings impair own rating
- Leverage

# ING-DiBa – Mortgage

Germany 

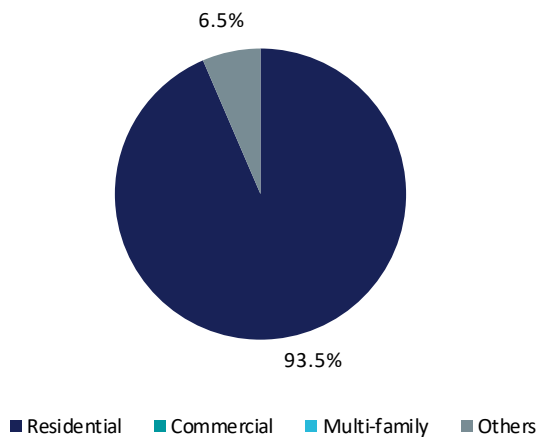
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

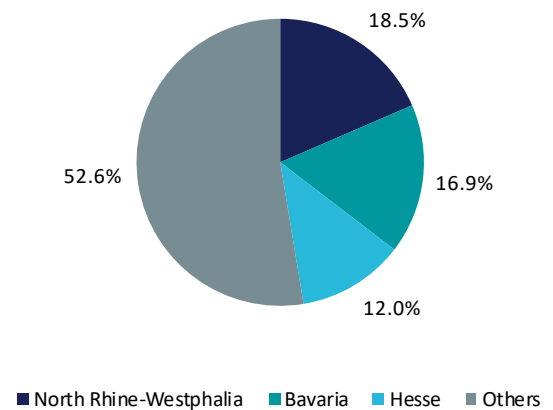
Cover pool volume (EURm)	15,973
Amount outstanding (EURm)	11,305
-thereof ≥ EUR 500m	73.0%
Current OC (nominal)	41.3%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Germany
Main region	19% North Rhine-Westphalia
Number of loans	108,122
Number of borrowers	106,213
Avg. exposure to borrowers (EUR)	140,669
WAL (cover pool)	8.7y
WAL (covered bonds)	7.0y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	64.6%
LTV (indexed)	-
LTV (unindexed)	54.6%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	5
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

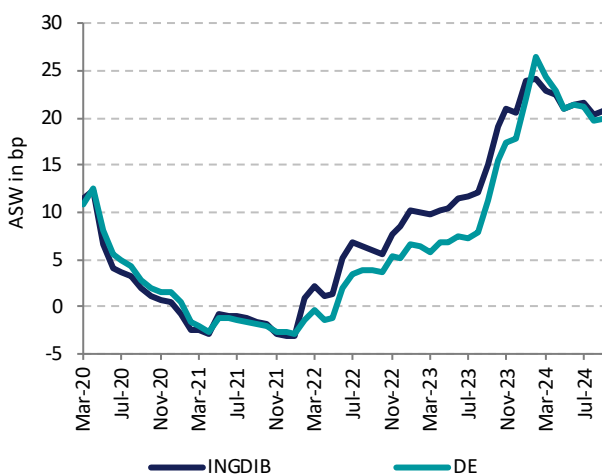
## Borrower Types



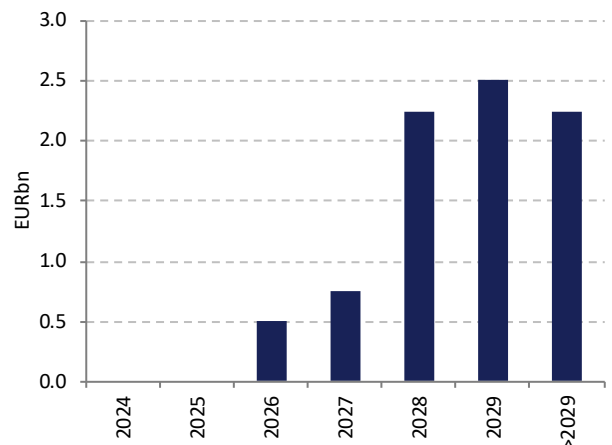
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Landesbank Baden-Württemberg

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Landesbank Baden-Württemberg

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

## Homepage

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

Landesbank Baden-Württemberg (LBBW) is an independent public law institution and the leading regional bank in Germany as measured by total assets. It is the parent company of the LBBW Group and operates out of four main offices (Stuttgart, Karlsruhe, Mannheim and Mainz). Its shareholders (FY 2023) are the Sparkassenverband Baden-Württemberg and the federal state of Baden-Württemberg (40.5% each), in addition to the city of Stuttgart (18.9%). The LBBW Group offers its retail and corporate customers the comprehensive product and service portfolio of a universal bank. The range of products is supplemented by subsidiaries that operate in areas such as leasing, factoring, asset management and real estate. The focus of LBBW's activities is on the core markets of BW, Rhineland-Palatinate and Saxony, where it functions as the central bank for the local savings banks. Moreover, the bank operates in selected international markets, such as New York, Singapore, London and Shanghai. LBBW reports across four operating segments: Corporate Customers (49.3% of pre-tax profit), Retail Customers/Savings Banks (19.4%), Real Estate/Project Financing (26.3%) and Capital Market Business (16.7%). The funding mix of LBBW is composed of customer deposits (34.5% in FY 2023) and medium-term and long-term capital market funding (27.9%). LBBW is in particular a regular issuer of Pfandbriefe – some of which are placed in green and social formats. Around 20% of the total funding at group level is attributable to ESG formats, which includes EUR 3.8bn in green and social bonds. As measured by turnover, the green asset ratio amounts to 0.3% (FY 2023).

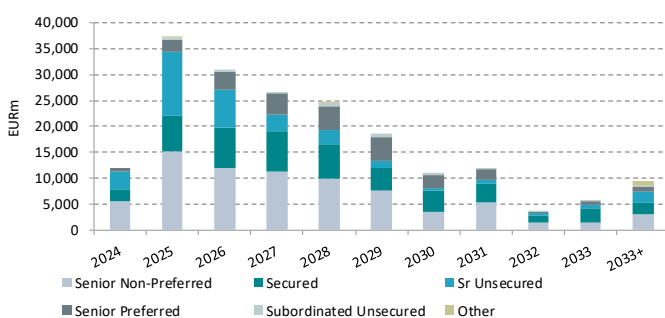
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	151,746	156,528	160,929
Total Securities	73,216	73,747	78,438
Total Deposits	115,748	127,361	139,268
Tier 1 Common Capital	13,528	13,669	13,815
Total Assets	324,174	333,305	360,442
Total Risk-weighted Assets	93,157	91,840	94,031

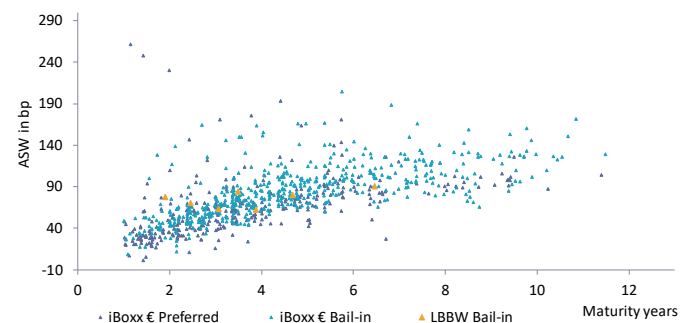
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,305	2,826	1,295
Net Fee & Commission Inc.	628	589	320
Net Trading Income	343	419	370
Operating Expense	2,175	2,407	1,203
Credit Commit. Impairment	239	254	118
Pre-tax Profit	1,873	1,374	731

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.78	0.88	0.76	Liquidity Coverage Ratio	144.20	150.50	141.10
ROAE	10.19	6.32	6.31	IFRS Tier 1 Leverage Ratio	4.43	4.27	3.97
Cost-to-Income	64.14	59.52	58.28	NPL/Loans at Amortised Cost	0.79	1.19	1.39
Core Tier 1 Ratio	14.52	14.88	14.69	Reserves/Loans at Amort. Cost	0.92	1.06	1.12

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- NPL ratio
- Refinancing options via the savings bank sector

## Risks / Weaknesses

- Credit risk concentration in cyclical sectors
- Profitability
- Dependency on wholesale funding

# LBBW – Mortgage

Germany 

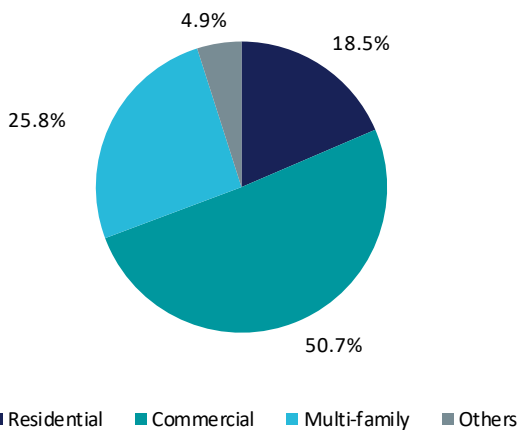
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

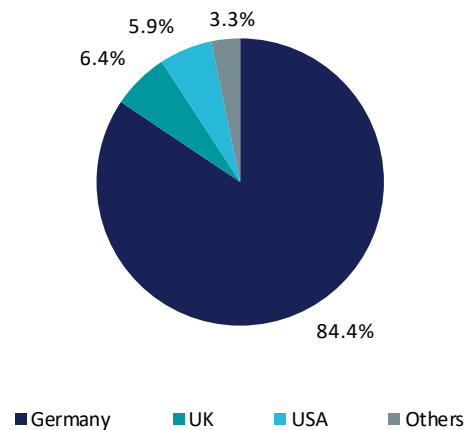
Cover pool volume (EURm)	18,328
Amount outstanding (EURm)	13,979
-thereof ≥ EUR 500m	67.6%
Current OC (nominal)	31.1%
Committed OC	2.0%
Cover type	Mortgage
Main country	84% Germany
Main region	32% Baden-Wuerttemberg
Number of loans	32,565
Number of borrowers	25,542
Avg. exposure to borrowers (EUR)	682,204
WAL (cover pool)	4.7y
WAL (covered bonds)	3.6y
Fixed interest (cover pool)	81.6%
Fixed interest (covered bonds)	84.1%
LTV (indexed)	-
LTV (unindexed)	55.2%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	6
Collateral score	10.5%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

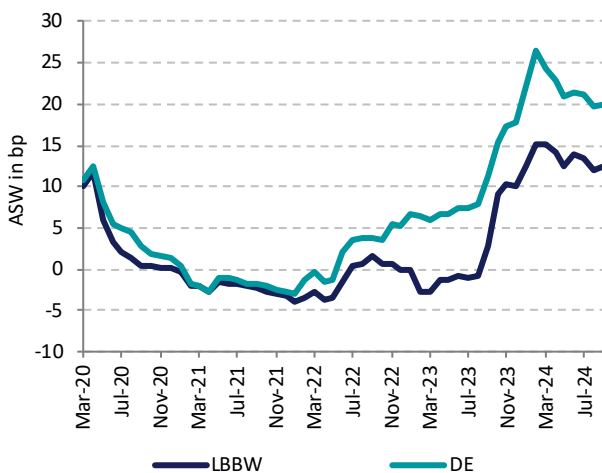
## Borrower Types



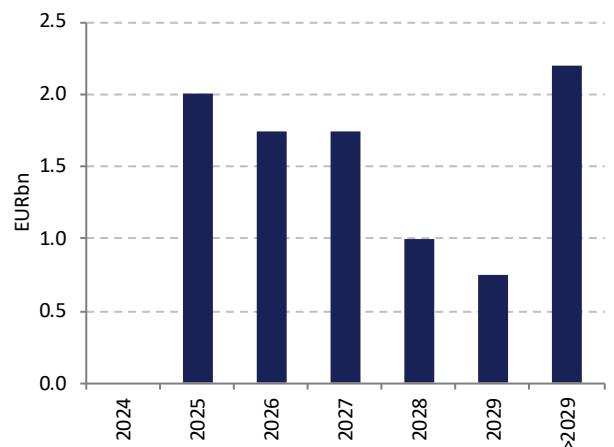
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# LBBW – Public Sector

Germany 

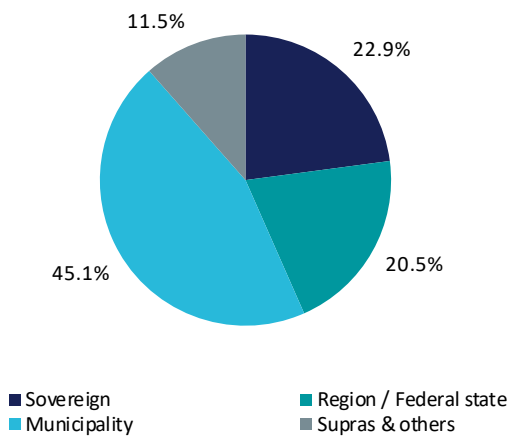
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

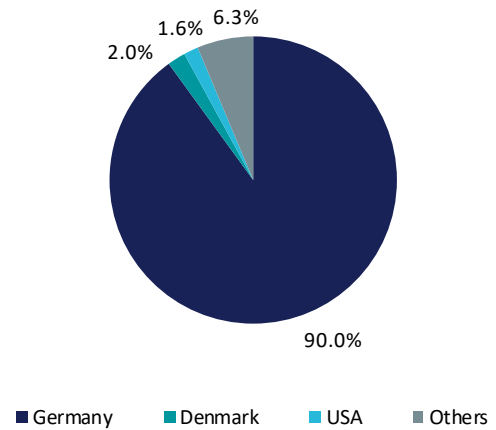
Cover pool volume (EURm)	13,938
Amount outstanding (EURm)	11,377
-thereof ≥ EUR 500m	69.9%
Current OC (nominal)	22.5%
Committed OC	2.0%
Cover type	Public Sector
Main country	90% Germany
Main region	45% Baden-Wuerttemberg
Number of loans	7,126
Number of borrowers	2,799
Avg. exposure to borrowers (EUR)	4,979,719
WAL (cover pool)	6.2y
WAL (covered bonds)	4.2y
Fixed interest (cover pool)	73.8%
Fixed interest (covered bonds)	86.5%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	6
Collateral score	3.1%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

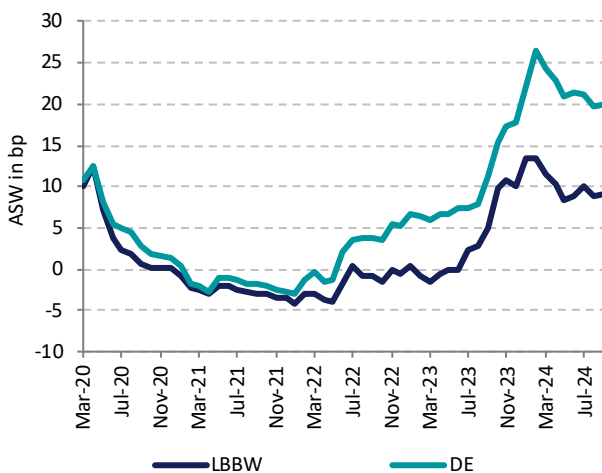
## Borrower Types



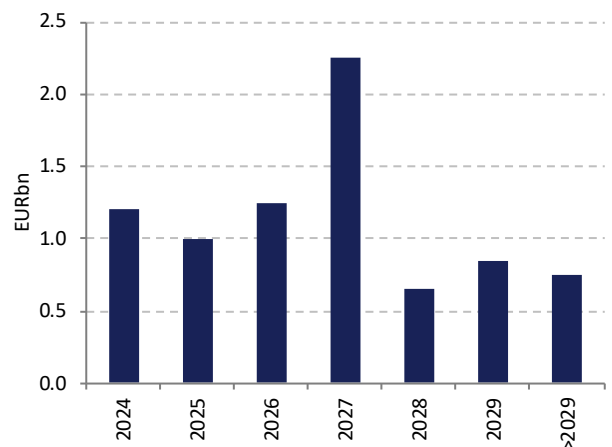
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Landesbank Berlin

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Landesbank Berlin AG

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

## Homepage

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

Landesbank Berlin AG (LBB) is a non-listed joint stock company and owner of Berliner Sparkasse (BSK). In accordance with the Berlin Sparkassen Act, LBB is classified as a savings bank association in its own right and is therefore a member of the German Savings Banks Association (DSGV). As a member of the Sparkassen-Finanzgruppe, LBB benefits from the deposit and institute-related protection system. LBB and BSK (representative branch of LBB pursuant to German commercial law) is a wholly owned subsidiary of Landesbank Berlin Holding AG (LBBH), which indirectly places it under the ownership of the acquisition company affiliated with S-Finanzgruppe mbH & Co. KG. This company holds a direct stake of 89.37% in LBBH (FY 2023) and also functions as a general partner in the investment company of S-Finanzgruppe mbH & Co. KG (10.63% stake in LBBH). In Berlin, LBB/BSK serves around 1.9 million customers at 80 locations and boasts a market share of just under 50% in the area of retail customers. LBB/BSK divides its business into the following segments: Retail and Corporate Customers, Direct Banking Service, Business Customers, Private Banking, Treasury and CRE Financing. With the exception of Treasury and the nationwide credit card business, all business segments are operated under the Berliner Sparkasse brand. Refinancing activities at LBB are mainly focused on retail customer deposits (FY 2023: 72%), followed by securitised liabilities (10.1%). As part of the future programme "Z25!", the core business of the bank is set to be bolstered, while at the same time costs are to be cut, complexity reduced and revenues increased in the customer business. The aim of the restructuring is to transform LBB into a traditional savings bank.

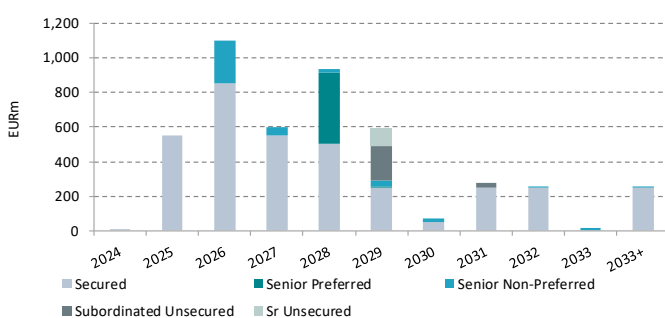
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	27,381	29,223	29,350
Total Securities	8,264	8,059	7,406
Total Deposits	34,395	35,144	32,728
Tier 1 Common Capital	2,570	2,623	2,780
Total Assets	52,484	48,777	45,457
Total Risk-weighted Assets	13,840	13,829	13,561

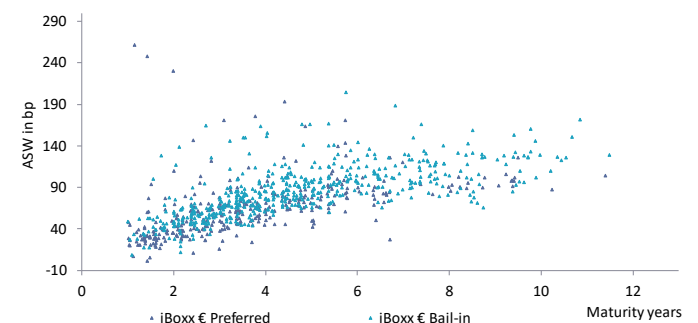
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	771	816	1,132
Net Fee & Commission Inc.	248	274	306
Net Trading Income	-	-	-
Operating Expense	958	841	880
Credit Commit. Impairment	-104	112	114
Pre-tax Profit	41	131	355

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	1.57	1.66	2.48	Liquidity Coverage Ratio	180.00	159.00
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	86.67	72.18	58.69	NPL/Loans at Amortised Cost	0.62	0.78
Core Tier 1 Ratio	18.57	18.97	20.50	Reserves/Loans at Amort. Cost	1.28	1.41

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Deposit base

## Risks / Weaknesses

- Geographical concentration in Berlin-Brandenburg
- Exposure to CRE segment



# Landesbank Berlin – Mortgage

Germany 

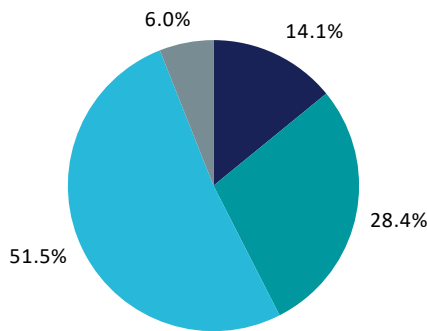
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	6,827
Amount outstanding (EURm)	3,809
-thereof ≥ EUR 250m	68.3%
Current OC (nominal)	79.2%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Germany
Main region	82% Berlin
Number of loans	7,871
Number of borrowers	6,988
Avg. exposure to borrowers (EUR)	918,397
WAL (cover pool)	6.4y
WAL (covered bonds)	4.6y
Fixed interest (cover pool)	91.6%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	56.8%
Loans in arrears	0.0%

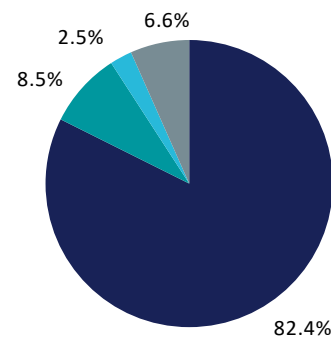
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	7
Collateral score	14.6%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	10%
Maturity structure (SBmk)	SB

## Borrower Types



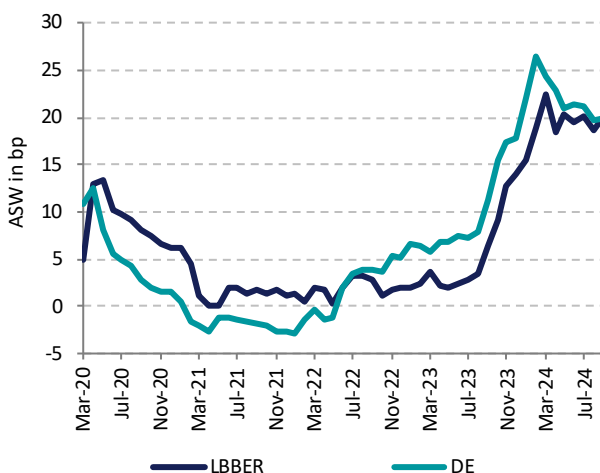
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

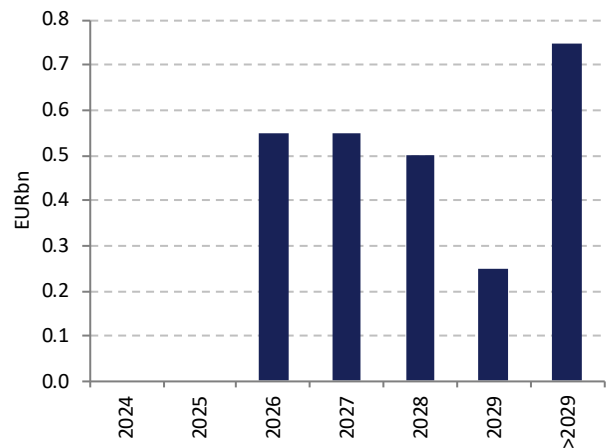


■ Berlin ■ Brandenburg ■ Mecklenburg-Vorpommern ■ Others

## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Landesbank Hessen-Thüringen

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

Landesbank Hessen-Thüringen  
Girozentrale

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

## Homepage

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

Landesbank Hessen-Thüringen Girozentrale (Helaba) is a bank that operates under the legal form of a public law institution. Helaba is part of the Sparkassen-Finanzgruppe and its internal institution-related protection system. The institute operates as a central bank for the savings banks in Hesse, Thuringia, North Rhine-Westphalia and Brandenburg. Helaba is a universal bank that also operates as a public promotional bank through WIBank. As part of the changes to regulatory capital requirements, the Bundesland of Hesse was required to contribute EUR 2bn in new equity in April 2024. As such, Hesse's stake in the savings bank central bank is expected to rise from 8% to 30%, as a result of which the stakes held by Thuringia and the savings bank sector will fall to 3.5% and 66.5% respectively. Reporting takes place across four operating segments: Real Estate (FY 2023: -31.4% of pre-tax earnings), Corporates & Markets (56.6%), Retail & Asset Management (51%) and WIBank (7.9%). The loan portfolio of Helaba mainly consists of the following customer groups: Public Sector (28%), Corporates (26%), Commercial Real Estate (19%) and Financial Institutions (15%). In geographical terms, the loans were granted in Germany (70%), the rest of Europe (21%) and North America (8%). The medium and long-term funding of Helaba primarily comprised senior unsecured bonds (36%), promissory notes (27%) and Pfandbriefe (25%). In 2023, Helaba issued green Pfandbriefe and green senior-non-preferred bonds under the Green Bond Framework in the amount of EUR 2.5bn. The turnover-based green asset ratio of the bank amounted to 1.4% (FY 2023).

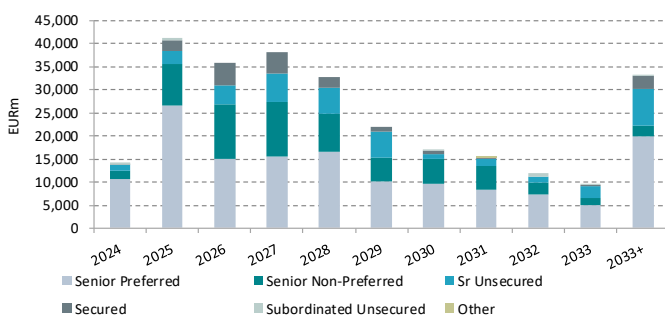
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	120,357	117,466	-
Total Securities	30,777	31,537	-
Total Deposits	68,550	70,209	-
Tier 1 Common Capital	8,786	8,937	-
Total Assets	211,502	202,072	206,100
Total Risk-weighted Assets	64,874	61,031	-

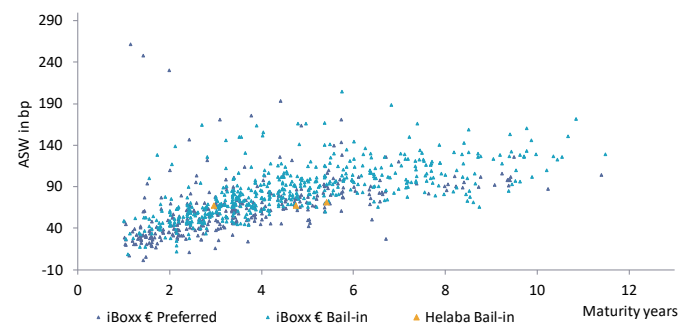
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,417	1,840	907
Net Fee & Commission Inc.	533	536	272
Net Trading Income	131	206	78
Operating Expense	1,652	1,711	884
Credit Commit. Impairment	163	449	173
Pre-tax Profit	633	722	413

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.69	0.92	-	Liquidity Coverage Ratio	216.80	168.30	-
ROAE	4.51	4.61	-	IFRS Tier 1 Leverage Ratio	4.44	4.66	-
Cost-to-Income	66.88	57.30	60.18	NPL/Loans at Amortised Cost	0.82	2.69	-
Core Tier 1 Ratio	13.54	14.64	14.20	Reserves/Loans at Amort. Cost	0.72	1.07	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Net interest income
- Capitalisation
- Liquidity

## Risks / Weaknesses

- CRE exposure
- Profitability
- Dependency on wholesale funding

# Landesbank Hessen-Thüringen – Mortgage

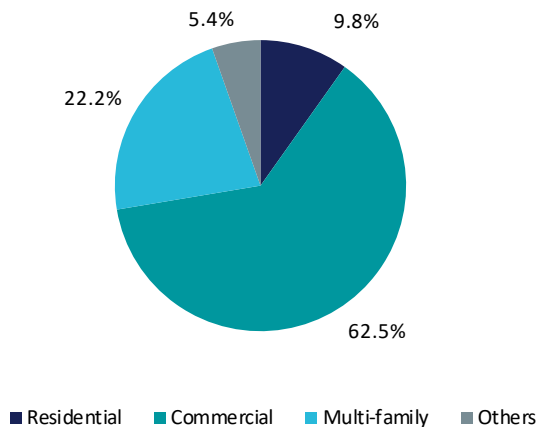
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

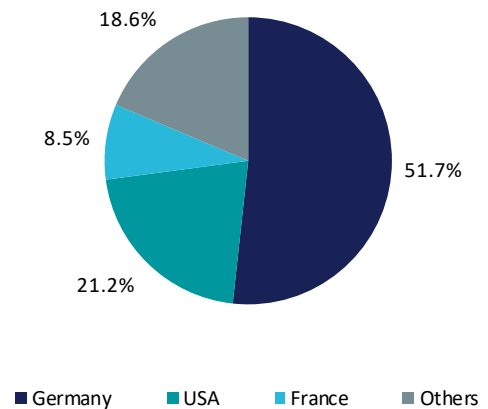
## Cover Pool Data

Cover pool volume (EURm)	15,886	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,158	Rating (S&P)	-
-thereof ≥ EUR 500m	65.5%	Rating (Fitch)	-
Current OC (nominal)	73.5%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	52% Germany	Collateral score	13.7%
Main region	27% Hesse	RRL	-
Number of loans	12,206	JRL	-
Number of borrowers	10,857	Unused notches	-
Avg. exposure to borrowers (EUR)	1,384,238	AAA credit risk (%)	-
WAL (cover pool)	3.5y	PCU	-
WAL (covered bonds)	1.9y	Recovery uplift	-
Fixed interest (cover pool)	74.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	67.2%	LCR eligible	Yes
LTV (indexed)	58.1%	LCR level (Bmk)	1
LTV (unindexed)	0.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

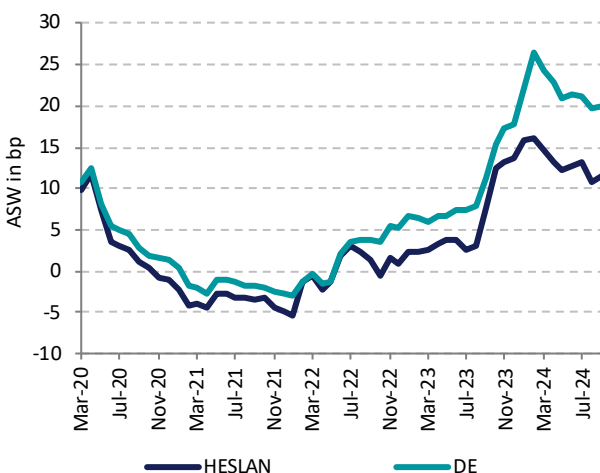
## Borrower Types



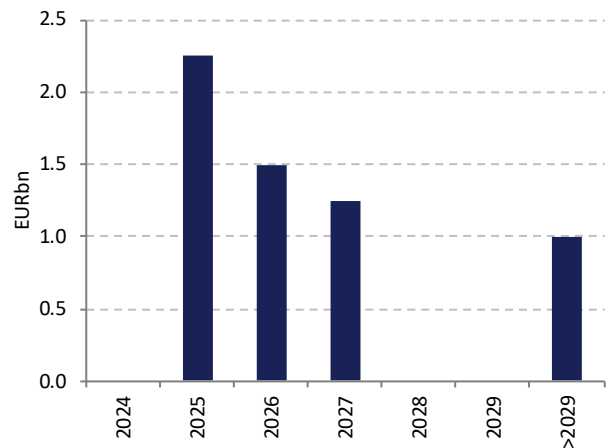
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Landesbank Hessen-Thüringen – Public Sector

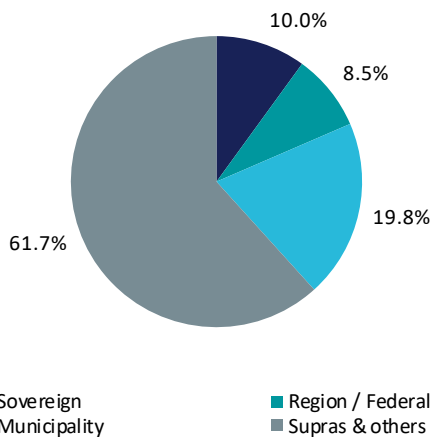
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

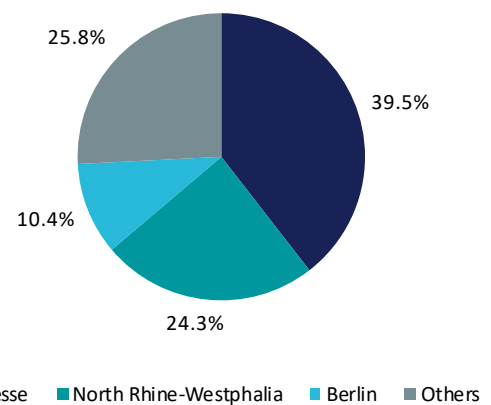
## Cover Pool Data

Cover pool volume (EURm)	31,475	Rating (Moody's)	Aaa
Amount outstanding (EURm)	18,816	Rating (S&P)	-
-thereof ≥ EUR 500m	39.9%	Rating (Fitch)	-
Current OC (nominal)	67.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	6
Main country	95% Germany	Collateral score	3.1%
Main region	40% Hesse	RRL	-
Number of loans	17,240	JRL	-
Number of borrowers	4,384	Unused notches	-
Avg. exposure to borrowers (EUR)	7,179,609	AAA credit risk (%)	-
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	5.7y	Recovery uplift	-
Fixed interest (cover pool)	94.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	94.1%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

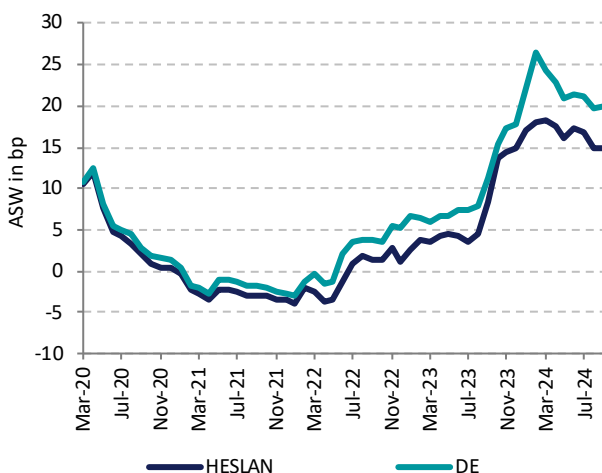
## Borrower Types



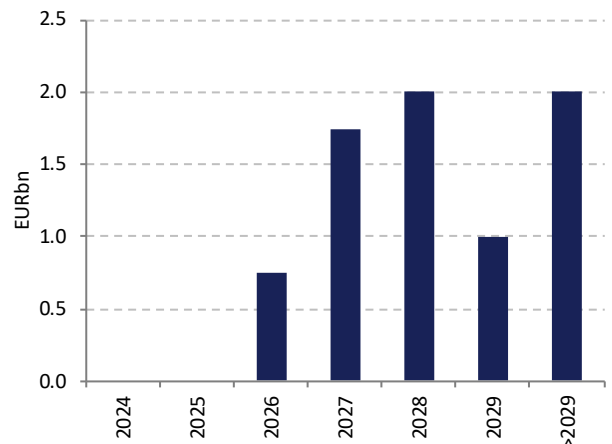
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Landesbank Saar

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Landesbank Saar

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

## Homepage

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

Landesbank Saar (SaarLB) is an independent public law institution headquartered in Saarbrücken. The federal state of Saarland is the main shareholder in the bank with a stake of 74.9% (FY 2023), followed by the Sparkassenverband Saar (25.1%). Geographically speaking, the activities of SaarLB are concentrated on the French regions of Grand Est and Auvergne-Rhone-Alpes, in addition to Saarland and adjacent regions in Germany. The bank also supports cross-border investments via the digital forum Pole Franco-Allemand. Landesbank Saar maintains a branch in Strasbourg in addition to sales offices in both Paris and Lyon. With a workforce comprising around 500 employees, SaarLB focuses on SME customers, property investors, project financiers, high net worth retail customers and institutional customers. SaarLB divides its business into the following segments: Corporate Customers, Real Estate, Project Financing, Municipal Customers Germany, LBS Landesbausparkasse Saar and Treasury & Syndication. As part of its own funding strategy, SaarLB focuses on Pfandbrief issuances for long-term refinancing and supplements these through unsecured bond deals. In the short term, funding is secured via customer deposits, refinancing via the banking market and open market transactions with the ECB. SaarLB has a framework for the issuance of green and social bonds, which is aligned with its aim to finance projects in the areas of renewable energies and infrastructure, as well as to provide basic social services. In January 2024, SaarLB issued a Pfandbrief in benchmark format for the first time.

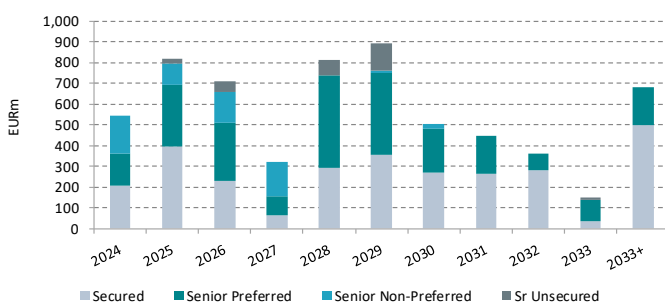
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	12,574	13,313	14,018
Total Securities	1,068	1,180	1,309
Total Deposits	6,241	6,817	7,688
Tier 1 Common Capital	763	786	802
Total Assets	16,163	17,467	18,233
Total Risk-weighted Assets	5,798	5,892	5,740

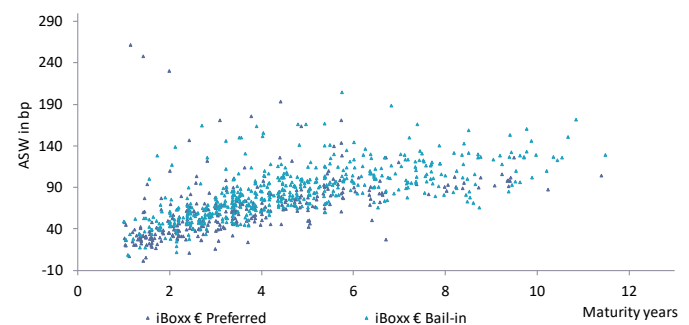
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	136	143	156
Net Fee & Commission Inc.	7	9	8
Net Trading Income	0	0	0
Operating Expense	88	94	94
Credit Commit. Impairment	14	14	23
Pre-tax Profit	45	47	57

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.88	0.86	0.89	Liquidity Coverage Ratio	199.76	191.08	209.78
ROAE	3.83	3.96	3.84	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	59.07	59.57	54.19	NPL/Loans at Amortised Cost	1.34	1.39	1.85
Core Tier 1 Ratio	13.15	13.35	13.97	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Member of the Sparkassen-Finanzgruppe
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Credit concentration risks (CRE, SMEs)
- Profitability
- Risks related to project financing

# Landesbank Saar – Public Sector

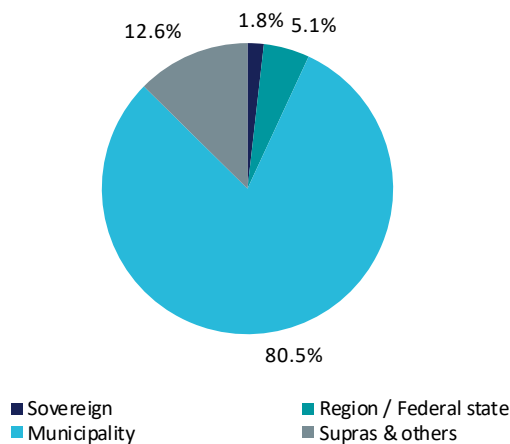
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

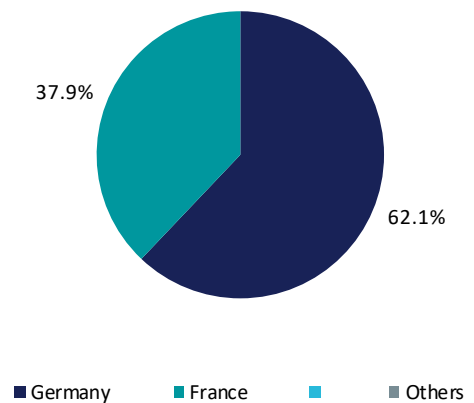
## Cover Pool Data

Cover pool volume (EURm)	4,885	Rating (Moody's)	-
Amount outstanding (EURm)	3,840	Rating (S&P)	-
-thereof ≥ EUR 500m	13.0%	Rating (Fitch)	AAA
Current OC (nominal)	27.2%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Public Sector	TPI leeway	-
Main country	62% Germany	Collateral score	-
Main region	26% Saarland	RRL	-
Number of loans	391	JRL	-
Number of borrowers	177	Unused notches	-
Avg. exposure to borrowers (EUR)	27,597,317	AAA credit risk (%)	-
WAL (cover pool)	9.0y	PCU	6
WAL (covered bonds)	7.5y	Recovery uplift	2
Fixed interest (cover pool)	76.1%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

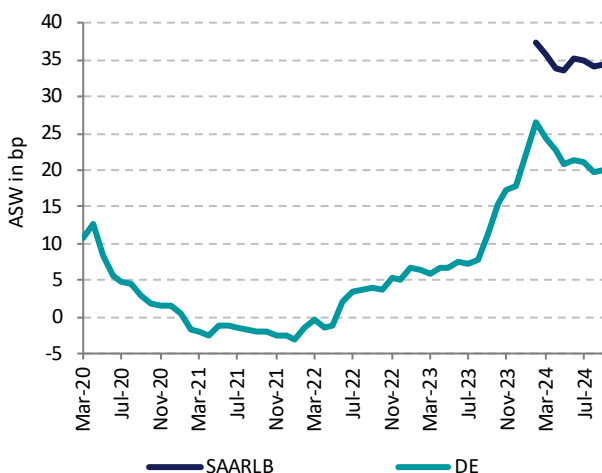
## Borrower Types



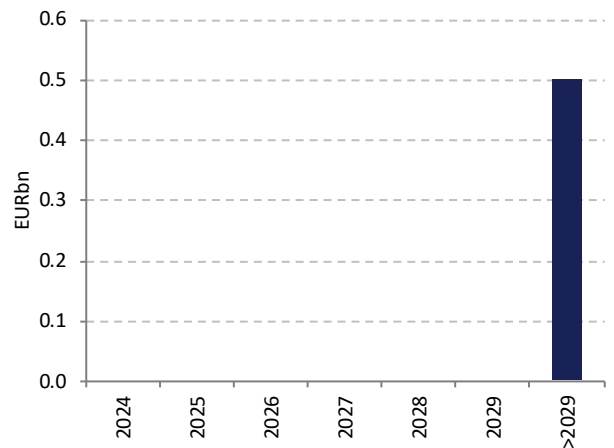
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Lloyds Bank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Lloyds Bank GmbH

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Lloyds Bank GmbH, which is headquartered in Berlin, is a wholly owned subsidiary of the Lloyds Banking Group, one of the largest financial services organisations in the UK. There is neither a control nor profit transfer agreement in place between the parent company and subsidiary. Alongside the headquarters in Berlin, the bank operates a foreign subsidiary in Amsterdam in the Netherlands. As a purely online bank, Lloyds Bank GmbH offers close to a million retail customers deposit and credit products. In geographical terms, the bank focuses its business activities exclusively on the German and Dutch market. The product range at the end of 2023 consisted of overnight money, consumer loans, mortgages and car finance (only offered in Germany). The product range was extended in 2024 to include credit lines for corporate customers. Whereas the bank is active in the Netherlands exclusively under the Lloyds Bank brand, it pursues a dual-brand strategy in Germany with Lloyds Bank (mortgage lending business) and Bank of Scotland (deposits and consumer loans). The bank's funding consists chiefly of customer deposits domiciled in Germany (FY 2023: 69% of the funding mix) and the Netherlands (12%). In September 2024, Lloyds Bank GmbH placed an inaugural Pfandbrief on the market in the EUR benchmark segment (EUR 500m). Moving forwards, the issuance of Pfandbrief deals is designed to contribute to the diversification of the bank's funding mix. The topic of ESG is at the heart of the bank's strategic endeavours, which is reflected in the fact that all CO2 emissions generated by operational business activities in 2024 were offset in full.

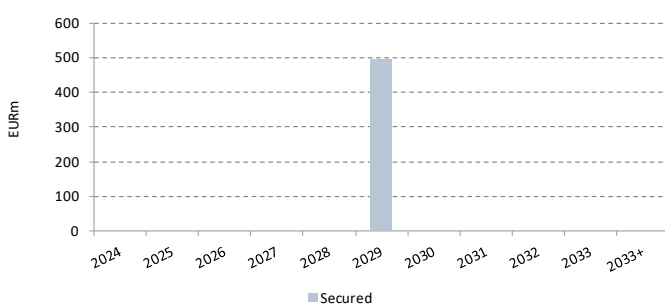
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	12,196	14,894	17,439
Total Securities	26	26	26
Total Deposits	12,303	12,110	15,479
Tier 1 Common Capital	-	-	-
Total Assets	14,163	17,607	20,660
Total Risk-weighted Assets	-	-	-

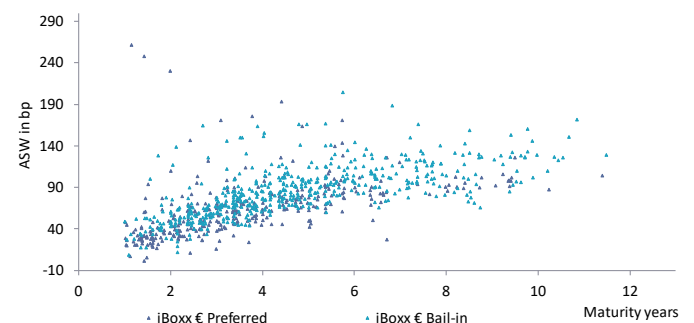
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	203	213	289
Net Fee & Commission Inc.	-12	-15	-22
Net Trading Income	-	-	-
Operating Expense	81	89	99
Credit Commit. Impairment	-	-	-
Pre-tax Profit	111	102	165

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	1.55	1.35	1.52	Liquidity Coverage Ratio	147.51	153.95
ROAE	18.58	12.52	17.89	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	42.16	44.16	36.18	NPL/Loans at Amortised Cost	-	-
Core Tier 1 Ratio	22.12	15.90	-	Reserves/Loans at Amort. Cost	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Deposit base
- Support from parent company

## Risks / Weaknesses

- Income diversification
- Liquidity
- Leverage ratio

# Lloyds Bank– Mortgage

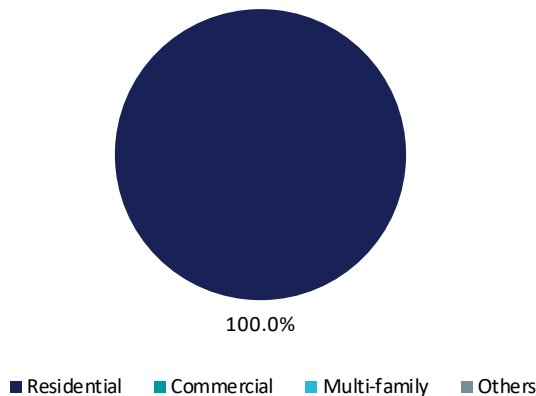
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

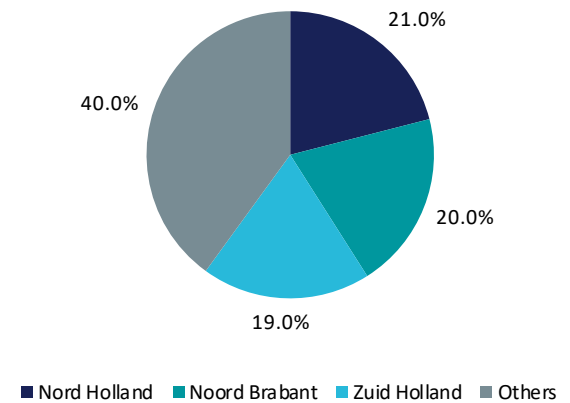
## Cover Pool Data

Cover pool volume (EURm)	543	Rating (Moody's)	Aaa
Amount outstanding (EURm)	500	Rating (S&P)	-
-thereof ≥ EUR 250m	100.0%	Rating (Fitch)	-
Current OC (nominal)	8.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Netherlands	Collateral score	3.7%
Main region	21% Nord Holland	RRL	-
Number of loans	3,099	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	58.2y	PCU	-
WAL (covered bonds)	n/a	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	58.2%	LCR level (SBmk)	1
LTV (unindexed)	60.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

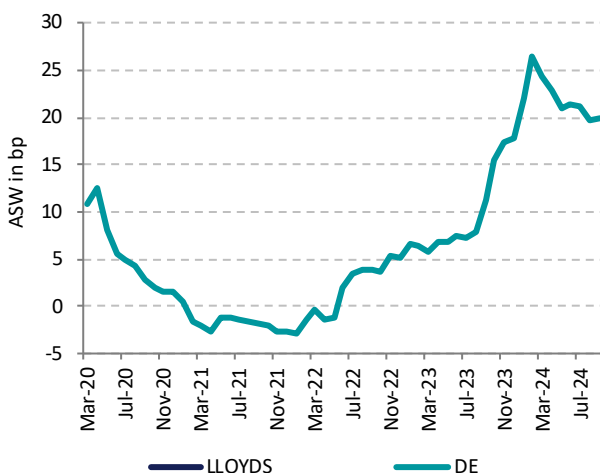
## Borrower Types



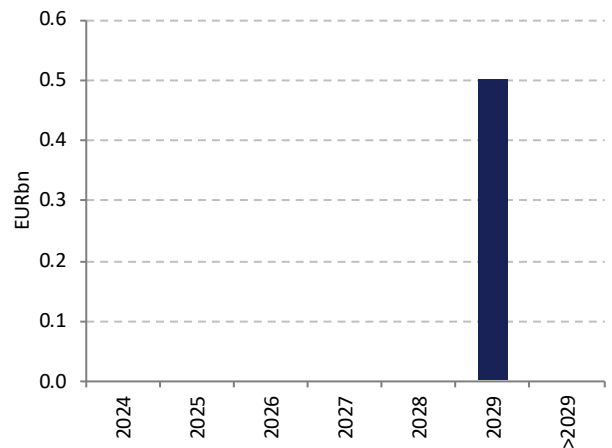
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Münchener Hypothekbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Münchener Hypothekbank eG

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

## Homepage

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

\* Verbundrating

Münchener Hypothekbank eG (MünchenerHyp) is a bank that specialises in financing residential and commercial real estate. It is also part of the German Cooperative Financial Group, which consists of over 730 banks and other affiliated companies. MünchenerHyp is therefore a member of the deposit protection system and the voluntary institutional protection system of the National Association of German Cooperative Banks (Bundesverband der Deutschen Volksbanken und Raiffeisenbanken e.V. [BVR]). Primary banks hold 70.6% of the shares in MünchenerHyp (FY 2023), followed by private individuals (25.5%) and other companies in the FinanzGruppe (3.9%). Mortgage loans for residential and commercial properties as well as the issuance of mortgage Pfandbriefe constitute the core business areas. In geographic terms, 80.2% of the mortgage portfolio (FY 2023) is attributable to Germany, followed by Switzerland (11.4%). Within Germany, more than half of the portfolio is located in Bavaria, Baden-Württemberg, Hesse, North Rhine-Westphalia and Lower Saxony. In June 2023, M.M.Warburg & CO Hypothekbank AG was merged into MünchenerHyp, following which the mortgage portfolio grew by a further EUR 1.5bn. Pfandbriefe constitute the overwhelming majority of the funding mix at MünchenerHyp (FY 2023: 74.9%), followed by senior non-preferred bonds (12.2%). Under its Green Bond Framework, MünchenerHyp is active as a regular issuer of green bonds on the market. A green Pfandbrief in benchmark format was placed on the market in January 2024. The revenue-based green asset ratio of the bank stood at 9.1% as at year-end 2023.

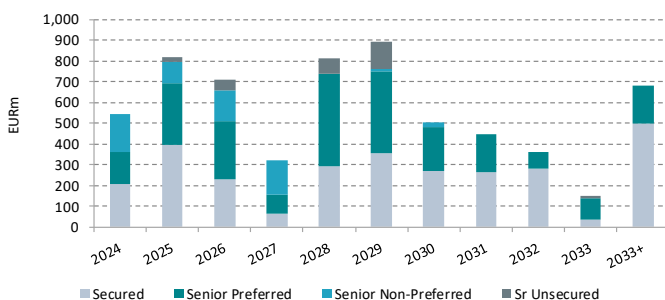
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	45,436	47,477	47,348
Total Securities	4,968	4,819	5,375
Total Deposits	15,646	16,556	16,085
Tier 1 Common Capital	1,690	1,760	1,772
Total Assets	52,406	54,061	54,534
Total Risk-weighted Assets	8,916	10,644	11,364

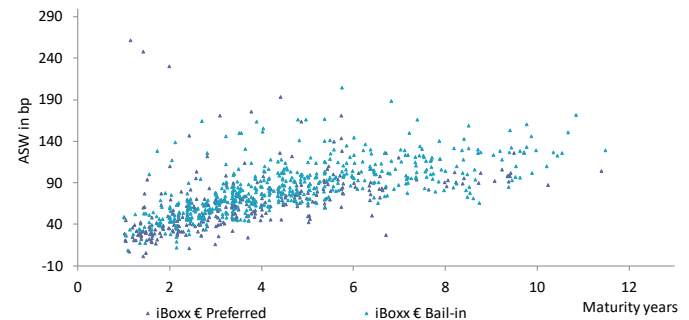
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	432	518	265
Net Fee & Commission Inc.	-110	-68	-32
Net Trading Income	-	-	-
Operating Expense	151	168	79
Credit Commit. Impairment	45	118	51
Pre-tax Profit	132	168	105

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.83	0.98	0.98	Liquidity Coverage Ratio	401.60	648.00	177.00
ROAE	3.89	5.44	6.41	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	46.79	36.81	33.72	NPL/Loans at Amortised Cost	0.49	1.54	-
Core Tier 1 Ratio	18.96	16.53	15.59	Reserves/Loans at Amort. Cost	0.22	0.45	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Loan quality
- Member of the FinanzGruppe protection scheme

## Risks / Weaknesses

- Cyclical nature of commercial property markets
- Profitability
- Dependency on wholesale funding

# Münchener Hypothekenbank – Mortgage

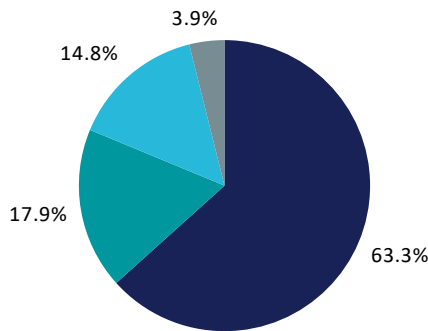
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

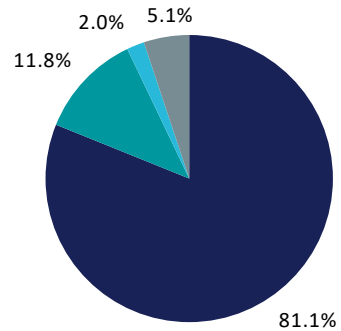
Cover pool volume (EURm)	37,621	Rating (Moody's)	Aaa
Amount outstanding (EURm)	35,361	Rating (S&P)	-
-thereof ≥ EUR 500m	47.9%	Rating (Fitch)	-
Current OC (nominal)	6.4%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	81% Germany	Collateral score	7.7%
Main region	28% Bavaria	RRL	-
Number of loans	204,172	JRL	-
Number of borrowers	179,241	Unused notches	-
Avg. exposure to borrowers (EUR)	201,719	AAA credit risk (%)	-
WAL (cover pool)	8.2y	PCU	-
WAL (covered bonds)	8.3y	Recovery uplift	-
Fixed interest (cover pool)	95.5%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	94.7%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	52.3%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



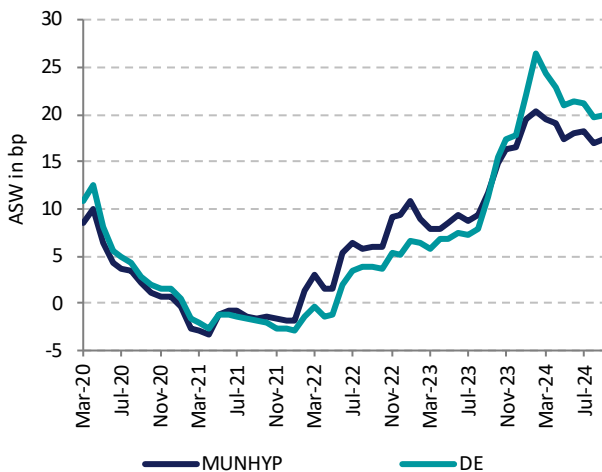
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



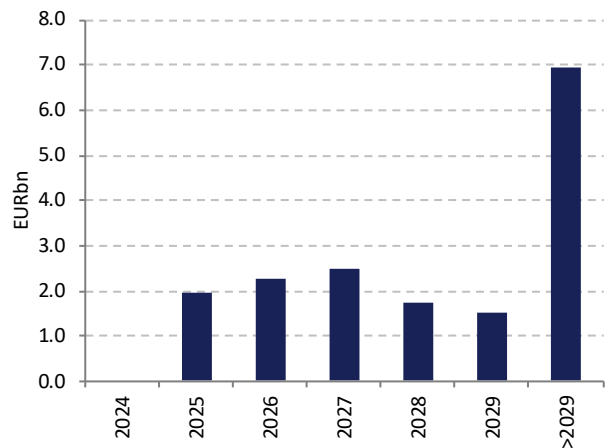
■ Germany ■ Switzerland ■ Netherlands ■ Others

## Spread Development



— MUNHYP — DE

## Redemption Profile (Bmk)



# NATIXIS Pfandbriefbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Natixis Pfandbriefbank AG

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

## Homepage

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

NATIXIS Pfandbriefbank AG (NPB), headquartered in Frankfurt am Main, is a bank that specialises in commercial property financing. NPB finances office space, retail space, logistics and residential property belonging to commercial customers and hotels, among other real estate assets. NPB is a wholly owned subsidiary of the French NATIXIS S.A. (NATIXIS), which in turn is a subsidiary of Groupe BPCE. For its part, Groupe BPCE is a cooperative universal bank and the fourth largest banking group in France. It is classified as a global systemically important bank (G-SIB). In addition, NPB benefits from the group liability mechanism based on solidarity between the members of BPCE through corresponding legislation in France. NPB has concluded a control and profit transfer agreement with its parent company NATIXIS. Moreover, NATIXIS has also committed to providing NPB with over EUR 2.0bn in liquidity on the basis of a letter of comfort. In 2023, approximately 54 employees were working for NPB on average. While NPB can in principle operate as a universal bank, it is primarily active in business areas that can be used for Pfandbrief coverage in accordance with Pfandbrief legislation. In addition, NATIXIS 100% guarantees every property loan issued by NPB by way of a guarantee that matches the term of the respective loan. In geographical terms, most of the net interest and commission income comes from France (FY 2023: 51.7%) and Germany 15.5%. In terms of its refinancing activities, the bank makes use of Pfandbriefe and unsecured funding – guaranteed by NATIXIS in France. NPB is itself an issuer of bearer and registered securities, and issues private placements as well as syndicated and public transactions.

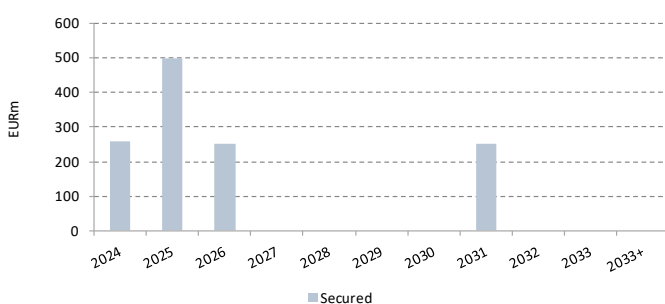
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	2,422	2,294	2,564
Total Securities	293	276	290
Total Deposits	61	36	31
Tier 1 Common Capital	135	139	139
Total Assets	2,888	2,807	3,163
Total Risk-weighted Assets	877	800	896

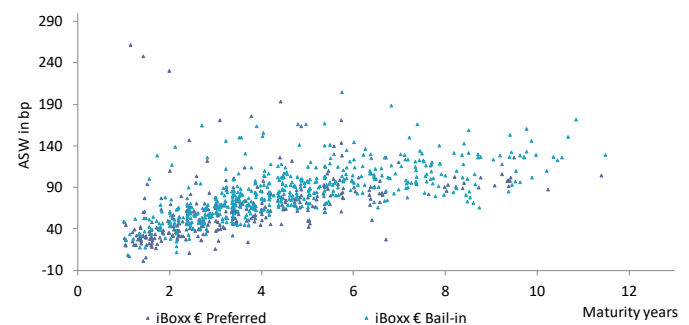
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	31	31	39
Net Fee & Commission Inc.	-6	-2	-8
Net Trading Income	-	-	-
Operating Expense	17	17	17
Credit Commit. Impairment	-	-	-
Pre-tax Profit	9	9	9

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	1.13	1.08	1.32	Liquidity Coverage Ratio	222.12	263.62
ROAE	-	-	-	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	56.80	53.45	50.11	NPL/Loans at Amortised Cost	-	-
Core Tier 1 Ratio	15.37	17.35	15.50	Reserves/Loans at Amort. Cost	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Integration in the group structure
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Diversification
- Dependency on wholesale funding
- Cyclical nature of CRE business

# NATIXIS Pfandbriefbank – Mortgage

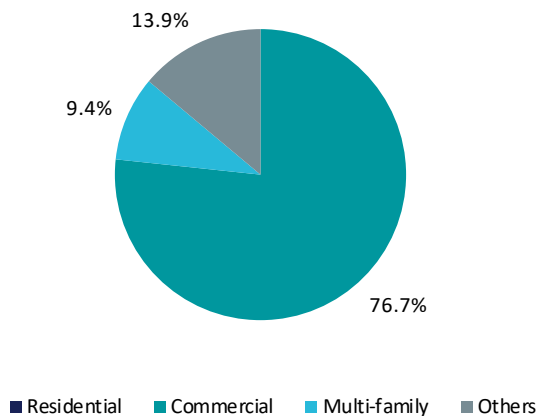
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

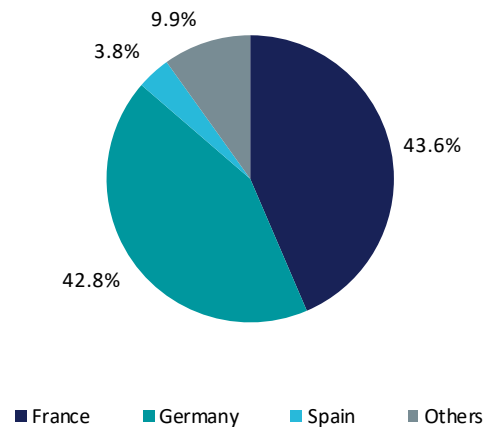
## Cover Pool Data

Cover pool volume (EURm)	1,693	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,291	Rating (S&P)	-
-thereof ≥ EUR 250m	85.6%	Rating (Fitch)	-
Current OC (nominal)	31.1%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	44% France	Collateral score	20.1%
Main region	90% Ile-de-France	RRL	-
Number of loans	85	JRL	-
Number of borrowers	157	Unused notches	-
Avg. exposure to borrowers (EUR)	9,283,248	AAA credit risk (%)	-
WAL (cover pool)	3.0y	PCU	-
WAL (covered bonds)	2.3y	Recovery uplift	-
Fixed interest (cover pool)	48.6%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	57.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

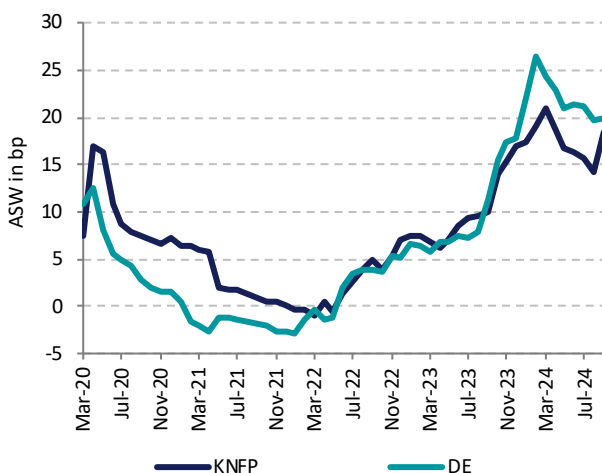
## Borrower Types



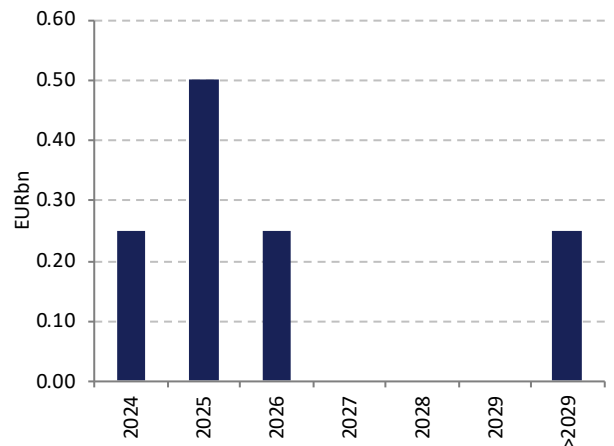
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Norddeutsche Landesbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Norddeutsche Landesbank-Girozentrale

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

## Homepage

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

Norddeutsche Landesbank Girozentrale (NORD/LB) is a public-law institution and part of the Sparkassen-Finanzgruppe. It is one of Germany's leading commercial banks and, with total assets of around EUR 110bn (H1 2024), is a national systemically important bank. The owners of the bank are the state of Lower Saxony (H1/2024: 57.92%), the state of Saxony-Anhalt (6.25%) and the Sparkassen-Finanzgruppe (35.83%). NORD/LB includes "Deutsche Hypo" and "Braunschweigische Landessparkasse", among others. As a medium-sized universal bank with around 3,800 employees, NORD/LB maintains customer relationships with companies and institutional customers, private customers and the public sector. The bank operates primarily in northern Germany and is also globally active in selected business segments through branches in London, New York and Singapore. NORD/LB acts as the central bank for the savings banks in Lower Saxony (NI), Saxony-Anhalt (ST) and Mecklenburg-Western Pomerania (MV). As a Landesbank, it supports the federal states of NI and ST in organising their financial transactions and acts as a development bank in MV. The business model is divided into the segments "Private and Commercial Customers", "Corporate Customers & Savings Bank Network", "Markets", "Special Finance", "Commercial Real Estate" and "Special Credit & Valuation". NORD/LB last issued a Green Pfandbrief in EUR benchmark format under its Green Bond Framework in January 2024. In June 2024, NORD/LB announced that it was ending its aircraft financing business in order to focus more strongly on other business areas. In the first half of 2024, NORD/LB reported earnings before taxes of EUR 224m, an increase of around 57% compared to the same period of the previous year (H1 2023: EUR 143m).

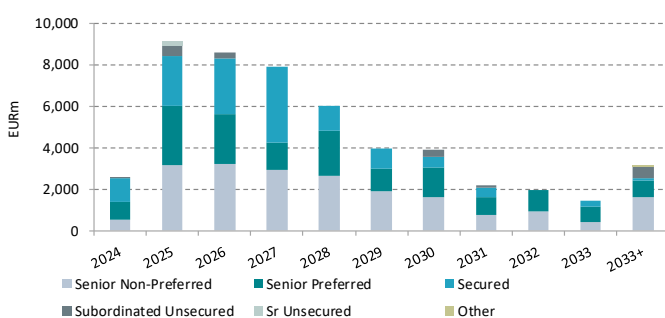
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	71,705	73,195	72,224
Total Securities	20,188	19,849	21,112
Total Deposits	47,975	49,931	48,646
Tier 1 Common Capital	6,051	6,147	6,435
Total Assets	109,325	111,981	113,289
Total Risk-weighted Assets	40,142	40,572	41,677

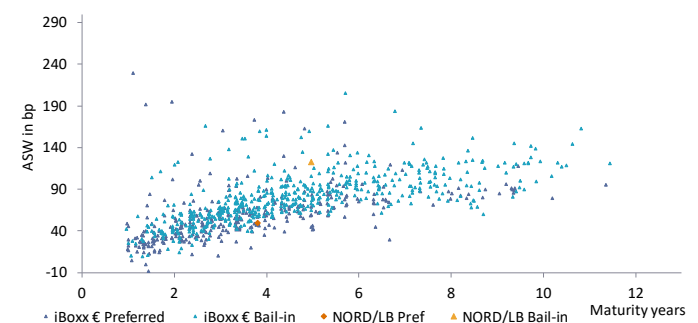
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	896	1,076	602
Net Fee & Commission Inc.	166	209	118
Net Trading Income	-117	-72	25
Operating Expense	893	904	415
Credit Commit. Impairment	-140	101	62
Pre-tax Profit	104	271	224

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.81	0.99	1.10	Liquidity Coverage Ratio	138.60	165.40	138.20
ROAE	1.46	3.41	5.64	IFRS Tier 1 Leverage Ratio	5.66	5.59	5.78
Cost-to-Income	95.61	67.56	57.64	NPL/Loans at Amortised Cost	1.07	1.78	1.80
Core Tier 1 Ratio	15.07	15.15	15.44	Reserves/Loans at Amort. Cost	1.00	1.01	1.07

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

**A SWOT analysis cannot be offered due to the obvious conflict of interest here.**

# Norddeutsche Landesbank – Mortgage

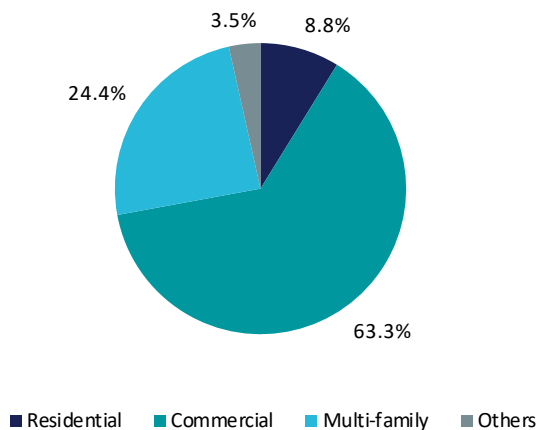
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

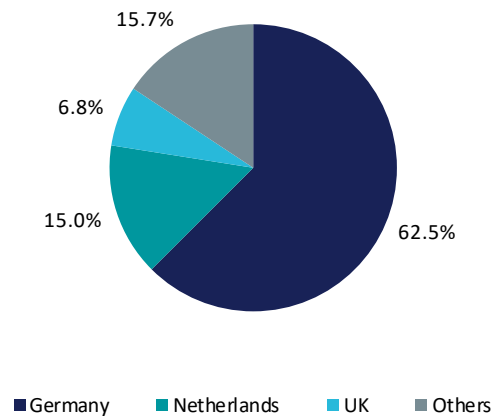
## Cover Pool Data

Cover pool volume (EURm)	13,809	Rating (Moody's)	Aaa
Amount outstanding (EURm)	8,646	Rating (S&P)	-
-thereof ≥ EUR 500m	83.9%	Rating (Fitch)	-
Current OC (nominal)	59.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	63% Germany	Collateral score	17.8%
Main region	24% Lower Saxony	RRL	-
Number of loans	20,146	JRL	-
Number of borrowers	17,249	Unused notches	-
Avg. exposure to borrowers (EUR)	772,559	AAA credit risk (%)	-
WAL (cover pool)	3.7y	PCU	-
WAL (covered bonds)	3.3y	Recovery uplift	-
Fixed interest (cover pool)	73.6%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	94.9%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	60.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

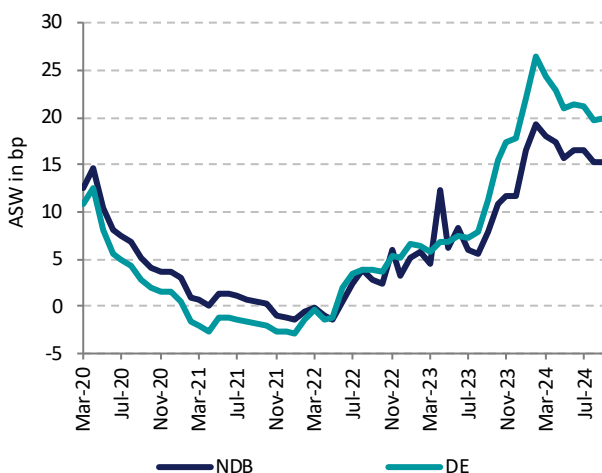
## Borrower Types



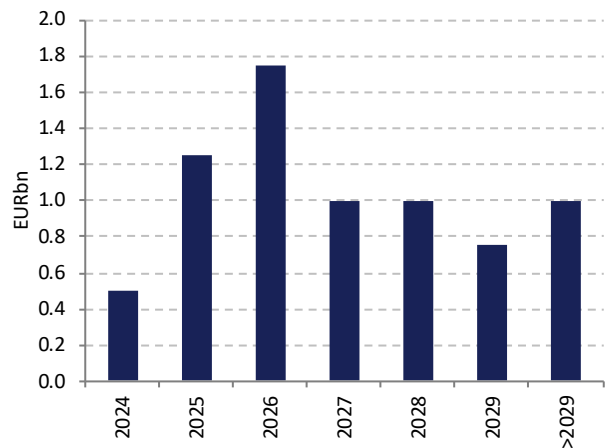
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Norddeutsche Landesbank – Public Sector

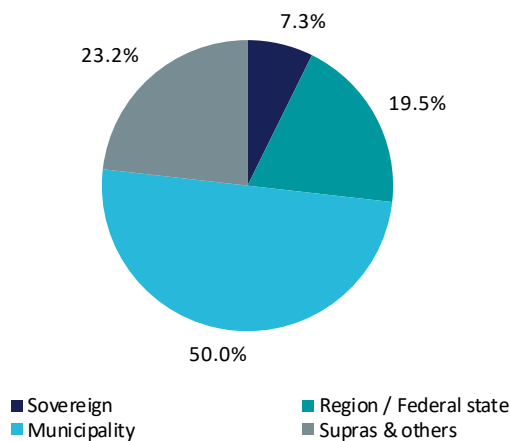
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

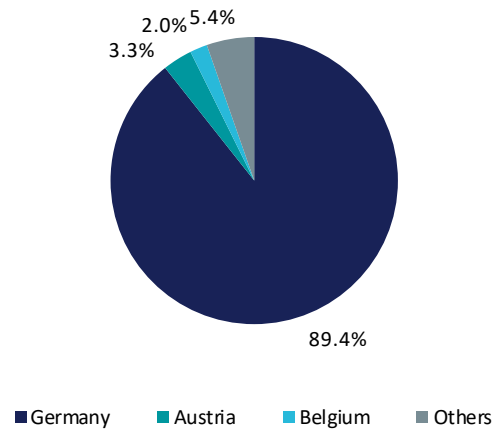
## Cover Pool Data

Cover pool volume (EURm)	13,442	Rating (Moody's)	Aaa
Amount outstanding (EURm)	11,928	Rating (S&P)	-
-thereof ≥ EUR 500m	23.5%	Rating (Fitch)	-
Current OC (nominal)	12.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Public Sector	TPI leeway	6
Main country	89% Germany	Collateral score	6.1%
Main region	39% Lower Saxony	RRL	-
Number of loans	3,841	JRL	-
Number of borrowers	1,346	Unused notches	-
Avg. exposure to borrowers (EUR)	9,648,291	AAA credit risk (%)	-
WAL (cover pool)	7.5y	PCU	-
WAL (covered bonds)	6.3y	Recovery uplift	-
Fixed interest (cover pool)	87.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	97.9%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

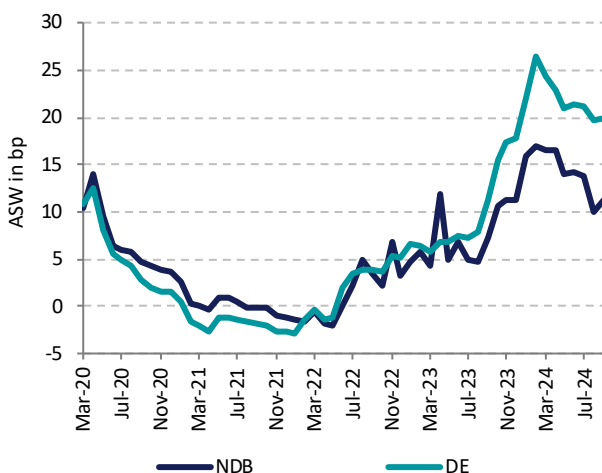
## Borrower Types



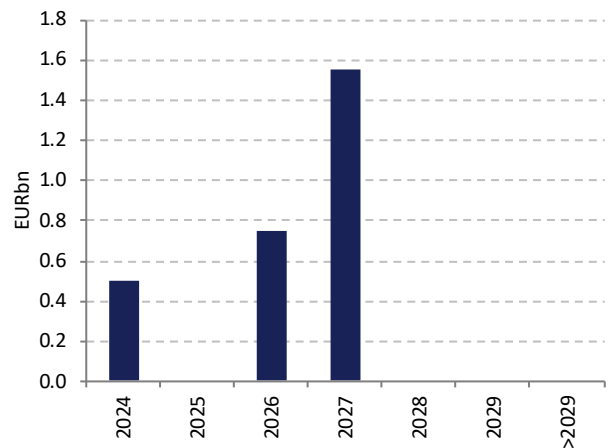
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Oldenburgische Landesbank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Oldenburgische Landesbank AG

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

## Homepage

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

Oldenburgische Landesbank AG (OLB), headquartered in Oldenburg, is a financial institute focused on the north of Germany. A total of 92% of the share capital (FY 2023) in OLB is held by Apollo Global Management, Grovepoint Investment Management and the Teacher Retirement System of Texas, with none of the shareholders having a stake of  $\geq 35\%$ . OLB reports across the two strategic business segments of Private & Business Customers (PBC; 48.6% of operating earnings in FY 2023) and Corporates & Diversified Lending (CDL; 70.1%), as well as the Corporate Center (-18.7%). The PBC segment includes the retail customer and SME business, as well as Private Banking & Wealth Management (brand: Bankhaus Neelmeyer). In addition to the 40 branches located in north-west Germany, OLB also operates digital platforms on a nationwide basis. The business segment CDL comprises the corporate customer business of OLB, in addition to its activities in niche markets (diversified lending) such as acquisition and football financing. In April 2024, OLB completed the acquisition of Degussa Bank AG (FY 2023: customer loan volume of EUR 5.1bn). In Degussa Bank, OLB has acquired a nationwide branch network with offices in all Bundeslaender except Saarland and Mecklenburg-Western Pomerania. The funding at OLB is based primarily on customer deposits supplemented by targeted capital market issuance activities. For example, in January 2024, OLB issued an inaugural covered bond in EUR benchmark format. As part of the expansion of ESG governance, one of the priority goals at OLB is the issuance of a green bond.

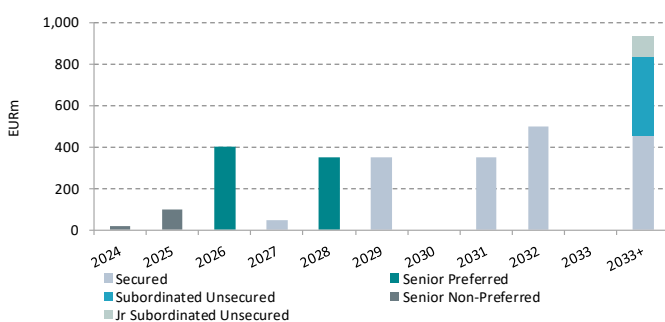
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	18,009	19,725	25,103
Total Securities	3,214	4,994	5,303
Total Deposits	16,193	16,918	22,516
Tier 1 Common Capital	1,275	1,445	1,685
Total Assets	24,082	25,879	32,259
Total Risk-weighted Assets	9,363	9,975	11,922

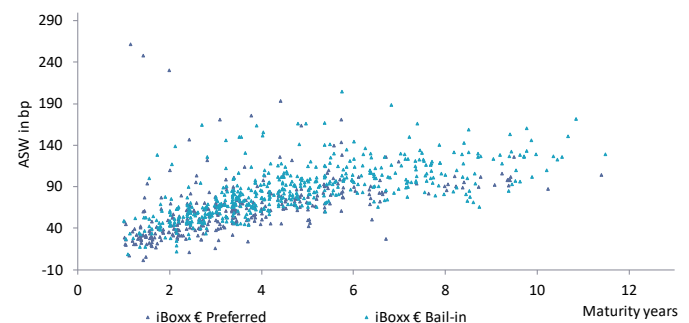
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	436	509	278
Net Fee & Commission Inc.	115	121	64
Net Trading Income	2	-5	0
Operating Expense	260	257	158
Credit Commit. Impairment	45	41	31
Pre-tax Profit	277	335	189

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.85	2.10	1.95	Liquidity Coverage Ratio	173.94	147.40	170.00
ROAE	13.87	14.42	17.63	IFRS Tier 1 Leverage Ratio	5.34	5.61	5.24
Cost-to-Income	44.91	39.94	46.03	NPL/Loans at Amortised Cost	1.52	1.53	-
Core Tier 1 Ratio	13.62	14.48	14.14	Reserves/Loans at Amort. Cost	1.02	0.99	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Increased profitability
- Funding profile (deposits)
- NPL ratio

## Risks / Weaknesses

- Concentration risk (corporate loans)
- Increased capital requirements
- Integration risk (Degussa Bank AG)



# Oldenburgische Landesbank – Mortgage

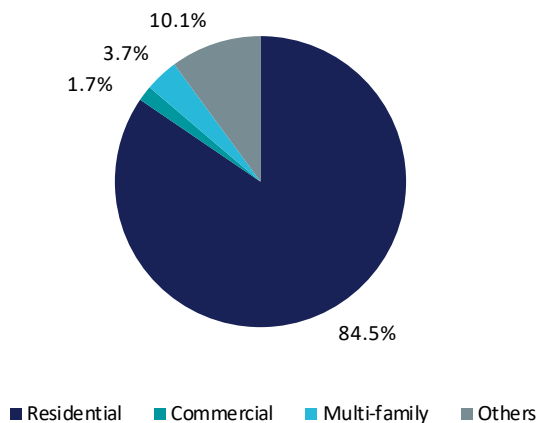
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

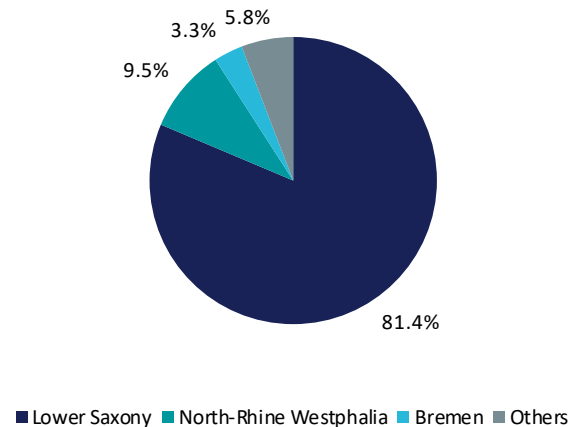
## Cover Pool Data

Cover pool volume (EURm)	1,736	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,481	Rating (S&P)	-
-thereof ≥ EUR 500m	33.8%	Rating (Fitch)	-
Current OC (nominal)	17.2%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	3
Main country	100% Germany	Collateral score	5.7%
Main region	81% Lower Saxony	RRL	-
Number of loans	13,696	JRL	-
Number of borrowers	11,920	Unused notches	-
Avg. exposure to borrowers (EUR)	130,914	AAA credit risk (%)	-
WAL (cover pool)	12.6y	PCU	-
WAL (covered bonds)	7.8y	Recovery uplift	-
Fixed interest (cover pool)	89.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	56.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

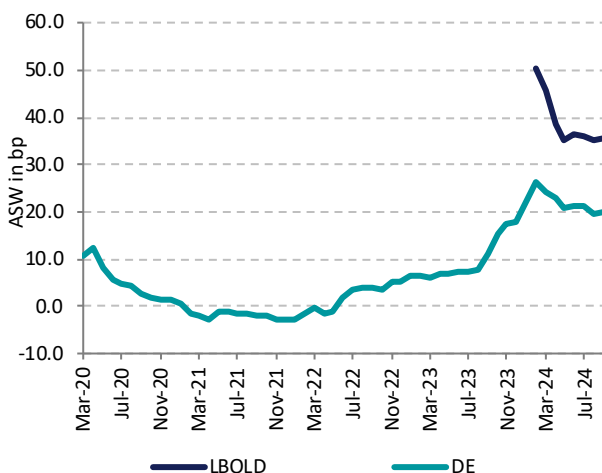
## Borrower Types



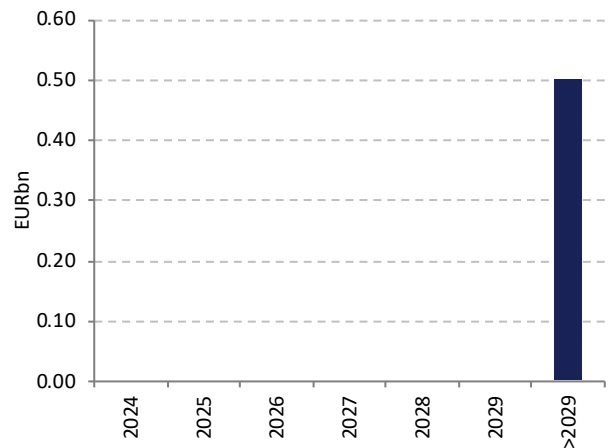
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Santander Consumer Bank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Santander Consumer Bank AG

	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, is a wholly owned subsidiary of Banco Santander S.A. via Santander Consumer Holding (SCH) and Santander Consumer Finance S.A. It specialises in auto financing and consumer lending and, in fact, is a market leader in these fields. There is a control and profit transfer agreement in place between SCB and SCH. SCB is a member of the Association of German Pfandbrief Banks (vdp), the Compensation Scheme of German Banks (Entschädigungseinrichtung deutscher Banken e.V.) and the deposit protection fund of the private banking sector. In 2023, SCB employed around 3,000 staff in 189 branches, and served approximately 3.3m customers. SCB has a service and product range that includes current accounts, consumer lending and financial services for corporate and retail customers. The bank divides its activities into the following four main business segments: Mobility (FY 2023: 54% of net interest income), Direct Business (34%), Business & Corporate Banking (8%) and Consumer Financial Services (4%). Since 2019, the bank has held a 51% stake in Hyundai Capital Bank Europe GmbH (HCBE), which in turn holds 92% of shares in Allane SE (previously SIXT Leasing SE). Following regulatory approval, the bank acquired a stake of 90% in MCE Bank GmbH (Mitsubishi Corporation) with effect from the 2023 balance sheet date. SCB also sold its shares in PSA Bank to Opel Bank as at 31 March 2023. Overall, 48.2% of the funding mix comprised retail customer deposits (FY 2023), followed by ABS Retained and ABS Market (9.4% in each case). SCB achieved carbon neutrality in its business operations as early as 2020, with the next goal being to achieve net zero in terms of financing commitments by 2050.

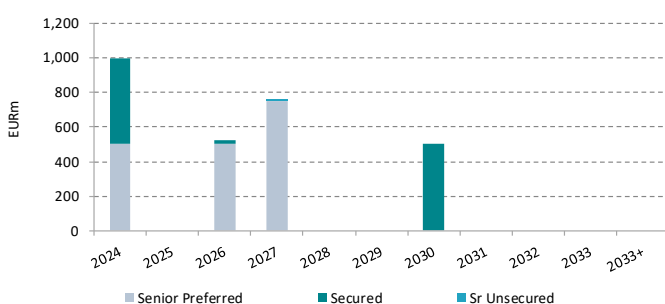
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	28,856	32,044	35,853
Total Securities	11,969	12,201	5,782
Total Deposits	23,390	25,250	31,357
Tier 1 Common Capital	2,907	2,891	2,923
Total Assets	55,623	53,635	53,250
Total Risk-weighted Assets	19,368	22,376	22,520

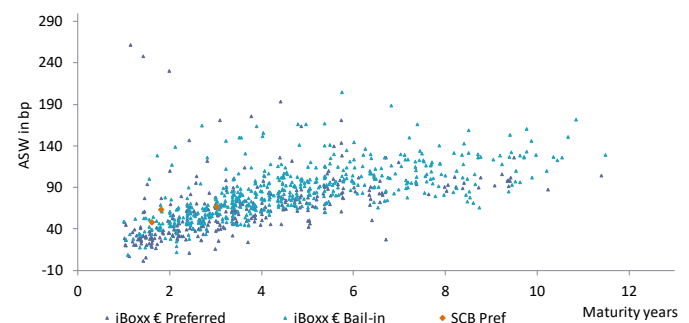
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	1,071	1,054	971
Net Fee & Commission Inc.	182	163	107
Net Trading Income	-	-	-
Operating Expense	752	774	746
Credit Commit. Impairment	134	112	217
Pre-tax Profit	533	444	264

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	2.08	1.98	1.86	Liquidity Coverage Ratio	519.60	231.70	220.80
ROAE	16.05	13.38	7.85	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	52.03	56.95	59.66	NPL/Loans at Amortised Cost	1.92	2.09	2.25
Core Tier 1 Ratio	15.01	12.92	12.98	Reserves/Loans at Amort. Cost	1.72	2.15	2.60

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Profitability
- Granularity of the deposit portfolio
- Capitalisation

## Risks / Weaknesses

- Sectoral concentration risks
- Credit demand (rising credit costs)
- Costs related to TLTRO repayments

# Santander Consumer Bank – Mortgage

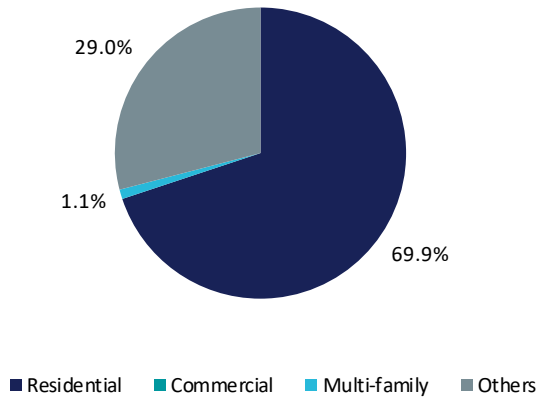
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

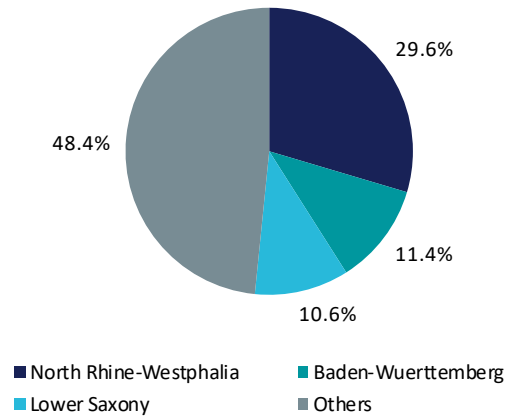
## Cover Pool Data

Cover pool volume (EURm)	1,790	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,025	Rating (S&P)	-
-thereof ≥ EUR 500m	97.6%	Rating (Fitch)	AAA
Current OC (nominal)	74.6%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Germany	Collateral score	4.0%
Main region	30% North Rhine-Westphalia	RRL	-
Number of loans	18,668	JRL	-
Number of borrowers	23,728	Unused notches	-
Avg. exposure to borrowers (EUR)	53,520	AAA credit risk (%)	-
WAL (cover pool)	4.2y	PCU	6
WAL (covered bonds)	3.0y	Recovery uplift	2
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	46.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

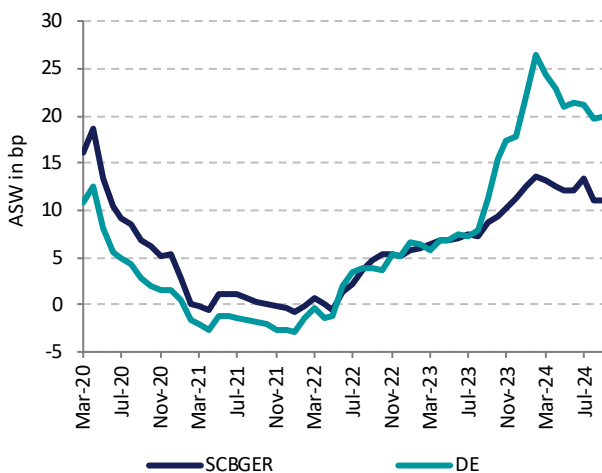
## Borrower Types



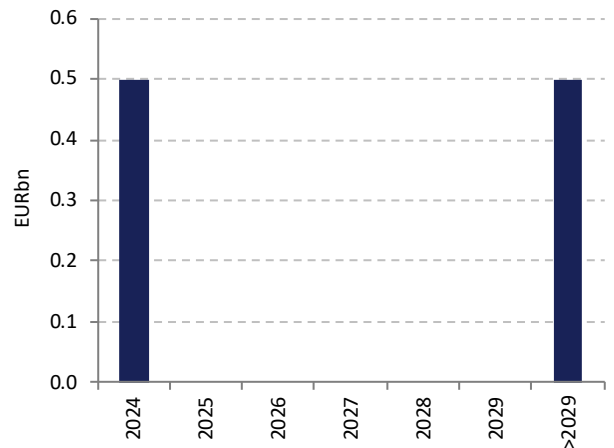
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Sparkasse Dortmund

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Sparkasse Dortmund

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

## Homepage

[www.sparkasse-dortmund.de](http://www.sparkasse-dortmund.de)

\*Verbundrating

Founded in 1841, Sparkasse Dortmund is a public law institution and, through the Sparkassenverband Westfalen-Lippe, Münster, is also a member of the German Savings Banks Association (DSGV). The savings bank special purpose vehicle for the cities of Dortmund and Schwerte, which was established in 2022, is the sponsor of Sparkasse Dortmund. Across 23 locations, the bank employs 1,525 staff (FY 2023) and serves around 371,000 customers, including 349,000 retail customers and 22,000 corporate customers. The bank is part of the nationwide security system of the Sparkassen-Finanzgruppe. As such, should support be required, the entire protection volume of the Sparkassen-Finanzgruppe is at its disposal. In addition to serving retail and corporate customers, the bank's business focus also extends to the areas of asset management and financing. The savings bank additionally offers consulting services, particularly for start-ups and associations. Sparkasse Dortmund's lending portfolio primarily comprises loans to commercial and retail customers, with shares of 51.3% and 30.8% respectively. Customer deposits represent Sparkasse Dortmund's most important source of funding, accounting for 70.4% of total assets (FY 2023). The funding mix is also diversified through the issuance of mortgage bonds. The savings bank successfully placed an inaugural mortgage bond in EUR sub-benchmark format (volume: EUR 250m) in March 2024 and, moving forward, plans to be regularly active on the market in this segment. As part of its sustainability strategy, Sparkasse Dortmund offers sustainable loan products for the expansion of renewable energies and the efficient use of energy and resources.

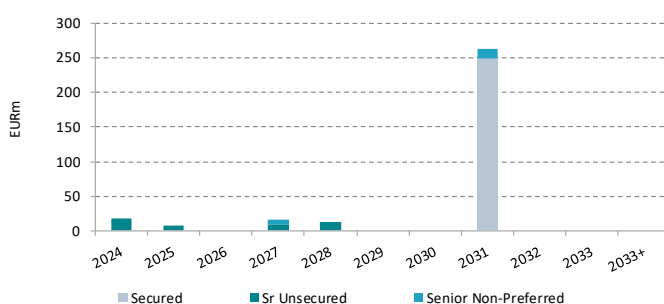
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	7,748	8,297	8,320
Total Securities	2,469	2,359	2,292
Total Deposits	8,550	8,868	8,598
Tier 1 Common Capital	1,332	1,372	-
Total Assets	12,566	11,985	12,139
Total Risk-weighted Assets	7,379	7,563	7,686

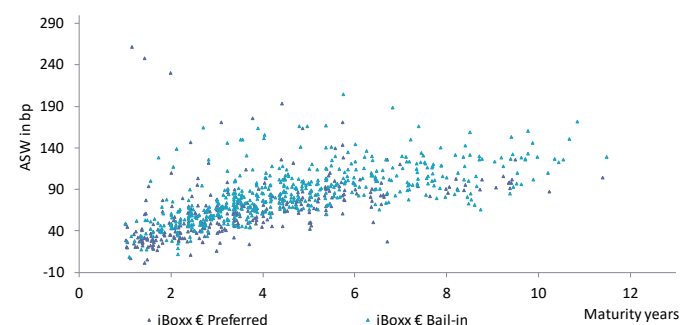
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	164	180	195
Net Fee & Commission Inc.	74	82	85
Net Trading Income	0	1	2
Operating Expense	174	182	190
Credit Commit. Impairment	-	-	-
Pre-tax Profit	39	35	36

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.42	1.50	1.66	Liquidity Coverage Ratio	-	189.05	192.20
ROAE	0.64	0.56	0.54	IFRS Tier 1 Leverage Ratio	-	11.50	-
Cost-to-Income	67.14	65.10	64.14	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.05	18.14	-	Reserves/Loans at Amort. Cost	0.72	0.69	1.00

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional market leader
- Deposit base
- Liability member of the Sparkassen-Finanzgruppe

## Risks / Weaknesses

- Regional concentration
- Profitability
- Intensity of competition

# Sparkasse Dortmund – Mortgage

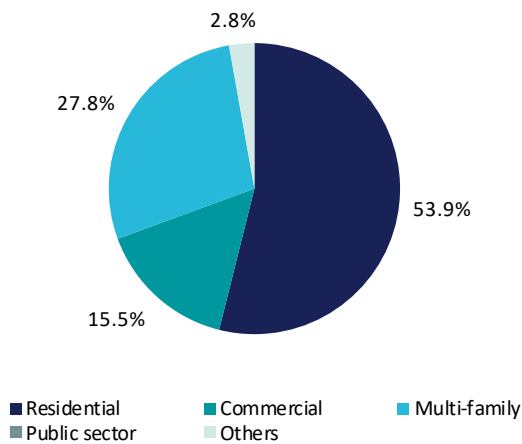
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

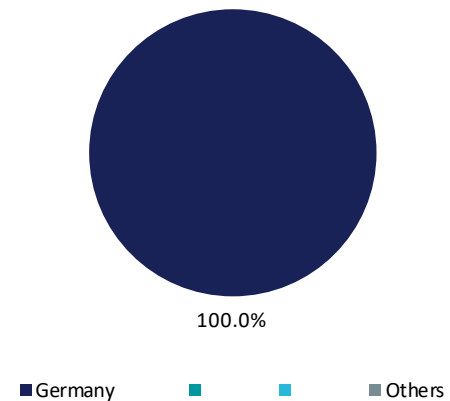
## Cover Pool Data

Cover pool volume (EURm)	927	Rating (Moody's)	-
Amount outstanding (EURm)	580	Rating (S&P)	-
-thereof ≥ EUR 250m	43.1%	Rating (Fitch)	AAA
Current OC (nominal)	59.8%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	4,503	JRL	-
Number of borrowers	3,737	Unused notches	-
Avg. exposure to borrowers (EUR)	241,036	AAA credit risk (%)	-
WAL (cover pool)	16.6y	PCU	6
WAL (covered bonds)	8.5y	Recovery uplift	2
Fixed interest (cover pool)	98.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	2A
LTV (unindexed)	57.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

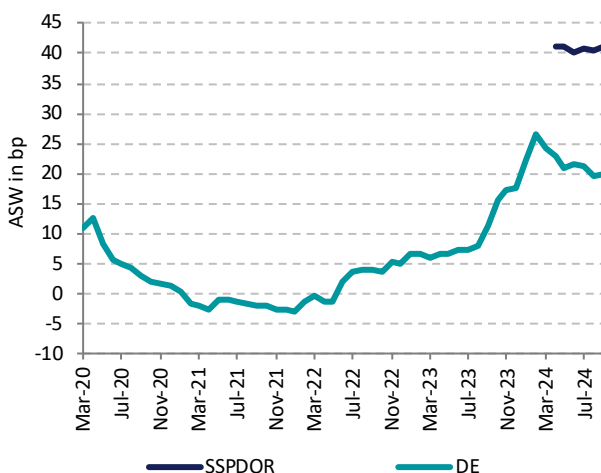
## Borrower Types



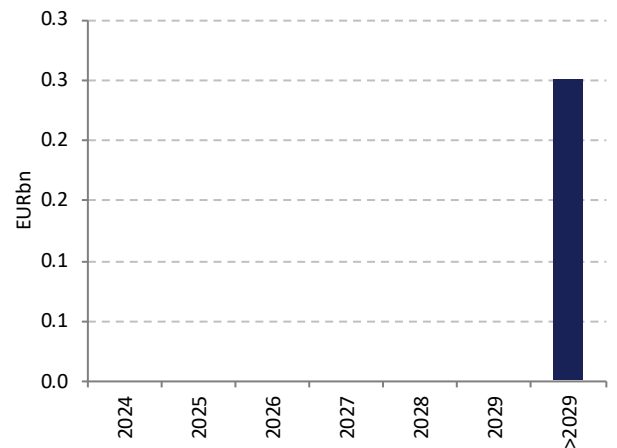
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



# Sparkasse Hannover

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Sparkasse Hannover

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

## Homepage

[www.sparkasse-hannover.de](http://www.sparkasse-hannover.de)

\*Verbundrating

Sparkasse Hannover is a public law institution and Germany's sixth largest savings bank in terms of total assets (data as at year-end 2023). The bank registered growth of 158 employees (to 1,902) during 2023, as a result of, among other factors, the reintegration of the wholly owned subsidiary MarktService Nord GmbH. As a member of the support fund for savings banks of the Sparkassenverband Niedersachsen (association of savings banks in Lower Saxony), Sparkasse Hannover also benefits from the joint protection scheme for German savings banks. In 2023, the savings bank was able to double its operating earnings (before valuation) year on year to EUR 285.6m. The most significant source of income is net interest income, for which growth of EUR +149.7m to EUR 417.3m was reported in 2023. In the same period, loans to customers increased marginally by around EUR 23m to total EUR 14.8bn in FY 2023 overall. Sparkasse Hannover reported net commission income of EUR 117.3m (FY 2023). The institute's operating expenses amounted to EUR 252.6m, which was largely driven by investments in customer offerings in addition to a rise in material expenses and costs related to last year's anniversary celebrations. Increased customer demand for media and digital channels was met in FY 2023 with the opening of two new direct consulting centres (BeratungsCenter Direkt). Moreover, between 2020 and 2024, a sum of roughly EUR 50m was invested in the modernisation of the bank's branch network. Sparkasse Hannover is a regular issuer of mortgage and public sector Pfandbriefe. The institute has had a framework for green issues in place for several years now and successfully placed an inaugural green Pfandbrief of its own in July 2021.

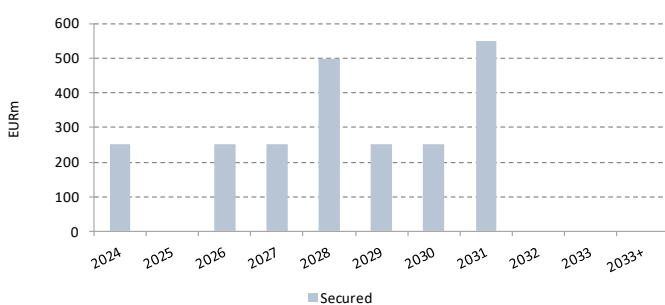
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	13,921	14,785	14,807
Total Securities	2,299	2,289	2,377
Total Deposits	14,924	15,094	14,853
Tier 1 Common Capital	1,386	1,414	1,524
Total Assets	20,404	19,927	20,450
Total Risk-weighted Assets	11,169	11,178	11,464

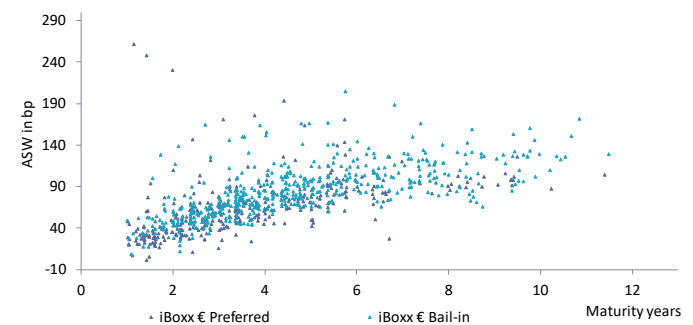
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	192	269	390
Net Fee & Commission Inc.	111	113	117
Net Trading Income	-	-	-
Operating Expense	248	252	272
Credit Commit. Impairment	3	74	68
Pre-tax Profit	56	15	120

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.01	1.37	1.99	Liquidity Coverage Ratio	176.40	132.60	159.50
ROAE	1.42	1.36	1.25	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	76.19	57.27	50.08	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12.41	12.65	13.29	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional market leader in the retail segment
- Deposit base
- Liability member of the Sparkassen-Finanzgruppe

## Risks / Weaknesses

- Regional concentration
- Profitability
- Competitive intensity

# Sparkasse Hannover – Mortgage

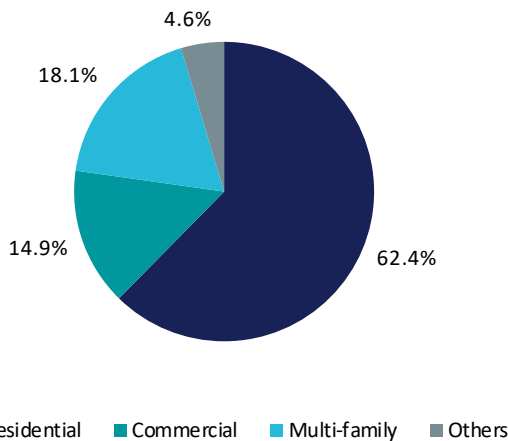
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

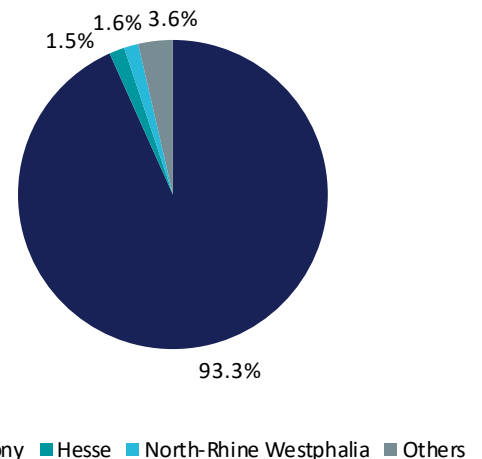
## Cover Pool Data

Cover pool volume (EURm)	3,051	Rating (Moody's)	-
Amount outstanding (EURm)	2,159	Rating (S&P)	-
-thereof ≥ EUR 500m	23.2%	Rating (Fitch)	AAA
Current OC (nominal)	41.3%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	93% Lower Saxony	RRL	-
Number of loans	12,691	JRL	-
Number of borrowers	10,262	Unused notches	-
Avg. exposure to borrowers (EUR)	283,534	AAA credit risk (%)	-
WAL (cover pool)	16.3y	PCU	6
WAL (covered bonds)	4.3y	Recovery uplift	2
Fixed interest (cover pool)	90.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	55.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

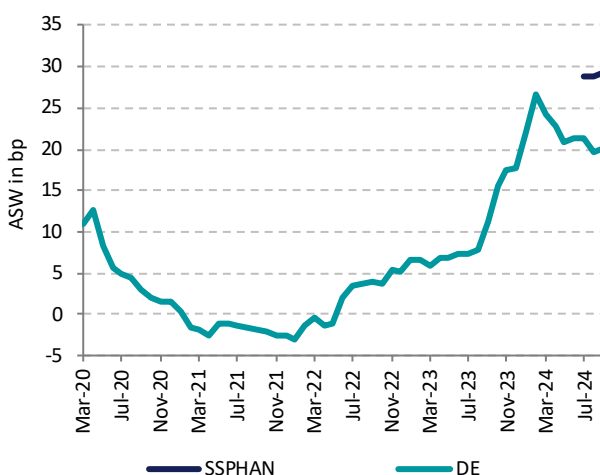
## Borrower Types



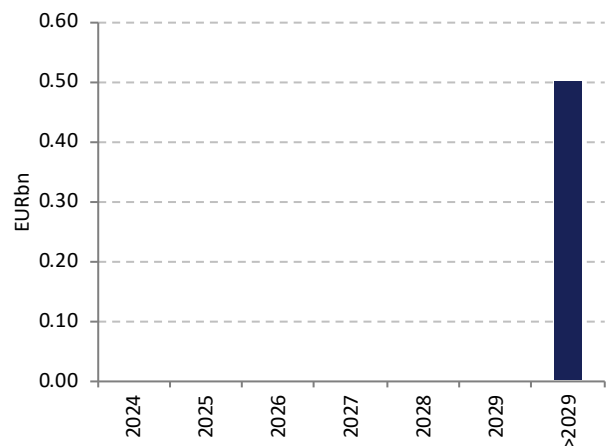
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Sparkasse Hannover – Public Sector

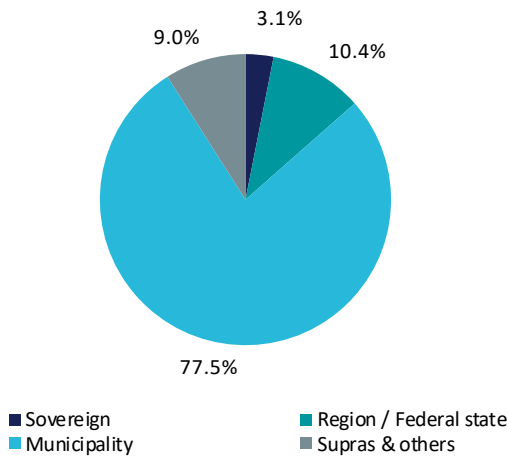
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

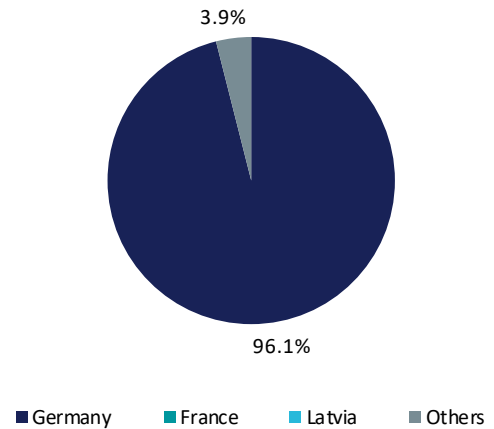
## Cover Pool Data

Cover pool volume (EURm)	1,733	Rating (Moody's)	-
Amount outstanding (EURm)	846	Rating (S&P)	-
-thereof ≥ EUR 250m	59.1%	Rating (Fitch)	AAA
Current OC (nominal)	104.8%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Public Sector	TPI leeway	-
Main country	96% Germany	Collateral score	-
Main region	n/a	RRL	-
Number of loans	385	JRL	-
Number of borrowers	338	Unused notches	-
Avg. exposure to borrowers (EUR)	5,036,061	AAA credit risk (%)	-
WAL (cover pool)	24.2y	PCU	6
WAL (covered bonds)	10.2y	Recovery uplift	2
Fixed interest (cover pool)	95.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

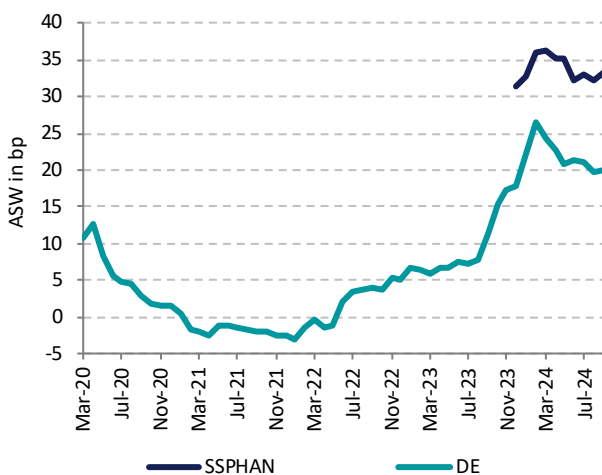
## Borrower Types



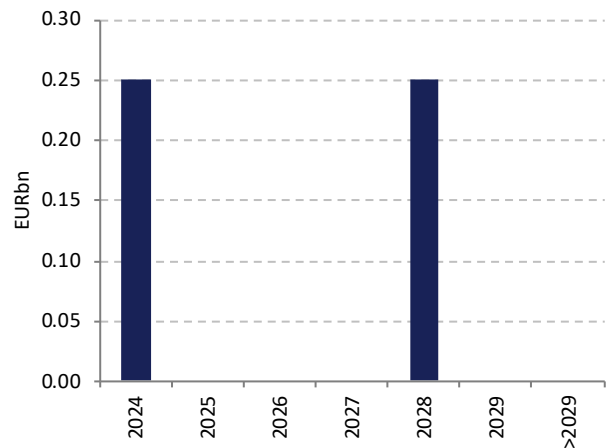
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## Sparkasse KölnBonn

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Sparkasse KölnBonn

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

## Homepage

[www.sparkasse-koelnbonn.de](http://www.sparkasse-koelnbonn.de)

\*Verbundrating

\*\*Senior Unsecured/LT Bank Deposits

Sparkasse KölnBonn (SKB) is a public law institution headquartered in Cologne. SKB was created in 2005 from the merger of Sparkasse Köln and Sparkasse Bonn, and employs around 3,500 staff. The city of Cologne and the federal city of Bonn are the owners of the bank. SKB is a member of the Rheinsicher Sparkassen- und Giroverband (Rhineland Savings Banks and Giro Association; RSGV) and is part of the voluntary institutional protection system and the statutory deposits protection scheme of the Sparkassen-Finanzgruppe via its savings bank support fund. In FY 2023, SKB operated 65 branches and 46 self-service points. Two mobile branches are also available, as well as a direct branch for customer service. In terms of customer target groups, SKB focuses on retail customers, self-employed people, and small and medium-sized enterprises (SMEs) based in the region. The main business segments are retail and business customers. As a universal bank, it offers its customers a broad range of financial services. The loan portfolio comprises the following categories: Corporates and the Self-Employed (FY 2023: 64.3%), Retail (30.1%) and Other (5.6%). The category "Other" includes municipalities, insurance firms and associations. As part of the Strategy 2025 initiative, SKB is working towards a stronger focus on customer needs as well as a sustainable improvement in its earnings and financial position. Moreover, its business activities are to be geared towards recognised sustainability ratings. As part of its sustainability strategy, SKB issued an inaugural green mortgage Pfandbrief in April 2022. The turnover-based green asset ratio amounted to 0.18% in FY 2023.

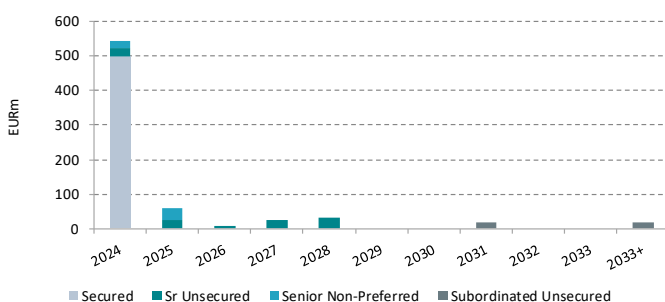
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	20,691	21,439	21,449
Total Securities	3,248	3,183	3,278
Total Deposits	21,947	22,056	22,254
Tier 1 Common Capital	1,786	1,821	1,907
Total Assets	27,969	28,034	28,003
Total Risk-weighted Assets	14,738	15,171	15,391

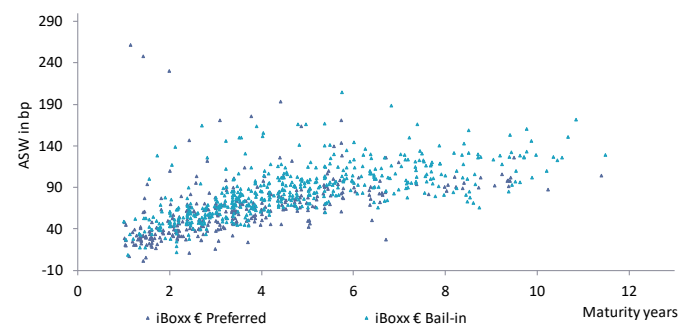
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	328	376	606
Net Fee & Commission Inc.	185	199	213
Net Trading Income	4	7	7
Operating Expense	504	505	549
Credit Commit. Impairment	12	7	35
Pre-tax Profit	58	69	172

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.22	1.39	2.23	Liquidity Coverage Ratio	122.64	161.56	153.96
ROAE	0.96	1.38	1.90	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	84.56	77.00	61.15	NPL/Loans at Amortised Cost	0.98	0.93	-
Core Tier 1 Ratio	12.12	12.01	12.39	Reserves/Loans at Amort. Cost	1.14	1.01	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Funding profile (Deposit base)

## Risks / Weaknesses

- Maintenance of loss absorption capacity
- Regional and sectoral concentration of credit risk

# Sparkasse KölnBonn – Mortgage

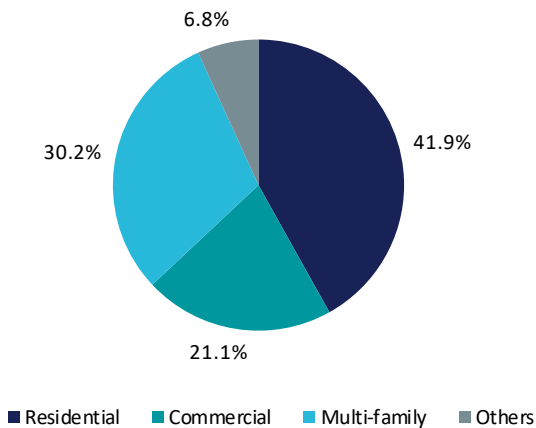
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

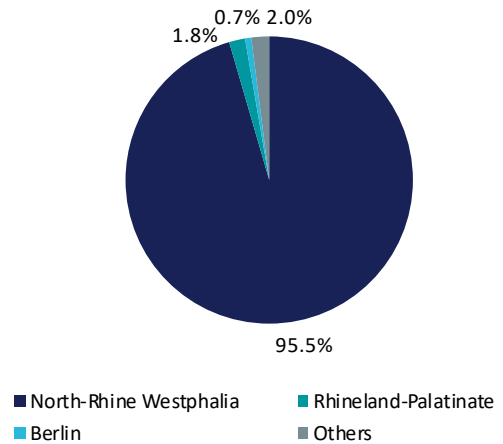
## Cover Pool Data

Cover pool volume (EURm)	8,259	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,292	Rating (S&P)	-
-thereof ≥ EUR 500m	0.0%	Rating (Fitch)	-
Current OC (nominal)	539.3%	Rating (DBRS)	-
Committed OC	2.0%	TPI	High
Cover type	Mortgage	TPI leeway	6
Main country	100% Germany	Collateral score	10.9%
Main region	96% North-Rhine Westphalia	RRL	-
Number of loans	37,980	JRL	-
Number of borrowers	28,546	Unused notches	-
Avg. exposure to borrowers (EUR)	269,661	AAA credit risk (%)	-
WAL (cover pool)	13.4y	PCU	-
WAL (covered bonds)	5.1y	Recovery uplift	-
Fixed interest (cover pool)	92.6%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	53.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

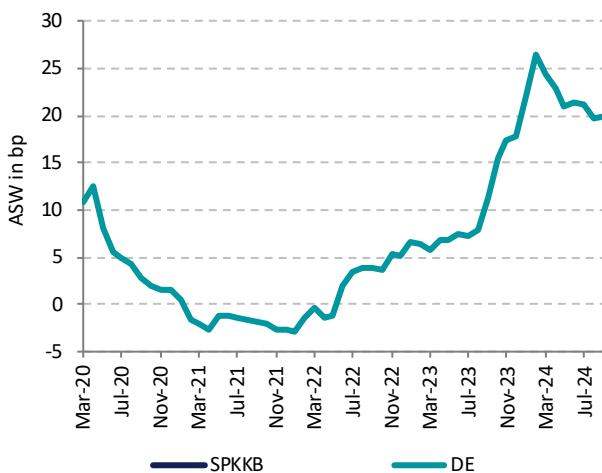
## Borrower Types



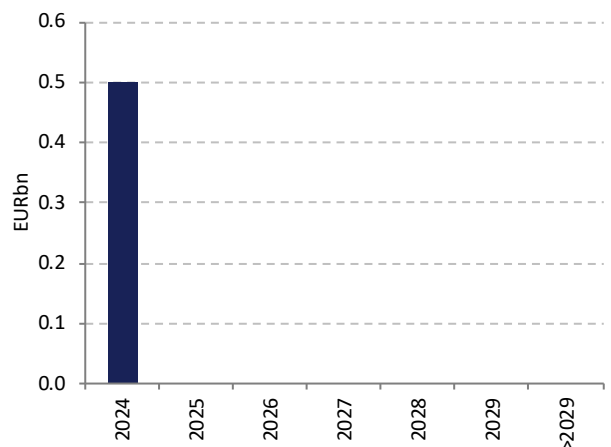
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Sparkasse Pforzheim Calw

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Sparkasse Pforzheim Calw

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

## Homepage

[www.sparkasse-pforzheim-calw.de](http://www.sparkasse-pforzheim-calw.de)

\*Verbundrating

Sparkasse Pforzheim Calw, headquartered in Pforzheim is a non-profit public law institution. Measured by total assets, it is the largest savings bank in Baden-Württemberg and the seventh largest in Germany as a whole. With a balance sheet total that exceeds EUR 15bn as an average of the past four years, it has been considered a domestic systemically important bank (D-SIB) since FY 2022. Sparkasse Pforzheim Calw is a member of the Association of Savings Banks in Baden-Württemberg (SVBW), via which it is part of the (German Savings Banks Association (Deutscher Sparkassen und Giroverband e.V. - DSGV). As a member of the DSGV, the bank is affiliated with the protection system of the Sparkassen-Finanzgruppe. The savings bank's area of business covers the city of Pforzheim in addition to the districts of Enz and Calw, which are at the same time the sponsors and owners of Sparkasse Pforzheim Calw. The bank employs approximately 1,869 staff, who serve retail customers, corporates and municipalities at its headquarters and 80 business branches. The deposit and lending businesses constitute the primary fields of activity at Sparkasse Pforzheim Calw. Furthermore, the savings bank's areas of expertise also extend to M&A, financial engineering, wealth management and leasing, among others. The funding mix of the savings bank primarily comprises customer deposits (56%), followed by liabilities to institutional customers (29%) and Pfandbriefe (11%). Since 2023, Sparkasse Pforzheim Calw has been an active issuer of Pfandbriefe in the EUR benchmark segment. As part of the public mandate, the savings bank paid out EUR 2.8m in the form of sponsorships and donations to 692 charitable projects and associations.

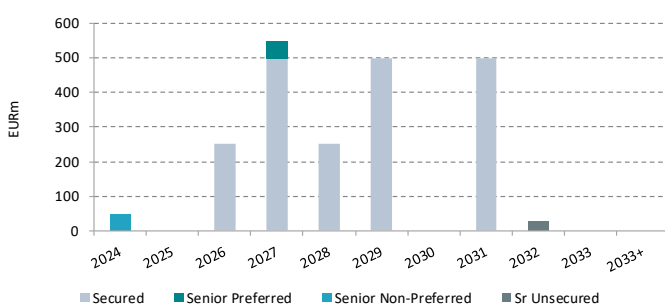
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	9,940	10,705	10,760
Total Securities	3,363	3,261	3,926
Total Deposits	9,921	10,191	12,338
Tier 1 Common Capital	1,104	1,154	-
Total Assets	16,096	16,710	17,352
Total Risk-weighted Assets	9,063	9,542	-

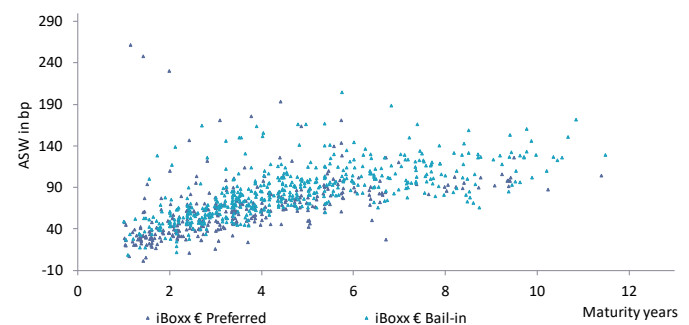
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	211	315	259
Net Fee & Commission Inc.	74	76	77
Net Trading Income	20	18	15
Operating Expense	201	208	226
Credit Commit. Impairment	31	149	21
Pre-tax Profit	49	49	58

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1,38	1,99	1,59	Liquidity Coverage Ratio	123,50	157,30	175,10
ROAE	1,32	1,26	1,19	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	62,94	46,30	61,04	NPL/Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12,18	12,10	-	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg. S&P Global Market Intelligence. NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional market position
- Member of the Sparkassen-Finanzgruppe

## Risks / Weaknesses

- Profitability
- Regional concentration risks

# Sparkasse Pforzheim Calw – Mortgage

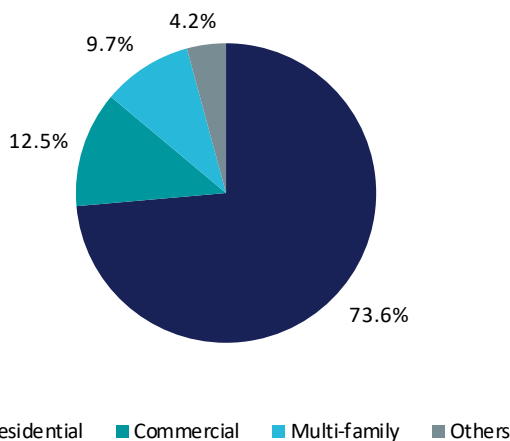
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

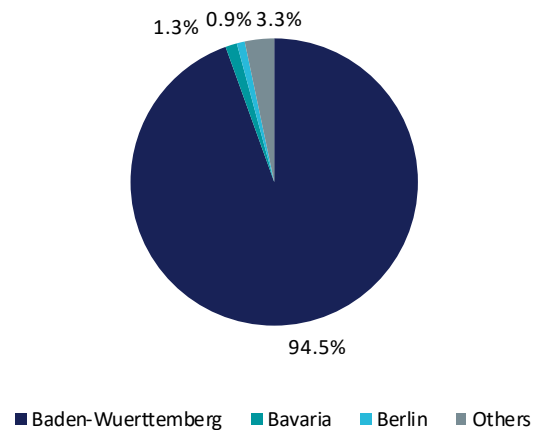
## Cover Pool Data

Cover pool volume (EURm)	3,002	Rating (Moody's)	-
Amount outstanding (EURm)	2,303	Rating (S&P)	-
-thereof ≥ EUR 500m	65.1%	Rating (Fitch)	AAA
Current OC (nominal)	30.3%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	95% Baden-Wuerttemberg	RRL	-
Number of loans	24,826	JRL	-
Number of borrowers	19,756	Unused notches	-
Avg. exposure to borrowers (EUR)	145,557	AAA credit risk (%)	-
WAL (cover pool)	14.6y	PCU	6
WAL (covered bonds)	4.9y	Recovery uplift	2
Fixed interest (cover pool)	92.8%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	53.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

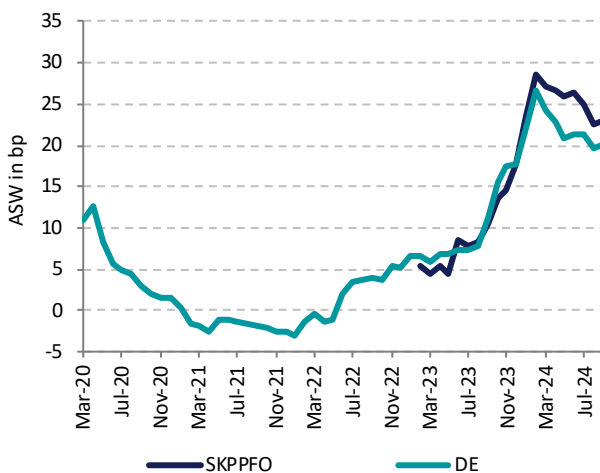
## Borrower Types



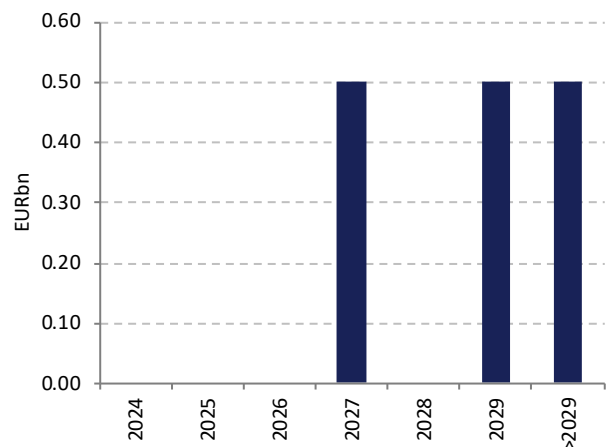
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Stadtsparkasse München

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Stadtsparkasse München

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

## Homepage

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

\*Verbundrating

Stadtsparkasse München (SSKM) is a public law institution originally founded in 1824, meaning that it celebrates its bicentennial in 2024. As measured by total assets (FY 2023: EUR 22.9bn), SSKM is the fourth largest savings bank in Germany. The city of Munich, as the regional capital of the Free State of Bavaria, is the owner of SSKM. The bank is a member of the Sparkassen-Finanzgruppe. As such, SSKM is also affiliated with the protection system of the Sparkassen-Finanzgruppe. The protection system guarantees voluntary institutional protection in addition to ensuring compliance with statutory deposit protection regulations. SSKM serves its customers across 46 branches (data as at September 2023) and employs around 2,300 staff, including 245 trainees. As a result, SSKM is the savings bank with the highest training quota in Germany. According to its own information, the savings bank is a market leader in the retail and corporate customer business in the Munich region. In total, SSKM has around 810,000 customers and maintains a portfolio of 497,000 current accounts and 91,400 custodial accounts. Alongside the banking business, SSKM is also active in the field of real estate advisory and as a real estate broker. Customer deposits represent the most important means of funding for SSKM. As at 30 September 2023, these constitute 91% of the funding mix. The remainder is attributable to liabilities to credit institutes (5%) and Pfandbrief issues (4%). SSKM arranges its social engagement activities under the motto of "Die Bank unserer Stadt" (the bank for our city). In FY 2023, it donated EUR 2.8m to 210 charitable projects and plans to donate a further EUR 13.5m to charitable causes in the Munich area as part of its bicentennial celebrations.

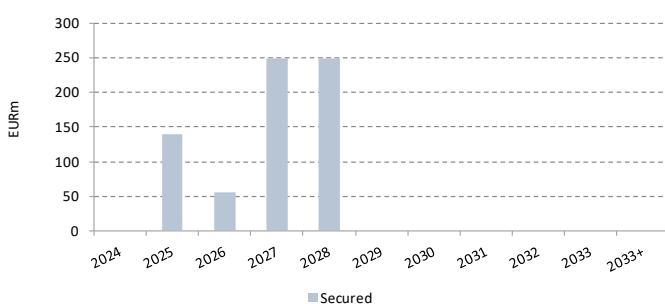
## Balance Sheet

(EURm)	2020Y	2021Y	2022Y
Net Loans to Customers	15,310	15,974	16,620
Total Securities	2,807	2,422	2,813
Total Deposits	17,691	18,648	18,663
Tier 1 Common Capital	1,968	2,000	2,039
Total Assets	22,060	23,706	23,140
Total Risk-weighted Assets	13,546	14,618	14,723

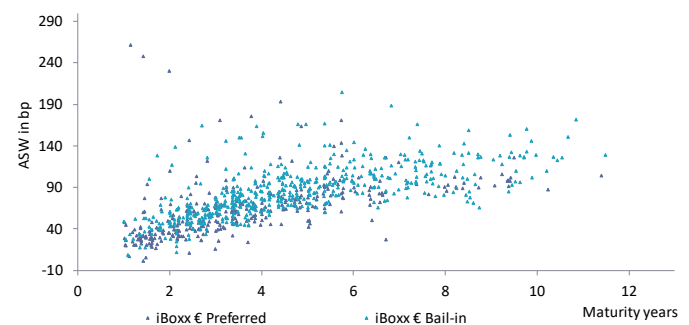
## Income Statement

(EURm)	2020Y	2021Y	2022Y
Net Interest Income	256	237	282
Net Fee & Commission Inc.	132	173	172
Net Trading Income	2	2	5
Operating Expense	319	325	343
Credit Commit. Impairment	72	58	49
Pre-tax Profit	79	85	96

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2020Y	2021Y	2022Y	2020Y	2021Y	2022Y	
Net Interest Margin	1.28	1.09	1.27	Liquidity Coverage Ratio	181.00	141.10	146.19
ROAE	1.82	2.08	2.03	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	67.43	69.30	65.82	NPL/Loans at Amortised Cost	-	-	0.35
Core Tier 1 Ratio	14.53	13.68	13.85	Reserves/Loans at Amort. Cost	0.20	0.30	0.38

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Regional market position
- Member of the Sparkassen-Finanzgruppe

## Risks / Weaknesses

- Profitability
- Regional concentration risks

# Stadtsparkasse München – Mortgage

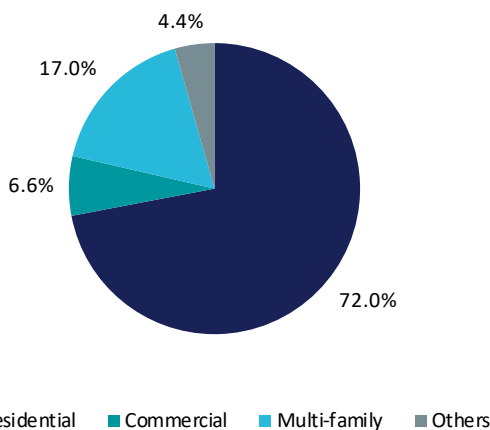
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

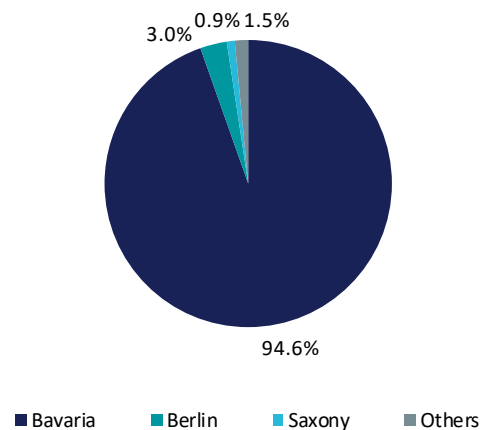
## Cover Pool Data

Cover pool volume (EURm)	1,415	Rating (Moody's)	-
Amount outstanding (EURm)	715	Rating (S&P)	-
-thereof ≥ EUR 250m	69.9%	Rating (Fitch)	AA+
Current OC (nominal)	97.9%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	95% Bavaria	RRL	-
Number of loans	4,820	JRL	-
Number of borrowers	3,678	Unused notches	-
Avg. exposure to borrowers (EUR)	367,766	AAA credit risk (%)	-
WAL (cover pool)	16.5y	PCU	6
WAL (covered bonds)	2.5y	Recovery uplift	1
Fixed interest (cover pool)	99.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (SBmk)	2A
LTV (unindexed)	51.4%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

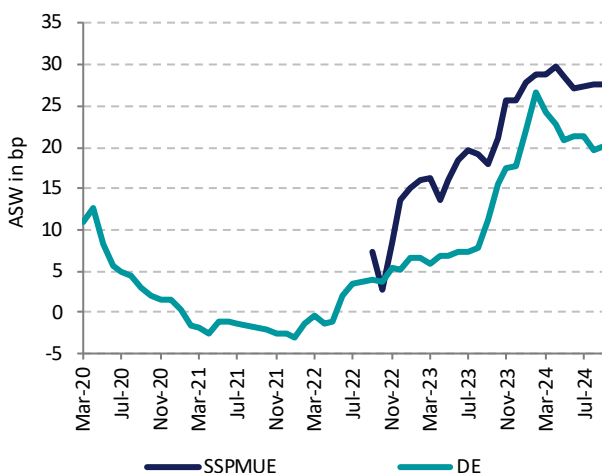
## Borrower Types



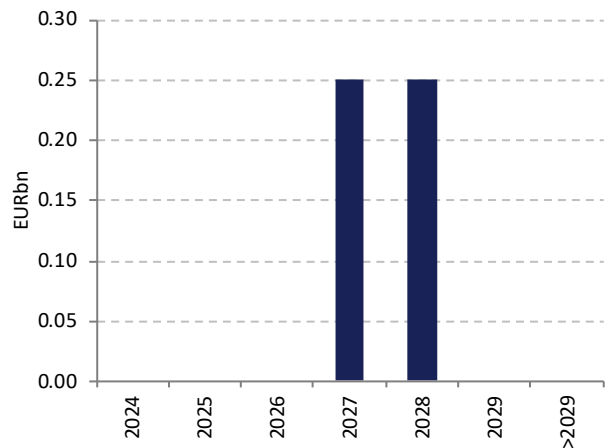
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# UniCredit Bank

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### UniCredit Bank GmbH

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

## Homepage

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

UniCredit Bank GmbH (previously known as UniCredit Bank AG; UCB), headquartered in Munich, is one of the largest banks in Germany. It is the parent company of the HVB Group and a wholly owned subsidiary of UniCredit S.p.A. (UniCredit). The HVB Group operates 371 business branches worldwide, of which 273 are located in Germany. The bank employs around 9,600 staff (FY 2023). The HVB Group provides its retail and corporate customers, as well as public bodies, international corporations and institutional clients a comprehensive range of universal bank services. Moreover, customers are offered access to a global network of UniCredit commercial banks active in 13 countries. HVB also acts as a competence centre for investment banking and customer risk management at UniCredit. HVB reports across the segments of Retail (FY 2023: 9.1% of pre-tax profit), Corporates (87.4%) and Other (3.5%). The focus of the strategic plan "UniCredit Unlocked" is on streamlining the operating model by way of comprehensive process optimisation and digitalisation, growth in selected business segments and enhancing capital efficiency. In line with this strategy, administrative expenses were reduced in FY 2023. In total, 56.6% of the funding mix comes from the customer deposit business, followed by bond transactions (incl. Pfandbriefe; 12%), deposits from other banks (10.2%) and central bank liquidity (8.4%). As part of UniCredit's Sustainability Bond Framework, UCB placed two green Pfandbriefe with a total volume of EUR 1bn in March 2023. The green asset ratio at group level totalled 1.2% as measured by turnover.

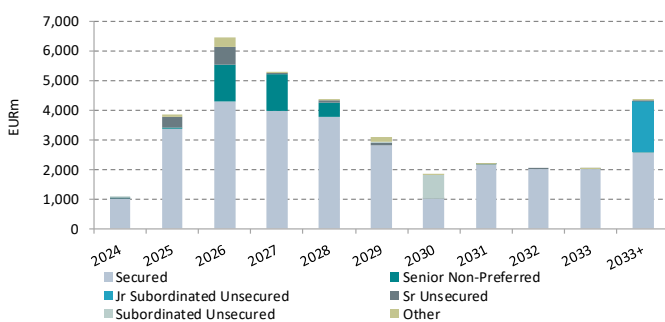
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	154,875	154,477	159,213
Total Securities	97,887	81,487	86,068
Total Deposits	147,422	139,557	136,828
Tier 1 Common Capital	16,060	15,864	15,821
Total Assets	318,006	283,292	282,402
Total Risk-weighted Assets	82,077	69,767	68,044

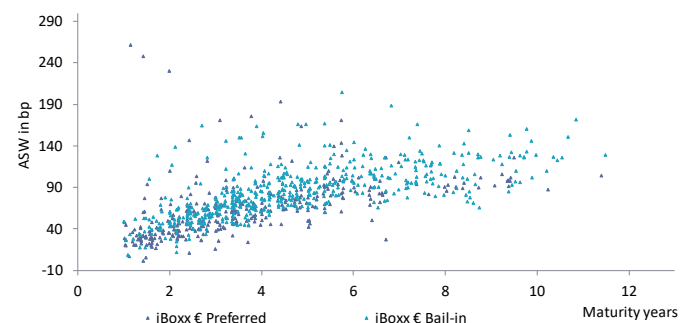
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,626	2,739	1,271
Net Fee & Commission Inc.	1,120	1,165	670
Net Trading Income	1,110	1,430	862
Operating Expense	2,646	2,706	1,148
Credit Commit. Impairment	302	168	132
Pre-tax Profit	1,768	2,139	1,574

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	0.79	0.85	0.93	Liquidity Coverage Ratio	-	-	-
ROAE	1.83	6.93	8.75	IFRS Tier 1 Leverage Ratio	5.68	6.06	6.49
Cost-to-Income	80.53	55.76	52.99	NPL/Loans at Amortised Cost	2.07	1.76	1.83
Core Tier 1 Ratio	17.45	19.57	22.74	Reserves/Loans at Amort. Cost	1.20	1.16	1.16

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 05.06.2020

## Strengths / Opportunities

- Franchise in German corporate banking
- Capitalisation
- Funding profile

## Risks / Weaknesses

- Risks from integration in the UniCredit Group
- Volatile business fields
- Limited growth prospects

# UniCredit Bank – Mortgage

Germany 

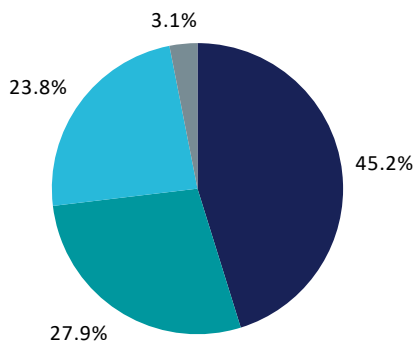
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	34,394
Amount outstanding (EURm)	26,779
-thereof ≥ EUR 500m	65.7%
Current OC (nominal)	28.4%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Germany
Main region	43% Bavaria
Number of loans	125,843
Number of borrowers	101,904
Avg. exposure to borrowers (EUR)	327,080
WAL (cover pool)	6.8y
WAL (covered bonds)	5.4y
Fixed interest (cover pool)	82.8%
Fixed interest (covered bonds)	99.6%
LTV (indexed)	51.1%
LTV (unindexed)	-
Loans in arrears	0.0%

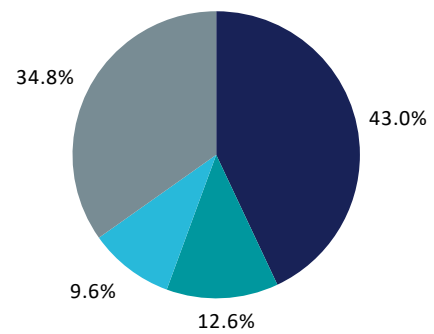
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	4
Collateral score	12.2%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



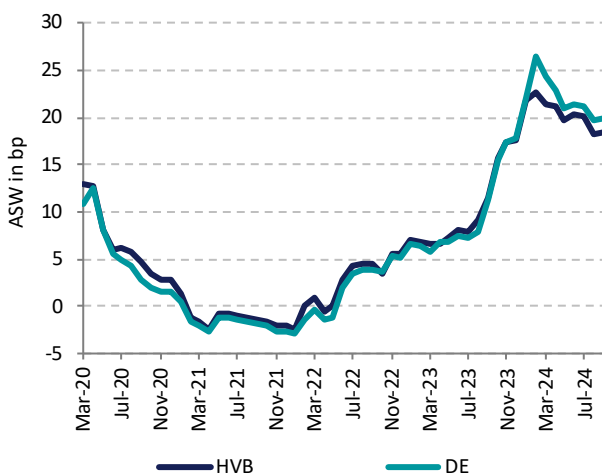
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



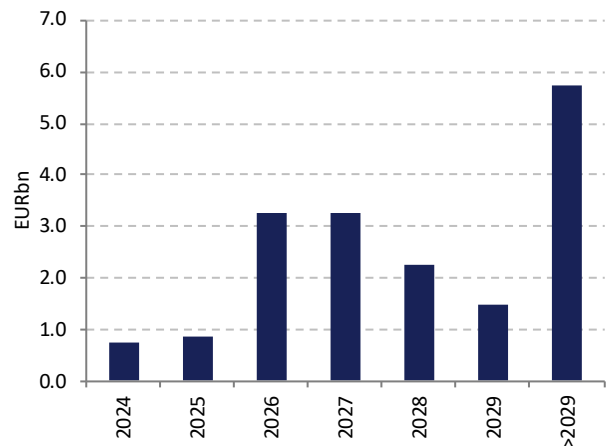
■ Bavaria ■ Berlin ■ North Rhine-Westphalia ■ Others

## Spread Development



— HVB — DE

## Redemption Profile (Bmk)





# UniCredit Bank – Public Sector

Germany 

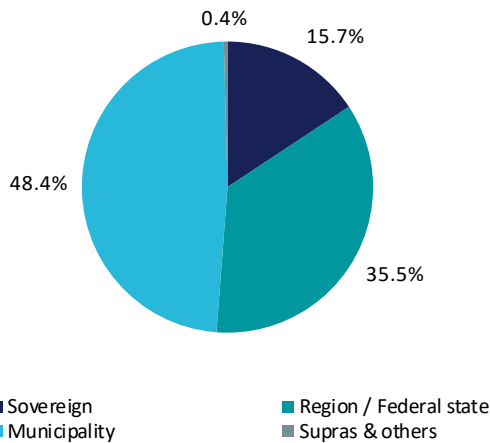
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

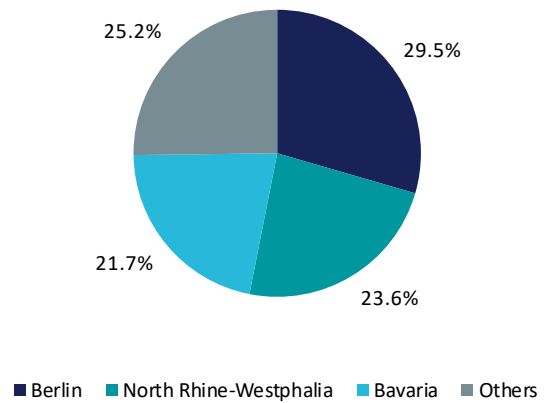
Cover pool volume (EURm)	8,074
Amount outstanding (EURm)	5,928
-thereof ≥ EUR 500m	21.1%
Current OC (nominal)	36.2%
Committed OC	2.0%
Cover type	Public Sector
Main country	94% Germany
Main region	30% Berlin
Number of loans	1,436
Number of borrowers	741
Avg. exposure to borrowers (EUR)	10,895,951
WAL (cover pool)	12.9y
WAL (covered bonds)	6.0y
Fixed interest (cover pool)	81.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	High
TPI leeway	4
Collateral score	5.7%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

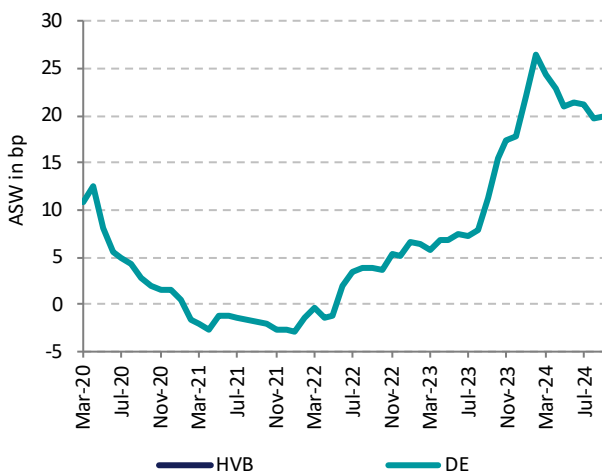
## Borrower Types



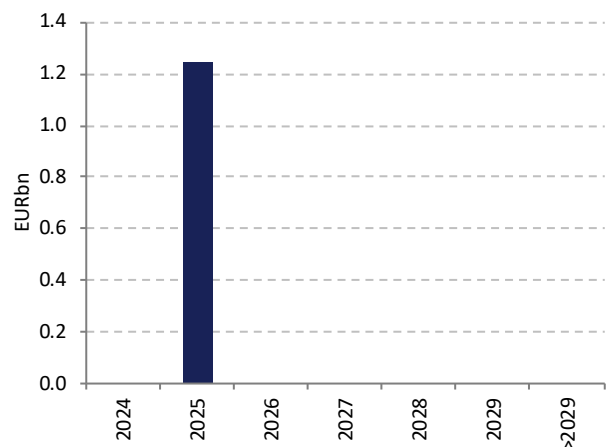
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Wüstenrot Bausparkasse

Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Wüstenrot Bausparkasse AG

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

## Homepage

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

Wüstenrot Bausparkasse AG (Wüstenrot), headquartered in Kornwestheim, was established in 1921, making it the oldest private building society in Germany. Wüstenrot & Württembergische AG (W&W) is the sole shareholder of the group. The Wüstenrot Foundation holds 67.4% of the shares in W&W via Wüstenrot Holding AG and the WS Holding. Since the merger between Wüstenrot and Württembergische, the savings bank has been part of the W&W Group. The institute focuses on the German market, although it does also operate a subsidiary in Luxembourg. The group's activities are split between the business segments Residential and Insurance. In addition to the building society, the Residential business segment includes Wüstenrot Haus- und Städtebau GmbH and Wüstenrot Immobilien GmbH. The bank is the second largest building society in Germany as measured by new business and mainly offers baupar contracts and home loans. In addition, savings and investment products are offered. Wüstenrot sells its products via personal advisers and cooperation partners from the banking and insurance sector, among other channels. As measured by consolidated net profit at W&W, the "Residential" segment contributes 38.9% (FY 2023) to the post-tax group result, with the Insurance segment responsible for a share of 61.1%. In November 2023, Wüstenrot issued its first green Pfandbrief with a volume of EUR 500m. Based on turnover, the proportion of capital investments at group level geared towards financing taxonomy-compliant economic activities stood at 2.7% (FY 2023).

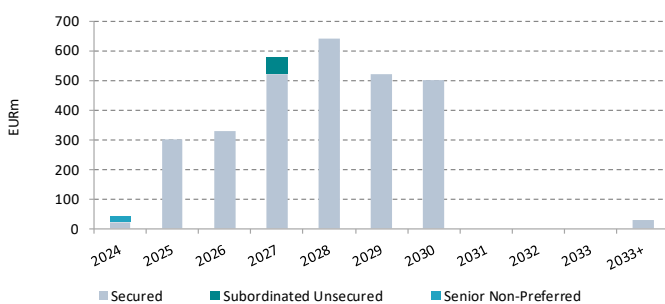
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	24,911	26,034	26,840
Total Securities	3,079	3,398	3,631
Total Deposits	23,518	24,448	25,129
Tier 1 Common Capital	1,245	1,300	-
Total Assets	30,711	31,766	32,491
Total Risk-weighted Assets	6,759	6,915	-

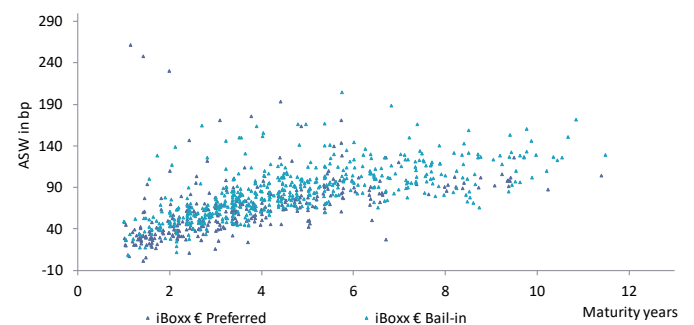
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	410	552	230
Net Fee & Commission Inc.	-62	-81	-22
Net Trading Income	-	-	-
Operating Expense	391	424	191
Credit Commit. Impairment	21	2	32
Pre-tax Profit	35	49	23

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.36	1.77	1.44	Liquidity Coverage Ratio	171.36	284.54
ROAE	2.63	3.09	3.01	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	74.06	81.05	79.48	NPL/Loans at Amortised Cost	0.98	1.18
Core Tier 1 Ratio	18.42	18.80	-	Reserves/Loans at Amort. Cost	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Demand for building society contracts
- Capitalisation
- Stability through W&W (bancassurance group)

## Risks / Weaknesses

- Dependency on the German housing sector
- Profitability
- Sensitivity of baupar customers

# Wüstenrot Bausparkasse – Mortgage

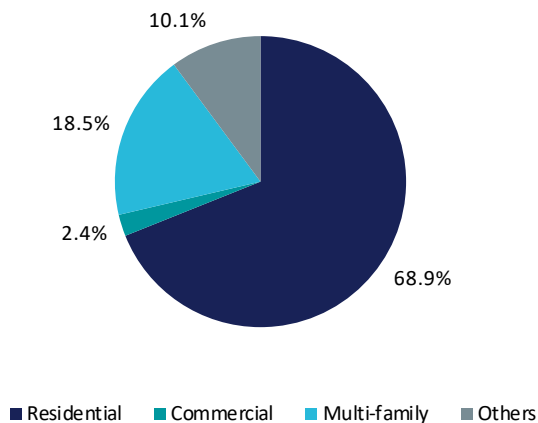
Germany 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

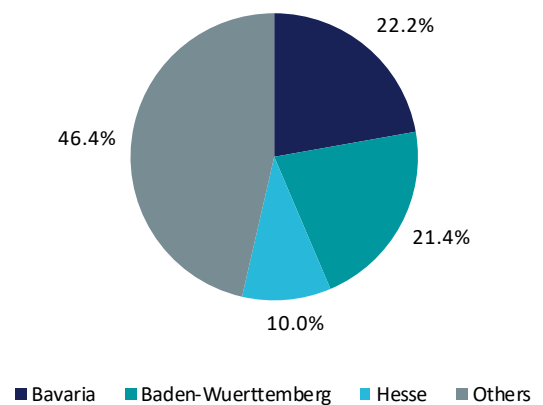
## Cover Pool Data

Cover pool volume (EURm)	4,350	Rating (Moody's)	-
Amount outstanding (EURm)	3,461	Rating (S&P)	AAA
-thereof ≥ EUR 500m	60.7%	Rating (Fitch)	-
Current OC (nominal)	25.7%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Germany	Collateral score	-
Main region	22% Bavaria	RRL	a+
Number of loans	34,132	JRL	aa+
Number of borrowers	29,754	Unused notches	0
Avg. exposure to borrowers (EUR)	131,384	AAA credit risk (%)	4.0%
WAL (cover pool)	6.4y	PCU	-
WAL (covered bonds)	4.1y	Recovery uplift	-
Fixed interest (cover pool)	99.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	99.4%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	50.8%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

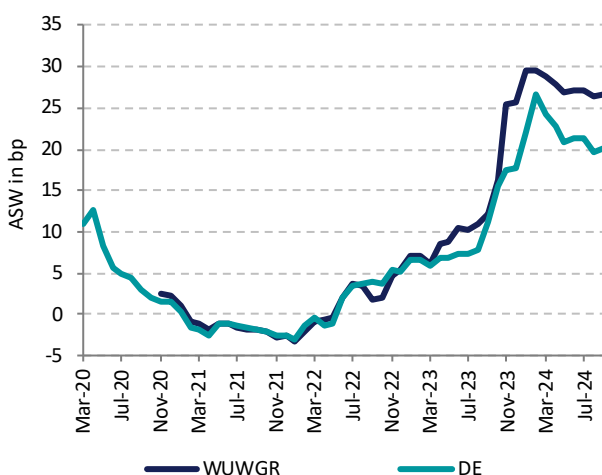
## Borrower Types



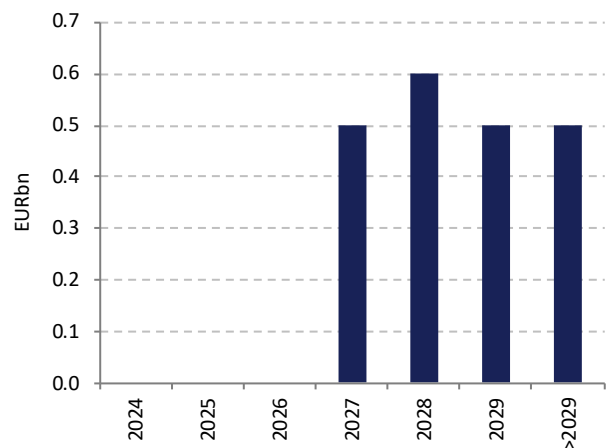
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



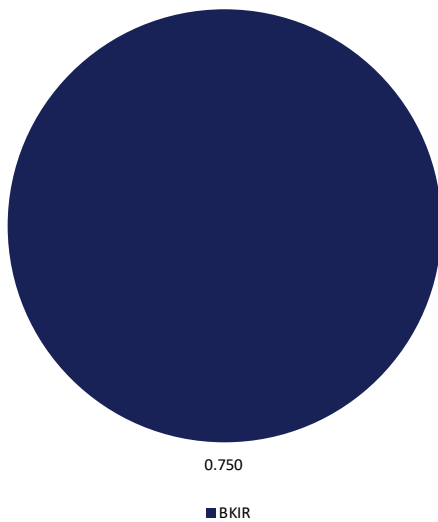
Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Market Overview Covered Bonds

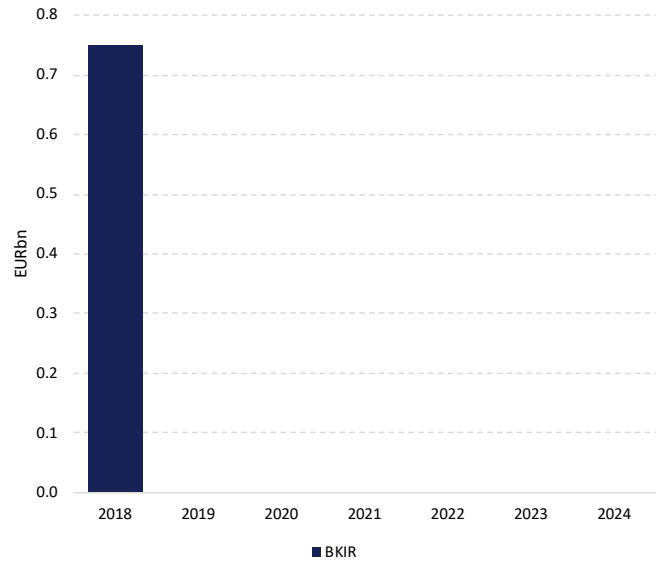
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 12.19bn	Outstanding volume (Bmk)	EUR 0.75bn
Amount outstanding	EUR 2.13bn	Number of benchmarks	1
Number of issuers	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

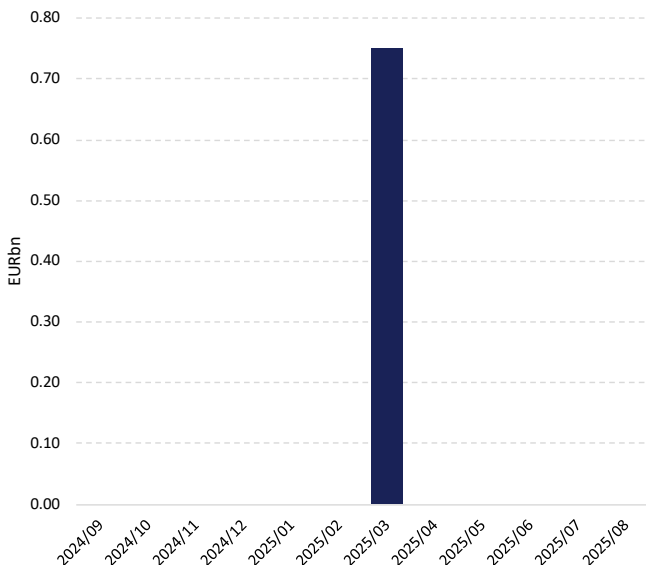
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



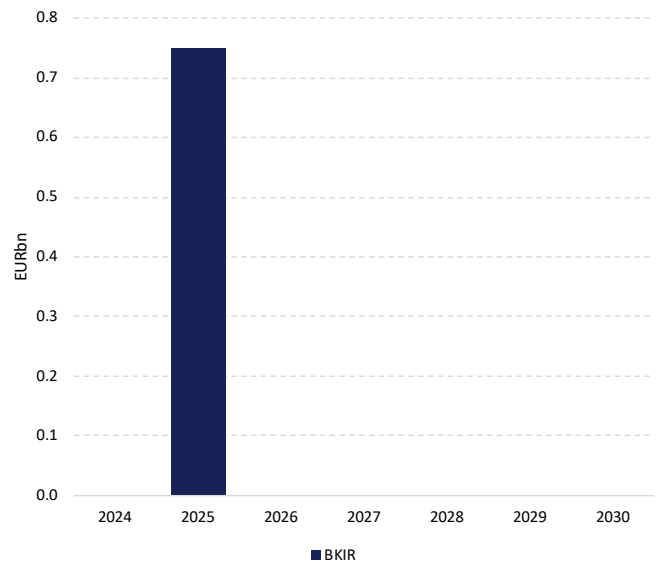
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Bank of Ireland

Ireland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Bank of Ireland Group PLC

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

## Homepage

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

Headquartered in Dublin, Bank of Ireland (BOI) is one of Ireland's largest banks as measured by assets (FY 2023: EUR 155bn). BOI shares are traded on the Euronext Dublin and the London Stock Exchange. Via its branch and distribution network, BOI offers its products and services predominantly on its domestic market of the Republic of Ireland, the UK and other selected international markets. The bank is split into the following six business segments: Retail Ireland (FY 2023: 44.6% of operating profit), Wealth and Insurance (5.5%), Retail UK (13.8%), Corporate & Markets (59.1%), Other (1.0%) and Group Centre (-23.2%). More than half of the loan portfolio is made up of mortgages (FY 2023: 59%), for which BOI has a market share of 41% in Ireland. Loans from the categories SMEs and corporates (25%), real estate and construction (CRE; 9%) and consumer loans (7%) round off the lending portfolio. Geographically, the majority of the lending portfolio is attributable to Ireland (73.4%) and the UK (25.4%). In February 2023, the bank concluded an acquisition of the loan portfolio of KBC Ireland (around 150,000 customers; EUR 8bn in loans). Refinancing mainly takes place via customer deposits (64.1% of liabilities), with capital market placements serving to diversify the funding mix. The major share of wholesale funding consists of senior debt (FY 2023: 58.3%) and central bank loans (16.7%), with covered bonds accounting for 8.3%. In FY 2023, BOI issued green bonds in the amount of EUR 2.3bn under its Green Bond Framework, bringing the total volume of green issuances to EUR 4.8bn in the process.

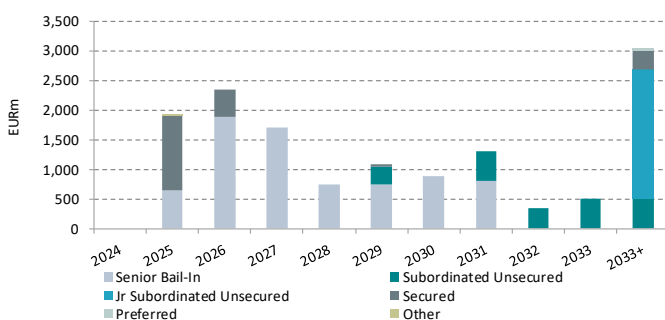
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	71,961	79,729	81,431
Total Securities	31,679	34,871	35,708
Total Deposits	99,200	100,183	100,795
Tier 1 Common Capital	7,278	7,636	7,521
Total Assets	150,689	155,708	159,134
Total Risk-weighted Assets	46,800	52,556	52,200

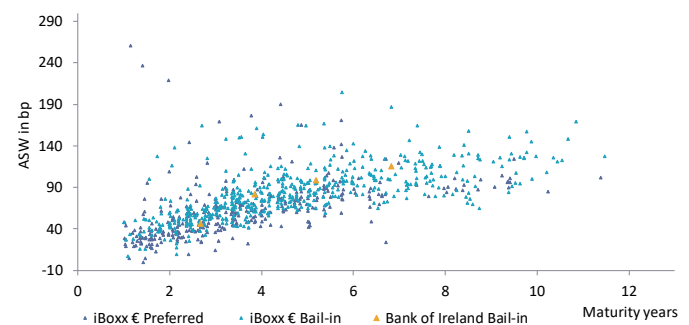
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,487	3,707	1,832
Net Fee & Commission Inc.	385	454	247
Net Trading Income	132	65	109
Operating Expense	1,813	2,071	1,125
Credit Commit. Impairment	195	426	49
Pre-tax Profit	1,011	1,938	1,080

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.71	2.54	2.44	Liquidity Coverage Ratio	221.06	195.52	199.00
ROAE	7.51	13.30	13.94	IFRS Tier 1 Leverage Ratio	4.99	5.06	4.86
Cost-to-Income	57.48	45.95	49.82	NPL / Loans at Amortised Cost	3.65	3.17	2.99
Core Tier 1 Ratio	15.55	14.53	14.41	Reserves/Loans at Amort. Cost	1.77	1.51	1.52

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in Ireland
- Deposit base
- Capitalisation

## Risks / Weaknesses

- Declining asset quality
- Competitive pressure
- CRE exposure

# Bank of Ireland – Mortgage

Ireland 

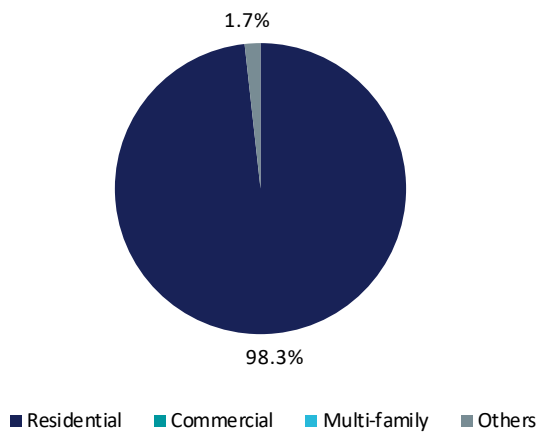
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

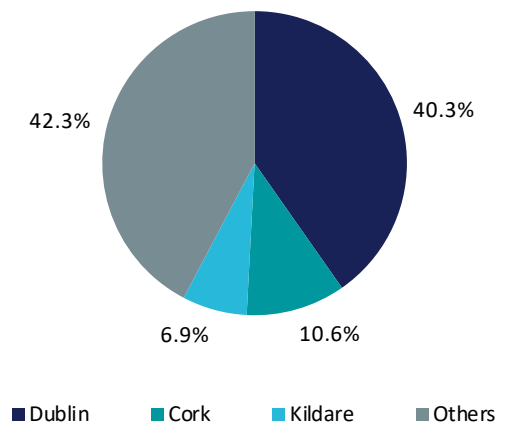
Cover pool volume (EURm)	12,189
Amount outstanding (EURm)	2,127
-thereof ≥ EUR 500m	35.3%
Current OC (nominal)	473.1%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Ireland
Main region	40% Dublin
Number of loans	79,306
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	11.7y
WAL (covered bonds)	3.6y
Fixed interest (cover pool)	80.4%
Fixed interest (covered bonds)	55.3%
LTV (indexed)	48.7%
LTV (unindexed)	61.7%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	3
Collateral score	6.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

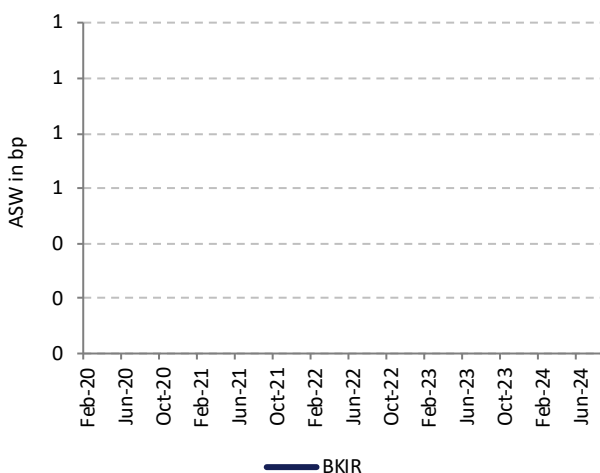
## Borrower Types



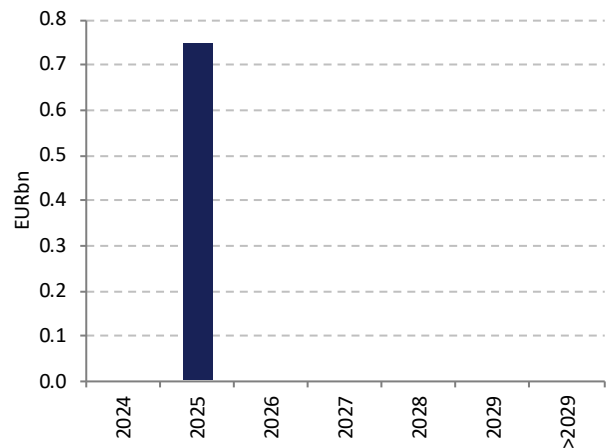
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

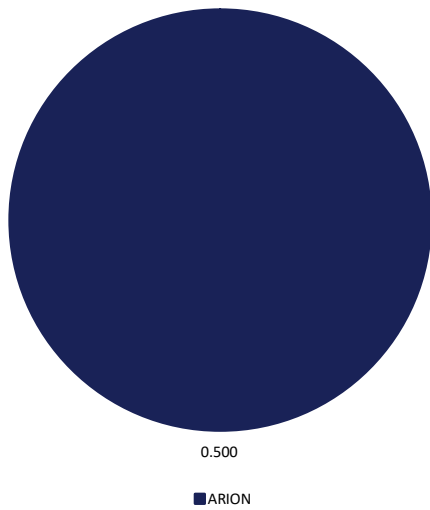
# Market Overview Covered Bonds

Iceland 

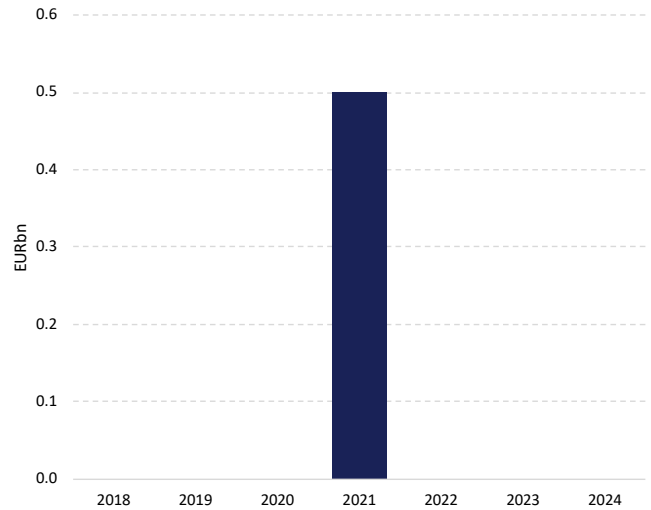
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 7.76bn	Outstanding volume (Bmk)	EUR 0.50bn
Amount outstanding	EUR 6.48bn	Number of benchmarks	1
Number of issuers	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)	EUR 0.60bn
Ratings (low / high)	A / AA	Number of subbenchmarks	2
Best possible LCR level	Level 2A	Maturity types	SB

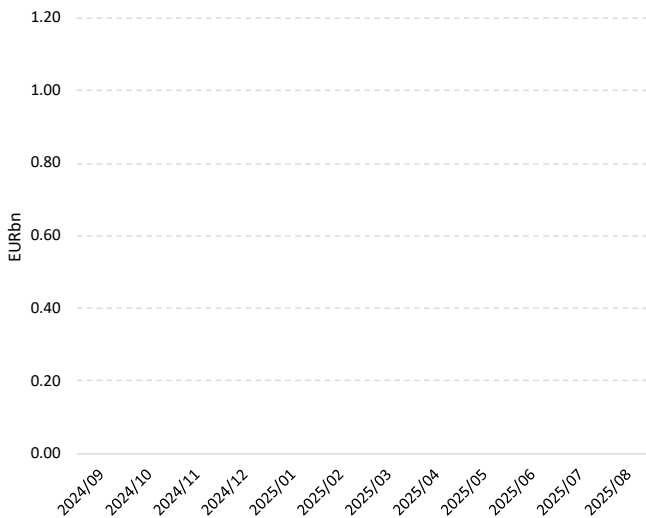
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



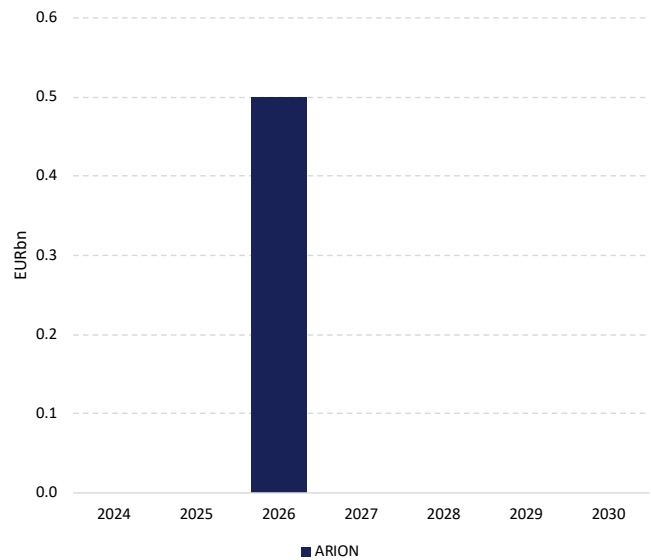
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Arion Banki

Iceland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Arion Banki hf

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

## Homepage

[www.arionbanki.is](http://www.arionbanki.is)

Headquartered in the Icelandic capital of Reykjavik, Arion Banki hf. (Arion) is one of the largest banks in Iceland as measured by assets (Q1 2024: ISK 1,544bn) and is classified as a domestic systemically important bank (D-SIB). Arion offers a wide range of financial services to institutes in addition to retail and business customers. Arion's traditional deposit and lending business is supplemented by services in areas such as investment banking, funds management and insurance. Products in the latter two categories are offered via the subsidiaries Stefnir and Vördur. The bank reports across three operating business segments: Retail Banking, Corporate & Investment Banking (CIB) as well as Markets and Stefnir. Moreover, reporting at Arion is rounded off by the segments Treasury, Other Subsidiaries and Supporting Units. In total, loans to private individuals comprise 52.4% of the loan portfolio (Q1 2024), with this being further diversified by property-related loans (9.6%) in addition to loans for the construction sector (7.0%) and fishing industry (7.0%). The majority of the funding mix (51.9% of liabilities in Q1 2024) comprises customer deposits, while covered bonds denominated in EUR and Icelandic krona (ISK) constitute 16.7% of liabilities. The institute published its Green Financing Framework in 2021, under which it had placed a total of four bonds on the market by year-end 2023. The share of green loans in the overall loan portfolio of the bank had slightly reduced compared with the previous year, standing at 10.7% by the end of the year. The bank additionally plans to integrate social aspects into its Green Financing Framework from 2024 onwards.

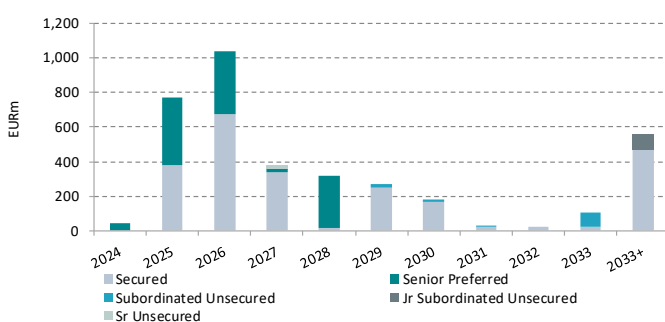
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	7,146	7,657	8,063
Total Securities	1,274	1,366	1,110
Total Deposits	4,976	5,266	5,676
Tier 1 Common Capital	1,092	1,192	1,184
Total Assets	9,655	10,134	10,518
Total Risk-weighted Assets	5,816	6,048	6,389

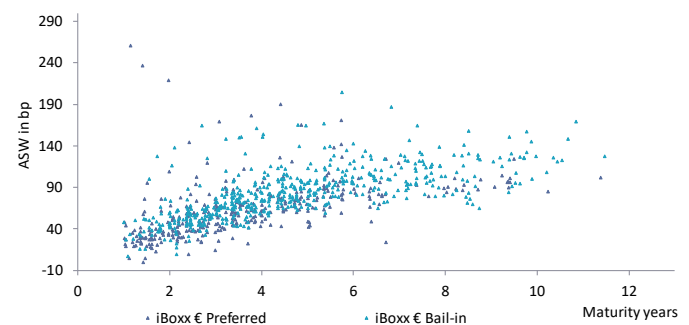
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	283	300	155
Net Fee & Commission Inc.	116	110	49
Net Trading Income	-22	13	5
Operating Expense	171	172	92
Credit Commit. Impairment	-1	9	7
Pre-tax Profit	207	237	103

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	3.01	3.03	3.07	Liquidity Coverage Ratio	158.48	191.82	154.36
ROAE	14.18	13.68	10.26	IFRS Tier 1 Leverage Ratio	11.55	11.91	11.39
Cost-to-Income	44.00	40.04	44.13	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.78	19.71	18.54	Reserves/Loans at Amort. Cost	0.63	0.74	0.74

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Profitability
- Liquidity

## Risks / Weaknesses

- Geographical concentration
- Dependency on wholesale funding
- Risks from market making



# Arion Banki – Mortgage

Iceland 

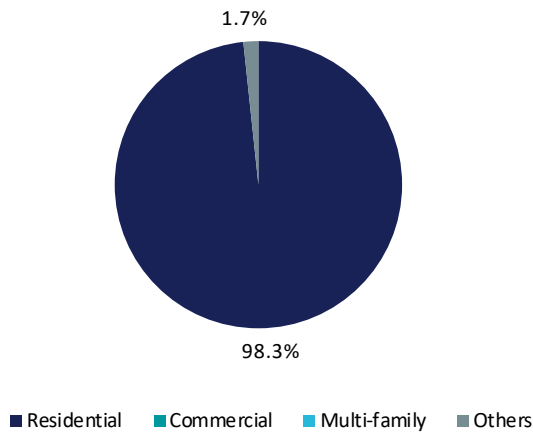
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

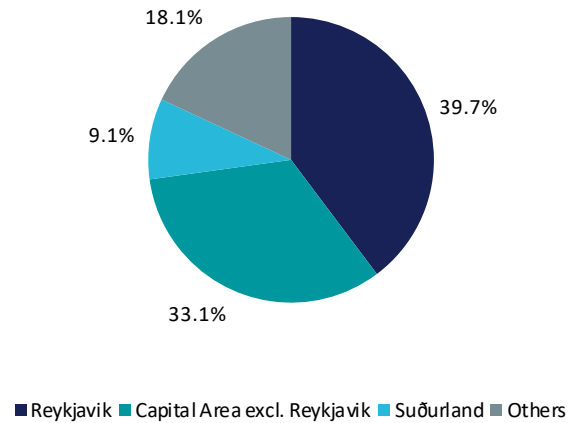
Cover pool volume (EURm)	2,320
Amount outstanding (EURm)	2,062
-thereof ≥ EUR 500m	24.2%
Current OC (nominal)	12.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Iceland
Main region	40% Reykjavik
Number of loans	15,622
Number of borrowers	12,456
Avg. exposure to borrowers (EUR)	183,151
WAL (cover pool)	32.0y
WAL (covered bonds)	3.7y
Fixed interest (cover pool)	57.5%
Fixed interest (covered bonds)	88.0%
LTV (indexed)	24.9%
LTV (unindexed)	18.9%
Loans in arrears	0.0%

Rating (Moody's)	Aa2
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Very Improbable
TPI leeway	2
Collateral score	16.6%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

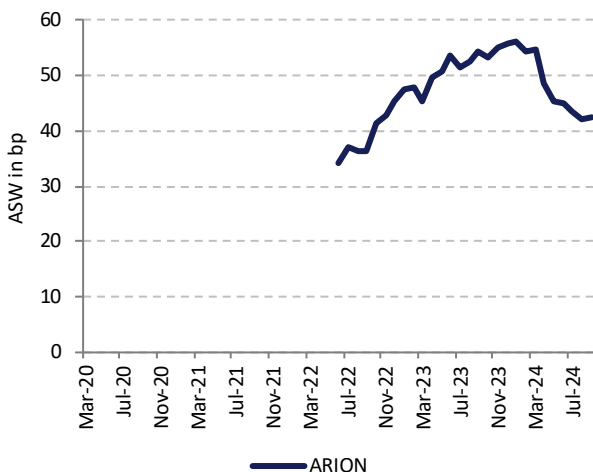
## Borrower Types



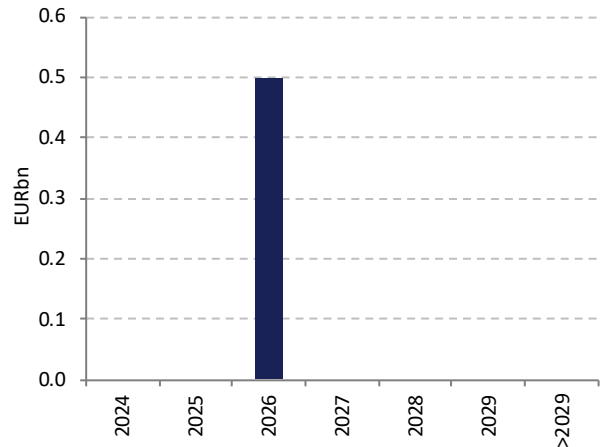
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Islandsbanki

Iceland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Islandsbanki hf

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

## Homepage

[www.islandsbanki.is](http://www.islandsbanki.is)

Islandsbanki hf. is headquartered in Kopavogur and is one of the largest banks in Iceland, with total assets amounting to ISK 1,644bn (Q1 2024). It is one of the domestic systemically important banks (D-SIB) in Iceland. Overall, the bank has a market share of 31% in Iceland (FY 2023). It has a share of 28% for deposits and 21% for mortgages. The main shareholder of the bank as at the end of FY 2023 was the Icelandic state with 42.9%. Islandsbanki offers services in the retail and corporate customer business, investment banking and asset management. Islandsbanki reports across the three main operating areas of Personal Banking, Business Banking and Corporate & Investment Banking, in addition to the segments Treasury & Proprietary Trading, Cost Centres and Subsidiaries, Eliminations & Adjustments. The loan portfolio primarily comprises mortgage loans to private individuals (Q1 2024: 43%), the real estate sector (12%), the tourism industry (8%), and the trade and services sector (7%). Liabilities are largely comprised of customer deposits (Q1 2024: 53.5%), senior unsecured bonds (13.1%) and covered bonds (9.2%). In 2020, Islandsbanki became the first bank in Iceland to publish a Sustainable Financing Framework, with the bank holding ISK 97bn in sustainable assets as at the end of FY 2023. Of these, 60% were green loans, while social loans and blue loans accounted for 26% and 14% respectively. The majority of the sustainable assets are attributable to loans for financing green real estate assets (Q1 2024: 27%), sustainable fishing (26%) and clean transport (23%).

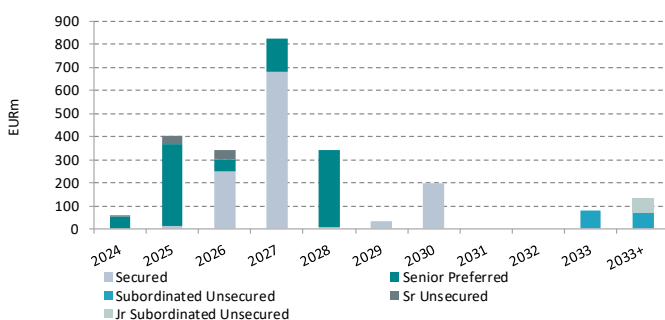
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	7,817	8,127	8,559
Total Securities	1,015	1,198	1,020
Total Deposits	5,204	5,651	6,142
Tier 1 Common Capital	1,237	1,391	1,361
Total Assets	10,318	10,513	10,699
Total Risk-weighted Assets	6,584	6,490	6,835

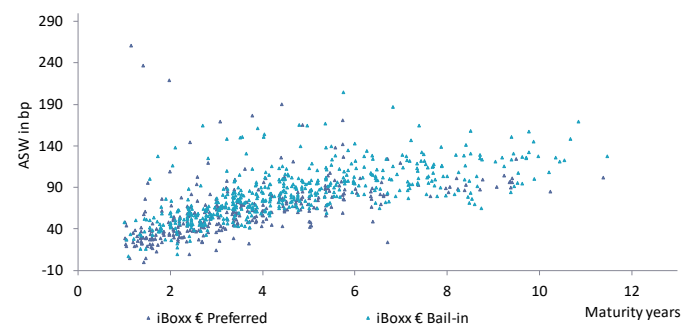
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	303	326	165
Net Fee & Commission Inc.	99	96	45
Net Trading Income	-3	6	-2
Operating Expense	167	179	98
Credit Commit. Impairment	-11	7	4
Pre-tax Profit	231	226	103

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	2.96	3.11	3.10	Liquidity Coverage Ratio	205.29	195.00	190.00
ROAE	11.91	11.34	9.79	IFRS Tier 1 Leverage Ratio	12.09	13.30	12.77
Cost-to-Income	41.67	41.63	45.64	NPL / Loans at Amortised Cost	1.78	1.82	1.78
Core Tier 1 Ratio	18.78	21.44	19.91	Reserves/Loans at Amort. Cost	0.93	0.95	0.86

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market position
- Operational efficiency

## Risks / Weaknesses

- Geographical concentration
- Risks in the real estate market
- Dependency on wholesale funding

# Islandsbanki – Mortgage

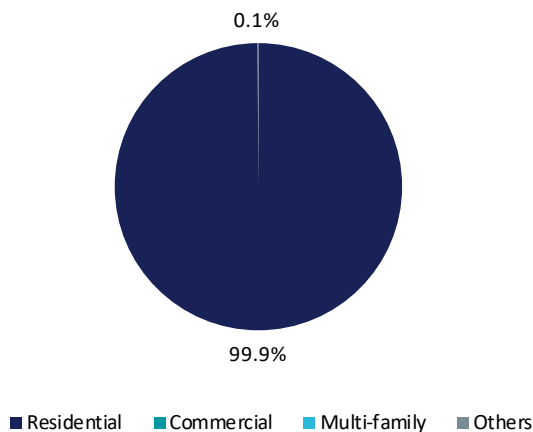
Iceland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

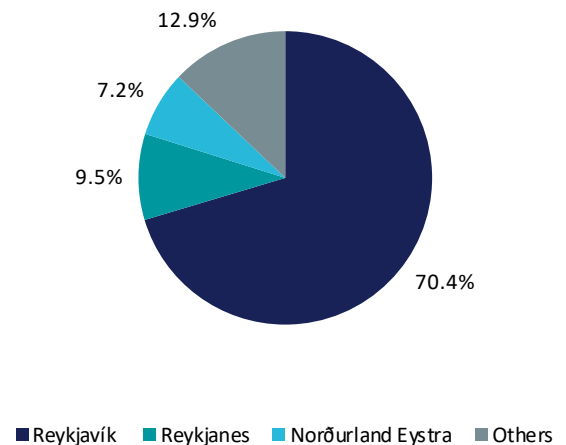
## Cover Pool Data

Cover pool volume (EURm)	2,476	Rating (Moody's)	-
Amount outstanding (EURm)	2,055	Rating (S&P)	A+
-thereof ≥ EUR 250m	14.6%	Rating (Fitch)	-
Current OC (nominal)	20.5%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Iceland	Collateral score	-
Main region	70% Reykjavík	RRL	a
Number of loans	16,553	JRL	a+
Number of borrowers	13,230	Unused notches	2
Avg. exposure to borrowers (EUR)	186,962	AAA credit risk (%)	26.0%
WAL (cover pool)	31.9y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	67.8%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	67.4%	LCR eligible	Yes
LTV (indexed)	46.5%	LCR level (SBmk)	2A
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (SBmk)	SB

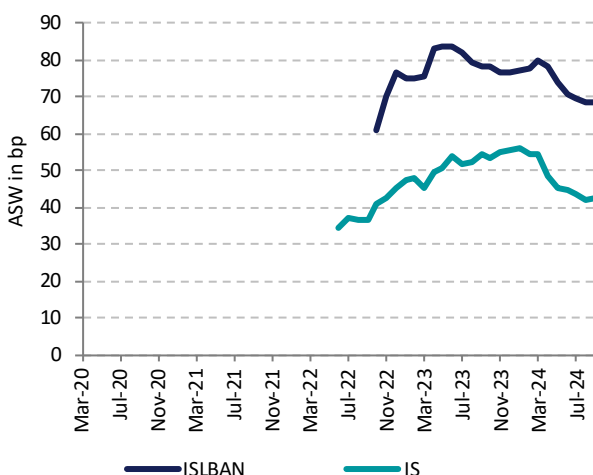
## Borrower Types



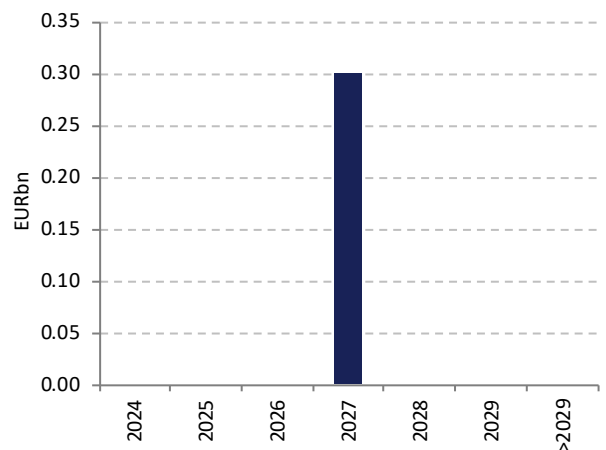
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Landsbankinn

Iceland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Landsbankinn hf

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

## Homepage

[www.landsbankinn.is](http://www.landsbankinn.is)

With total assets of ISK 2,032bn (Q1 2024), the Reykjavik-based Landsbankinn hf. is Iceland's largest bank and categorised as a domestic systemically important bank (D-SIB). With a stake of 98.2% (Q1 2023), the Icelandic state is the largest shareholder in Landsbankinn. The bank employs approximately 826 staff, who serve roughly 144,000 retail and corporate customers in 34 branches. The institute also offers services in the areas of capital markets in addition to asset and wealth management, among other aspects. The bank has a market share of 40% in the Icelandic retail business. The group reports across the following operating business segments: Personal Banking (FY 2023: 17.3% of pre-tax profit), Corporate Banking (37.5%), Asset Management & Capital Markets (4.8%), Treasury and Market Making (42.2%) and Other Divisions (-1.7%). A total of 44% of the total loan portfolio (Q1 2024) is attributable to mortgages to private individuals. The corporate loans category (51% share of the portfolio) primarily comprises the fishing, real estate, travel and construction sectors. Geographically, 94.9% of all loans were attributable to Iceland in FY 2023. Customer deposits accounted for the bulk of the funding mix (54.3% of liabilities as at Q1 2024). The capital market funding essentially consisted of covered bonds (Q1 2024: 50%) and senior unsecured bonds (39%). The bank published its Sustainable Finance Framework in 2021, under which it issued a EUR-denominated green bond amounting to EUR 300m in 2023. Landsbankinn also issued subordinated bonds totalling ISK 15bn in the same year.

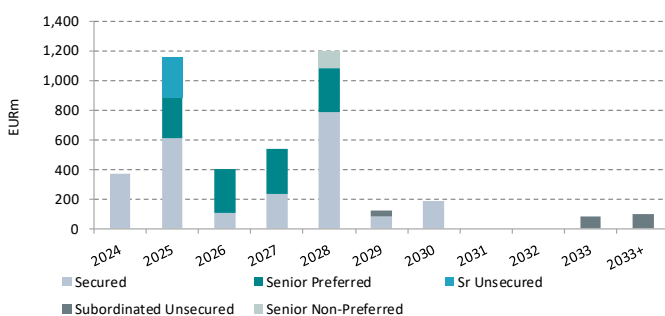
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	10,174	10,833	11,656
Total Securities	971	1,160	1,116
Total Deposits	6,376	6,965	7,699
Tier 1 Common Capital	1,789	1,872	1,965
Total Assets	11,772	13,024	13,914
Total Risk-weighted Assets	7,829	8,499	9,047

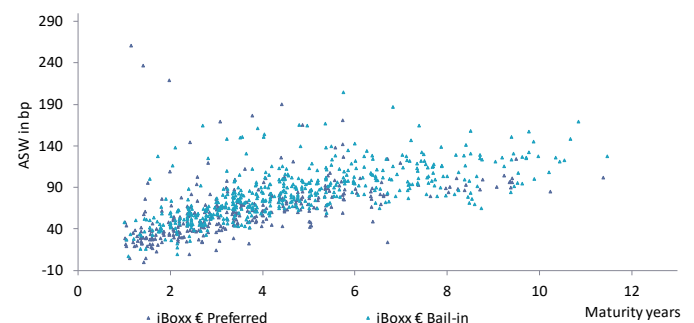
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	327	386	195
Net Fee & Commission Inc.	75	75	36
Net Trading Income	-57	47	41
Operating Expense	182	190	99
Credit Commit. Impairment	-17	20	24
Pre-tax Profit	193	306	152

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	2.70	3.05	2.92	Liquidity Coverage Ratio	133.55	180.84	177.18
ROAE	6.25	11.56	10.50	IFRS Tier 1 Leverage Ratio	15.23	14.39	14.14
Cost-to-Income	51.08	36.70	36.08	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	22.86	22.03	21.72	Reserves/Loans at Amort. Cost	0.65	0.70	0.72

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market position
- Cost efficiency

## Risks / Weaknesses

- Geographical concentration
- Risks in the real estate market
- Dependency on wholesale funding

# Landsbankinn – Mortgage

Iceland 

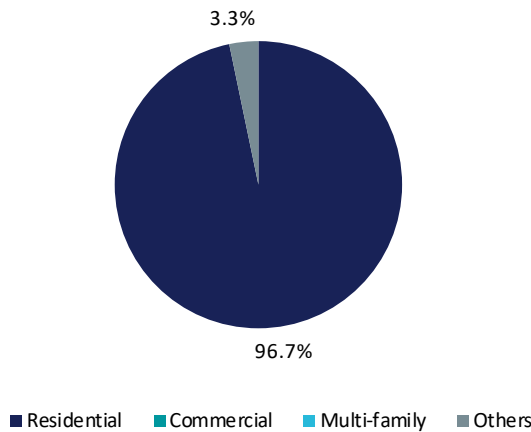
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

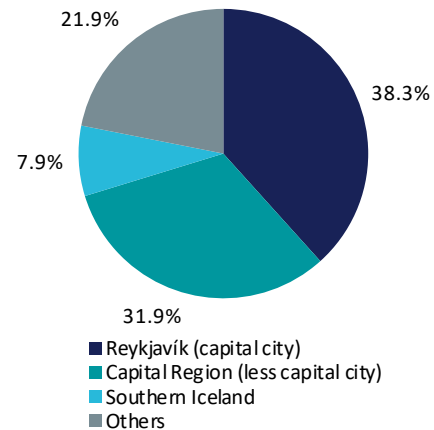
Cover pool volume (EURm)	2,962
Amount outstanding (EURm)	2,364
-thereof ≥ EUR 250m	12.7%
Current OC (nominal)	25.3%
Committed OC	20.0%
Cover type	Mortgage
Main country	100% Iceland
Main region	38% Reykjavík (capital city)
Number of loans	
Number of borrowers	16,744
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	n/a
WAL (covered bonds)	30.2y
Fixed interest (cover pool)	2.8y
Fixed interest (covered bonds)	1.2%
LTV (indexed)	89.7%
LTV (unindexed)	50.0%
Loans in arrears	42.4%

Rating (Moody's)	-
Rating (S&P)	A+
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a
JRL	a+
Unused notches	2
AAA credit risk (%)	6.1%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	20%
Maturity structure (SBmk)	SB

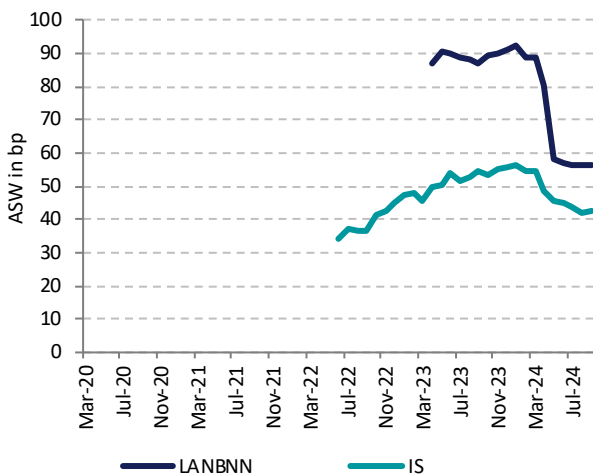
## Borrower Types



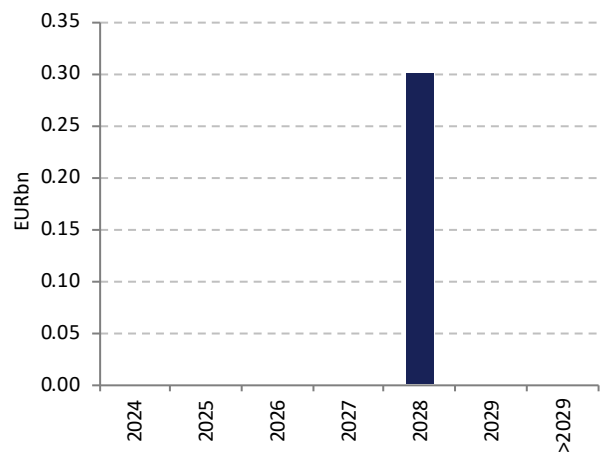
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

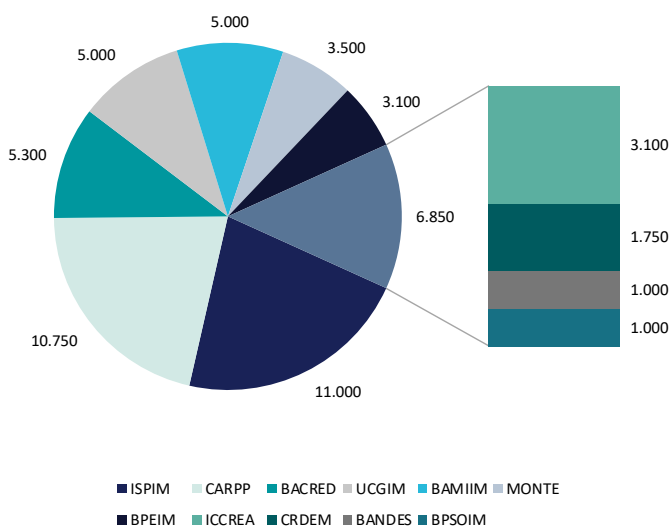
# Market Overview Covered Bonds

Italy 

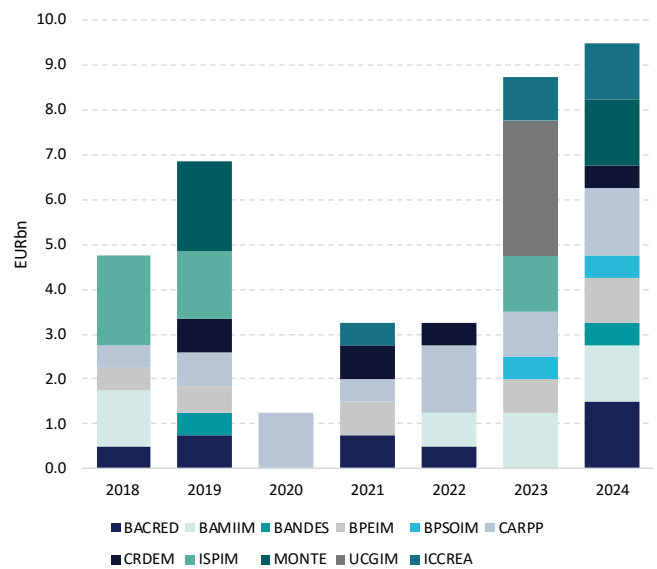
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 135.80bn	Outstanding volume (Bmk)	EUR 50.50bn
Amount outstanding	EUR 89.11bn	Number of benchmarks	65
Number of issuers	12	Outstanding ESG volume (Bmk)	EUR 3.00bn
No of cover pools	14	Number of ESG benchmarks	5
there of M / PS / others	14 / 0 / 0	Outstanding volume (SBmk)	EUR 1.25bn
Ratings (low / high)	AA- / AA	Number of subbenchmarks	4
Best possible LCR level	Level 1	Maturity types	SB, CPT

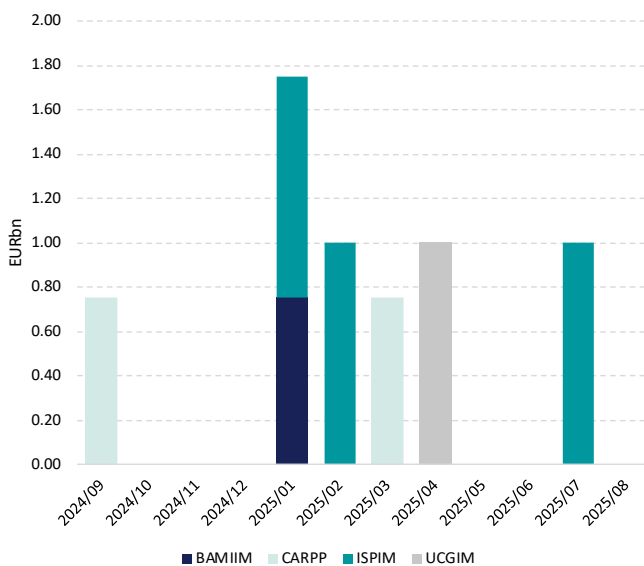
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



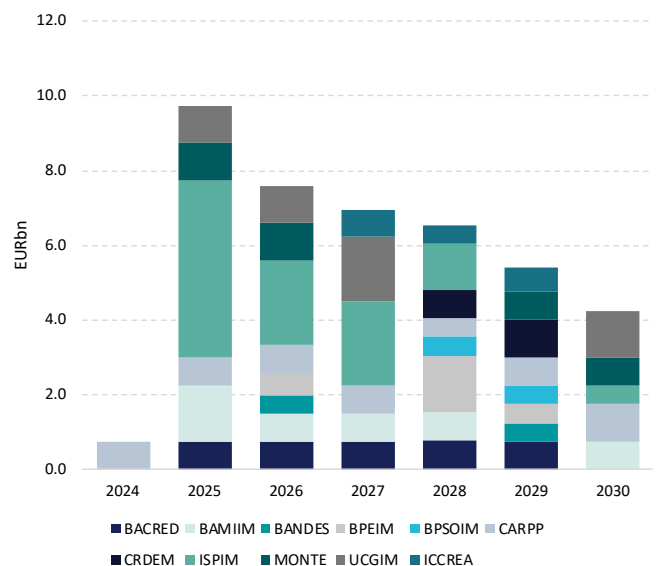
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Banca Monte dei Paschi di Siena

 Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banca Monte dei Paschi di Siena SpA

	Rating	Outlook
Fitch	BB	Stable
Moody's*	Baa3	Stable
S&P	-	-

## Homepage

[www.gruppomps.it](http://www.gruppomps.it)

\*Senior Unsecured/LT Bank Deposits

Banca Monte dei Paschi di Siena S.p.A (MPS) is headquartered in Siena and was founded in 1472, making it the oldest active bank in the world. The Italian government is the majority shareholder in the institute with a stake of 26.7% (29 April 2024). Alongside Norges Bank (3.1%), the remaining shares are held by "other shareholders" (70.2%). The bank's operating activities are focused on households and SMEs. MPS is primarily active in Italy but also supports corporate customers at selected global financial centres. The bank employs over 16,700 staff at around 1,300 branches and 126 specialised centres (FY 2023). According to information from MPS itself, it boasts a market share of 4.5% for sight deposits (Q1 2024). The group is active in the areas leasing, factoring, corporate finance and investment banking via specialised subsidiaries. MPS offers insurance products via a strategic partnership with AXA and investment products through a third party. Since 2022, the bank has reported in the following business segments: Retail Banking (Q1 2024: 48.5% of net operating income excluding Corporate Center), Wealth Management (3.5%), Corporate Banking (36.9%) as well as Large Corporate & Investment Banking (11.1%). The major share of the loan portfolio is made up of mortgage loans (66.4%). By joining the Net-Zero Banking Alliance, MPS has committed to decarbonising its business. In 2023, MPS launched its new business Green Mortgages on the market and is currently working on a framework for "Green and Social Bonds". In 2024, a total of 17% of the loan portfolio was allocated to ESG categories, meaning that its target of 10% has been exceeded.

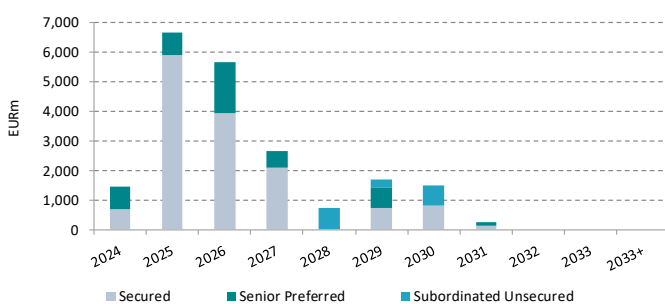
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	85,351	86,877	87,895
Total Securities	11,135	8,748	9,720
Total Deposits	75,599	81,803	85,271
Tier 1 Common Capital	7,601	8,727	8,721
Total Assets	120,235	122,614	128,701
Total Risk-weighted Assets	45,686	48,099	48,266

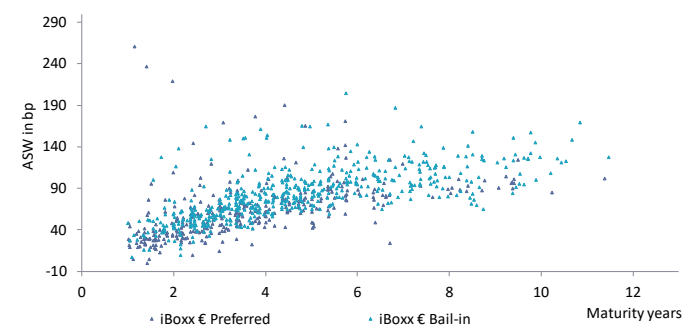
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,535	2,292	1,154
Net Fee & Commission Inc.	1,358	1,326	730
Net Trading Income	89	60	58
Operating Expense	2,477	1,711	1,074
Credit Commit. Impairment	432	447	194
Pre-tax Profit	-605	1,707	727

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.24	2.00	1.97	Liquidity Coverage Ratio	192.30	163.30	164.30
ROAE	-2.95	23.89	22.40	IFRS Tier 1 Leverage Ratio	6.42	7.21	6.86
Cost-to-Income	75.06	43.24	51.98	NPL / Loans at Amortised Cost	3.87	4.02	4.26
Core Tier 1 Ratio	16.64	18.14	18.07	Reserves/Loans at Amort. Cost	2.32	2.46	2.59

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capital buffer
- Deposit base

## Risks / Weaknesses

- Profitability
- Dependency on ECB funding

# Banca Monte dei Paschi di Siena – Mortgage (CPT)

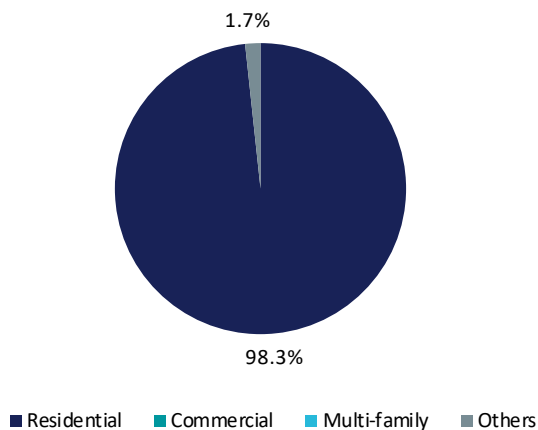
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

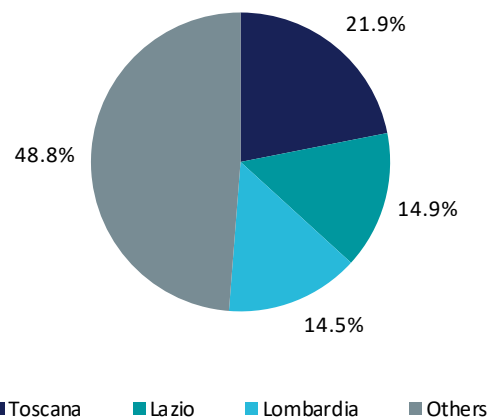
## Cover Pool Data

Cover pool volume (EURm)	12,216	Rating (Moody's)	Aa3
Amount outstanding (EURm)	6,700	Rating (S&P)	-
-thereof ≥ EUR 500m	56.0%	Rating (Fitch)	AA-
Current OC (nominal)	82.3%	Rating (DBRS)	AA
Committed OC	20.5%	TPI	Very High
Cover type	Mortgage	TPI leeway	2 - 4
Main country	100% Italy	Collateral score	4.5%
Main region	22% Toscana	RRL	-
Number of loans	154,907	JRL	-
Number of borrowers	153,348	Unused notches	-
Avg. exposure to borrowers (EUR)	78,315	AAA credit risk (%)	-
WAL (cover pool)	10.2y	PCU	6
WAL (covered bonds)	1.6y	Recovery uplift	2
Fixed interest (cover pool)	64.5%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	55.2%	LCR eligible	Yes
LTV (indexed)	52.7%	LCR level (Bmk)	1
LTV (unindexed)	50.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

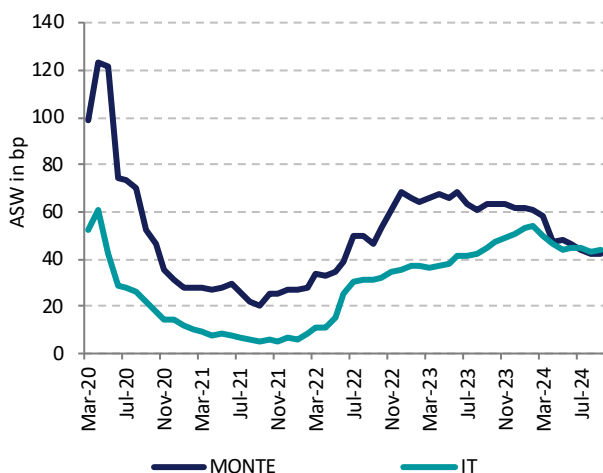
## Borrower Types



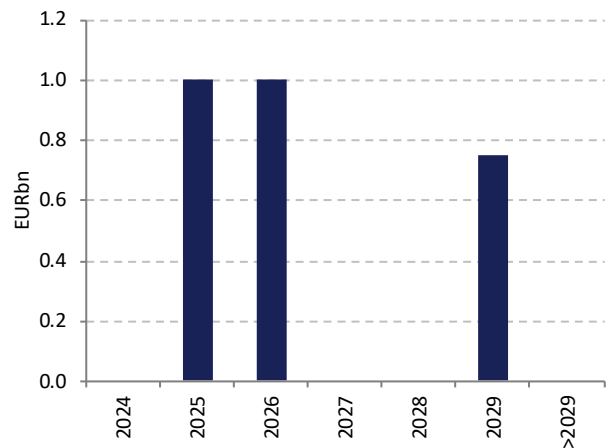
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)





# Banca Popolare di Sondrio

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

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

## Homepage

[www.istituzionale.popso.it](http://www.istituzionale.popso.it)

Founded in 1871 and headquartered in Sondrio, Banca Popolare di Sondrio S.p.A (BPS) is a retail and commercial bank. BPS is the parent company of the Banca Popolare di Sondrio Group, which comprises a further six businesses. The bank has over 500 branches, approximately 3,600 employees and more than 900,000 customers (Q1 2024). The shares of BPS have been traded on the Borsa Italiana, the Italian stock exchange in Milan, since 2009. In 2024, the bank joined the FTSE MIB, the index of the 40 leading joint-stock companies on the Italian stock exchange. The bank offers private individuals, businesses and public institutes products and services in the areas of banking, finance and insurance. It has a presence in the northern provinces of Italy as well as in the provinces of Latium and Campania. The loan portfolio of the group is mainly split between Corporate & SME (Q1 2024: 54%), Households (36%) and Other Financial Institutions (9%). Regarding loans in this latter category, 61% are attributable to BPS, while the subsidiaries Factorit and Banca Popolare di Sondrio (Suisse) account for 33% and 6% respectively. As at Q1 2024, 40% of the funding mix comprises direct funding (of this, 81.6% from customer deposits and 12.5% from bonds). Indirect funding in the form of AuM and AuA account for 52.2% of the funding mix. As a member of the Net-Zero Banking Alliance, BPS intends to make its lending and investment portfolio climate neutral by 2050. Since issuing a first green bond in 2021, BPS has placed two more on the market, most recently a senior preferred green bond in June 2024 (total volume outstanding EUR 1.5bn). The group has a revenue-based green asset ratio of 1.1% (FY 2023).

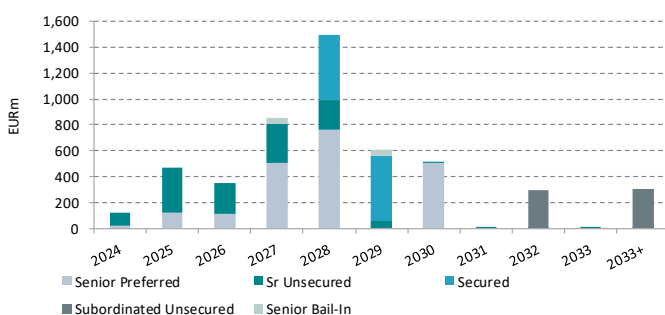
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	42,368	43,712	43,385
Total Securities	3,447	3,602	4,338
Total Deposits	38,122	37,916	37,486
Tier 1 Common Capital	3,240	3,513	3,622
Total Assets	57,854	57,722	56,704
Total Risk-weighted Assets	21,049	22,855	22,732

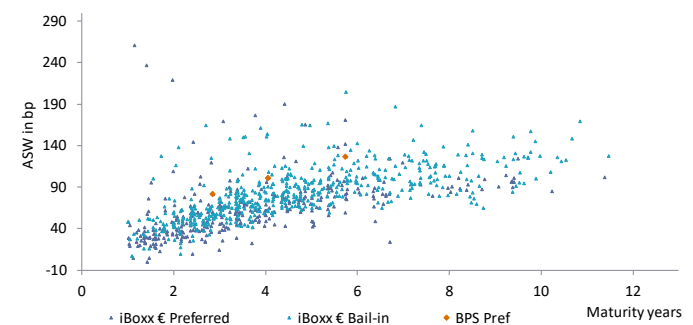
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	681	937	538
Net Fee & Commission Inc.	381	403	213
Net Trading Income	5	131	59
Operating Expense	657	717	384
Credit Commit. Impairment	172	236	104
Pre-tax Profit	354	660	387

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.29	1.78	2.04	Liquidity Coverage Ratio	161.00	188.00	179.00
ROAE	7.55	12.93	13.60	IFRS Tier 1 Leverage Ratio	5.61	6.10	6.39
Cost-to-Income	55.26	44.25	43.84	NPL / Loans at Amortised Cost	3.15	2.73	2.86
Core Tier 1 Ratio	15.39	15.37	15.93	Reserves/Loans at Amort. Cost	2.32	2.26	2.42

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Macroeconomic environment (Lombardy)
- Liquidity

## Risks / Weaknesses

- Market position in home region
- High sovereign debt exposure

# Banca Popolare di Sondrio – Mortgage

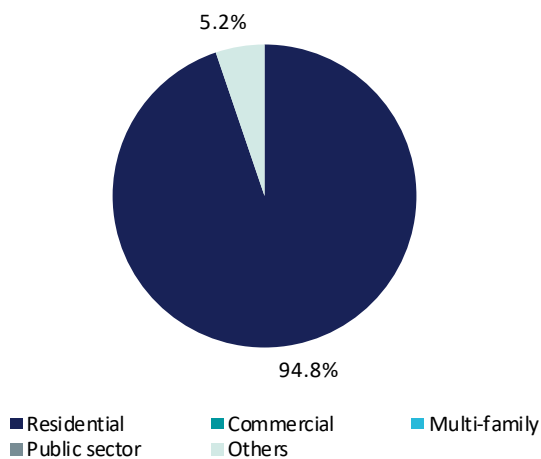
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

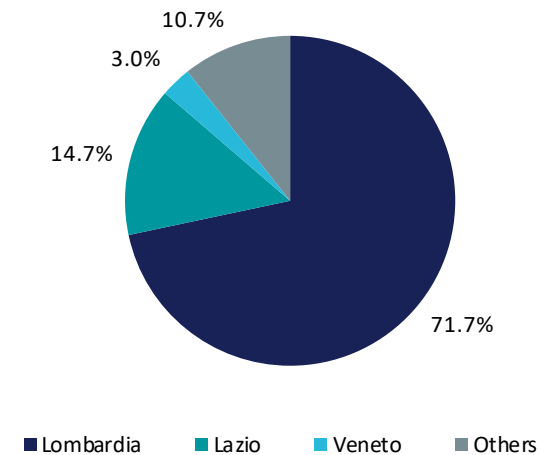
## Cover Pool Data

Cover pool volume (EURm)	1,939	Rating (Moody's)	-
Amount outstanding (EURm)	1,000	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AA
Current OC (nominal)	93.9%	Rating (DBRS)	-
Committed OC	27.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	72% Lombardia	RRL	-
Number of loans	19,363	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.0y	PCU	6
WAL (covered bonds)	4.9y	Recovery uplift	2
Fixed interest (cover pool)	53.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	45.8%	LCR level (Bmk)	1
LTV (unindexed)	59.6%	Risk weight	10%
Loans in arrears	0.3%	Maturity structure (Bmk)	SB

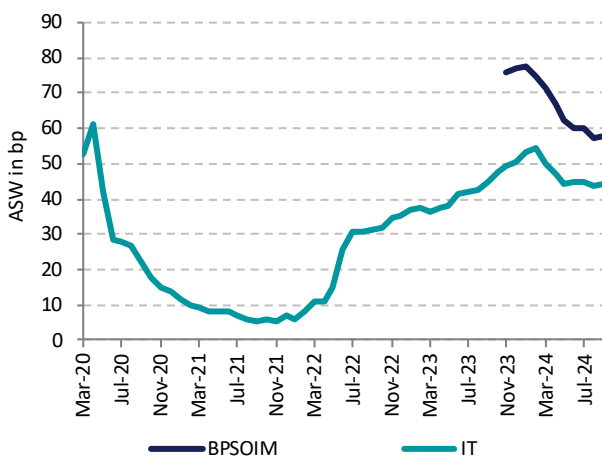
## Borrower Types



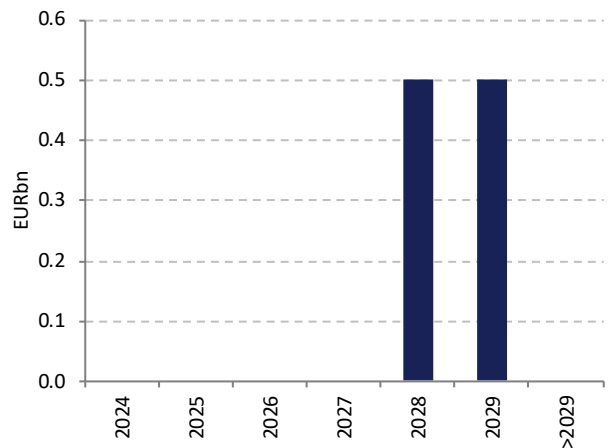
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Banca Sella

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banca Sella SpA

	Rating	Outlook
Fitch	-	-
Moody's	Baa3*	Stable
S&P	-	-

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Headquartered in Biella, a small city situated between Turin and Milan, Banca Sella is an Italian universal bank and subsidiary of the Sella Group. In addition to its original banking business, the bank also offers its customers services in the areas of insurance, leasing, asset management and private banking, some of which are offered via other members of the Sella Group. According to information from the Sella Group itself, it is the largest independent banking group in Italy. Alongside the domestic market of Italy, the group is represented in seven other countries via 300 branches. However, the business focus of Banca Sella is exclusively on Italy. In geographical terms, the bank is active across Northern Italy with 285 branches in total (FY 2023), with a particular focus on the Piedmont region. As at 30 June 2024, the bank's credit portfolio consisted largely of unsecured loans (39%) and mortgage loans (31%). In regional terms, the private mortgage loans are attributable in the main to Piedmont (H1 2024: 38.3%), Lombardy (10.2%) and Lazio (10.1%). The bank's funding consists largely of deposits (H1 2024: 86% of the funding mix), which is supplemented by targeted placements on the capital market. Since September 2024, covered bonds have also been used to diversify the funding mix of Banca Sella, after the bank successfully made its debut in the EUR sub-benchmark segment with a covered bond worth EUR 400m. As part of its efforts to promote sustainability, the bank has developed a Green Bond Framework, under which Banca Sella issued an inaugural green bond in the amount of EUR 100m back in March 2023.

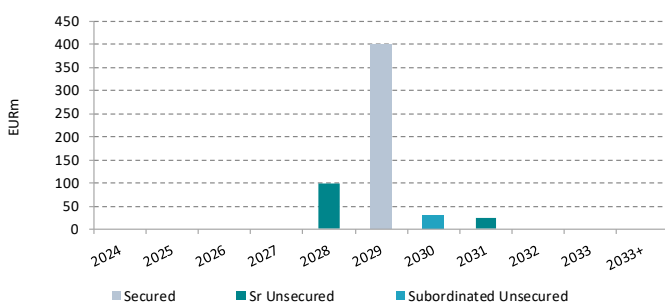
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	11,078	11,011	11,190
Total Securities	643	744	796
Total Deposits	13,174	14,577	14,287
Tier 1 Common Capital	774	912	977
Total Assets	15,978	17,609	17,235
Total Risk-weighted Assets	4,156	4,733	5,062

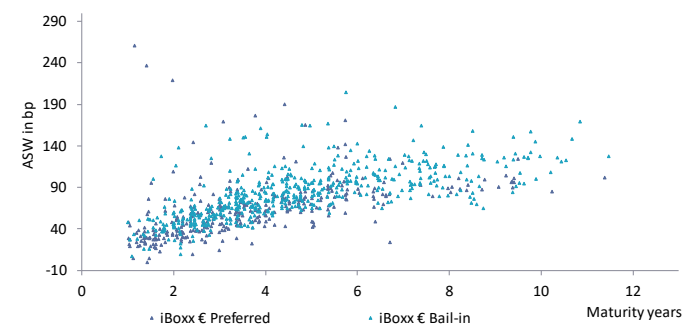
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	233	389	210
Net Fee & Commission Inc.	295	319	156
Net Trading Income	17	-2	5
Operating Expense	461	506	270
Credit Commit. Impairment	20	27	9
Pre-tax Profit	111	233	127

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.52	2.48	2.59	Liquidity Coverage Ratio	179.77	275.31	255.84
ROAE	8.43	16.29	16.10	IFRS Tier 1 Leverage Ratio	4.89	5.20	5.70
Cost-to-Income	77.67	66.29	66.53	NPL / Loans at Amortised Cost	2.62	2.37	2.25
Core Tier 1 Ratio	18.63	19.27	19.31	Reserves/Loans at Amort. Cost	1.55	1.39	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding profile (share of retail deposits)
- Liquidity

## Risks / Weaknesses

- Exposure to SMEs
- Capitalisation

# Banca Sella – Mortgage

Italy 

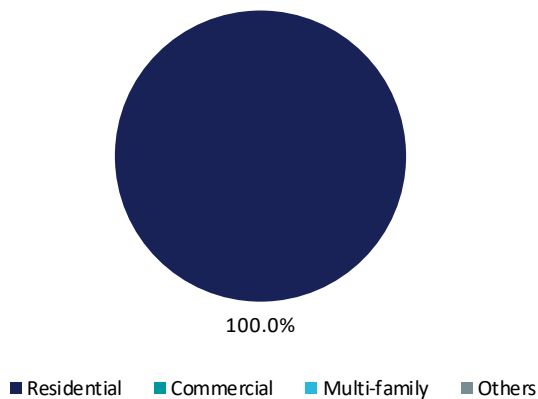
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

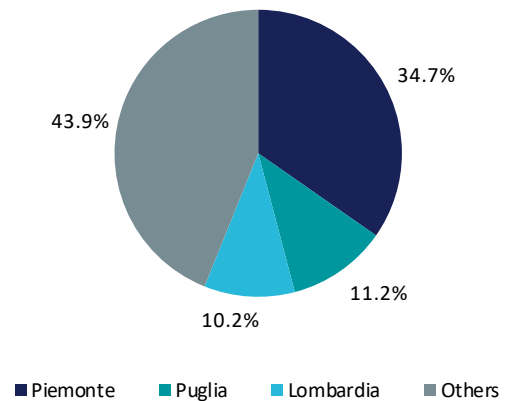
Cover pool volume (EURm)	557
Amount outstanding (EURm)	400
-thereof ≥ EUR 250m	100.0%
Current OC (nominal)	39.3%
Committed OC	8.5%
Cover type	Mortgage
Main country	100% Italy
Main region	35% Piemonte
Number of loans	6,716
Number of borrowers	6,670
Avg. exposure to borrowers (EUR)	83,508
WAL (cover pool)	17.9y
WAL (covered bonds)	n/a
Fixed interest (cover pool)	85.9%
Fixed interest (covered bonds)	n/a
LTV (indexed)	52.2%
LTV (unindexed)	51.4%
Loans in arrears	0.0%

Rating (Moody's)	Aa3
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	1
Collateral score	4.9%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	10%
Maturity structure (SBmk)	SB

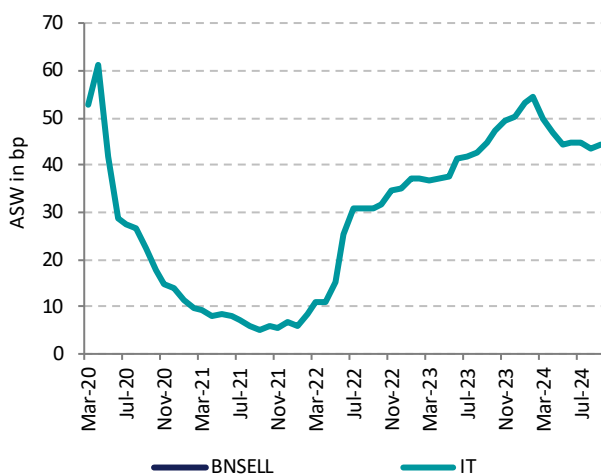
## Borrower Types



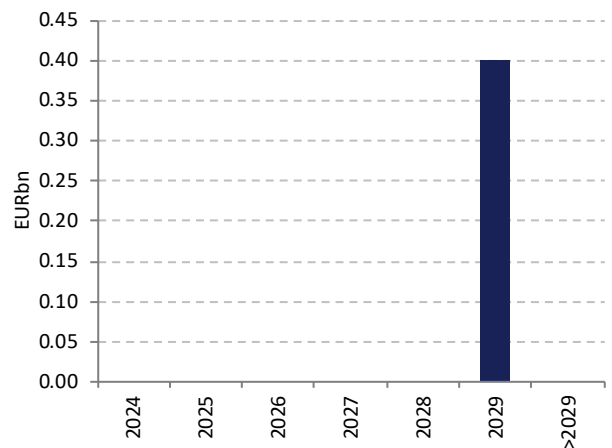
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Banco BPM

 Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banco BPM SpA

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

## 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 and now operate under the name Banco BPM Group. The shares in the joint-stock company BPM are listed on the Italian stock exchange. As at 11 April 2024, Credit Agricole is the largest shareholder with a stake of just under 9.2%, followed by BlackRock with almost 5.2%. As measured by total assets (FY 2023: EUR 202bn), BPM is the third largest bank in Italy and is considered a domestic systemically important bank (D-SIB). According to information from the bank itself, it has more than 20,000 employees, who serve approximately 4 million customers in around 1,400 branches nationwide (FY 2023). At 75.1% (Q1 2024), the geographical focus is on the regions of northern Italy. As measured by net income, the main segments are Retail (FY 2023: 62.9%), Corporate (27.9%) and Strategic Partnerships (8.8%). Furthermore, BPM reports in the segments Institutional, Private, Investment Banking, Insurance, Finance and Corporate Centre. Funding (Q1 2024) to the tune of EUR 99.7bn (77.2%) is sourced from (retail and SME) customer deposits. In terms of BPM's outstanding bonds (EUR 28.3bn), 42.7% are covered bonds. In 2023, BPM adapted its Green, Social and Sustainability Bonds Framework to account for the new ICMA Green and Social Bond Principles, Sustainable Bond Guidelines and EU Green Taxonomy guidelines. It is a regular issuer of ESG bonds, most recently placing two green bonds in Q1 2024 (total volume EUR 1.5bn) and one social bond in 2023 (EUR 500m).

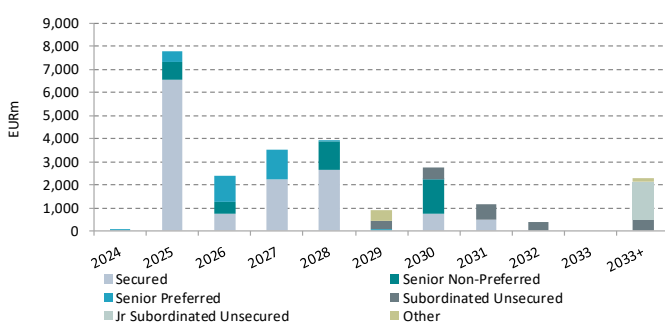
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	134,194	129,760	129,881
Total Securities	22,319	32,816	35,092
Total Deposits	109,375	109,514	111,477
Tier 1 Common Capital	8,604	9,036	9,439
Total Assets	189,808	202,132	197,782
Total Risk-weighted Assets	60,063	63,823	62,227

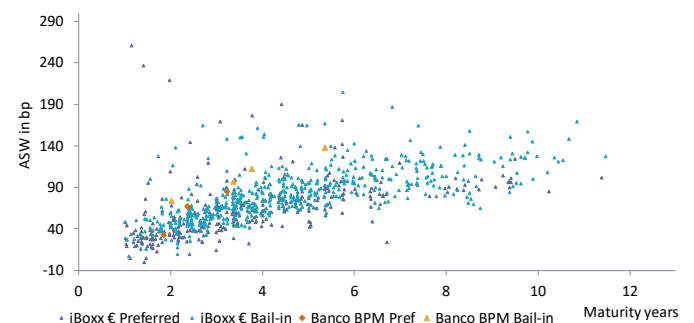
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,341	3,371	1,858
Net Fee & Commission Inc.	1,854	1,790	959
Net Trading Income	21	-55	59
Operating Expense	3,097	3,070	1,605
Credit Commit. Impairment	495	505	172
Pre-tax Profit	1,005	1,778	1,098

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.26	1.88	2.12	Liquidity Coverage Ratio	191.00	187.00	140.00
ROAE	5.32	9.39	10.62	IFRS Tier 1 Leverage Ratio	4.63	4.55	4.84
Cost-to-Income	64.60	55.21	55.79	NPL / Loans at Amortised Cost	3.57	2.90	2.63
Core Tier 1 Ratio	14.33	14.16	15.17	Reserves/Loans at Amort. Cost	2.07	1.75	1.66

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position (franchise)
- Liquidity

## Risks / Weaknesses

- Asset quality
- Macroeconomic risks (Italy)

# Banco BPM – Mortgage (OBG2)

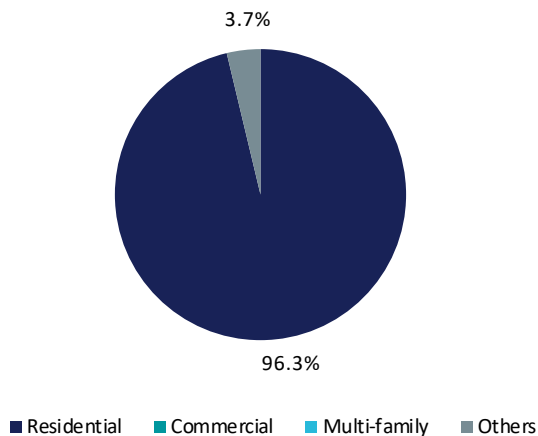
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

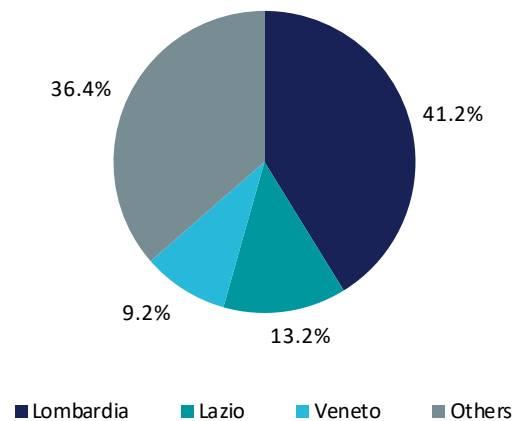
## Cover Pool Data

Cover pool volume (EURm)	7,191	Rating (Moody's)	Aa3
Amount outstanding (EURm)	5,600	Rating (S&P)	-
-thereof ≥ EUR 500m	89.3%	Rating (Fitch)	-
Current OC (nominal)	28.4%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	4.3%
Main region	41% Lombardia	RRL	-
Number of loans	76,451	JRL	-
Number of borrowers	77,011	Unused notches	-
Avg. exposure to borrowers (EUR)	89,890	AAA credit risk (%)	-
WAL (cover pool)	9.5y	PCU	-
WAL (covered bonds)	3.0y	Recovery uplift	-
Fixed interest (cover pool)	83.7%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	51.8%	LCR level (Bmk)	1
LTV (unindexed)	67.1%	Risk weight	10%
Loans in arrears	0.5%	Maturity structure (Bmk)	SB

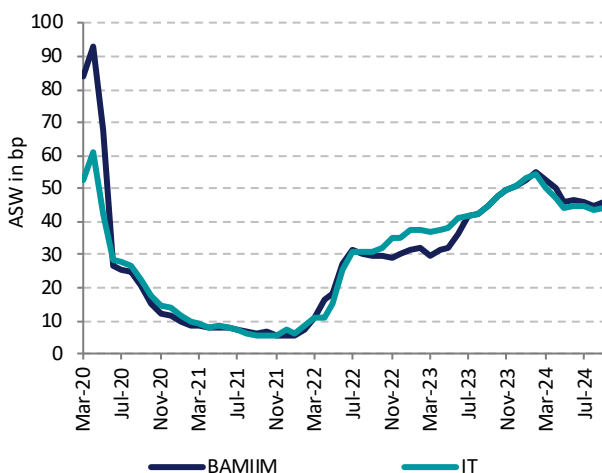
## Borrower Types



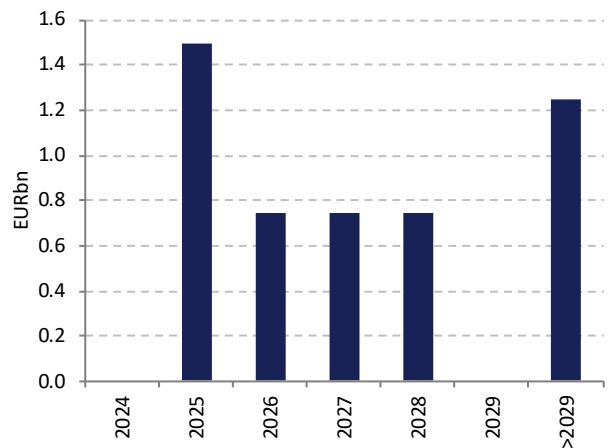
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Banco Desio

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banco di Desio e della Brianza SpA

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

## Homepage

[www.bancodesio.it](http://www.bancodesio.it)

Banco di Desio e della Brianza S.p.A. (Banco Desio), which has been listed on the Italian stock exchange since 1995, is the parent company of the Banco Desio Group. It is a small, traditional, commercial bank in Italy with a national market share of 0.7% (FY 2023) for lending. Just over 50% of the group (05 November 2023) is owned by Brianza Unione di Luigi Gavazzi e Stefano Lado SApA, with Avocetta SpA holding a stake of 8.4%. The group offers a wide range of banking, financial and insurance products, with a special focus on private persons, small businesses and SMEs. It employs over 2,400 staff and operates across 280 branches, which are distributed across 11 regions of central and northern Italy, as well as Sardinia. The largest share of these is located in Lombardy (35.4%). Since the end of 2023, the 48 branches acquired from BPER Banca S.p.A. have all been operating under the name of Banco Desio's wholly owned subsidiary Fides, which specialises in consumer loans with wage assignment. In addition to the main business segment of Banking (FY 2023: 97.2% of pre-tax profit), the group also reports in the segments of Parabanking (5.3%) and Consolidation Adjustments (-2.5%). Private individuals (38.0%; Q3 2023) as well as small businesses (27.0%) and SMEs (21.0%) make up the majority of the loan portfolio. In terms of loans to private individuals, 83.0% are residential mortgages. Regarding its sustainability strategy, Desio has voluntarily defined a target of ensuring that at least 5.0% of the asset portfolio complies with the EU Taxonomy regulation.

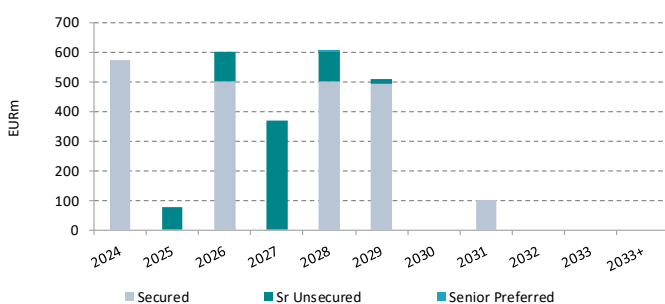
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	14,027	14,025	14,113
Total Securities	1,022	1,012	1,141
Total Deposits	11,167	12,336	12,547
Tier 1 Common Capital	1,133	1,307	1,337
Total Assets	17,541	18,555	18,314
Total Risk-weighted Assets	7,668	7,603	7,597

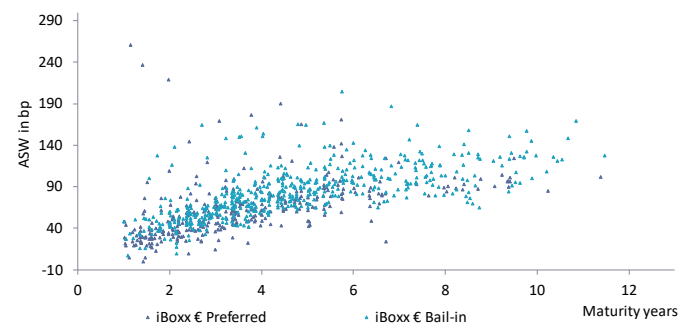
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	285	370	194
Net Fee & Commission Inc.	181	195	110
Net Trading Income	-10	-5	3
Operating Expense	332	382	204
Credit Commit. Impairment	42	59	10
Pre-tax Profit	110	204	113

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.63	2.04	2.25	Liquidity Coverage Ratio	152.43	244.92	200.92
ROAE	7.35	18.67	11.25	IFRS Tier 1 Leverage Ratio	6.47	7.06	7.32
Cost-to-Income	68.56	59.20	62.34	NPL / Loans at Amortised Cost	2.81	2.76	2.79
Core Tier 1 Ratio	14.77	17.19	17.60	Reserves/Loans at Amort. Cost	2.10	2.15	2.12

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding
- Capitalisation
- Diversified income sources

## Risks / Weaknesses

- Competition with larger banks
- Regional concentration
- Italy-focused sovereign bond portfolio

# Banco Desio – Mortgage

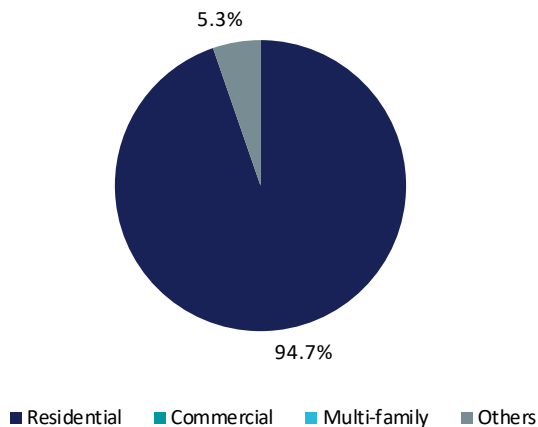
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

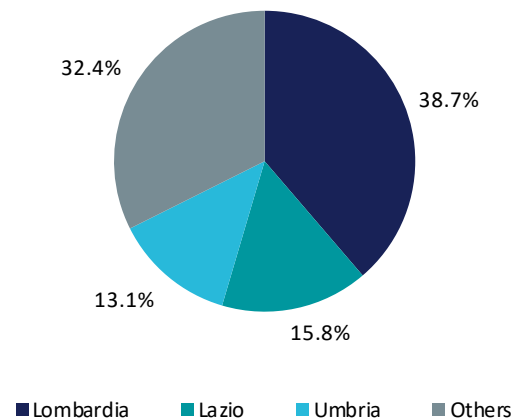
## Cover Pool Data

Cover pool volume (EURm)	2,341	Rating (Moody's)	-
Amount outstanding (EURm)	1,675	Rating (S&P)	-
-thereof ≥ EUR 500m	94.0%	Rating (Fitch)	AA
Current OC (nominal)	39.8%	Rating (DBRS)	-
Committed OC	25.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	39% Lombardia	RRL	-
Number of loans	23,484	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	16.9y	PCU	6
WAL (covered bonds)	2.4y	Recovery uplift	2
Fixed interest (cover pool)	81.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	47.3%	LCR level (Bmk)	1
LTV (unindexed)	60.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

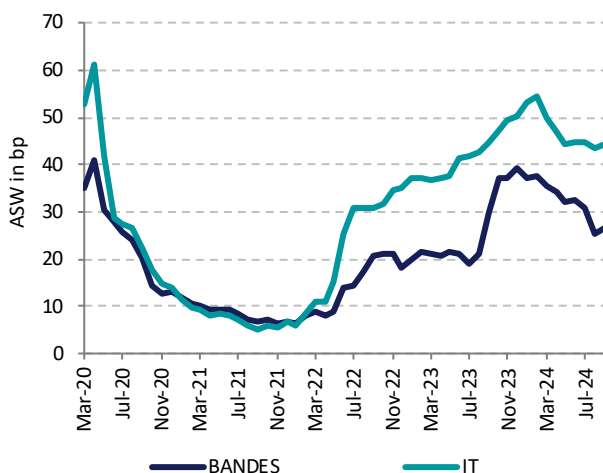
## Borrower Types



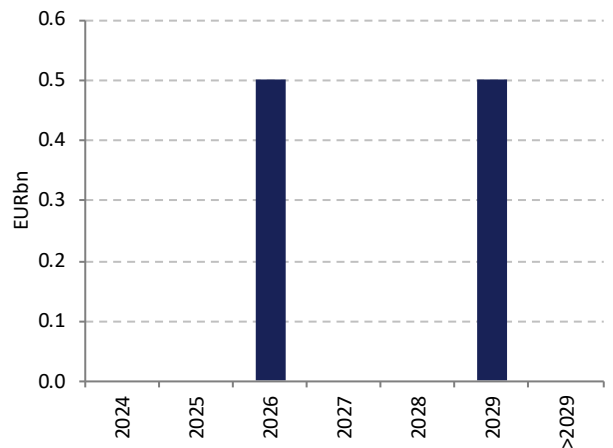
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## BPER Banca

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## BPER Banca

	Rating	Outlook
Fitch	BBB-	Stable
Moody's	Baa3	Stable
S&P	BBB-	Positive

## Homepage

[www.bper.it](http://www.bper.it)

BPER Banca S.p.A., which is listed on the Milan stock exchange, is the fourth-largest banking group in Italy in terms of assets (H1 2024: total assets of EUR 139.4bn). The bank is categorised by the Banca D'Italia as nationally systemically important and has over 1,600 branches nationwide with more than 20,000 employees (H1 2024). The Group also includes specialised subsidiaries that complement the product range beyond banking services (e.g. in the areas of real estate, credit management, leasing and factoring). It is reported in the business segments "Retail", "Private", "Corporate", "Large Corporate", "Finance", "Corporate Centre" and "Other Assets". BPER Banca's loan portfolio is divided into the categories of households (H1 2024: 47.3% of the loan portfolio), non-financial companies (44.2%) and financial companies (8.5%). Geographically, the bank's lending activities are focussed on Northern Italy, which accounts for 59.8% of the loan portfolio (H1 2024). As at 30 June 2024, the majority of the bank's funding consisted of deposits (H1 2024: 78.4% of total assets), followed by debt securities issued (9.5%). The loan-to-deposit ratio was reported at 75.7% as at the same reporting date. In February 2024, the bank placed its first senior preferred green bond (EUR 500m) on the market. In addition, the Group issued over EUR 1.5bn in green and social bonds (H1 2024). The green asset ratio at the end of 2023 was 0.4%. BPER Banca is a member of the Net-Zero Banking Alliance and aims to achieve net-zero CO2 emissions by 2050.

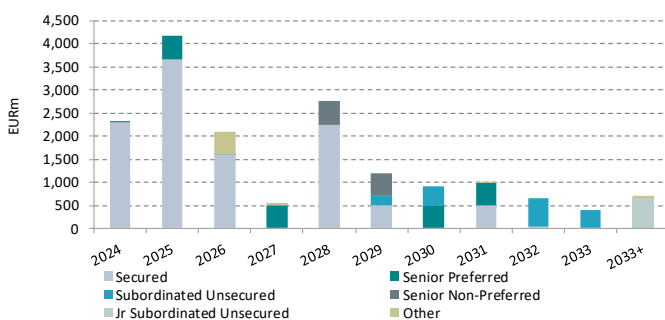
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	105,962	101,915	102,985
Total Securities	11,223	9,418	7,580
Total Deposits	107,415	104,855	104,379
Tier 1 Common Capital	6,613	7,736	8,173
Total Assets	152,303	142,128	139,397
Total Risk-weighted Assets	53,025	53,502	53,417

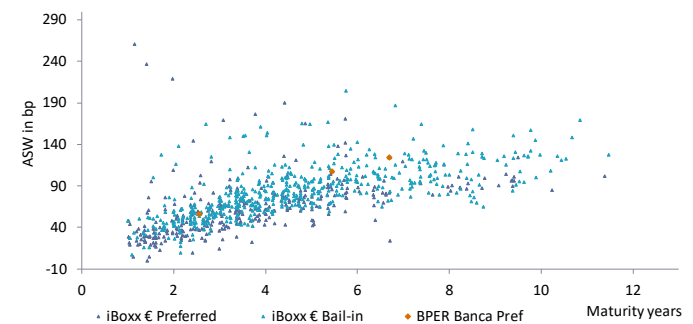
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,826	3,252	1,682
Net Fee & Commission Inc.	1,922	1,945	1,004
Net Trading Income	141	127	21
Operating Expense	3,137	3,272	1,675
Credit Commit. Impairment	588	406	158
Pre-tax Profit	1,388	1,725	1,044

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.28	2.41	2.63	Liquidity Coverage Ratio	195.30	160.90	161.40
ROAE	19.35	17.73	14.47	IFRS Tier 1 Leverage Ratio	4.38	5.48	-
Cost-to-Income	74.97	56.94	54.89	NPL / Loans at Amortised Cost	1.85	1.70	2.01
Core Tier 1 Ratio	12.47	14.46	15.30	Reserves/Loans at Amort. Cost	2.23	1.76	1.90

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity
- Funding

## Risks / Weaknesses

- Profitability
- Operating risks on the back of acquisition strategy
- Loan quality

# BPER Banca – Mortgage

Italy 

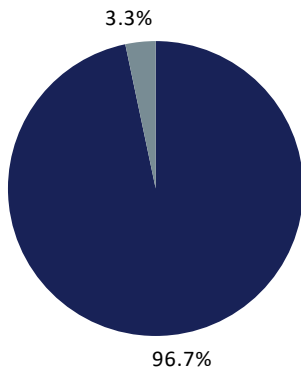
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Cover Pool Data

Cover pool volume (EURm)	6,880
Amount outstanding (EURm)	5,000
-thereof ≥ EUR 500m	62.0%
Current OC (nominal)	37.6%
Committed OC	19.0%
Cover type	Mortgage
Main country	100% Italy
Main region	31% Emilia-Romagna
Number of loans	78,559
Number of borrowers	78,113
Avg. exposure to borrowers (EUR)	85,165
WAL (cover pool)	9.6y
WAL (covered bonds)	2.2y
Fixed interest (cover pool)	71.1%
Fixed interest (covered bonds)	76.3%
LTV (indexed)	52.2%
LTV (unindexed)	52.3%
Loans in arrears	0.2%

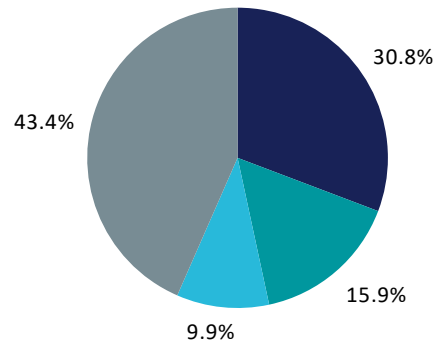
Rating (Moody's)	Aa3
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	1
Collateral score	4.9%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

### Borrower Types



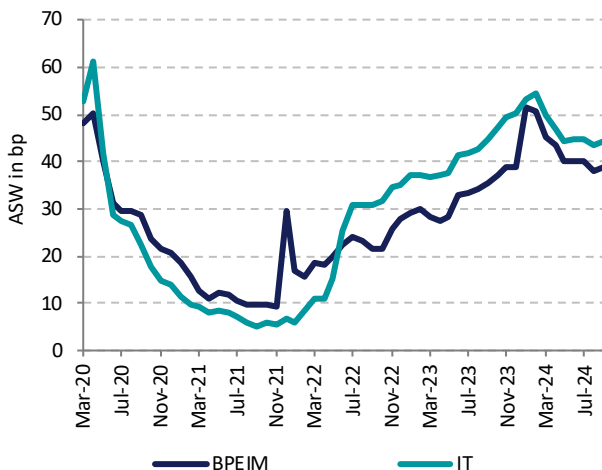
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution



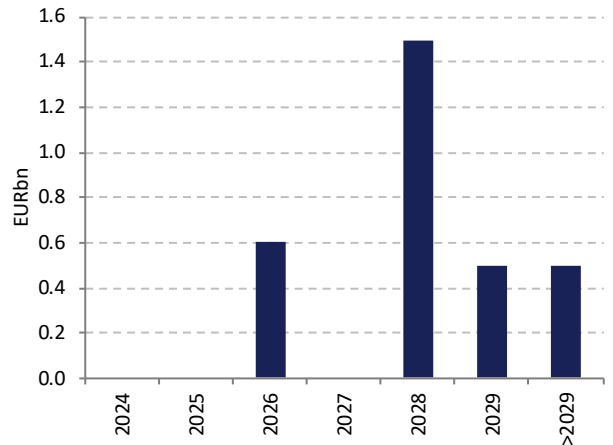
■ Emilia-Romagna ■ Lombardia ■ Lazio ■ Others

### Spread Development



— BPEIM — IT

### Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Credit Agricole Italia

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Credit Agricole Italia SpA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Credit Agricole Italia (CA Italia) is part of the Credit Agricole Italia Banking Group (CAIBG) and is an Italian subsidiary of the French institute Credit Agricole S.A., which holds 78.1% of the shares (as at 09 November 2023). Credit Agricole defines Italy as its second domestic market and CA Italia as the institute with primary responsibility for the Italian market. CA Italia also includes other subsidiaries such as Credit Agricole Group Solutions and Credit Agricole Leasing. The group also has a national market share of 5.3%. CA Italia employs around 16,400 staff, who serve roughly 5.9 million customers in more than 1,200 branches across Italy (FY 2023), although the focus of the branch network is increasingly geared towards the north and west of the country. The group offers products and services for retail customers, entrepreneurs, corporate clients and agricultural enterprises. CAIBG serves around 5.9 million customers in the following areas: Specialized Financial Services (Leasing, among others), Large Customers (with Private and Investment Banking), Retail Banking, Assets under Management and Bancassurance, and Information Technology Operation. The majority of the loan portfolio consists of mortgage loans (FY 2023; 65.1%). In addition, CAIBG has a market penetration in excess of 6.4% for home loans, with the equivalent figure standing at 7.1% for agri-food loans (Q2 2023). Refinancing at CAIBG is mainly based on customer savings deposits (82.8% as at FY 2023). As part of its sustainability activities, the CA Group regularly issues green financial products such as green bonds (outstanding volume: EUR 10bn). In March 2021, CA Italia issued an inaugural green covered bond.

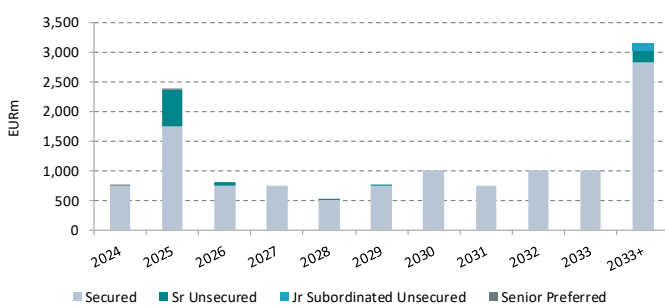
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	77,800	75,996	69,434
Total Securities	5,017	4,749	4,755
Total Deposits	63,323	62,145	61,889
Tier 1 Common Capital	3,988	4,640	5,042
Total Assets	104,943	96,653	94,222
Total Risk-weighted Assets	34,456	35,710	37,232

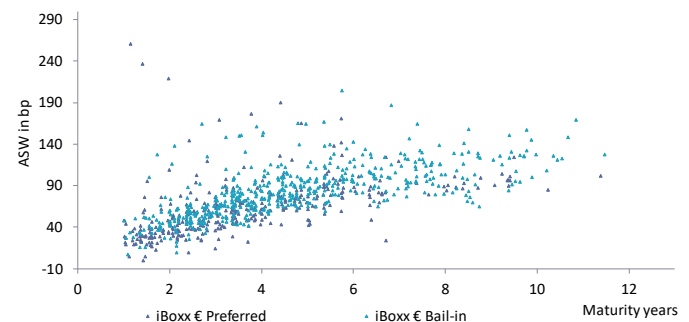
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	1,123	1,301	1,746
Net Fee & Commission Inc.	1,145	1,222	1,219
Net Trading Income	-74	50	98
Operating Expense	2,204	2,046	2,138
Credit Commit. Impairment	459	297	293
Pre-tax Profit	344	581	1,012

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.32	1.39	1.98	Liquidity Coverage Ratio	277.18	262.00	245.00
ROAE	8.82	7.46	9.02	IFRS Tier 1 Leverage Ratio	3.91	5.02	5.53
Cost-to-Income	86.86	69.81	61.63	NPL / Loans at Amortised Cost	3.76	3.51	3.08
Core Tier 1 Ratio	11.57	12.99	13.54	Reserves/Loans at Amort. Cost	1.56	1.84	2.13

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Support from the Credit Agricole Group

## Risks / Weaknesses

- Capitalisation
- National sovereign bond portfolio (volatility)

# Credit Agricole Italia – Mortgage

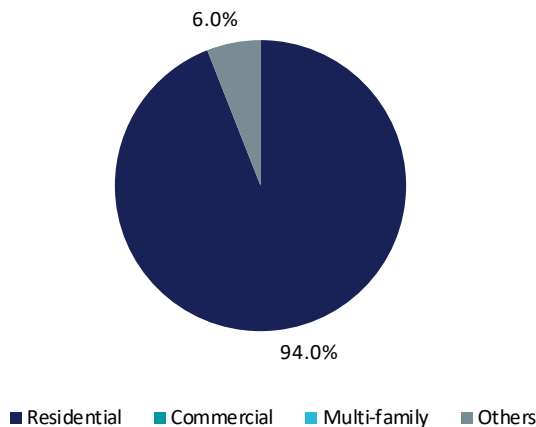
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

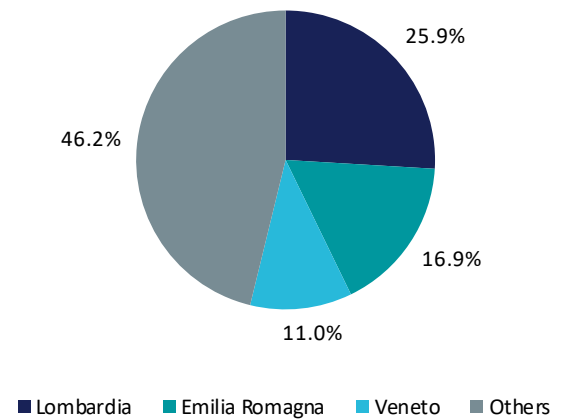
## Cover Pool Data

Cover pool volume (EURm)	17,095	Rating (Moody's)	Aa3
Amount outstanding (EURm)	12,727	Rating (S&P)	-
-thereof ≥ EUR 500m	84.5%	Rating (Fitch)	-
Current OC (nominal)	34.3%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Italy	Collateral score	4.3%
Main region	26% Lombardia	RRL	-
Number of loans	195,663	JRL	-
Number of borrowers	193,382	Unused notches	-
Avg. exposure to borrowers (EUR)	83,132	AAA credit risk (%)	-
WAL (cover pool)	8.9y	PCU	-
WAL (covered bonds)	6.8y	Recovery uplift	-
Fixed interest (cover pool)	65.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	85.1%	LCR eligible	Yes
LTV (indexed)	53.5%	LCR level (Bmk)	1
LTV (unindexed)	54.0%	Risk weight	10%
Loans in arrears	0.6%	Maturity structure (Bmk)	SB

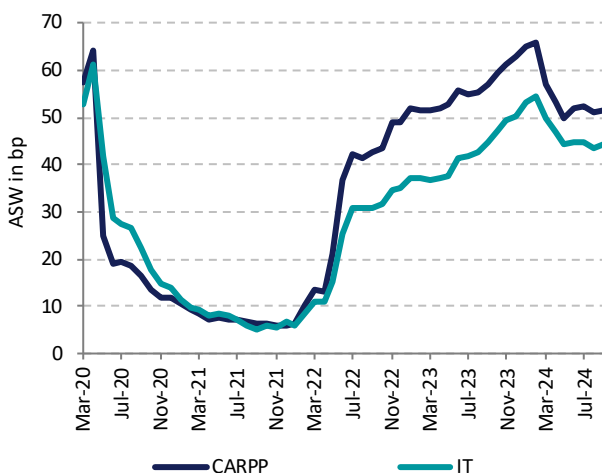
## Borrower Types



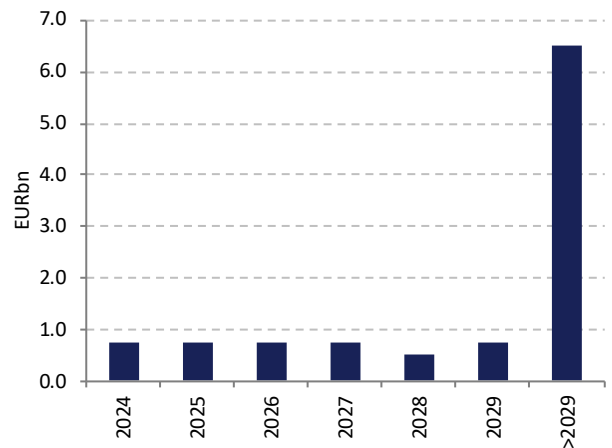
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Credito Emiliano

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Credito Emiliano SpA

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

## Homepage

[www.credem.it](http://www.credem.it)

\*Senior Unsecured/LT Bank Deposits

Founded in 1910, Credito Emiliano S.p.A. (Credem) is a financial institute headquartered in Reggio Emilia, which is the provincial capital of the northern Italian region of Emilia-Romagna. Credem has been listed on the Italian stock exchange since October 1997. The largest shareholder in the bank is Credito Emiliano Holding S.p.A., which holds a stake of 79.5% (as at 31 December 2023). The group focuses on the areas of commercial banking (via Credito Emiliano, among others), private banking (Euromobiliare Asset Banking) and wealth management (Euromobiliare Asset Management, Credem Private Equity, Credemvita, among others). The bank has over 6,600 staff (Q1 2024) as well as more than 1,500 financial advisors and agents (FY 2023), who operate out of 479 branches. Credem reports in the following segments: Commercial Banking, Private Banking, Non-Banking, Consumer Credit, IT-Technology, Asset Management, Insurance and Eliminations. In geographical terms, the credit exposure is largely attributable to Italy (85.2%; FY 2023), with other European countries (6.8%) and America (3.9%) accounting for additional, minor shares. The funding mix at group level comprises retail funding (76.1%; Q1 2024) and wholesale funding (23.9%). In 2023, Credem issued one green bond (EUR 400m) and three social bonds (total volume: EUR 750m). At the start of 2024, it also placed an inaugural standard social covered bond in the amount of EUR 500m. As a result, the bank has EUR 1bn in green bonds outstanding and almost EUR 1.5bn in social bonds outstanding (Q1 2024). In total, Credem has EUR 5.2bn in green and social assets (FY 2023).

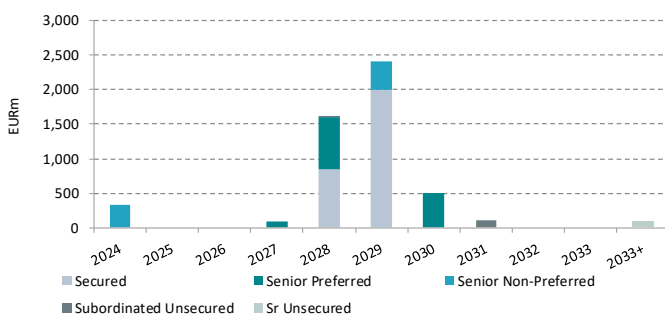
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	42,449	42,885	42,114
Total Securities	14,881	14,515	15,065
Total Deposits	38,779	42,409	38,907
Tier 1 Common Capital	2,916	3,267	3,506
Total Assets	64,818	68,018	65,557
Total Risk-weighted Assets	18,791	21,070	20,444

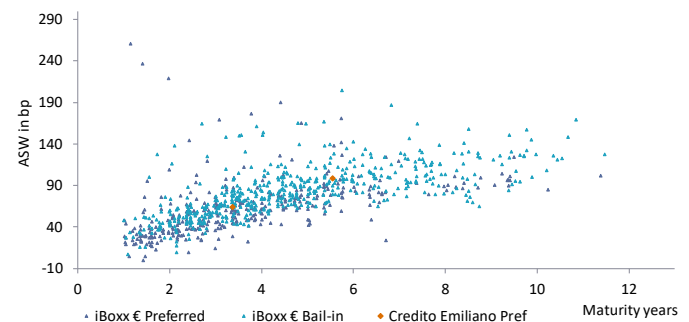
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	714	1,171	618
Net Fee & Commission Inc.	600	603	321
Net Trading Income	-18	148	86
Operating Expense	1,061	1,145	603
Credit Commit. Impairment	59	63	9
Pre-tax Profit	475	825	481

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.13	1.85	1.94	Liquidity Coverage Ratio	232.00	183.00	188.00
ROAE	9.90	15.71	16.72	IFRS Tier 1 Leverage Ratio	4.58	4.90	5.44
Cost-to-Income	66.51	56.24	55.17	NPL / Loans at Amortised Cost	1.68	1.60	1.56
Core Tier 1 Ratio	15.52	15.51	17.15	Reserves/Loans at Amort. Cost	1.17	1.16	1.11

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Asset quality

## Risks / Weaknesses

- Economic environment in Italy
- Profitability

# Credito Emiliano – Mortgage

Italy 

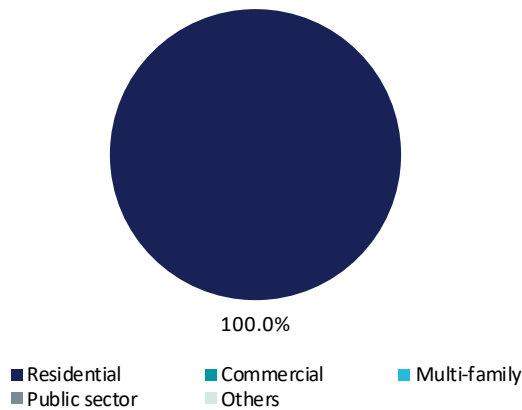
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

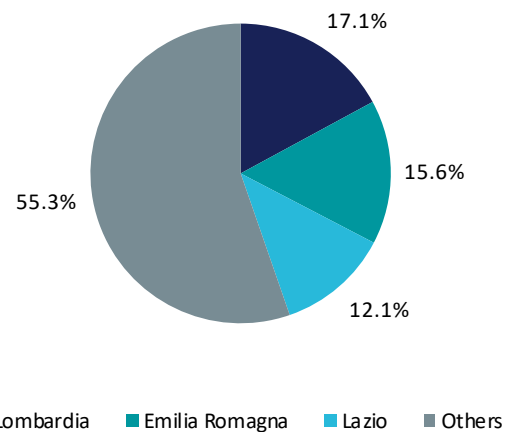
Cover pool volume (EURm)	4,596
Amount outstanding (EURm)	2,850
-thereof ≥ EUR 500m	87.7%
Current OC (nominal)	61.3%
Committed OC	7.5%
Cover type	Mortgage
Main country	100% Italy
Main region	17% Lombardia
Number of loans	58,184
Number of borrowers	57,839
Avg. exposure to borrowers (EUR)	79,467
WAL (cover pool)	8.3y
WAL (covered bonds)	4.8y
Fixed interest (cover pool)	78.4%
Fixed interest (covered bonds)	64.9%
LTV (indexed)	45.8%
LTV (unindexed)	41.0%
Loans in arrears	0.5%

Rating (Moody's)	Aa3
Rating (S&P)	-
Rating (Fitch)	AA
Rating (DBRS)	-
TPI	Probable
TPI leeway	1
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

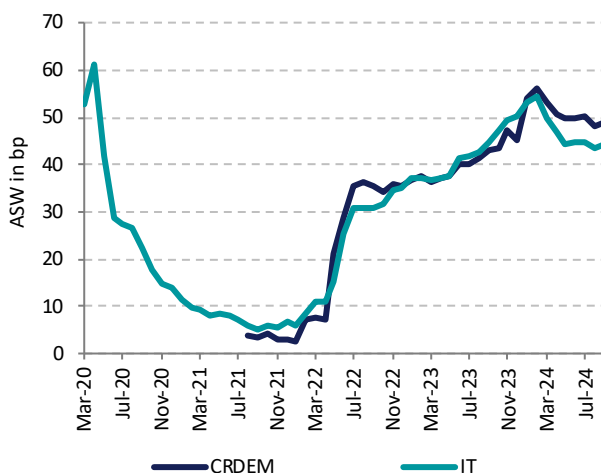
## Borrower Types



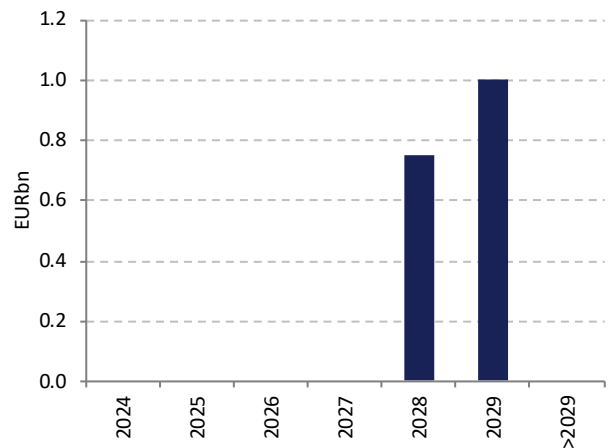
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Iccrea Banca/Gruppo BCC Iccrea

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Iccrea Banca SpA

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

## Homepage

[www.iccreabanca.it](http://www.iccreabanca.it)

Iccrea Banca S.p.A. is the parent company and central entity of the Iccrea Cooperative Banking Group (ICBG). On the basis of a cohesion agreement, the group is composed of Iccrea Banca, 114 affiliated cooperative banks and 18 businesses that are controlled by Iccrea on either a direct or indirect basis. The agreement regulates the mutual rights and obligations, and includes joint and several liability as well as mutual support within the group to ensure solvency and liquidity. ICBG has the second largest national branch network in Italy and is the fourth largest banking group in the country by total assets (FY 2023). Over 22,000 employees serve approximately 5.2 million customers in more than 2,415 branches (H1 2024). Reporting takes place in the following operating segments: Corporate (4.4% of pre-tax profit excluding Intersegment Transactions; FY 2023), Institutional (15.7%), Retail (3.6%) and Mutual Banks (76.3%). At group level, a total of EUR 90.9bn in customer loans (H1 2024, market share in Italy: 6.2%) is offset by around EUR 122.5bn in direct funding from customers. Here, loans to SMEs and consumer loans account for the largest items at 41.0% each (FY 2023). At around 75%, mortgages represent the major share of the overall loan portfolio of ICBG. Customer deposits (national market share: 6.4%) make up the bulk of direct funding at 89.6% (FY 2023), while issued securities and covered bonds account for 4.9% and 1.4% respectively. As part of its ESG strategy, Iccrea has issued three social bonds: The first in 2021, the second in 2023; the third at the start of this year.

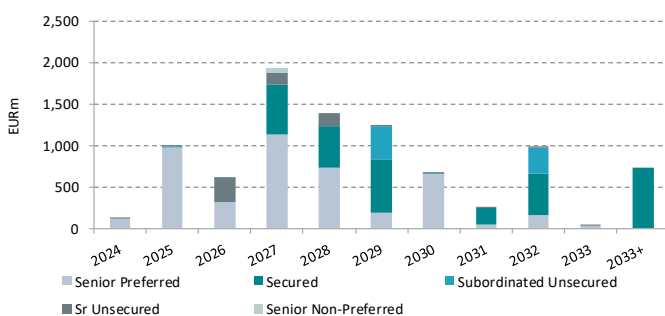
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	148,481	141,729	-
Total Securities	10,284	9,077	-
Total Deposits	119,117	122,532	122,991
Tier 1 Common Capital	12,286	13,572	14,486
Total Assets	173,542	174,513	166,191
Total Risk-weighted Assets	63,891	64,392	63,882

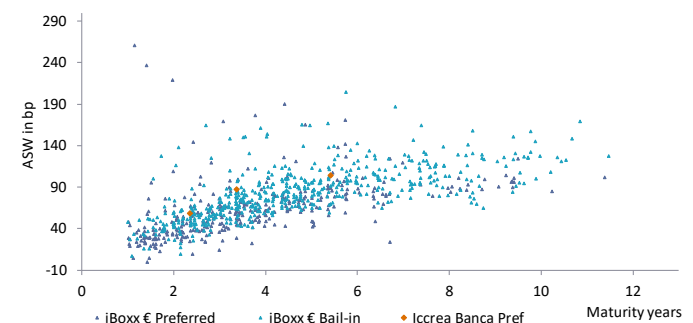
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,694	4,095	2,201
Net Fee & Commission Inc.	1,338	1,348	681
Net Trading Income	45	117	106
Operating Expense	3,310	3,414	1,576
Credit Commit. Impairment	489	416	179
Pre-tax Profit	1,569	2,094	1,239

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	2.22	2.54	-	Liquidity Coverage Ratio	230.50	265.30
ROAE	15.92	14.53	14.74	IFRS Tier 1 Leverage Ratio	7.11	7.80
Cost-to-Income	61.12	57.36	52.7	NPL / Loans at Amortised Cost	3.17	2.76
Core Tier 1 Ratio	19.23	21.08	22.68	Reserves/Loans at Amort. Cost	2.61	2.48

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Deposit base
- Capitalisation

## Risks / Weaknesses

- Diversification of income sources
- Cost structure

# Iccrea Banca – Mortgage

Italy 

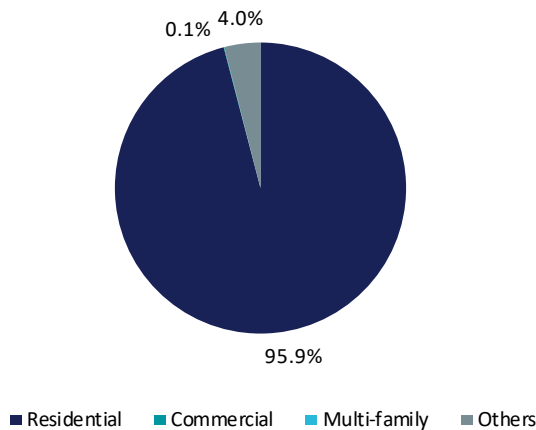
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

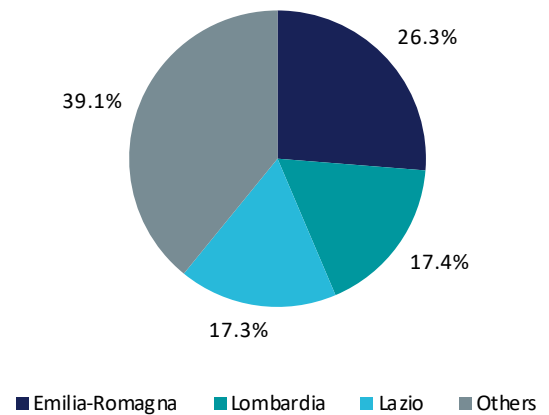
Cover pool volume (EURm)	3,286
Amount outstanding (EURm)	2,450
-thereof ≥ EUR 500m	122.4%
Current OC (nominal)	34.1%
Committed OC	7.5%
Cover type	Mortgage
Main country	100% Italy
Main region	26% Emilia-Romagna
Number of loans	28,806
Number of borrowers	22,419
Avg. exposure to borrowers (EUR)	140,705
WAL (cover pool)	11.1y
WAL (covered bonds)	5.3y
Fixed interest (cover pool)	58.5%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	57.8%
LTV (unindexed)	63.1%
Loans in arrears	0.2%

Rating (Moody's)	Aa3
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	Unpublished
Collateral score	6.3%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

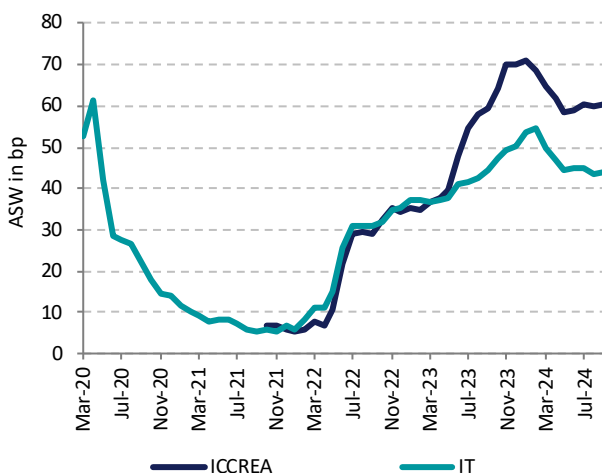
## Borrower Types



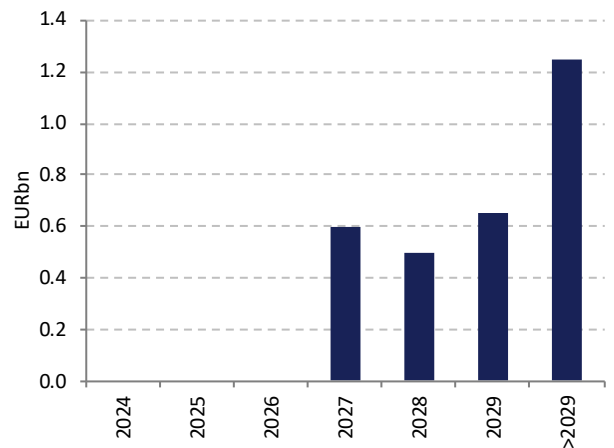
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Intesa Sanpaolo

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Intesa Sanpaolo SpA

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

## Homepage

[Intesasampaolo.com](https://intesasampaolo.com)

As measured by its balance sheet total (Q1 2024: EUR 932bn), Intesa Sanpaolo S.p.A. (Intesa) is Italy's largest banking group and is classified as a domestic systemically important bank (D-SIB). The largest shareholders in the bank, which is listed on the Italian stock exchange in Milan, are Compagnia di San Paolo (24 May 2024: 6.5%), followed by Fondazione Cariplo (5.3%). The universal bank conducts its business across approximately 3,300 national and roughly 900 international branches, serving 13.6 million customers on the domestic market and a further 7.3 million customers (Q1 2024) on a global basis in the process. The bank serves retail customers in 12 countries and corporate clients in 25 countries (in particular the Middle East and North Africa). At both national and international level, Intesa operates various subsidiaries that offer a range of different financial services. The bank's business activities are divided into seven business divisions: Banca dei Territori (domestic Commercial Banking, Retail, Exclusive and SME clients), IMI Corporate & Investment Banking, (corporate clients, public administration and financial institutions), International Subsidiary Banks, Private Banking, Insurance, Asset Management and Corporate Centre. Moreover, the bank holds a market-leading position in Italy in the areas of loans (Q1 2024: 18.2% market share), deposits (21.6%), asset management (23.0%), pension funds (24.4%) and factoring (26.7%). A total of 76.7% of the funding mix (Q1 2024) consists of retail funding, with wholesale funding accounting for a share of 23.3%. Intesa has issued 13 green and social bonds since 2022 (outstanding total volume: EUR 8.8bn as at Q1 2024) and has a green asset ratio (based on turnover) in line with the EU Taxonomy of 2.7%.

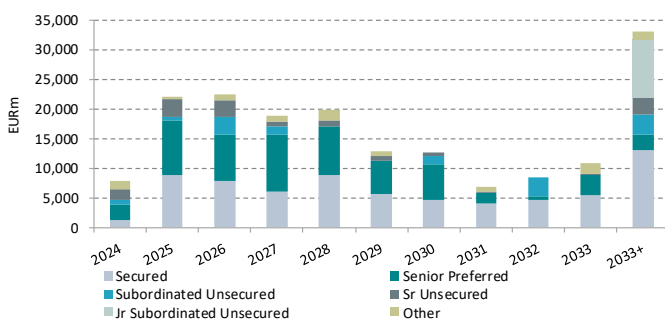
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	497,807	487,785	651,911
Total Securities	266,832	284,457	119,555
Total Deposits	511,812	495,365	445,467
Tier 1 Common Capital	40,772	41,476	40,503
Total Assets	974,587	963,570	934,422
Total Risk-weighted Assets	295,443	302,110	298,923

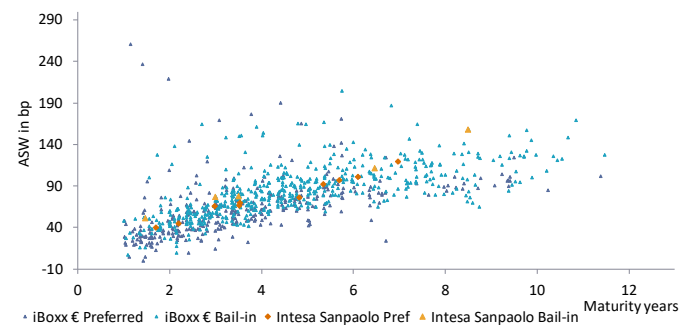
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	11,835	16,936	9,119
Net Fee & Commission Inc.	8,373	7,801	4,248
Net Trading Income	-5,853	2,325	1,500
Operating Expense	12,868	13,493	6,397
Credit Commit. Impairment	2,788	1,309	562
Pre-tax Profit	6,075	10,746	6,908

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.45	1.90	2.10	-	-	-
ROAE	6.91	12.33	14.62	-	-	-
Cost-to-Income	58.83	52.17	46.20	4.38	4.51	-
Core Tier 1 Ratio	13.80	13.73	13.55	2.15	2.04	2.01
Liquidity Coverage Ratio	-	-	-	-	1.53	-
IFRS Tier 1 Leverage Ratio	-	-	-	-	-	-
NPL / Loans at Amortised Cost	-	-	-	-	-	-
Reserves/Loans at Amort. Cost	-	-	-	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Domestic market positioning
- Funding
- Diversification of income sources

## Risks / Weaknesses

- Concentration risks (Italy)
- Capitalisation
- Operational environment (Italy)

# Intesa Sanpaolo – Mortgage (ISP CB Ipotec.)

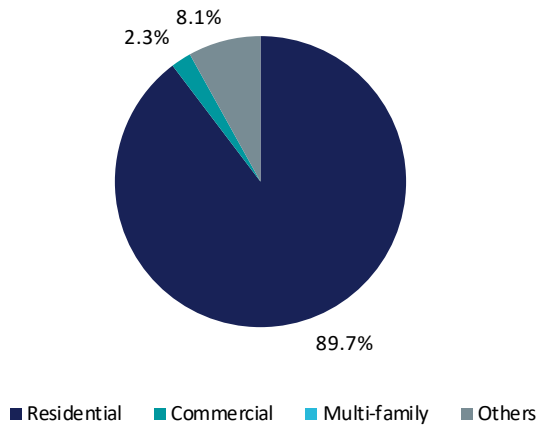
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

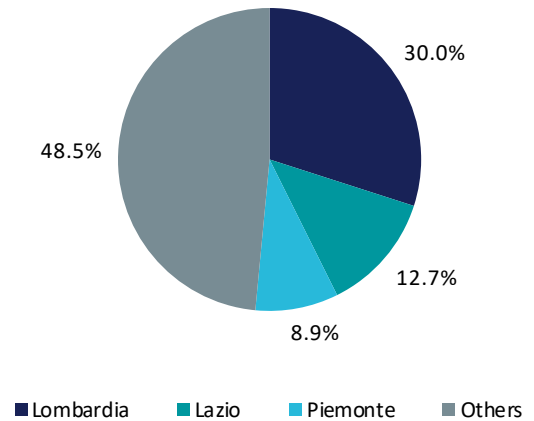
## Cover Pool Data

Cover pool volume (EURm)	34,560	Rating (Moody's)	Aa3
Amount outstanding (EURm)	22,960	Rating (S&P)	-
-thereof ≥ EUR 500m	29.4%	Rating (Fitch)	-
Current OC (nominal)	50.5%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	4.0%
Main region	30% Lombardia	RRL	-
Number of loans	372,136	JRL	-
Number of borrowers	333,445	Unused notches	-
Avg. exposure to borrowers (EUR)	95,292	AAA credit risk (%)	-
WAL (cover pool)	10.9y	PCU	-
WAL (covered bonds)	4.9y	Recovery uplift	-
Fixed interest (cover pool)	81.7%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	32.3%	LCR eligible	Yes
LTV (indexed)	52.7%	LCR level (Bmk)	1
LTV (unindexed)	66.0%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

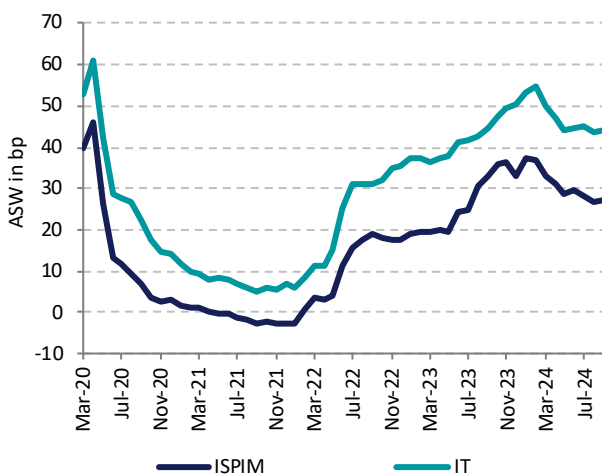
## Borrower Types



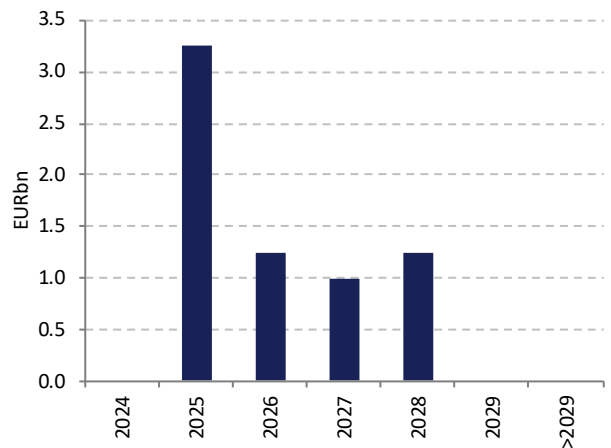
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Intesa Sanpaolo – Mortgage (UBI Finance)

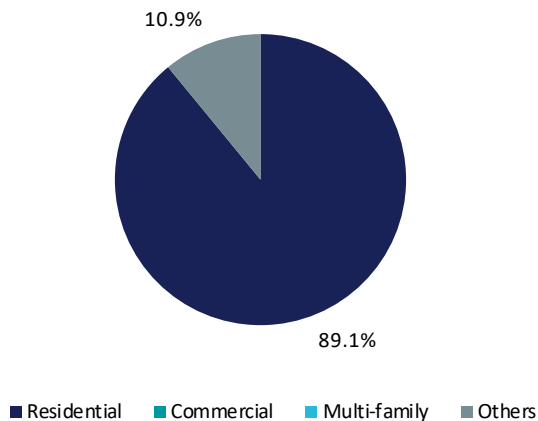
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

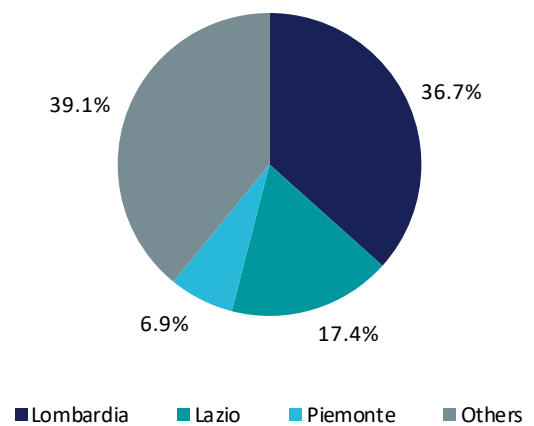
## Cover Pool Data

Cover pool volume (EURm)	7,987	Rating (Moody's)	Aa3
Amount outstanding (EURm)	5,450	Rating (S&P)	-
-thereof ≥ EUR 500m	78.0%	Rating (Fitch)	-
Current OC (nominal)	46.6%	Rating (DBRS)	AA
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	1
Main country	100% Italy	Collateral score	4.0%
Main region	37% Lombardia	RRL	-
Number of loans	105,282	JRL	-
Number of borrowers	101,542	Unused notches	-
Avg. exposure to borrowers (EUR)	70,054	AAA credit risk (%)	-
WAL (cover pool)	8.6y	PCU	-
WAL (covered bonds)	2.7y	Recovery uplift	-
Fixed interest (cover pool)	49.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	96.3%	LCR eligible	Yes
LTV (indexed)	44.6%	LCR level (Bmk)	1
LTV (unindexed)	65.7%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

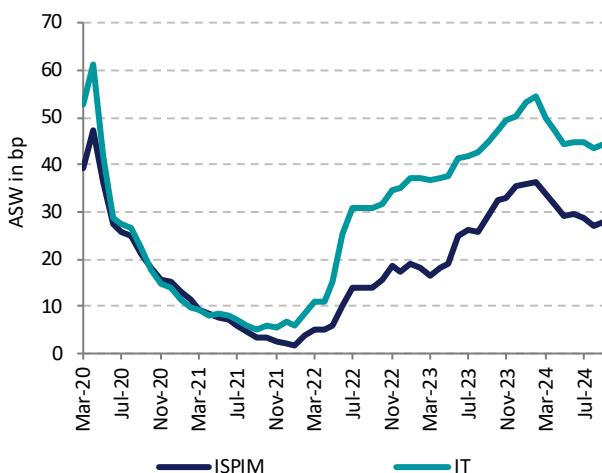
## Borrower Types



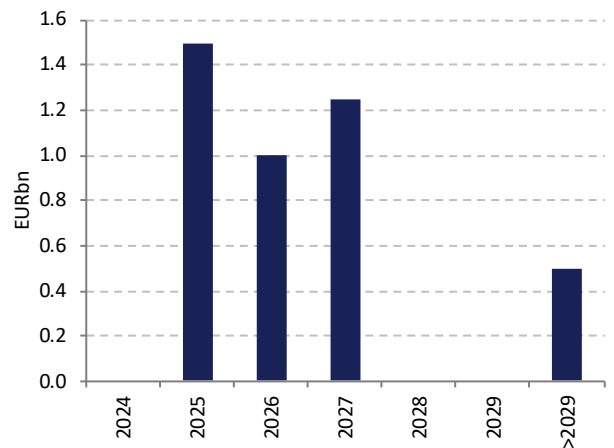
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Mediobanca

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Mediobanca Banca di Credito Finanziario SpA

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

## Homepage

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

Mediobanca S.p.A. (MB) was established in 1946. It is a financial group active at international level offering its customers services in the areas of Wealth Management, Consumer Banking as well as Corporate and Investment Banking. The institute has been listed on the Italian stock exchange since 1956 and is classified by Banca d'Italia as a domestic systemically important bank (D-SIB). The main shareholders in the institute are Delfin S.a.r.l. (28 October 2023: 19.7%) in addition to Francesco Gaetano Caltagirone (10.0%) and BlackRock (4.2%). As at Q3 2024, MB reports across the following segments: Wealth Management (17.1% of pre-tax profit), Consumer Finance (33.4%), Corporate & Investment Banking (20.8%), Insurance (28.1%) and Holding Functions (0.6%). Wholesale banking (31.3%; Q3 2024), private mortgage loans (24.2%) and consumer lending (28.8%) account for the majority of the loan portfolio. In March 2024, the funding mix was primarily based on deposits in the area of Wealth Management and bond issuances (43.7% and 43.4% respectively). In October 2023, MB concluded its acquisition of the majority stake in Arma Partners LLP, a leading European financial consulting company in the digital economy space. Since 2020, MB has issued one green bond and one sustainability bond, each worth EUR 500m (as at 30 June 2023) and has a green asset ratio of 1.6% based on the EU taxonomy. MB is part of the Net-Zero Banking Alliance. Therefore, it has set itself the target of becoming climate neutral by 2050 in addition to the interim target of reducing emissions in its loan portfolio by 35.0% by 2030. The financial year ends on 30 June.

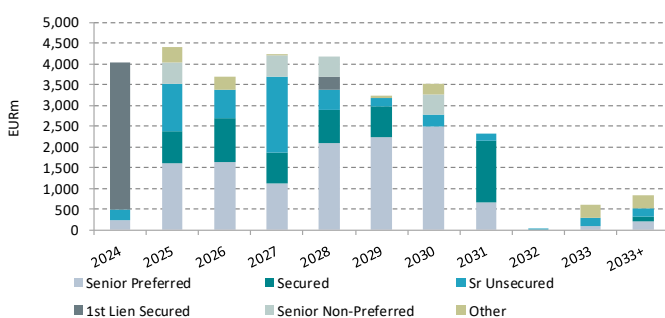
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	57,279	58,626	58,633
Total Securities	15,162	17,470	18,863
Total Deposits	36,444	34,836	36,824
Tier 1 Common Capital	7,894	8,178	7,532
Total Assets	90,568	91,624	94,910
Total Risk-weighted Assets	50,378	51,432	49,088

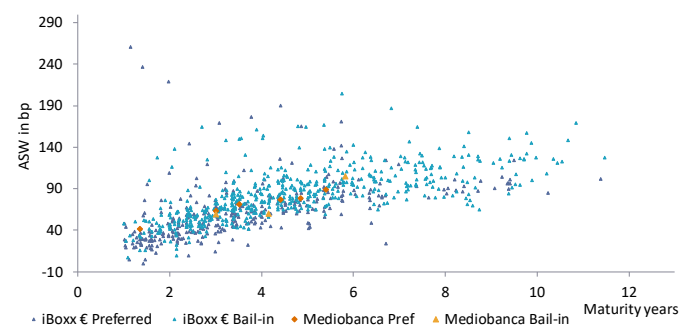
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,494	1,808	992
Net Fee & Commission Inc.	668	678	355
Net Trading Income	-9	115	86
Operating Expense	1,478	1,617	809
Credit Commit. Impairment	201	230	135
Pre-tax Profit	1,162	1,423	831

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.86	2.14	2.30	Liquidity Coverage Ratio	158.70	179.50	155.90
ROAE	8.27	10.19	11.05	IFRS Tier 1 Leverage Ratio	9.52	9.80	8.59
Cost-to-Income	51.92	48.72	45.52	NPL / Loans at Amortised Cost	2.96	2.29	2.21
Core Tier 1 Ratio	15.67	15.90	15.34	Reserves/Loans at Amort. Cost	2.81	2.80	2.74

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Diversified sources of revenue
- Asset quality in a peer comparison

## Risks / Weaknesses

- Dependency on wholesale funding
- Credit risk concentration
- Economic environment in Italy

# Mediobanca – Mortgage

Italy 

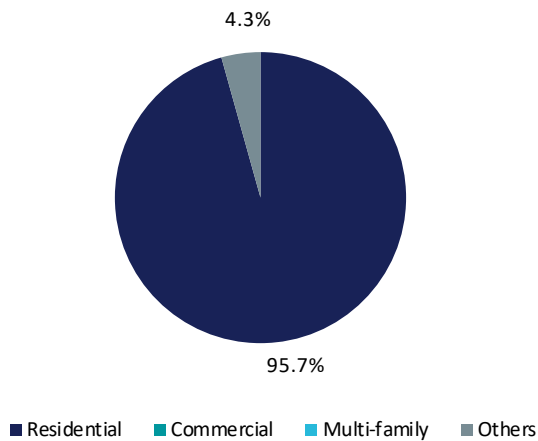
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

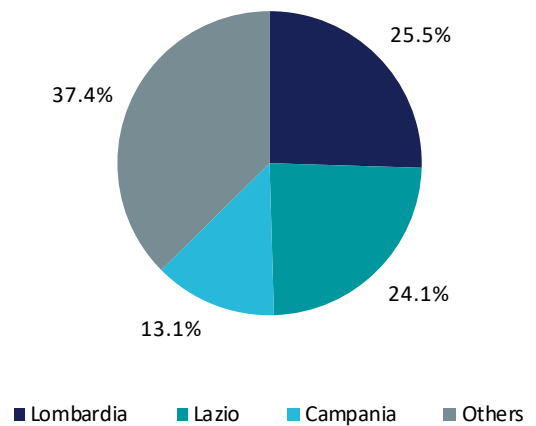
Cover pool volume (EURm)	7,251
Amount outstanding (EURm)	5,250
-thereof ≥ EUR 500m	101.0%
Current OC (nominal)	38.1%
Committed OC	20.5%
Cover type	Mortgage
Main country	100% Italy
Main region	25% Lombardia
Number of loans	71,921
Number of borrowers	72,573
Avg. exposure to borrowers (EUR)	95,592
WAL (cover pool)	20.7y
WAL (covered bonds)	3.6y
Fixed interest (cover pool)	68.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	50.8%
LTV (unindexed)	65.3%
Loans in arrears	0.2%

Rating (Moody's)	-
Rating (S&P)	-
Rating (Fitch)	AA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

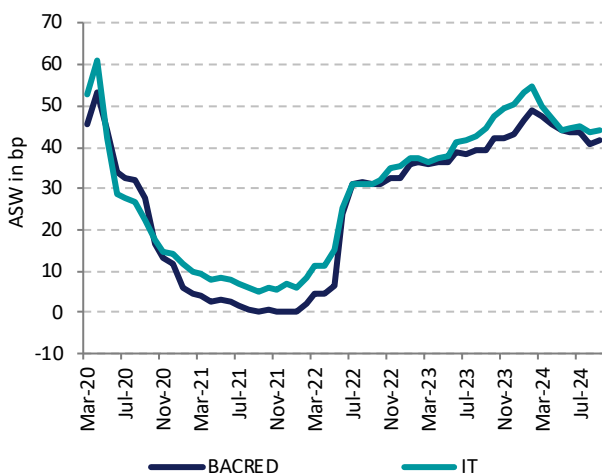
## Borrower Types



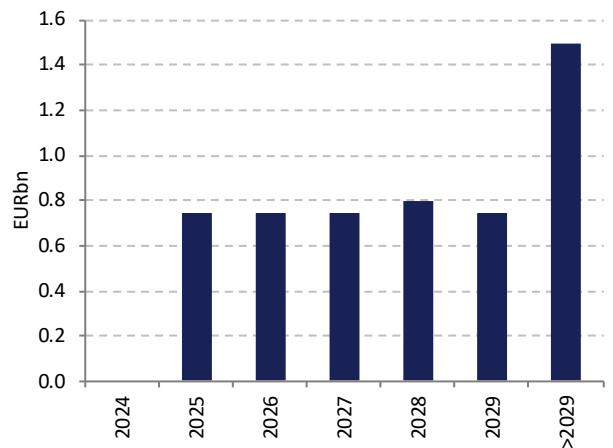
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# UniCredit

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### UniCredit SpA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

UniCredit S.p.A. is the second largest Italian banking group as measured by loans (FY 2023) and is a global systemically important bank (G-SIB; 1.5% additional capital requirement). The largest shareholder in the group, which is listed on the stock exchanges of Milan, Frankfurt and Warsaw, is BlackRock with 6.8% (26 March 2024). As a globally active universal bank with a strong focus on Europe, UniCredit employs around 75,800 staff, who serve over 15m customers (FY 2023). In total, the group owns 13 banks. UniCredit now reports across the segments Italy (46.7% of net income), Germany (23.3%), Central Europe (18.3%) and Eastern Europe (11.7%). In geographical terms, Italy (38.1%; Q1 2024), Germany (28.4%) and Central Europe (23.8%) account for more than three quarters of the loan portfolio. In the first quarter of 2024, customer deposits made up 57.6% of total assets, with a further 10.7% attributable to bank deposits. Covered bonds and senior unsecured bonds dominate (42.0% and 36.0% respectively) the medium and long-term wholesale funding of UniCredit. The group issues covered bonds from four jurisdictions: Italy, Germany, Austria and Czechia. The funding mix is diversified by way of ESG bonds, which are also issued via the subsidiaries. Since 2022, UniCredit has issued EUR 27.7bn in environmental and social loans, in addition to sustainable bonds with a volume of EUR 25.4bn. Moreover, the group has been part of the Net-Zero Banking Alliance since 2021 and has set itself interim targets for 2030 regarding the reduction of emissions in the coal, oil, gas, car and steel sectors. The green asset ratio as part of the EU taxonomy stands at 1.2%.

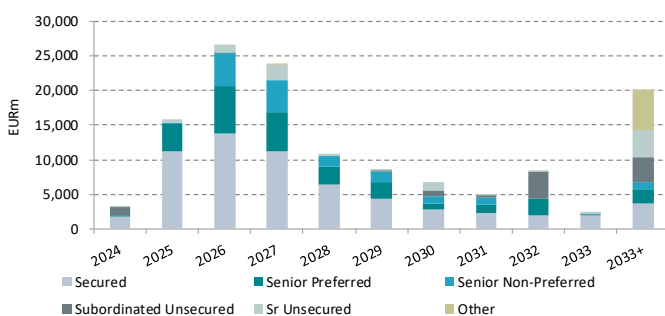
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	532,744	511,663	518,309
Total Securities	115,432	118,013	120,888
Total Deposits	519,216	504,127	505,796
Tier 1 Common Capital	51,442	45,913	45,181
Total Assets	857,773	784,974	798,925
Total Risk-weighted Assets	308,466	284,548	276,889

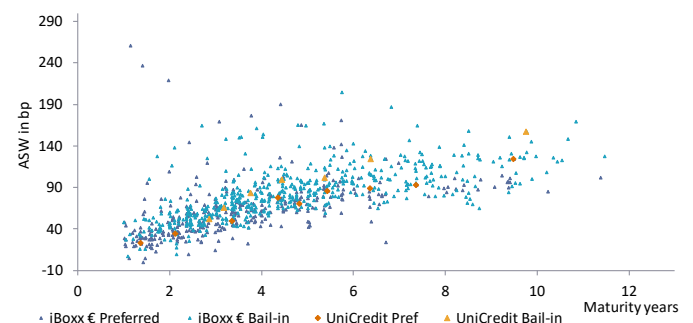
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	10,624	14,348	7,314
Net Fee & Commission Inc.	6,687	6,604	3,690
Net Trading Income	2,243	1,958	1,153
Operating Expense	11,546	12,189	5,649
Credit Commit. Impairment	1,989	587	72
Pre-tax Profit	7,289	11,451	7,326

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.19	1.77	1.92	-	-	-
ROAE	10.32	15.10	16.31	-	-	-
Cost-to-Income	54.88	49.09	43.26	6.17	6.00	5.77
Core Tier 1 Ratio	16.68	16.14	16.32	2.39	2.32	2.30
Liquidity Coverage Ratio	-	-	-	2.20	1.99	1.91
IFRS Tier 1 Leverage Ratio	-	-	-	-	-	-
NPL / Loans at Amortised Cost	-	-	-	-	-	-
Reserves/Loans at Amort. Cost	-	-	-	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Geographical diversification
- Capitalisation
- Liquidity buffer

## Risks / Weaknesses

- Russia exposure
- Exposure to SMEs and the CRE sector
- Operational environment (essentially Italy)

# UniCredit – Mortgage (OBG2)

Italy 

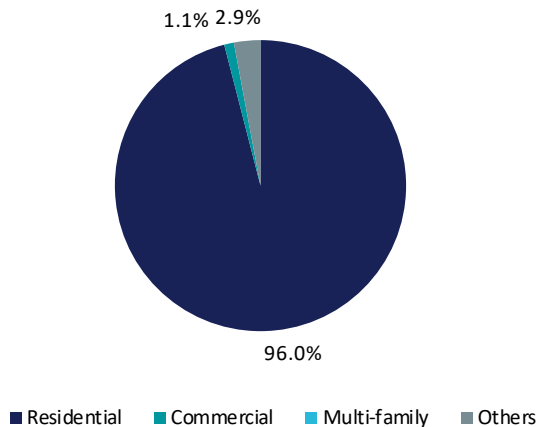
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

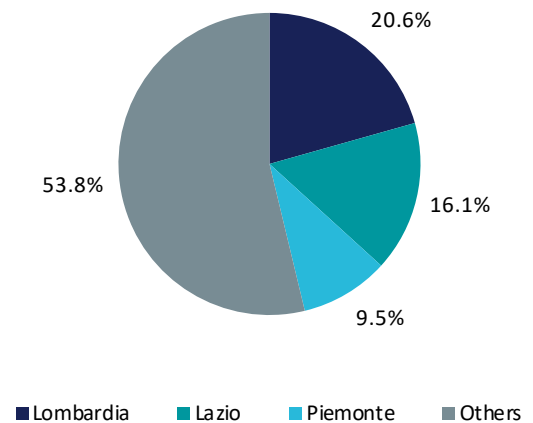
Cover pool volume (EURm)	29,165
Amount outstanding (EURm)	16,500
-thereof ≥ EUR 500m	30.3%
Current OC (nominal)	76.8%
Committed OC	9.2%
Cover type	Mortgage
Main country	100% Italy
Main region	21% Lombardia
Number of loans	359,766
Number of borrowers	341,767
Avg. exposure to borrowers (EUR)	82,835
WAL (cover pool)	9.0y
WAL (covered bonds)	7.5y
Fixed interest (cover pool)	56.9%
Fixed interest (covered bonds)	48.5%
LTV (indexed)	52.5%
LTV (unindexed)	48.2%
Loans in arrears	0.2%

Rating (Moody's)	Aa3
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	1
Collateral score	4.8%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

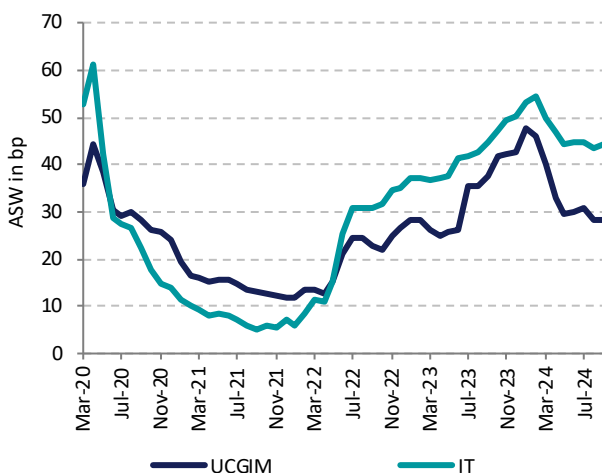
## Borrower Types



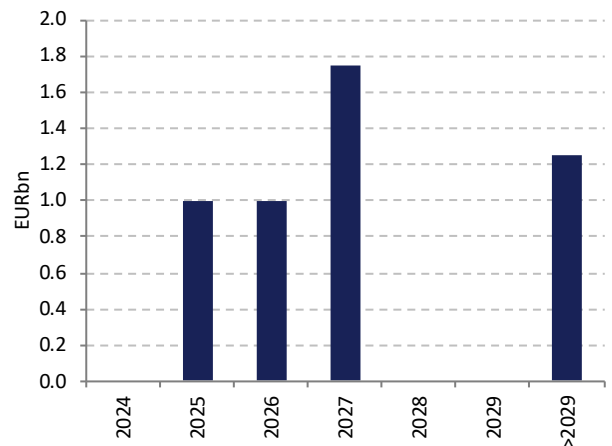
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Volksbank Südtirol

Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banca Popolare dell'Alto Adige SpA

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

## Homepage

[www.volksbank.it](http://www.volksbank.it)

Volksbank Südtirol (VS; Italian name: Banca Popolare dell'Alto Adige Volksbank S.p.A.) is a cooperative Italian bank that mainly operates in the Trentino-South Tyrol region. In addition to its domestic market, the province of Bolzano (FY 2022: 52 branches). VS is also active in other northern Italian provinces, namely Trento (17 branches), Vicenza (32), Padua (7), Treviso (18), Venice (15), Pordenone (3) and Belluno (18). After several mergers and acquisitions, VS has been operating in the legal form of a Società per azioni (public limited company) since 2016. In total, the bank employs approximately 1,400 employees, who serve over 284,000 customers, of whom 248,000 are retail customers (data as at Q3 2024). The strategic focus of VS is on Retail Banking and SMEs in terms of customer groups. These are offered services in areas such as loans, credit cards, leasing and wealth management. Furthermore, VS has a market share of 8.9% in Trentino and 2.0% in north-east Italy and the region of Veneto. VS reports in the three operating segments Private (pre-tax profit as at FY 2023: 34.7%), Enterprises (52.6%) and Financial/ALM (12.7%) as well as the non-operating segment Reconciliation. Funding is primarily composed of customer deposits (80.2% as at FY 2022), in addition to deposits from governments and central banks (9.7%). At 63.0%, the majority of total assets is comprised of customer loans. On the basis of the framework updated in September 2023, VS placed its first green covered bond on the market in the same year (EUR 250m). This bond was intended to be utilised under the framework for environmentally friendly and energy efficient buildings.

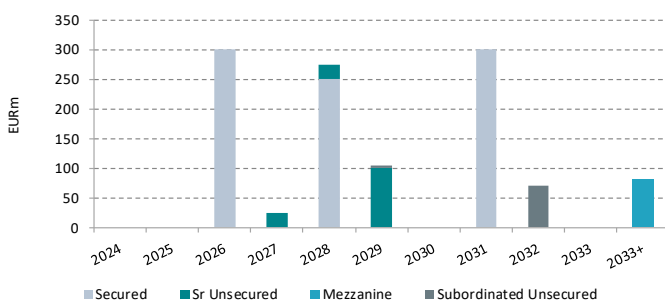
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	10,382	10,147	9,727
Total Securities	785	761	944
Total Deposits	8,759	9,018	9,490
Tier 1 Common Capital	806	860	-
Total Assets	12,956	11,954	11,842
Total Risk-weighted Assets	5,411	5,579	-

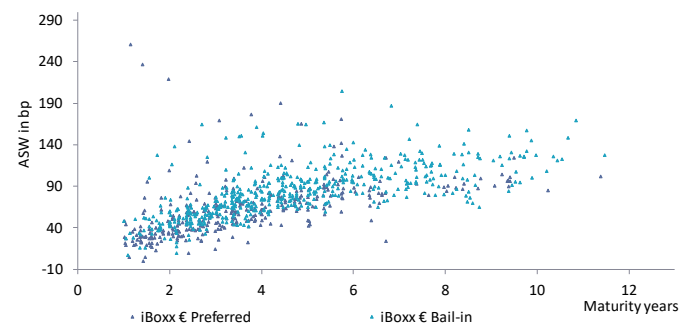
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	210	276	130
Net Fee & Commission Inc.	101	100	53
Net Trading Income	5	-7	8
Operating Expense	201	242	110
Credit Commit. Impairment	24	-3	7
Pre-tax Profit	114	151	87

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.66	2.33	2.31	Liquidity Coverage Ratio	229.46	214.78	159.00
ROAE	8.92	11.33	12.38	IFRS Tier 1 Leverage Ratio	6.23	7.20	-
Cost-to-Income	59.31	62.02	53.86	NPL / Loans at Amortised Cost	3.77	3.41	-
Core Tier 1 Ratio	14.89	15.41	15.80	Reserves/Loans at Amort. Cost	2.83	2.71	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Deposit base
- Market position in Trentino-South Tyrol
- Credit quality in a peer comparison

## Risks / Weaknesses

- Diversification of income sources
- Capitalisation
- Profitability



# Banca Popolare dell'Alto Adige – Mortgage

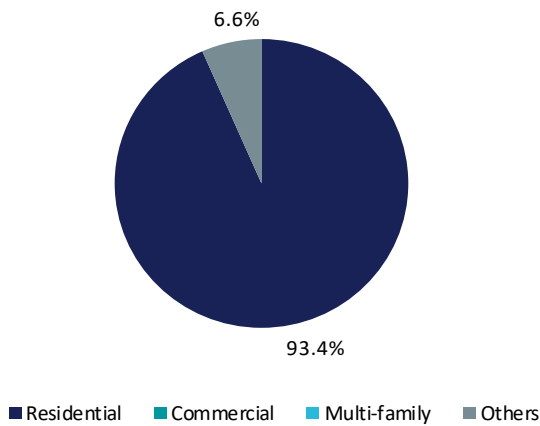
Italy 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

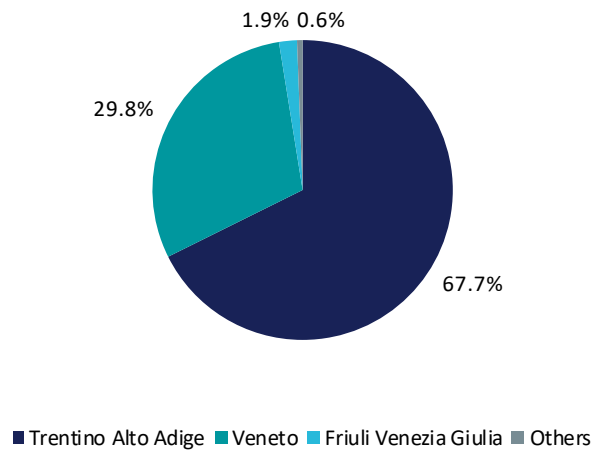
## Cover Pool Data

Cover pool volume (EURm)	736	Rating (Moody's)	-
Amount outstanding (EURm)	550	Rating (S&P)	-
-thereof ≥ EUR 250m	154.5%	Rating (Fitch)	AA
Current OC (nominal)	33.7%	Rating (DBRS)	-
Committed OC	13.6%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Italy	Collateral score	-
Main region	68% Trentino Alto Adige	RRL	-
Number of loans	7,037	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	8.1y	PCU	6
WAL (covered bonds)	3.7y	Recovery uplift	2
Fixed interest (cover pool)	53.7%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	38.0%	LCR level (SBmk)	2A
LTV (unindexed)	39.6%	Risk weight	10%
Loans in arrears	0.4%	Maturity structure (SBmk)	SB

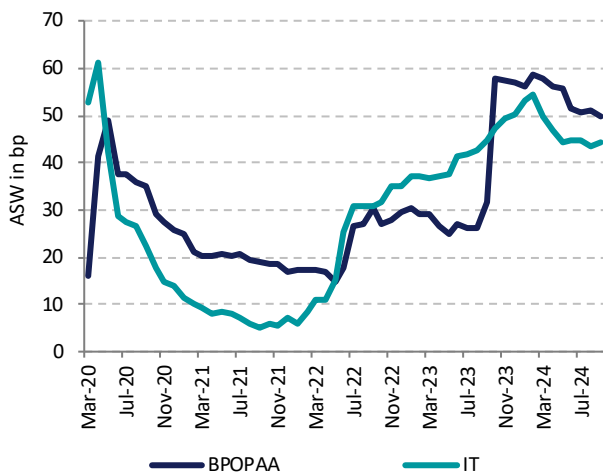
## Borrower Types



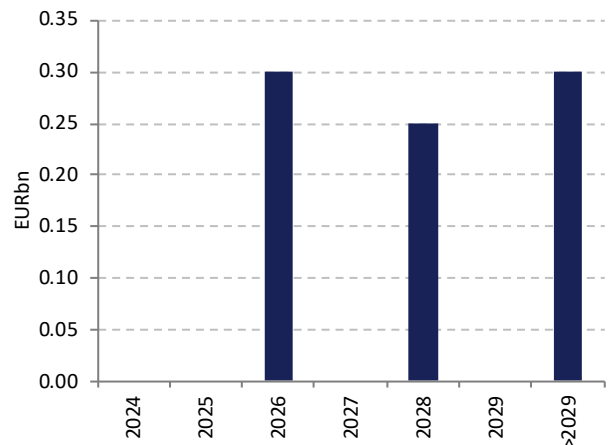
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

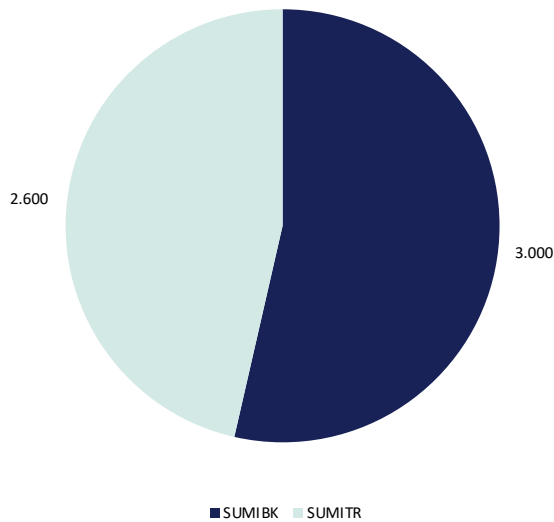
# Market Overview Covered Bonds

Japan 

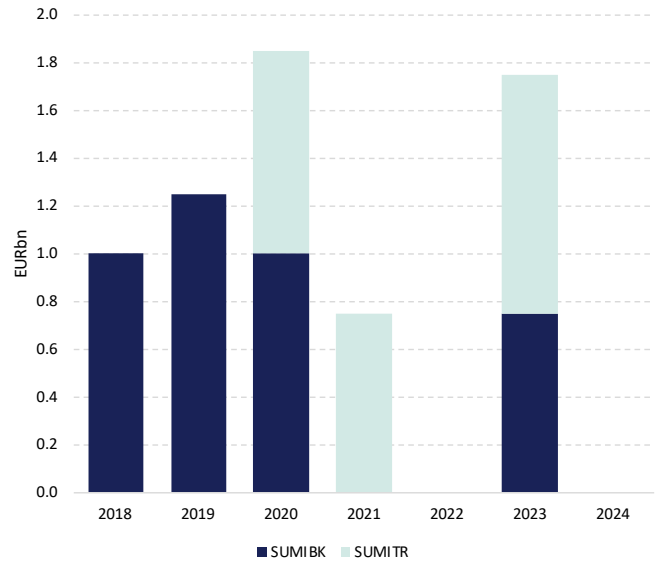
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 11.34bn	Outstanding volume (Bmk)	EUR 5.60bn
Amount outstanding	EUR 6.85bn	Number of benchmarks	8
Number of issuers	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

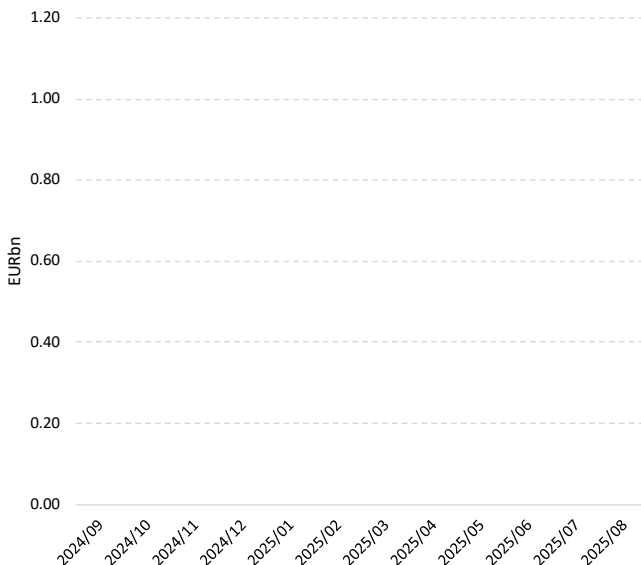
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



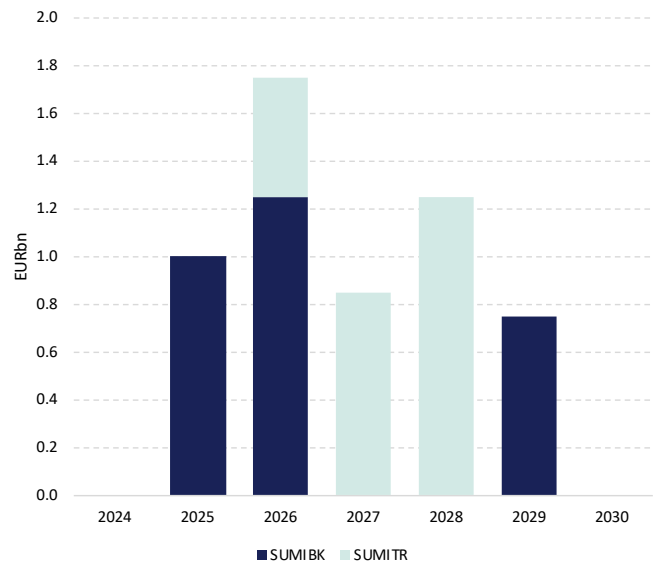
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Sumitomo Mitsui Financial Group

Japan 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Sumitomo Mitsui Financial Group Inc

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

## Homepage

[www.smbc.co.jp](http://www.smbc.co.jp)

Sumitomo Mitsui Banking Corporation (SMBC) is a commercial bank headquartered in Tokyo. SMBC, including its subsidiaries, is itself a wholly owned subsidiary of the holding company Sumitomo Mitsui Financial Group Inc. (SMFG), which is one of Japan's largest financial groups. SMFG is one of the 30 global systemically important banks (G-SIBs; additional capital buffer 1.0%). In Japan, the bank has 524 branches and more than 27,800 staff (FY 2023). Customers are offered both financial products and services in the area of banking, as well as leasing, securities, credit card and consumer finance services. SMFG reports in the following operating segments: Retail, Wholesale, Global and Global Markets. In geographical terms, 64.0% of the loan portfolio is attributable to the group's domestic market (FY 2023). The domestic portfolio is primarily comprised of loans to medium-sized businesses and SMEs (35.4%), large corporates (34.6%) and private individuals (19.8%). The foreign loan portfolio can be broken down into the regions EMEA (28.7%), North and South America (39.6%) and Asia (31.6%). SMBC plans to become climate neutral in its own operations by 2030 and in its loan and investment portfolio by 2050. SMBC has been a regular issuer of green bonds since 2015 under its Green Bond Framework. Most of the projects financed by green bonds (e.g. wind farms) are located in the UK (24.0%) and Australia (20.0%). The volume of green bonds outstanding amounted to around EUR 2.6bn on 31 December 2023. The financial year of SMBC ends on 31 March.

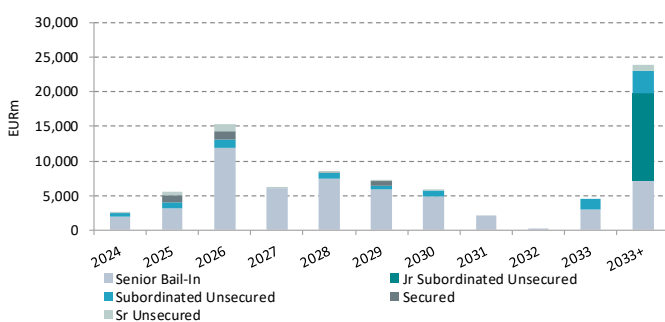
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	667,298	676,129	643,458
Total Securities	482,889	448,722	487,895
Total Deposits	1,198,363	1,189,469	1,114,698
Tier 1 Common Capital	77,529	75,046	72,356
Total Assets	1,910,385	1,872,376	1,857,979
Total Risk-weighted Assets	536,337	535,101	518,956

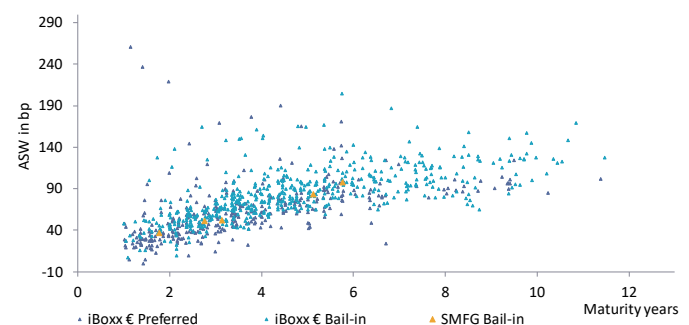
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	11,708	12,200	5,791
Net Fee & Commission Inc.	9,237	8,705	4,493
Net Trading Income	775	857	-425
Operating Expense	13,954	13,843	7,060
Credit Commit. Impairment	2,102	1,493	655
Pre-tax Profit	7,123	7,801	4,608

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.98	1.00	0.75	Liquidity Coverage Ratio	-	-	-
ROAE	5.87	6.51	7.91	IFRS Tier 1 Leverage Ratio	4.12	4.09	-
Cost-to-Income	58.07	58.71	57.21	NPL / Loans at Amortised Cost	1.29	0.95	0.87
Core Tier 1 Ratio	14.46	14.02	13.94	Reserves/Loans at Amort. Cost	0.90	0.76	0.71

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Liquidity
- Probability of state support

## Risks / Weaknesses

- Wholesale funding in foreign currency
- Competition on the domestic market
- Profitability

# SMBC – Mortgage

Japan 

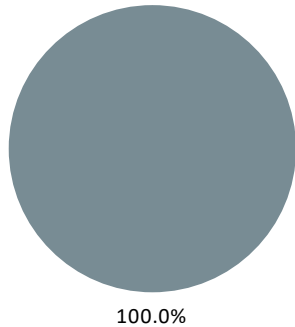
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	7,590
Amount outstanding (EURm)	4,175
-thereof ≥ EUR 500m	71.8%
Current OC (nominal)	81.8%
Committed OC	25.0%
Cover type	Mortgage
Main country	100% Japan
Main region	45% Tokyo
Number of loans	60,034
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	28.6y
WAL (covered bonds)	2.0y
Fixed interest (cover pool)	0.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	71.2%
LTV (unindexed)	83.1%
Loans in arrears	0.0%

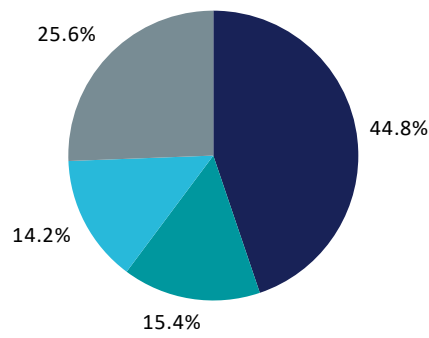
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	0.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	No
LCR level (Bmk)	Not eligible
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



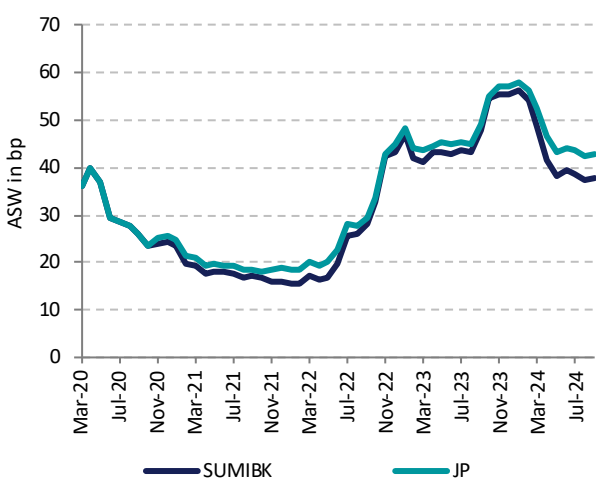
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



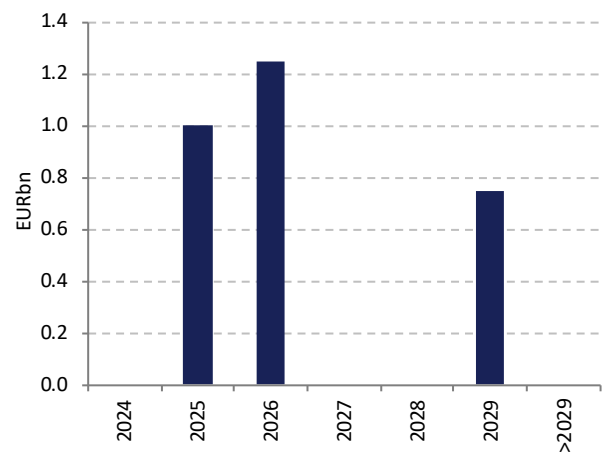
■ Tokyo ■ Osaka ■ Kanagawa ■ Others

## Spread Development



— SUMIBK — JP

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Sumitomo Mitsui Trust Holding

Japan 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Sumitomo Mitsui Trust

## Bank Ltd

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

## Homepage

[www.smth.jp](http://www.smth.jp)

\*Senior Unsecured/LT Bank Deposits

Sumitomo Mitsui Trust Bank (SMTB), headquartered in Tokyo, is the largest trust bank in Japan as measured by assets. The bank is 100 years old and is a wholly owned subsidiary of Sumitomo Mitsui Trust Holdings, Inc. (SMTH), which was founded in 2011. SMTB is the main operating entity of the group. The trust and banking business represent core activities at SMTB. The group is also active in the areas of private banking, asset management and real estate, among others. SMTH is listed on the Tokyo stock exchange and according to its own information, it has a dominant market position in the Japanese trust business. The group reports across the following operating segments: Wealth Management Business (FY 2024: 26.4% of gross business profit), Corporate Business (30.2%), Investor Services Business (15.0%), Real Estate Business (8.7%) and Global Markets Business (13.6%). The Japanese domestic market accounted for approximately 81.5% of the loan portfolio at group level. Broken down by sector, the domestic portfolio consisted of private mortgage loans (FY 2024: 30.8%), followed by real estate (10.6%) and manufacturing industries (8.6%). Most of the funding mix consisted of customer deposits (FY 2024: 51% of liabilities). The bank has been issuing green bonds since 2018 under its Green Bond Framework. As at 29 May 2024, it had USD 1.5bn in green bonds outstanding, which are mainly used to finance projects in the renewable energies sector. As a member of the Net-Zero Banking Alliance, SMTH has committed to achieving carbon neutrality by 2050 at the latest. The financial year ended on 31 March 2024 (FY 2024).

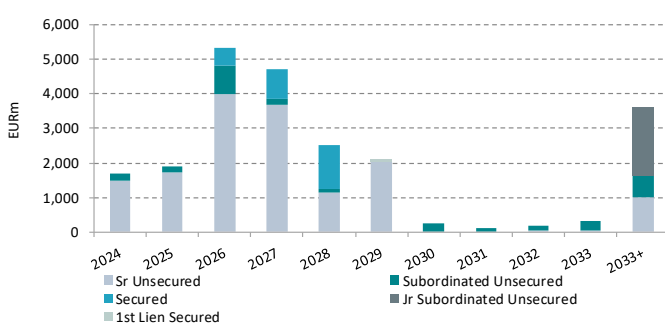
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	227,679	219,350	206,306
Total Securities	83,127	74,035	79,878
Total Deposits	295,175	296,670	287,829
Tier 1 Common Capital	18,386	17,377	16,509
Total Assets	479,131	477,895	462,685
Total Risk-weighted Assets	149,265	161,025	153,768

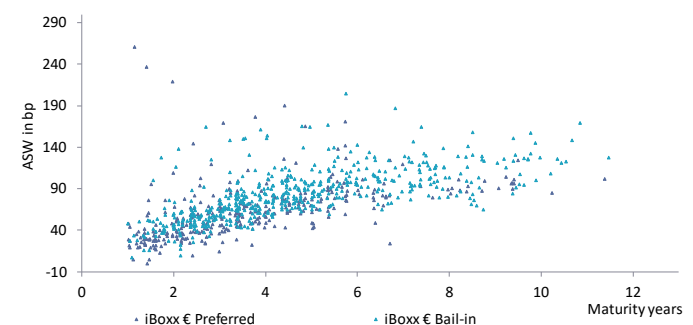
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,052	773	-239
Net Fee & Commission Inc.	3,234	3,034	1,411
Net Trading Income	103	74	-56
Operating Expense	3,335	3,239	1,605
Credit Commit. Impairment	319	74	11
Pre-tax Profit	1,747	1,927	356

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	0.46	0.18	-0.11	Liquidity Coverage Ratio	-	-
ROAE	6.17	6.95	3.08	IFRS Tier 1 Leverage Ratio	3.90	3.72
Cost-to-Income	61.60	60.62	82.19	NPL / Loans at Amortised Cost	0.72	0.48
Core Tier 1 Ratio	12.32	10.79	10.74	Reserves/Loans at Amort. Cost	0.53	0.41

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in the trust business
- Liquidity
- Asset quality

## Risks / Weaknesses

- Profitability
- Capitalisation
- FX funding profile

# SMTB – Mortgage

Japan 

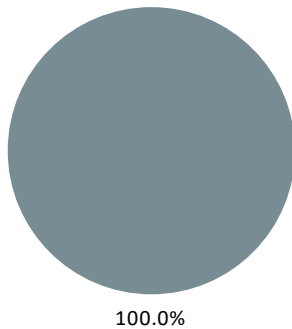
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	3,755
Amount outstanding (EURm)	2,676
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	40.4%
Committed OC	25.0%
Cover type	Mortgage
Main country	100% Japan
Main region	33% Tokyo
Number of loans	15,371
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	30.1y
WAL (covered bonds)	4.2y
Fixed interest (cover pool)	0.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	88.5%
LTV (unindexed)	77.6%
Loans in arrears	0.0%

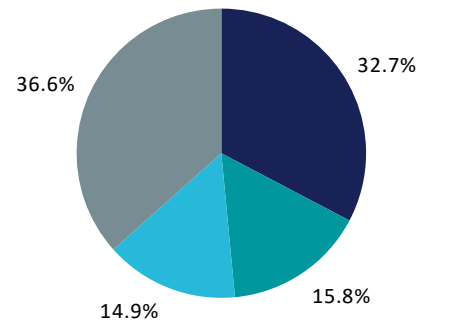
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	0.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	No
LCR level (Bmk)	Not eligible
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



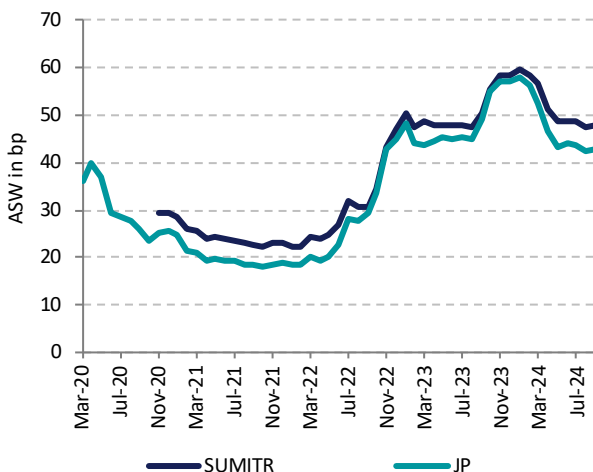
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

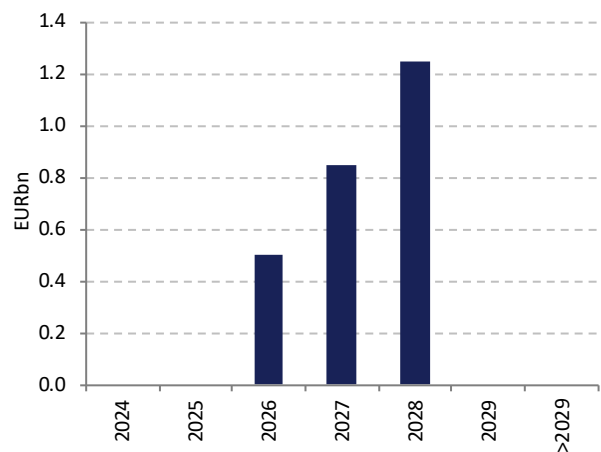


■ Tokyo ■ Osaka ■ Kanagawa ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

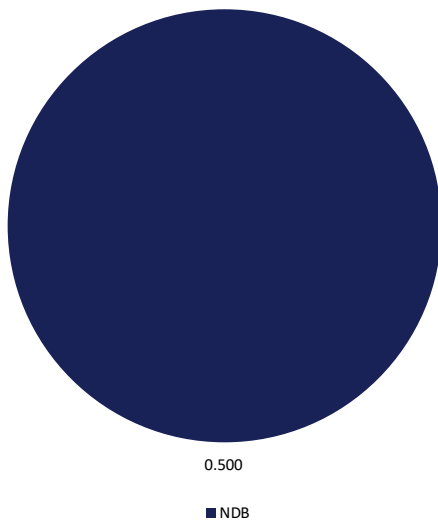
# Market Overview Covered Bonds

Luxembourg 

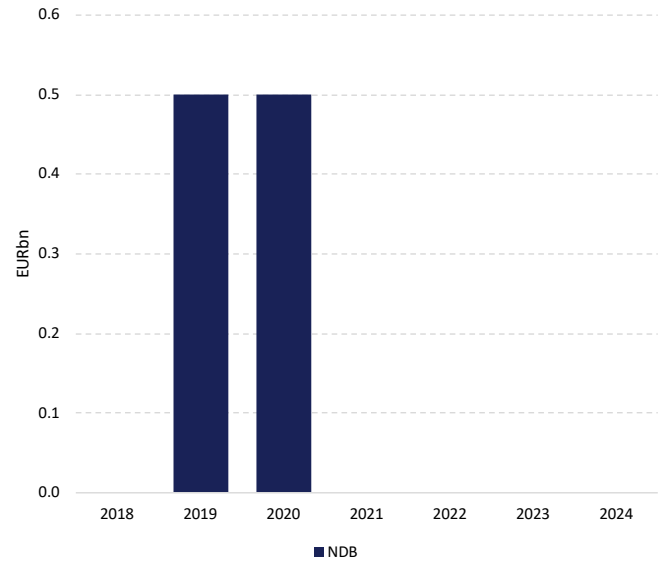
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 3.35bn	Outstanding volume (Bmk)	EUR 0.50bn
Amount outstanding	EUR 2.38bn	Number of benchmarks	1
Number of issuers	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 / AAA	Number of subbenchmarks	1
Best possible LCR level	Level 1	Maturity types	HB

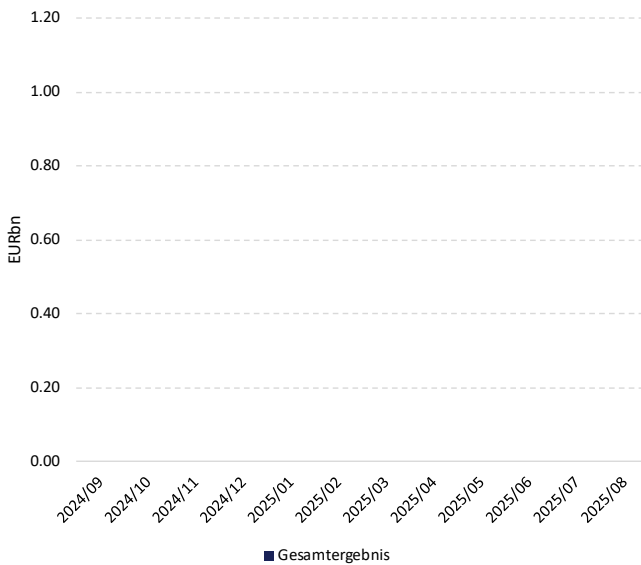
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



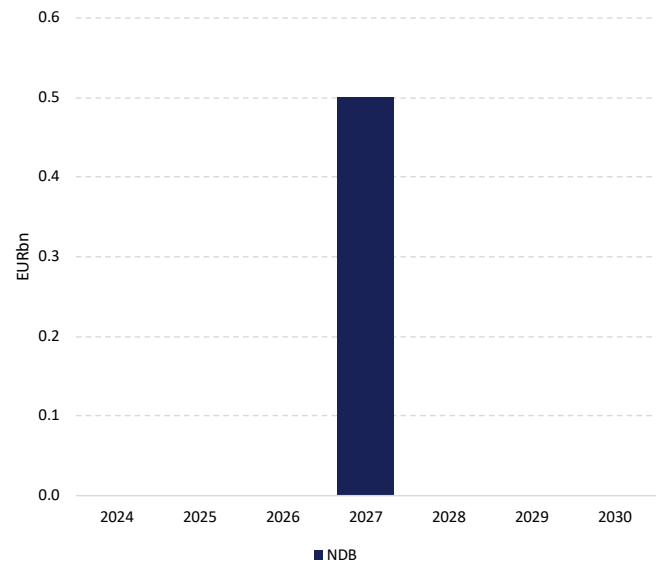
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# NORD/LB Luxembourg SA. Covered Bond Bank Luxembourg

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### NORD/LB Luxembourg SA Covered Bond Bank

	Rating	Outlook
Fitch	-	-
Moody's	Aa2	Stable
S&P	-	-

## Homepage

[www.nordlb.lu](http://www.nordlb.lu)

NORD/LB Luxembourg S.A. Covered Bond Bank (NORD/LB CBB) is a covered bond bank that operates in accordance with Luxembourg law. The institute is a wholly owned subsidiary of Norddeutsche Landesbank Girozentrale (NORD/LB), which has issued a letter of comfort to NORD/LB CBB. The owners of the NORD/LB are the state of Lower Saxony (H1 2024: 57.92%), the state of Saxony-Anhalt (6.25%) and the Sparkassen-Finanzgruppe (35.83%). As at 31 December 2023, NORD/LB CBB employed 117 staff. Whereas previously, the core business of NORD/LB CBB comprised the refinancing of the NORD/LB Group through covered bond issuances, this has now been changed as part of the group-wide transformation programme NORD/LB 2024. This applies to both the Lettre de Gage products as well as the transfer of new lending business from the parent company. Only the segments focused on factoring and Fixed Income Relationship Management & Sales Europe will remain in operation until 2024. The administration of existing portfolios and cover pools in addition to ensuring operational stability are planned as new core business areas in the future. NORD/LB CBB is also set to remain an integral part of the NORD/LB Group after the transformation. The institute reports in the following segments: Financial Markets & Sales, Loans, Group Services/B2B and Bank Management & Other. NORD/LB CBB issued a green covered bond (volume: EUR 300m) in 2020. In line with the Green Bond Framework, the proceeds were invested in projects for the financing of renewable energies.

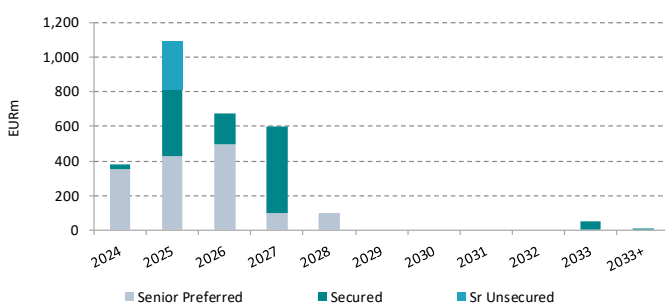
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	7,033	5,944	4,877
Total Securities	3,178	2,561	2,282
Total Deposits	2,822	2,371	2,066
Tier 1 Common Capital	630	584	604
Total Assets	10,580	9,155	7,815
Total Risk-weighted Assets	2,122	1,848	1,509

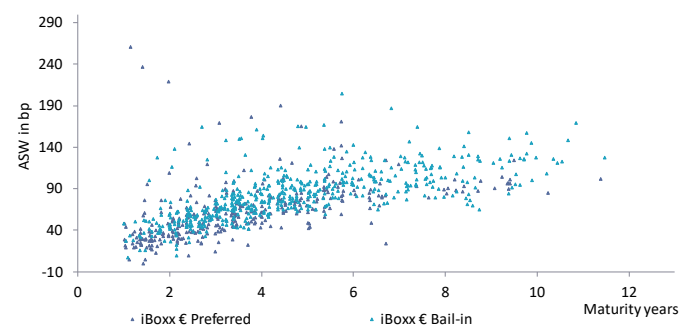
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	98	75	69
Net Fee & Commission Inc.	-50	-39	-32
Net Trading Income	-16	6	-5
Operating Expense	31	31	46
Credit Commit. Impairment	-6	1	-2
Pre-tax Profit	-4	7	-16

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	0.85	0.77	0.82	Liquidity Coverage Ratio	-	-	-
ROAE	-0.61	2.13	-2.64	IFRS Tier 1 Leverage Ratio	6.26	6.69	8.06
Cost-to-Income	202.12	80.51	142.95	NPL / Loans at Amortised Cost	0.66	0.77	0.01
Core Tier 1 Ratio	29.69	31.60	40.00	Reserves/Loans at Amort. Cost	0.04	0.06	0.04

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

**A SWOT analysis cannot be offered due to the obvious conflict of interest here.**



# NORD/LB Luxembourg CBB – Public Sector

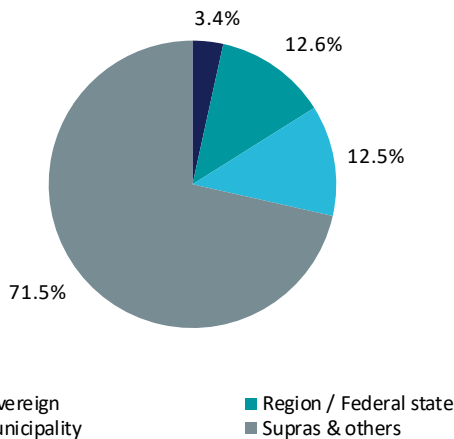
Luxembourg 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

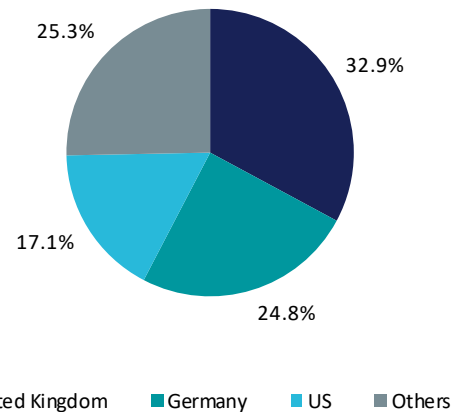
## Cover Pool Data

Cover pool volume (EURm)	3,009	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,079	Rating (S&P)	-
-thereof ≥ EUR 500m	24.0%	Rating (Fitch)	-
Current OC (nominal)	44.7%	Rating (DBRS)	-
Committed OC	2.0%	TPI	Probable
Cover type	Public Sector	TPI leeway	5
Main country	33% United Kingdom	Collateral score	17.7%
Main region	n/a	RRL	-
Number of loans	255	JRL	-
Number of borrowers	161	Unused notches	-
Avg. exposure to borrowers (EUR)	17,914,222	AAA credit risk (%)	-
WAL (cover pool)	6.7y	PCU	-
WAL (covered bonds)	7.4y	Recovery uplift	-
Fixed interest (cover pool)	46.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	94.5%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

## Borrower Types



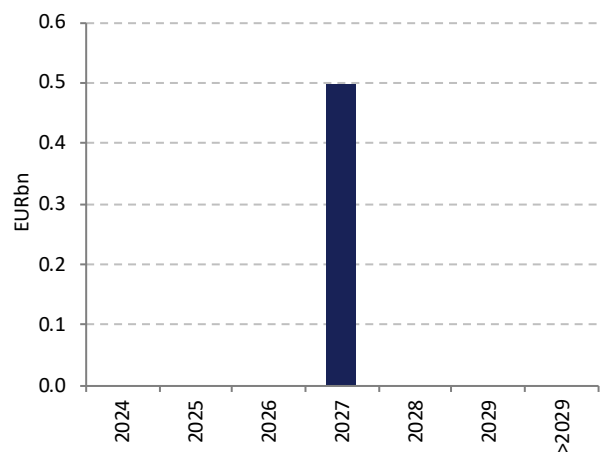
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



# NORD/LB Luxembourg CBB – Renewable

Luxembourg 

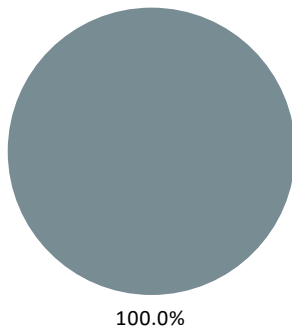
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	343
Amount outstanding (EURm)	300
-thereof ≥ EUR 250m	100.0%
Current OC (nominal)	14.4%
Committed OC	2.0%
Cover type	Renewable Energy
Main country	43% Ireland
Main region	n/a
Number of loans	30
Number of borrowers	23
Avg. exposure to borrowers (EUR)	14,921,060
WAL (cover pool)	4.6y
WAL (covered bonds)	0.8y
Fixed interest (cover pool)	18.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	-
LTV (unindexed)	-
Loans in arrears	0.0%

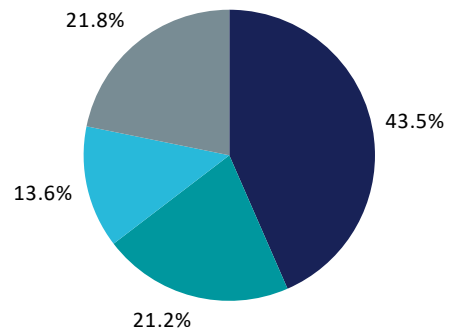
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Improbable
TPI leeway	3
Collateral score	28.2%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	20%
Maturity structure (SBmk)	HB

## Borrower Types



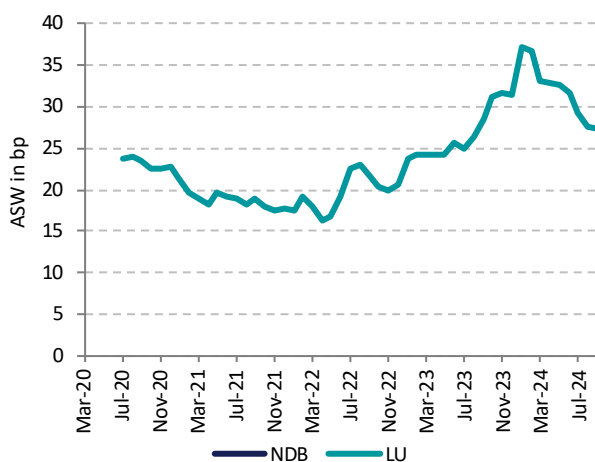
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



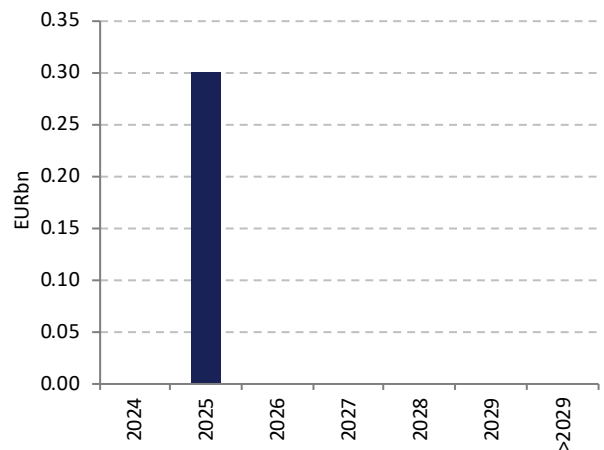
■ Ireland ■ Germany ■ France ■ Others

## Spread Development



■ NDB ■ LU

## Redemption Profile (SBmk)



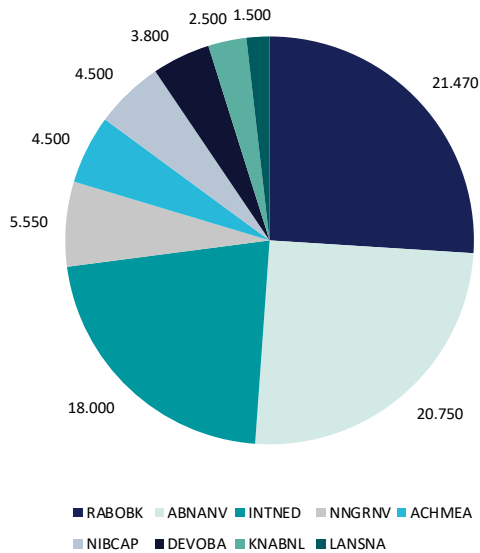
# Market Overview Covered Bonds

## Netherlands

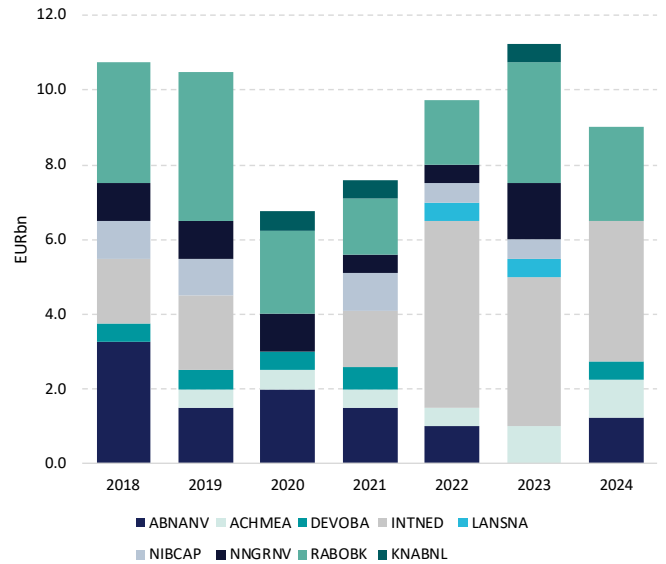
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 118.69bn	Outstanding volume (Bmk)	EUR 82.57bn
Amount outstanding	EUR 96.83bn	Number of benchmarks	84
Number of issuers	9	Outstanding ESG volume (Bmk)	EUR 2.50bn
No of cover pools	11	Number of ESG benchmarks	3
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

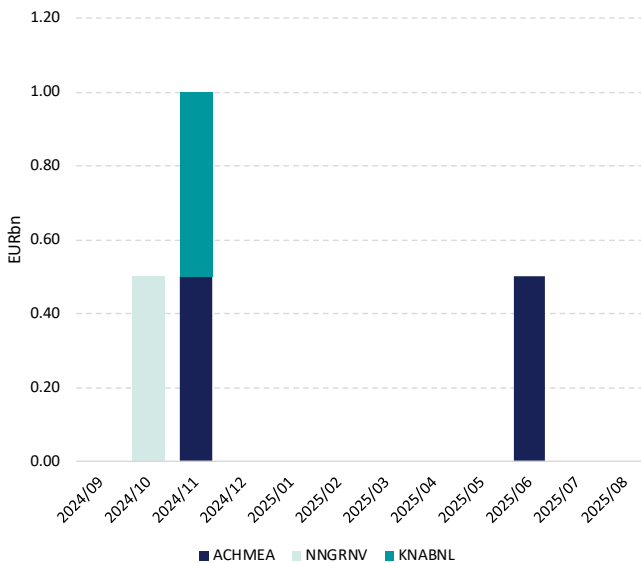
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



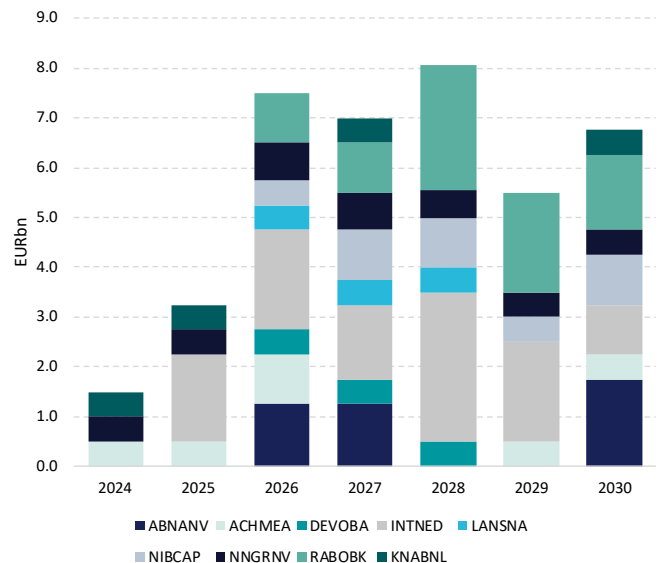
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# ABN AMRO

# Netherlands

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### ABN AMRO Bank N.V.

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

## Homepage

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

ABN AMRO Bank N.V. is headquartered in Amsterdam and is classified by the Bank of the Netherlands as a domestic systemically important bank (D-SIB). In addition to the Netherlands, the group operates primarily in Northwest Europe and in selected markets outside of Europe. According to its own information, ABN AMRO is one of the market leaders in the Netherlands for retail banking (mortgages and SMEs; market shares of 14.0% and 16.0% respectively as at FY 2023). The Dutch state currently holds a stake of around 49.5% in ABN AMRO via the Dutch finance agency, NLF. It was announced in November 2023 that the NLF intended to reduce its share to 40% in the future. Reporting takes place in the following operating segments: Personal & Business Banking (FY 2023: 43.3% of pre-tax profit), Corporate Banking (50.7%) and Wealth Management (15.0%). The bank also operates the supporting segment Group Functions (-9.1%). The majority of the loan portfolio consists of residential mortgage and corporate loans (FY 2023: 59.8% and 34.3% respectively). In December 2023, ABN AMRO announced the acquisition of the neobroker BUX. The aim here is to improve the bank's market position for retail investors. The major share of liabilities consisted of deposits (FY 2023: 66%), with wholesale funding accounting for 18.0%. Of this, 31.7% was attributable to covered bonds, with senior preferred bonds and senior non-preferred bonds comprising shares of 16.9% and 21.1% respectively. A total of 12.4% of capital market issuances were green bonds. In line with the 2022 climate strategy, ABN AMRO's portfolio is aligned with the 1.5°C target, with climate neutrality to be achieved by 2050. The turnover-based green asset ratio amounted to 10% in FY 2023.

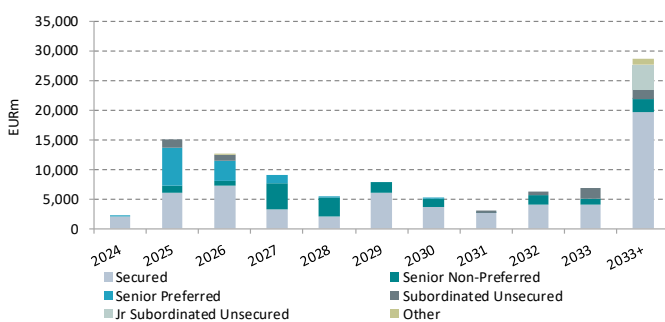
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	243,928	245,945	251,526
Total Securities	65,184	68,768	91,991
Total Deposits	255,015	254,466	260,826
Tier 1 Common Capital	19,507	20,003	20,206
Total Assets	379,581	377,909	393,404
Total Risk-weighted Assets	128,593	140,187	146,348

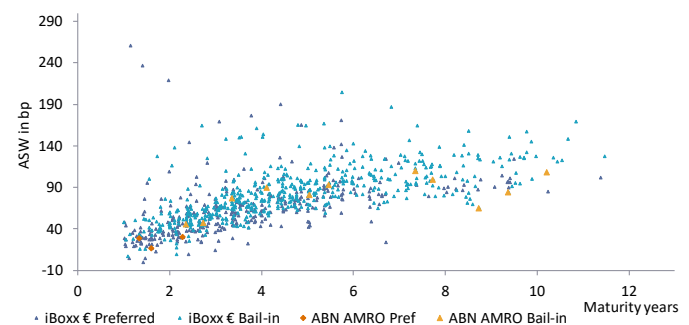
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,422	6,278	3,198
Net Fee & Commission Inc.	1,778	1,782	931
Net Trading Income	283	138	117
Operating Expense	5,428	5,230	2,520
Credit Commit. Impairment	39	-158	-1
Pre-tax Profit	2,376	3,544	1,849

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.34	1.62	1.67	Liquidity Coverage Ratio	-	-
ROAE	8.30	11.61	10.57	IFRS Tier 1 Leverage Ratio	5.20	5.33
Cost-to-Income	67.98	60.69	57.69	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	15.17	14.27	13.81	Reserves/Loans at Amort. Cost	0.82	0.65

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Domestic market position
- Capitalisation
- Risk profile (focus on retail and commercial banking)

## Risks / Weaknesses

- Competitive pressure
- Economic environment
- Tail risk as a result of clearing business regulations

# ABN AMRO Bank – Mortgage

Netherlands 

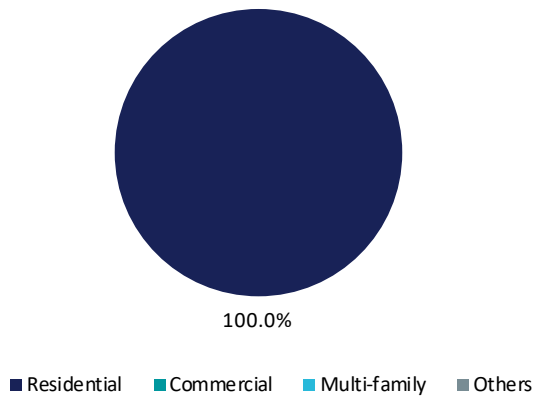
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Cover Pool Data

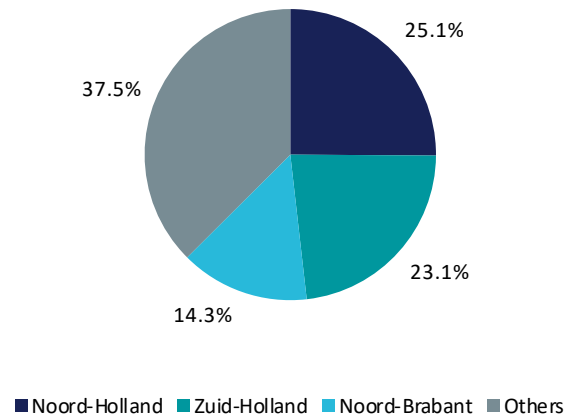
Cover pool volume (EURm)	33,142
Amount outstanding (EURm)	25,136
-thereof ≥ EUR 500m	88.5%
Current OC (nominal)	31.9%
Committed OC	13.6%
Cover type	Mortgage
Main country	100% Netherlands
Main region	25% Noord-Holland
Number of loans	141,586
Number of borrowers	140,519
Avg. exposure to borrowers (EUR)	235,853
WAL (cover pool)	15.9y
WAL (covered bonds)	10.0y
Fixed interest (cover pool)	99.1%
Fixed interest (covered bonds)	99.9%
LTV (indexed)	55.3%
LTV (unindexed)	65.3%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

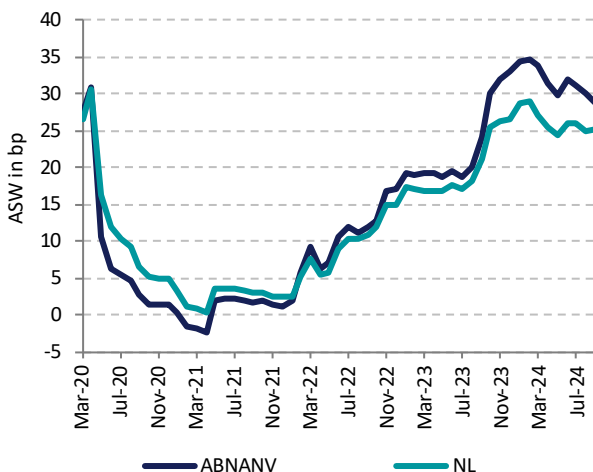
### Borrower Types



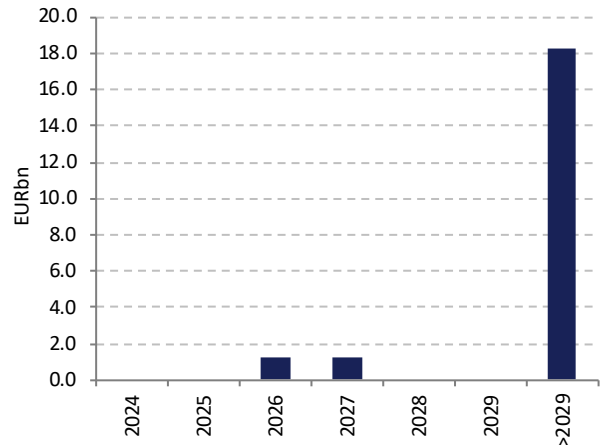
### Regional Distribution



### Spread Development



### Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Achmea Bank

Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Achmea Bank N.V.

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

## Homepage

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

Achmea Bank N.V. (AB) is a wholly owned subsidiary of Achmea B.V., which in turn is the parent company of the Achmea Group (the largest insurance group in the Netherlands according to its own information). AB, which is headquartered in Tilburg, has around 200 employees. Achmea Bank has a strategically important role within the group as a competence and service centre for mortgage loans and savings products with its Retirement Services segment. Sales previously took place via the Achmea brands Woonfonds and Central Beheer. However, the mortgage portfolio of Woonfonds, which specialises in niche markets such as buy-to-let mortgages, is set to be transferred to Central Beheer over the course of 2024. Until now, Central Beheer has focused on standard savings products and mortgages that are fully suited for inclusion in the cover pools of the covered bond programme. The bank also manages the former loan portfolio of Staalbankiers under the name Acier Financieringen. This is a loan pool that is partly denominated in CHF and which is not suitable for inclusion in cover pools. Most of the funding (62.6%) comes from the retail segment, in which customer deposits are acquired by Centraal Beheer. In addition, 23.8% and 10.9% are attributable to secured and unsecured funding respectively. Within the Achmea Group, AB is one of just two entities with the ability to issue green bonds under the Green Finance Framework. The bank's Climate Transition Plan is focused on achieving the 1.5°C target and intends to make the mortgage portfolio climate neutral by 2050.

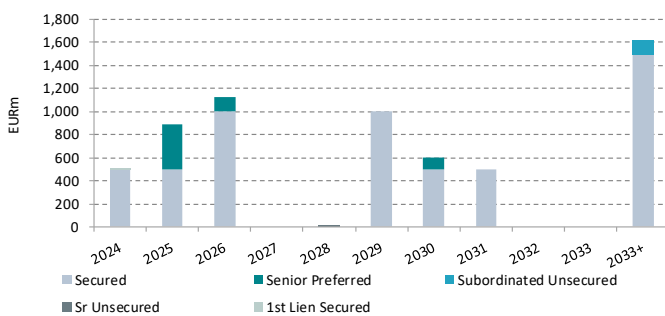
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	11,831	14,133	14,871
Total Securities	538	401	387
Total Deposits	8,086	9,377	10,474
Tier 1 Common Capital	776	774	-
Total Assets	13,933	15,935	17,454
Total Risk-weighted Assets	4,264	4,585	-

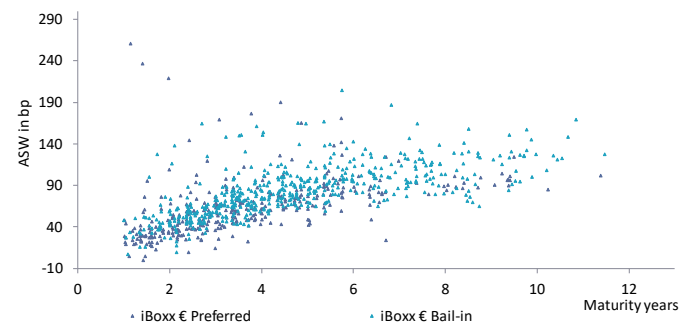
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	118	205	117
Net Fee & Commission Inc.	1	1	-
Net Trading Income	7	-8	2
Operating Expense	105	115	64
Credit Commit. Impairment	4	2	-
Pre-tax Profit	18	81	55

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	0.88	1.39	1.42	Liquidity Coverage Ratio	210.65	164.00
ROAE	1.67	7.40	9.54	IFRS Tier 1 Leverage Ratio	5.74	4.99
Cost-to-Income	82.66	58.03	53.78	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	18.20	16.88	18.40	Reserves/Loans at Amort. Cost	0.18	0.20

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Strategic unit of the Achmea Group
- Operational interdependent with the Achmea Group
- Loan quality

## Risks / Weaknesses

- Credit concentration risks (Netherlands)
- Profitability
- Economies of scale (as a small bank)

# Achmea Bank – Mortgage (SB)

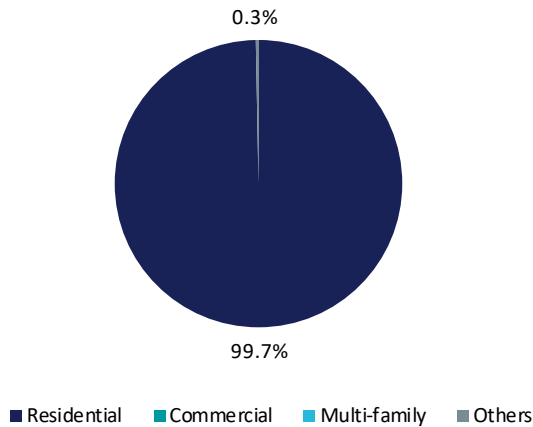
Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

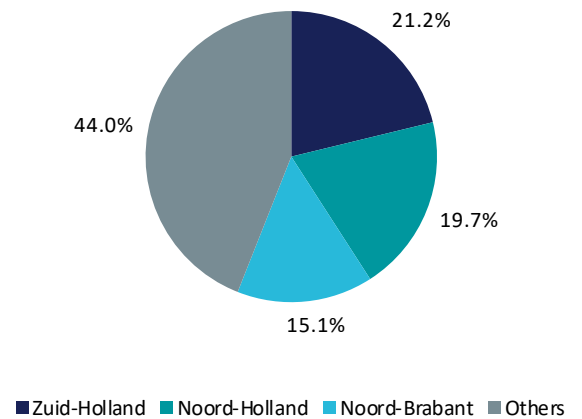
## Cover Pool Data

Cover pool volume (EURm)	5,714	Rating (Moody's)	-
Amount outstanding (EURm)	4,000	Rating (S&P)	AAA
-thereof ≥ EUR 500m	112.5%	Rating (Fitch)	-
Current OC (nominal)	42.8%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	21% Zuid-Holland	RRL	a+
Number of loans	54,451	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)	16.5y	PCU	-
WAL (covered bonds)	4.8y	Recovery uplift	-
Fixed interest (cover pool)	98.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	68.4%	LCR level (Bmk)	1
LTV (unindexed)	73.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

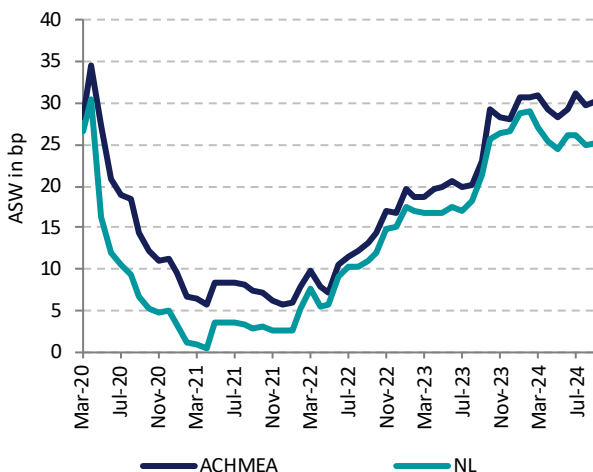
## Borrower Types



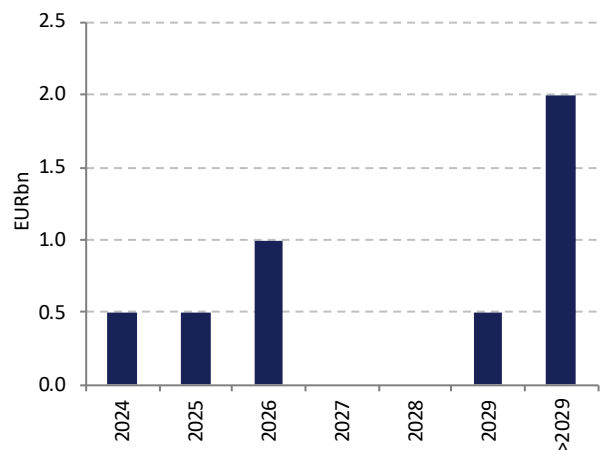
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## de Volksbank

Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## de Volksbank N.V.

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

## Homepage

[www.devolsbank.nl](http://www.devolsbank.nl)

\*Senior Unsecured/LT Bank Deposits

Headquartered in Utrecht, de Volksbank N.V. is a wholly owned subsidiary of NL Financial Investments (NLF) and is therefore 100% owned by the Dutch state. The bank was nationalised in 2013 following significant CRE loan losses incurred by the former SNS Group (SNS REAAL). Reprivatisation is currently being considered by the Dutch Ministry of Finance. To this end, a letter to the House of Representatives dated 05 June 2024 listed a private sale or an IPO as the most realistic options. With over 3.2 million customers, de Volksbank is the fourth largest retail bank in the Netherlands and is classified as another systemically important institute (O-SII). The clientele of de Volksbank are offered mortgage financing, savings and payment transaction products, as well as insurance and capital investment products. The four brands of the bank – ASN Bank, BLG Wonen, RegioBank and SNS – each have a specific focus on one of the business areas of the institute. In the Netherlands, de Volksbank has market shares of 5.7% and 9.5% for new mortgage loans and savings deposits respectively. Funding is split between retail funding (FY 2023: 86%) and wholesale funding (14%). The latter was dominated by covered bonds (50%) followed by senior non-preferred bonds (29%) and senior preferred bonds (14%). As at the end of FY 2023, de Volksbank reported a total of EUR 3.8bn in outstanding green bonds. These were placed under the bank's Green Bond Framework, with EUR 1bn issued in the form of green senior non-preferred bonds in FY 2023. In the same year, de Volksbank achieved a green asset ratio of 13.4% as measured by turnover.

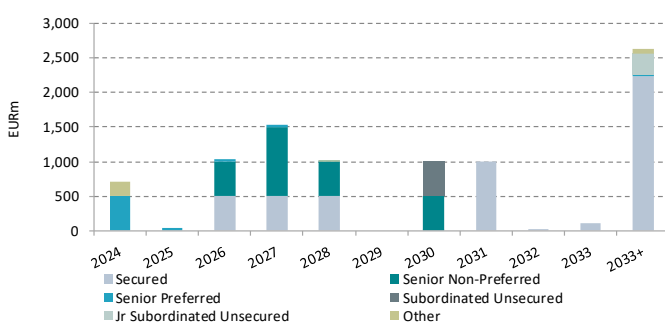
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	48,966	50,847	52,234
Total Securities	8,893	9,277	8,559
Total Deposits	57,150	54,910	55,906
Tier 1 Common Capital	3,101	3,318	3,446
Total Assets	73,168	71,060	72,520
Total Risk-weighted Assets	15,306	16,470	17,485

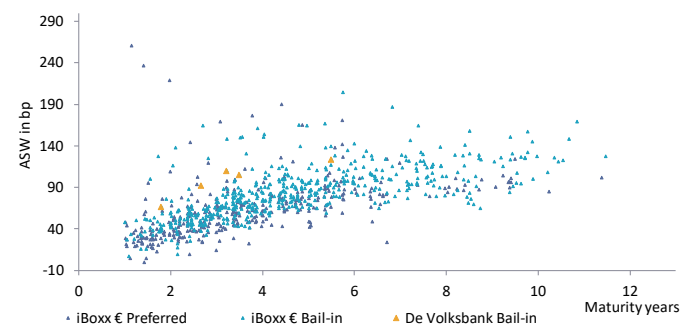
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	851	1,303	564
Net Fee & Commission Inc.	51	64	36
Net Trading Income	61	45	61
Operating Expense	677	806	355
Credit Commit. Impairment	44	14	-29
Pre-tax Profit	258	591	320

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.18	1.82	1.58	Liquidity Coverage Ratio	233.00	262.00	158.00
ROAE	5.31	11.05	11.23	IFRS Tier 1 Leverage Ratio	4.29	4.74	4.80
Cost-to-Income	70.16	57.00	53.71	NPL / Loans at Amortised Cost	1.12	1.10	1.11
Core Tier 1 Ratio	20.26	20.15	19.71	Reserves/Loans at Amort. Cost	0.31	0.36	0.30

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Established brand in the domestic market
- Liquidity
- Capitalisation

## Risks / Weaknesses

- Low diversification
- Competitive mortgage market in NL
- Cost basis



# de Volksbank – Mortgage

Netherlands 

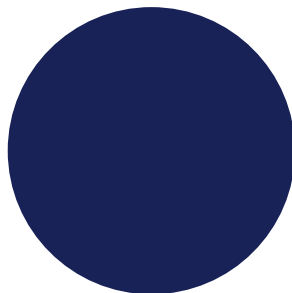
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	5,858
Amount outstanding (EURm)	5,070
-thereof ≥ EUR 500m	75.0%
Current OC (nominal)	15.6%
Committed OC	9.9%
Cover type	Mortgage
Main country	100% Netherlands
Main region	15% Noord-Brabant
Number of loans	31,420
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	15.1y
WAL (covered bonds)	9.8y
Fixed interest (cover pool)	61.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	48.7%
LTV (unindexed)	63.7%
Loans in arrears	0.0%

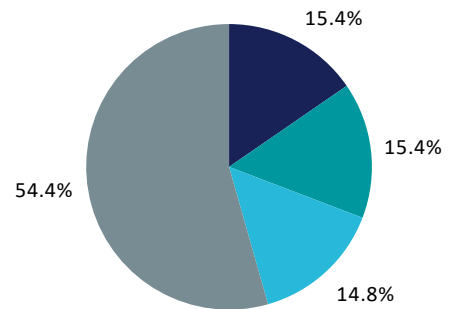
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



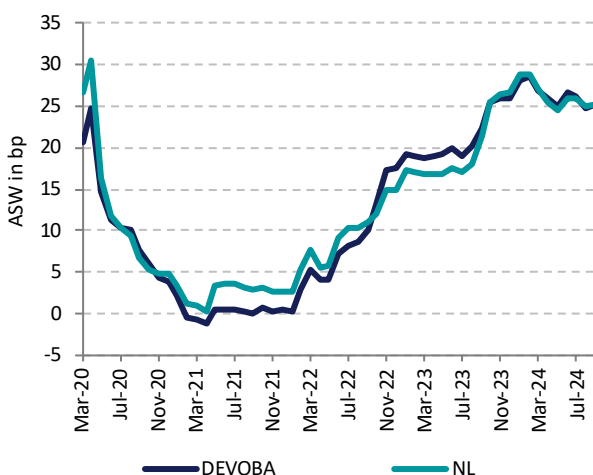
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

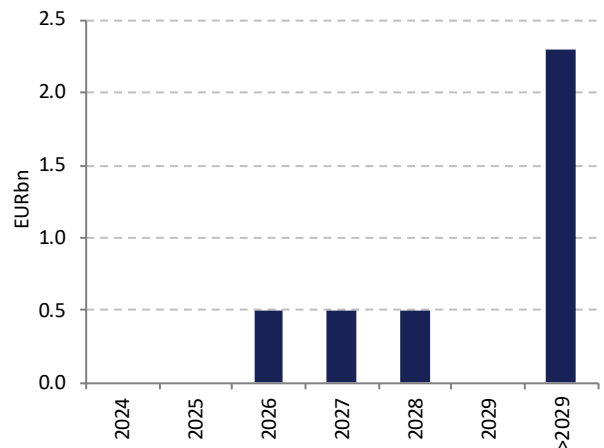


■ Noord-Brabant ■ Gelderland ■ Zuid-Holland ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## ING Groep

Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## ING Groep N.V.

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

## Homepage

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

ING Bank N.V. is a wholly owned subsidiary of ING Groep N.V. (ING Group) and is one of Europe's leading universal banks. It is headquartered in Amsterdam. Due to the extremely high relevance of the bank for the group, we refer to financial data from ING Group in this profile. ING Group has around 60,000 staff and serves more than 38 million retail and business customers in over 40 countries. The retail customer business is focused on Europe and Australia, while the business customer segment also comprises the USA and parts of Asia. Shares in the bank are listed on the stock exchanges in Amsterdam and Brussels, as well as in the form of ADRs in New York. ING has been classified as a global systemically important bank (G-SIB) by the Financial Stability Board. The bank defines its markets as follows: Market Leaders (Netherlands, Belgium, among others), Challengers (including Germany and Spain), Growth Markets (Poland and Romania, among others) and Wholesale Banking. On 02 March 2022, the institute decided not to enter into any further new business arrangements with Russian companies due to the Russian war of aggression in Ukraine. The bank reports across the segments of Retail Banking (67% of pre-tax profit), Wholesale Banking (31%) and Corporate Line (2%). With a share of 66%, the loan portfolio of ING as at 31 March 2024 was primarily retail-based, with the focus geared towards residential mortgage loans (63%). In order to achieve its target of a climate-neutral loan portfolio by 2050, the bank adjusted its Green Bond Framework to align with the ICMA Green Bond Principles in 2022. The focus here is on financing renewable energies and sustainable construction standards.

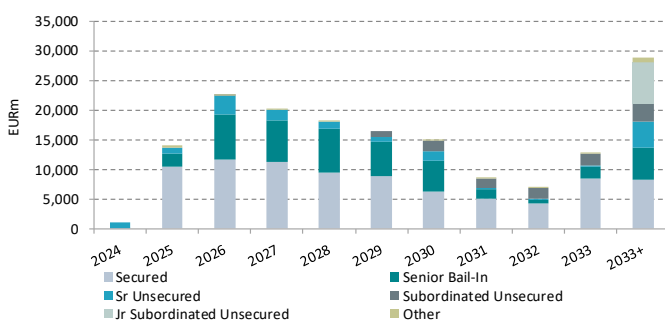
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	692,794	710,801	657,605
Total Securities	136,263	144,049	244,128
Total Deposits	691,026	707,343	-
Tier 1 Common Capital	47,961	46,856	46,219
Total Assets	967,817	975,583	1,041,371
Total Risk-weighted Assets	331,520	319,169	330,927

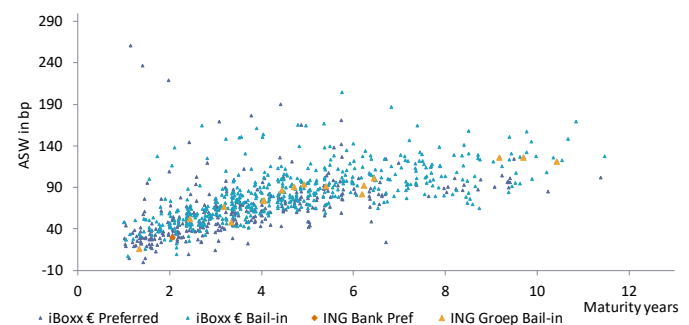
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	13,756	15,976	7,655
Net Fee & Commission Inc.	3,586	3,595	1,998
Net Trading Income	1,528	2,902	1,629
Operating Expense	10,794	11,280	5,825
Credit Commit. Impairment	1,861	520	559
Pre-tax Profit	5,502	10,492	4,861

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.38	1.61	1.52	Liquidity Coverage Ratio	-	-
ROAE	7.18	14.50	13.15	IFRS Tier 1 Leverage Ratio	5.14	4.94
Cost-to-Income	56.23	49.42	51.04	NPL / Loans at Amortised Cost	1.78	1.80
Core Tier 1 Ratio	14.47	14.68	13.97	Reserves/Loans at Amort. Cost	0.93	0.87

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Profitability
- Diversified loan portfolio
- Market position (retail) in Benelux countries

## Risks / Weaknesses

- Exposure to cyclical sectors (wholesale)
- Economic outlook
- Framework for non-financial risks

# ING Bank – Mortgage (Hard and Soft Bullet)

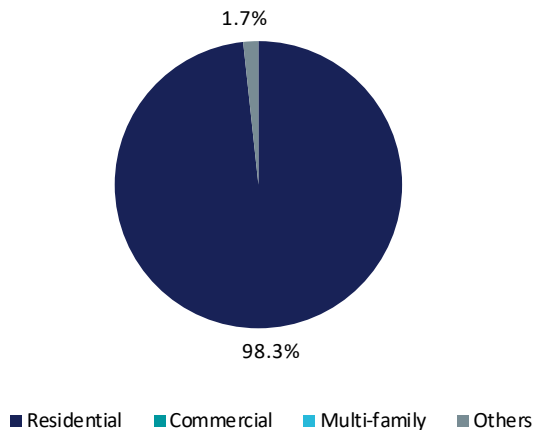
Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

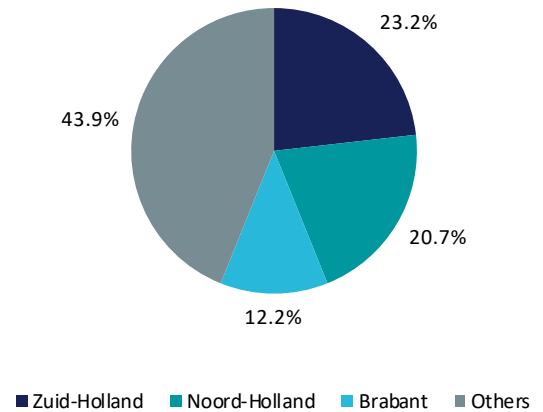
## Cover Pool Data

Cover pool volume (EURm)	27,870	Rating (Moody's)	Aaa
Amount outstanding (EURm)	22,144	Rating (S&P)	AAA
-thereof ≥ EUR 500m	81.3%	Rating (Fitch)	AAA
Current OC (nominal)	25.9%	Rating (DBRS)	-
Committed OC	2.5%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% Netherlands	Collateral score	5.0%
Main region	23% Zuid-Holland	RRL	aa
Number of loans	138,408	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)	14.0y	PCU	6
WAL (covered bonds)	5.3y	Recovery uplift	2
Fixed interest (cover pool)	94.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	50.4%	LCR level (Bmk)	1
LTV (unindexed)	51.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

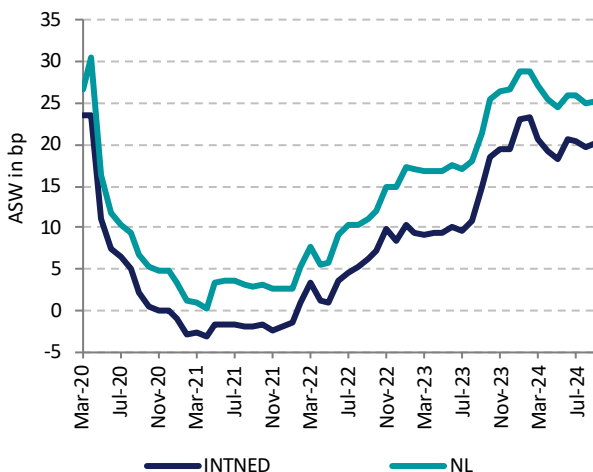
## Borrower Types



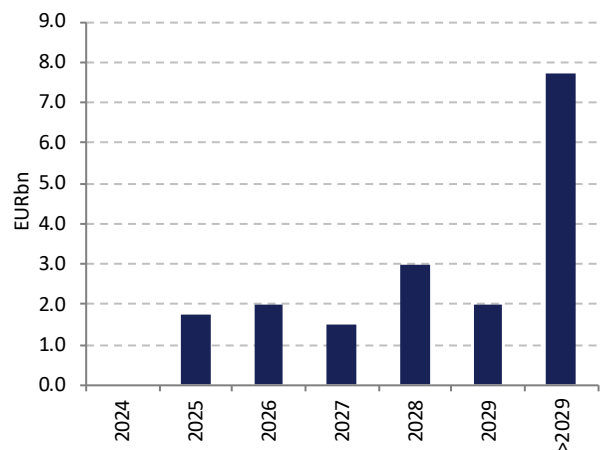
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Knab

Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Knab N.V.

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

## Homepage

[www.knab.nl](http://www.knab.nl)

Knab N.V. (formerly AEGON Bank N.V.) has been part of the Austrian BAWAG banking group since 2024. Knab was originally the first online bank in the Netherlands and operated under the banking licence of AEGON Bank N.V., which was part of the internationally operating AEGON financial group. In 2022, AEGON Bank was sold to the Dutch insurance group a.s.r. After the acquisition was concluded on 01 February 2024, a.s.r. then chose to sell AEGON Bank to the BAWAG Group. In the wake of this takeover, AEGON Bank N.V. was renamed Knab N.V. on 04 April 2024. The institute specialises in providing services to self-employed professionals. The customer base consists of approximately 112,000 private individuals as well as around 278,000 customers from the SME segment. As at 31 December 2023, Knab had around EUR 12bn in mortgage loans outstanding, which equates to almost the entire loan portfolio. Of this, a total of 54.4% is attributable to government-guaranteed NHG mortgages. As at FY 2023, most of the liabilities at Knab (68.8%) were made up of savings deposits, followed by bonds at 21.5%. The latter consists of covered bonds and senior non-preferred notes, among other products. In 2021, Knab launched a EUR 5bn soft bullet covered bond programme, under which covered bonds totalling EUR 1bn were issued in FY 2023. Mortgages at Knab are structured in cover pools and doubled over the course of FY 2023 to roughly EUR 4bn. Knab has voluntarily set itself the target of achieving net-zero emissions by 2050. The group reported a turnover-based green asset ratio of 1.2% (FY 2023).

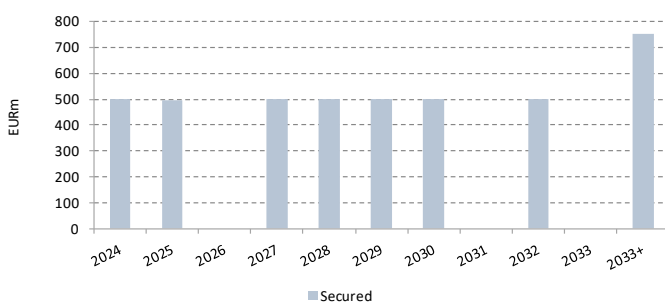
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	13,042	11,977	12,886
Total Securities	1,984	2,705	2,063
Total Deposits	11,586	12,009	12,211
Tier 1 Common Capital	724	695	785
Total Assets	16,150	17,567	17,758
Total Risk-weighted Assets	3,496	3,159	3,400

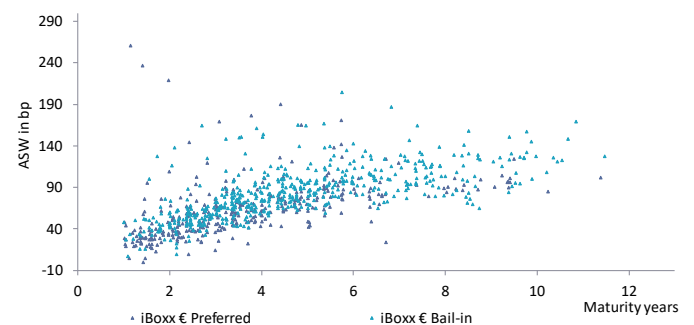
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	218	217	356
Net Fee & Commission Inc.	24	31	37
Net Trading Income	18	-42	-28
Operating Expense	172	165	187
Credit Commit. Impairment	-26	-4	-4
Pre-tax Profit	112	43	182

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.32	1.30	2.04	Liquidity Coverage Ratio	202.00	223.00	223.00
ROAE	11.30	4.45	17.35	IFRS Tier 1 Leverage Ratio	4.62	4.15	4.59
Cost-to-Income	66.38	80.51	51.21	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	20.71	22.01	23.09	Reserves/Loans at Amort. Cost	0.67	0.40	0.13

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market share in niche markets

## Risks / Weaknesses

- Concentration risks (Dutch entrepreneurs)
- Sensitive deposits basis

# Knab – Mortgage (CPT)

Netherlands 

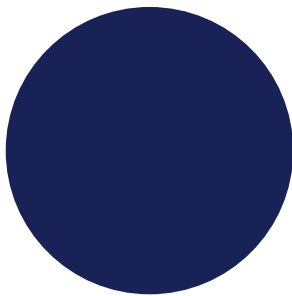
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	1,809
Amount outstanding (EURm)	1,500
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	20.6%
Committed OC	10.0%
Cover type	Mortgage
Main country	100% Netherlands
Main region	19% Zuid-Holland
Number of loans	10,778
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	19.2y
WAL (covered bonds)	1.7y
Fixed interest (cover pool)	98.6%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	52.9%
LTV (unindexed)	67.3%
Loans in arrears	0.0%

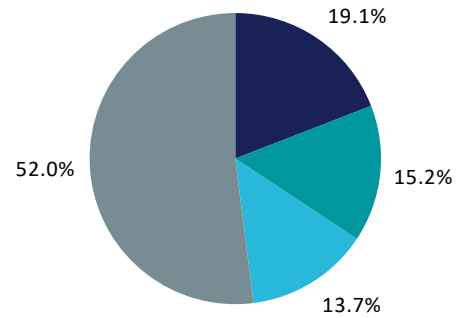
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a
JRL	aa
Unused notches	N/A
AAA credit risk (%)	2.5%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	CPT

## Borrower Types



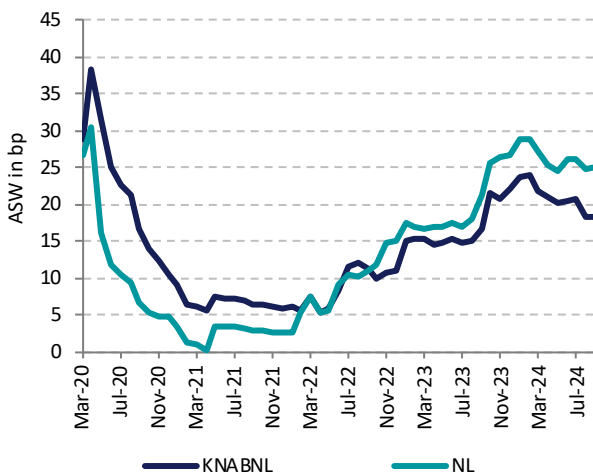
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



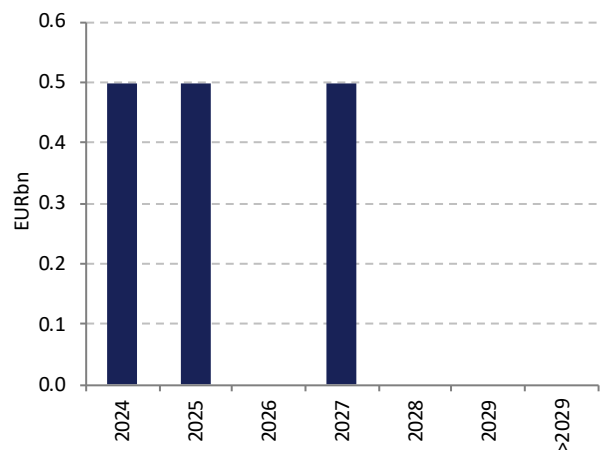
■ Zuid-Holland ■ Brabant ■ Gelderland ■ Others

## Spread Development



— KNABNL — NL

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Knab – Mortgage (SB)

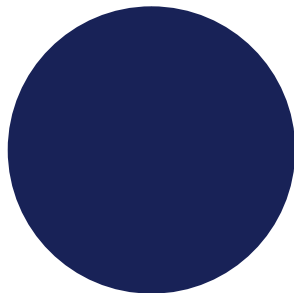
Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

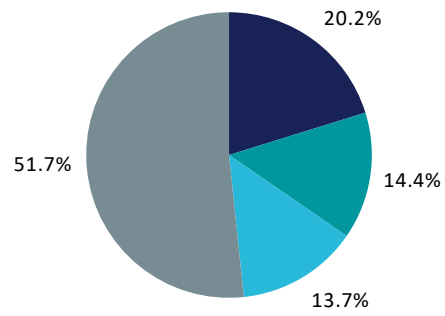
Cover pool volume (EURm)	3,185	Rating (Moody's)	-
Amount outstanding (EURm)	2,500	Rating (S&P)	AAA
-thereof ≥ EUR 500m	40.0%	Rating (Fitch)	-
Current OC (nominal)	27.4%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	20% Zuid-Holland	RRL	a
Number of loans	19,305	JRL	aa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	2.5%
WAL (cover pool)	18.0y	PCU	-
WAL (covered bonds)	7.2y	Recovery uplift	-
Fixed interest (cover pool)	98.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	53.6%	LCR level (Bmk)	1
LTV (unindexed)	67.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



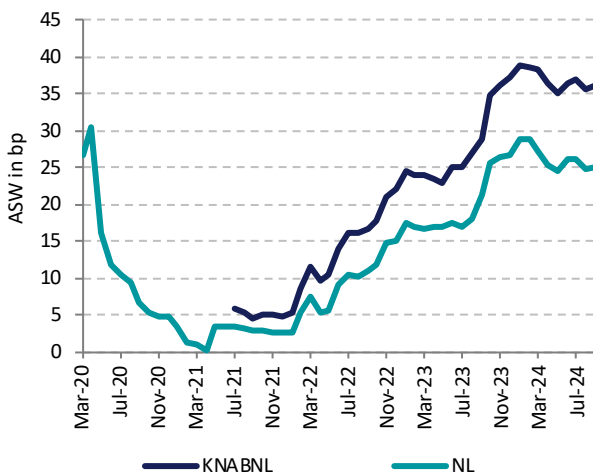
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



■ Zuid-Holland ■ Brabant ■ Gelderland ■ Others

## Spread Development



— KNABNL — NL

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# NIBC Bank

# Netherlands

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### NIBC Bank N.V.

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

## Homepage

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

Founded in 1945, NIBC Bank N.V. is headquartered in The Hague and has branches in the United Kingdom, Germany and Belgium. Just under 600 employees serve approximately 450,000 retail and 500 corporate customers. The bank is a wholly owned subsidiary of NIBC Holding, which was acquired at the end of 2020 by Blackstone Inc. The product portfolio is split between the segments Mortgages (private housing, originate-to-manage and rental property), Asset Based Finance (commercial real estate, shipping and digital infrastructure) and Platforms (automotive financing). In FY 2023, the contribution to pre-tax profit made by these three segments amounted to 27.9% for Mortgages, 20.6% for Asset Based Finance and 1.9% for Platforms. The bank also has two supporting segments: Non-Core Activities (-1.9%) and Treasury & Group Functions (51.1%). Geographically, the focus of the bank's activities is reflected in the Dutch share of 95.4% in pre-tax profit in FY 2023, followed by Germany (2.7%), and the UK and Belgium (0.8% each). Around 48% of the funding mix at NIBC comprises retail funding. In terms of wholesale funding, the focus is primarily on secured and unsecured instruments, which account for shares of 21% and 20% respectively (FY 2023). In 2021, NIBC published its Green Bond Framework, which is intended to finance renewable energies and sustainable buildings. At the same time, the bank states that it has already successfully discontinued financing in the area of extraction and production of fossil-based energies. Moreover, CO<sub>2</sub> emissions have been cut by 55% compared with 2019. The bank is striving to achieve climate neutrality in the loan portfolio by 2050.

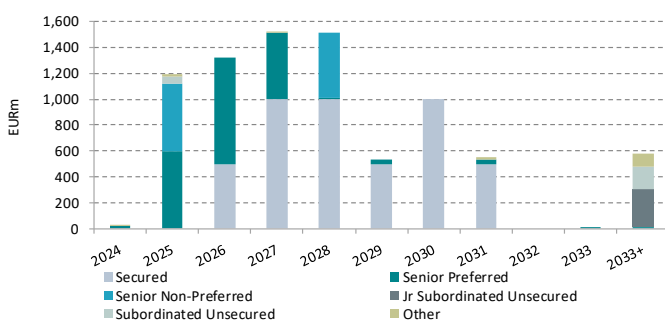
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	18,287	19,258	18,327
Total Securities	1,201	1,181	1,279
Total Deposits	11,227	11,858	12,631
Tier 1 Common Capital	1,622	1,630	1,669
Total Assets	22,692	23,050	23,336
Total Risk-weighted Assets	9,187	8,865	8,472

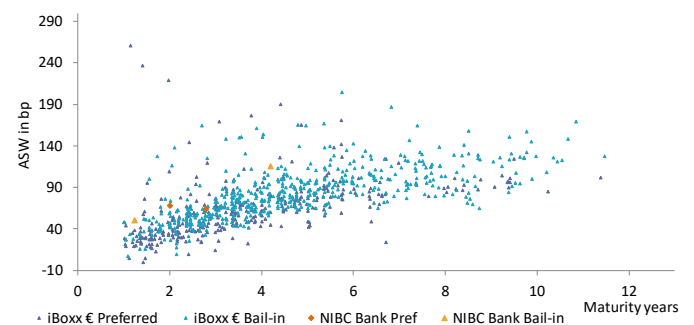
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	386	419	211
Net Fee & Commission Inc.	47	41	19
Net Trading Income	-4	35	11
Operating Expense	229	220	108
Credit Commit. Impairment	19	20	-
Pre-tax Profit	178	262	133

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.72	1.85	1.84	Liquidity Coverage Ratio	206.00	240.00	-
ROAE	7.27	9.68	9.65	IFRS Tier 1 Leverage Ratio	7.22	7.11	-
Cost-to-Income	48.70	44.53	44.81	NPL / Loans at Amortised Cost	2.22	1.74	1.88
Core Tier 1 Ratio	17.66	18.39	19.70	Reserves/Loans at Amort. Cost	1.07	0.78	0.86

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Low-risk Dutch mortgage portfolio
- Capitalisation
- Diversification of funding mix

## Risks / Weaknesses

- Niche franchise
- Risk profile (corporate loan book)
- Dependency on wholesale funding

# NIBC Bank – Mortgage (Soft Bullet)

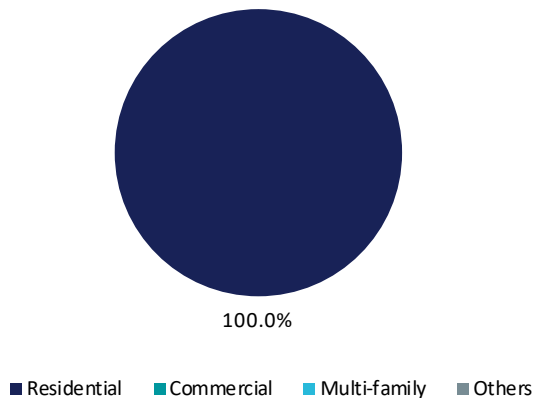
Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

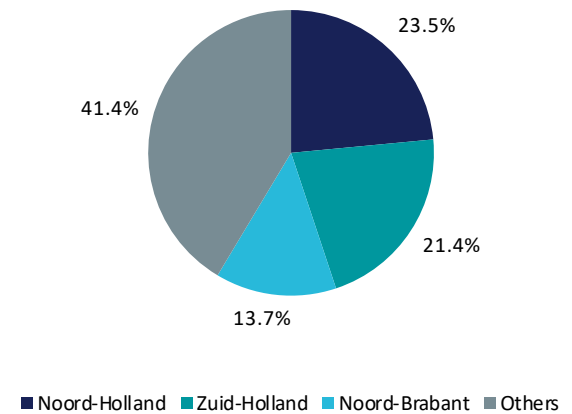
## Cover Pool Data

Cover pool volume (EURm)	1,446	Rating (Moody's)	-
Amount outstanding (EURm)	1,000	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	44.6%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	24% Noord-Holland	RRL	a-
Number of loans	5,411	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)	18.0y	PCU	-
WAL (covered bonds)	4.5y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	56.9%	LCR level (Bmk)	1
LTV (unindexed)	67.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

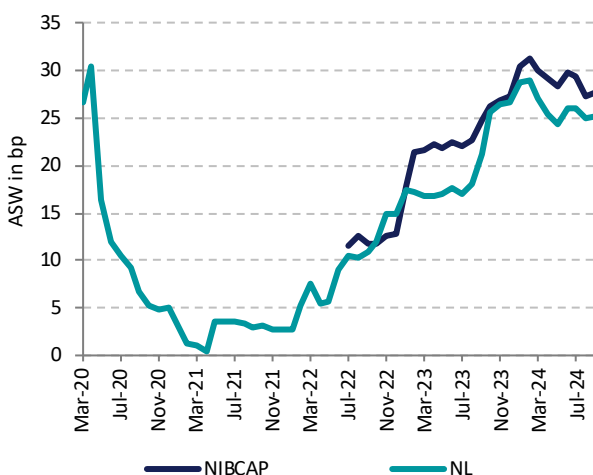
## Borrower Types



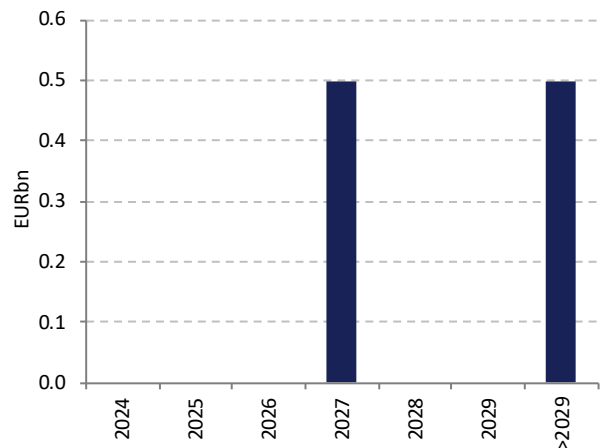
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# NIBC Bank – Mortgage (CPT)

Netherlands 

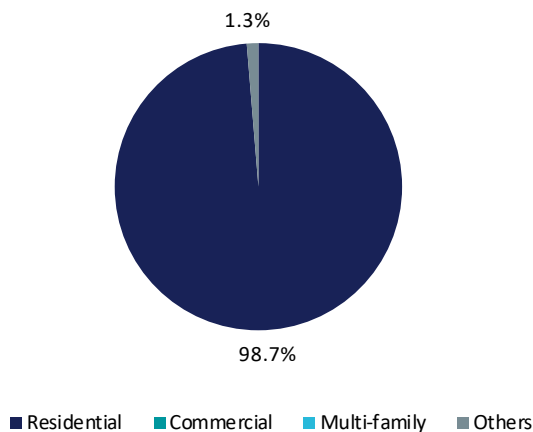
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

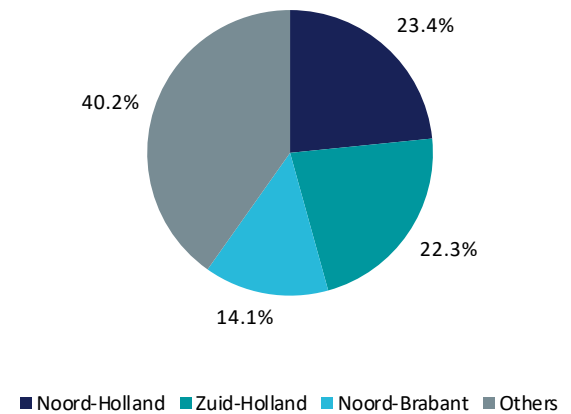
Cover pool volume (EURm)	4,270
Amount outstanding (EURm)	3,500
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	22.0%
Committed OC	15.0%
Cover type	Mortgage
Main country	100% Netherlands
Main region	23% Noord-Holland
Number of loans	18,340
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	16.9y
WAL (covered bonds)	4.5y
Fixed interest (cover pool)	98.3%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	52.5%
LTV (unindexed)	70.0%
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	aa-
Unused notches	N/A
AAA credit risk (%)	2.5%
PCU	8
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	CPT

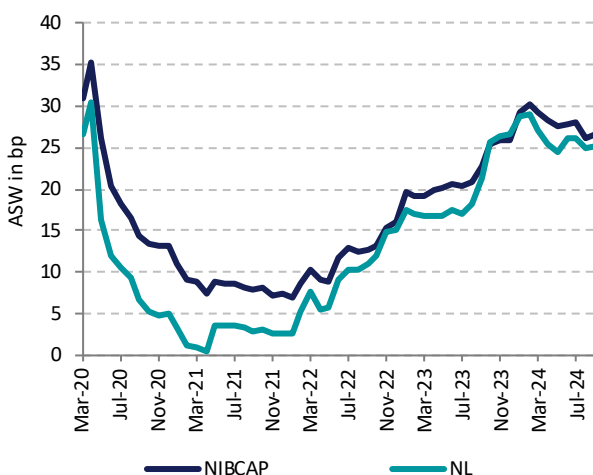
## Borrower Types



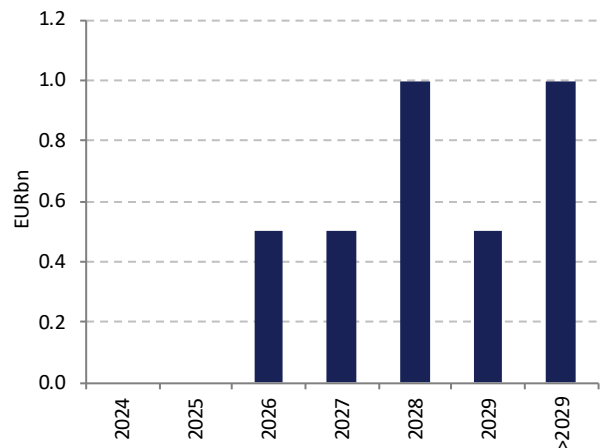
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# NN Bank

# Netherlands

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Nationale-Nederlanden Bank N.V./The Netherlands

	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 NN Group N.V. and is the fifth largest retail bank in the Netherlands as measured by assets (data as at FY 2023). The NN Group is a financial services provider that is listed on the stock exchange. It employs around 16,000 staff and serves approximately 19 million customers across 11 countries. The NN Group reports across the following segments: Netherlands Life (FY 2023: 53.7% of pre-tax results), Netherlands Non-Life (22.2%), Insurance Europe (12.8%), Japan Life (8.4%) and Banking (12.8%). The Other segment (-9.9%) is also operated in order to incorporate smaller business segments, among other aspects. NN Bank has roughly 1.2 million customers and was the fifth largest mortgage provider in the Netherlands in FY 2023. The bank does not have any branches, only operating its business online or through distribution partners. The subsidiaries Woonnu B.V. and HQ Hypotheken 50 B.V. are also part of the bank. Both businesses offer mortgages, with HQ having a closed book portfolio. The major share of the assets at NN Bank is attributable to mortgages at 85.3% (FY 2023). Retail funding accounts for a share of 70% of the refinancing, with secured (26%) and unsecured bonds (4%) covering the remainder. Most of the unsecured issuances take the shape of covered bonds, of which EUR 750m were issued in green format in FY 2023. The group's Climate Action Plan envisages a climate-neutral insurance and investment portfolio by 2050. In total, 25% of the mortgage portfolio falls under the energy efficiency class A and the bank has a green asset ratio of 23%.

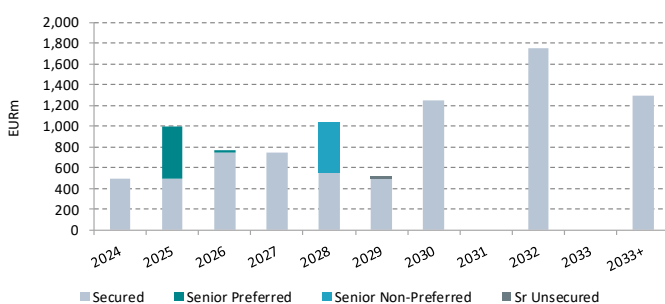
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	20,309	21,525	21,439
Total Securities	1,069	940	765
Total Deposits	16,228	16,465	16,991
Tier 1 Common Capital	981	1,069	1,092
Total Assets	24,160	25,205	25,011
Total Risk-weighted Assets	6,408	6,482	6,357

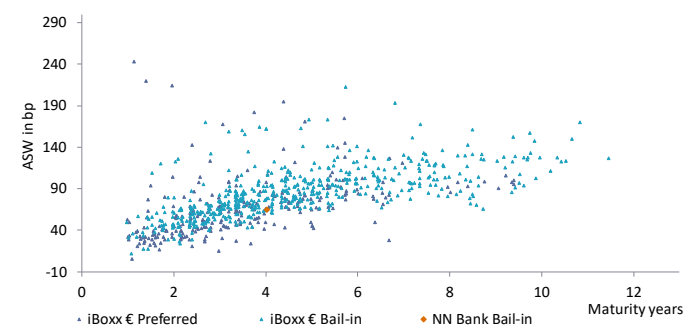
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	257	406	198
Net Fee & Commission Inc.	98	65	31
Net Trading Income	13	-22	-
Operating Expense	257	275	130
Credit Commit. Impairment	-	-	-
Pre-tax Profit	110	171	83

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.07	1.67	1.60	Liquidity Coverage Ratio	183.00	196.50	193.10
ROAE	7.64	11.57	10.59	IFRS Tier 1 Leverage Ratio	4.07	4.25	4.37
Cost-to-Income	70.23	61.36	61.12	NPL / Loans at Amortised Cost	0.47	0.43	0.49
Core Tier 1 Ratio	15.31	16.49	17.18	Reserves/Loans at Amort. Cost	0.05	0.02	0.02

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Strategic position within the group
- Risk profile (mortgage portfolio)
- Profitability

## Risks / Weaknesses

- Concentration risks (Netherlands)
- Relative size of the bank
- Deposit stability of online accounts

# NN Bank – Mortgage (Soft Bullet)

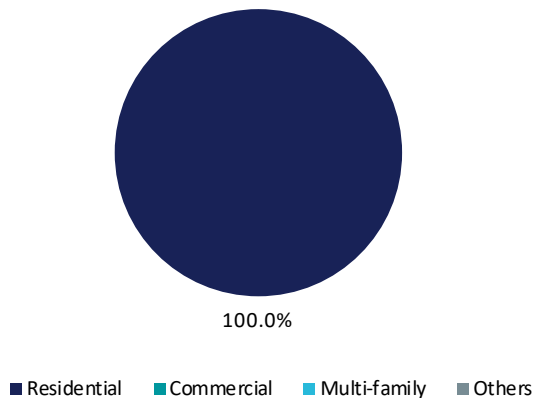
Netherlands 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

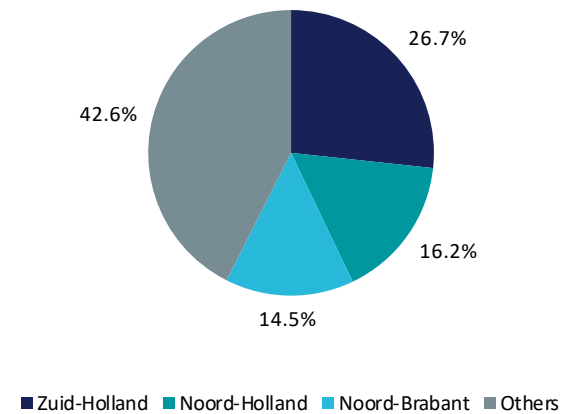
## Cover Pool Data

Cover pool volume (EURm)	8,908	Rating (Moody's)	-
Amount outstanding (EURm)	7,845	Rating (S&P)	AAA
-thereof ≥ EUR 500m	70.7%	Rating (Fitch)	-
Current OC (nominal)	13.6%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Netherlands	Collateral score	-
Main region	27% Zuid-Holland	RRL	aa-
Number of loans	38,757	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)	20.7y	PCU	-
WAL (covered bonds)	6.5y	Recovery uplift	-
Fixed interest (cover pool)	99.5%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	53.6%	LCR level (Bmk)	1
LTV (unindexed)	72.2%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

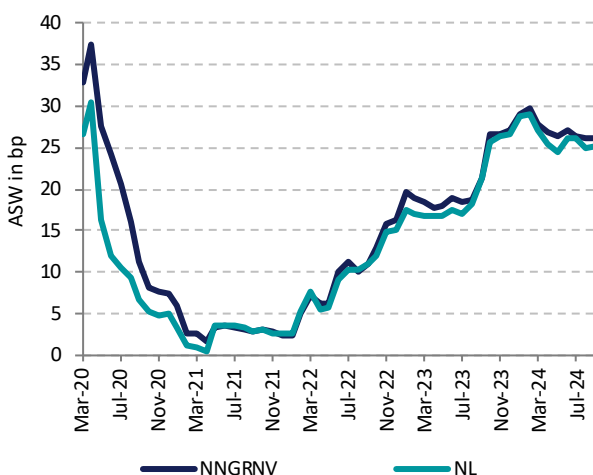
## Borrower Types



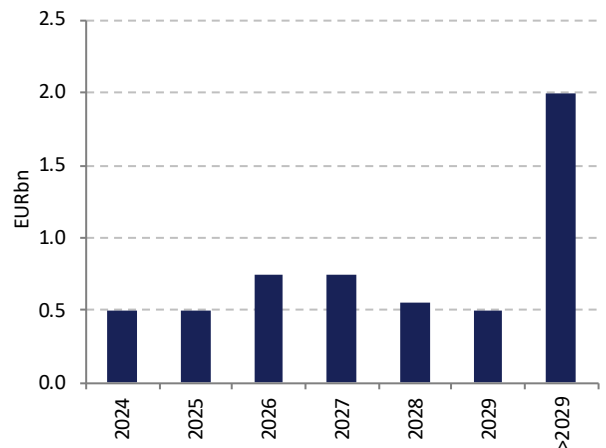
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Rabobank

# Netherlands

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Coöperatieve Rabobank UA

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

## Homepage

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

Headquartered in Amsterdam, the cooperative Rabobank Group is one of the leading retail banks in the Netherlands. The group has approximately 2.3 million members and roughly 49,000 staff, who serve around 8.3 million retail customers and 800,000 corporate customers in 37 countries. The geographical breakdown of the loan portfolio vis-à-vis retail customers (EUR 434bn as at FY 2023) is as follows: the Netherlands (67%), North America (11%), rest of Europe (9%), Oceania (7%), Latin America (4%) and Asia (2%). According to information from the bank itself, the group has a market share in its domestic market of 19.3% for mortgage loans and 35% for savings products (FY 2023). Reporting takes place in the following segments: Domestic Retail Banking (FY 2023: 77.8% of the net profit), Wholesale & Rural (16.1%), Leasing (10.3%), Property Development (-3.5%) and Other Segments (-0.7%). In strategic terms, Rabobank offers all the services of a universal bank in the Netherlands, while internationally the focus is on the agricultural and food sectors. Long-term funding amounts to EUR 133.4bn and is split between senior preferred bonds (22.6%), senior non-preferred bonds (16.2%), covered bonds (15.9%), RMBS and ABS (8.1%), and subordinate debt securities (6.6%). At the end of 2022, Rabobank announced that it was being investigated by the Dutch Public Prosecution Service for potential violations of the country's anti-money laundering/countering the financing of terrorism (AML/CFT) law. The investigations have not yet been brought to a close. As a result, according to information from the bank, the severity and implications of the allegations are not yet foreseeable. Rabobank reported a turnover-based green asset ratio of 4.1% for FY 2023.

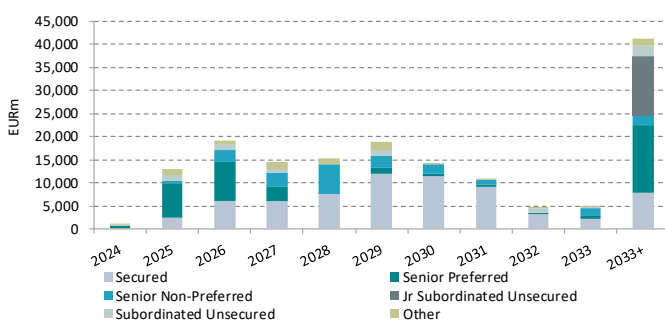
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	429,767	440,527	453,632
Total Securities	42,498	42,433	45,193
Total Deposits	397,033	392,152	401,627
Tier 1 Common Capital	38,372	41,622	42,917
Total Assets	628,513	613,796	621,641
Total Risk-weighted Assets	240,376	242,763	262,852

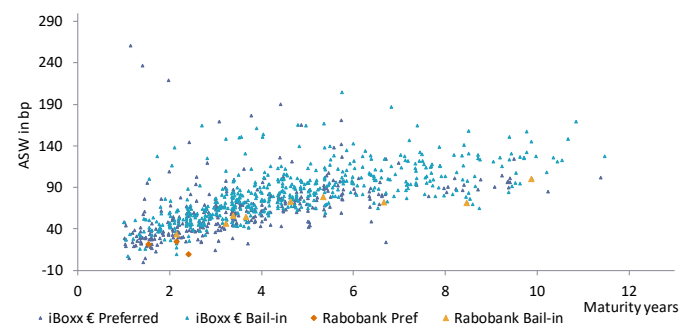
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	9,149	11,712	6,128
Net Fee & Commission Inc.	2,106	2,091	1,160
Net Trading Income	-68	831	350
Operating Expense	7,716	8,611	4,123
Credit Commit. Impairment	344	728	278
Pre-tax Profit	3,536	5,962	3,736

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.48	1.93	2.04	Liquidity Coverage Ratio	156.00	175.00	-
ROAE	5.35	9.12	11.15	IFRS Tier 1 Leverage Ratio	6.32	6.96	7.08
Cost-to-Income	65.39	55.90	50.66	NPL / Loans at Amortised Cost	2.01	2.05	2.09
Core Tier 1 Ratio	15.96	17.15	16.33	Reserves/Loans at Amort. Cost	0.66	0.66	0.63

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in the Netherlands
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Economic environment
- Dependency on wholesale funding
- Cost efficiency (interest rates, allegations)

# Rabobank – Mortgage

Netherlands 

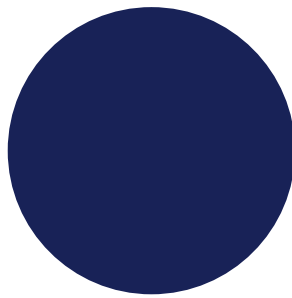
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	24,447
Amount outstanding (EURm)	22,638
-thereof ≥ EUR 500m	94.8%
Current OC (nominal)	8.0%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Netherlands
Main region	19% Zuid-Holland
Number of loans	103,033
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	18.5y
WAL (covered bonds)	8.8y
Fixed interest (cover pool)	94.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	53.9%
LTV (unindexed)	66.3%
Loans in arrears	0.0%

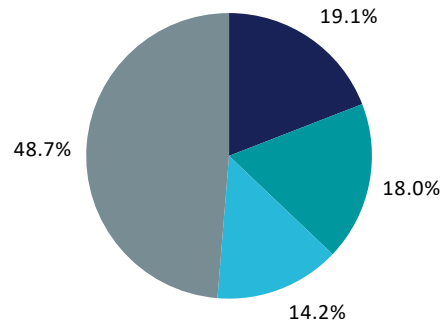
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	5
Collateral score	5.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



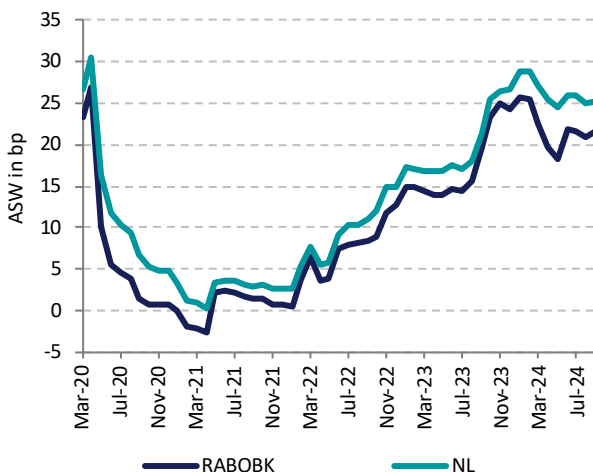
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



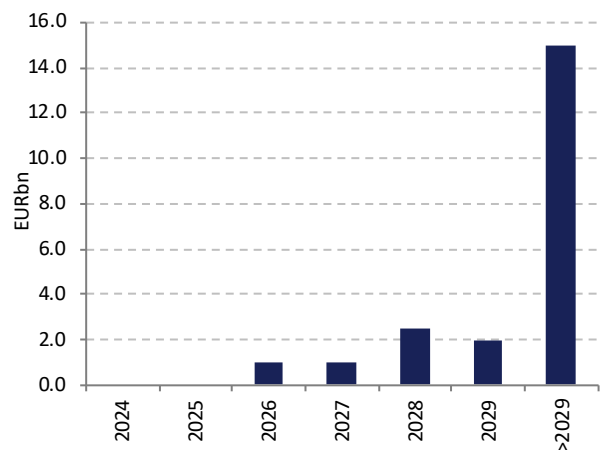
■ Zuid-Holland ■ Noord-Brabant ■ Noord-Holland ■ Others

## Spread Development



— RABOBK — NL

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Van Lanschot Kempen

## Netherlands

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Ratings

#### Van Lanschot Kempen NV

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

### Homepage

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

Van Lanschot Kempen (VLK) is an independent asset manager with a banking license. With EUR 145bn in assets under management, VLK is a market leader in Belgium and the Netherlands in this area. Moreover, VLK is also active in private banking and investment banking. Its shares are listed on the Amsterdam stock exchange. As at 31 December 2023, the main shareholders are Romij BV and LDDM Holding with stakes of 10.1% and 9.8% respectively. VLK operates its business in the following four segments: Private Clients (FY 2023: 98.9% of operating profit), Wholesale & Institutional Clients (-1.0%), Investment Banking Clients (-2.3%) and Other (4.4%). Geographically, VLK is active in the Netherlands, Belgium, France, the USA and Switzerland. As at FY 2023, 92.6% of the loan portfolio was attributable to the Netherlands, 5.1% to Belgium and 2.3% to other jurisdictions. Mortgage loans account for 74.9% of the lending portfolio. The majority of the funding mix is made up of deposits (75%, FY 2023), followed by bonds (13%). VLK concluded the acquisition of the remaining 30% of the shares in Mercier Vanderlinden in H1 2023, before fully integrating it into Van Lanschot Belgium before the end of 2023. The merged business has been operating under the name Mercier Van Lanschot since 01 January 2024. Within the framework of a partnership with Robeco, VLK acquired its online investment platform in 2023, which was then merged with VLK's own Evi van Lanschot brand. VLK is striving to become a net-zero wealth manager by 2050. Based on turnover, the green asset ratio amounts to 0.8% (FY 2023).

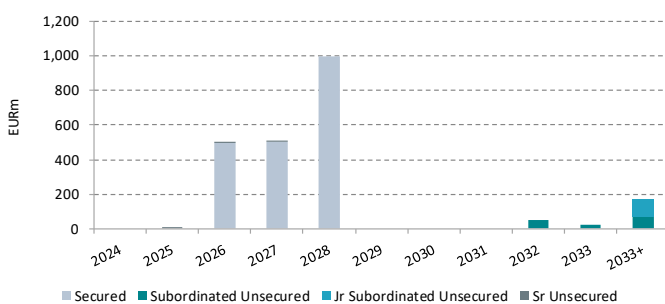
### Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	9,364	9,161	9,146
Total Securities	3,722	3,987	4,632
Total Deposits	12,726	12,574	12,234
Tier 1 Common Capital	879	865	847
Total Assets	17,018	16,836	16,448
Total Risk-weighted Assets	4,272	4,409	4,508

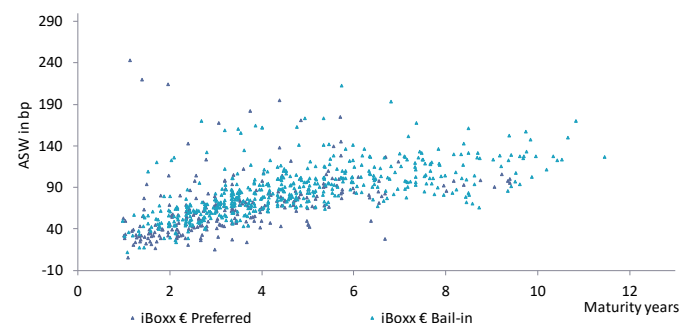
### Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	152	197	92
Net Fee & Commission Inc.	408	427	252
Net Trading Income	-5	7	13
Operating Expense	466	503	261
Credit Commit. Impairment	-	-	-
Pre-tax Profit	119	164	101

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.95	1.21	1.16	Liquidity Coverage Ratio	-	-	-
ROAE	6.04	9.17	11.00	IFRS Tier 1 Leverage Ratio	5.33	5.31	5.32
Cost-to-Income	80.55	75.17	71.72	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	20.56	19.62	18.78	Reserves/Loans at Amort. Cost	0.43	0.41	0.42

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

### Strengths / Opportunities

- Wealth management strategy
- Capitalisation
- Funding and liquidity profile

### Risks / Weaknesses

- Low economies of scale
- Fixed-cost basis
- Dependency on market performance

# Van Lanschot – Mortgage (SB)

Netherlands 

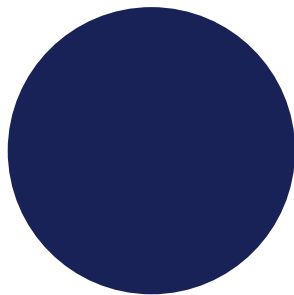
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	2,040
Amount outstanding (EURm)	1,500
-thereof ≥ EUR 500m	66.7%
Current OC (nominal)	36.0%
Committed OC	-
Cover type	Mortgage
Main country	100% Netherlands
Main region	33% Noord-Holland
Number of loans	3,913
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	15.4y
WAL (covered bonds)	2.8y
Fixed interest (cover pool)	97.6%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	47.5%
LTV (unindexed)	63.8%
Loans in arrears	0.0%

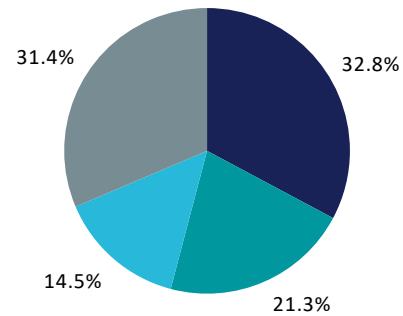
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a
JRL	aa
Unused notches	2
AAA credit risk (%)	9.7%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



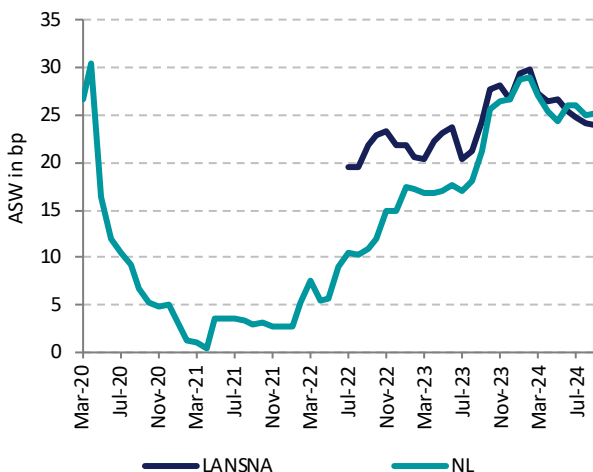
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

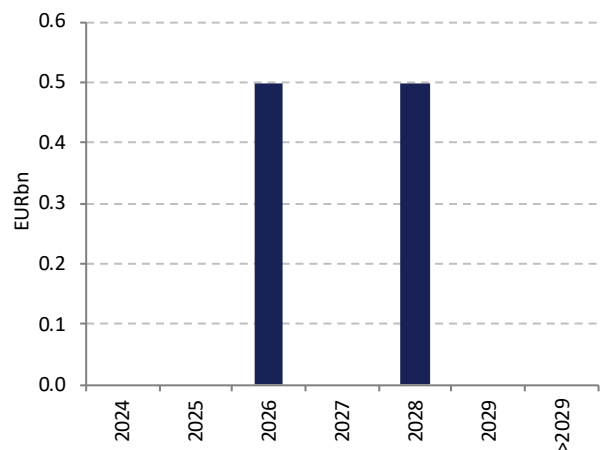


■ Noord-Holland ■ Zuid-Holland ■ Utrecht ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

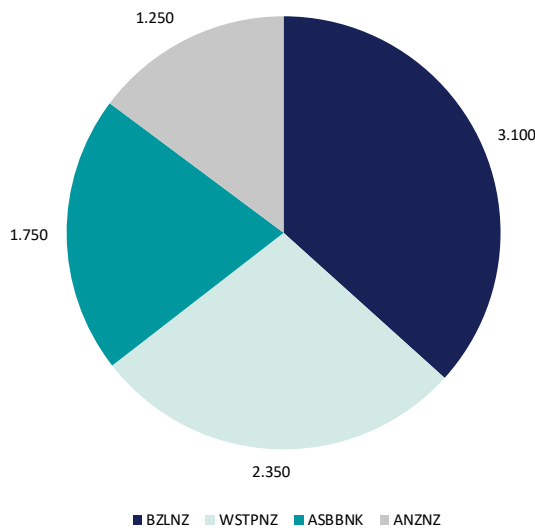
# Market Overview Covered Bonds

## New Zealand

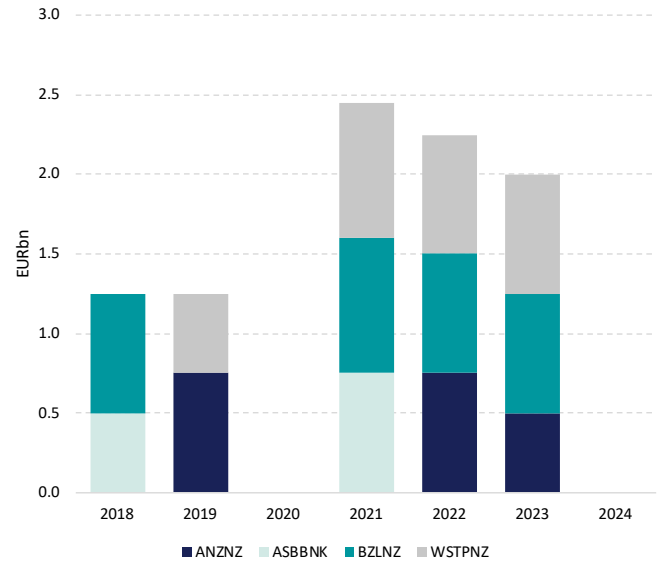
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 15.07bn	Outstanding volume (Bmk)	EUR 8.45bn
Amount outstanding	EUR 8.85bn	Number of benchmarks	12
Number of issuers	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

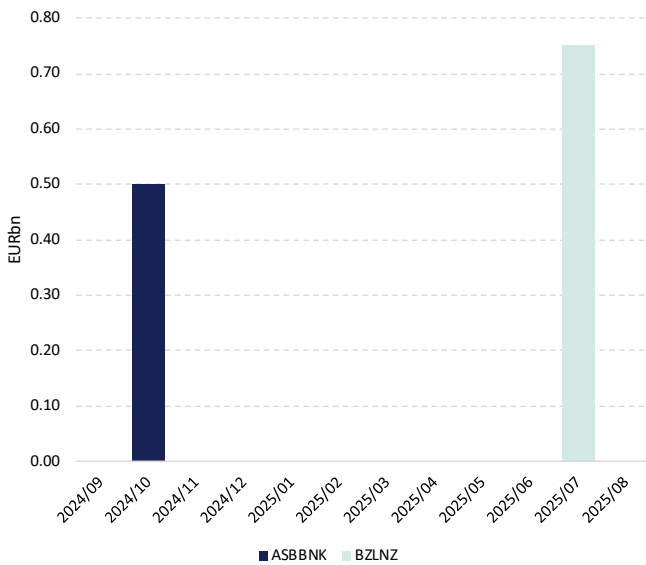
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



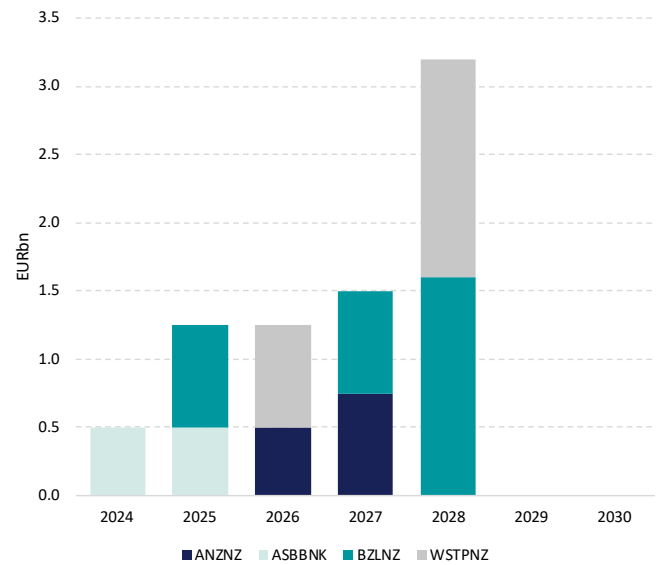
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24



## ANZ Bank New Zealand

New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## ANZ Bank New Zealand Ltd

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

## Homepage

[www.anz.co.nz](http://www.anz.co.nz)

Headquartered in Auckland, ANZ Bank New Zealand Ltd. (ANZ NZ) is the largest financial group in New Zealand as measured by its loan book (FY 2023: 28.0% market share). The bank is a wholly owned subsidiary of the Australia and New Zealand Banking Group (ANZ), which, following a restructuring programme at the start of 2023, is now managed as an operational entity of the ANZ Group Holding Limited (ANZGHL). ANZ NZ accounts for a share of 17.8% of its parent company's assets and 31.8% of net income in the consolidated earnings (FY 2022). ANZ NZ divides its business into four segments: Personal (retail business and asset management; H1 2024: 50.1% of pre-tax profit), Business & Agri (corporate client business; 28.1%), Institutional (financial market solutions for global stakeholders and institutions; 25.6%) and Other (treasury and back-office services; -3.8%). The main components of the loan portfolio in New Zealand are Households (H1 2024: 54.7%), Rental, hiring & real estate services (25.1%) and Agriculture (10.3%). In this context, ANZ NZ boasts a leading market share (25.0% as at 30 June 2023) for agri loans in New Zealand. ANZ NZ refinancing activities are covered to a substantial degree by deposits (H1 2024: 83.4%), with covered bonds accounting for 8.1% of wholesale funding. With the parent company ANZ having joined the Net-Zero Banking Alliance, ANZ NZ is also pursuing the objective of operating on a carbon-neutral basis by 2050. The parent company is also aiming to broker or finance USD 100bn for sustainable and social projects in which ANZ NZ participates by the end of 2030. These projects must comply with at least one of the 17 UN SDGs. The financial year ends on 30 September each year.

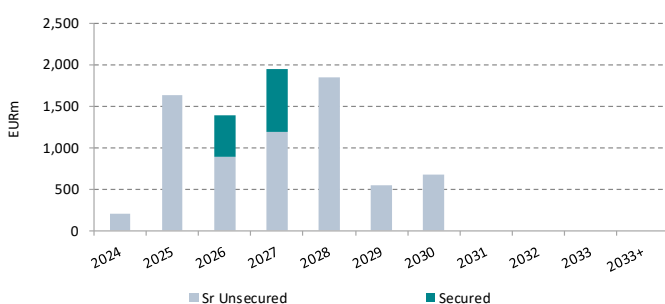
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	84,979	84,844	83,681
Total Securities	19,684	14,564	14,355
Total Deposits	75,308	75,303	75,074
Tier 1 Common Capital	7,707	7,888	7,599
Total Assets	116,220	110,395	108,793
Total Risk-weighted Assets	62,218	63,256	59,280

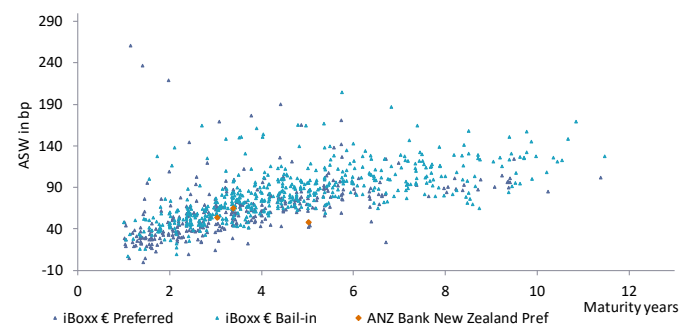
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,294	2,470	1,224
Net Fee & Commission Inc.	327	290	143
Net Trading Income	319	41	-21
Operating Expense	1,004	957	483
Credit Commit. Impair-	24	105	19
Pre-tax Profit	1,927	1,764	850

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	2.01	2.23	2.29	Liquidity Coverage Ratio	-	-	-
ROAE	13.20	12.25	11.67	IFRS Tier 1 Leverage Ratio	7.24	7.59	7.40
Cost-to-Income	33.99	33.86	35.74	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12.39	12.47	12.82	Reserves/Loans at Amort. Cost	0.44	0.49	0.49

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- National market position (largest bank in NZ)
- Integration in ANZ Group
- Capital buffer available to mitigate potential losses

## Risks / Weaknesses

- Competitive environment
- Interest and inflation environment
- Dependency on wholesale funding

# ANZ Bank New Zealand – Mortgage

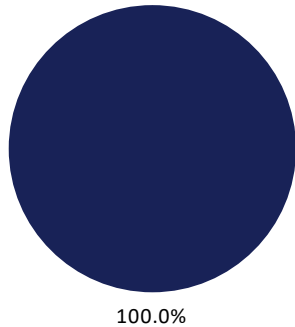
New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

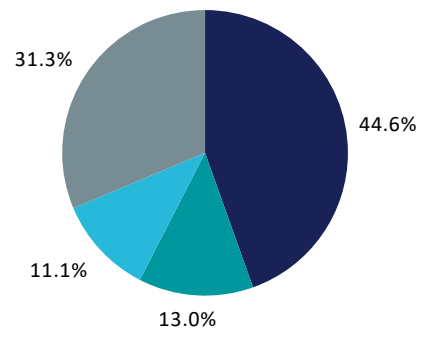
Cover pool volume (EURm)	4,962	Rating (Moody's)	Aaa
Amount outstanding (EURm)	1,175	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	322.1%	Rating (DBRS)	-
Committed OC	11.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% New Zealand	Collateral score	4.0%
Main region	45% Auckland	RRL	-
Number of loans	44,389	JRL	-
Number of borrowers	26,975	Unused notches	-
Avg. exposure to borrowers (EUR)	183,935	AAA credit risk (%)	-
WAL (cover pool)	18.6y	PCU	6
WAL (covered bonds)	1.8y	Recovery uplift	1
Fixed interest (cover pool)	92.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	40.8%	LCR level (Bmk)	2A
LTV (unindexed)	46.3%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

## Borrower Types



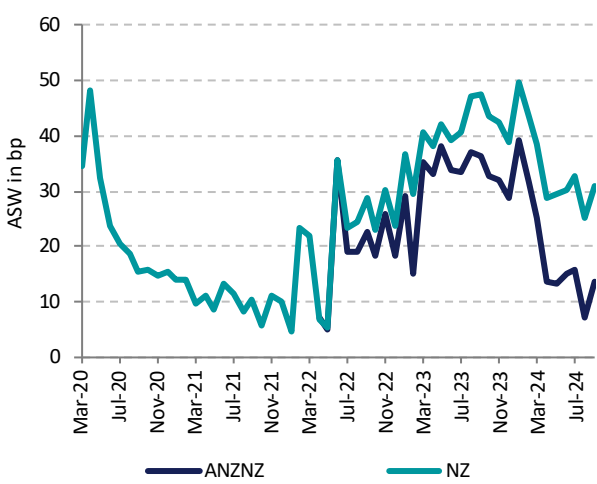
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

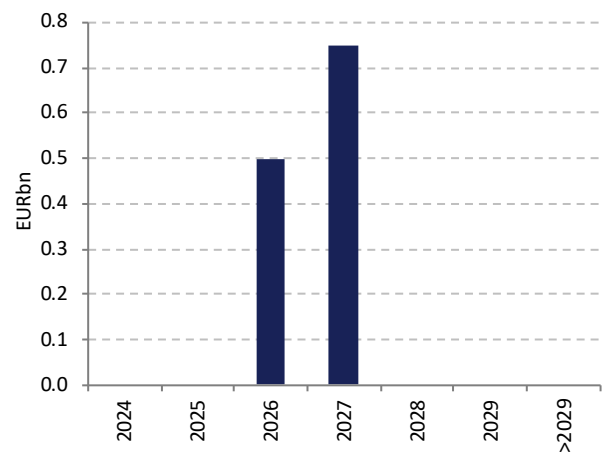


■ Auckland ■ Wellington ■ Canterbury ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## ASB Bank

New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## ASB Bank Ltd

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

## Homepage

[www.asb.co.nz](http://www.asb.co.nz)

ASB Bank Limited (ASB Bank, ASB), headquartered in Auckland, is a wholly owned subsidiary of ASB Holdings Limited, which in turn forms part of the Commonwealth Bank of Australia (CBA). As measured by its assets of NZD 126bn as at year-end 2023, ASB is the third largest bank in New Zealand. The bank had a market share of 20.0% for loans (H1 2024) within its domestic banking system. ASB, which is classified as a domestic systemically important bank (D-SIB) by the Reserve Bank of New Zealand (the country's financial supervisory authority), has a workforce of around 5,500 employees that serves more than 1.3 million retail and business customers. ASB has reorganised its business structure and now reports across the segments of Personal Banking, Business Banking, Corporate Banking and Other. The strongest segments as measured by operating income (excluding the Other segment) are Personal Banking (H1 2024: 54.3%) and Business Banking (36.2%). In contrast, Corporate Banking plays a more minor role, accounting for a share of 9.5%. The category of "Households" accounts for the majority of the funding mix, at 46.1% (FY 2024). In geographical terms, the major share (75.8%) is attributable to New Zealand. The share of covered bonds in the debt securities issued by the bank stood at 17.1% in FY 2023. Back in FY 2022, ASB set itself the goal of financing USD 6.5bn in sustainable and sustainability-linked projects by 2030. Of this, USD 1.2bn has already been financed (as at 30 June 2023). In addition, ASB granted USD 600m in sustainable loans to companies from the agricultural sector and in 2023 launched its new business in the area of sustainable loans for SMEs. The financial year of ASB Bank ends on 30 June each year.

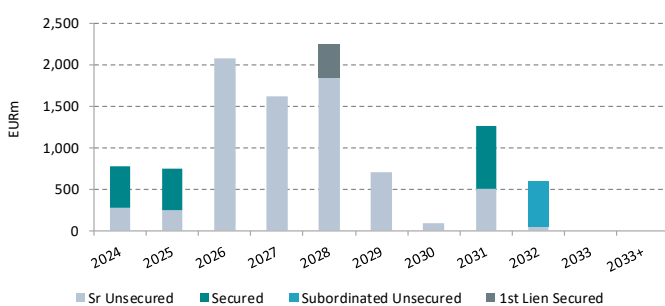
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	62,363	60,854	61,666
Total Securities	5,044	4,528	5,808
Total Deposits	47,900	47,372	49,528
Tier 1 Common Capital	4,988	5,673	5,708
Total Assets	72,347	71,206	72,439
Total Risk-weighted Assets	40,663	39,717	40,488

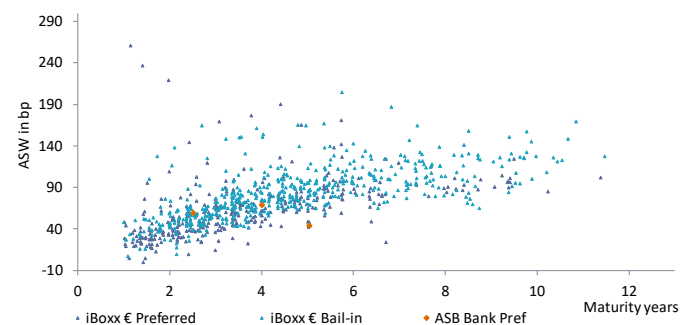
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,570	1,793	823
Net Fee & Commission Inc.	245	231	110
Net Trading Income	88	28	15
Operating Expense	669	741	361
Credit Commit. Impair-	25	38	6
Pre-tax Profit	1,229	1,276	581

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	2.24	2.47	2.35	Liquidity Coverage Ratio	-	-
ROAE	15.39	15.13	14.22	IFRS Tier 1 Leverage Ratio	6.97	8.05
Cost-to-Income	34.80	36.06	38.10	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	12.27	14.28	14.10	Reserves/Loans at Amort. Cost	0.52	0.55

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- National market position
- Capitalisation
- Part of the CBA Group

## Risks / Weaknesses

- Dependency on wholesale funding
- Interest rate and inflation environment
- Slowing credit growth

# ASB Bank – Mortgage

New Zealand 

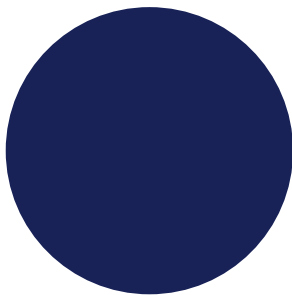
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	2,351
Amount outstanding (EURm)	1,661
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	41.5%
Committed OC	11.0%
Cover type	Mortgage
Main country	100% New Zealand
Main region	57% Auckland
Number of loans	22,846
Number of borrowers	16,660
Avg. exposure to borrowers (EUR)	141,092
WAL (cover pool)	20.4y
WAL (covered bonds)	3.9y
Fixed interest (cover pool)	96.2%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	34.1%
LTV (unindexed)	39.9%
Loans in arrears	0.1%

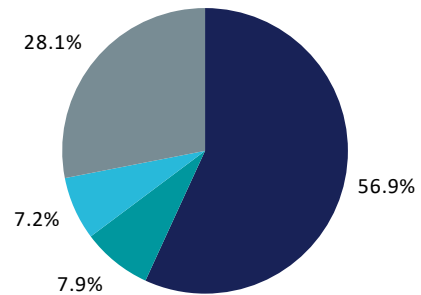
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	3
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



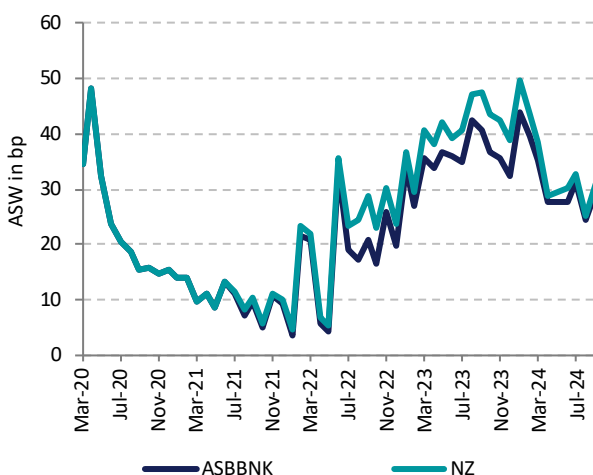
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

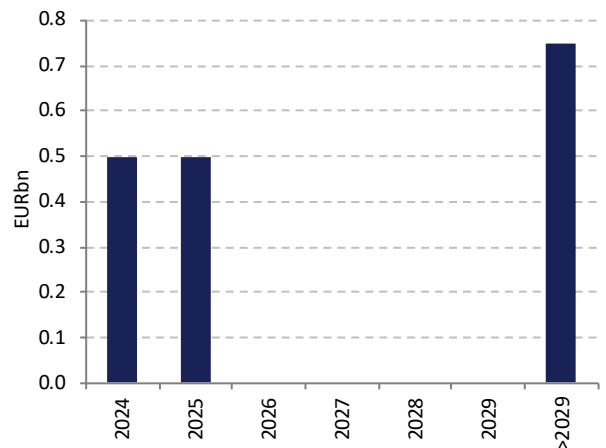


■ Auckland ■ Wellington ■ Canterbury ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Bank of New Zealand

New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Bank of New Zealand

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

## Homepage

[www.bnz.co.nz](http://www.bnz.co.nz)

The Bank of New Zealand (BNZ), headquartered in Auckland, is the second-largest bank in New Zealand as measured by total assets (H1 2023: NZD 126.5bn). BNZ is a wholly owned subsidiary of National Australia Bank (NAB). The Reserve Bank of New Zealand (RBNZ), the country's financial supervisory authority, has classified BNZ as a domestic systemically important bank (D-SIB). BNZ mainly focuses on the New Zealand market and covers retail, business, corporate and institutional customers. The two main business segments are Partnership Banking (retail as well as SME customers in addition to agricultural enterprises; FY 2023: 60.7% of operating profit before taxes) and Corporate and Institutional Banking (financial solutions for corporates and institutional customers; 37.2%), alongside the third segment Other (2.1%). In March 2023, BNZ had a domestic market share of 18.6% for assets. The loan portfolio primarily consists of mortgage loans (FY 2023: 56.0%), followed by loans in the agricultural sector (15.0%). Shares of 13.0% and 7.0% are respectively attributable to the areas of other corporate loans and commercial properties. Geographically speaking, the loan portfolio is concentrated on the Auckland region (48.0%), with the regions of Wellington and Canterbury each accounting for a share of 11.0%. At 66.4% (FY 2023), the majority of the Group's funding mix consists of deposits. In 2023, BNZ issued a total of USD 1.3bn in sustainable bonds as part of its sustainable financing strategy. In addition, BNZ intends to achieve a climate neutral loan portfolio by 2050. The financial year ends on 30 September each year.

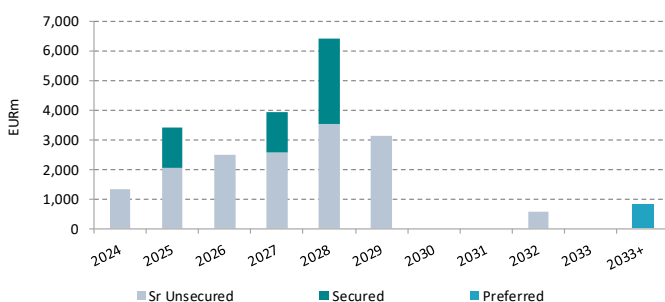
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	57,404	57,830	57,769
Total Securities	11,422	8,553	7,970
Total Deposits	42,877	44,605	44,371
Tier 1 Common Capital	5,839	6,017	6,371
Total Assets	75,938	73,903	71,503
Total Risk-weighted Assets	45,603	45,312	45,313

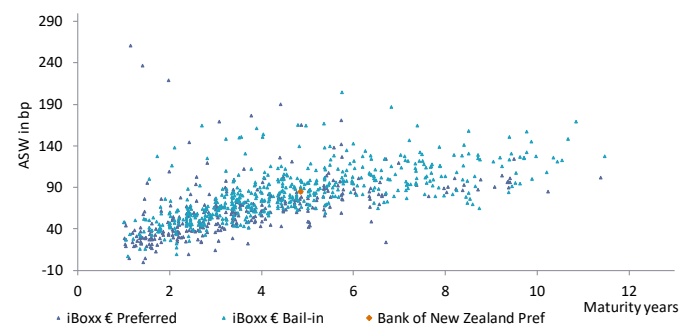
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,521	1,667	823
Net Fee & Commission Inc.	-	203	92
Net Trading Income	152	141	81
Operating Expense	651	703	361
Credit Commit. Impair-	54	99	40
Pre-tax Profit	1,194	1,210	595

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	2.04	2.26	2.30	Liquidity Coverage Ratio	-	-	-
ROAE	13.50	13.17	12.38	IFRS Tier 1 Leverage Ratio	8.23	8.46	9.14
Cost-to-Income	34.28	34.93	36.21	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	12.80	13.28	14.06	Reserves/Loans at Amort. Cost	0.81	0.91	0.92

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- National market position
- Capital buffer against asset quality risks
- Integration in the NAB Group

## Risks / Weaknesses

- Dependency on wholesale funding
- Rising financing costs
- Interest rate and inflation environment

# Bank of New Zealand – Mortgage

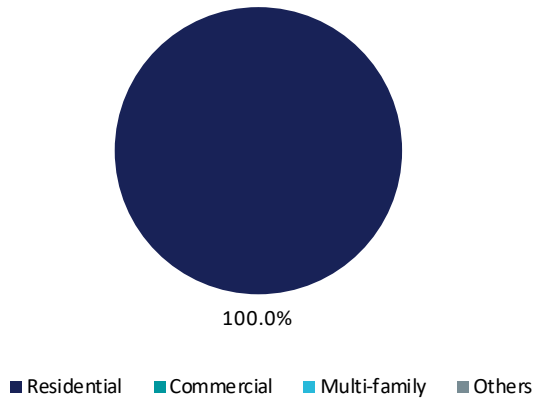
New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

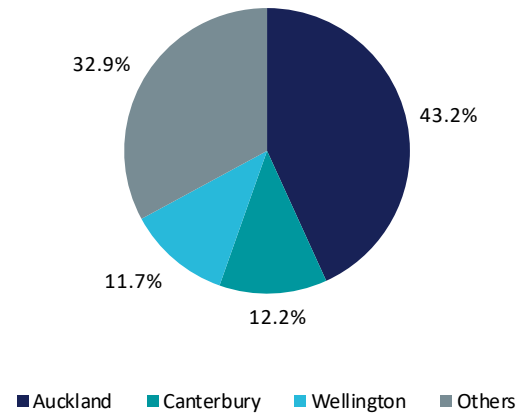
## Cover Pool Data

Cover pool volume (EURm)	4,343	Rating (Moody's)	Aaa
Amount outstanding (EURm)	3,618	Rating (S&P)	-
-thereof ≥ EUR 500m	92.4%	Rating (Fitch)	AAA
Current OC (nominal)	20.0%	Rating (DBRS)	-
Committed OC	3.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% New Zealand	Collateral score	4.0%
Main region	43% Auckland	RRL	-
Number of loans	38,665	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	18.0y	PCU	6
WAL (covered bonds)	2.7y	Recovery uplift	1
Fixed interest (cover pool)	89.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	41.8%	LCR level (Bmk)	2A
LTV (unindexed)	44.4%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

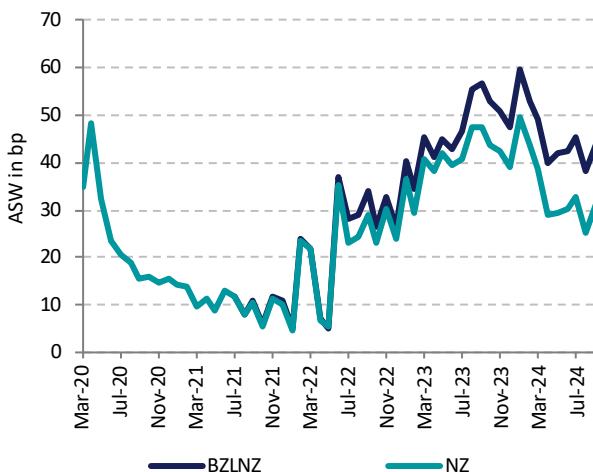
## Borrower Types



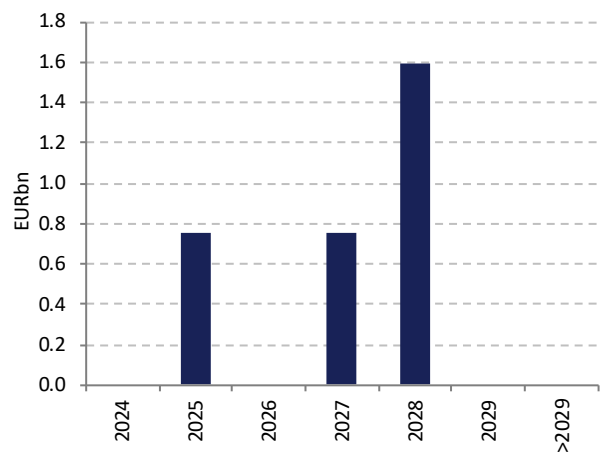
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Westpac New Zealand

New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Westpac New Zealand Ltd

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

## Homepage

[www.westpac.co.nz](http://www.westpac.co.nz)

Westpac New Zealand Ltd. (WNZ) is a wholly owned subsidiary of the Westpac Banking Corporation (WBC, headquarters: Australia) via a series of intermediate holding companies. WNZ is responsible for 11.3% of total assets and 13.6% of the parent company's net income (data as at FY 2023). Westpac New Zealand has been offering its customers a broad palette of banking products and services for retail and corporate customers since 1861. WNZ has more than 5,000 employees, who serve around 1.5 million customers in New Zealand. The New Zealand financial supervisory authority, the Reserve Bank of New Zealand (RBNZ), has classified WNZ as a domestic systemically important bank (D-SIB). In New Zealand, the bank boasts a market share of 15.0% for lending to the agricultural sector. The bank operates across the segments of Consumer Banking and Wealth (H1 2024: 29.5% pre-tax profit) and Institutional and Business Banking (55.0%), as well as the non-operating segment Reconciling Items (15.5%). The loan portfolio mainly consists of residential mortgages (H1 2024: 66.5%) as well as corporate loans (30.7%). Deposits constitute the main source of funding for the bank at 71.7% (FY 2023). WNZ has set itself the goal of granting USD 6bn in sustainable loans and raising USD 4bn via sustainable bond issues by 2025, by which date the bank also aims to reduce its carbon emissions by 30% against 2019. WNZ has published a Green Bond Framework, under which it has already placed a green bond (EUR 500m) on the European market in 2019. The financial year ends on 30 September each year.

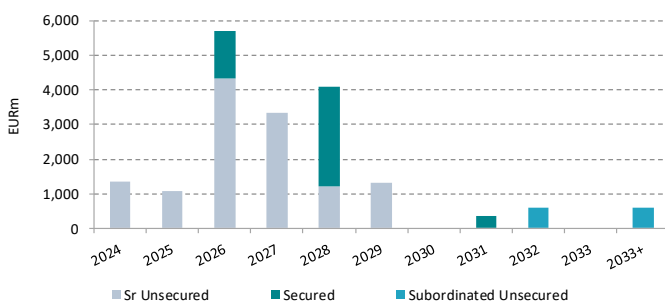
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	55,981	56,438	55,936
Total Securities	6,076	6,933	6,518
Total Deposits	46,716	46,704	45,180
Tier 1 Common Capital	4,336	4,388	4,418
Total Assets	69,234	69,684	68,685
Total Risk-weighted Assets	39,244	39,526	38,857

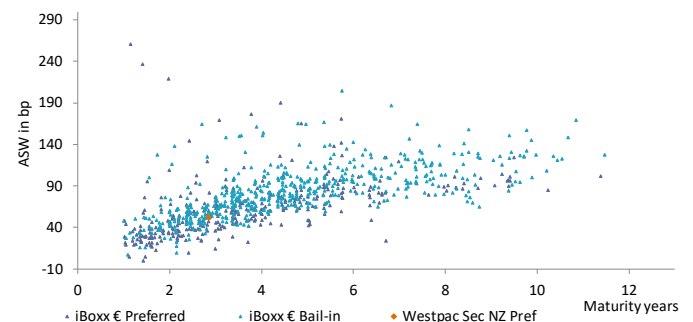
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,392	1,527	779
Net Fee & Commission Inc.	153	135	65
Net Trading Income	-	-	-
Operating Expense	687	743	390
Credit Commit. Impair-	-16	78	13
Pre-tax Profit	884	849	440

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	2.00	2.22	2.28	-	-	-
ROAE	12.21	11.82	11.58	-	-	-
Cost-to-Income	44.20	44.50	46.30	6.36	6.39	-
Core Tier 1 Ratio	11.05	11.10	11.37	0.56	0.78	0.91
Liquidity Coverage Ratio	-	-	-	0.41	0.50	0.51
IFRS Tier 1 Leverage Ratio	-	-	-	-	-	-
NPL / Loans at Amortised Cost	-	-	-	-	-	-
Reserves/Loans at Amort. Cost	-	-	-	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in NZ
- Integration in the WBC Group
- Capital buffer against potential losses

## Risks / Weaknesses

- Interest rate and inflation environment
- Dependency on wholesale funding
- Competitive landscape

# Westpac New Zealand – Mortgage

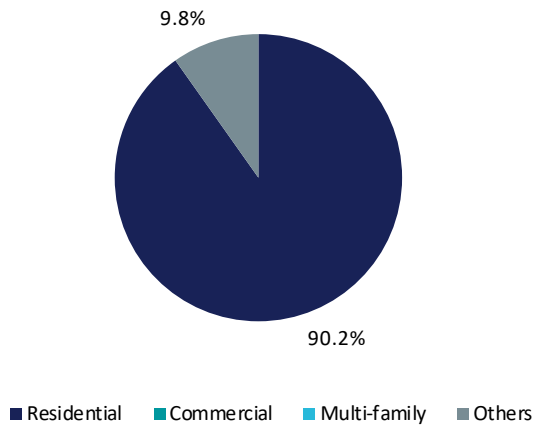
New Zealand 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

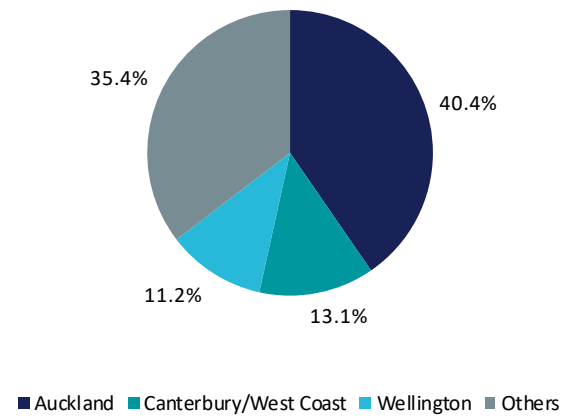
## Cover Pool Data

Cover pool volume (EURm)	3,417	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,396	Rating (S&P)	-
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	AAA
Current OC (nominal)	42.6%	Rating (DBRS)	-
Committed OC	11.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% New Zealand	Collateral score	4.0%
Main region	40% Auckland	RRL	-
Number of loans	32,799	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	22.8y	PCU	6
WAL (covered bonds)	3.3y	Recovery uplift	1
Fixed interest (cover pool)	93.7%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	42.0%	LCR level (Bmk)	2A
LTV (unindexed)	47.5%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

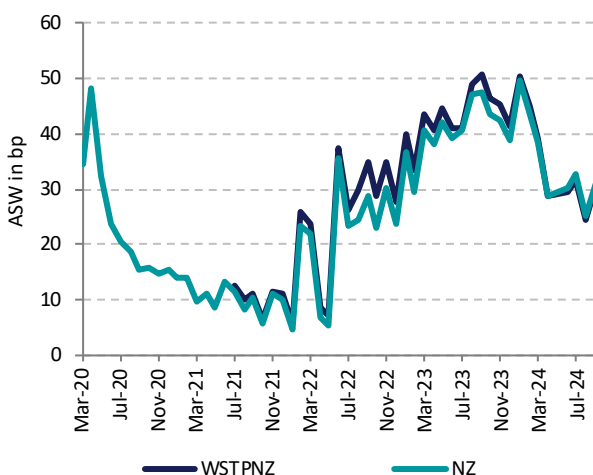
## Borrower Types



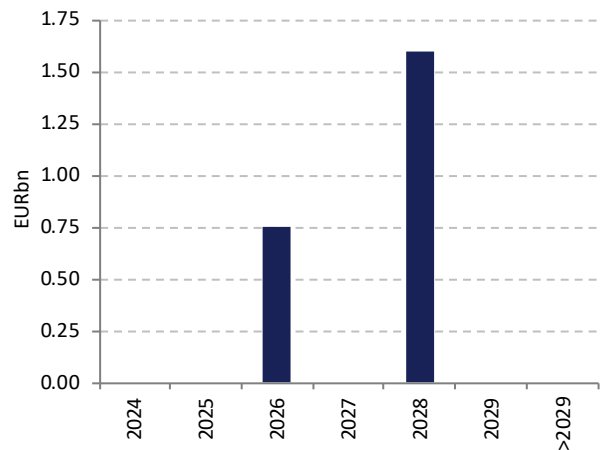
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



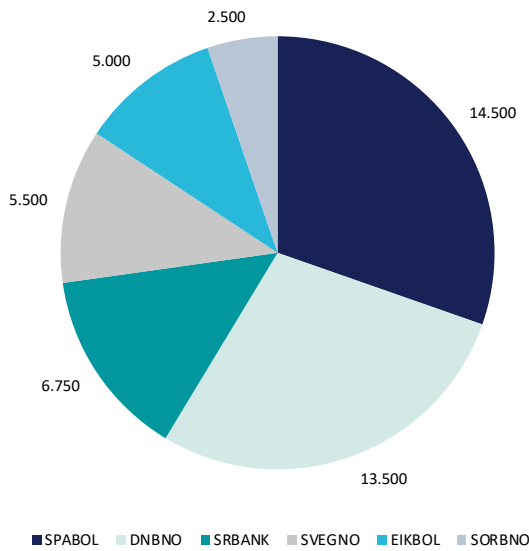
# Market Overview Covered Bonds

Norway 

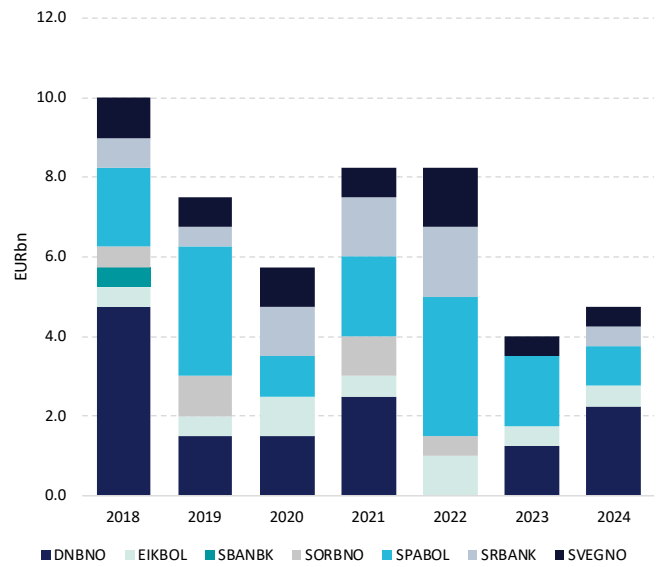
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 122.00bn	Outstanding volume (Bmk)	EUR 47.75bn
Amount outstanding	EUR 92.57bn	Number of benchmarks	58
Number of issuers	7	Outstanding ESG volume (Bmk)	EUR 9.50bn
No of cover pools	7	Number of ESG benchmarks	12
there of M / PS / others	7 / 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

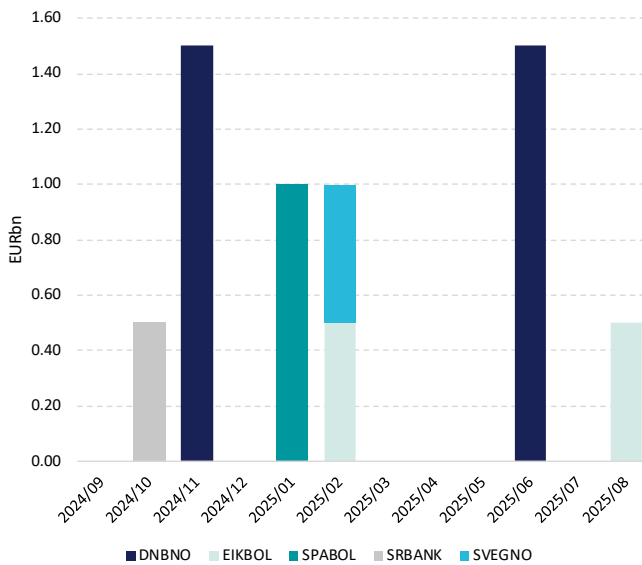
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



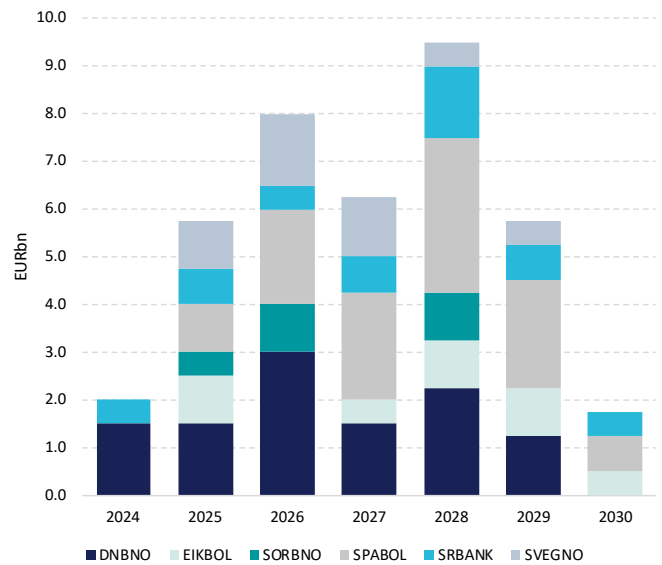
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# DNB Bank

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### DNB Bank ASA

	Rating	Outlook
Fitch	-	-
Moody's	Aa1	Stable
S&P	AA-	Stable

## Homepage

[www.ir.dnb.no](http://www.ir.dnb.no)

\*Senior Unsecured/LT Bank Deposits

With a market capitalisation of NOK 328bn (FY 2023), DNB Bank ASA (DNB) is one of the leading financial groups in Norway. The group is listed on the Oslo stock exchange, with the largest shareholder being the Norwegian state with a stake of 34.6%. Altogether, DNB serves around 2 million retail and 237,000 corporate customers, with a focus on digital distribution channels. According to its own information, DNB sees itself as the leading bank for private savers online. It has a network of 51 domestic branches and 17 international branches (FY 2023). The business activities of DNB are split across the following segments: Personal Customers (FY 2023; 29.3% of profit excluding eliminations), Corporate Customers (58.5%) and Other Operations (12.2%), with the latter including risk management and pension products, among other activities. DNB is a market leader in Norway and boasts high market shares in relation to deposits from retail customers (FY 2023: 30.0%) and corporate customers (35.0%), SME loans (37.0%) as well as investment funds (37.8%). The merger with Sbanken was concluded in May 2023; Sbanken is now fully integrated in DNB. The loan portfolio (net exposure at default) is equally distributed among retail customers and corporate customers, with 90% of the retail customer portfolio attributable to mortgages. DNB has 13 green bonds outstanding, of which four are covered bonds and four are senior preferred bonds, in addition to five senior non-preferred bonds. With an outstanding total volume of NOK 106bn (Q4 2023), DNB is the leading Nordic bank and is one of the largest issuers of green bonds in the European banking sector.

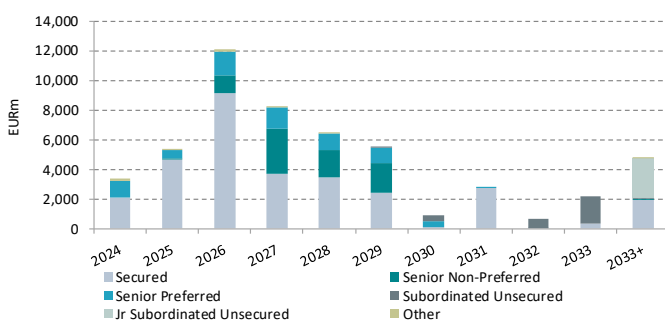
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	186,291	178,201	176,178
Total Securities	66,908	68,699	58,057
Total Deposits	132,645	126,952	137,093
Tier 1 Common Capital	18,434	17,837	18,094
Total Assets	307,094	306,886	322,069
Total Risk-weighted Assets	100,863	98,135	95,465

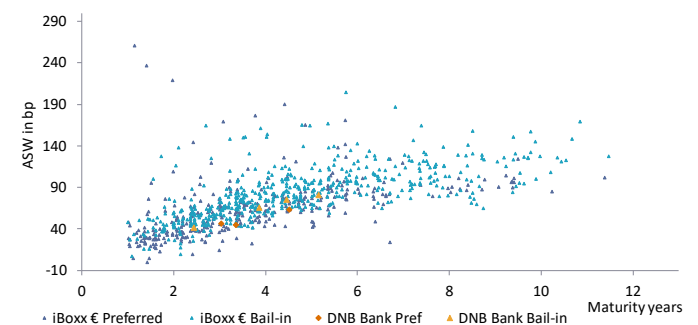
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	4,783	5,392	2,726
Net Fee & Commission Inc.	1,023	974	534
Net Trading Income	397	450	191
Operating Expense	2,536	2,472	1,291
Credit Commit. Impairment	-27	232	77
Pre-tax Profit	4,019	4,419	2,287

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.61	1.88	1.81	Liquidity Coverage Ratio	120.00	146.30	135.00
ROAE	14.04	15.16	15.20	IFRS Tier 1 Leverage Ratio	6.40	6.17	5.90
Cost-to-Income	38.73	34.53	35.37	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.28	18.18	18.95	Reserves/Loans at Amort. Cost	0.42	0.40	0.38

Per 20.09.2024; Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research

## Strengths / Opportunities

- Market leader in Norway
- Efficiency through digital infrastructure
- Capitalisation

## Risks / Weaknesses

- Dependency on capital market funding
- Exposure to cyclical sectors
- Concentration risks for property loans

# DNB Boligkreditt – Mortgage

Norway 

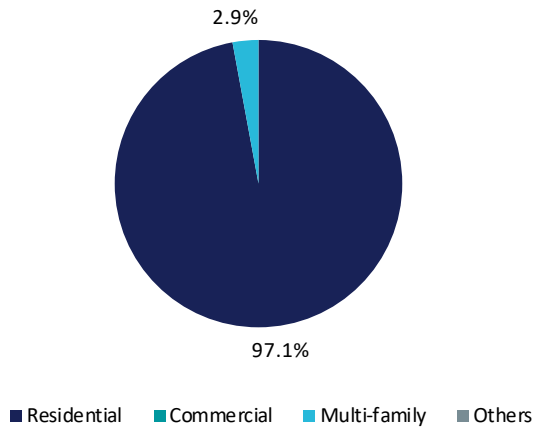
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

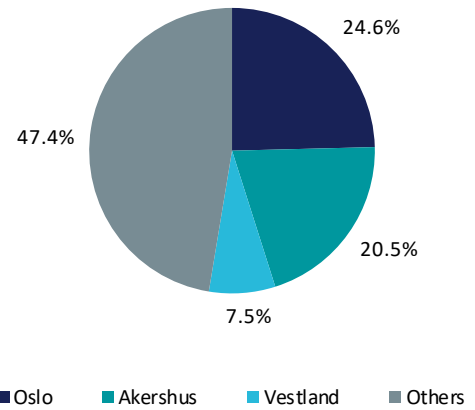
Cover pool volume (EURm)	55,880
Amount outstanding (EURm)	33,922
-thereof ≥ EUR 500m	39.8%
Current OC (nominal)	64.7%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Norway
Main region	25% Oslo
Number of loans	335,974
Number of borrowers	294,477
Avg. exposure to borrowers (EUR)	189,761
WAL (cover pool)	14.5y
WAL (covered bonds)	3.7y
Fixed interest (cover pool)	4.9%
Fixed interest (covered bonds)	53.2%
LTV (indexed)	52.6%
LTV (unindexed)	60.5%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	6
Collateral score	4.2%
RRL	aa+
JRL	aaa
Unused notches	4
AAA credit risk (%)	17.7%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

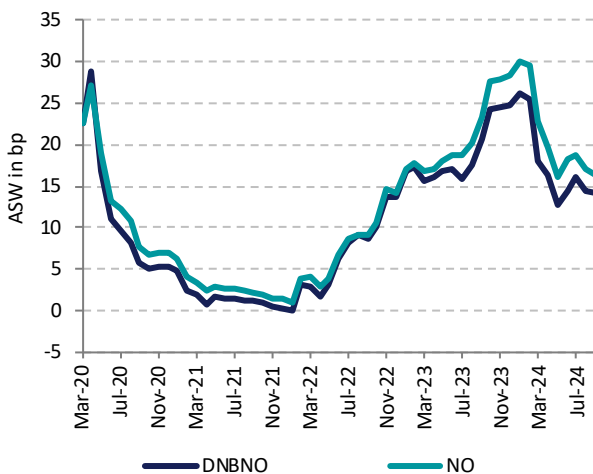
## Borrower Types



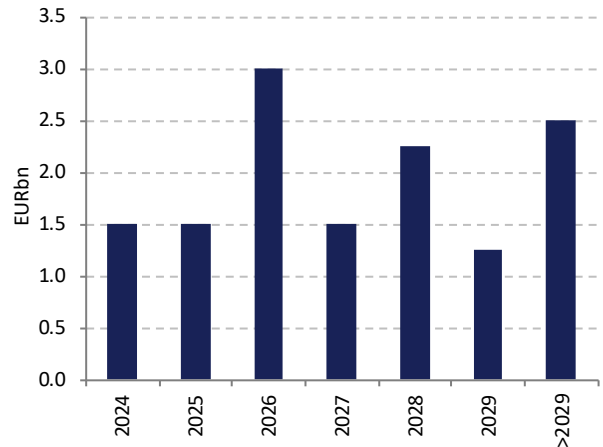
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Eika Boligkreditt

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Eika Boligkreditt AS

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

## Homepage

[www.eikbol.no](http://www.eikbol.no)

Eika Boligkreditt AS (EikBol) is part of the Eika Alliance, which comprises 50 independent local banks and the Eika Groups. The Eika Alliance employs 1,800 staff, who serve around 670,000 customers in 180 branches. As at FY 2023, EikBol is owned by 58 local banks, which includes the 50 banks in the Eika Alliance and the OBOS Housing Foundation (a cooperative housing association in Norway). The Eika Alliance is the third-largest banking group in Norway. Its nationwide market share in the area of Norwegian retail customer loans stands at 9.0% (FY 2023). Except for larger cities, its market penetration is as high as 80.0%. Within the Alliance, Eika Gruppen AS acts as a financial services group, offering its member banks a complete infrastructure platform, whereas EikBol's remit is focused on covered bond funding. Moreover, the owners of the various banks guarantee sufficient capitalisation over the long term as well as compliance with the liquidity requirements for the next 12 months. The majority of the funding mix is attributable to both deposits, at 54.0%, and covered bonds, at 21.7% (data as at FY 2022). In recent times, the cover pool has exclusively comprised prime quality Norwegian residential mortgage loans and has been awarded Moody's top rating of Aaa. The bank is also a member of the European Covered Bond Label. Eika Boligkreditt is regularly active on the market and issues both in EUR and the domestic currency NOK. With two bond issues in green format, EikBol has an outstanding ESG total volume of EUR 1bn.

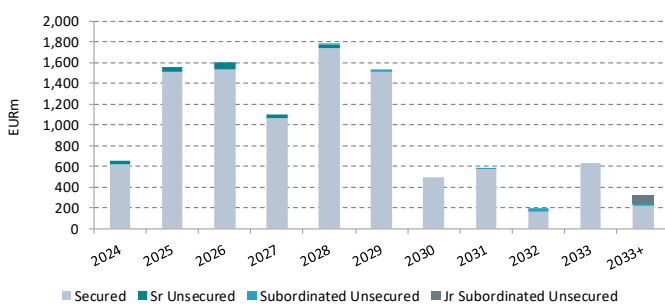
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	9,115	8,767	8,831
Total Securities	2,816	1,920	1,677
Total Deposits	-	-	-
Tier 1 Common Capital	569	533	549
Total Assets	12,021	10,799	10,781
Total Risk-weighted Assets	3,681	3,448	3,403

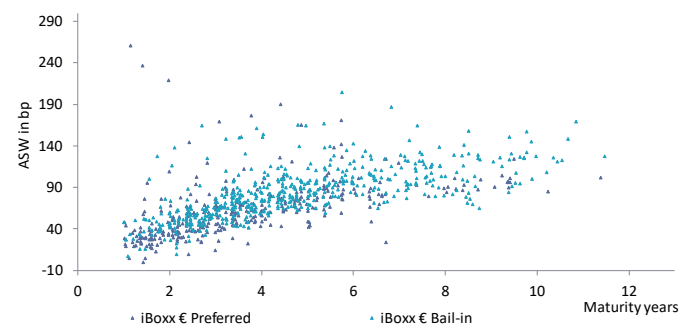
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	52	53	33
Net Fee & Commission Inc.	-38	-38	-26
Net Trading Income	-14	1	0
Operating Expense	9	7	3
Credit Commit. Impairment	-	-	-
Pre-tax Profit	-6	10	5

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	101.45	139.05	171.70
ROAE	-0.60	1.55	1.57	IFRS Tier 1 Leverage Ratio	4.87	4.98	5.14
Cost-to-Income	-	42.47	41.19	NPL / Loans at Amortised Cost	0.03	0.02	-
Core Tier 1 Ratio	15.46	15.47	16.12	Reserves/Loans at Amort. Cost	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation and asset quality
- Probability of support from Eika Alliance

## Risks / Weaknesses

- No explicit guarantee of support from the Alliance
- Concentrated credit risk on domestic market

# Eika Boligkreditt – Mortgage

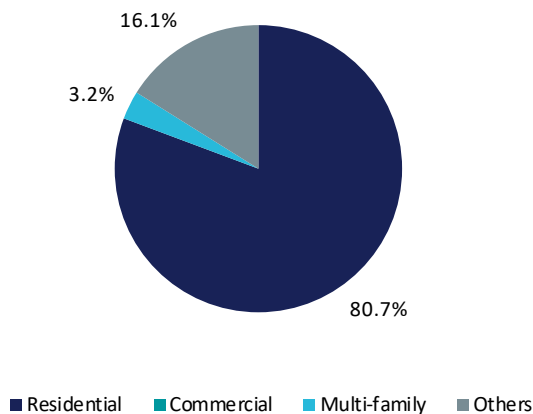
Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

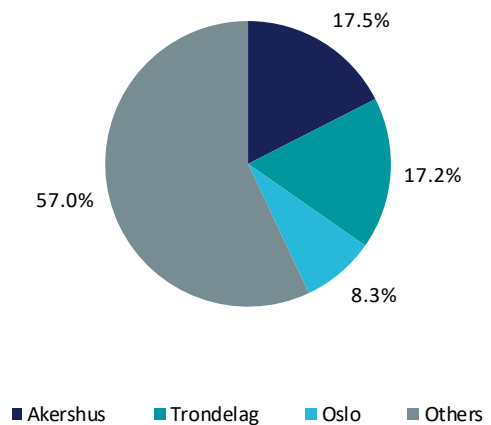
## Cover Pool Data

Cover pool volume (EURm)	9,926	Rating (Moody's)	Aaa
Amount outstanding (EURm)	9,132	Rating (S&P)	-
-thereof ≥ EUR 500m	54.8%	Rating (Fitch)	-
Current OC (nominal)	8.7%	Rating (DBRS)	-
Committed OC	5.0%	TPI	High
Cover type	Mortgage	TPI leeway	3
Main country	100% Norway	Collateral score	4.0%
Main region	18% Akershus	RRL	-
Number of loans	52,715	JRL	-
Number of borrowers	51,271	Unused notches	-
Avg. exposure to borrowers (EUR)	162,432	AAA credit risk (%)	-
WAL (cover pool)	12.3y	PCU	-
WAL (covered bonds)	4.4y	Recovery uplift	-
Fixed interest (cover pool)	7.4%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	57.7%	LCR eligible	Yes
LTV (indexed)	52.7%	LCR level (Bmk)	1
LTV (unindexed)	54.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

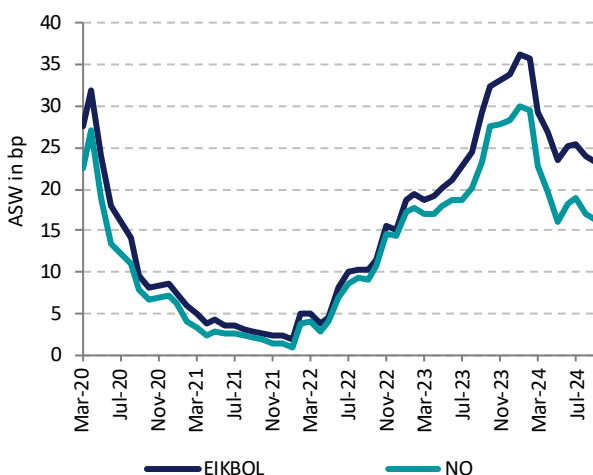
## Borrower Types



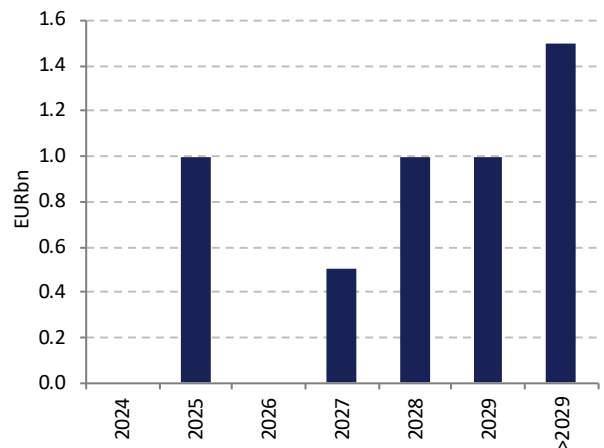
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## SpareBank 1 Boligkreditt

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## SpareBank 1 Boligkreditt

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

## Homepage

[www.sparebank1.no](http://www.sparebank1.no)

SpareBank 1 Boligkreditt (SpaBol) is the funding vehicle for members of the SpareBank 1 Alliance, which comprises 12 savings banks, all of which are independent from one another, and which are all shareholders of SpaBol, with the exception of SpareBank 1 SR-Bank. The Alliance is the second largest financial group in Norway in terms of assets and loan volume (FY 2023), with a market share in private property loans amounting to 25%. The aim of the Group is, on the basis of close cooperation, to strengthen the individual savings banks, promote their independence and ensure their regional anchoring. For example, this is achieved by way of joint companies offering non-core banking products. This is the aim of SpareBank 1 Group Holding Co., which brings together the areas of insurance, asset management and debt collection/sales of receivables under one roof. The majority of the loan portfolio of the Sparebank 1 Alliance consists of retail loans (FY 2023: 66.4%) and commercial property loans (14.1%). In addition to deposits (FY 2023: 40.0%), a significant portion of funding for the individual savings banks is generated by way of covered bond issuances (26.0%), which are for the most part placed via SpaBol. Conversely, the savings banks transfer qualified mortgage loans to SpaBol for refinancing. The loans contained in the cover pools are exclusively of a residential nature. In terms of their geographical distribution, they are mainly attributable to the provinces Viken (FY 2023: 26.6%), Trøndelag (15.1%), Oslo (13.7%) and Innlandet (9.8%). The bank is an active issuer of ESG-compliant bonds in various currencies and issued its fourth green bond (EUR 750m) in May.

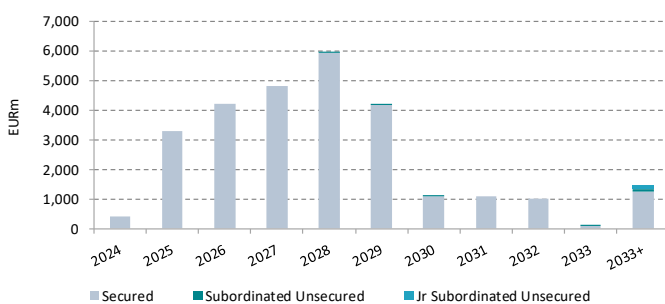
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	24,020	24,697	24,662
Total Securities	3,174	3,756	3,683
Total Deposits	-	-	-
Tier 1 Common Capital	1,085	965	1,006
Total Assets	27,342	28,591	28,659
Total Risk-weighted Assets	5,889	6,438	6,288

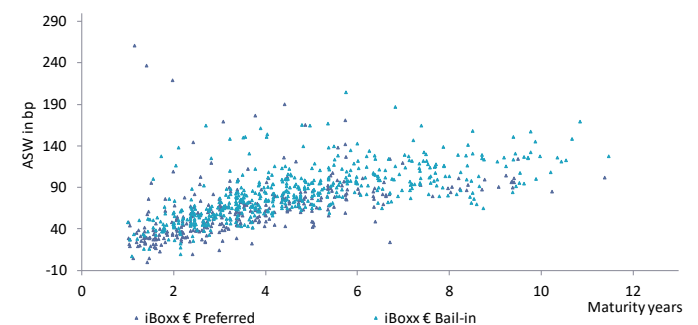
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	163	128	85
Net Fee & Commission Inc.	-124	-69	-51
Net Trading Income	-29	0	5
Operating Expense	4	4	2
Credit Commit. Impairment	2	1	1
Pre-tax Profit	5	54	37

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	-	-	-	Liquidity Coverage Ratio	100.26	102.03	111.64
ROAE	0.35	3.72	4.95	IFRS Tier 1 Leverage Ratio	4.14	3.42	3.57
Cost-to-Income	41.55	6.63	5.22	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	18.42	14.99	16.00	Reserves/Loans at Amort. Cost	0.01	0.02	0.02

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Strong loan portfolio
- Capital hedging by member states

## Risks / Weaknesses

- Concentration of credit risk
- Dependency on wholesale funding

# SpareBank 1 Boligkreditt – Mortgage

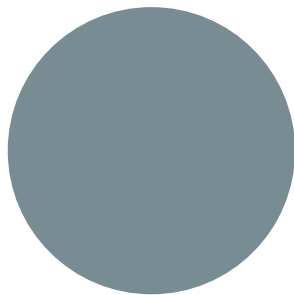
Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

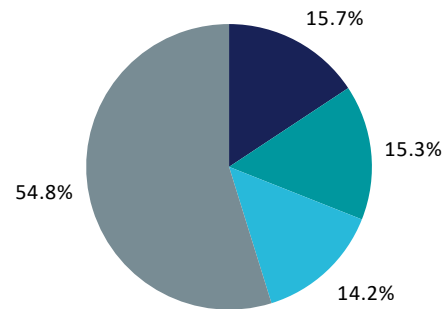
Cover pool volume (EURm)	26,295	Rating (Moody's)	Aaa
Amount outstanding (EURm)	24,910	Rating (S&P)	-
-thereof ≥ EUR 500m	62.2%	Rating (Fitch)	-
Current OC (nominal)	5.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	High
Cover type	Mortgage	TPI leeway	5
Main country	100% Norway	Collateral score	4.0%
Main region	16% Trondelag	RRL	-
Number of loans	152,327	JRL	-
Number of borrowers	148,724	Unused notches	-
Avg. exposure to borrowers (EUR)	159,475	AAA credit risk (%)	-
WAL (cover pool)	23.1y	PCU	-
WAL (covered bonds)	4.7y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	63.9%	LCR eligible	Yes
LTV (indexed)	54.8%	LCR level (Bmk)	1
LTV (unindexed)	60.5%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



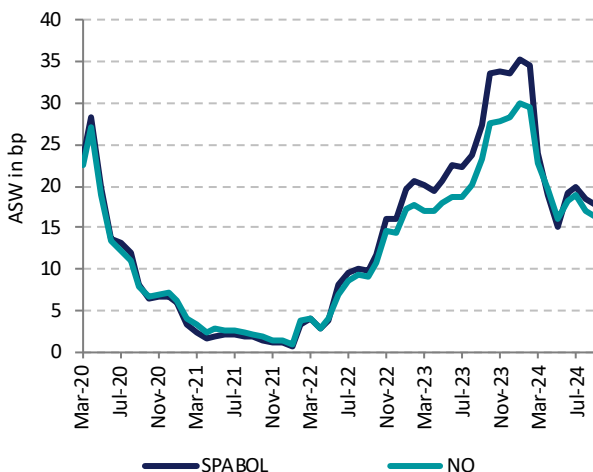
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



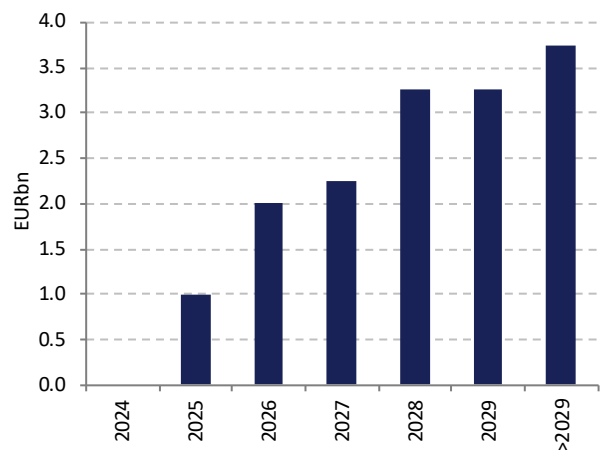
■ Trondelag ■ Akershus ■ Oslo ■ Others

## Spread Development



— SPABOL — NO

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## SpareBank 1 SR-Bank

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## SpareBank 1 SR-Bank ASA

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

## Homepage

[www.sparebank1.no](http://www.sparebank1.no)

SpareBank 1 SR-Bank ASA (SR-Bank) is a founding member of the SpareBank 1 Alliance, Norway's second largest financial group. It consists of 12 independent savings banks who have joined forces to leverage synergy effects in, for example, IT infrastructure and joint branding. The business activities of SR-Bank are focused on south and west Norway (in addition to Oslo and Vigelandsparken in the east), while the bank is a market leader in its home region of Rogaland. Its activities are divided into the following segments: Retail Market, Large Corporates and SME & Agriculture. The bank also operates a range of subsidiaries and holds several equity participations, enabling SR-Bank to offer a wider range of financial services. In December 2023 SR-Bank increased its participation in Sparebank 1 Markets AS to 33.3% in order to adopt a stronger focus on the capital markets. SR-Bank is also planning a merger with SpareBank 1 Sor-Norge, which is expected to go through on 01 October 2024. The aim here is to unlock earnings synergies over the long term. The merger will lead to the creation of the largest savings bank in Norway. SR-Bank has also entered into another cooperation with Sydbank from Denmark, with the result that corporate customers are granted access to the German and Danish banking service. Retail customers account for a 59.7% share of the loan portfolio, with 40.3% attributable to corporate customers. Refinancing via covered bonds is implemented through the wholly owned subsidiary SR-Boligkreditt. In 2023, two green bonds in a total volume of EUR 1.5bn were issued. Furthermore, a total of NOK 50bn is to be put towards financing sustainable activities by 2030 (progress as at FY 2023: NOK 30.7bn).

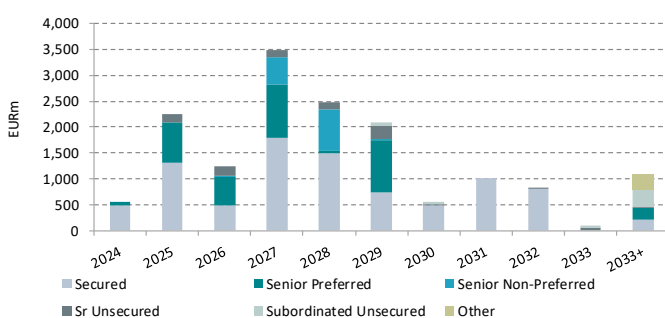
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	23,865	24,156	24,821
Total Securities	6,976	6,650	6,721
Total Deposits	14,066	13,300	13,573
Tier 1 Common Capital	2,223	2,300	2,370
Total Assets	32,836	32,314	33,521
Total Risk-weighted Assets	12,757	13,059	13,419

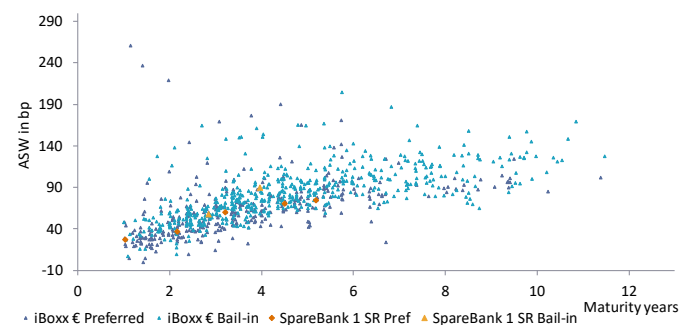
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	447	538	301
Net Fee & Commission Inc.	173	169	89
Net Trading Income	13	-7	-0
Operating Expense	280	284	144
Credit Commit. Impairment	0	-20	12
Pre-tax Profit	417	497	258

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.43	1.75	1.90	Liquidity Coverage Ratio	176.00	207.00	204.00
ROAE	12.23	14.69	13.76	IFRS Tier 1 Leverage Ratio	7.10	7.40	7.32
Cost-to-Income	40.73	38.83	34.55	NPL / Loans at Amortised Cost	1.28	0.96	0.83
Core Tier 1 Ratio	17.42	17.61	17.66	Reserves/Loans at Amort. Cost	0.69	0.47	0.44

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Asset quality

## Risks / Weaknesses

- Exposure to oil sector and CRE business
- Dependency on wholesale funding



# SR-Boligkreditt – Mortgage

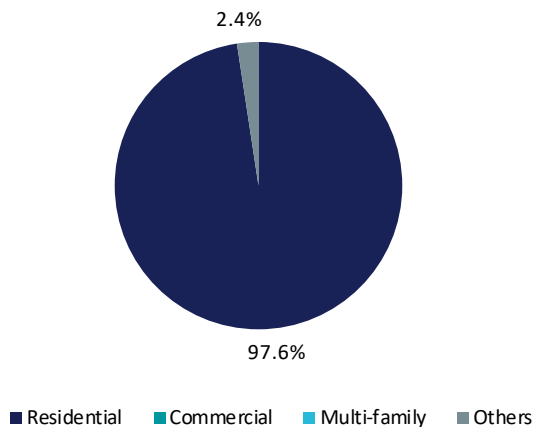
Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

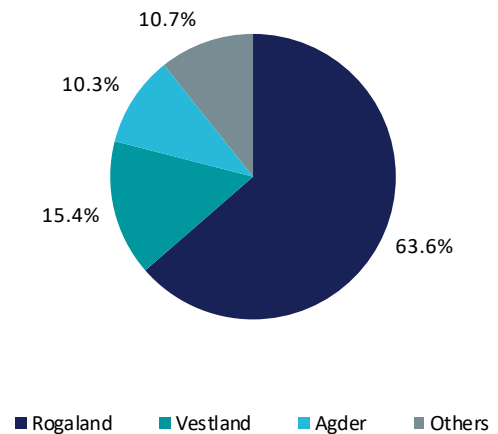
## Cover Pool Data

Cover pool volume (EURm)	9,457	Rating (Moody's)	Aaa
Amount outstanding (EURm)	7,910	Rating (S&P)	-
-thereof ≥ EUR 500m	85.3%	Rating (Fitch)	-
Current OC (nominal)	19.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% Norway	Collateral score	4.0%
Main region	64% Rogaland	RRL	-
Number of loans	53,404	JRL	-
Number of borrowers	52,634	Unused notches	-
Avg. exposure to borrowers (EUR)	175,370	AAA credit risk (%)	-
WAL (cover pool)	17.5y	PCU	-
WAL (covered bonds)	5.4y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	79.8%	LCR eligible	Yes
LTV (indexed)	58.4%	LCR level (Bmk)	1
LTV (unindexed)	63.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

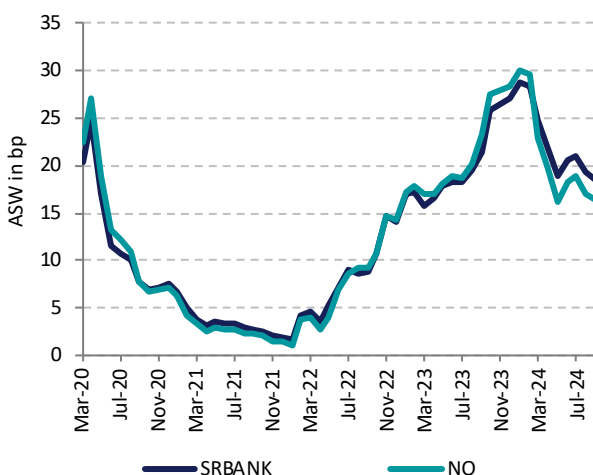
## Borrower Types



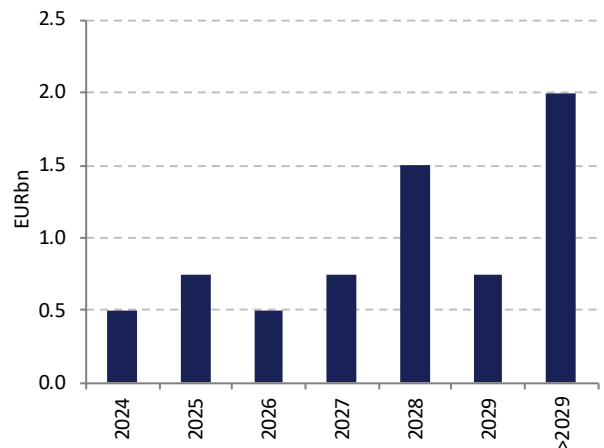
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Sparebanken More

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Sparebanken More

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

## Homepage

[www.sbm.no](http://www.sbm.no)

The roots of Sparebanken More (SBM), which is listed on the Oslo stock exchange, extend back to the year 1843. The independent institute (SBM has not joined any alliances) employs 412 members of staff (FY 2023) and operates 26 business centres in its home region of More og Romsdal. The bank offers services in areas such as deposits, loans, asset management and insurance, among other products, to private individuals, businesses and the public sector. The focus of SBM is on retail customers (Q1 2024: 65.5% of the loan portfolio), while commercial real estate loans account for a share of 10.8%. SBM also has four wholly owned subsidiaries: More Boligkreditt AS (MBOL), More Eiendomsmegling AS (MES), Sparebankeiendom AS (SBE) and Storgata 41-45 Molde AS (SGM). The purpose of MBOL is to purchase mortgages from SBM and to refinance them by issuing covered bonds. MES acts as a property market broker for retail and corporate customers. SBE and SGM are real estate companies of SBM that own and manage the bank's commercial properties. SBM reports across the following segments: Retail (FY 2023: 46.5% of operating income), Corporate (39.1%) and Real Estate Brokerage (1.5%), as well as the non-operating segment Other (15.9%) and Elimination (-3.1%). Most of the bank's funding comes from deposits (Q1 2024: 56.1%) and covered bonds (26.8%). Green senior non-preferred and green covered bonds for renewable energies and green properties comprise 7.1% of the funding. SBM also plans to become carbon neutral by 2050.

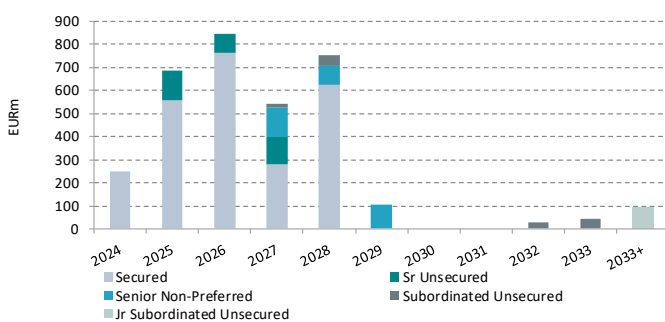
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	7,226	7,278	7,451
Total Securities	1,163	1,200	1,151
Total Deposits	4,168	4,230	4,312
Tier 1 Common Capital	611	612	603
Total Assets	8,500	8,631	8,745
Total Risk-weighted Assets	3,412	3,355	3,279

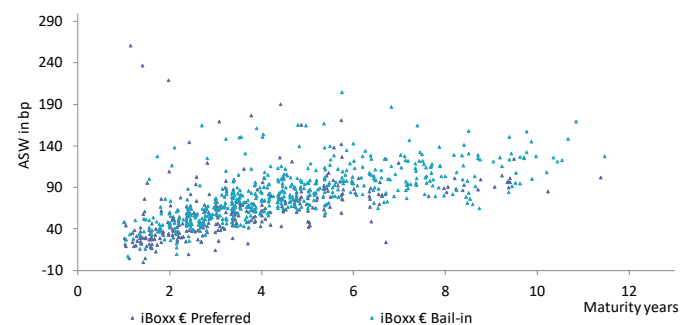
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	150	166	89
Net Fee & Commission Inc.	21	19	9
Net Trading Income	-2	4	3
Operating Expense	74	75	41
Credit Commit. Impairment	-0	-5	-2
Pre-tax Profit	100	122	63

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.78	2.03	2.09	Liquidity Coverage Ratio	184.68	173.98
ROAE	10.10	12.86	12.48	IFRS Tier 1 Leverage Ratio	7.25	7.14
Cost-to-Income	42.54	39.13	40.22	NPL / Loans at Amortised Cost	0.06	0.12
Core Tier 1 Ratio	17.89	18.23	18.39	Reserves/Loans at Amort. Cost	0.43	0.33

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality and capitalisation
- Deposit base

## Risks / Weaknesses

- Dependency on capital market funding
- Geographical concentration within Norway

# More Boligkreditt – Mortgage

Norway 

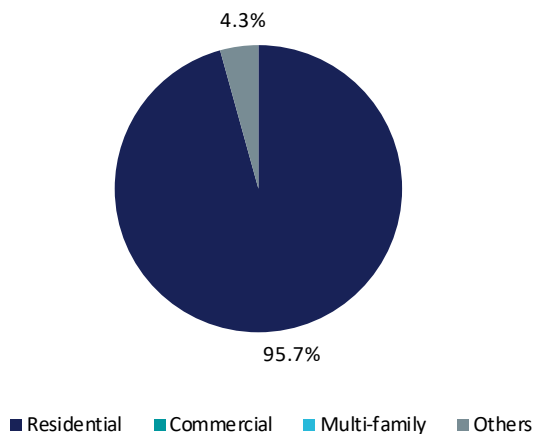
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

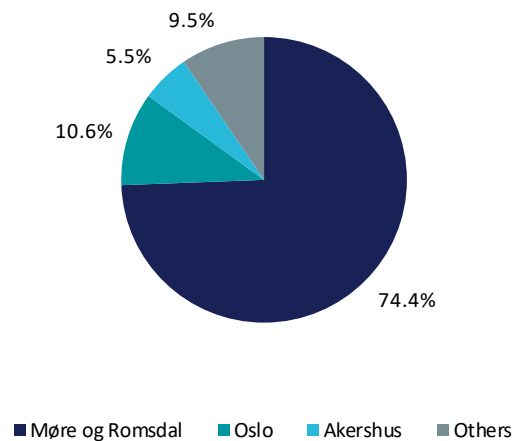
Cover pool volume (EURm)	2,813
Amount outstanding (EURm)	2,390
-thereof ≥ EUR 250m	31.4%
Current OC (nominal)	17.7%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Norway
Main region	74% Møre og Romsdal
Number of loans	18,876
Number of borrowers	16,896
Avg. exposure to borrowers (EUR)	159,320
WAL (cover pool)	19.7y
WAL (covered bonds)	2.7y
Fixed interest (cover pool)	7.0%
Fixed interest (covered bonds)	35.0%
LTV (indexed)	53.9%
LTV (unindexed)	57.9%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	3
Collateral score	4.6%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	10%
Maturity structure (SBmk)	SB

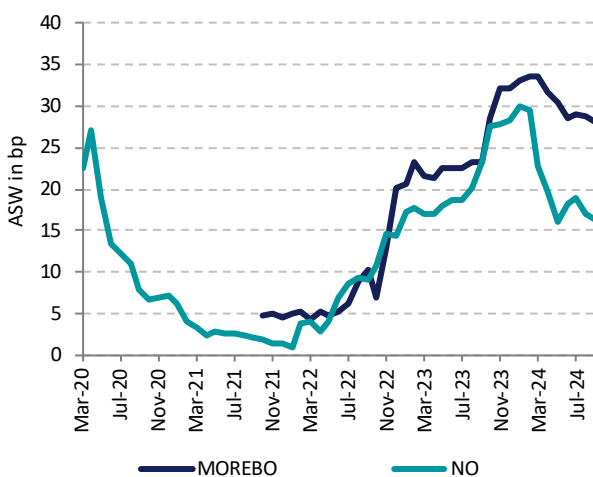
## Borrower Types



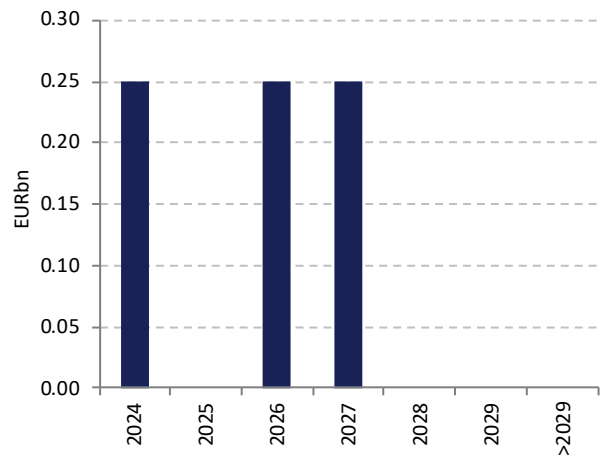
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Sparebanken Sor

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Sparebanken Sor

	Rating	Outlook
Fitch	-	-
Moody's	A1	Positive
S&P	-	-

## Homepage

[www.sor.no](http://www.sor.no)

Sparebanken Sor is an independent Norwegian universal bank headquartered in Kristiansand, which offers a wide-ranging product portfolio in the retail and corporate banking business to private individuals, companies and public institutions. Sparebankstiftelsen Sparebanken Sor is the majority shareholder with a stake of 26.2% (as at: 31 December 2023). The shares of Sor are traded on the Oslo stock exchange. The bank operates on an exclusively regional basis, with a geographic focus on the south of Norway, particularly the Agder region, where it has a leading market share of 29.5% in the retail segment (Q4 2023). Sparebanken Sor is active as a property and insurance broker as well as a provider of leasing products through its subsidiaries and equity participations in companies. The business segments of Sor are divided into the three operating segments: Retail Market (RM; 46.7% of pre-tax profit), Corporate Market (CM; 50.4%) and Sormegleren (real estate; 0%). The non-operating segment Undistributed and Elimination (2.9%) includes the HR and capital market departments, among others. Sor funding mainly comprises customer deposits (FY 2023: 51.3%) and covered bonds (36.9%), whereby for the latter, the wholly owned subsidiary Sparebanken Sor Boligkreditt, serves as a refinancing vehicle. Moody's awards its top rating of Aaa to the covered bonds. Since the Green Bond Framework was published in 2019, Sor has issued green bonds in the amount of NOK 10bn. A total of 59.0% of all the assets meet the requirements of the EU taxonomy regulation for ecologically sustainable economic activities.

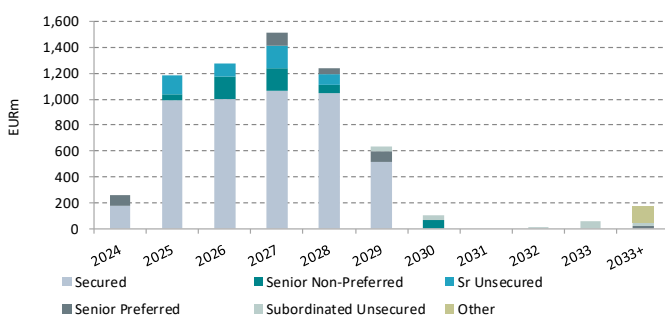
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	11,763	11,378	11,488
Total Securities	2,329	2,355	2,687
Total Deposits	6,230	6,180	6,475
Tier 1 Common Capital	1,297	1,265	1,279
Total Assets	14,952	14,044	14,703
Total Risk-weighted Assets	7,585	7,552	7,656

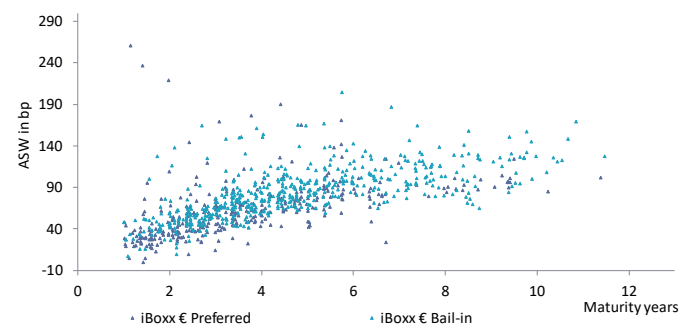
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	235	267	143
Net Fee & Commission Inc.	41	35	17
Net Trading Income	-9	-	3
Operating Expense	113	113	59
Credit Commit. Impairment	7	4	2
Pre-tax Profit	160	195	110

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.60	1.96	2.06	Liquidity Coverage Ratio	177.00	156.00	170.00
ROAE	8.39	10.96	12.74	IFRS Tier 1 Leverage Ratio	8.82	9.07	8.76
Cost-to-Income	40.40	36.13	34.39	NPL / Loans at Amortised Cost	0.53	0.86	0.73
Core Tier 1 Ratio	17.10	16.75	16.70	Reserves/Loans at Amort. Cost	0.32	0.34	0.35

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Deposit base

## Risks / Weaknesses

- Credit risk concentration
- Dependency on capital market funding

# Sparebanken Sor Boligkreditt – Mortgage

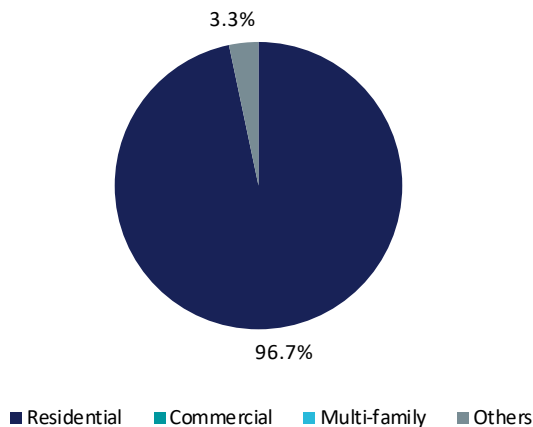
Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

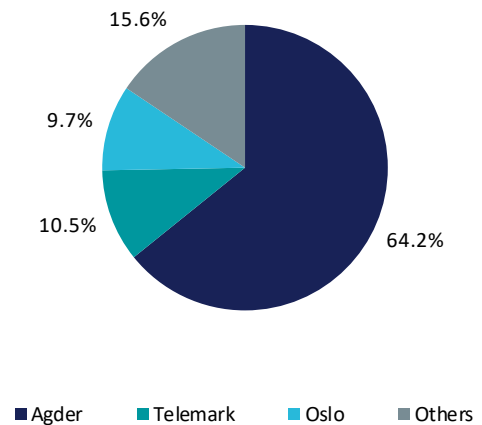
## Cover Pool Data

Cover pool volume (EURm)	4,627	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,101	Rating (S&P)	-
-thereof ≥ EUR 500m	61.0%	Rating (Fitch)	-
Current OC (nominal)	12.8%	Rating (DBRS)	-
Committed OC	5.0%	TPI	High
Cover type	Mortgage	TPI leeway	4
Main country	100% Norway	Collateral score	4.0%
Main region	64% Agder	RRL	-
Number of loans	37,056	JRL	-
Number of borrowers	31,018	Unused notches	-
Avg. exposure to borrowers (EUR)	144,248	AAA credit risk (%)	-
WAL (cover pool)	9.9y	PCU	-
WAL (covered bonds)	2.6y	Recovery uplift	-
Fixed interest (cover pool)	0.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	53.4%	LCR eligible	Yes
LTV (indexed)	52.6%	LCR level (Bmk)	1
LTV (unindexed)	60.5%	Risk weight	10%
Loans in arrears	0.2%	Maturity structure (Bmk)	SB

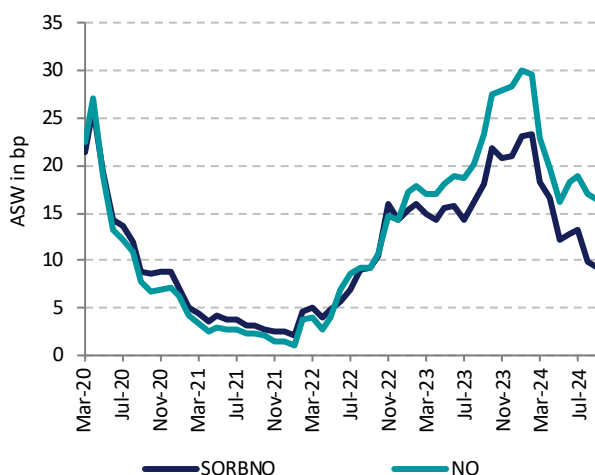
## Borrower Types



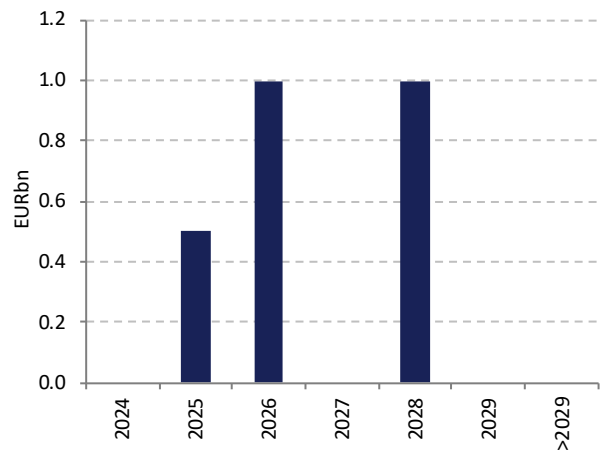
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Sparebanken Vest

Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Sparebanken Vest

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

## Homepage

[www.spv.no](http://www.spv.no)

The Bergen-based Sparebanken Vest (SV) is one of Norway's three largest independent savings banks. The main shareholder of the bank, which is listed on the Oslo stock exchange, is Sparebankstiftinga Hardanger (FY 2023: 10.9%). In total, 776 employees work in 36 branches, offering the complete product range of a universal bank to approximately 343,000 retail and 14,500 corporate customers. Furthermore, insurance products and securities trading, in addition to leasing services, are offered by subsidiaries and participations. SV focuses its activities on the west of Norway. However, with its digital concepts, it is also seeking to build a nationwide presence. Under the brand name Bulder Bank, SV offers its customers exclusively digital banking services. The loan portfolio comprises the following segments: Retail (FY 2023: 76.0%) and Corporate (24.0%). The majority of borrowers are based in Vestland (FY 2023: 58.0%), followed by Rogaland (18.0%), Oslo and Viken (15.0%), More and Romasdal (4.0%) and Other (5.0%). Around 70% of the loans in the region Oslo and Viken are disbursed by the digital bank Bulder. Approximately 85.0% of the capital market funding of SV (FY 2023) is comprised of covered bonds, which are issued via its wholly owned subsidiary Sparebanken Vest Boligkreditt AS. In 2023, SV Boligkreditt issued two green covered bonds (SEK 3bn and NOK 6bn). In total, 6.0% of group assets are aligned with the EU taxonomy. SV aims to achieve net zero emissions by 2040. In 2020, it achieved its interim target of a reduction of 50% compared with 2018.

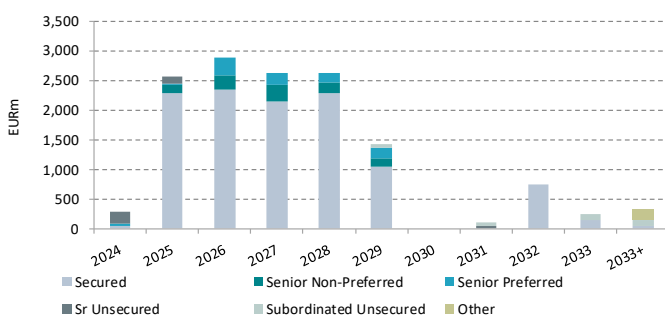
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	21,321	22,819	23,824
Total Securities	3,194	3,794	3,866
Total Deposits	10,663	11,027	11,751
Tier 1 Common Capital	1,677	1,614	1,690
Total Assets	25,056	27,345	28,271
Total Risk-weighted Assets	9,272	9,638	9,499

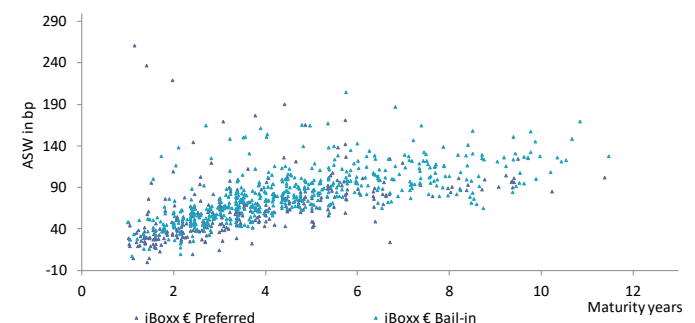
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	396	459	261
Net Fee & Commission Inc.	90	80	42
Net Trading Income	-1	-8	-0
Operating Expense	167	155	79
Credit Commit. Impairment	5	8	6
Pre-tax Profit	347	387	232

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.61	1.87	1.93	Liquidity Coverage Ratio	154.90	183.50	182.00
ROAE	14.00	15.97	20.02	IFRS Tier 1 Leverage Ratio	6.75	5.94	6.01
Cost-to-Income	32.49	28.19	24.82	NPL / Loans at Amortised Cost	0.23	0.33	0.23
Core Tier 1 Ratio	18.09	16.75	17.79	Reserves/Loans at Amort. Cost	0.43	0.37	0.35

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Domestic market position (retail banking in particular)
- Impairments at a low level

## Risks / Weaknesses

- Dependency on capital market funding
- Geographical diversification
- Moderate level of liquid assets

# Sparebanken Vest Boligkreditt – Mortgage

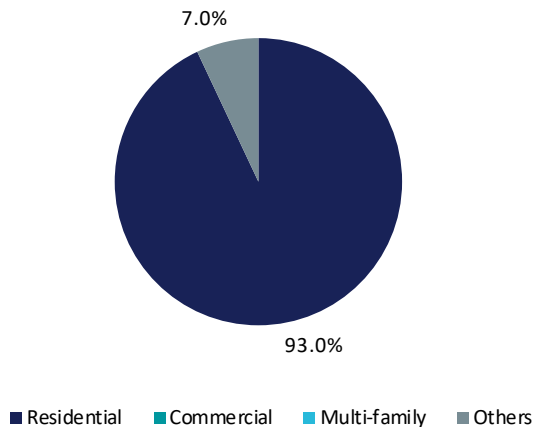
Norway 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

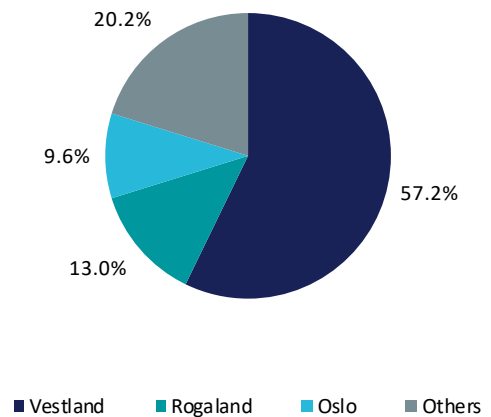
## Cover Pool Data

Cover pool volume (EURm)	13,005	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,209	Rating (S&P)	-
-thereof ≥ EUR 500m	53.9%	Rating (Fitch)	-
Current OC (nominal)	27.4%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	4
Main country	100% Norway	Collateral score	4.7%
Main region	57% Vestland	RRL	-
Number of loans	80,049	JRL	-
Number of borrowers	68,760	Unused notches	-
Avg. exposure to borrowers (EUR)	175,903	AAA credit risk (%)	-
WAL (cover pool)	13.6y	PCU	-
WAL (covered bonds)	3.1y	Recovery uplift	-
Fixed interest (cover pool)	9.8%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	51.3%	LCR eligible	Yes
LTV (indexed)	55.4%	LCR level (Bmk)	1
LTV (unindexed)	58.4%	Risk weight	10%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

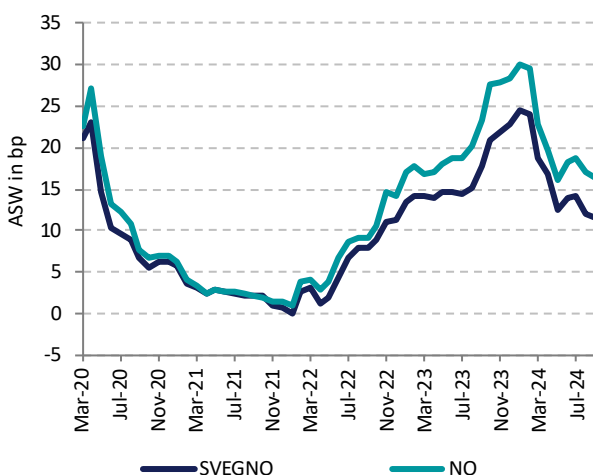
## Borrower Types



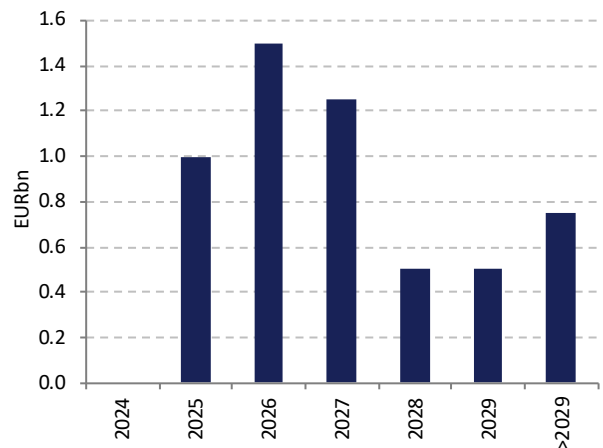
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

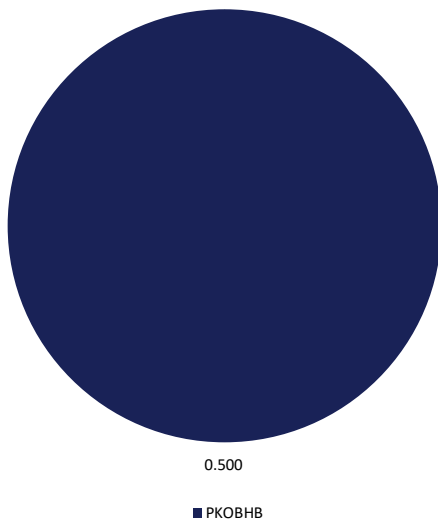
# Market Overview Covered Bonds

Poland 

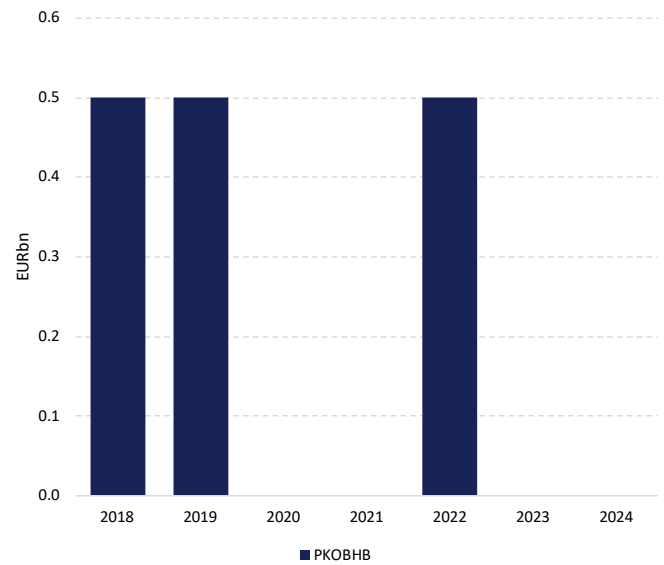
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 5.71bn	Outstanding volume (Bmk)	EUR 0.50bn
Amount outstanding	EUR 3.40bn	Number of benchmarks	1
Number of issuers	2	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	2	Number of ESG benchmarks	1
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

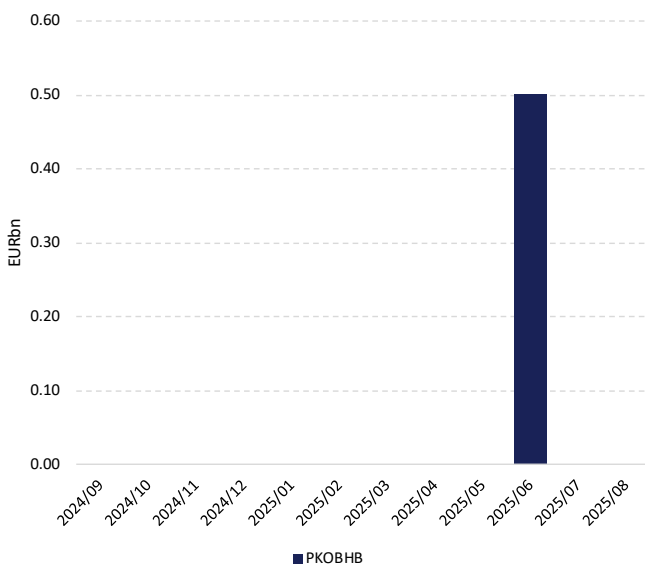
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



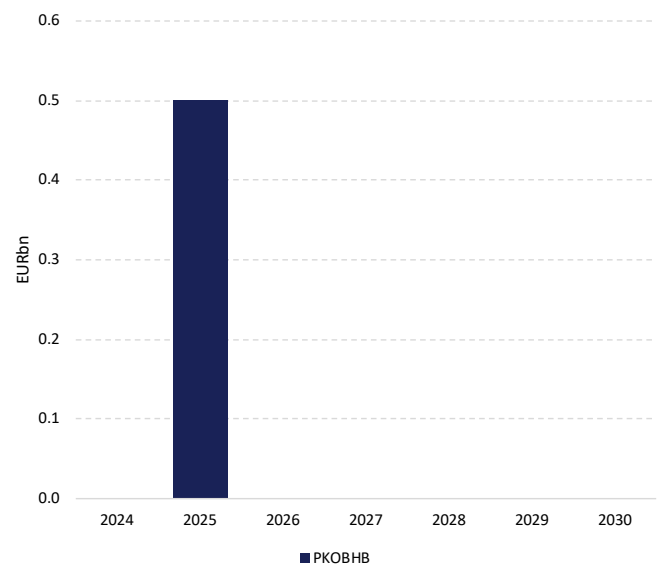
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24



## mBank

Poland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## mBank SA

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

## Homepage

[www.mbank.pl](http://www.mbank.pl)

\*Senior Unsecured/LT Bank Deposits

mBank S.A. is headquartered in Warsaw and is the fifth largest bank in Poland in terms of its balance sheet total (FY 2023: PLN 227bn). Its shares are listed on the Warsaw stock exchange. The main shareholder as at 31 March 2024 is Commerzbank with 69.1%. mBank is the parent company of the mBank S.A. Group. As a universal bank, mBank, including its subsidiaries, provides 5.7 million retail and 35,000 corporate customers with a broad range of financial products and services. Since 2007, the bank has also been active in Czechia and Slovakia. However, the domestic market with 4.6 million retail customers remains the most important market. The bank divides its business activities into the following segments: Retail Banking (RB), Corporate and Investment Banking (CIB), Treasury and Other (TO) and FX Mortgage Loans (FX). In Poland, the bank has a market share of 9.0% for deposits and 7.9% for loans (FY 2023). The loan portfolio mainly consists of corporate loans (Q1 2024: 44.3%), mortgage loans in the national currency (32.9%), loans to private individuals (17.8%) and mortgage loans in foreign currency (3.1%). Refinancing activities at mBank are mainly centred around deposits from retail and corporate customers (Q1 2024: 61.5% and 25.6% respectively). As at year-end 2023, mBank had issued green bonds in the amount of EUR 1.3bn overall. By 2025, a further PLN 5bn in green bonds is to be issued, in addition to PLN 10bn in sustainable investments. Moreover, the bank is striving to achieve climate neutrality for both operations and its loan portfolio by 2050 as well.

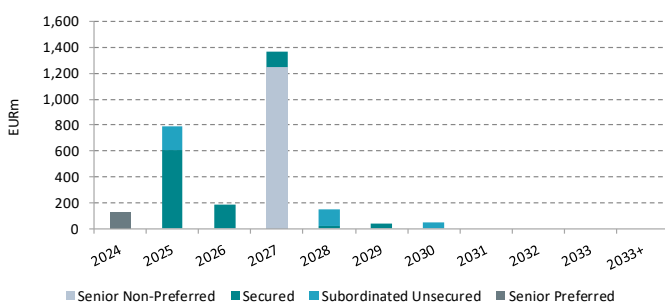
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	25,683	26,123	28,135
Total Securities	12,146	14,342	15,871
Total Deposits	37,212	42,679	43,532
Tier 1 Common Capital	2,597	2,927	-
Total Assets	44,854	52,232	53,458
Total Risk-weighted Assets	18,813	19,928	-

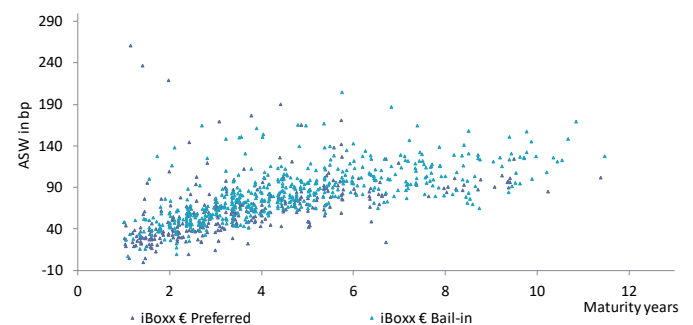
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,265	1,955	1,044
Net Fee & Commission Inc.	453	422	-
Net Trading Income	-10	12	24
Operating Expense	1,625	2,011	-
Credit Commit. Impairment	174	233	-
Pre-tax Profit	-23	214	-

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	3.01	4.20	-	Liquidity Coverage Ratio	201.00	225.00	-
ROAE	-5.44	0.18	9.69	IFRS Tier 1 Leverage Ratio	5.84	5.67	-
Cost-to-Income	92.43	81.78	-	NPL / Loans at Amortised Cost	4.11	4.41	-
Core Tier 1 Ratio	13.81	14.69	13.70	Reserves/Loans at Amort. Cost	2.65	3.18	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Earnings capacity
- Funding profile
- Digitisation status

## Risks / Weaknesses

- Capitalisation ratio in peer comparison
- Risks from CHF mortgages
- Share of unsecured loans

# mBank Hipoteczny – Mortgage

Poland

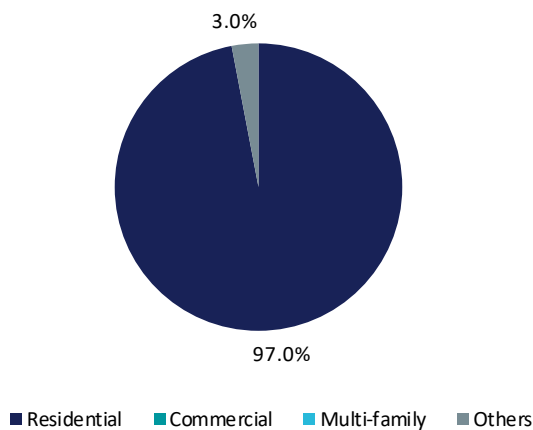
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

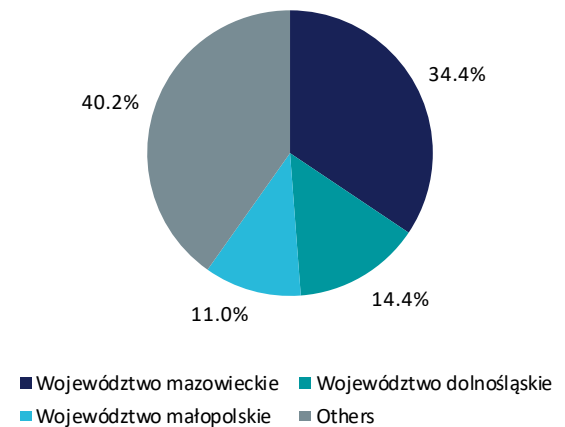
Cover pool volume (EURm)	1,935
Amount outstanding (EURm)	1,455
-thereof ≥ EUR 250m	41.2%
Current OC (nominal)	33.0%
Committed OC	19.5%
Cover type	Mortgage
Main country	100% Poland
Main region	34% Województwo mazowieckie
Number of loans	32,968
Number of borrowers	49,586
Avg. exposure to borrowers (EUR)	37,860
WAL (cover pool)	19.6y
WAL (covered bonds)	2.6y
Fixed interest (cover pool)	0.0%
Fixed interest (covered bonds)	48.5%
LTV (indexed)	-
LTV (unindexed)	71.4%
Loans in arrears	0.0%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	6.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (SBmk)	2A
Risk weight	10%
Maturity structure (SBmk)	SB/CPT

## Borrower Types



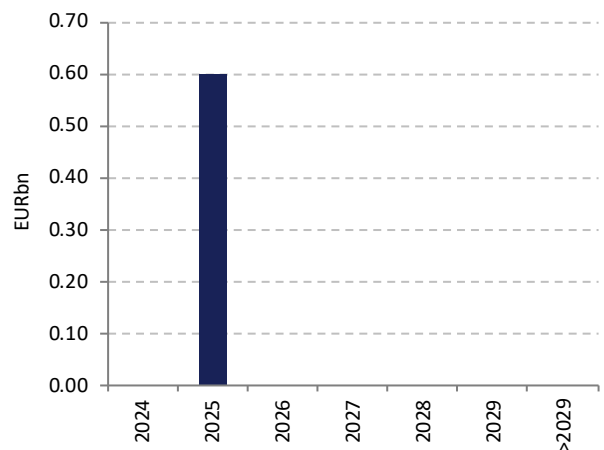
## Regional Distribution



## Spread Development



## Redemption Profile (SBmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# PKO Bank Polski

Poland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Powszechna Kasa

### Oszczednosci Bank Polski SA

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

## Homepage

[www.pkobp.pl](http://www.pkobp.pl)

\*Senior Unsecured/LT Bank Deposits

PKO Bank Polski S.A. (PKO BP), headquartered in Warsaw, is the largest bank in Poland as measured by total assets (Q1 2024: PLN 497bn). Its shares have been listed on the Warsaw stock exchange since 2004. With a stake of around 29.4%, the Polish state is the main shareholder in the bank (as at 31 March 2024), followed by NN-OPF with 8.7% and Allianz with 8.5%. PKO BP is a universal bank and the parent company of the PKO Bank Polski S.A. Group, which, among other aspects, offers services in the areas of mortgages, leasing, factoring, investment funds and insurance products via its subsidiaries. Alongside the domestic market of Poland, the bank is active via subsidiaries in Ukraine, Sweden and the Republic of Ireland, in addition to branches in Germany, Czechia and Slovakia. Overall, around 25,100 employees serve approximately 11.7 million retail and corporate customers via 963 branches (data as at Q1 2024). The bank boasts market shares of 23.0% for loans to retail customers and 24.1% for retail customer deposits. PKO BP reports across the following areas: Retail Segment (Q1 2024: 65.5% profit contribution), Corporate and Investment Segment (56.5%) and Transfer Center and Other (-23.5%). PKO Bank Hipoteczny S.A. (PKO BH) is a subsidiary of PKO BP that specialises in granting mortgage loans to retail customers. PKO BH is a strategically and operationally important unit within PKO BP. In order to refinance its own mortgage portfolio, which is also supplemented by mortgages from its parent company, PKO BH issues covered bonds. In 2022, PKO BH placed an inaugural green mortgage covered bond in EUR benchmark format and now has the equivalent of EUR 615m in outstanding green covered bonds.

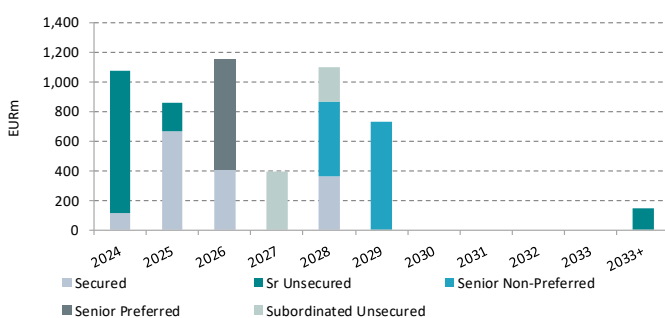
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	49,783	56,557	58,791
Total Securities	32,021	47,734	48,467
Total Deposits	72,416	91,861	92,581
Tier 1 Common Capital	8,799	9,646	9,772
Total Assets	92,200	115,407	117,750
Total Risk-weighted Assets	49,045	54,039	56,982

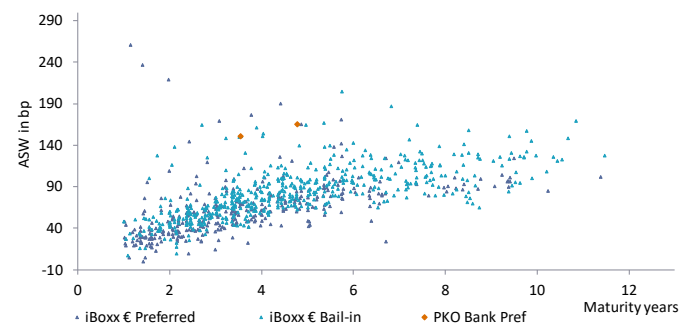
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	2,440	4,037	2,374
Net Fee & Commission Inc.	961	1,019	593
Net Trading Income	55	71	67
Operating Expense	1,664	1,957	1,104
Credit Commit. Impairment	321	263	99
Pre-tax Profit	1,018	1,887	1,341

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	2.77	4.12	4.23	Liquidity Coverage Ratio	169.10	243.40	245.70
ROAE	9.74	13.25	18.76	IFRS Tier 1 Leverage Ratio	10.10	8.64	8.53
Cost-to-Income	45.07	36.61	34.94	NPL / Loans at Amortised Cost	3.80	3.54	3.65
Core Tier 1 Ratio	17.94	17.85	17.15	Reserves/Loans at Amort. Cost	4.08	4.03	3.96

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Profitability

## Risks / Weaknesses

- Deterioration of asset quality (seasoning)
- Risks from CHF mortgages

# PKO Bank Hipoteczny – Mortgage

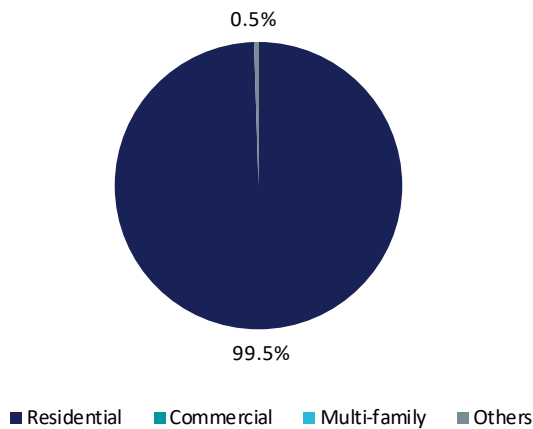
Poland

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

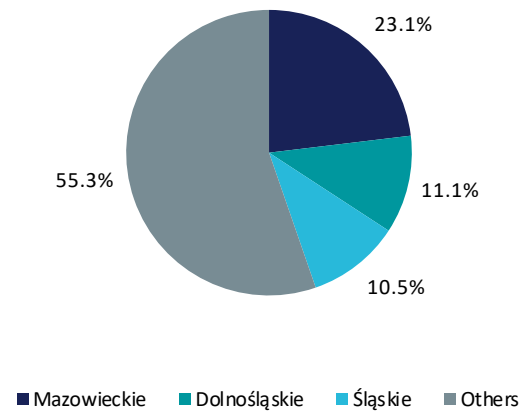
## Cover Pool Data

Cover pool volume (EURm)	3,778	Rating (Moody's)	Aa1
Amount outstanding (EURm)	1,941	Rating (S&P)	-
-thereof ≥ EUR 500m	51.5%	Rating (Fitch)	-
Current OC (nominal)	94.6%	Rating (DBRS)	-
Committed OC	7.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Poland	Collateral score	4.0%
Main region	23% Mazowieckie	RRL	-
Number of loans	96,101	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)	1.4y	Recovery uplift	-
Fixed interest (cover pool)	12.2%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	52.1%	LCR eligible	Yes
LTV (indexed)	33.3%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB/CPT

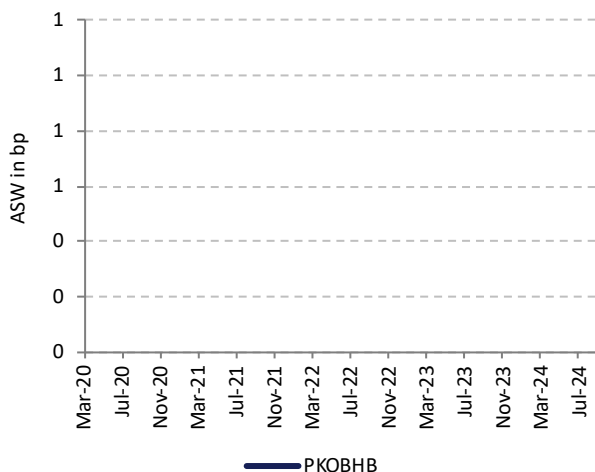
## Borrower Types



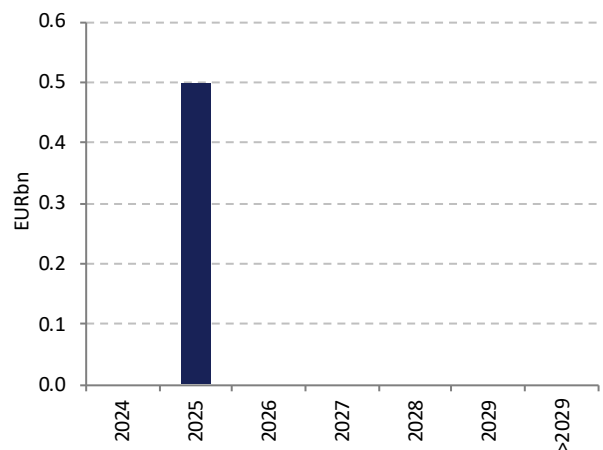
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

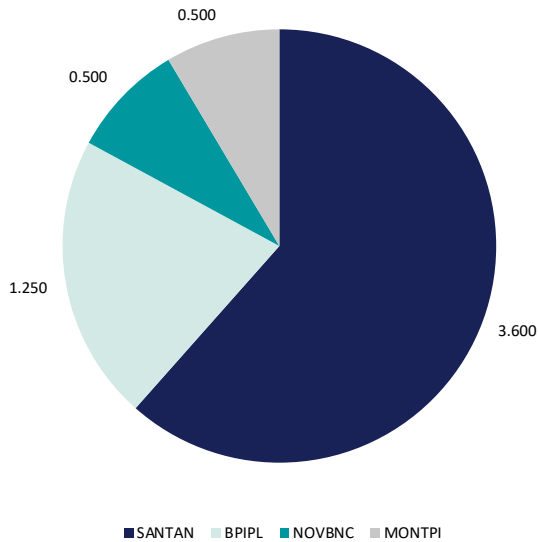
# Market Overview Covered Bonds

Portugal 

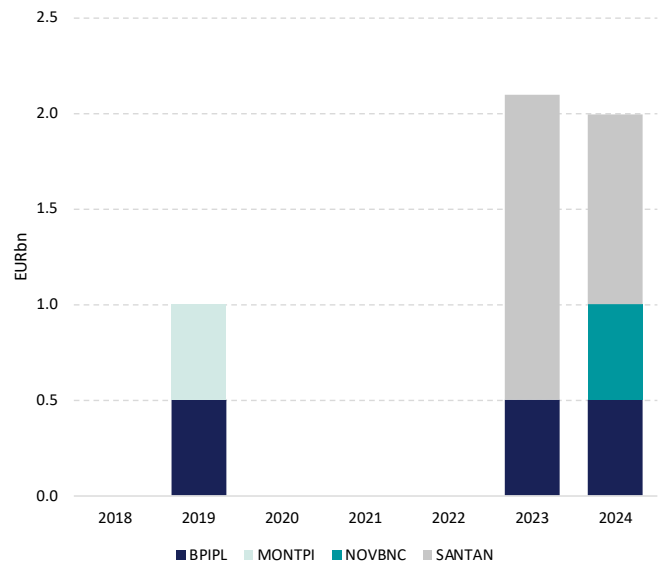
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 33.09bn	Outstanding volume (Bmk)	EUR 5.85bn
Amount outstanding	EUR 25.43bn	Number of benchmarks	8
Number of issuers	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)	AA- / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	SB, CPT

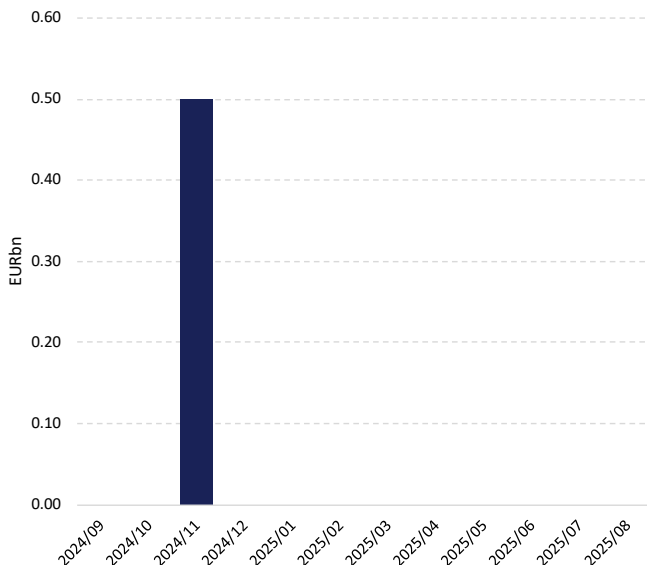
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



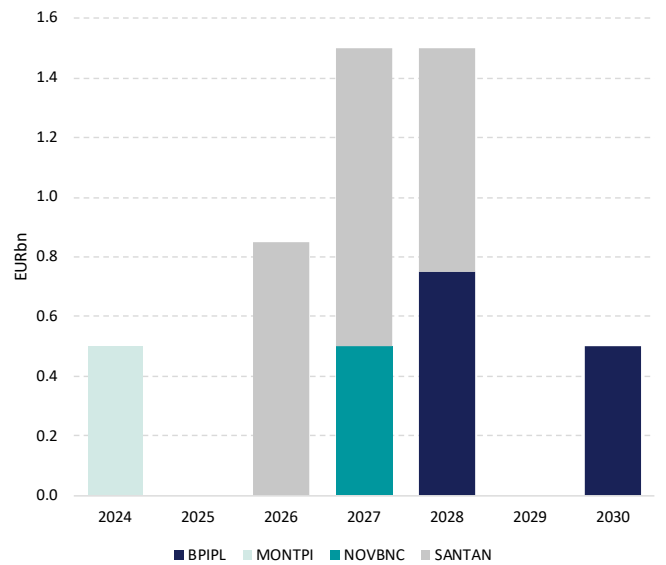
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# Banco BPI

# Portugal

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banco BPI SA

	Rating	Outlook
Fitch	BBB+	Positive
Moody's	Baa1	Stable
S&P	BBB+	Positive

## Homepage

[www.bancobpi.pt](http://www.bancobpi.pt)

Headquartered in the Portuguese capital city of Lisbon, Banco BPI S.A. (BPI) is the fifth-largest bank in Portugal. Since the end of 2018, BPI has been a wholly owned subsidiary of the Spanish CaixaBank, S.A. Around 4,300 employees at BPI serve 1.9 million retail and corporate customers across a network of 316 branches and service centres. In Portugal, BPI offers all the products and services of a commercial bank, with subsidiaries in Portugal and companies associated with the CaixaBank Group expanding the offering too. BPI has a 35% stake in Allianz Portugal (FY 2023) and is a minority shareholder (48.1%) in the Angolan institute Banco de Fomento Angola (BFA) and Banco Comercial e de Investimentos (BCI, 35.7%) in Mozambique. The bank reports across the segments of Commercial Banking (FY 2023: 97.4% of operating earnings), Corporate Center (-7.1%), BFA (4.1%) and BCI (5.6%). The Commercial Banking segment is divided into the sub-segments of Retail Banking, Businesses, Premier and InTouch, Private Banking, Corporate and Institutional Banking and Other. The bank had a market share of 16.2% in new loans in February 2024. The funding mix at group level primarily comprises customer deposits (Q1 2024: 77% of total assets). BPI offers sustainable products for retail customers and businesses. For example, it offers special conditions for energy efficient mortgages in addition to special credit lines for enterprises investing in their sustainable transformation. As BPI is part of the Caixa Group, it is also part of the Net-Zero Banking Alliance. In FY 2023, the bank registered a green asset ratio of 0.49% based on turnover.

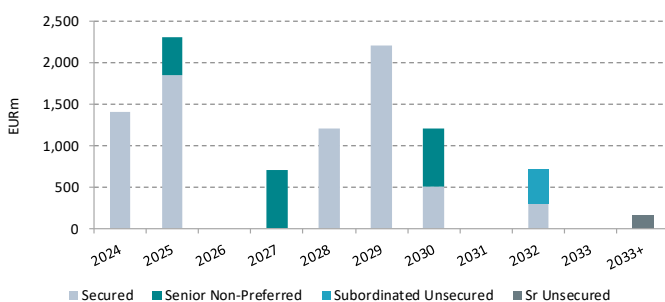
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	25,467	25,960	29,843
Total Securities	9,004	8,618	-
Total Deposits	30,326	29,252	30,408
Tier 1 Common Capital	2,553	2,670	-
Total Assets	38,914	38,628	40,500
Total Risk-weighted Assets	17,280	18,983	-

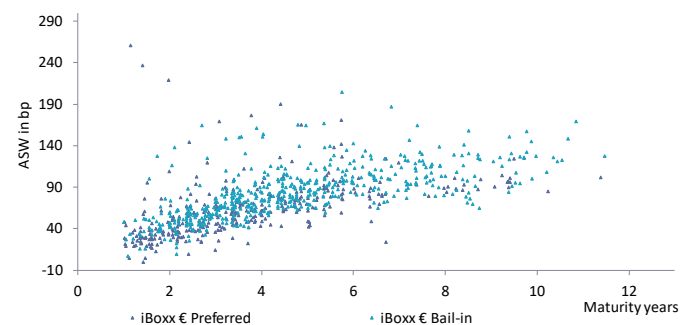
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	559	949	492
Net Fee & Commission Inc.	296	291	168
Net Trading Income	38	-21	15
Operating Expense	461	497	250
Credit Commit. Impairment	60	47	5
Pre-tax Profit	465	695	454

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.36	2.47	2.57	-	-	-
ROAE	9.54	13.75	17.41	-	177.00	224.00
Cost-to-Income	45.80	38.99	34.27	-	6.94	-
Core Tier 1 Ratio	14.78	14.06	13.80	-	-	-
Liquidity Coverage Ratio	-	-	-	2.24	2.11	-
IFRS Tier 1 Leverage Ratio	-	-	-	2.00	1.95	-
NPL / Loans at Amortised Cost	-	-	-	-	-	-
Reserves/Loans at Amort. Cost	-	-	-	-	-	-

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Asset quality in a peer group comparison

## Risks / Weaknesses

- Valuation effects (loans)
- Exposure risks in Angola

# Banco BPI – Mortgage

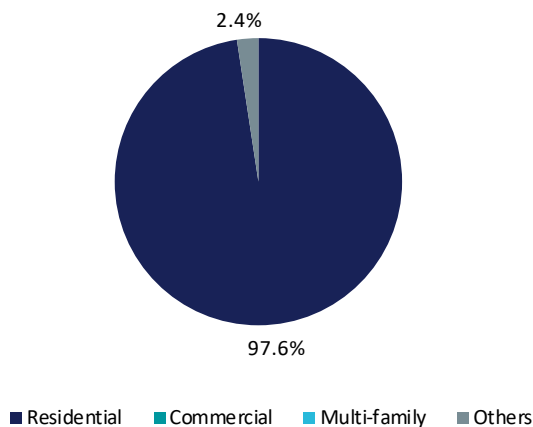
Portugal 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

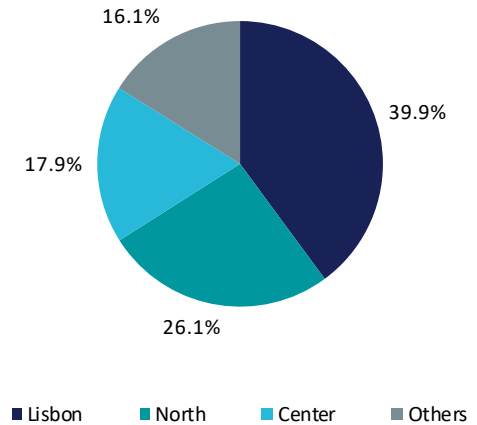
## Cover Pool Data

Cover pool volume (EURm)	8,831	Rating (Moody's)	Aaa
Amount outstanding (EURm)	6,550	Rating (S&P)	-
-thereof ≥ EUR 500m	19.1%	Rating (Fitch)	-
Current OC (nominal)	34.8%	Rating (DBRS)	AA
Committed OC	16.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Portugal	Collateral score	4.0%
Main region	40% Lisbon	RRL	-
Number of loans	158,969	JRL	-
Number of borrowers	112,530	Unused notches	-
Avg. exposure to borrowers (EUR)	76,595	AAA credit risk (%)	-
WAL (cover pool)	14.7y	PCU	-
WAL (covered bonds)	3.0y	Recovery uplift	-
Fixed interest (cover pool)	17.8%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	19.1%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	53.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

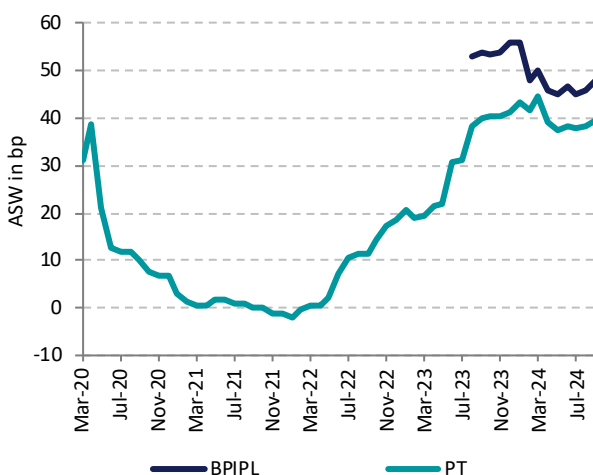
## Borrower Types



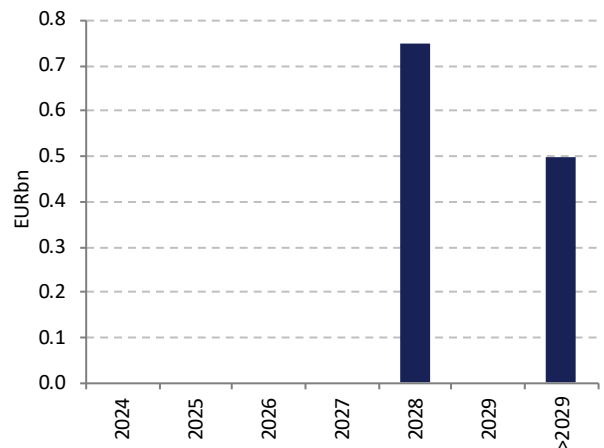
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Banco Santander Totta

Portugal 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Banco Santander Totta SA

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

## Homepage

[www.santandertotta.pt](http://www.santandertotta.pt)

\*Senior Unsecured/LT Bank Deposits

Banco Santander Totta S.A. (BST) is the third-largest credit institute in Portugal as measured by total assets, which stand at roughly EUR 54bn (FY 2023). BST is the main operating unit of the holding company Santander Totta, SGPS, S.A. (STGPS) and a subsidiary of the Spanish institute Banco Santander S.A. In Portugal, BST employs around 4,600 staff, who serve more than 2.9 million customers across 332 branches throughout the country (FY 2023). BST offers its customers financial services in the areas of retail and corporate banking, asset management, insurance and investment banking. The group reports across the following segments: Corporate Investment Banking (FY 2023: 11.1% of pre-tax profit), Retail Banking (72.5%), Corporate Banking (10.3%) and Corporate Activities (6.1%). The loan portfolio of the bank is divided into the areas of retail customers (FY 2023: 54% of the loan portfolio) in addition to corporate customers and institutions (46%). At 49.4%, mortgage financing represents the largest component within the loan portfolio. The bank has a market share of 16.6% for loans and 13% for deposits (FY 2023). As at 31 December 2023, the refinancing structure primarily comprises customer deposits (70%), followed by equity and subordinated debt securities (9%), repo transactions (9%) and covered bonds (3.6%). The bank issues sustainable bonds as part of the Santander Group's Green, Social & Sustainability Funding Global Framework. In 2023, Santander Totta concluded an agreement with the European Investment Bank, as part of which EUR 250m was made available for businesses operating in the sustainability, education, culture and creative sectors.

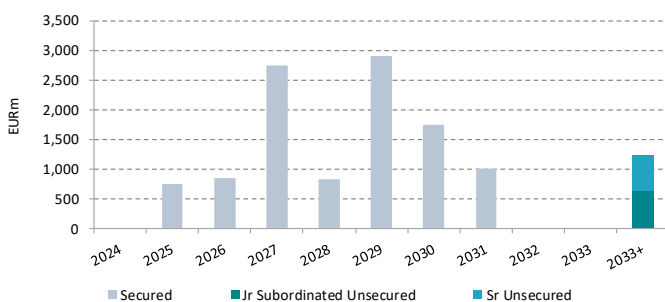
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	39,864	39,625	37,031
Total Securities	6,514	6,757	10,412
Total Deposits	38,959	39,062	35,629
Tier 1 Common Capital	3,918	3,003	2,929
Total Assets	56,167	55,778	54,587
Total Risk-weighted Assets	14,428	15,877	15,467

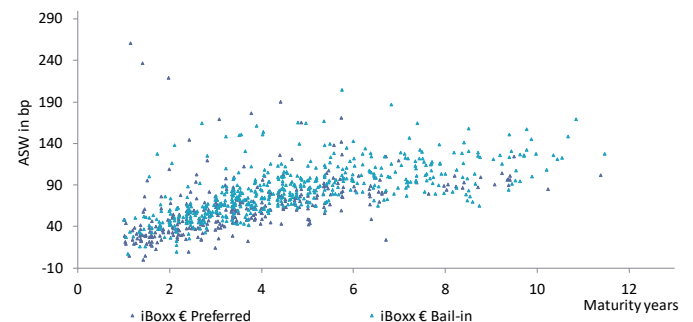
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	729	779	1,481
Net Fee & Commission Inc.	432	476	457
Net Trading Income	141	33	69
Operating Expense	803	517	565
Credit Commit. Impairment	73	-12	73
Pre-tax Profit	403	854	1,350

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.35	1.42	2.73	Liquidity Coverage Ratio	131.60	126.40	136.20
ROAE	6.47	14.93	24.12	IFRS Tier 1 Leverage Ratio	7.09	5.45	5.52
Cost-to-Income	61.94	38.39	28.50	NPL / Loans at Amortised Cost	3.41	2.91	2.58
Core Tier 1 Ratio	27.16	18.91	18.94	Reserves/Loans at Amort. Cost	2.67	2.46	2.24

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Profitability
- Funding profile

## Risks / Weaknesses

- Geographical concentration
- Economic environment
- Valuation effects (loans)



# Banco Santander Totta – Mortgage

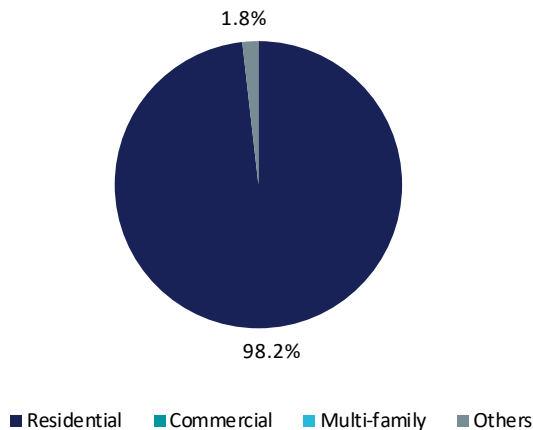
Portugal 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

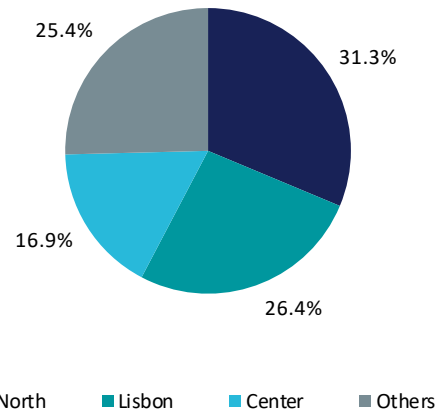
## Cover Pool Data

Cover pool volume (EURm)	12,798	Rating (Moody's)	Aaa
Amount outstanding (EURm)	10,831	Rating (S&P)	-
-thereof ≥ EUR 500m	33.2%	Rating (Fitch)	AA-
Current OC (nominal)	18.2%	Rating (DBRS)	AA
Committed OC	15.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	2
Main country	100% Portugal	Collateral score	4.0%
Main region	31% North	RRL	-
Number of loans	185,710	JRL	-
Number of borrowers	145,317	Unused notches	-
Avg. exposure to borrowers (EUR)	86,483	AAA credit risk (%)	-
WAL (cover pool)	27.5y	PCU	4
WAL (covered bonds)	4.2y	Recovery uplift	2
Fixed interest (cover pool)	1.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	55.3%	LCR level (Bmk)	1
LTV (unindexed)	54.9%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

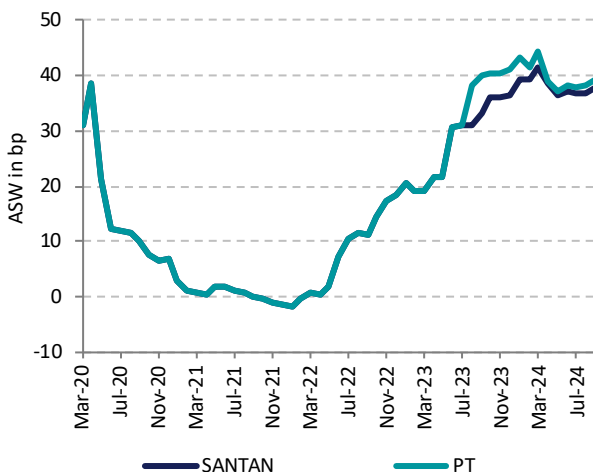
## Borrower Types



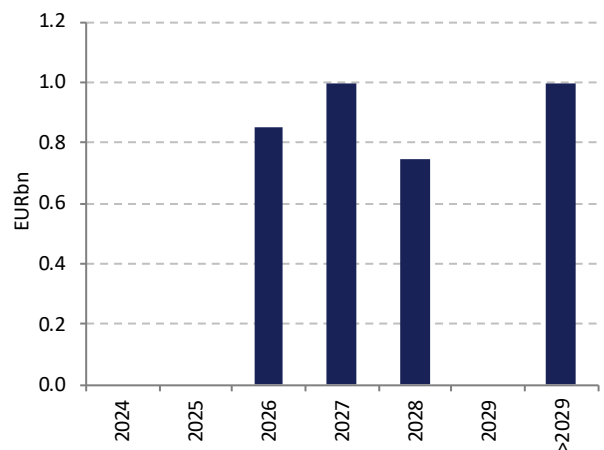
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Caixa Economica Montepio Geral

Portugal 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Caixa Economica Montepio Geral

	Rating	Outlook
Fitch	BB	Stable
Moody's*	Baa3	Stable
S&P	-	-

## Homepage

[www.bancomontepio.pt](http://www.bancomontepio.pt)

\*Senior Unsecured/LT Bank Deposits

Caixa Economica Montepio Geral, caixa economica bancaria, S.A. (CEMG) is a savings bank headquartered in Lisbon and is the oldest financial institute in Portugal. It has operated under the Banco Montepio brand since 2019. The main shareholder (99.99%) in CEMG is Montepio Geral Associacao Mutualista (MGAM). CEMG owns Montepio Holding SGPS, S.A. in addition to several subsidiaries, in which it is a direct shareholder. Together, they form the Banco Montepio Group. CEMG serves 1.3 million customers (FY 2023) across 232 branches nationwide, with a focus on retail customers and SMEs. The bank has a global presence in locations such as Newark, Toronto and Paris. The group reports in the Commercial Banking segment (FY 2023: 71.3% of operating income), which can be broken down into Retail Banking, Social Economy and Specialized Credit. Other reporting segments at CEMG include Investment Banking (21.1%), Markets (-14.7%), Non-Core Segments (2.9%), Other Segments (19.4%) and International Activity (0.0%). The bank's refinancing activities are above all concentrated on customer deposits (74.3%) and wholesale funding (10.3%). As part of a reorganisation process, CEMG aims to streamline its group structure and focus more on the domestic market. For this reason, its stake in Finibanco Angola was sold in August 2023. As Portugal's first bank, CEMG has joined the UN Forward Faster initiative for more transparent sustainability reporting in order to accelerate the process of achieving the SDGs.

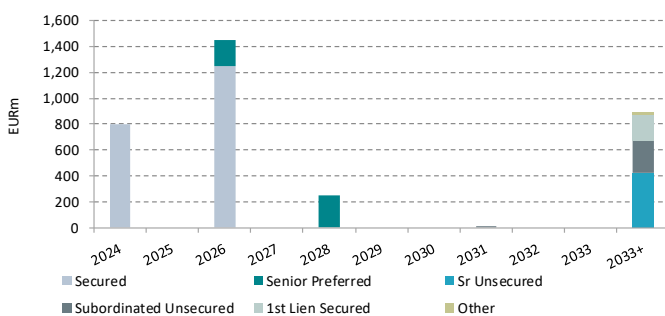
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	11,722	11,462	11,639
Total Securities	4,378	4,072	3,657
Total Deposits	13,115	13,366	14,212
Tier 1 Common Capital	1,135	1,229	1,245
Total Assets	19,106	17,989	18,169
Total Risk-weighted Assets	8,276	7,641	7,715

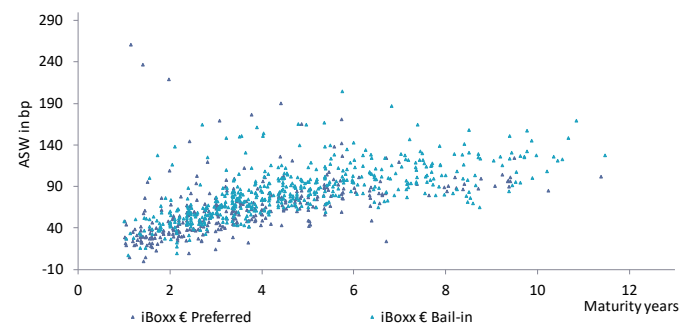
## Income Statement (EUR BMK)

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	251	408	199
Net Fee & Commission Inc.	120	127	63
Net Trading Income	12	-26	-
Operating Expense	240	240	131
Credit Commit. Impairment	13	50	7
Pre-tax Profit	80	183	107

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.38	2.41	2.35	Liquidity Coverage Ratio	249.57	233.10	219.30
ROAE	2.10	1.94	8.55	IFRS Tier 1 Leverage Ratio	5.96	6.86	6.88
Cost-to-Income	65.68	49.67	51.25	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	13.72	16.09	16.14	Reserves/Loans at Amort. Cost	2.94	2.39	2.01

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Focus on core activities (restructuring)
- Funding profile

## Risks / Weaknesses

- Asset quality
- Profitability
- Risk absorption capacity

# Caixa Economica Montepio Geral – Mortgage

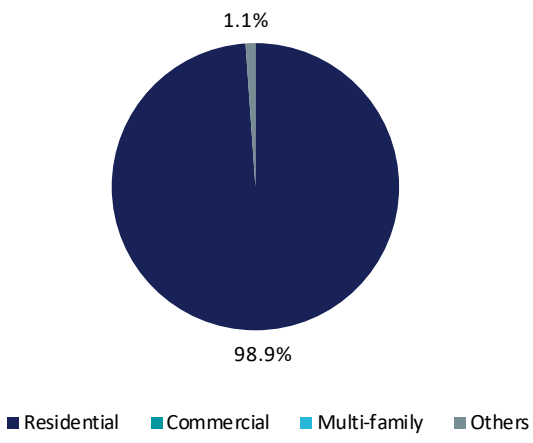
Portugal 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

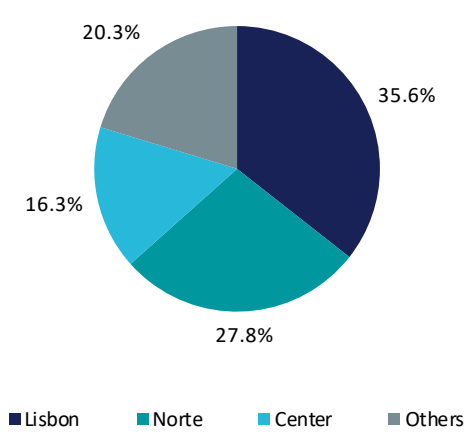
## Cover Pool Data

Cover pool volume (EURm)	3,106	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,050	Rating (S&P)	-
-thereof ≥ EUR 500m	24.4%	Rating (Fitch)	AAA
Current OC (nominal)	51.5%	Rating (DBRS)	-
Committed OC	18.00%	TPI	Very High
Cover type	Mortgage	TPI leeway	1
Main country	100% Portugal	Collateral score	4.0%
Main region	36% Lisbon	RRL	-
Number of loans	57,094	JRL	-
Number of borrowers	47,266	Unused notches	-
Avg. exposure to borrowers (EUR)	64,999	AAA credit risk (%)	-
WAL (cover pool)	15.1y	PCU	8
WAL (covered bonds)	1.6y	Recovery uplift	2
Fixed interest (cover pool)	25.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	24.4%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	52.1%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	CPT

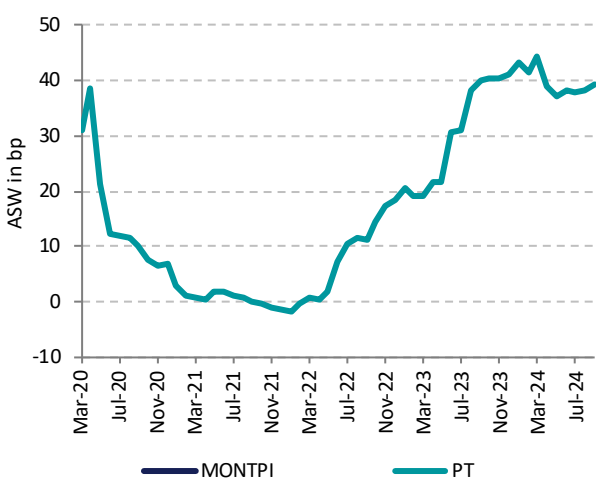
## Borrower Types



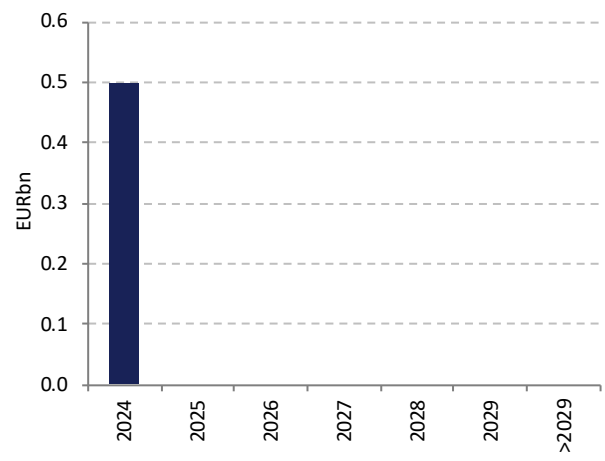
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Novo Banco

Portugal 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Novo Banco S.A.

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

## Homepage

[www.novobanco.pt](http://www.novobanco.pt)

\*Senior Unsecured/LT Bank Deposits

Novo Banco S.A. is headquartered in Lisbon and is the fourth-largest bank in Portugal as measured by assets. It is classified as an other systemically important bank (O-SIB) by the Portuguese supervisory authorities. The main shareholder of Novo Banco is Nani Holdings S.a.r.l. (subsidiary of Lone Star) with a share of 75% (FY 2023), followed by the Resolution Fund (13%) and the Portuguese State (12%). The Resolution Fund does not have any voting rights. With over 4,200 employees, the bank serves around 1.6 million customers in more than 290 branches across Portugal. The business activities of the bank focus on corporate and retail banking in addition to asset management. According to its own information, the bank has market shares of 9.7% and 10.5% respectively for deposits and loans (FY 2023). In addition to the two operating segments of Retail and SME and Corporates, the bank also reports in the Support Functions segment, which covers the activities of the Treasury Group, among other aspects. As at Q1 2024, the loan portfolio comprised corporate loans (59%), mortgage loans (35%) and personal loans (6%). The bank has a market share of 13.9% for corporate loans and 9% for residential mortgages (as at: February 2024). Most of the funding mix consists of customer deposits (FY 2023: 80.7%) and is being supplemented by capital market placements in a targeted manner. Novo Banco placed its first covered bond (volume: EUR 500m) in EUR benchmark format in February 2024. A green asset ratio as measured by turnover of 0.39% was registered for financial year 2023.

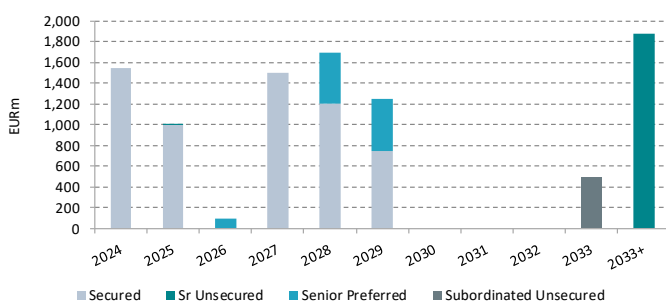
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	24,551	24,534	24,458
Total Securities	11,179	10,010	11,773
Total Deposits	29,278	29,984	30,639
Tier 1 Common Capital	2,926	3,792	-
Total Assets	45,995	43,501	45,141
Total Risk-weighted Assets	21,355	20,459	-

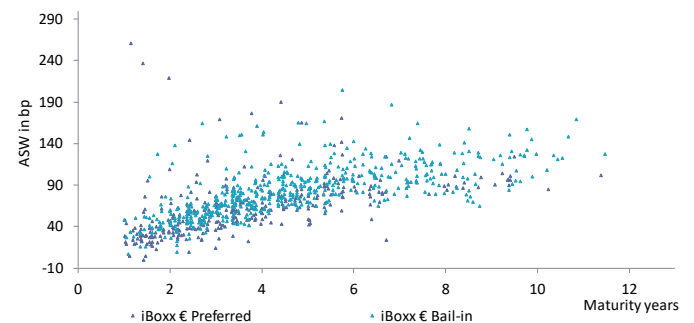
## Income Statement (EUR BMK)

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	625	1,143	595
Net Fee & Commission Inc.	290	294	159
Net Trading Income	26	28	-6
Operating Expense	508	604	286
Credit Commit. Impairment	-9	76	29
Pre-tax Profit	533	754	384

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.51	2.82	2.85	Liquidity Coverage Ratio	210.00	163.00	198.00
ROAE	17.81	18.85	16.38	IFRS Tier 1 Leverage Ratio	6.40	8.79	-
Cost-to-Income	52.53	41.56	40.24	NPL / Loans at Amortised Cost	5.61	4.62	4.23
Core Tier 1 Ratio	13.70	18.53	-	Reserves/Loans at Amort. Cost	4.16	3.74	3.60

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Position of the franchise in Portugal
- Deposit-based funding
- Profitability

## Risks / Weaknesses

- Dependency on short-term funding
- NPL ratio in comparison with peers
- Influence of dividends on capitalisation ratios

# Novo Banco – Mortgage

Portugal 

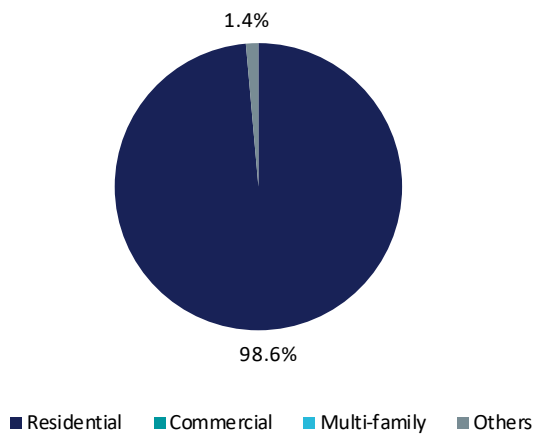
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

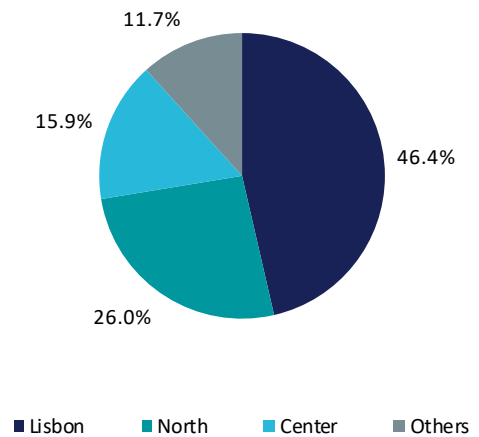
Cover pool volume (EURm)	8,352
Amount outstanding (EURm)	6,000
-thereof ≥ EUR 500m	8.3%
Current OC (nominal)	39.2%
Committed OC	5.00%
Cover type	Mortgage
Main country	100% Portugal
Main region	46% Lisbon
Number of loans	138,356
Number of borrowers	103,035
Avg. exposure to borrowers (EUR)	79,928
WAL (cover pool)	25.0y
WAL (covered bonds)	2.8y
Fixed interest (cover pool)	12.8%
Fixed interest (covered bonds)	8.3%
LTV (indexed)	55.3%
LTV (unindexed)	50.5%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	0
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

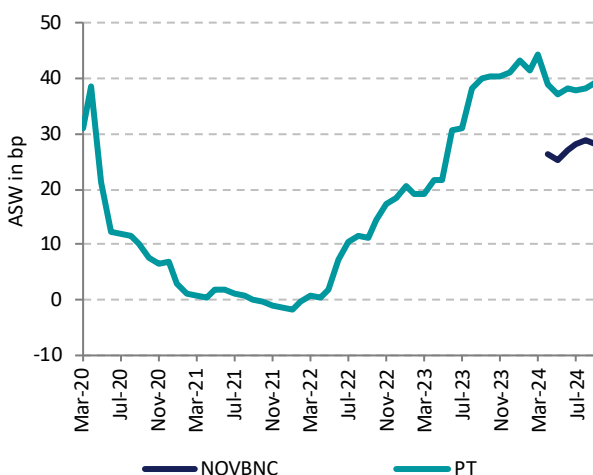
## Borrower Types



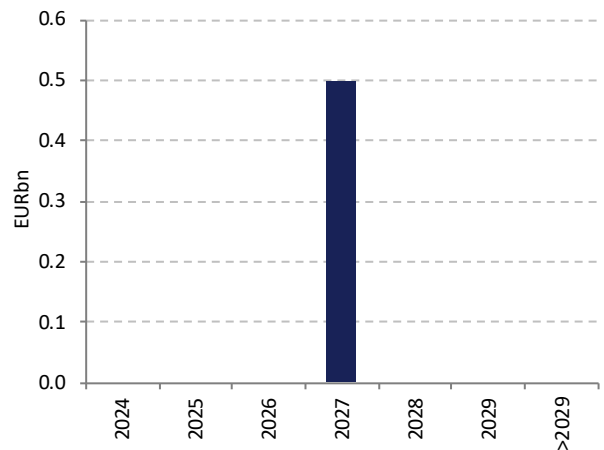
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

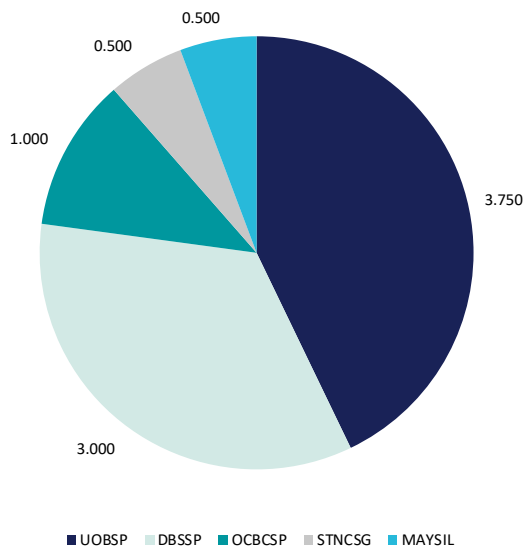
# Market Overview Covered Bonds

Singapore 

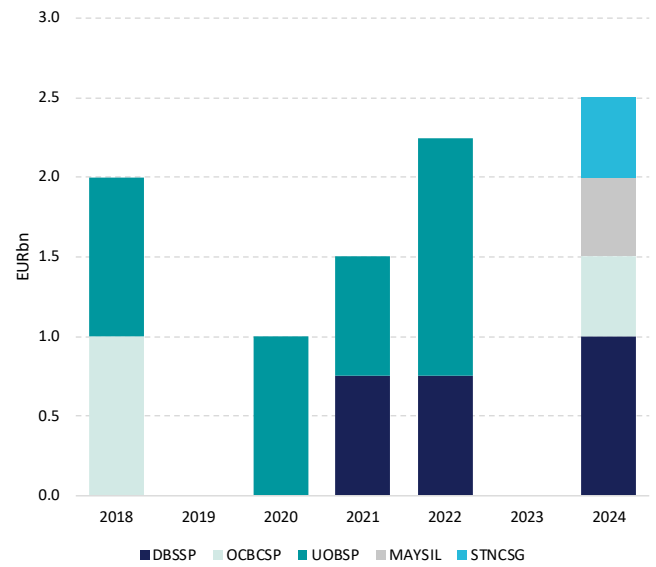
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 33.30bn	Outstanding volume (Bmk)	EUR 8.75bn
Amount outstanding	EUR 16.29bn	Number of benchmarks	12
Number of issuers	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	SB

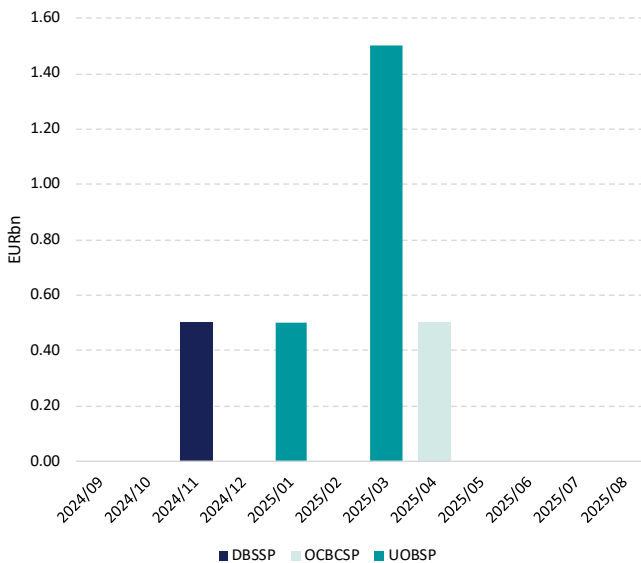
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



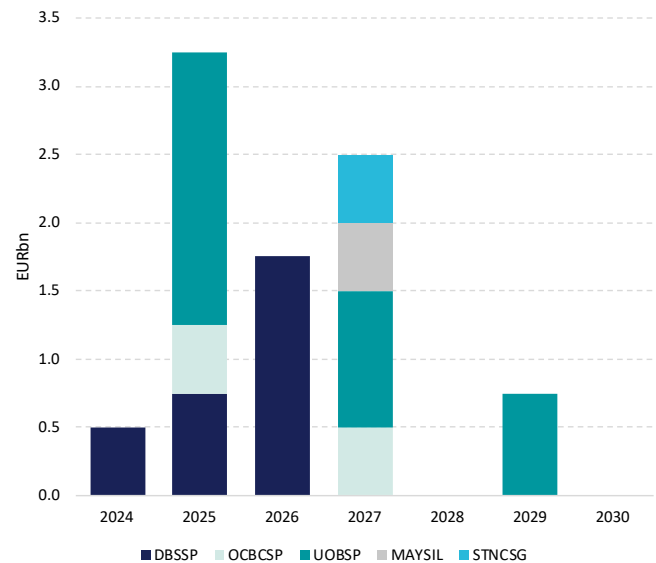
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# DBS Group Holdings

Singapore 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### DBS Group Holdings Ltd

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

## Homepage

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

DBS Group Holdings (DBS) is the largest of the three dominant financial groups in Singapore as measured by total assets (FY 2023: SGD 739bn). According to the Monetary Authority of Singapore (MAS), DBS is a domestic systemically important bank (D-SIB). The lead shareholder of the listed DBS is Temasek Holdings Ltd. with a share of 29% (07 February 2024; holding company owned by the Singapore government). DBS Bank Ltd. is a wholly owned subsidiary of DBS and forms the main operating unit of the Group. On a global basis, DBS employs around 40,000 staff, who serve more than 280,000 institutional customers and 18 million retail/asset management customers. Reporting is conducted across three core business segments: Institutional Banking, Consumer Banking/Wealth Management and Treasury Markets, in addition to the Other segment. Alongside the domestic market of Singapore (FY 2023: 46% of outstanding loans), DBS boasts a strong foothold in the regions of Hong Kong (16%), Greater China (excl. HK; 14%) and South and Southeast Asia (7%). While DBS mainly issues capital instruments, covered bonds are placed via DBS Bank Ltd. The vast majority of the bank's funding mix comprises deposits (FY 2023: 92%). As at the end of FY 2023, covered bonds accounted for a share of 27% in wholesale funding. In 2019, DBS stopped financing new coal mines and power plants, before becoming the first bank from Singapore to sign up to the Net-Zero Banking Alliance in 2021. In August 2023, the takeover of the consumer business of Citigroup Taiwan (total assets: SGD 12.6bn) was completed. According to information from DBS itself, this makes it the largest foreign bank in Taiwan.

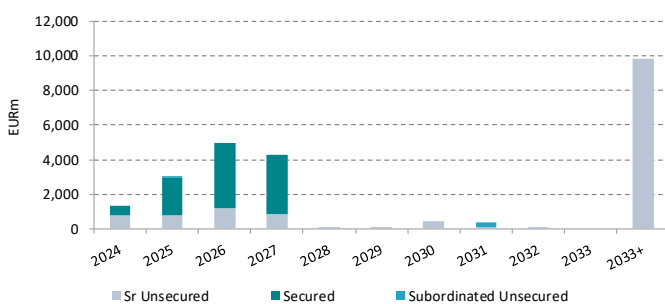
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	289,266	285,242	292,489
Total Securities	129,370	119,947	132,074
Total Deposits	367,759	366,765	379,409
Tier 1 Common Capital	35,232	36,868	39,212
Total Assets	518,749	506,724	543,970
Total Risk-weighted Assets	242,076	252,480	265,771

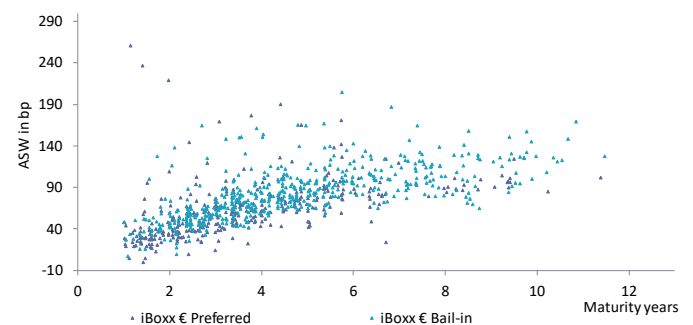
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	7,546	9,395	4,875
Net Fee & Commission Inc.	2,132	2,318	1,436
Net Trading Income	-	-	-
Operating Expense	4,888	5,625	2,931
Credit Commit. Impairment	155	375	181
Pre-tax Profit	6,470	7,910	4,522

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.75	2.15	2.12	Liquidity Coverage Ratio	-	-
ROAE	14.51	17.02	17.97	IFRS Tier 1 Leverage Ratio	7.29	7.58
Cost-to-Income	42.42	40.09	38.26	NPL / Loans at Amortised Cost	1.15	1.13
Core Tier 1 Ratio	14.55	14.60	14.75	Reserves/Loans at Amort. Cost	1.37	1.42

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Liquidity
- Profitability

## Risks / Weaknesses

- Increasing asset risk from high interest rates
- Exposure to the real estate sector

# DBS Bank – Mortgage

Singapore 

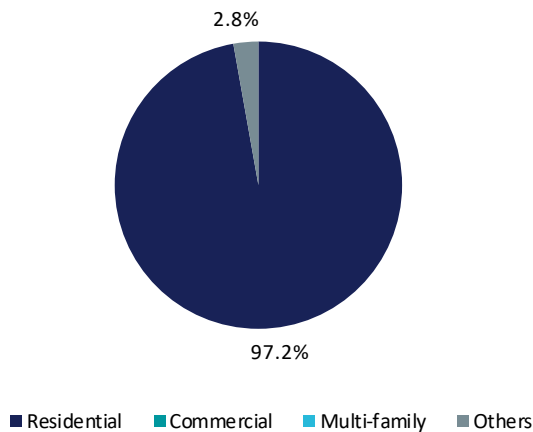
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

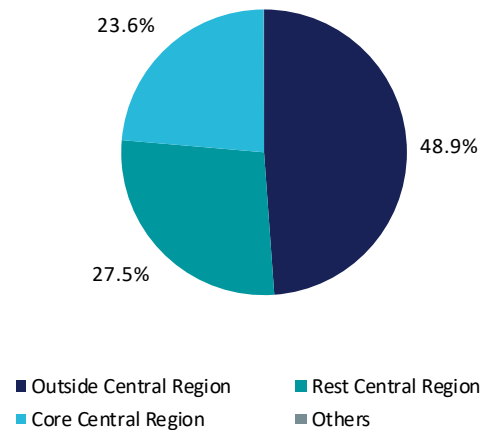
Cover pool volume (EURm)	15,473
Amount outstanding (EURm)	9,005
-thereof ≥ EUR 500m	41.6%
Current OC (nominal)	71.8%
Committed OC	5.3%
Cover type	Mortgage
Main country	100% Singapore
Main region	49% Outside Central Region
Number of loans	30,655
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	20.0y
WAL (covered bonds)	2.2y
Fixed interest (cover pool)	63.8%
Fixed interest (covered bonds)	52.9%
LTV (indexed)	42.0%
LTV (unindexed)	52.0%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	5
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

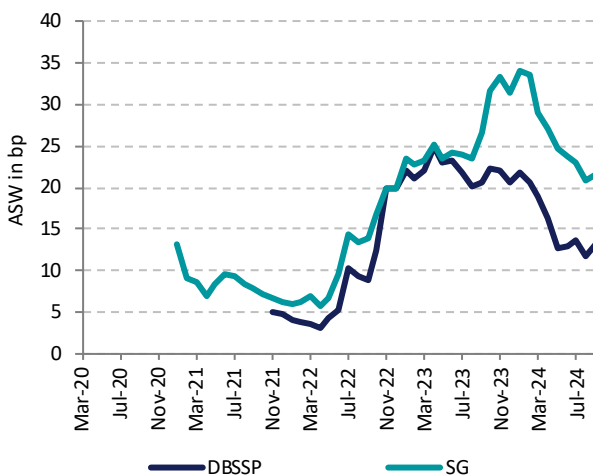
## Borrower Types



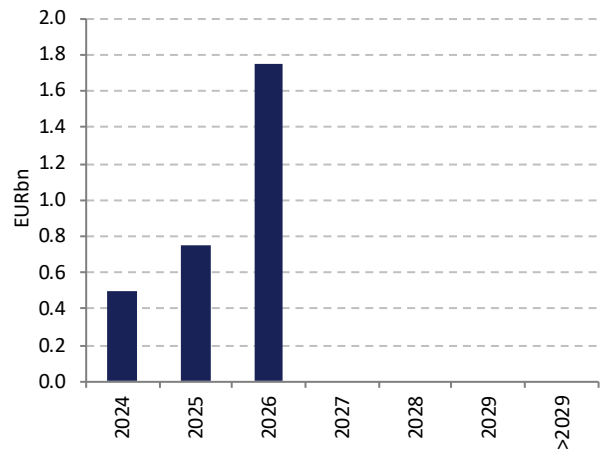
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Maybank Singapore

# Singapore

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Maybank Singapore Limited

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

## Homepage

[www.maybank2u.com.sg](http://www.maybank2u.com.sg)

\*Senior Unsecured/LT Bank Deposits

Founded in 1960, Maybank Singapore Limited (Maybank) is a wholly owned subsidiary of Malayan Banking Berhad (Maybank Group) and classified as a domestic systemically important bank (D-SIB) in Singapore. With total assets of around USD 224bn, the Maybank Group is the largest bank in Malaysia and is one of the major financial institutes in the ASEAN region. A universal bank, Maybank is additionally active in the areas of Islamic Banking and Islamic Insurance (Takaful). The bank reports across the following operating segments: Community Financial Services (FY 2023: 45.6% of pre-tax profit), Corporate Banking & Global Markets (46.3%), Asset Management (0.04%), Investment Banking (1.2%) and Insurance & Takaful (7.8%). In Singapore, Maybank offers financial services for retail customers, high-net worth individuals and SMEs. In FY 2023, Malaysia accounted for the largest share of the loan portfolio of the Group (60.4%), followed by Singapore at 26.1%. A total of 35.2% of the loans issued by Maybank were mortgage loans and bridging loans, while loans to sole traders and private individuals accounted for a share of 25.3%. A total of 89.8% of the funding mix in Singapore consists of retail customer deposits, with capital market issuances (debt securities and subordinated notes) making up a share of 2.9%. In March 2024, Maybank established its Global Covered Bonds Programme (volume: USD 10bn), under which it has issued a EUR benchmark bond. The Group has a Sustainable Product Framework and intends to mobilise RM 80bn for sustainable financing by 2025.

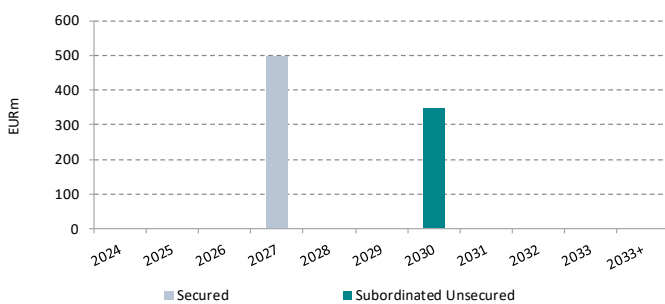
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	15,949	17,005	16,977
Total Securities	2,849	1,837	2,762
Total Deposits	20,259	21,250	24,157
Tier 1 Common Capital	1,350	1,455	1,589
Total Assets	23,224	24,228	26,911
Total Risk-weighted Assets	9,648	10,262	10,987

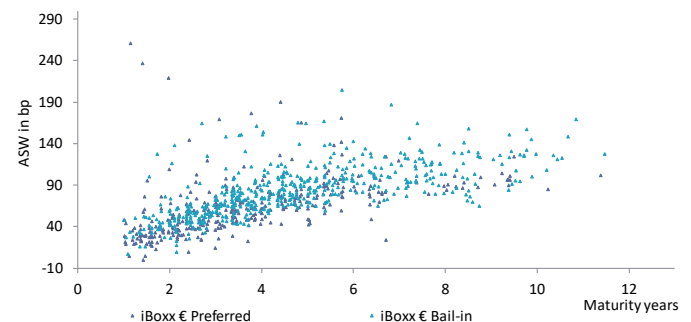
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	206	305	326
Net Fee & Commission Inc.	134	121	128
Net Trading Income	18	34	19
Operating Expense	274	319	338
Credit Commit. Impairment	-	-	-
Pre-tax Profit	115	120	124

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	0.97	1.51	1.61	Liquidity Coverage Ratio	-	-
ROAE	7.66	7.12	6.80	IFRS Tier 1 Leverage Ratio	5.83	6.03
Cost-to-Income	71.30	65.18	66.17	NPL / Loans at Amortised Cost	0.56	0.43
Core Tier 1 Ratio	14.00	14.18	14.47	Reserves/Loans at Amort. Cost	0.91	1.08

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Capitalisation

## Risks / Weaknesses

- Profitability
- Funding in the context of the small franchise

# Maybank Singapore – Mortgage

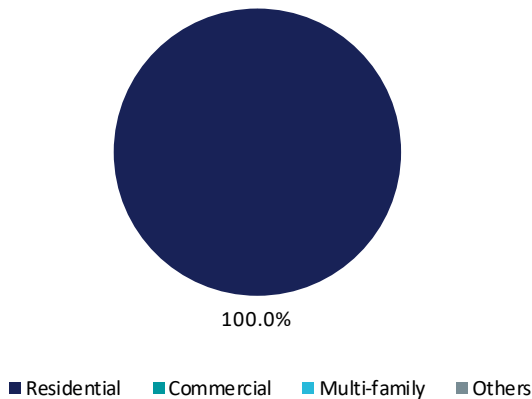
Singapore 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

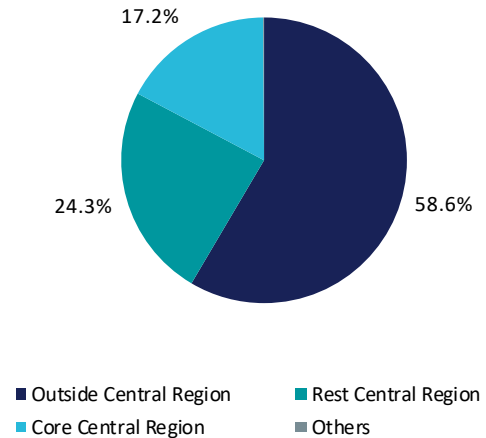
## Cover Pool Data

Cover pool volume (EURm)	778	Rating (Moody's)	Aaa
Amount outstanding (EURm)	508	Rating (S&P)	AAA
-thereof ≥ EUR 500m	98.5%	Rating (Fitch)	-
Current OC (nominal)	53.4%	Rating (DBRS)	-
Committed OC	16.8%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Singapore	Collateral score	4.0%
Main region	59% Outside Central Region	RRL	a
Number of loans	1,468	JRL	aa-
Number of borrowers	n/a	Unused notches	1
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	21.5y	PCU	-
WAL (covered bonds)	1.9y	Recovery uplift	-
Fixed interest (cover pool)	69.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	46.3%	LCR level (Bmk)	2A
LTV (unindexed)	55.9%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

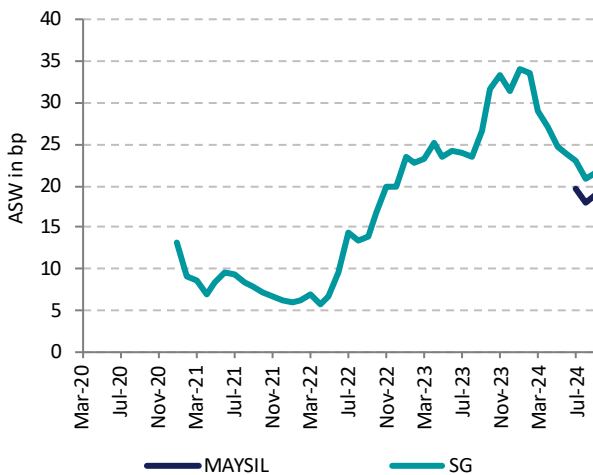
## Borrower Types



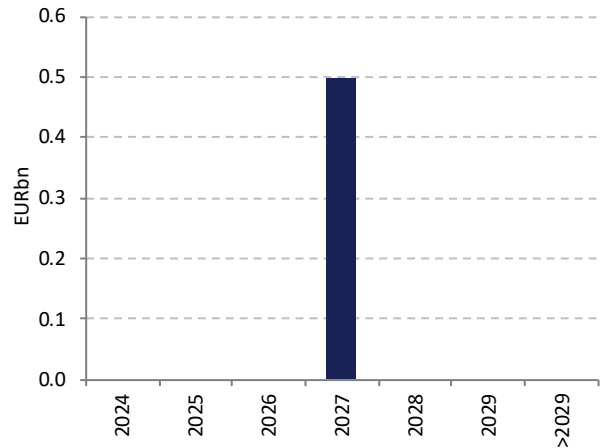
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## OCBC

Singapore 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

Oversea-Chinese Banking  
Corp Ltd

	Rating	Outlook
Fitch	AA-	Stable
Moody's*	Aa1	Stable
S&P	AA-	Stable

## Homepage

[www.ocbc.com](http://www.ocbc.com)\*Senior Unsecured/LT Bank  
Deposits

Oversea-Chinese Banking Corporation Ltd. (OCBC) was founded in 1932 following the merger of three regional banks and is the oldest credit institute in Singapore. Its shares are listed on the Singapore stock exchange. The main shareholders are Citibank Nominees Singapore PTE Ltd. (16.8%; FY 2023) and Selat PTE Ltd. (10.0%). As measured by total assets (FY 2023: SGD 581bn), OCBC is the second-largest banking group in Singapore and is listed as a domestic systemically important bank (D-SIB). The Group's core markets include the leading economies in the ASEAN region: Singapore (FY 2023: 62% of total income), Malaysia (11%) and Indonesia (8%), where more than 330 branch offices are operated. The Greater China region (which comprises mainland China, Hong Kong, Macau, and Taiwan) accounts for a 13% share of total income. OCBC reports across the segments of Global Wholesale Banking (FY 2023: 46% of pre-tax profit), Global Consumer/Private Banking (27%), Global Markets (0.5%), Insurance (11%), as well as the non-operating segment Others (16%). The largest component in the funding mix at OCBC is customer deposits (80%), in addition to capital and reserves (12%). In March 2020, OCBC published its Sustainability Bond Framework, which allows the bank to issue green, social and sustainable bonds. In May 2023, OCBC issued the third green bond in its history, on this occasion through its Australian subsidiary, the OCBC Sydney Branch. This took the form of a floating rate note and featured a volume of AUD 1.0bn, which represents the largest single tranche deal placed by a Singaporean issuer in Australia to date.

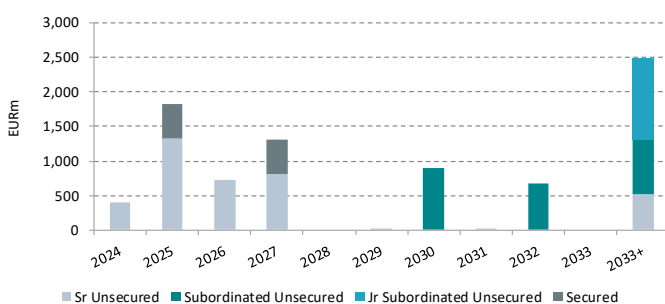
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	203,396	200,657	206,528
Total Securities	57,908	65,249	69,565
Total Deposits	244,299	249,332	254,621
Tier 1 Common Capital	24,549	25,830	26,918
Total Assets	388,641	398,514	412,319
Total Risk-weighted Assets	161,652	162,232	173,321

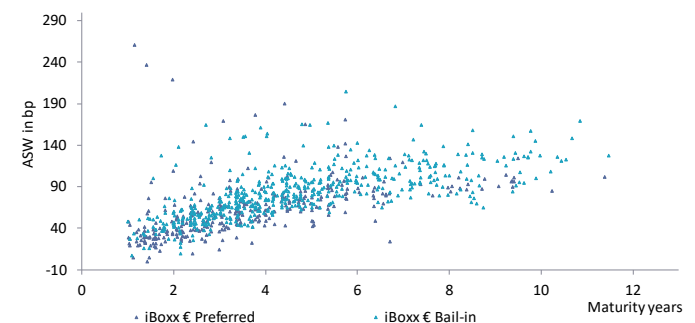
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,302	6,642	3,343
Net Fee & Commission Inc.	1,277	1,242	649
Net Trading Income	499	724	510
Operating Expense	3,408	3,668	1,900
Credit Commit. Impairment	348	457	154
Pre-tax Profit	4,600	5,785	3,210

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.91	2.28	2.22	-	-	-
ROAE	10.56	13.27	14.13	6.56	6.69	6.73
Cost-to-Income	40.44	36.80	35.68	1.16	0.96	0.94
Core Tier 1 Ratio	15.19	15.92	15.53	1.19	1.31	1.32
Liquidity Coverage Ratio	-	-	-	-	-	-
IFRS Tier 1 Leverage Ratio	-	-	-	-	-	-
NPL / Loans at Amortised Cost	-	-	-	-	-	-
Reserves/Loans at Amort. Cost	-	-	-	-	-	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality and capitalisation
- High likelihood of a bailout in the event of a crisis
- Liquidity

## Risks / Weaknesses

- Exposure to the real estate and construction sectors
- Credit demand dampened by high interest rates
- Activities in emerging markets (credit risk)

# OCBC – Mortgage

Singapore 

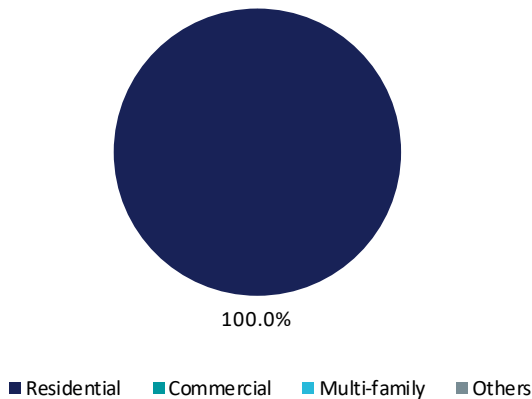
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

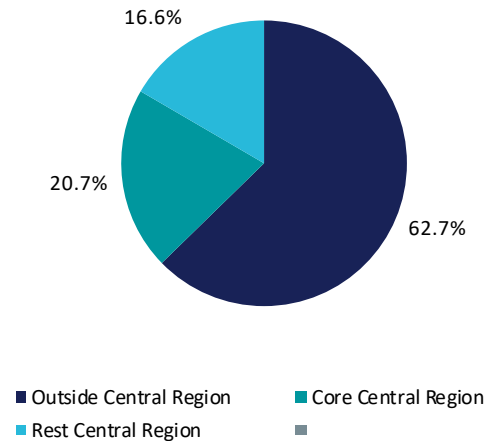
Cover pool volume (EURm)	4,301
Amount outstanding (EURm)	1,145
-thereof ≥ EUR 500m	87.3%
Current OC (nominal)	275.7%
Committed OC	15.6%
Cover type	Mortgage
Main country	100% Singapore
Main region	63% Outside Central Region
Number of loans	10,704
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	17.7y
WAL (covered bonds)	1.8y
Fixed interest (cover pool)	51.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	35.5%
LTV (unindexed)	49.2%
Loans in arrears	0.1%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	5
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

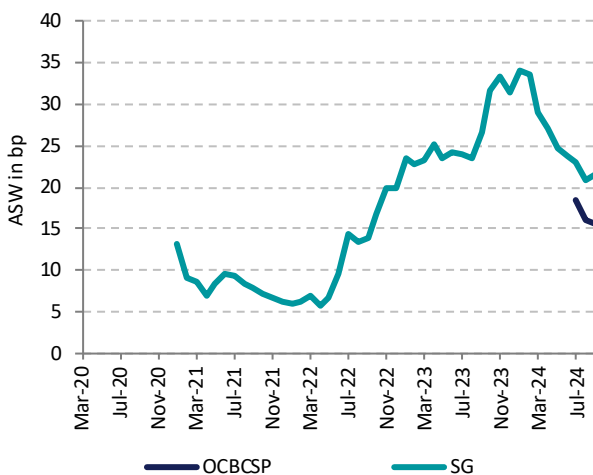
## Borrower Types



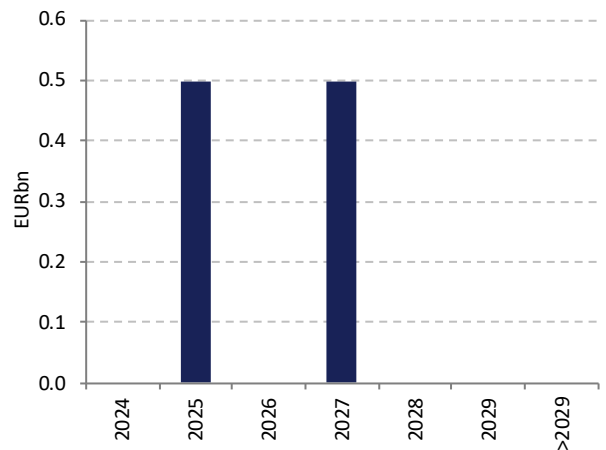
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Standard Chartered Bank (Singapore) Limited

Singapore 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Standard Chartered Bank (Singapore) Ltd.

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

## Homepage

[www.sc.com/sg](http://www.sc.com/sg)

Standard Chartered Bank Singapore Limited (SCBSL) was founded in 1859 as a subsidiary of the Standard Chartered PLC (SCPLC) Group. The parent company is one of the leading major international banks with more than 85,000 staff (FY 2023) and is active in a total of 55 markets in Asia, Africa, Europe, the Americas and the Middle East. It is also listed on the London and Hong Kong stock exchanges. SCBSL was Singapore's first domestic systemically important bank (D-SIB). A total of 86.4% of the shares in SCBSL are owned by Standard Chartered Holdings (Singapore), with Standard Chartered Bank (UK) owning the remaining 13.6%. In addition, SCBSL operates subsidiaries in Malaysia, Vietnam and Thailand. The bank reports in the segments Corporate, Commercial and Institutional Banking (FY 2023; share in operating income: 37.9%) as well as Consumer, Private and Business Banking (51.0%), which each cover various additional sub-categories. The loan portfolio of SCBSL focuses on the areas of Housing (FY 2023: 33.5% of the total portfolio) as well as Professionals and Private Individuals (29.5%). The majority of the funding of SCBSL consists of non-bank deposits (78.8%). In September 2022, SCBSL launched Onlinebank Trust Bank Singapore Limited (Trust; SCBSL holds a stake of 60.0%) for private individuals. According to SCBSL, Trust is the fastest growing online bank in the world with 700,000 customers (FY 2023). As part of its net-zero goal, SCPLC is planning to achieve carbon neutrality in its own operations by 2025, with a climate-neutral loan portfolio by 2050. By awarding green mortgages, SCBSL contributes to the reduction of CO2 emissions.

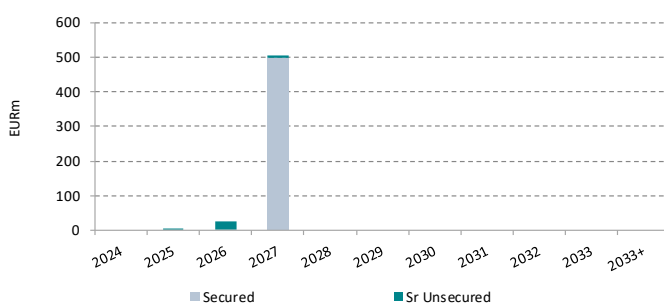
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	44,635	47,180	46,774
Total Securities	15,197	18,293	17,407
Total Deposits	74,014	80,510	86,586
Tier 1 Common Capital	5,392	5,721	5,363
Total Assets	99,986	108,409	113,819
Total Risk-weighted Assets	34,954	35,173	37,464

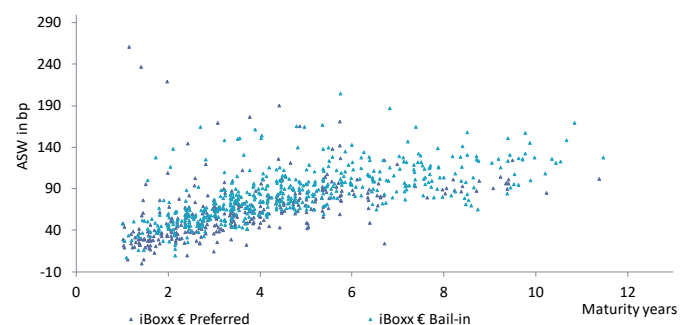
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	847	1,451	1,586
Net Fee & Commission Inc.	730	747	636
Net Trading Income	107	501	1,064
Operating Expense	1,226	1,755	1,925
Credit Commit. Impairment	-48	-46	50
Pre-tax Profit	531	1,015	1,325

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	1.25	1.63	1.71	Liquidity Coverage Ratio	-	-
ROAE	7.84	11.02	14.60	IFRS Tier 1 Leverage Ratio	5.54	5.48
Cost-to-Income	71.90	64.34	58.09	NPL / Loans at Amortised Cost	2.46	1.90
Core Tier 1 Ratio	15.43	16.27	14.32	Reserves/Loans at Amort. Cost	1.44	1.23

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Group support
- Capital buffer

## Risks / Weaknesses

- Credit concentration
- Market shares and earnings

# SC Bank (Singapore) – Mortgage

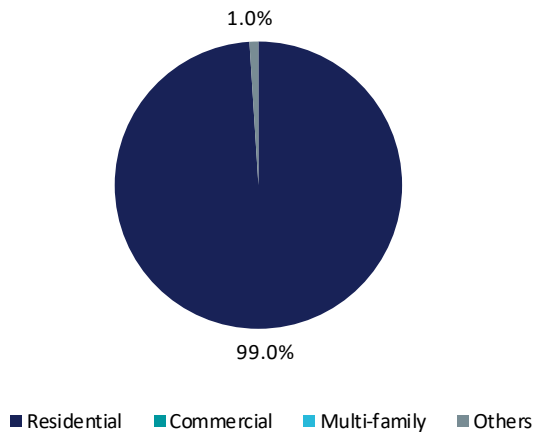
Singapore 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

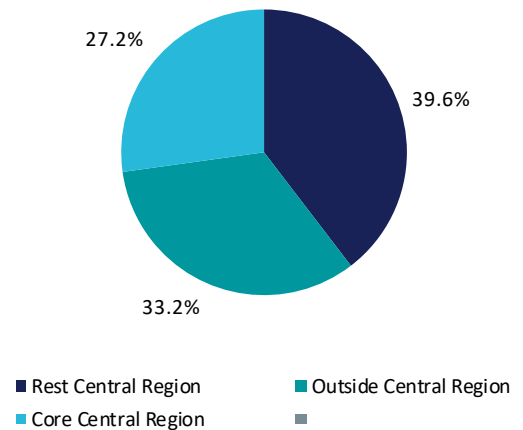
## Cover Pool Data

Cover pool volume (EURm)	1,286	Rating (Moody's)	Aaa
Amount outstanding (EURm)	504	Rating (S&P)	AAA
-thereof ≥ EUR 500m	99.2%	Rating (Fitch)	-
Current OC (nominal)	155.2%	Rating (DBRS)	-
Committed OC	16.2%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Singapore	Collateral score	4.0%
Main region	40% Rest Central Region	RRL	a+
Number of loans	1,851	JRL	aa
Number of borrowers	n/a	Unused notches	2
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	22.1y	PCU	-
WAL (covered bonds)	3.0y	Recovery uplift	-
Fixed interest (cover pool)	58.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	45.0%	LCR level (Bmk)	2A
LTV (unindexed)	53.8%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

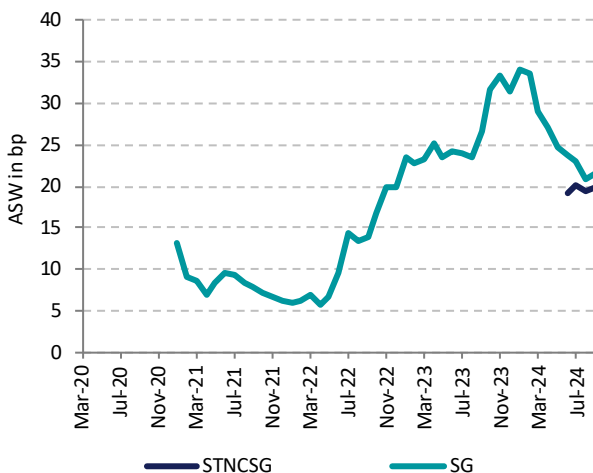
## Borrower Types



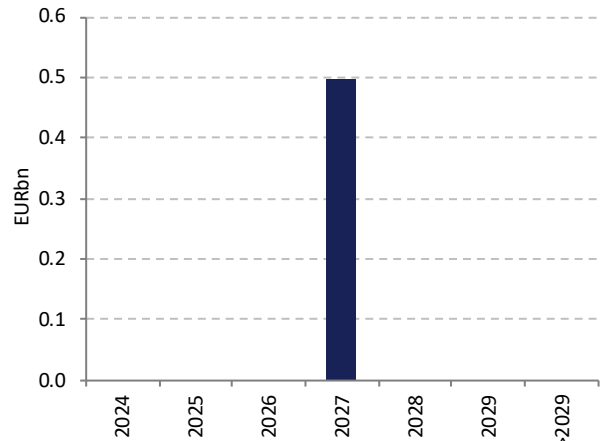
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# United Overseas Bank

## Singapore

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Ratings

#### United Overseas Bank Ltd

	Rating	Outlook
Fitch	AA-	Stable
Moody's	Aa1	Stable
S&P	AA-	Stable

### Homepage

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

\*Senior Unsecured/LT Bank Deposits

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 around 500 branches, although there is a distinct business focus on ASEAN states. UOB is listed on the Singapore stock exchange and offers its customers a broad range of financial services, including private banking, commercial and corporate banking, investment banking, capital market activities, treasury services, asset management, as well as insurance and securities trading services, among others. It reports across the following segments: Group Retail, Group Wholesale Banking and Global Markets, in addition to the non-operating segment Other. Looking at the loan portfolio, the largest share is attributable to the domestic market of Singapore (41%; FY 2023), followed by the Greater China region (16%) and Malaysia (11%). On 14 January 2022, UOB announced that it had agreed a deal to acquire the retail banking business of the Citigroup in Indonesia, Malaysia, Thailand and Vietnam at a cost of SGD 4.9bn. After the acquisition of Citigroup Malaysia and Thailand went through before the end of 2022, the takeover of Citigroup Indonesia and Vietnam was completed in 2023 according to plan. In March 2021, UOB published its Sustainable Bond Framework, before issuing its inaugural sustainability bond in the amount of USD 1.5bn just one month later. Moreover, the group is striving to achieve carbon neutrality by 2050. From 2022 onwards, a decision was therefore made to discontinue financing for new oil and gas projects.

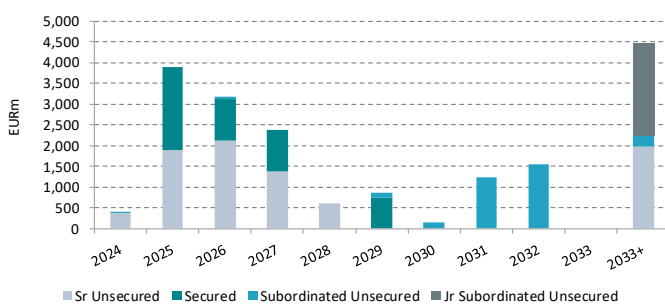
### Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	220,066	217,278	222,790
Total Securities	59,643	67,705	69,432
Total Deposits	257,189	264,204	267,924
Tier 1 Common Capital	24,009	25,412	26,261
Total Assets	351,891	358,826	355,763
Total Risk-weighted Assets	180,808	189,125	195,593

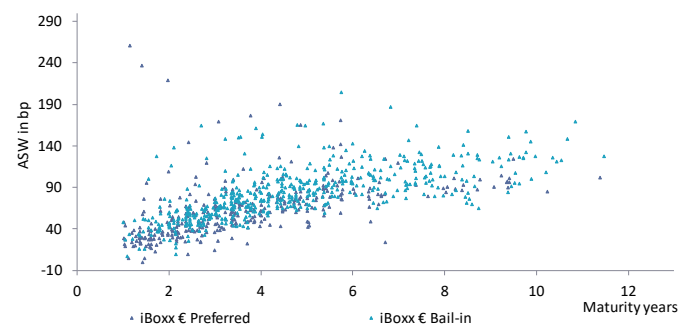
### Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,754	6,666	3,271
Net Fee & Commission Inc.	1,478	1,539	823
Net Trading Income	572	1,164	-
Operating Expense	3,644	4,298	2,141
Credit Commit. Impairment	433	539	277
Pre-tax Profit	3,990	4,726	2,433

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.86	2.09	2.03	Liquidity Coverage Ratio	-	-
ROAE	10.60	12.71	12.42	IFRS Tier 1 Leverage Ratio	7.12	7.32
Cost-to-Income	45.27	44.50	44.20	NPL / Loans at Amortised Cost	1.62	1.55
Core Tier 1 Ratio	13.28	13.44	13.43	Reserves/Loans at Amort. Cost	1.36	1.31

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

### Strengths / Opportunities

- Diversified customer base
- Capitalisation
- High likelihood of a bailout in the event of a crisis

### Risks / Weaknesses

- Exposure risks in emerging economies
- Asset risk (exposure to the construction sector)
- Moderate profitability

# United Overseas Bank – Mortgage

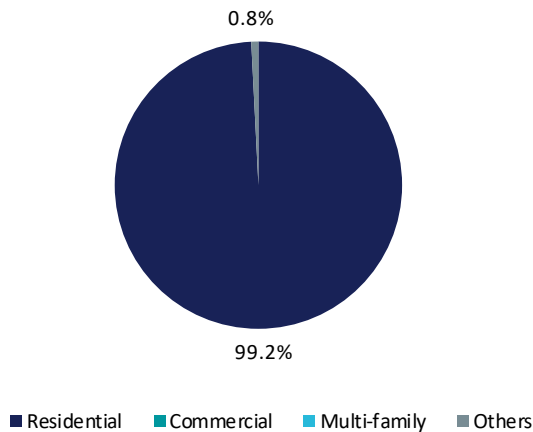
Singapore 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

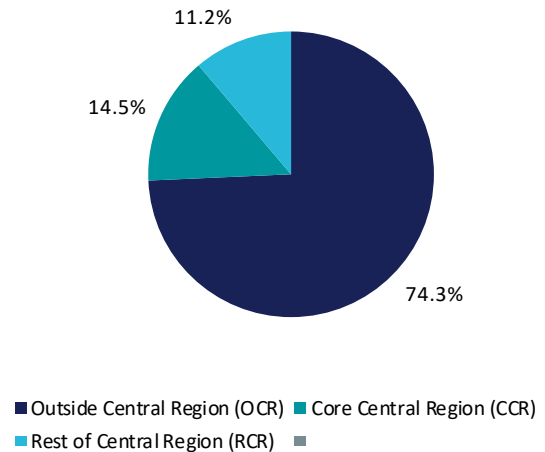
## Cover Pool Data

Cover pool volume (EURm)	11,460	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,132	Rating (S&P)	AAA
-thereof ≥ EUR 500m	73.1%	Rating (Fitch)	-
Current OC (nominal)	123.3%	Rating (DBRS)	-
Committed OC	15.9%	TPI	Probable
Cover type	Mortgage	TPI leeway	5
Main country	100% Singapore	Collateral score	4.0%
Main region	74% Outside Central Region (OCR)	RRL	aa-
Number of loans	24,914	JRL	aa+
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	6.9%
WAL (cover pool)	20.6y	PCU	-
WAL (covered bonds)	2.4y	Recovery uplift	-
Fixed interest (cover pool)	64.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	78.6%	LCR eligible	Yes
LTV (indexed)	44.1%	LCR level (Bmk)	2A
LTV (unindexed)	52.7%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

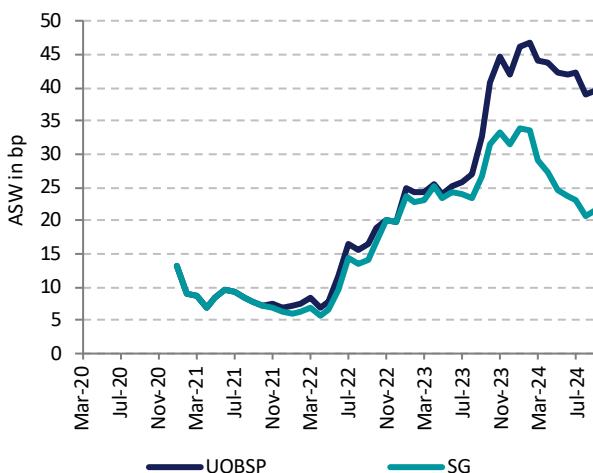
## Borrower Types



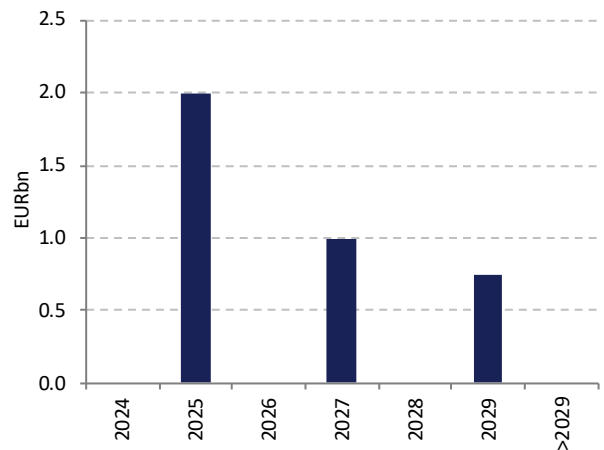
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



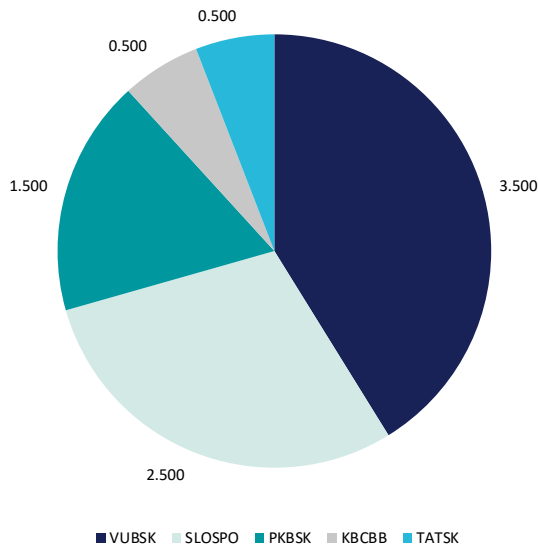
# Market Overview Covered Bonds

Slovakia 

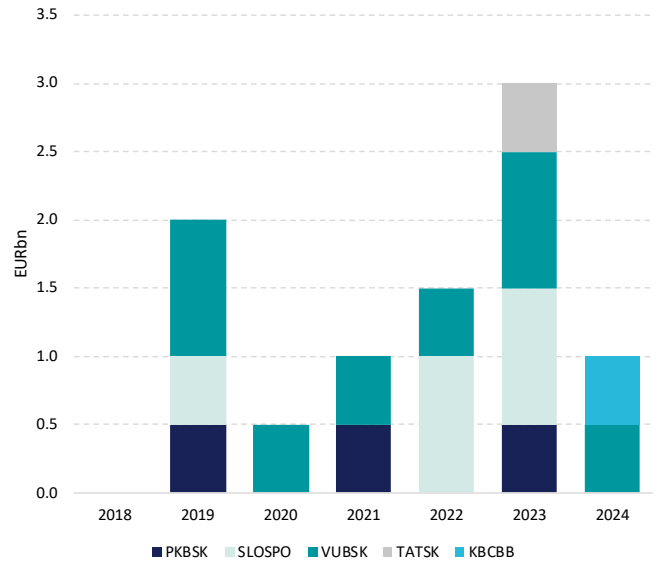
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 17.49bn	Outstanding volume (Bmk)	EUR 8.50bn
Amount outstanding	EUR 13.98bn	Number of benchmarks	17
Number of issuers	5	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	5	Number of ESG benchmarks	1
there of M / PS / others	5 / 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

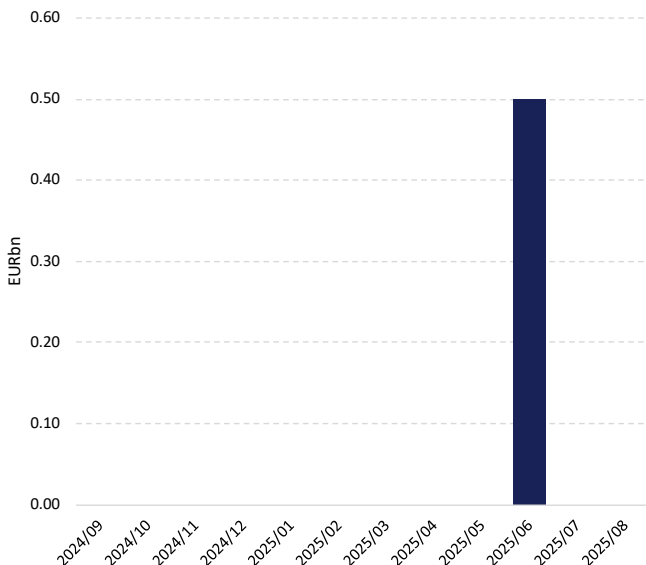
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



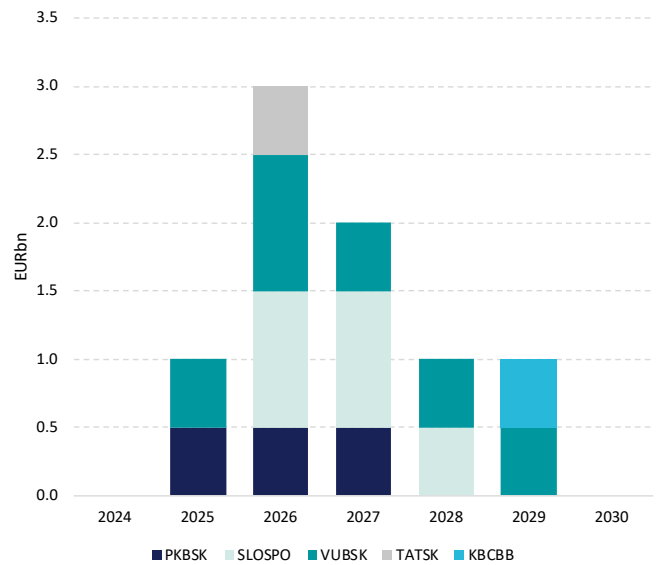
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

## Ceskoslovenska obchodna banka

Slowakei 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Ceskoslovenska obchodna banka

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

## Homepage

[www.csob.sk](http://www.csob.sk)

Ceskoslovenska obchodna banka (CSOB) is the fourth largest bank in Slovakia. Its history spans 50 years. In 2008, it achieved legal independence from CSOB Prague. The bank is part of the KBC Group, which was established in 1998 following a merger between the Belgian banks Kredietbank and CERA Bank in addition to ABB insurance. It is an integrated banking and insurance group which above all focuses on private banking activities for retail customers and SMEs. The main markets of the group are Belgium, Czechia, Slovakia, Hungary and Bulgaria. CSOB itself serves over 800,000 customers in 99 branches. In Slovakia, CSOB has market shares of 15.5% for real estate loans and almost 11% for loans to SMEs. Liabilities at CSOB consist of customer deposits (FY 2023: 59% of liabilities), deposits from financial institutes (21%), bonds issues (9%), equity (8%) and other financial liabilities (2%). With a volume of EUR 11.6bn, the loan portfolio makes up 77% of overall assets. Broken down by sector, the majority of this comprises mortgage-backed loans at 55.3%, followed by other loans to households (7.5%) in addition to loans in the wholesale and retail sector (6.4%), the manufacturing sector (6.4%) and the real estate sector (5%). In June 2024, CSOB issued its first covered bond in EUR benchmark format (issuance volume: EUR 500m) as part of its covered bond programme in the amount of EUR 5.0bn.

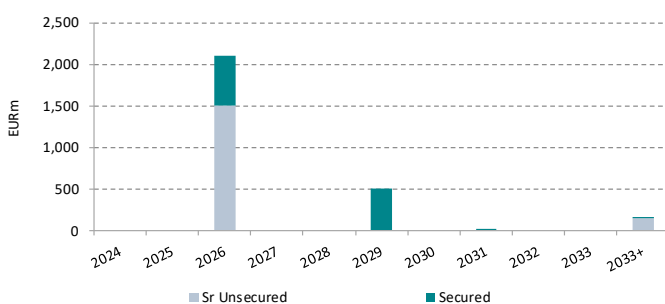
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	10,809	11,594	11,676
Total Securities	2,451	2,672	2,584
Total Deposits	8,449	8,897	9,070
Tier 1 Common Capital	1,019	1,134	1,427
Total Assets	15,083	15,044	15,336
Total Risk-weighted Assets	-	-	-

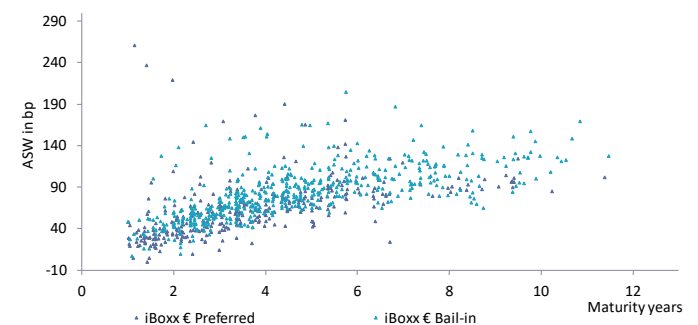
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	231	249	134
Net Fee & Commission Inc.	88	90	46
Net Trading Income	37	2	6
Operating Expense	253	248	116
Credit Commit. Impairment	-	-	-
Pre-tax Profit	98	125	95

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.71	1.70	1.81	Liquidity Coverage Ratio	-	-	-
ROAE	6.92	8.44	8.84	IFRS Tier 1 Leverage Ratio	6.84	7.66	9.43
Cost-to-Income	68.19	67.62	59.71	NPL / Loans at Amortised Cost	1.19	1.41	1.48
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	1.52	1.27	1.12

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Asset quality

## Risks / Weaknesses

- Profitability (in a peer comparison)
- Liquidity buffer

# Ceskoslovenska obchodna banka – Mortgage

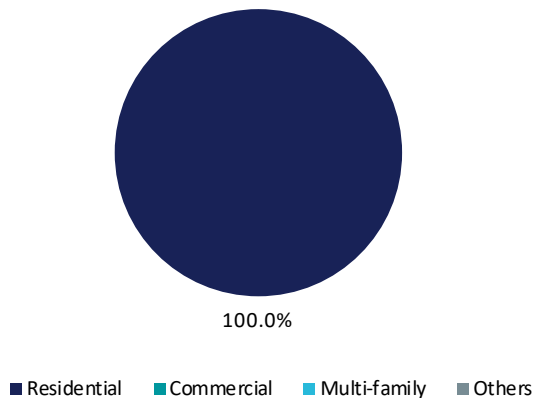
Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

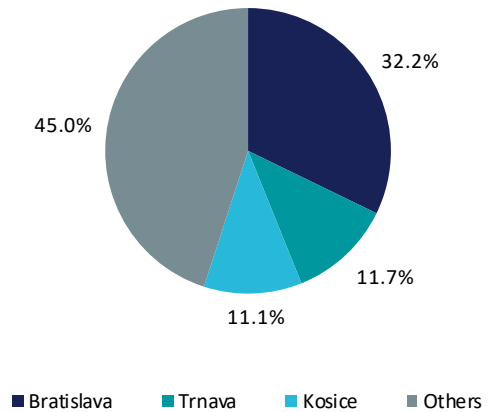
## Cover Pool Data

Cover pool volume (EURm)	785	Rating (Moody's)	Aaa
Amount outstanding (EURm)	650	Rating (S&P)	-
-thereof ≥ EUR 500m	76.9%	Rating (Fitch)	-
Current OC (nominal)	20.7%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Slovakia	Collateral score	4.0%
Main region	32% Bratislava	RRL	-
Number of loans	13,558	JRL	-
Number of borrowers	13,187	Unused notches	-
Avg. exposure to borrowers (EUR)	59,513	AAA credit risk (%)	-
WAL (cover pool)	20.5y	PCU	-
WAL (covered bonds)	3.3y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	52.0%	LCR level (Bmk)	1
LTV (unindexed)	67.7%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

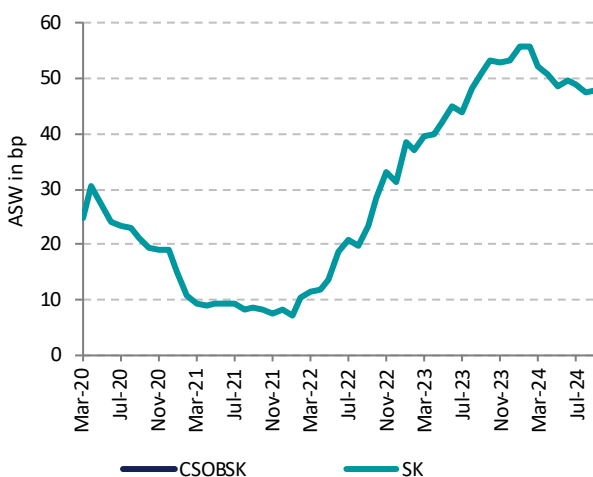
## Borrower Types



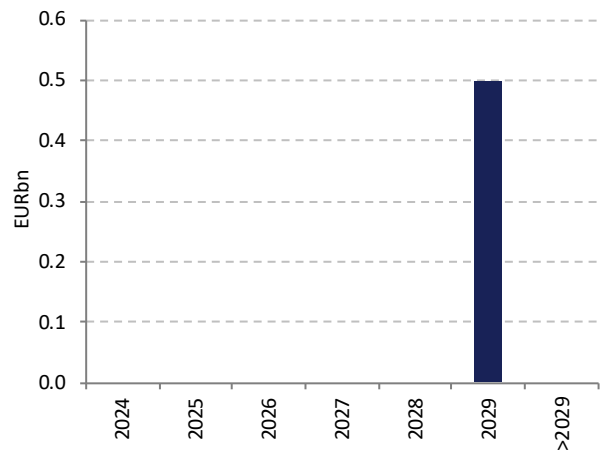
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Prima Banka

Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Prima Banka Slovensko AS

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

## Homepage

[www.primabanka.sk](http://www.primabanka.sk)

Prima banka Slovensko, a.s (Prima Banka), headquartered in Zilina, was founded by a total of 193 Slovakian cities and municipalities in 1992. Its remit at the time was to provide funding and services for Slovakian cities and municipalities. In 2011, Penta Investments (private equity investor) acquired a majority stake in the bank. Since then, its focus has increasingly been on the retail sector. As at 31 March 2024, Penta Financial Services Ltd (private equity) held over 99% of the shares. Today, Prima Banka mainly focuses on retail customers, freelancers, SMEs and municipalities. According to its own information, the bank continues to occupy a leading position in the provision of banking services for cities and municipalities. In FY 2023, Prima Banka registered growth of 13.0% in consumer loans as well as 8.0% for loans to cities and municipalities. The bank claims to be the fastest-growing mortgage provider on the market for the fifth year in a row and has a market share of 10.0% (as measured by portfolio volume). Prima Banka is represented in all 79 districts of Slovakia with 118 branches and 290 ATMs. The number of customers using its mobile app Penazenka is also growing significantly by the year. As at FY 2023, most of the funding comes from deposits (68.4%). Of this, 70.1% is attributable to private individuals. The share of covered bonds in the funding mix (26.3%) has risen year on year by more than 50.0%. All bonds issued by Prima Banka are covered bonds.

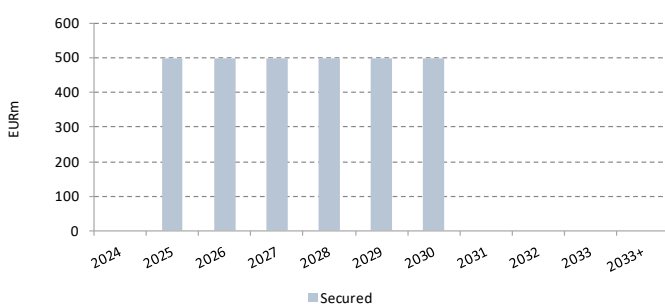
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	5,474	5,554	5,490
Total Securities	161	112	111
Total Deposits	3,883	3,908	4,473
Tier 1 Common Capital	382	403	451
Total Assets	5,988	6,239	6,532
Total Risk-weighted Assets	2,604	2,628	2,600

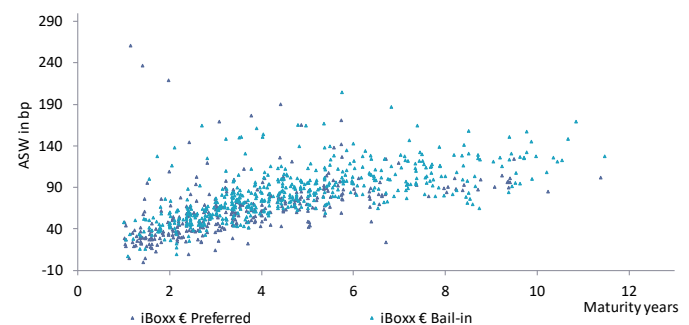
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	49	67	41
Net Fee & Commission Inc.	31	32	17
Net Trading Income	0	0	0
Operating Expense	55	58	31
Credit Commit. Impairment	5	-15	0
Pre-tax Profit	20	58	27

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.87	1.10	1.28	Liquidity Coverage Ratio	-	-	-
ROAE	5.07	11.54	6.99	IFRS Tier 1 Leverage Ratio	6.38	6.46	6.91
Cost-to-Income	68.97	57.55	54.15	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	14.67	15.32	17.36	Reserves/Loans at Amort. Cost	2.38	2.05	2.06

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Customer Deposit base
- NPL ratio

## Risks / Weaknesses

- Credit growth
- Diversification

# Prima Banka – Mortgage

Slovakia 

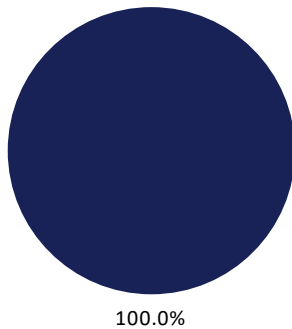
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	3,915
Amount outstanding (EURm)	3,000
-thereof ≥ EUR 500m	50.0%
Current OC (nominal)	30.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Slovakia
Main region	24% Bratislava
Number of loans	77,844
Number of borrowers	71,278
Avg. exposure to borrowers (EUR)	54,926
WAL (cover pool)	11.7y
WAL (covered bonds)	3.8y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	50.0%
LTV (indexed)	52.3%
LTV (unindexed)	60.9%
Loans in arrears	0.0%

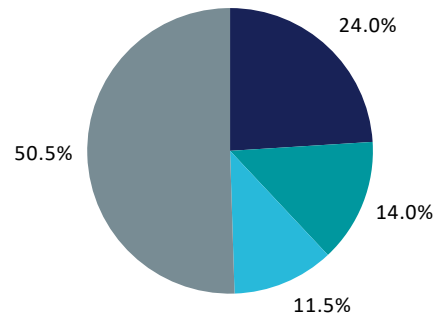
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	Unpublished
Collateral score	4.6%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

## Borrower Types



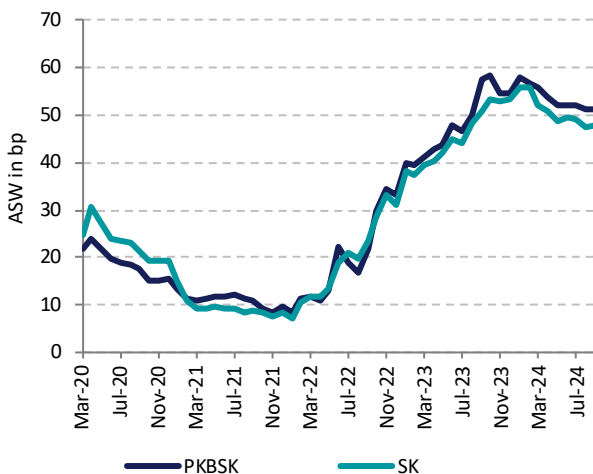
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



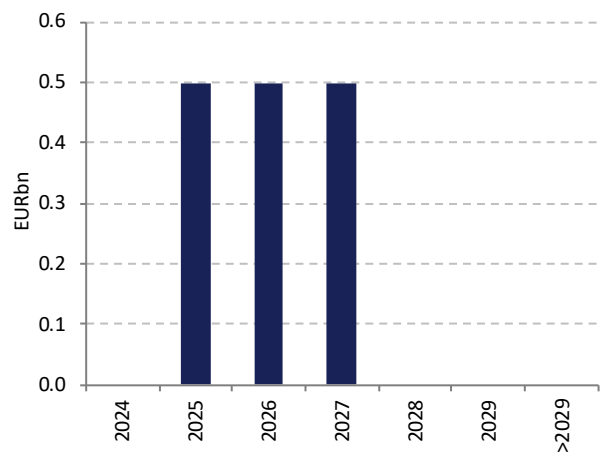
■ Bratislava ■ Zilina ■ Kosice ■ Others

## Spread Development



— PKBSK — SK

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Slovenska Sporitelna

Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Slovenska Sporitelna AS

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

## Homepage

[www.slsp.sk](http://www.slsp.sk)

In 1825, Slovenska sporitelna (SLSP) was established as the first savings bank in Slovakia. Headquartered in Bratislava, SLSP is a wholly owned subsidiary of the Austrian Erste Group and is classified as a domestic systemically important bank (D-SIB; additional capital buffer: 2%). The Erste Group is one of the leading financial service providers in Austria and the Central and Eastern Europe (CEE) region. As measured by its balance sheet total (FY 2023: EUR 26.5bn), SLSP is the largest commercial bank in Slovakia, with around 3,500 employees serving approximately 2.0 million customers across 178 branches throughout the country. In addition to its original banking services, SLSP also offers products from the asset management segment to its retail and corporate customers, SMEs and public institutions. The bank has a market share of 24.5% in the area of housing loans (FY 2023) and 27.4% for retail deposits. As a result, SLSP boasts leading positions in Slovakia for these two areas. SLSP reports across the following segments: Retail (FY 2023: 77.7% of pre-tax profit), Corporates (33.1%), Group Markets (6.3%) as well as Asset Liability Management, Local Corporate Center and Free Capital (-16.5%). In 2023, customer deposits rose by 3.9% to EUR 17.6bn, equating to 71.2% of total assets. Moreover, covered bonds totalling EUR 1bn were placed on the market in 2023. In June 2021, the bank issued its first sustainability bond (EUR 154m) as part of its sustainability activities. Four more bonds have since followed, all of which comply with the Sustainable Finance Framework of the Erste Group (volume outstanding FY 2023: EUR 1.03bn).

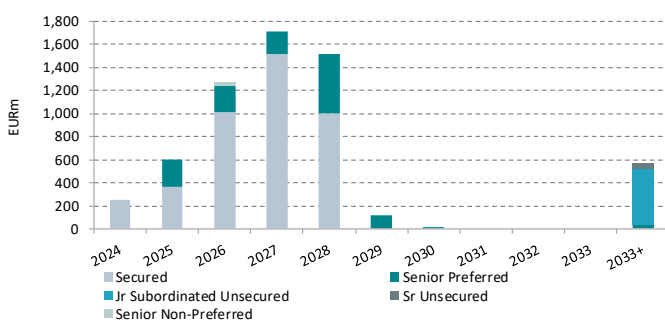
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	17,774	18,743	18,828
Total Securities	4,266	4,225	4,463
Total Deposits	16,913	17,580	18,115
Tier 1 Common Capital	1,492	1,620	1,675
Total Assets	23,746	26,460	26,093
Total Risk-weighted Assets	10,025	10,810	10,707

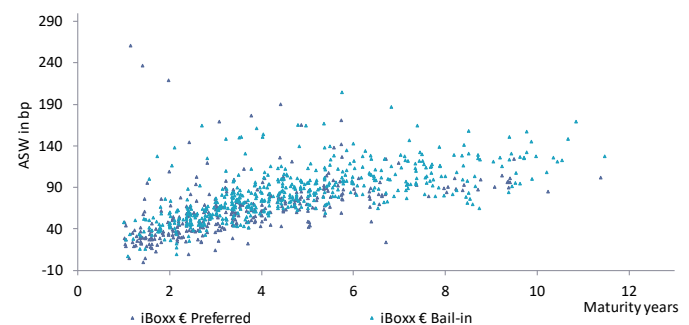
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	444	523	276
Net Fee & Commission Inc.	192	208	113
Net Trading Income	25	24	9
Operating Expense	307	332	175
Credit Commit. Impairment	32	15	23
Pre-tax Profit	312	399	202

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.90	2.13	2.14	Liquidity Coverage Ratio	161.70	192.09	-
ROAE	11.77	13.51	10.21	IFRS Tier 1 Leverage Ratio	6.33	6.15	6.45
Cost-to-Income	47.12	44.50	43.74	NPL / Loans at Amortised Cost	1.60	1.88	1.96
Core Tier 1 Ratio	14.88	14.98	15.64	Reserves/Loans at Amort. Cost	1.91	1.87	1.96

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Franchise position
- Capitalisation

## Risks / Weaknesses

- Credit growth (mortgages)
- Liquidity buffer

# Slovenska Sporitelna – Mortgage

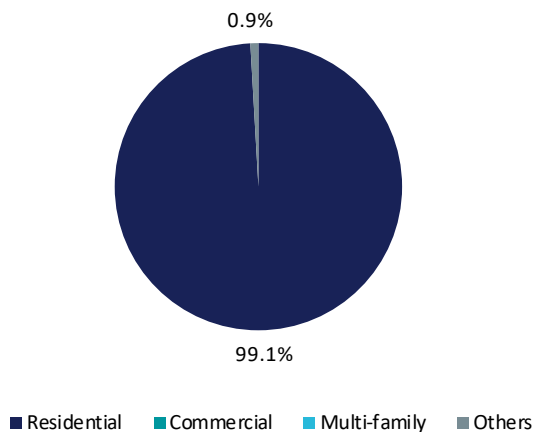
Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

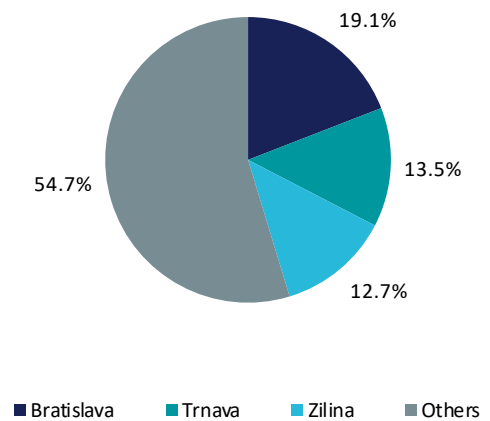
## Cover Pool Data

Cover pool volume (EURm)	5,772	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,151	Rating (S&P)	-
-thereof ≥ EUR 500m	60.2%	Rating (Fitch)	-
Current OC (nominal)	39.0%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Slovakia	Collateral score	4.0%
Main region	19% Bratislava	RRL	-
Number of loans	120,157	JRL	-
Number of borrowers	108,216	Unused notches	-
Avg. exposure to borrowers (EUR)	52,858	AAA credit risk (%)	-
WAL (cover pool)	21.2y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	80.2%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	42.1%	LCR level (Bmk)	1
LTV (unindexed)	57.0%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

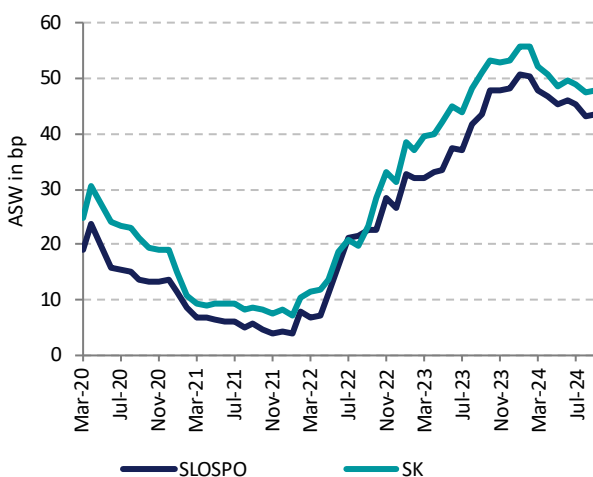
## Borrower Types



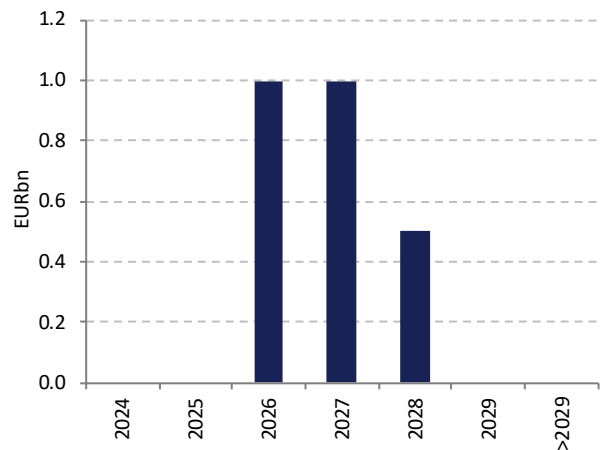
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Tatra Banka

Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Tatra Banka as

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

## Homepage

[www.tatrabanka.sk](http://www.tatrabanka.sk)

Tatra banka (Tatra), which is headquartered in Bratislava, was founded in 1990 and is today the third largest bank in Slovakia as measured by total assets (FY 2023: EUR 22.2bn). 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% (Q1 2024). A series of subsidiaries are owned by the Tatra banka Group. These include, for example, Tatra Leasing and Tatra Asset Management. The Tatra banka Group employs around 3,480 staff and operates 140 branches (FY 2023), while it traditionally boasts a strong franchise in the corporate segment and for high net worth retail customers. In terms of reporting, Tatra splits its business activities into five segments: Corporate Customers (49.4% of pre-tax profit as at FY 2023), Financial Institutions and Public Sector (3.8%), Retail Customers (64.1%), Investment Banking and Treasury (-29.5%) and Equity Investments and Others (12.2%). Corporate and retail customers account for the majority of the loan portfolio with shares of 33.6% and 47.0% respectively. The funding mix at Tatra consists of retail customer deposits (FY 2023: 47%), corporate deposits (27%), deposits from banks and public institutions (15%), bond issues (9%) and other funding instruments (2%). Covered bonds account for 47.0% of all bonds issued, with senior unsecured bonds making up the remaining 53.0%. Tatra was able to issue a total of EUR 800m and USD 20m (FY 2023) in green bonds. In terms of the green loan portfolio (EUR 741m), the focus is on green property, which makes up 93.0% of the overall portfolio.

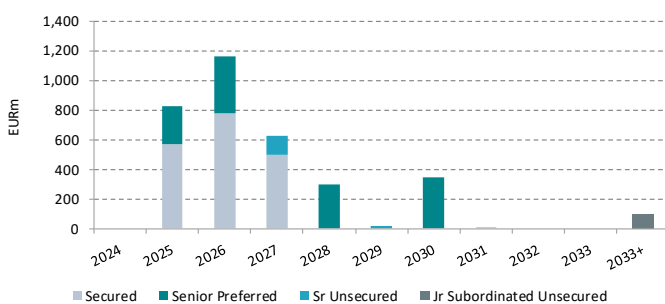
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	13,756	14,127	14,352
Total Securities	2,861	3,450	4,034
Total Deposits	15,448	15,694	15,329
Tier 1 Common Capital	1,175	1,298	1,302
Total Assets	21,725	22,231	20,095
Total Risk-weighted Assets	7,722	8,043	8,011

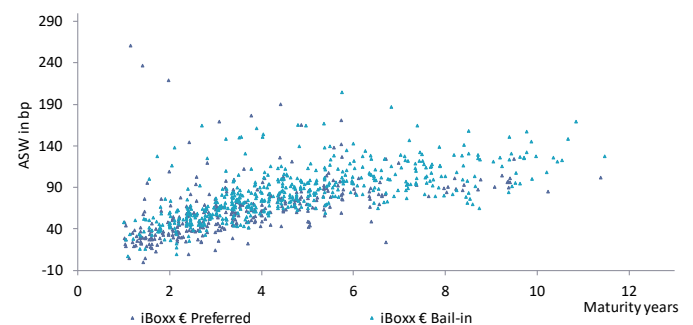
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	322	404	232
Net Fee & Commission Inc.	158	167	91
Net Trading Income	40	38	21
Operating Expense	245	280	191
Credit Commit. Impairment	44	30	4
Pre-tax Profit	232	301	149

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.58	1.86	2.22	Liquidity Coverage Ratio	-	-
ROAE	12.80	15.27	14.52	IFRS Tier 1 Leverage Ratio	5.46	5.90
Cost-to-Income	46.65	45.75	55.32	NPL / Loans at Amortised Cost	1.68	1.65
Core Tier 1 Ratio	15.22	16.14	16.25	Reserves/Loans at Amort. Cost	1.75	1.72

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market position in Slovakia
- Liquidity

## Risks / Weaknesses

- Asset risk (commercial property exposure)
- CRE exposure
- Volatility in competitive corporate customer business



# Tatra Banka – Mortgage

Slovakia 

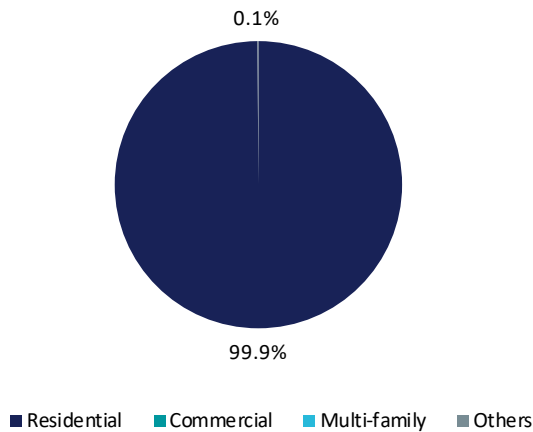
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

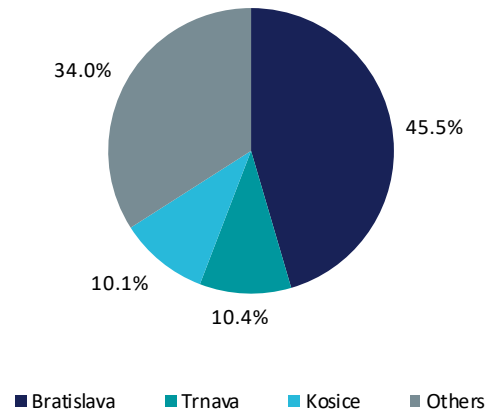
Cover pool volume (EURm)	2,270
Amount outstanding (EURm)	1,885
-thereof ≥ EUR 500m	26.5%
Current OC (nominal)	20.4%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Slovakia
Main region	45% Bratislava
Number of loans	33,793
Number of borrowers	32,778
Avg. exposure to borrowers (EUR)	69,178
WAL (cover pool)	20.0y
WAL (covered bonds)	2.0y
Fixed interest (cover pool)	68.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	52.5%
LTV (unindexed)	54.8%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

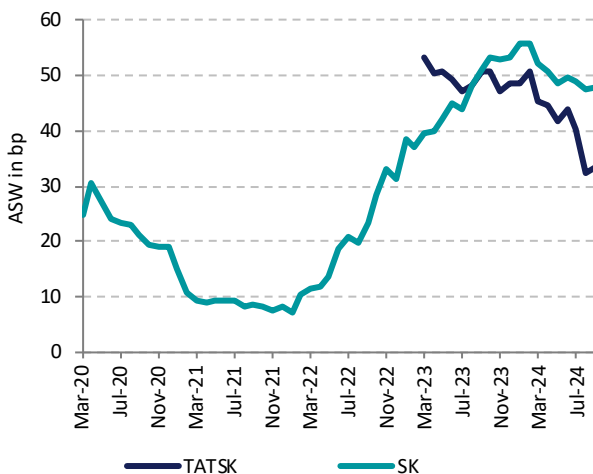
## Borrower Types



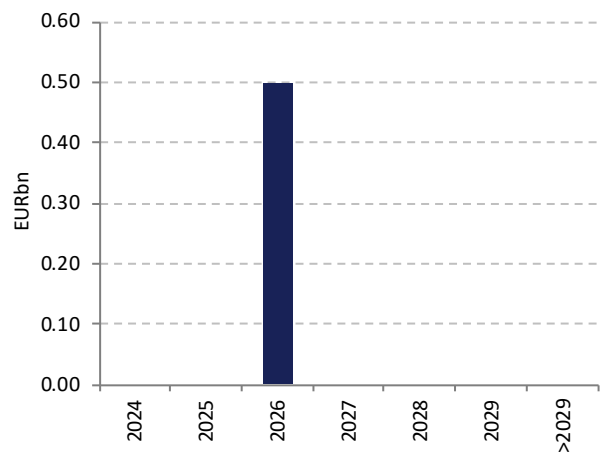
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Vseobecna Uverova Banka

Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Vseobecna Uverova Banka AS

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

## Homepage

[www.vub.sk](http://www.vub.sk)

\*Senior Unsecured/LT Bank Deposits

Vseobecna uverova banka (VUB) was founded in 1990 as a state-owned bank. In November 2001, the Italian banking group Intesa Sanpaolo acquired its first stake in VUB and is today the sole owner of the bank (FY 2023; 100% of shares). As measured by its balance sheet total (FY 2023: EUR 24.4bn), VUB is the second-largest credit institute in Slovakia. The bank has approximately 3,650 employees (FY 2023), who serve around 1.2 million retail, institutional and corporate customers across 182 branches, offering them a wide range of banking services. In Slovakia, VUB has market shares of 22.4% for consumer loans, 19.3% for corporate loans and 19.6% for deposits (data as at December 2023). VUB's business focus is on mortgages and consumer loans, deposits and payment transaction products as well as associated services, 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). The bank reports in the three operating business segments of Retail Banking, Corporate Banking and Central Treasury, as well as the non-operating segment Other. As measured by pre-tax profit, the most profitable segments are Retail Banking and Corporate Banking. At 65.7% (measured against liabilities; FY 2023), the majority of the funding mix consists of customer deposits, followed by covered bonds at 18.2%. The bank had a NPL ratio of 1.8% of liabilities as at year-end 2023.

## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	17,498	18,464	19,188
Total Securities	1,718	1,447	1,759
Total Deposits	15,408	16,021	16,879
Tier 1 Common Capital	1,663	1,835	1,851
Total Assets	22,873	24,386	24,787
Total Risk-weighted Assets	9,972	10,633	10,749

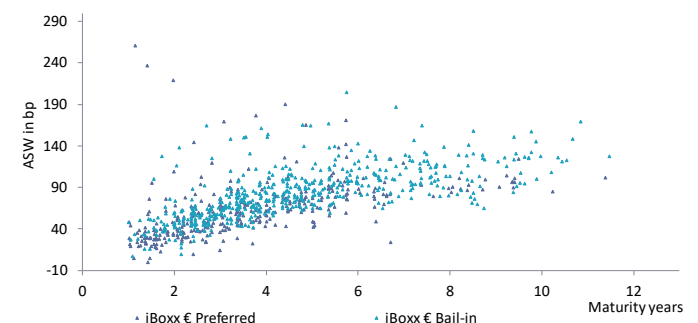
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	336	516	282
Net Fee & Commission Inc.	163	176	93
Net Trading Income	24	19	10
Operating Expense	237	272	133
Credit Commit. Impairment	67	67	24
Pre-tax Profit	213	342	220

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.48	2.23	2.34	Liquidity Coverage Ratio	-	-	-
ROAE	9.40	13.14	12.00	IFRS Tier 1 Leverage Ratio	7.46	7.67	7.60
Cost-to-Income	47.81	39.58	35.47	NPL / Loans at Amortised Cost	1.87	1.84	1.92
Core Tier 1 Ratio	16.68	17.25	17.22	Reserves/Loans at Amort. Cost	2.06	1.98	1.92

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in Slovakia
- Capitalisation
- Funding

## Risks / Weaknesses

- Asset risk (sector concentrations)
- Competition on the domestic market
- Liquidity reserves

# Vseobecna Uverova Banka – Mortgage

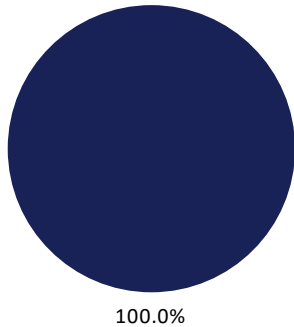
Slovakia 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

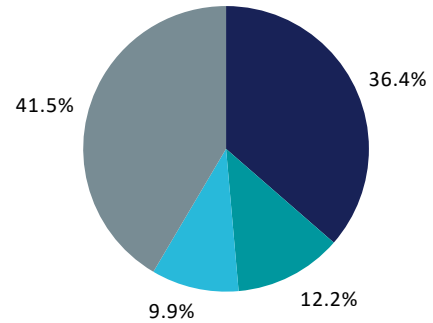
Cover pool volume (EURm)	4,746	Rating (Moody's)	Aa1
Amount outstanding (EURm)	4,290	Rating (S&P)	-
-thereof ≥ EUR 500m	81.6%	Rating (Fitch)	-
Current OC (nominal)	10.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% Slovakia	Collateral score	4.0%
Main region	36% Bratislava	RRL	-
Number of loans	79,079	JRL	-
Number of borrowers	65,853	Unused notches	-
Avg. exposure to borrowers (EUR)	72,071	AAA credit risk (%)	-
WAL (cover pool)	22.2y	PCU	-
WAL (covered bonds)	3.7y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	50.7%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



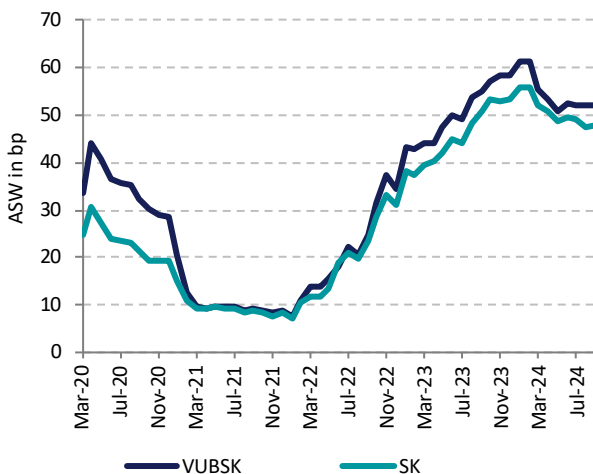
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



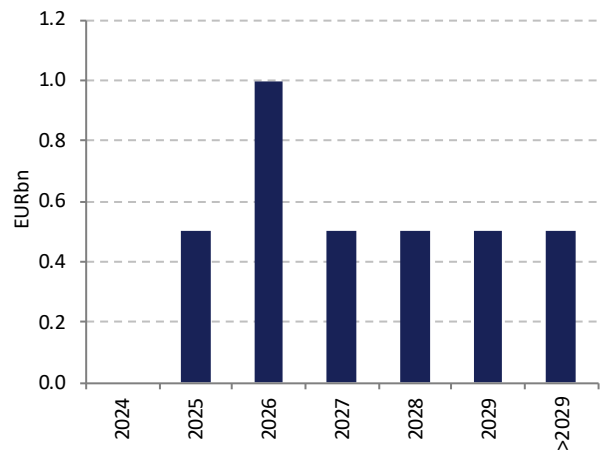
■ Bratislava ■ Trnava ■ Nitra ■ Others

## Spread Development



— VUBSK — SK

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

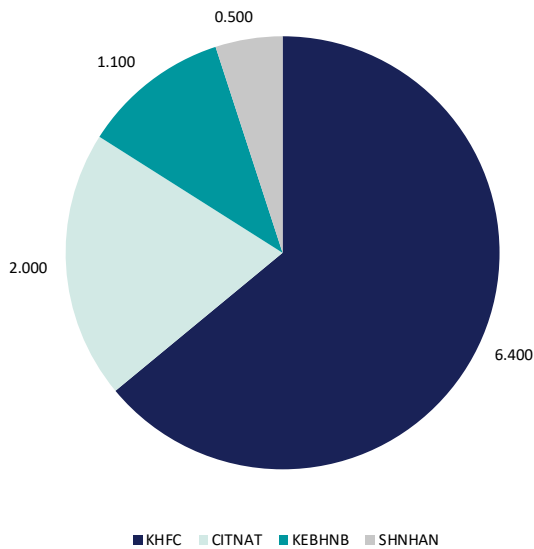
# Market Overview Covered Bonds

## South Korea

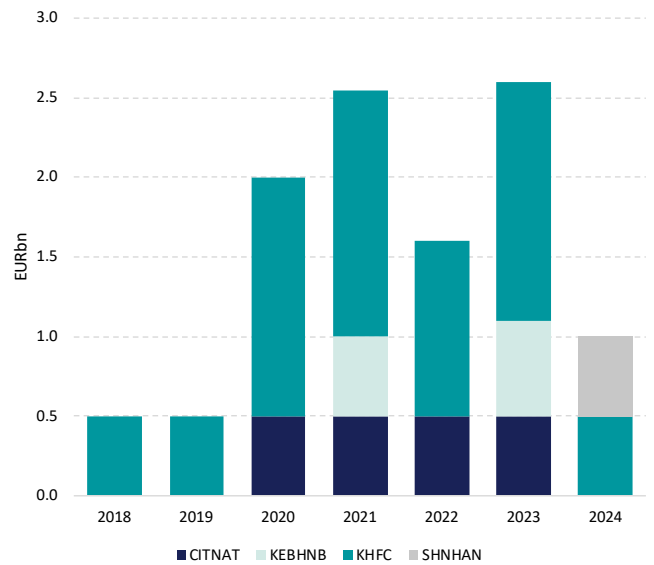
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 15.10bn	Outstanding volume (Bmk)	EUR 10.00bn
Amount outstanding	EUR 10.96bn	Number of benchmarks	16
Number of issuers	4	Outstanding ESG volume (Bmk)	EUR 9.50bn
No of cover pools	9	Number of ESG benchmarks	15
there of M / PS / others	9 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	HB, SB

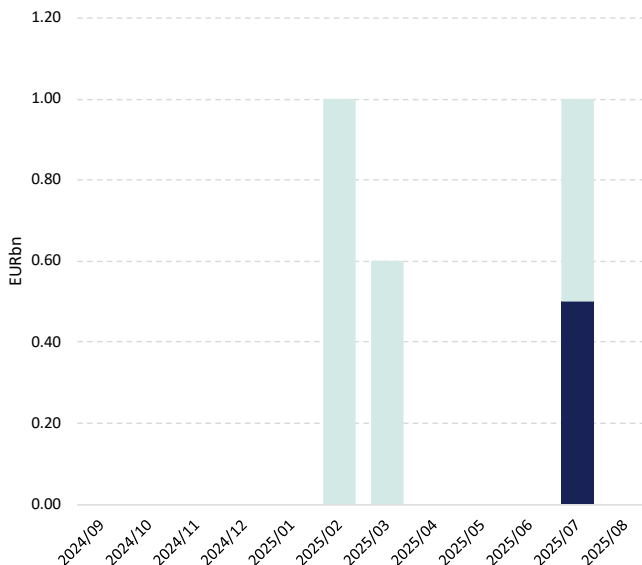
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



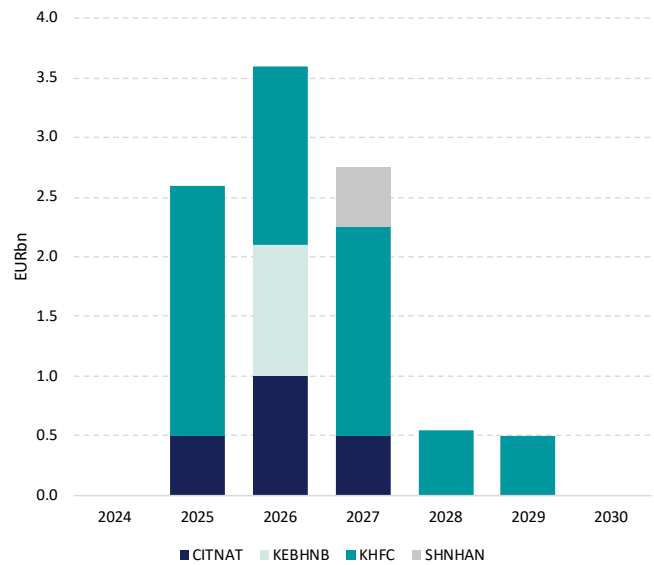
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

## KB Financial Group

South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## KB Financial Group Inc

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

## Homepage

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

KB Kookmin Bank (KB), headquartered in Seoul, is the largest bank in South Korea as measured by total assets (FY 2023). In 2008, the KB Financial Group Inc. (KBFG) was established as a holding for KB and some of its subsidiaries. The group is listed on the Korea Exchange and New York Stock Exchange, with its largest shareholders being the Korean National Pension Service (8.3% as at 31 December 2023) and JPMorgan Chase Bank (6.2%). The group has over 23,600 employees, who serve 37.6 million customers. KBFG has 1,465 branches in its domestic market of South Korea (FY 2023) in addition to operating a total of 597 foreign branches in Indonesia, Cambodia and Vietnam, among others, as well as its locations in New York, Hong Kong, London and Singapore. A total of 66.3% of the net profit of the group is attributable to KB (FY 2023), with the remainder being generated by the segments credit cards (7.1%), insurance (17%), asset management (7.9%) and other (1.7%). The bank offers products in the following areas: retail and corporate banking, wealth management, capital markets, pensions and investment banking. A total of 48.7% of the loan portfolio consisted of loans to households (of which 56.7% were mortgages), with the remaining share of 51.3% attributable to corporate loans, of which around 78% were issued to SMEs (FY 2023). Deposits accounted for 96.7% of the funding, with the remaining 3.3% comprising bond issues. The ESG strategy of the group is based on three goals: (I) Climate neutrality in funding by 2050, (II) provision of KRW 50tn for ESG financing (products, investments, loans) by 2030 and (III) increased social and gender diversity by 2027.

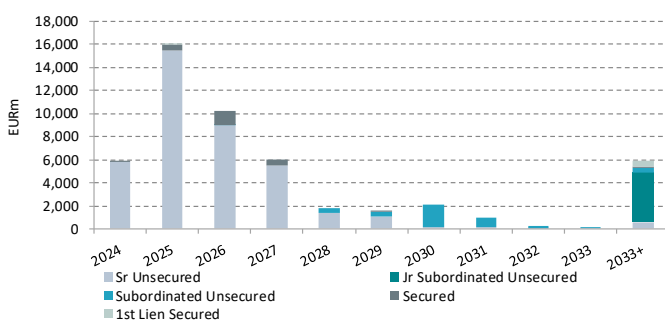
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	322,970	311,011	309,624
Total Securities	144,252	142,554	144,804
Total Deposits	293,095	283,608	284,608
Tier 1 Common Capital	29,838	30,463	30,774
Total Assets	512,388	499,343	502,704
Total Risk-weighted Assets	225,417	224,172	226,379

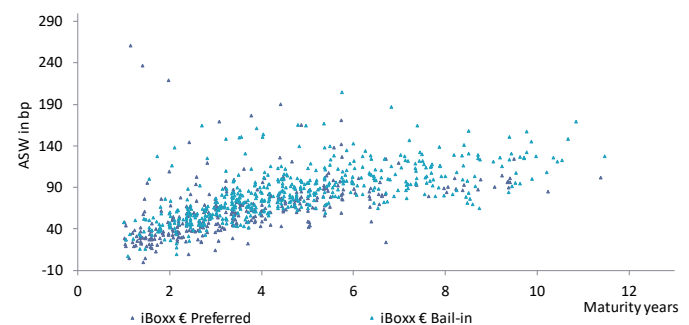
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	8,482	8,600	4,357
Net Fee & Commission Inc.	2,410	2,437	1,233
Net Trading Income	-765	1,622	791
Operating Expense	7,052	7,326	3,256
Credit Commit. Impairment	-	-	-
Pre-tax Profit	4,014	4,371	2,588

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.65	1.63	1.64	Liquidity Coverage Ratio	-	-
ROAE	7.98	7.96	9.36	IFRS Tier 1 Leverage Ratio	6.01	6.24
Cost-to-Income	56.74	52.59	49.97	NPL / Loans at Amortised Cost	0.34	0.56
Core Tier 1 Ratio	13.24	13.59	13.59	Reserves/Loans at Amort. Cost	0.95	1.21

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Revenue diversification (non-banking business)
- Market position in South Korea

## Risks / Weaknesses

- Foreign business
- Debt level of South Korean households

# Kookmin Bank – Mortgage

South Korea 🇰🇷

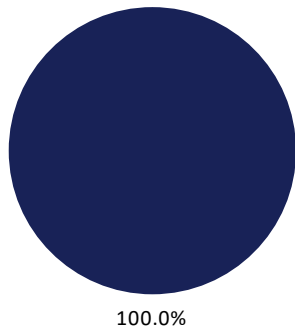
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	2,930
Amount outstanding (EURm)	1,867
-thereof ≥ EUR 500m	95.0%
Current OC (nominal)	57.0%
Committed OC	-
Cover type	Mortgage
Main country	100% South Korea
Main region	39% Gyeonggi
Number of loans	31,395
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	27.8y
WAL (covered bonds)	2.0y
Fixed interest (cover pool)	0.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	40.3%
LTV (unindexed)	44.8%
Loans in arrears	0.1%

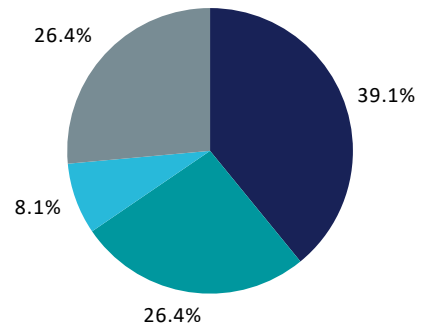
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	a+
Unused notches	0
AAA credit risk (%)	0.0%
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



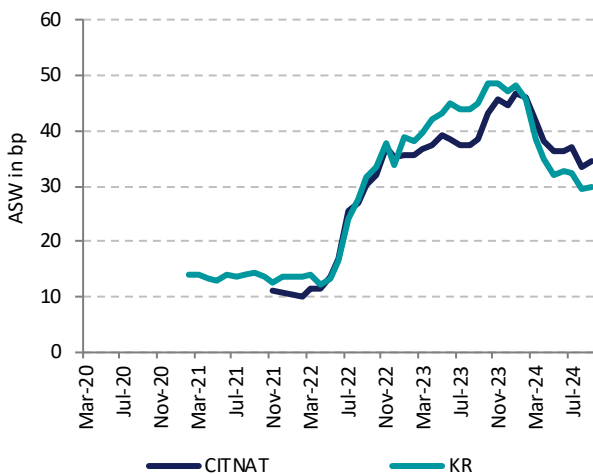
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



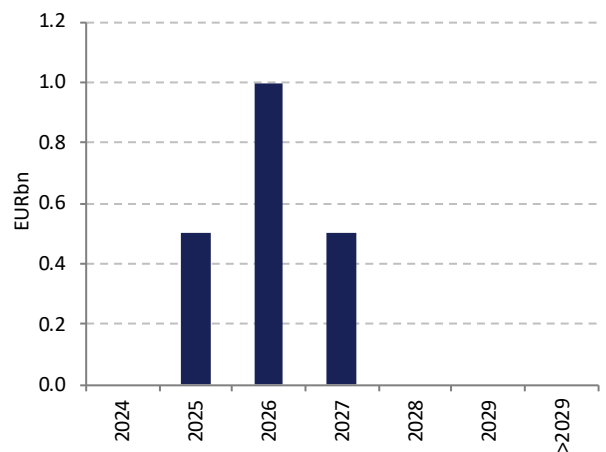
■ Gyeonggi ■ Seoul ■ Incheon ■ Others

## Spread Development



— CITNAT — KR

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Hana Financial Group/KEB Hana Bank

South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## KEB Hana Bank

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

## Homepage

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

\*Senior Unsecured/LT Bank  
Deposits

KEB Hana Bank (Hana Bank), headquartered in Seoul, is the third largest business bank in South Korea as measured by assets. It is a wholly owned subsidiary of the South Korean Hana Financial Group (HFG) and was established in 2015 from the merger between Korea Exchange Bank (KEB) and Hana Bank. The group is listed on the Korea Exchange, where the largest shareholder is the National Pension Service at 7.8% (31 December 2023). HFG is the holding company and consists of 14 subsidiaries, which are active, among other aspects, in the areas of asset management, banking, investment banking, insurance and life insurance. It boasts the most extensive international network of all South Korean financial groups, with 211 offices in 25 regions around the world (including Canada, USA, Southeast Asia, Poland, India and Australia). As the leading operating unit of HFG, Hana Bank accounts for roughly 75.5% of group assets. A total of 97.2% of the operating income is attributable to the activities of Hana Bank. Other reporting segments include Hana Securities, Hana Capital and Hana Card. The lending portfolio consists of loans to retail customers (FY 2023: 44.2%) and corporate loans (55.8%). Loans to SMEs account for the major share of corporate lending at around 83.7%, followed by loans to large corporates (16.3%). Customer deposits make up 91.6% of the funding. The group has set itself the target of providing a total of KRW 60tn in financing and loans for sustainable projects by 2030 (progress towards this target as at FY 2023: 46.8%). HFG has also been a member of the Net-Zero Banking Alliance since 2022.

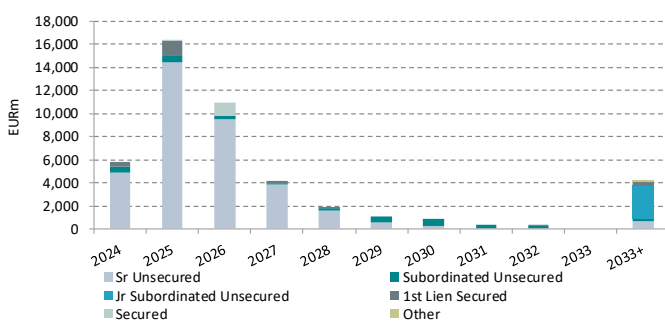
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	322,970	311,011	309,624
Total Securities	144,252	142,554	144,804
Total Deposits	293,095	283,608	284,608
Tier 1 Common Capital	29,838	30,463	30,774
Total Assets	512,388	499,343	502,704
Total Risk-weighted Assets	225,417	224,172	226,379

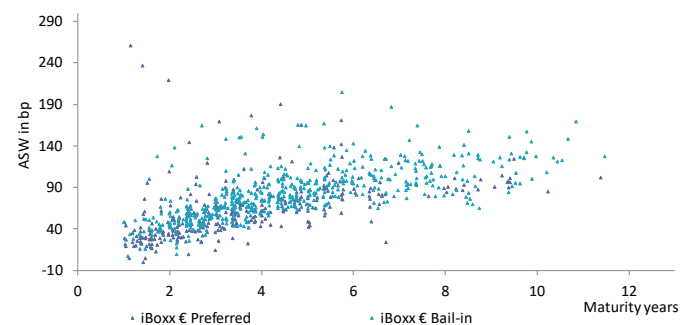
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	8,482	8,600	4,357
Net Fee & Commission Inc.	2,410	2,437	1,233
Net Trading Income	-765	1,622	791
Operating Expense	7,052	7,326	3,256
Credit Commit. Impairment	-	-	-
Pre-tax Profit	4,014	4,371	2,588

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.65	1.63	1.64	Liquidity Coverage Ratio	-	-	-
ROAE	7.98	7.96	9.36	IFRS Tier 1 Leverage Ratio	6.01	6.24	-
Cost-to-Income	56.74	52.59	49.97	NPL / Loans at Amortised Cost	0.34	0.56	0.68
Core Tier 1 Ratio	13.24	13.59	13.59	Reserves/Loans at Amort. Cost	0.95	1.21	1.18

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Deposit base
- Asset quality
- Capitalisation

## Risks / Weaknesses

- Weak non-banking business in a peer comparison
- Debt level of South Korean households
- Potential reputational risks (fines)

# KEB Hana Bank – Mortgage

South Korea 🇰🇷

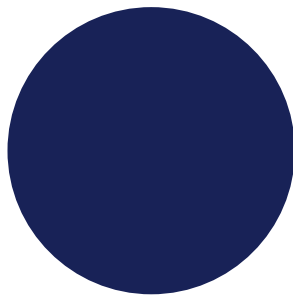
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	1,758
Amount outstanding (EURm)	1,050
-thereof ≥ EUR 500m	100.0%
Current OC (nominal)	67.5%
Committed OC	20.4%
Cover type	Mortgage
Main country	100% South Korea
Main region	30% Gyeonggi
Number of loans	16,948
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	29.1y
WAL (covered bonds)	1.8y
Fixed interest (cover pool)	0.0%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	42.5%
LTV (unindexed)	51.7%
Loans in arrears	0.1%

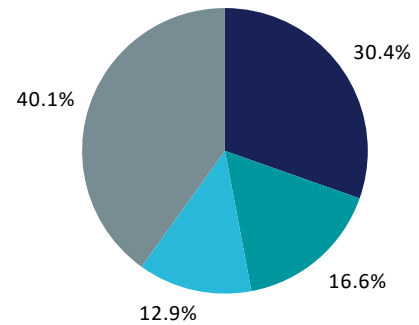
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	a+
Unused notches	0
AAA credit risk (%)	2.5%
PCU	6
Recovery uplift	1
Outstanding ESG BMKS	Yes
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



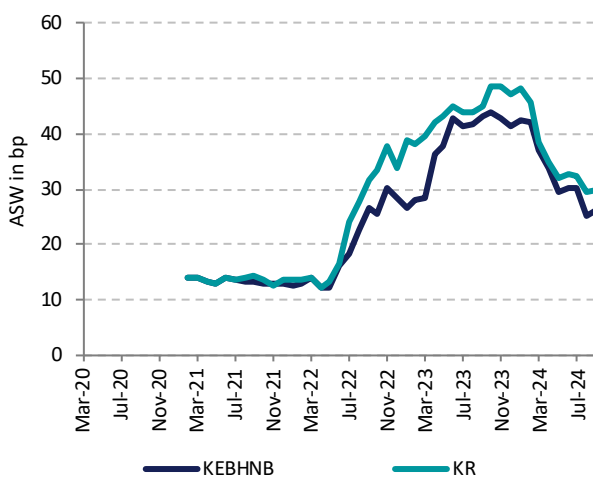
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

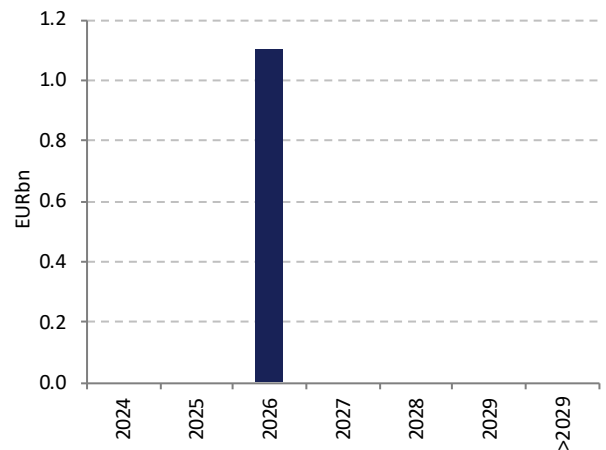


■ Gyeonggi ■ Busan ■ Seoul ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## Korea Housing Finance Corporation

South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Korea Housing Finance Corp

	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), established in March 2004, is a state-owned business with the mission of supporting the South Korean housing market through the provision of property financing. To this end, KHFC divides its business into four segments: Public Mortgages, Home Financing Guarantees, Property-Based Pensions and Mortgage-Backed Securities. KHFC sees itself as a partner for low and middle-income families, and this commitment is particularly evident in the products on offer. KHFC issues “Bogeumjari Loans” and “Confirming Loans” as long-term mortgages with a term of at least 10 years and a fixed interest rate. These products allow low and middle-income households as well as vulnerable groups to obtain stable property financing without the risk of changing interest rates. The business is supplemented by granting guarantees to private individuals and home builders in order to make it easier for them to secure loans from other institutes. Moreover, with a focus on older demographics, KHFC gives homeowners over the age of at least 55 the opportunity to use their own property as collateral for a life-long pension. KHFC purchases mortgage loans from banks and issues mortgage-backed bonds and mortgage-backed securities on the capital market for refinancing purposes. KHFC has been a regular issuer of social covered bonds since 2018. In this context, the Social Financing Framework devised in 2019 was further developed into the Sustainable Bond Framework in 2022.

## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	112,229	116,025	125,266
Total Securities	2,341	1,818	1,698
Total Deposits	-	-	-
Tier 1 Common Capital	-	-	-
Total Assets	119,318	120,194	131,807
Total Risk-weighted Assets	-	-	-

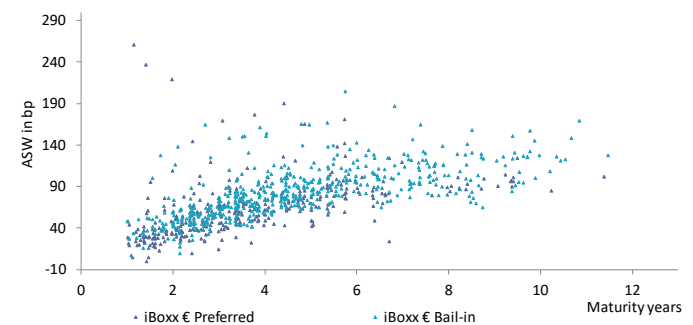
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	462	548	411
Net Fee & Commission Inc.	-72	-79	-75
Net Trading Income	-153	-224	-196
Operating Expense	144	166	161
Credit Commit. Impairment	-	-	-
Pre-tax Profit	134	86	44

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y
Net Interest Margin	0.40	0.46	0.33	Liquidity Coverage Ratio	-	-
ROAE	3.44	2.11	1.06	IFRS Tier 1 Leverage Ratio	-	-
Cost-to-Income	50.60	53.98	71.81	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	-	-	-	Reserves/Loans at Amort. Cost	0.05	0.09

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- State support through owner
- Asset quality

## Risks / Weaknesses

- Interest risk with loan issuance and securitisation
- Concentration of the mortgage business

# KHFC – Mortgage (2020/01 Issue)

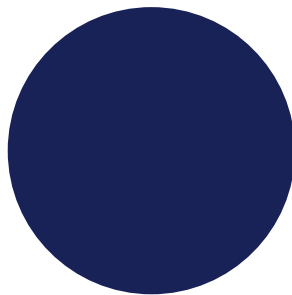
South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

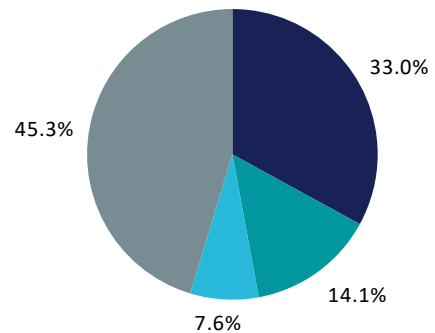
Cover pool volume (EURm)	994	Rating (Moody's)	-
Amount outstanding (EURm)	878	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	13.2%	Rating (DBRS)	-
Committed OC	8.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	33% Gyeonggi	RRL	aa
Number of loans	14,962	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)	21.1y	PCU	-
WAL (covered bonds)	0.7y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	35.6%	LCR level (Bmk)	2A
LTV (unindexed)	47.2%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	HB

## Borrower Types



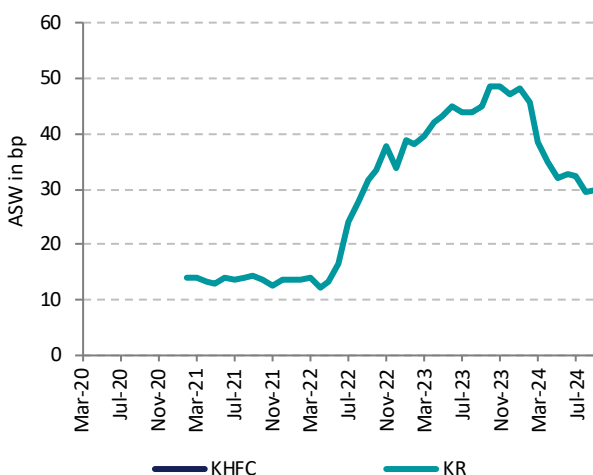
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

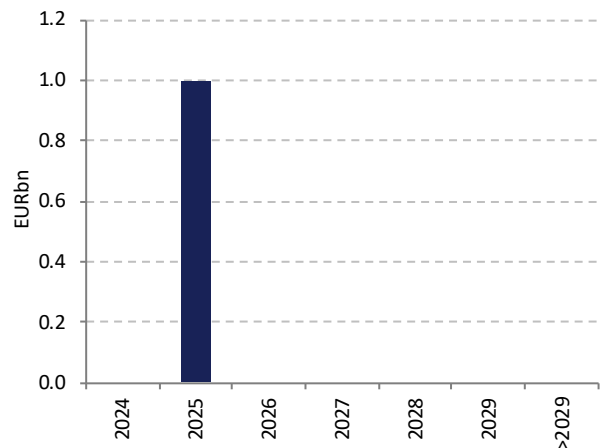


■ Gyeonggi ■ Seoul ■ Incheon ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# KHFC – Mortgage (2020/06 Issue)

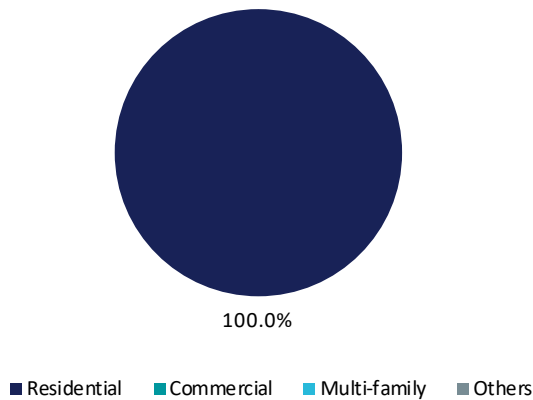
South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

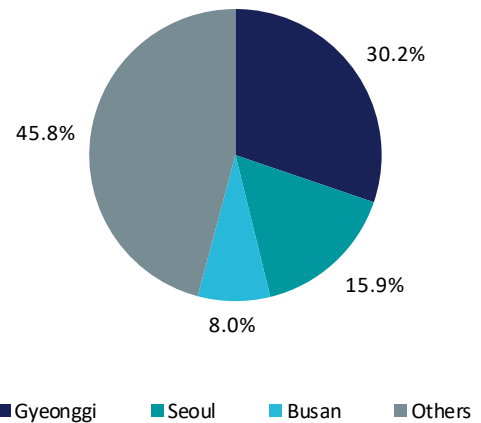
## Cover Pool Data

Cover pool volume (EURm)	511	Rating (Moody's)	-
Amount outstanding (EURm)	457	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	11.8%	Rating (DBRS)	-
Committed OC	8.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	30% Gyeonggi	RRL	aa
Number of loans	8,708	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)	21.0y	PCU	-
WAL (covered bonds)	1.1y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	35.1%	LCR level (Bmk)	2A
LTV (unindexed)	47.3%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	HB

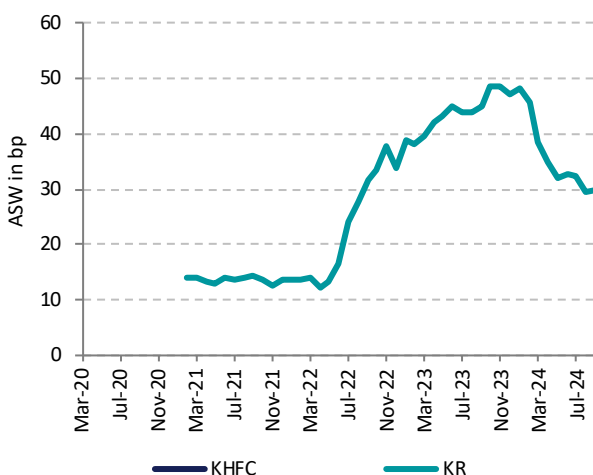
## Borrower Types



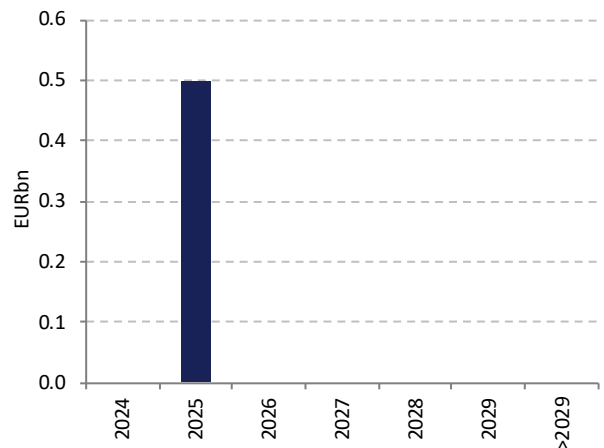
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# KHFC – Mortgage (2021/01 Issue)

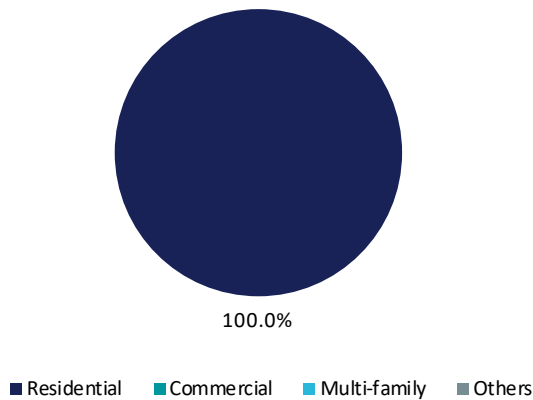
South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

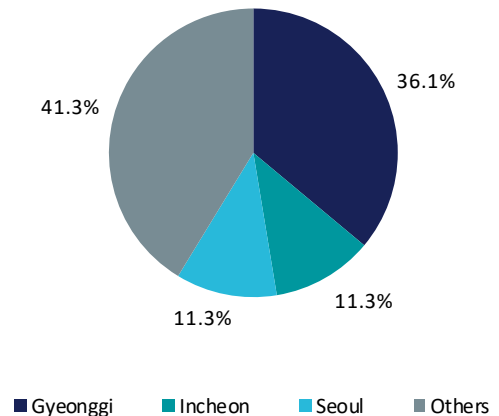
## Cover Pool Data

Cover pool volume (EURm)	1,004	Rating (Moody's)	-
Amount outstanding (EURm)	919	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	9.3%	Rating (DBRS)	-
Committed OC	8.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	36% Gyeonggi	RRL	aa
Number of loans	10,910	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)	24.4y	PCU	-
WAL (covered bonds)	2.1y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	49.9%	LCR level (Bmk)	2A
LTV (unindexed)	53.7%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	HB

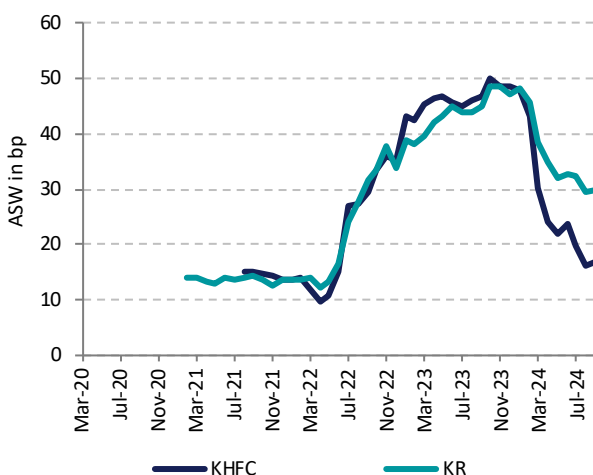
## Borrower Types



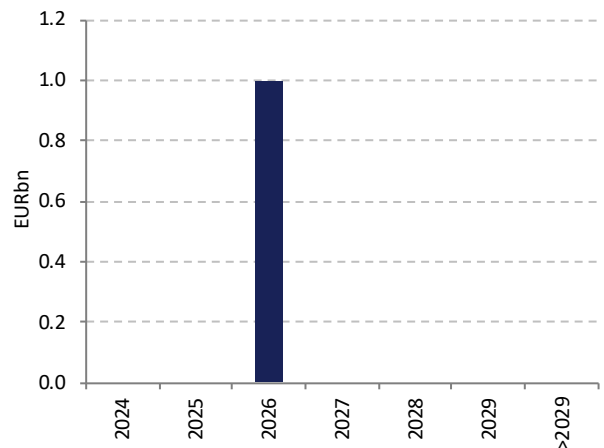
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# KHFC – Mortgage (2021/02 Issue)

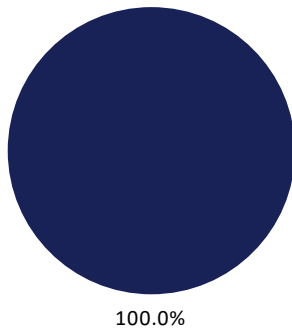
South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

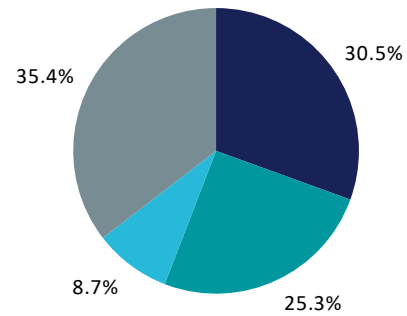
Cover pool volume (EURm)	588	Rating (Moody's)	-
Amount outstanding (EURm)	509	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	15.6%	Rating (DBRS)	-
Committed OC	8.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	31% Gyeonggi	RRL	aa
Number of loans	11,070	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)	20.1y	PCU	-
WAL (covered bonds)	4.4y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	35.6%	LCR level (Bmk)	2A
LTV (unindexed)	47.0%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	HB

## Borrower Types



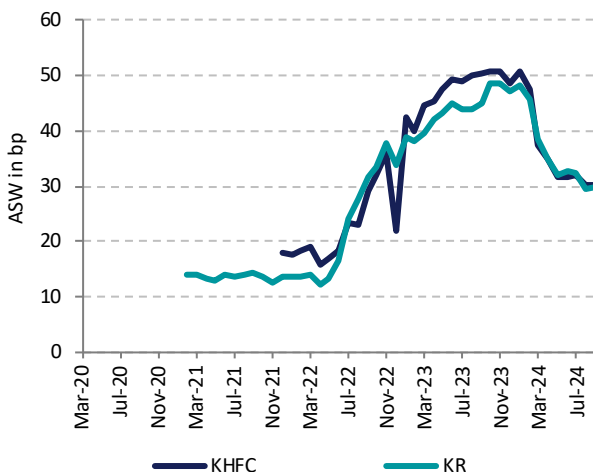
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

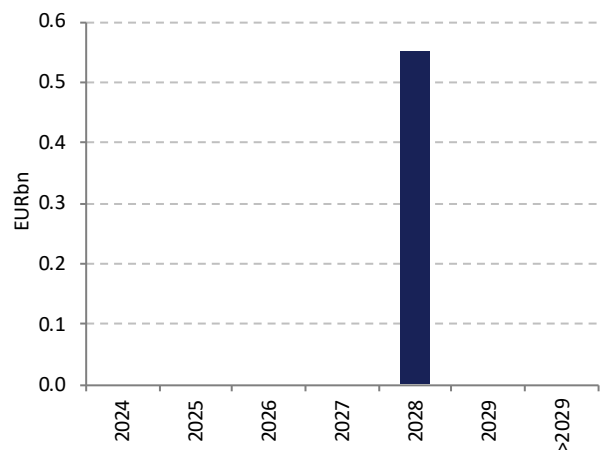


■ Gyeonggi ■ Seoul ■ Busan ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# KHFC – Mortgage (2022/01 Issue)

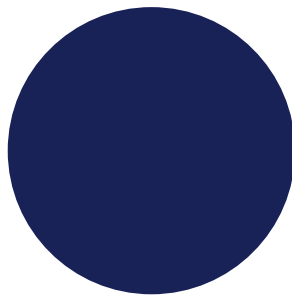
South Korea 🇰🇷

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

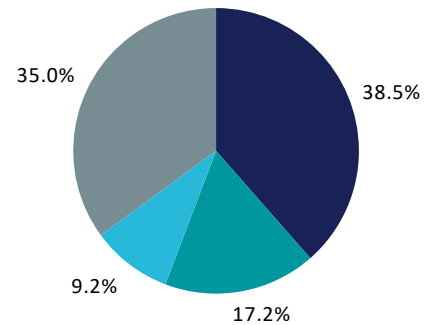
Cover pool volume (EURm)	710	Rating (Moody's)	-
Amount outstanding (EURm)	551	Rating (S&P)	AAA
-thereof ≥ EUR 500m	100.0%	Rating (Fitch)	-
Current OC (nominal)	28.8%	Rating (DBRS)	-
Committed OC	8.0%	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% South Korea	Collateral score	-
Main region	39% Gyeonggi	RRL	aa
Number of loans	6,574	JRL	aa
Number of borrowers	n/a	Unused notches	0
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	0.0%
WAL (cover pool)	26.4y	PCU	-
WAL (covered bonds)	0.8y	Recovery uplift	-
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	57.2%	LCR level (Bmk)	2A
LTV (unindexed)	55.4%	Risk weight	20%
Loans in arrears	0.2%	Maturity structure (Bmk)	HB

## Borrower Types



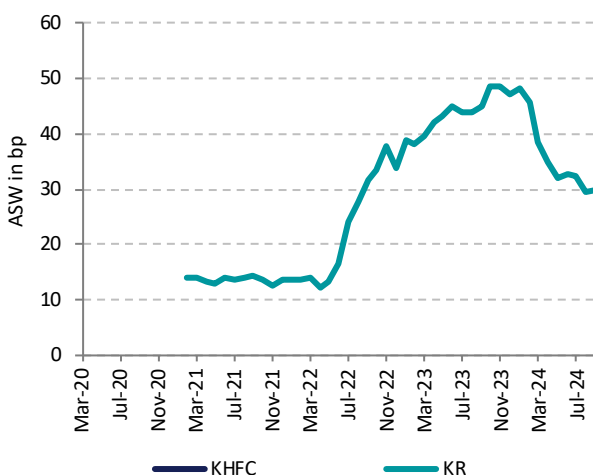
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



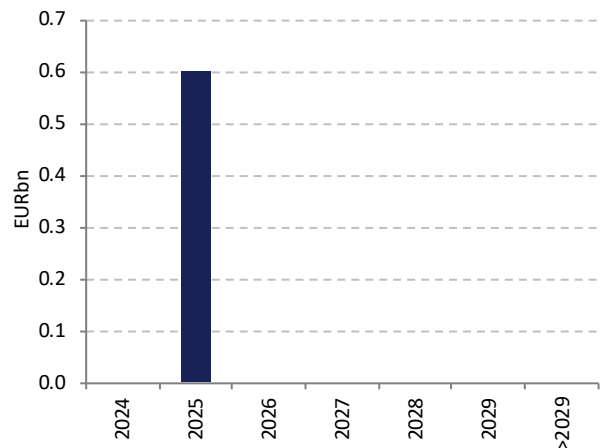
■ Gyeonggi ■ Incheon ■ Seoul ■ Others

## Spread Development



— KHFC — KR

## Redemption Profile (Bmk)



# KHFC – Mortgage (Global)

South Korea 🇰🇷

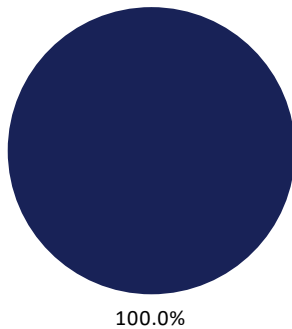
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	4,922
Amount outstanding (EURm)	4,234
-thereof ≥ EUR 500m	58.5%
Current OC (nominal)	16.2%
Committed OC	8.0%
Cover type	Mortgage
Main country	100% South Korea
Main region	36% Gyeonggi
Number of loans	47,466
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	28.3y
WAL (covered bonds)	3.0y
Fixed interest (cover pool)	100.0%
Fixed interest (covered bonds)	96.3%
LTV (indexed)	58.9%
LTV (unindexed)	56.0%
Loans in arrears	0.1%

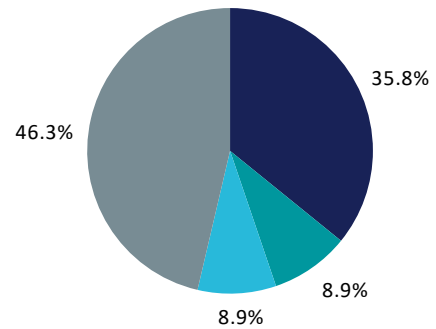
Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	5.3%
RRL	aa
JRL	aa
Unused notches	0
AAA credit risk (%)	8.3%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	HB

## Borrower Types



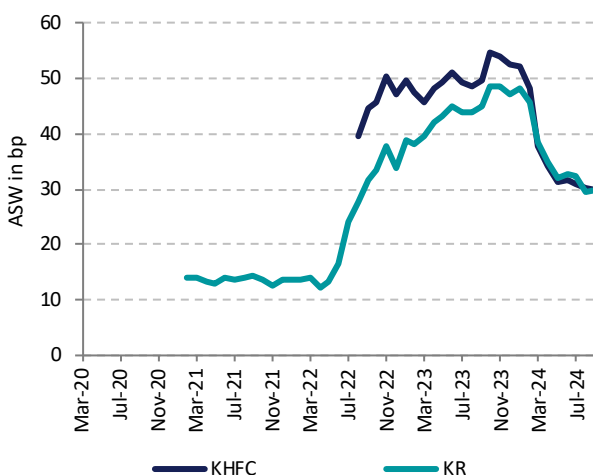
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

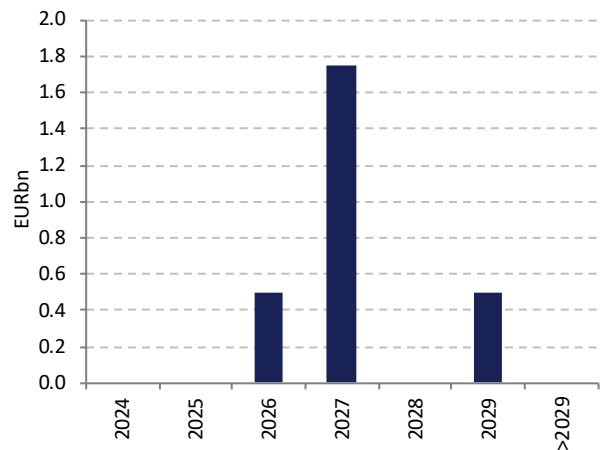


■ Gyeonggi ■ Seoul ■ Incheon ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Shinhan Bank

South Korea 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Shinhan bank

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

## Homepage

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

\*Senior Unsecured/LT Bank  
Deposits

Headquartered in Seoul, Shinhan Bank is a wholly owned subsidiary of the Shinhan Financial Group (SHG), which in turn comprises 16 subsidiaries, including Jeju Bank along with companies from the areas of insurance, asset management, investment consulting, venture capital and real estate. The shares of SHG are listed on the Korea Exchange as well as on the New York Stock Exchange in the form of ADS. The main shareholders are the National Pension Service of Korea (7.4%) and Black Rock (5.6%). The group is represented with 249 branches in 20 countries around the world, with Japan and Vietnam being the main foreign markets. The bank reports in the following segments: Banks (FY 2023: 65% of net income), Capital Markets (9.9%), Insurance (9.8%), Consumer Finance (13.8%) and Others (1.5%). The loan portfolio largely comprises loans to SMEs (44.8%) in addition to loans to large corporations (10.6%) and mortgage loans (21.1%). Geographically, 68.9% of the mortgage loans are attributable to the metropolitan region of Seoul. Residential property comprises 60.6% of the mortgage portfolio, with CRE accounting for 39.4%. Customer deposits account for 90.9% of the SHG funding mix. The remainder comes from capital market issuances, which overwhelmingly consist of covered bonds (64.1%) and commercial paper (18.3%). In 2019, SHG published its Sustainable Development Goals Financing Framework, under which Shinhan Bank issued a EUR-denominated covered bond in benchmark format in January 2024. The group has also been a member of both the Net-Zero Banking Alliance and the Net-Zero Insurance Alliance since 2021.

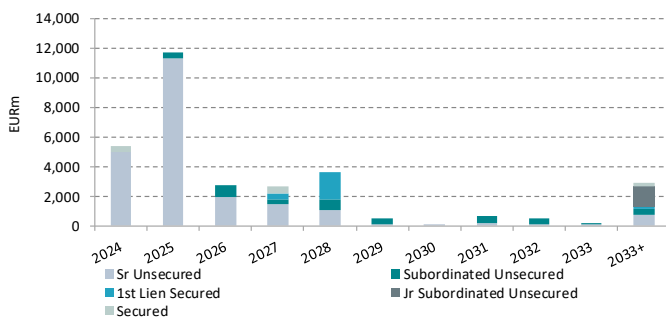
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	256,892	243,609	251,468
Total Securities	76,826	75,525	74,853
Total Deposits	277,601	258,804	265,414
Tier 1 Common Capital	19,887	20,253	21,234
Total Assets	366,049	354,759	367,400
Total Risk-weighted Assets	141,351	138,545	145,558

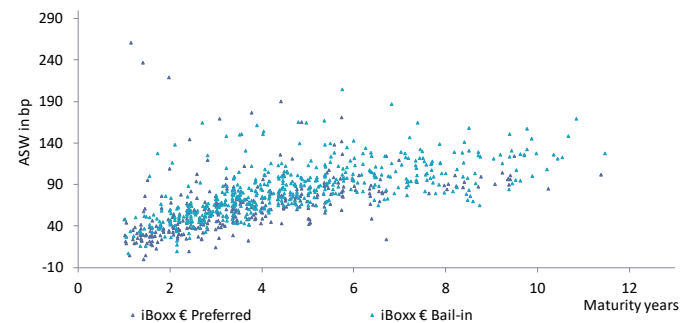
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	6,044	5,952	3,001
Net Fee & Commission Inc.	704	645	357
Net Trading Income	282	684	299
Operating Expense	3,699	3,943	1,691
Credit Commit. Impairment	426	581	109
Pre-tax Profit	3,026	2,862	1,807

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.77	1.76	1.76	Liquidity Coverage Ratio	100.60	103.58	-
ROAE	10.23	9.49	12.22	IFRS Tier 1 Leverage Ratio	5.50	5.76	5.84
Cost-to-Income	51.73	53.34	46.96	NPL / Loans at Amortised Cost	0.23	0.23	0.23
Core Tier 1 Ratio	14.07	14.62	14.59	Reserves/Loans at Amort. Cost	0.56	0.63	0.58

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Funding (retail deposits)

## Risks / Weaknesses

- Leverage of the Shinhan Group
- Liquidity ratio in comparison with peers



# Shinhan Bank – Mortgage

Korea 

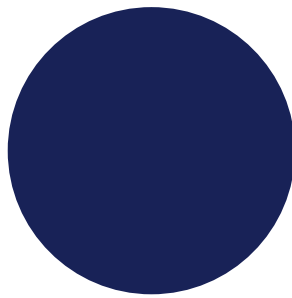
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	1,686
Amount outstanding (EURm)	492
-thereof ≥ EUR 500m	58.5%
Current OC (nominal)	242.6%
Committed OC	6.0%
Cover type	Mortgage
Main country	100% South Korea
Main region	44% Gyeonggi
Number of loans	13,662
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	32.2y
WAL (covered bonds)	2.7y
Fixed interest (cover pool)	86.8%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	39.9%
LTV (unindexed)	36.2%
Loans in arrears	0.0%

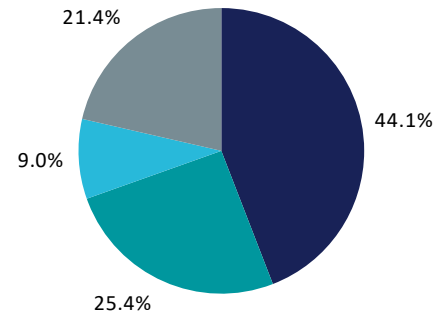
Rating (Moody's)	-
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	-
TPI leeway	-
Collateral score	-
RRL	a+
JRL	a+
Unused notches	0
AAA credit risk (%)	2.5%
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



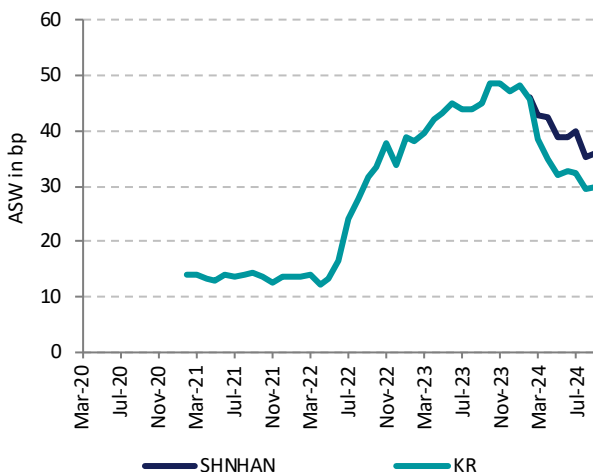
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

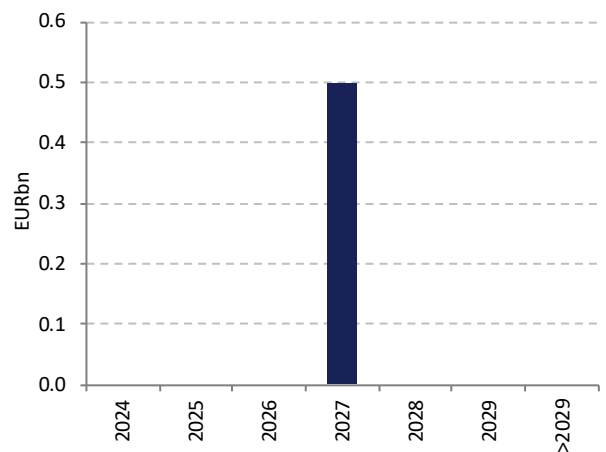


■ Gyeonggi ■ Seoul ■ Incheon ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

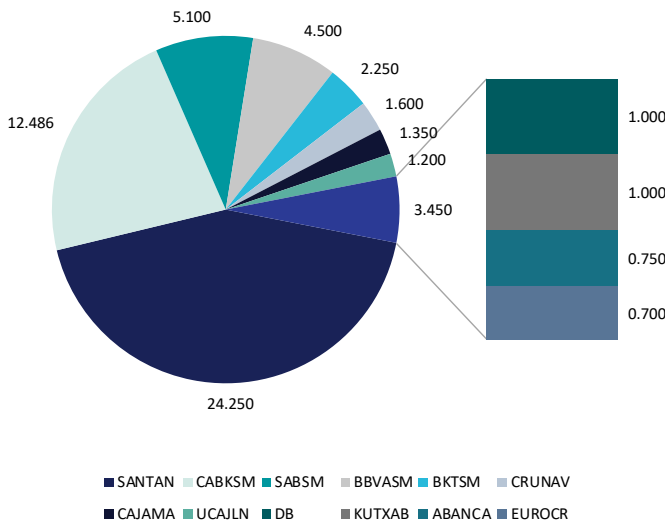
# Market Overview Covered Bonds

Spain 

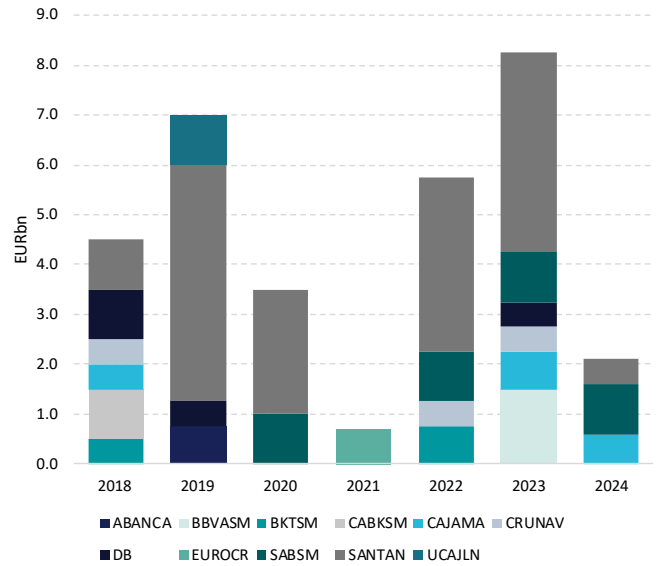
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 309.74bn	Outstanding volume (Bmk)	EUR 56.19bn
Amount outstanding	EUR 185.91bn	Number of benchmarks	48
Number of issuers	12	Outstanding ESG volume (Bmk)	EUR 3.30bn
No of cover pools	13	Number of ESG benchmarks	5
there of M / PS / others	12 / 0 / 1	Outstanding volume (SBmk)	-
Ratings (low / high)	AA+ / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	HB, SB

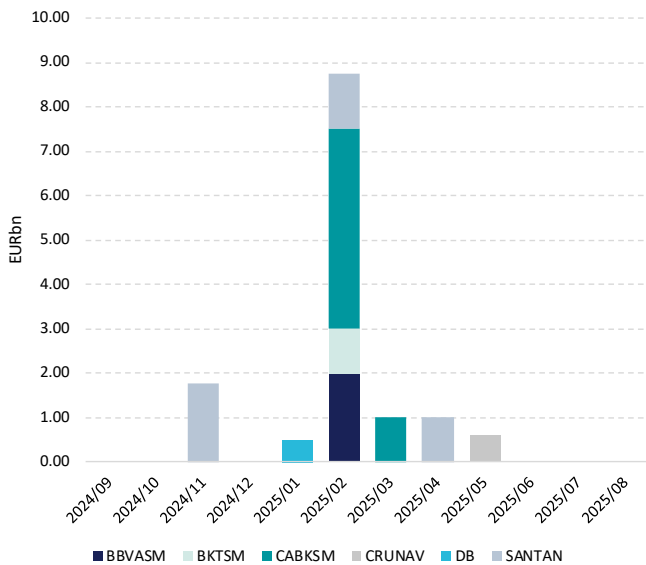
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



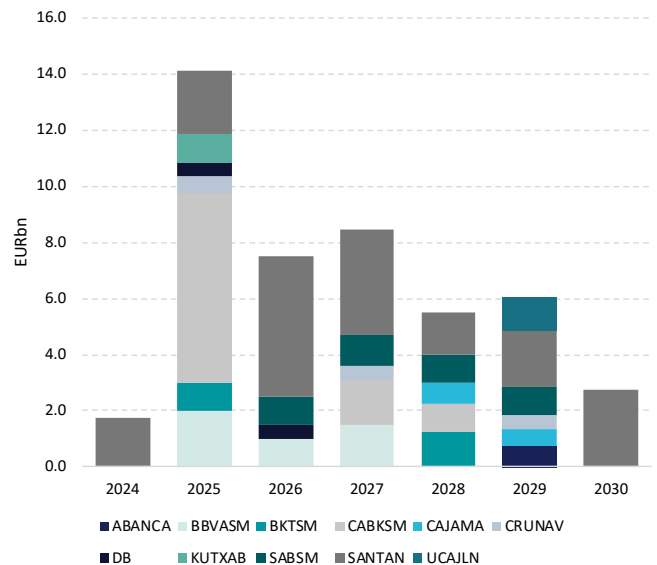
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# ABANCA Corporacion Bancaria

 Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Abanca Corp Bancaria SA

	Rating	Outlook
Fitch	BBB-	Positive
Moody's*	Baa3	Stable
S&P	BBB-	Positive

## Homepage

[www.abancacorporacion-bancaria.com](http://www.abancacorporacion-bancaria.com)

\*Senior Unsecured/LT Bank Deposits

ABANCA Corporacion Bancaria, S.A. (ABANCA), headquartered in A Coruna in north-west Spain, is the seventh largest bank in Spain. In 2023, a full takeover of the Portuguese bank Banco Bic was agreed, as a result of which ABANCA claims its presence in Portugal will increase threefold. In addition to retail customers, the group maintains a focus on SMEs. Customers are offered a wide range of financial services that also includes insurance products and investment services. All of the shares in the bank are held privately. The main shareholders are Juan Carlos Escotet Rodríguez (43.5%) and the Escotet Family Office (41.3%). The group has a network of 730 branches (FY 2023), of which 675 are located in Spain and 45 in Portugal. The remaining 10 branches and representative offices are spread across the rest of Europe, the USA and Latin America. The bank reports in the business segments Retail Banking (FY 2023: 59% of pre-tax profit), Wholesale Banking (36.7%) and Non-Financial Subsidiaries (4.3%). The most significant items within the lending portfolio include personal loans (40.6%), loans to companies (39.6%) and the public sector (15.6%). The funding mix at ABANCA comprises 82% (Q1 2024) retail deposits, followed by interbank loans at 11% and issuances at 7%. The green asset ratio based on turnover amounts to 3.3% (FY 2023). After signing a purchase agreement for the takeover of Targobank Espana in February 2023, ABANCA closed the acquisition following approval from the regulatory authorities in October of the same year. The technical integration of Targobank is expected to be finalised in 2024.

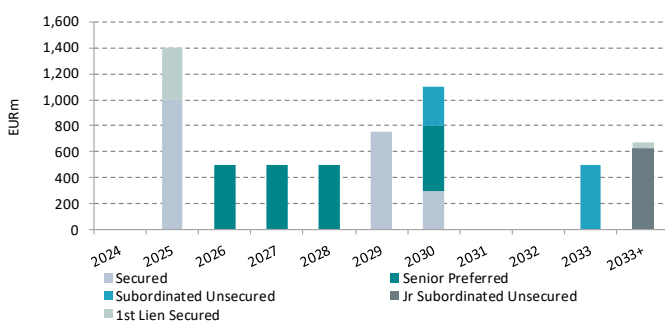
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	45,167	45,516	45,519
Total Securities	14,420	13,871	14,708
Total Deposits	52,519	57,811	59,824
Tier 1 Common Capital	4,052	4,263	4,402
Total Assets	76,068	74,829	74,333
Total Risk-weighted Assets	32,468	33,840	33,929

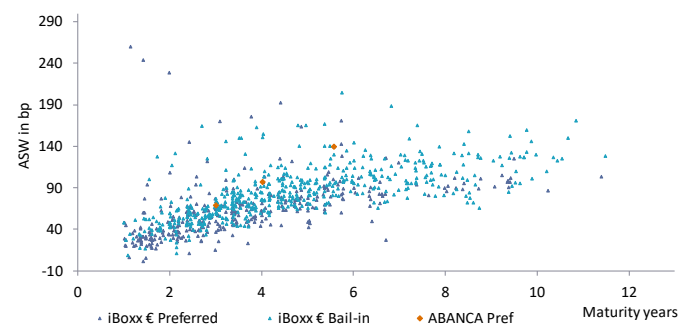
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	765	1,232	767
Net Fee & Commission Inc.	284	294	153
Net Trading Income	32	80	30
Operating Expense	757	867	480
Credit Commit. Impairment	42	65	39
Pre-tax Profit	315	846	445

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.07	1.88	2.27	Liquidity Coverage Ratio	237.40	214.00	247.00
ROAE	4.96	15.43	16.07	IFRS Tier 1 Leverage Ratio	5.43	5.79	6.02
Cost-to-Income	67.48	54.70	49.56	NPL / Loans at Amortised Cost	2.09	2.48	2.35
Core Tier 1 Ratio	12.48	12.60	12.97	Reserves/Loans at Amort. Cost	1.71	1.80	1.67

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Domestic market position (Galicia)
- Liquidity
- Asset quality in a peer comparison

## Risks / Weaknesses

- Capitalisation
- Asset quality suffering as a result of inflation
- Profitability

# ABANCA – Mortgage

Spain 

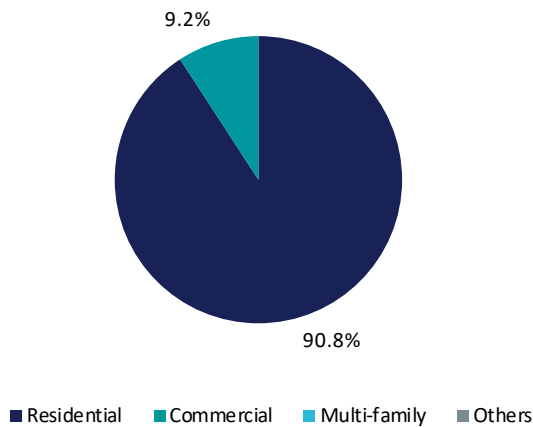
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

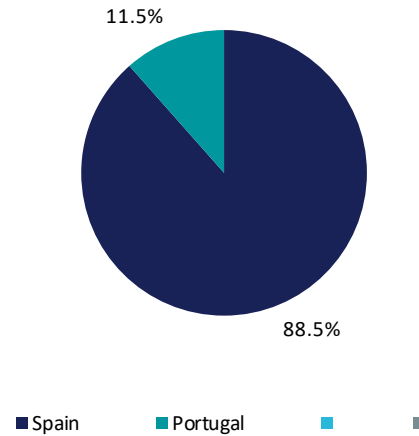
Cover pool volume (EURm)	4,520
Amount outstanding (EURm)	2,760
-thereof ≥ EUR 500m	27.2%
Current OC (nominal)	63.7%
Committed OC	5.0%
Cover type	Mortgage
Main country	88% Spain
Main region	50% Galicia
Number of loans	79,601
Number of borrowers	125,628
Avg. exposure to borrowers (EUR)	35,977
WAL (cover pool)	9.1y
WAL (covered bonds)	2.7y
Fixed interest (cover pool)	26.2%
Fixed interest (covered bonds)	63.8%
LTV (indexed)	46.7%
LTV (unindexed)	-
Loans in arrears	0.2%

Rating (Moody's)	Aa1
Rating (S&P)	AA+
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	1
Collateral score	5.9%
RRL	bbb+
JRL	a
Unused notches	1
AAA credit risk (%)	0.0%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

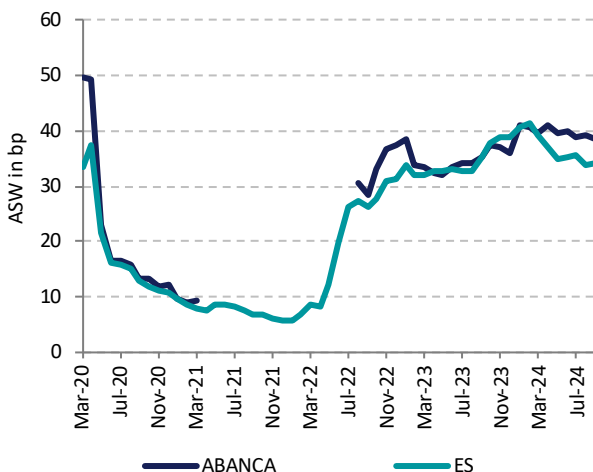
## Borrower Types



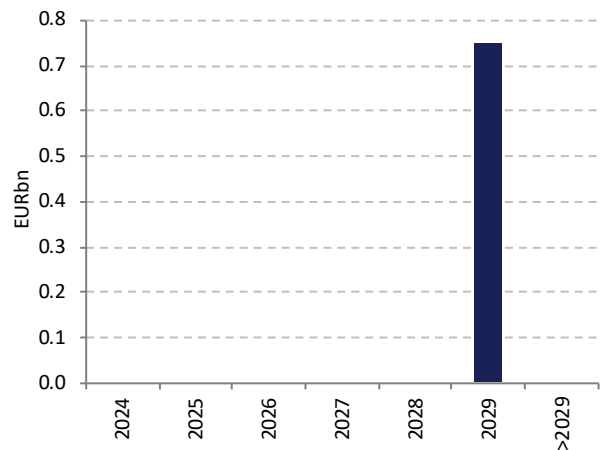
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Banco de Sabadell

 Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banco de Sabadell SA

	Rating	Outlook
Fitch	BBB	Stable
Moody's*	Baa1	Positive
S&P	BBB+	Positive

## Homepage

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

\* Senior Unsecured/LT Bank Deposits

In terms of assets (FY 2023: EUR 235bn), Banco de Sabadell, S.A. (BDS) is the fourth largest banking group in Spain. Its shares are listed on the four Spanish stock exchanges. Headquartered in Alicante, the bank employs more than 19,000 staff, who serve around 12 million customers in over 1,400 branches. In Spain, the banking group covers a broad spectrum of banking products for retail and corporate customers. In the UK, BDS offers retail banking services via its subsidiary TSB, while financial services for businesses are provided on the Mexican market. The group reports across the following segments: Banking Business Spain (FY 2023: 82.7% of pre-tax profit), Banking Business UK (14.5%) and Banking Business Mexico (2.8%). The loan portfolio is primarily composed of mortgages (Q1 2024: 51%) and corporate loans (38%, SMEs and corporates). Geographically, the domestic market of Spain accounts for the majority of the loan portfolio at 68.8% (Q1 2024), followed by the UK (28.1%) and Mexico (3.2%). In Spain, BDS boasts a market share of 8% for loans and 7% for customer deposits (FY 2023). The funding mix at group level chiefly comprises deposits (FY 2023: 77%), followed by wholesale funding at 12%. Based on the SDG Bond Framework (ICMA-compliant), green bonds amounting to EUR 3.6bn had been issued up to the end of 2023. In financial year 2023, the bank's green asset ratio as measured against turnover amounted to 4.4%. In May 2024, BDS rejected a merger offer from BBVA. In response, BBVA offered BDS shareholders a share swap.

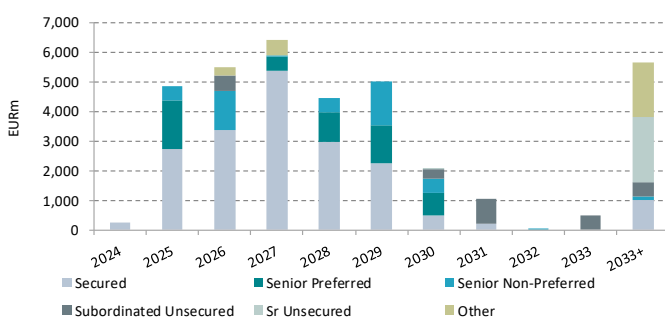
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	158,730	152,295	157,426
Total Securities	32,876	32,452	33,993
Total Deposits	164,076	160,331	175,548
Tier 1 Common Capital	10,083	10,347	10,797
Total Assets	251,241	235,173	244,328
Total Risk-weighted Assets	79,545	78,428	80,071

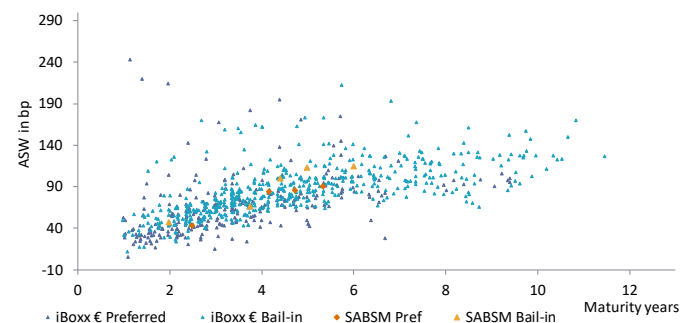
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,799	4,723	2,493
Net Fee & Commission Inc.	1,490	1,386	674
Net Trading Income	104	68	37
Operating Expense	2,979	2,989	1,515
Credit Commit. Impairment	839	825	333
Pre-tax Profit	1,273	1,891	1,154

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.57	2.04	2.22	Liquidity Coverage Ratio	234.00	228.09	198.00
ROAE	6.92	9.88	11.16	IFRS Tier 1 Leverage Ratio	4.11	4.51	-
Cost-to-Income	57.62	51.54	49.51	NPL / Loans at Amortised Cost	3.44	3.59	3.30
Core Tier 1 Ratio	12.68	13.19	13.48	Reserves/Loans at Amort. Cost	1.87	2.06	1.94

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Profitability
- Liquidity buffer
- Reduction of balance sheet risks

## Risks / Weaknesses

- Share of DTAs
- Asset quality suffering as a result of inflation
- Operational efficiency

# Banco de Sabadell – Mortgage

Spain 

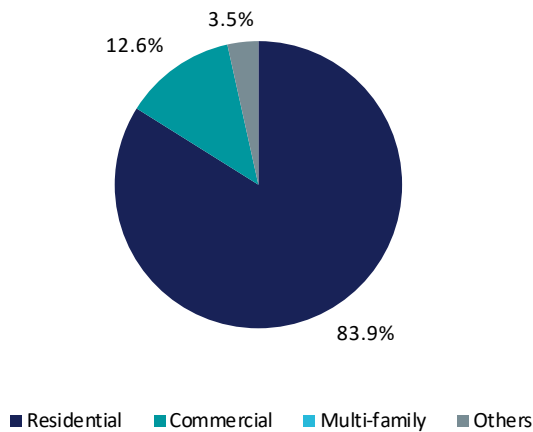
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

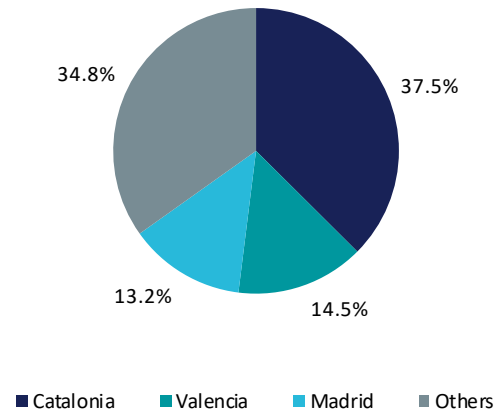
Cover pool volume (EURm)	25,739
Amount outstanding (EURm)	15,326
-thereof ≥ EUR 500m	33.3%
Current OC (nominal)	67.9%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Spain
Main region	37% Catalonia
Number of loans	281,795
Number of borrowers	267,799
Avg. exposure to borrowers (EUR)	92,778
WAL (cover pool)	9.6y
WAL (covered bonds)	2.6y
Fixed interest (cover pool)	67.3%
Fixed interest (covered bonds)	42.9%
LTV (indexed)	-
LTV (unindexed)	50.1%
Loans in arrears	0.0%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	1
Collateral score	5.1%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

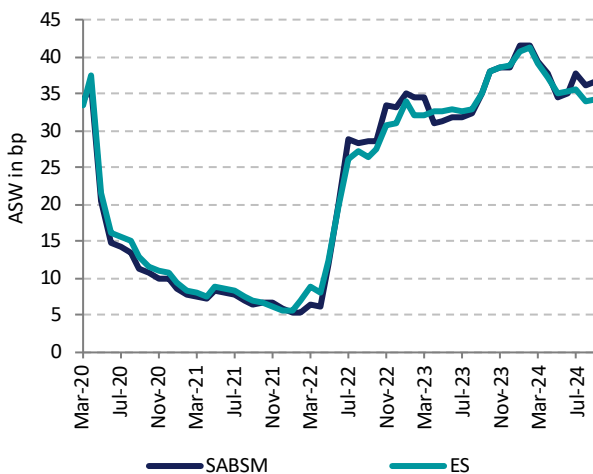
## Borrower Types



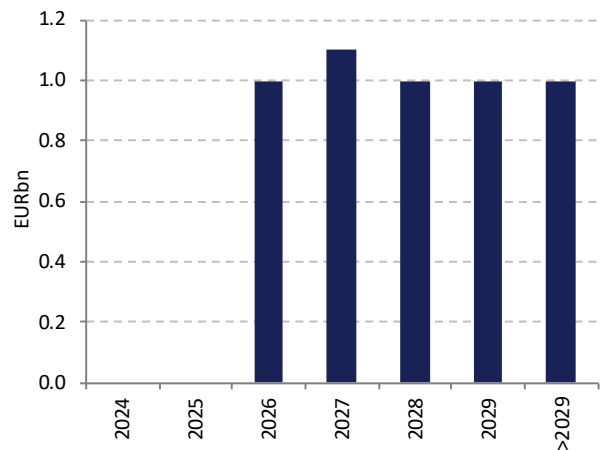
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Banco Santander

 Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Banco Santander SA

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

## Homepage

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

Banco Santander, S.A. (Santander), headquartered in the city of Santander in northern Spain, is one of the largest banks in the eurozone as measured by assets. Santander is the parent company of the Santander Group, which is a global systemically important bank (G-SIB). Its shares are traded on various stock exchanges around the world, while the largest shareholder is BlackRock (FY 2023: 5.4%). Across the globe, 166 million customers are served by approximately 211,000 employees in more than 8,400 branches. Operating on a global basis, the bank focuses its business activities on Europe, North and South America, as well as Digital Consumer Banking Europe (DCBE). In terms of lending, the bank boasts market shares of 18% in Chile, 17% in Spain, and 16% in Portugal (Q1 2024). Consolidated earnings at Banco Santander are allocated to the following primary segments: Retail & Commercial Banking (FY 2023: 47.8% of pre-tax profit), Digital Consumer (16%), Corporate & Investment Banking (CIB; 22.7%), Wealth Management & Insurance (11.9%), Payments (7.2%) and Corporate Center (-5.8%). In geographical terms, the loan portfolio can be broken down into the regions of Europe (Q1 2024: 55%), North America (13%), South America (16%) and DCBE (16%). In terms of business areas, the main share of the loan portfolio is attributable to mortgages (Q1 2024: 32%), followed by consumer lending (21%), loans to companies and institutions (14%) and CIB (14%). The funding mix at group level is primarily composed of deposits (FY 2023: 69% of liabilities). The three main components of wholesale funding are senior debt (FY 2023: 45%), securitised loans (31%) and covered bonds (14%). Santander is a member of the Net-Zero Banking Alliance.

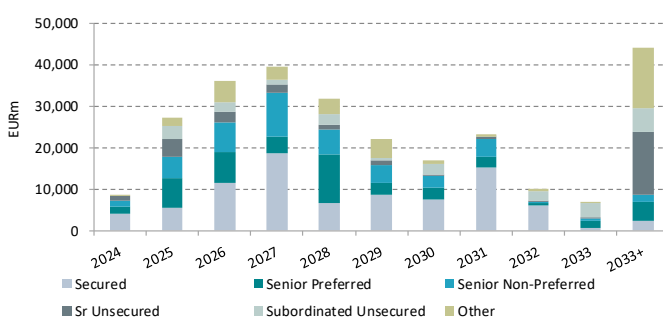
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	1,036,004	1,036,348	1,065,596
Total Securities	280,758	324,928	346,930
Total Deposits	1,009,722	1,047,169	1,037,646
Tier 1 Common Capital	74,202	76,741	77,975
Total Assets	1,734,660	1,797,060	1,786,261
Total Risk-weighted Assets	609,266	623,731	624,831

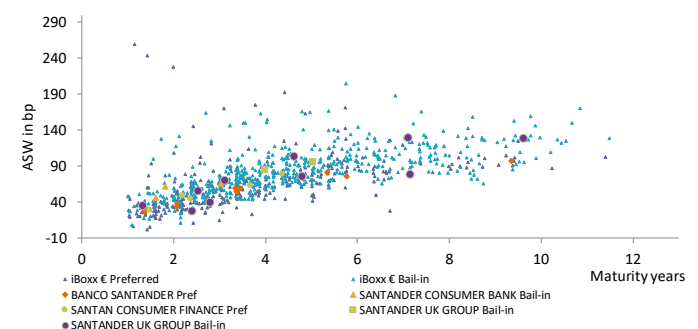
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	38,619	43,261	23,457
Net Fee & Commission Inc.	11,790	12,057	6,477
Net Trading Income	1,653	2,633	957
Operating Expense	25,784	28,103	14,675
Credit Commit. Impairment	10,855	12,912	6,569
Pre-tax Profit	15,250	16,459	9,508

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	2.39	2.58	2.77	Liquidity Coverage Ratio	152.39	165.81	163.00
ROAE	10.94	12.02	12.62	IFRS Tier 1 Leverage Ratio	4.52	4.46	4.56
Cost-to-Income	49.37	48.65	47.26	NPL / Loans at Amortised Cost	3.40	3.50	3.24
Core Tier 1 Ratio	12.18	12.30	12.48	Reserves/Loans at Amort. Cost	2.19	2.21	2.21

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Liquidity
- Geographical diversification
- Resilience of stress capital

## Risks / Weaknesses

- Dependency on wholesale funding
- Asset quality
- Profitability

# Banco Santander – Mortgage

Spain 

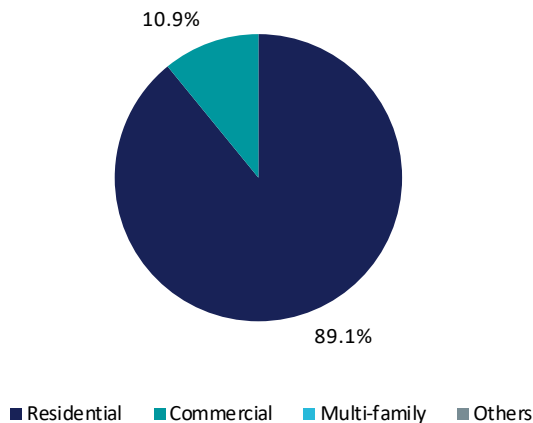
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

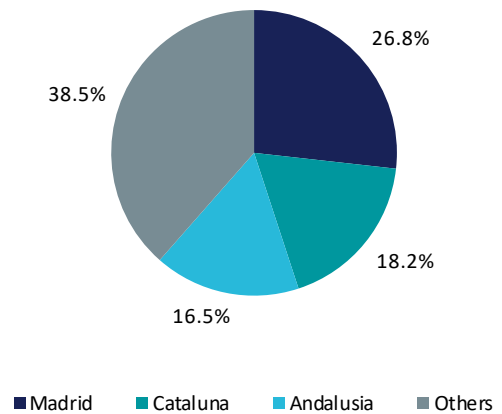
Cover pool volume (EURm)	60,876
Amount outstanding (EURm)	42,004
-thereof ≥ EUR 500m	56.5%
Current OC (nominal)	44.9%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Spain
Main region	27% Madrid
Number of loans	670,835
Number of borrowers	642,496
Avg. exposure to borrowers (EUR)	94,749
WAL (cover pool)	17.6y
WAL (covered bonds)	5.7y
Fixed interest (cover pool)	42.5%
Fixed interest (covered bonds)	86.3%
LTV (indexed)	-
LTV (unindexed)	50.9%
Loans in arrears	0.0%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	2
Collateral score	6.2%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	3
Recovery uplift	2
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

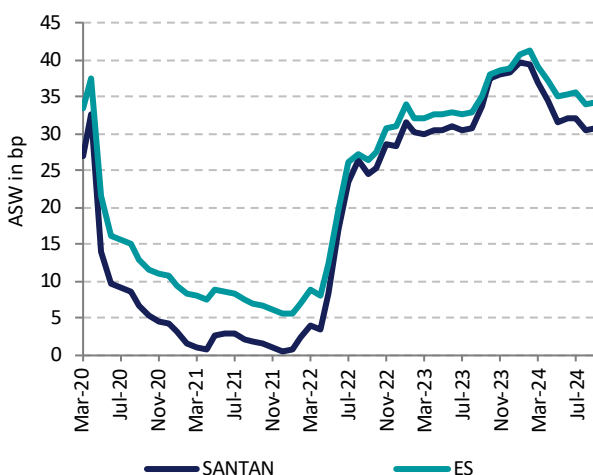
## Borrower Types



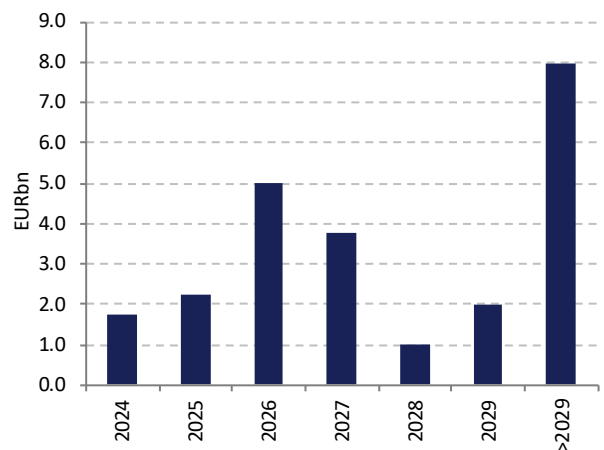
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Banco Santander – Export Finance (Public Sector)

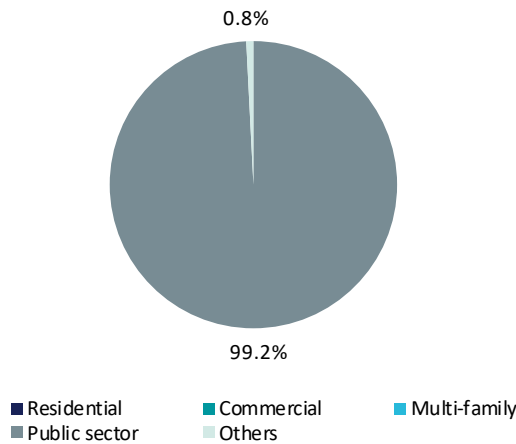
Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

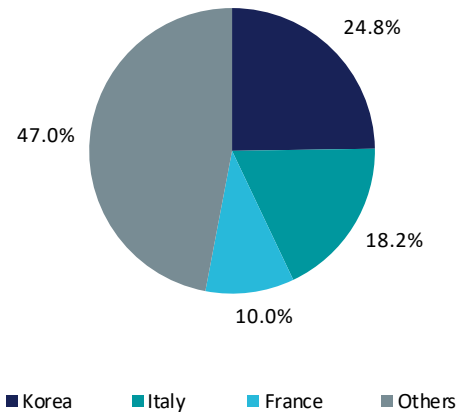
## Cover Pool Data

Cover pool volume (EURm)	13,909	Rating (Moody's)	Aa1
Amount outstanding (EURm)	8,634	Rating (S&P)	-
-thereof ≥ EUR 500m	5.8%	Rating (Fitch)	-
Current OC (nominal)	61.1%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable
Cover type	Export Finance	TPI leeway	2
Main country	25% Korea	Collateral score	12.5%
Main region	n/a	RRL	-
Number of loans	579	JRL	-
Number of borrowers	201	Unused notches	-
Avg. exposure to borrowers (EUR)	68,661,730	AAA credit risk (%)	-
WAL (cover pool)	7.9y	PCU	-
WAL (covered bonds)	3.2y	Recovery uplift	-
Fixed interest (cover pool)	18.1%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	5.8%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

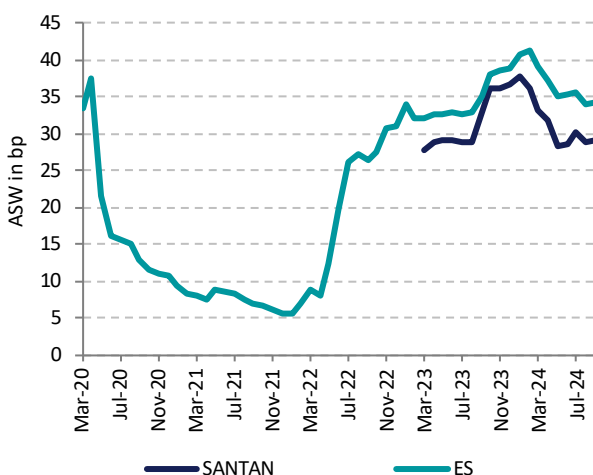
## Borrower Types



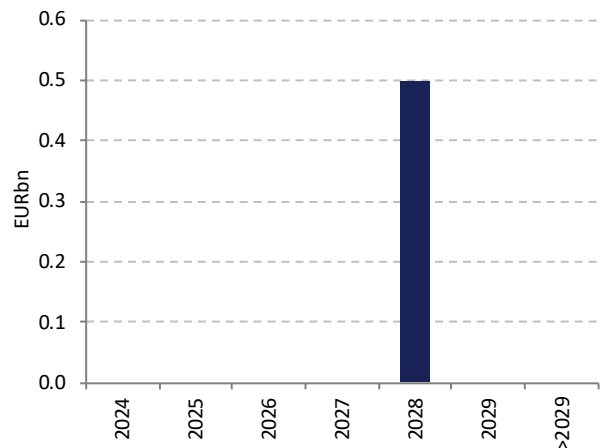
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Bankinter

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Bankinter SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Bankinter S.A. is a commercial bank headquartered in Madrid and listed on the stock exchanges of both Madrid and Barcelona. As measured by assets (FY 2023: EUR 113bn), it is one of the largest banks in Spain. At just under 23.2%, Cartival is the largest shareholder in Bankinter, followed by Fernando Masaveu Herrero with 5.3% (FY 2023). Bankinter divides its business activities into the business lines of Corporate Banking, Commercial Retail Banking (incl. Wealth Management) and Retail Banking. The group's product portfolio includes funds management, investment banking and mortgage financing for retail and institutional customers, as well as SMEs and large corporates. In geographical terms, Bankinter is active in its domestic market of Spain in addition to Portugal, Luxembourg and Ireland. On the Irish market, Bankinter focuses on the area of consumer finance. EVO Banco is the group's direct bank and recorded a profit for the first time in 2023. Total income is primarily attributable to the segments Corporate/SME Banking (FY 2023: 31%), Retail Banking (28%) and BK Portugal (10%). Moreover, reporting also takes place in the segments of BK Consumer Finance (9%), BK Investment Banking (7%), BK Ireland (3%), BK Luxembourg (1%) and EVO Banco (2%). In 2023, the bank posted a record profit of EUR 844m. As a member of the Net-Zero Banking Alliance, Bankinter has committed to achieving climate-neutrality by 2050. Bankinter offers sustainable funds, mortgages and loans for energy-efficient houses as well as to improve the energy efficiency of properties. The share of taxonomy-compliant assets based on turnover amounts to 1.5% (FY 2023).

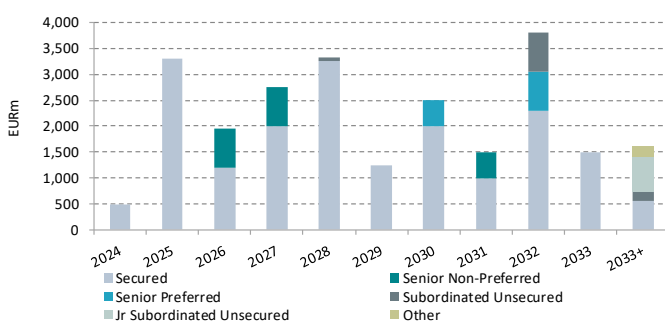
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	72,166	74,337	75,615
Total Securities	15,126	14,627	16,665
Total Deposits	74,190	81,006	86,724
Tier 1 Common Capital	4,342	4,799	5,044
Total Assets	107,507	113,012	118,400
Total Risk-weighted Assets	36,602	39,018	40,545

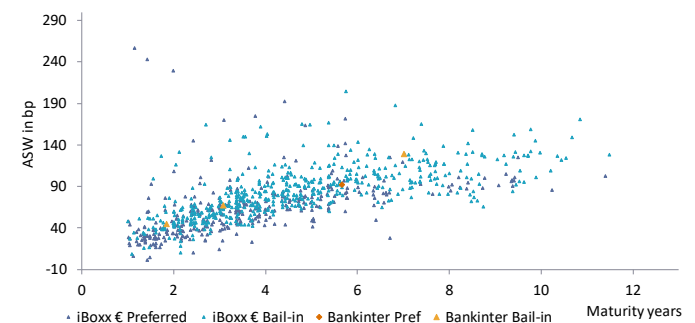
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,537	2,214	1,160
Net Fee & Commission Inc.	606	624	342
Net Trading Income	71	36	25
Operating Expense	1,025	1,073	519
Credit Commit. Impairment	253	328	172
Pre-tax Profit	785	1,229	715

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.42	2.07	2.07	Liquidity Coverage Ratio	193.50	206.30
ROAE	11.53	16.50	17.35	IFRS Tier 1 Leverage Ratio	4.11	4.31
Cost-to-Income	49.46	40.49	36.93	NPL / Loans at Amortised Cost	2.42	2.44
Core Tier 1 Ratio	11.86	12.30	12.44	Reserves/Loans at Amort. Cost	1.48	1.48

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Franchise in high-net-worth and corporate banking
- Asset quality in a peer comparison
- Profitability

## Risks / Weaknesses

- Market position in Portugal
- Economic environment could impair asset quality
- Market position in peer comparison

# Bankinter – Mortgage

Spain 

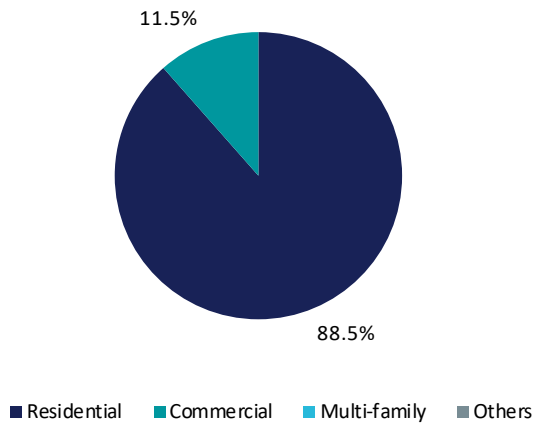
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

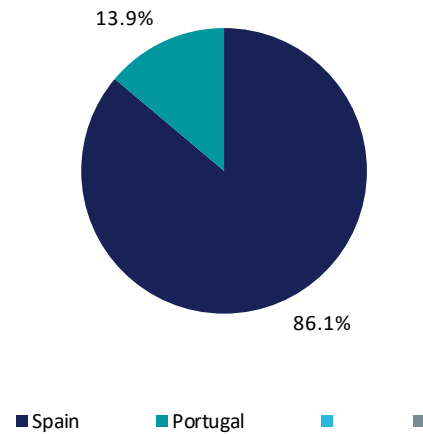
Cover pool volume (EURm)	26,864
Amount outstanding (EURm)	18,506
-thereof ≥ EUR 500m	12.2%
Current OC (nominal)	45.2%
Committed OC	5.0%
Cover type	Mortgage
Main country	86% Spain
Main region	30% Madrid
Number of loans	220,524
Number of borrowers	322,325
Avg. exposure to borrowers (EUR)	83,345
WAL (cover pool)	10.6y
WAL (covered bonds)	4.8y
Fixed interest (cover pool)	37.37%
Fixed interest (covered bonds)	12.4%
LTV (indexed)	-
LTV (unindexed)	50.1%
Loans in arrears	0.0%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	2
Collateral score	5.2%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

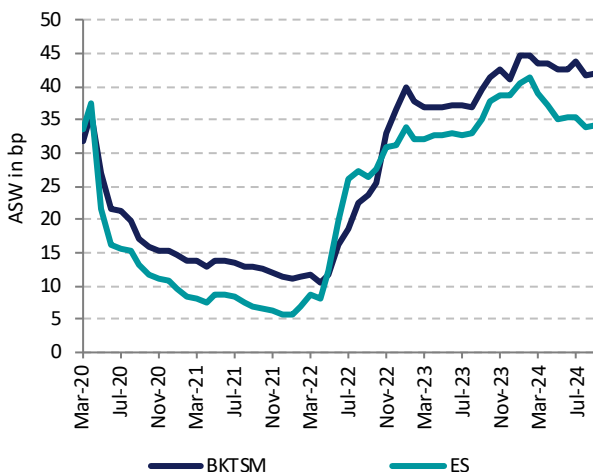
## Borrower Types



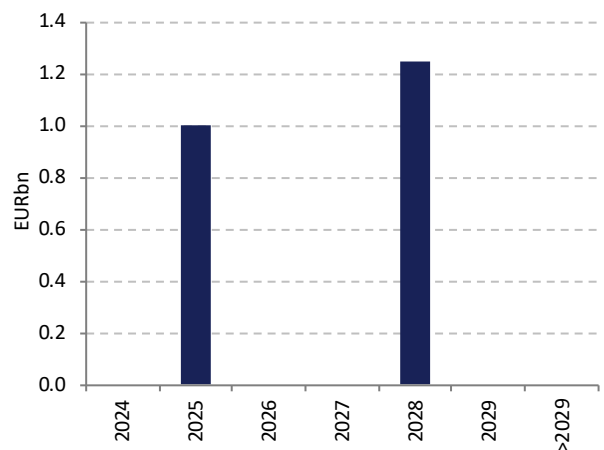
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## BBVA

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

Banco Bilbao Vizcaya  
Argentaria SA

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

## Homepage

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

In terms of assets (FY 2023: EUR 775bn), Banco Bilbao Vizcaya Argentaria S.A. (BBVA) is one of the largest banking groups in Spain and is categorised by Banco de España as an “other systemically important institution” (O-SII). It has around 121,000 employees, who serve in excess of 71 million customers in more than 25 countries. The bank, which is listed on the stock exchange, is the market leader in Mexico (market share for loans: 24.7%) and has a leading position in Peru (21.1%), Türkiye (18.3%) and Spain (13.8%). BBVA reports across the operating segments of Mexico (FY 2023: 47% of gross income), Spain (26%), South America (14%), Türkiye (10%) and Rest of Business (4%). The Group’s loan portfolio is primarily composed of loans to retail customers (44.5% as at FY 2023) and corporate customers (48.5%). Broken down by country, the most significant share is attributable to Spain (45.9%), followed by Mexico (23.3%), South America (10.9%) and Türkiye (9.9%). As a proportion of liabilities, 50.4% of the refinancing mix comes from customer deposits and 10% from wholesale funding. The BBVA sustainable bond framework is based on the UN SDGs. Measured by turnover, the green asset ratio is 0.52%. On 1 May 2024, BBVA presented a merger offer to Banco Sabadell. However, this was rejected by the Board of Directors at Banco Sabadell. Following this, BBVA approached Banco Sabadell shareholders on 9 May to offer them the opportunity of a share swap at a ratio of 4.83:1. To this end, a capital increase was approved at an extraordinary meeting of shareholders on 5 July 2024.

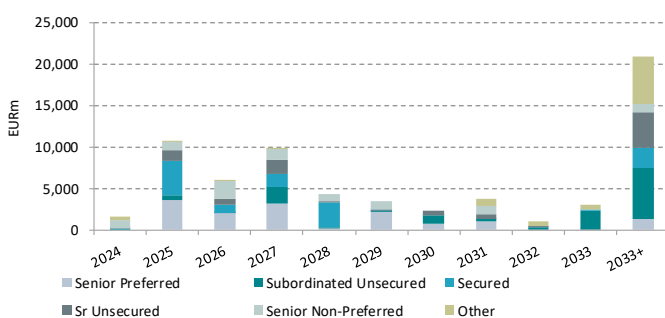
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	372,728	392,115	405,292
Total Securities	179,963	189,880	204,217
Total Deposits	406,444	437,405	455,229
Tier 1 Common Capital	42,738	46,116	48,861
Total Assets	712,092	775,558	759,534
Total Risk-weighted Assets	337,066	363,916	383,179

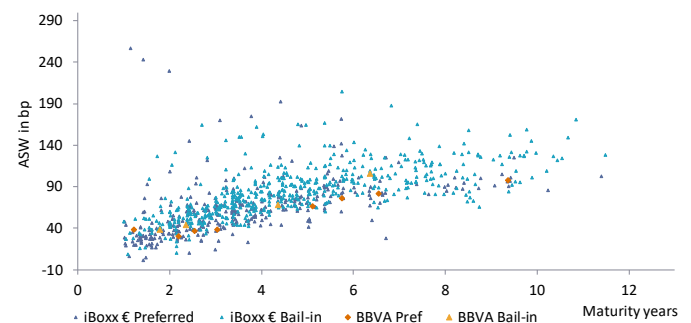
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	19,124	23,089	12,993
Net Fee & Commission Inc.	5,372	6,288	3,842
Net Trading Income	1,938	2,183	1,886
Operating Expense	10,992	12,682	6,898
Credit Commit. Impairment	3,303	4,386	2,781
Pre-tax Profit	10,268	12,419	7,780

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	2.85	3.22	3.47	Liquidity Coverage Ratio	159.00	149.00	148.00
ROAE	13.73	16.00	18.78	IFRS Tier 1 Leverage Ratio	6.39	6.25	6.76
Cost-to-Income	42.60	41.32	36.93	NPL / Loans at Amortised Cost	3.78	3.83	3.73
Core Tier 1 Ratio	12.68	12.67	12.75	Reserves/Loans at Amort. Cost	3.05	2.90	2.77

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Geographical diversification
- Earnings resilience
- Diversified Deposit base

## Risks / Weaknesses

- Asset quality
- Continued earnings stability
- TCE ratio

# BBVA – Mortgage

Spain 

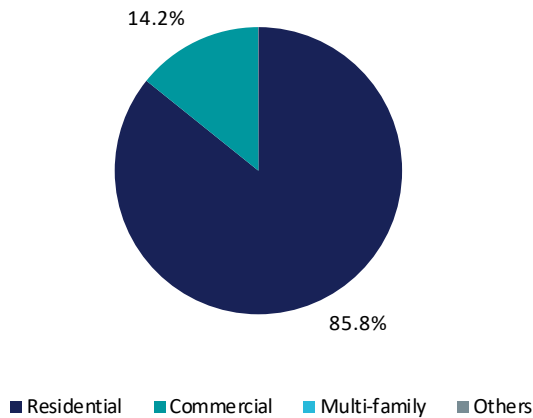
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

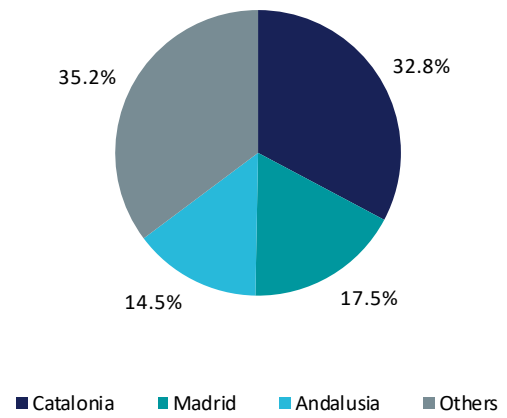
Cover pool volume (EURm)	43,511
Amount outstanding (EURm)	19,915
-thereof ≥ EUR 500m	22.6%
Current OC (nominal)	118.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Spain
Main region	33% Catalonia
Number of loans	610,141
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	9.9y
WAL (covered bonds)	2.7y
Fixed interest (cover pool)	45.5%
Fixed interest (covered bonds)	34.7%
LTV (indexed)	49.8%
LTV (unindexed)	-
Loans in arrears	0.1%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	2
Collateral score	6.8%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

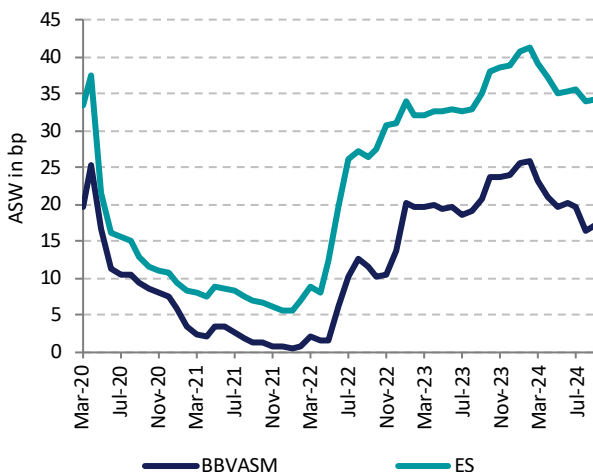
## Borrower Types



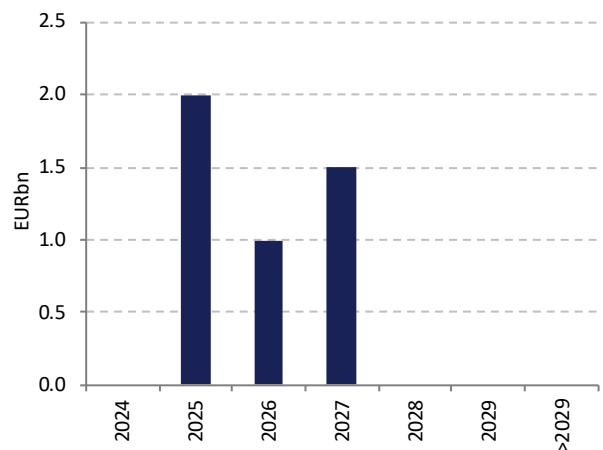
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# CaixaBank

 Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### CaixaBank SA

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

## Homepage

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

CaixaBank (Caixa), headquartered in Madrid, is the third largest banking group in Spain as measured by total assets (Q1 2024: EUR 613bn). Caixa's shares are listed on the stock exchanges in Madrid, Barcelona, Bilbao and Valencia. It is categorised by Banco de España as another systemically important institution (O-SII). Since the takeover by Bankia in March 2021, the Spanish Executive Resolution Authority (FROB) holds a stake of 17.3% in Caixa via the holding company BFA Tenedora de Acciones. The universal bank offers its retail and corporate customers a range of banking and insurance products. On the Spanish market, the bank boasts high market shares in the areas of loans (Q1 2024: 23.4%), customer deposits (24.5%) and investment funds (23.8%). In Portugal, Caixa operates as Banco BPI and has a market share here of 11.7% for loans and 10.6% for deposits. The Group reports across the following segments: Banking and Insurance Business (FY 2023: 91.2% of operating profit before tax), BPI (8.5%) and Corporate Centre (0.3%). The loan portfolio of the bank primarily comprises personal loans (49.2%) and corporate loans (42.5%). Retail funding accounts for 79% of the funding mix (Q1 2024), with 21% attributable to wholesale funding. According to its own information, Caixa is one of the leading issuers of sustainable bonds in Spain and became the first Spanish bank to issue a social bond back in 2019. In May 2023, the bank placed another social bond worth EUR 1.0bn, which was followed by a green bond in February 2024 in the amount of EUR 1.25bn. The green asset ratio as measured by turnover amounts to 1.1%.

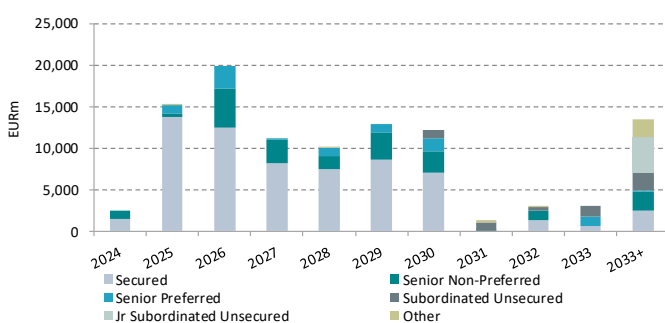
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	352,884	344,384	351,707
Total Securities	172,846	176,092	175,559
Total Deposits	397,043	400,780	426,116
Tier 1 Common Capital	26,912	28,275	28,562
Total Assets	598,850	607,167	630,371
Total Risk-weighted Assets	215,645	228,469	233,736

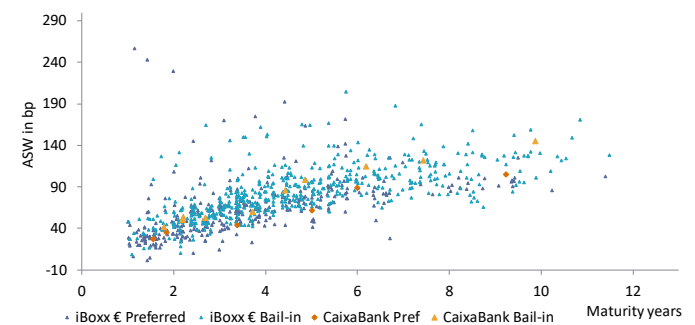
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	6,553	10,113	5,572
Net Fee & Commission Inc.	3,855	3,658	1,855
Net Trading Income	328	235	137
Operating Expense	5,752	5,927	3,180
Credit Commit. Impairment	883	1,224	529
Pre-tax Profit	4,320	6,924	3,939

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.15	1.75	1.92	Liquidity Coverage Ratio	194.36	215.40	218.26
ROAE	8.98	14.02	15.25	IFRS Tier 1 Leverage Ratio	4.58	4.75	4.61
Cost-to-Income	51.12	41.36	41.42	NPL / Loans at Amortised Cost	3.03	3.05	2.98
Core Tier 1 Ratio	12.48	12.38	12.22	Reserves/Loans at Amort. Cost	2.05	2.08	1.95

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Earnings stability as a bancassurance company
- Liquidity
- Long-term benefits from Bankia merger

## Risks / Weaknesses

- Asset quality
- TCE ratio
- Geographical concentration (Spain, Portugal)

# CaixaBank – Mortgage

Spain 

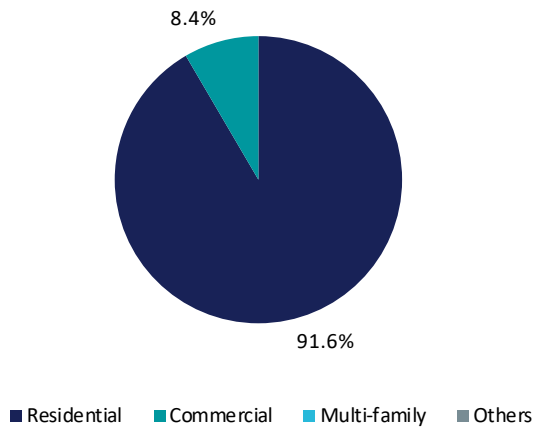
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

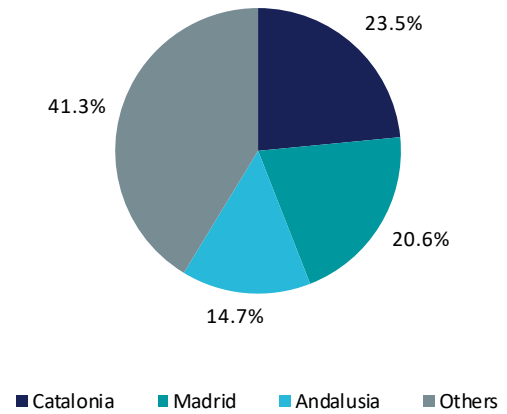
Cover pool volume (EURm)	102,307
Amount outstanding (EURm)	55,741
-thereof ≥ EUR 500m	22.4%
Current OC (nominal)	83.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Spain
Main region	23% Catalonia
Number of loans	1,502,965
Number of borrowers	1,415,561
Avg. exposure to borrowers (EUR)	72,273
WAL (cover pool)	9.4y
WAL (covered bonds)	4.0y
Fixed interest (cover pool)	41.5%
Fixed interest (covered bonds)	31.2%
LTV (indexed)	-
LTV (unindexed)	46.3%
Loans in arrears	0.1%

Rating (Moody's)	Aa1
Rating (S&P)	AA+
Rating (Fitch)	-
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	2
Collateral score	6.0%
RRL	a+
JRL	a+
Unused notches	0
AAA credit risk (%)	0.0%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

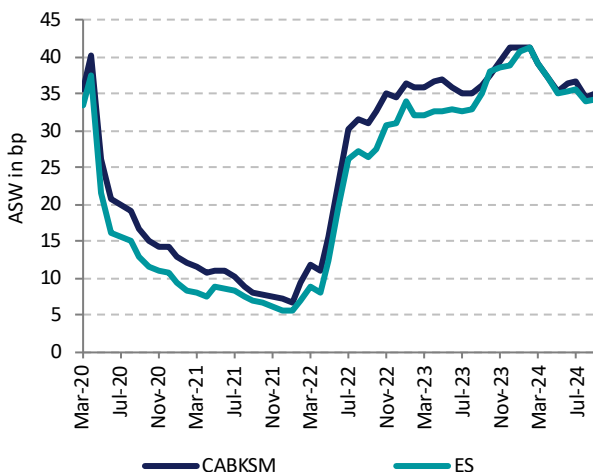
## Borrower Types



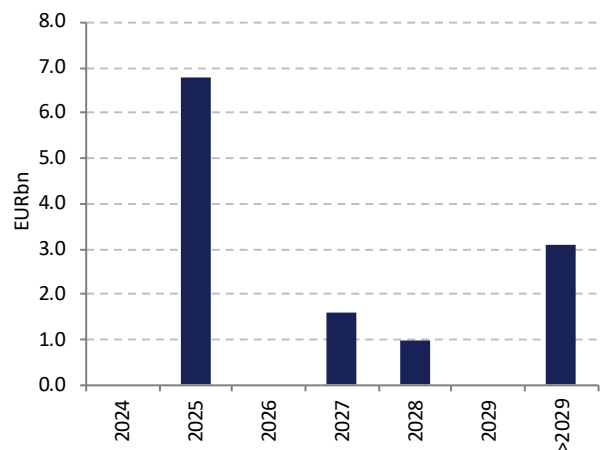
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Grupo Cooperativo Cajamar

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Grupo Cooperativo Cajamar

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

## Homepage

[www.cajamar.es](http://www.cajamar.es)

Grupo Cooperativo Cajamar (GCC) is the largest cooperative banking group in Spain as measured by assets (Q1 2024: EUR 60bn). GCC comprises Banco de Credito Social Cooperativo (BCC) along with Cajamar Caja Rural (Cajamar) and 17 other credit unions. BCC functions as the parent company of the group, while at the same time taking on a supervisory role on behalf of the cooperative banks with regard to their liquidity and solvency. Around 5,200 employees serve 3.8 million customers (of whom more than 1.7 million are members of the cooperative) across 832 branches. The majority of the branches can be found in Andalusia (228), the Valencian Community (257) and Murcia (111). The group reports in the main segment Retail Banking. GCC has a market share of 16.0% (Q1 2024) for loans to the agri-food industry (AGRO), while the equivalent figures for customer deposits and loans come to 2.7% and 3.0% respectively. The loan portfolio consists of loans to households (32.9%), AGRO (17.2%) and large corporates (14.1%). The portfolio is rounded off by loans to financial institutes (11.3%), micro-enterprises (9.2%) and the public sector (9%). The major share of the funding mix (Q1 2024) comprises customer deposits (83.3%), wholesale funding (8.1%) and deposits from other financial institutes (8.6%). In 2023, GCC published an update to its Sustainable Bond Frameworks in order to bring it into line with the SDGs. After the bank issued its first social bond in 2022, the first green bond in the amount of EUR 650m followed in 2023. Measured on the basis of turnover, the green asset ratio stands at 1.7%.

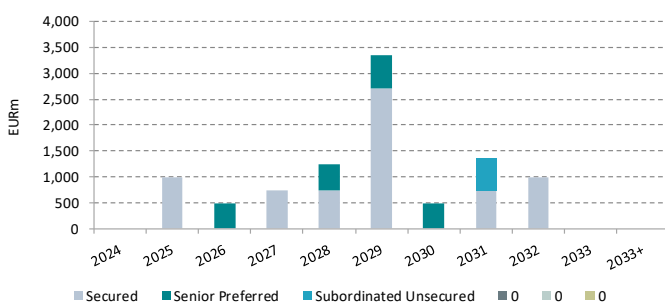
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	36,256	36,491	37,099
Total Securities	18,916	16,073	15,534
Total Deposits	43,153	-	-
Tier 1 Common Capital	3,361	3,468	3,547
Total Assets	62,316	60,156	60,911
Total Risk-weighted Assets	24,886	25,425	25,629

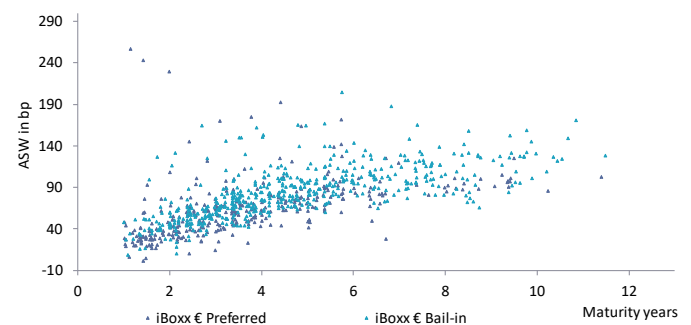
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	703	1,064	614
Net Fee & Commission Inc.	264	271	150
Net Trading Income	108	-1	5
Operating Expense	626	725	463
Credit Commit. Impairment	218	258	95
Pre-tax Profit	69	142	208

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.21	1.81	2.14	Liquidity Coverage Ratio	148.82	197.29	223.35
ROAE	2.05	3.26	8.47	IFRS Tier 1 Leverage Ratio	5.42	5.80	5.87
Cost-to-Income	61.28	56.78	60.51	NPL / Loans at Amortised Cost	2.83	2.16	2.12
Core Tier 1 Ratio	13.50	13.64	13.84	Reserves/Loans at Amort. Cost	1.90	1.57	1.44

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Deposit base
- Capitalisation

## Risks / Weaknesses

- Geographical concentration risks
- Credit quality in a peer comparison



# Cajamar Caja Rural – Mortgage

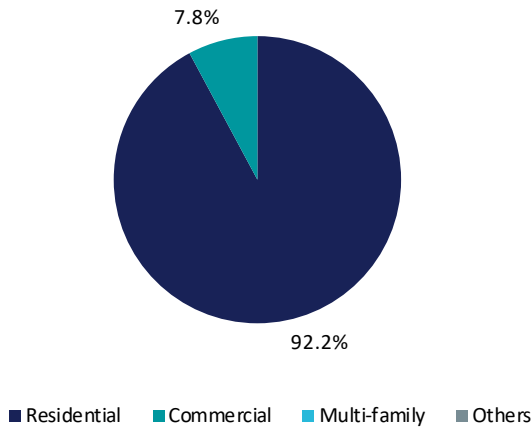
Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

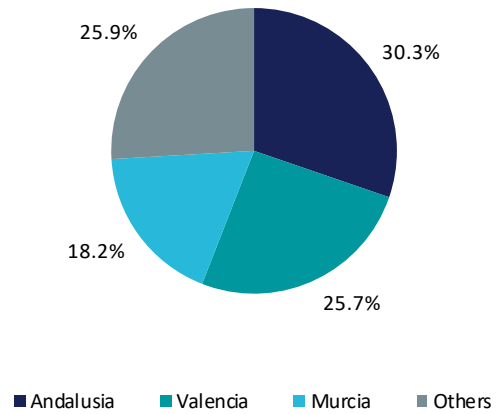
## Cover Pool Data

Cover pool volume (EURm)	7,919	Rating (Moody's)	-
Amount outstanding (EURm)	6,200	Rating (S&P)	AA+
-thereof ≥ EUR 500m	21.8%	Rating (Fitch)	-
Current OC (nominal)	27.7%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Spain	Collateral score	-
Main region	30% Andalusia	RRL	bbb
Number of loans	125,079	JRL	a
Number of borrowers	119,928	Unused notches	0
Avg. exposure to borrowers (EUR)	66,033	AAA credit risk (%)	0.0%
WAL (cover pool)	7.8y	PCU	-
WAL (covered bonds)	4.9y	Recovery uplift	-
Fixed interest (cover pool)	20.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	87.9%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	46.3%	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

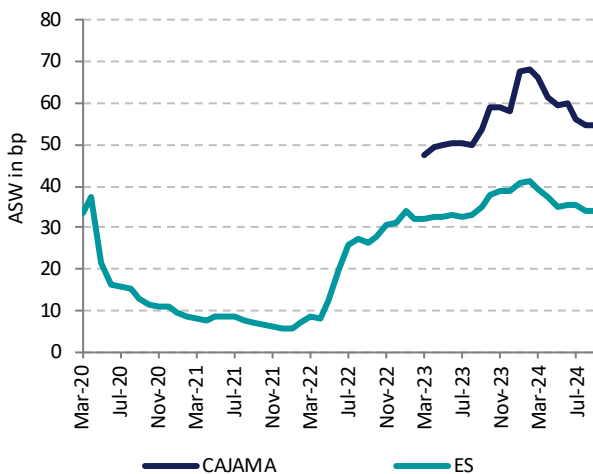
## Borrower Types



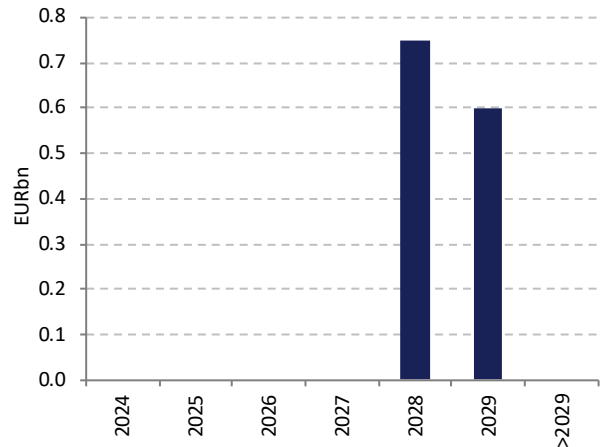
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Eurocaja Rural

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Eurocaja Rural SCC

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

## Homepage

[www.eurocajarural.es](http://www.eurocajarural.es)

Eurocaja Rural, Sociedad Cooperativa de Credito (Eurocaja), headquartered in Toledo, is a smaller bank in a national comparison with total assets of EUR 9.9bn (FY 2023). It is a non-profit organisation with its own legal entity and has full legal capacity, with the mission of contributing to the socio-economic development of the regions in which it operates. The bank has around 1,100 employees and operates a network of 457 branches, with a focus on retail banking services. Via its subsidiaries, Eurocaja also offers IT services and acts as a real estate and insurance broker. Eurocaja has defined the autonomous community of Castile-La Mancha as its domestic market. However, the bank is also active in the Madrid region, Avila, Valencia and Murcia, among others. The vast majority of Eurocaja's loan portfolio is made up of loans to households (FY 2023: 69.9%), while loans to SMEs and individual entrepreneurs (20.6%) and to the public sector (7.8%) round off the loan portfolio. Geographically, the group's activities are focused on Spain (71.8% of assets) and more precisely on the autonomous communities Castile-La Mancha (40.1%) and Madrid (27.2%). At 74.1% of liabilities, deposits account for the majority of the funding mix, with a share of 12.1% attributable to the issuance of bonds. The Sustainable Bond Framework of Eurocaja complies with the ICMA Sustainability Bond Guidance and defines eligible green and social financing purposes. The green issuance volume amounted to EUR 700m in 2023, while the turnover-based green asset ratio comes to 12.5%.

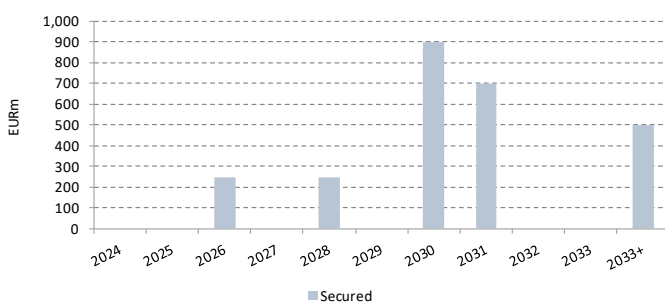
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	4,576	4,896	5,148
Total Securities	2,663	3,029	3,049
Total Deposits	6,627	7,095	7,366
Tier 1 Common Capital	533	563	660
Total Assets	9,080	9,683	9,934
Total Risk-weighted Assets	3,106	3,309	3,628

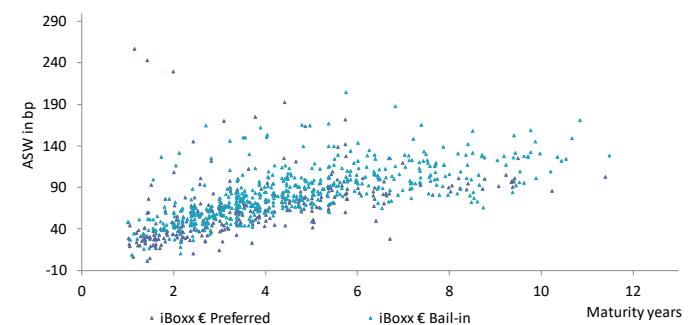
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	83	112	198
Net Fee & Commission Inc.	46	52	59
Net Trading Income	9	8	-8
Operating Expense	86	96	94
Credit Commit. Impairment	-	-	-
Pre-tax Profit	45	63	121

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.94	1.21	2.05	Liquidity Coverage Ratio	277.78	28.62	-
ROAE	7.48	9.63	16.24	IFRS Tier 1 Leverage Ratio	5.88	5.82	6.65
Cost-to-Income	63.97	56.97	39.89	NPL / Loans at Amortised Cost	1.75	1.71	1.68
Core Tier 1 Ratio	17.15	17.02	18.20	Reserves/Loans at Amort. Cost	2.22	2.20	2.31

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality in a sector comparison
- Regional franchise

## Risks / Weaknesses

- Economic environment
- Geographical concentration

# Eurocaja – Mortgage

Spain 

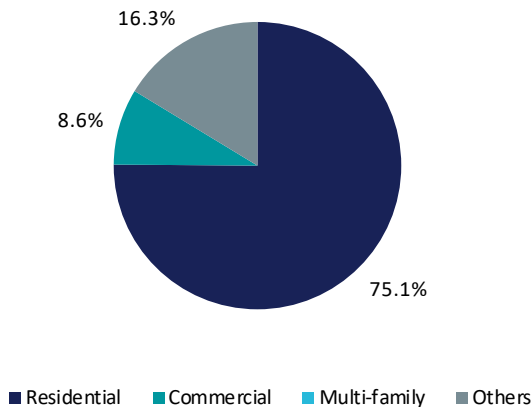
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

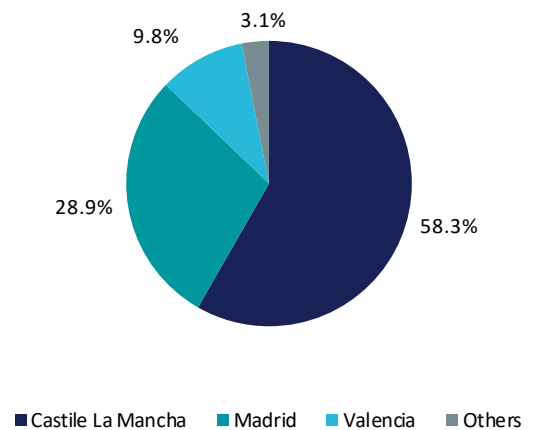
Cover pool volume (EURm)	2,610
Amount outstanding (EURm)	1,700
-thereof ≥ EUR 500m	41.2%
Current OC (nominal)	53.5%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Spain
Main region	58% Castile La Mancha
Number of loans	29,046
Number of borrowers	47,467
Avg. exposure to borrowers (EUR)	46,018
WAL (cover pool)	14.0y
WAL (covered bonds)	4.0y
Fixed interest (cover pool)	31.1%
Fixed interest (covered bonds)	70.6%
LTV (indexed)	-
LTV (unindexed)	57.5%
Loans in arrears	0.0%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	Unpublished
Collateral score	6.8%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

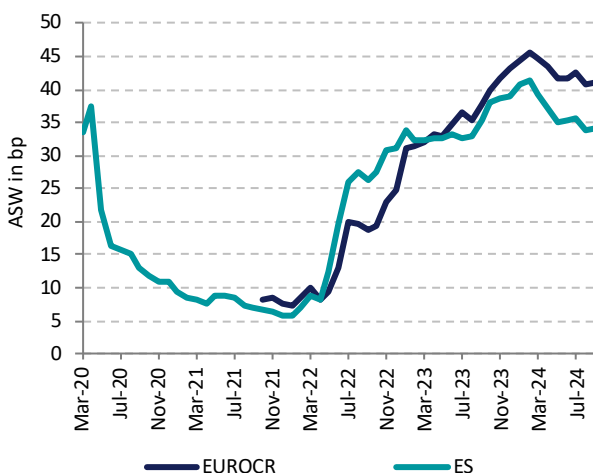
## Borrower Types



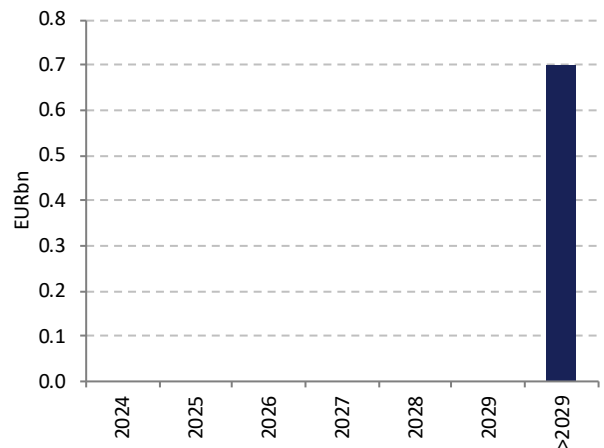
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Caja Rural de Navarra

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Caja Rural de Navarra SCC

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Caja Rural de Navarra, Sociedad Cooperativa de Credito (CRN) is a regional cooperative bank headquartered in Pamplona. As measured by total assets (FY 2023: EUR 16.2bn), CRN is one of the largest cooperative banks in Spain. CRN has high market shares for deposits (FY 2023: 32%) and loans (28%) in its home market of Navarra. It also operates in the neighbouring regions of La Rioja and the Basque Country. Its business activities are focused on retail banking and therefore on retail customers and SMEs. The owners of this cooperative bank are its more than 185,000 members (FY 2023). Along with 29 other cooperative banks and Banco Cooperativo Espanol (owners FY 2022: 88% Caja Rural Group, 12% DZ BANK), CRN forms part of the Asociacion Espanola de Cajas Rurales (AECR). The Caja Rural Group is also part of AECR's institutional protection scheme. Banco Cooperativo Espanol S.A. (BCE) acts as the central bank for the cooperative banks. Loans to private households account for 25.8% of the lending portfolio, while 19.2% is attributable to loans to SMEs and individual entrepreneurs. Geographically, the group's activities are focused on Spain (92.4% of assets) – and on the autonomous community of Navarra (25.9%) as well as the Basque Country (28.3%) and Madrid (19.5%) in particular. CRN is able to issue green, social and sustainable bonds as part of its Sustainability Bond Framework. In so doing, it also takes into account the EU taxonomy, the ICMA Green Bond Principles and the UN SDGs. At present (Q1 2024), the portfolio of green financing at CRN amounts to more than EUR 5bn, while the ratio of green assets based on turnover stood at 3.19% in FY 2023.

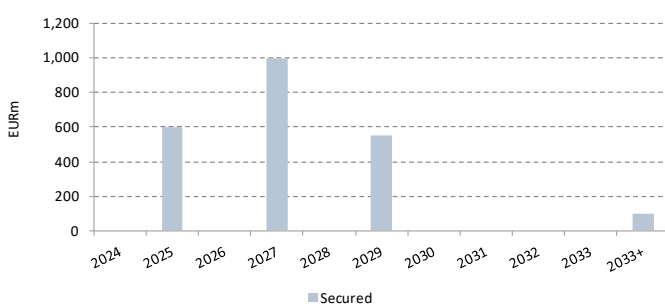
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	9,446	9,514	9,244
Total Securities	5,093	4,928	4,748
Total Deposits	10,261	10,939	12,133
Tier 1 Common Capital	1,425	1,532	1,777
Total Assets	16,333	16,097	16,315
Total Risk-weighted Assets	7,613	7,525	7,354

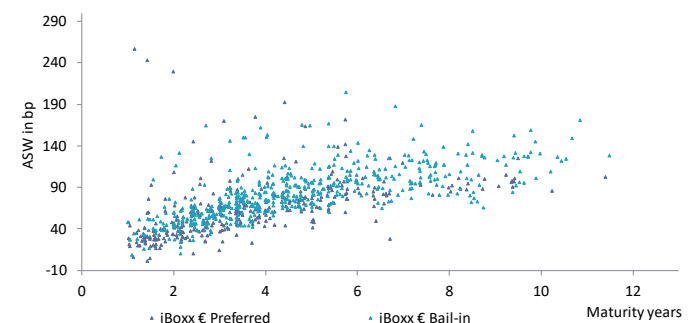
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	141	160	264
Net Fee & Commission Inc.	83	90	90
Net Trading Income	3	-1	1
Operating Expense	192	195	147
Credit Commit. Impairment	-	-	-
Pre-tax Profit	102	124	236

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	0.90	1.02	1.68	Liquidity Coverage Ratio	-	384.00	387.35
ROAE	6.52	7.32	12.40	IFRS Tier 1 Leverage Ratio	8.77	9.56	10.95
Cost-to-Income	61.99	57.78	35.65	NPL / Loans at Amortised Cost	1.90	1.85	2.04
Core Tier 1 Ratio	18.72	20.35	24.16	Reserves/Loans at Amort. Cost	2.20	2.27	2.57

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Loan quality
- Funding profile
- Profitability

## Risks / Weaknesses

- Economic environment
- Operational costs
- Capitalisation

# Caja Rural de Navarra – Mortgage

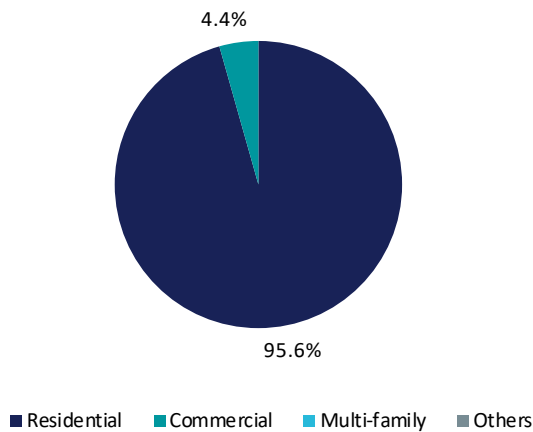
Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

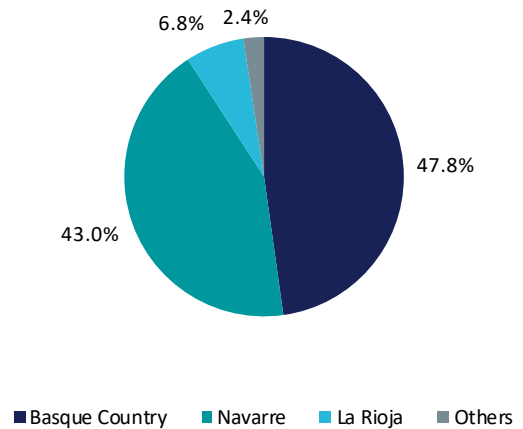
## Cover Pool Data

Cover pool volume (EURm)	2,620	Rating (Moody's)	Aa1
Amount outstanding (EURm)	2,250	Rating (S&P)	-
-thereof ≥ EUR 500m	71.1%	Rating (Fitch)	-
Current OC (nominal)	16.4%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	2
Main country	100% Spain	Collateral score	5.7%
Main region	48% Basque Country	RRL	-
Number of loans	31,307	JRL	-
Number of borrowers	45,326	Unused notches	-
Avg. exposure to borrowers (EUR)	57,794	AAA credit risk (%)	-
WAL (cover pool)	10.8y	PCU	-
WAL (covered bonds)	3.5y	Recovery uplift	-
Fixed interest (cover pool)	36.4%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	100.0%	LCR eligible	Yes
LTV (indexed)	57.3%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

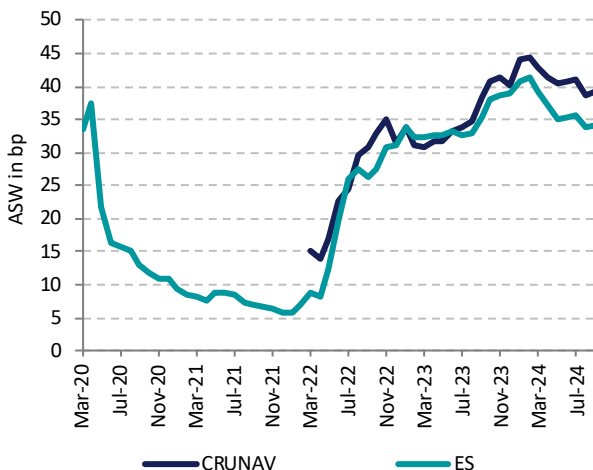
## Borrower Types



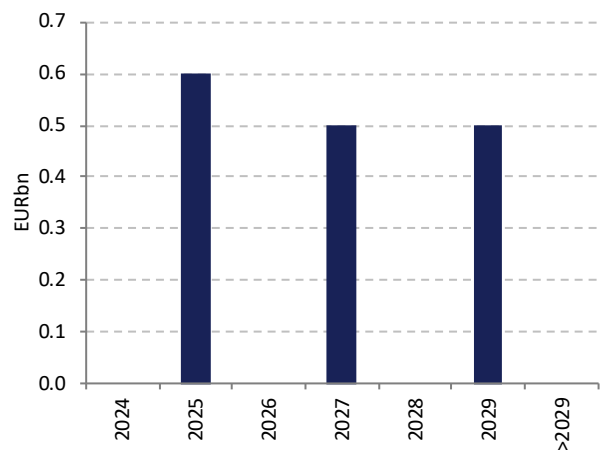
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Deutsche Bank S.A.E.

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Deutsche Bank SA Espanola

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

## Homepage

[www.deutsche-bank.es](http://www.deutsche-bank.es)

Headquartered in Madrid, Deutsche Bank Sociedad Anonima Espanola Unipersonal (DB SAE) was founded in 1950 under the name Banco Comercial Transatlantico S.A. Along with its subsidiaries, it is wholly owned by Deutsche Bank AG. As a result, it is also part of the Deutsche Bank Group, which is active worldwide and considered to be a global systemically important bank (G-SIB). Since its merger with the subsidiaries Banco Comercial Transatlantico and Banco de Madrid in 1994, the bank has operated under the name DB SAE. The bank is a majority owner and shareholder of various companies both in Spain and abroad, which together form the Deutsche Bank SAE Group. It employs around 2,300 staff and serves its 500,000 customers in 125 branches (FY 2023) in Spain, including 15 flagship branches. DB SAE follows the business model of a universal bank that offers all banking services to retail, corporate and institutional customers. The bank divides its activities into the operating business segments Private Bank (FY 2023: 17.3% of pre-tax profit), Corporate Bank (60.0%), Investment Bank (14.6%), Asset Management (0.2%) and Infrastructure & Others (7.9%). Geographically, the majority of the bank's activities are attributable to the autonomous communities of Madrid (47%), Catalonia (20.5%), Andalusia (8.5%), the Basque Country (5.4%) and Valencia (5.3%). A total of just under 42.9% of the funding mix at DB SAE consists of retail deposits, followed by deposits from other credit institutes (27.8%). Wholesale issuances constitute 11.7% of the funding mix. In terms of sustainability, DB SAE is aligned with the goals defined by Deutsche Bank AG.

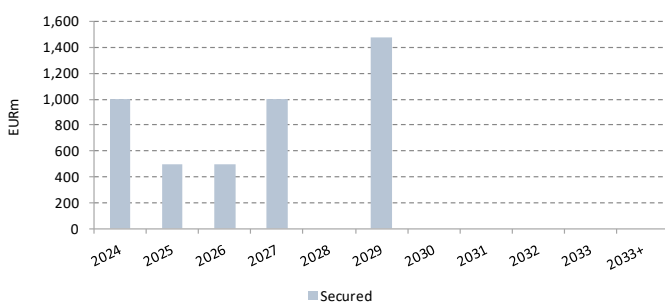
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	14,222	15,014	14,583
Total Securities	281	577	113
Total Deposits	10,095	11,924	12,146
Tier 1 Common Capital	1,109	1,107	1,108
Total Assets	18,109	20,782	22,329
Total Risk-weighted Assets	11,386	11,384	11,152

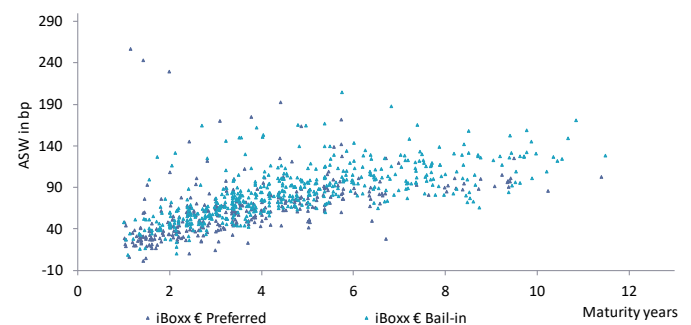
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	268	305	393
Net Fee & Commission Inc.	243	216	198
Net Trading Income	6	-15	-9
Operating Expense	430	394	446
Credit Commit. Impairment	70	61	44
Pre-tax Profit	-12	18	59

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y	2021Y	2022Y	2023Y	
Net Interest Margin	1.50	1.61	1.87	Liquidity Coverage Ratio	194.00	246.00	-
ROAE	-0.88	1.01	3.70	IFRS Tier 1 Leverage Ratio	6.19	5.57	5.00
Cost-to-Income	89.22	83.60	81.47	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	9.74	9.73	9.94	Reserves/Loans at Amort. Cost	2.51	2.55	2.18

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Integration in the Deutsche Bank Group
- Regional market position

## Risks / Weaknesses

- Geographical diversification
- Economic environment may impair asset quality

# Deutsche Bank S.A.E. – Mortgage

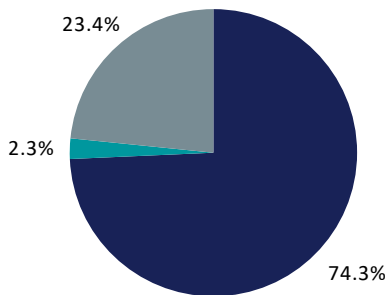
Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

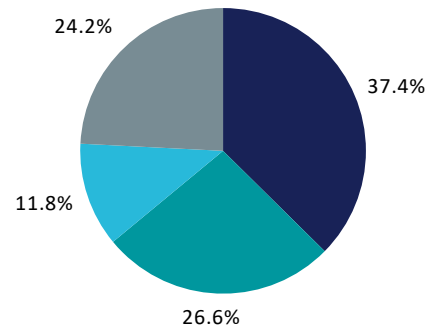
Cover pool volume (EURm)	6,240	Rating (Moody's)	Aa1
Amount outstanding (EURm)	4,500	Rating (S&P)	-
-thereof ≥ EUR 500m	22.2%	Rating (Fitch)	-
Current OC (nominal)	38.7%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	Unpublished
Main country	100% Spain	Collateral score	4.9%
Main region	37% Catalonia	RRL	-
Number of loans	54,199	JRL	-
Number of borrowers	51,444	Unused notches	-
Avg. exposure to borrowers (EUR)	92,913	AAA credit risk (%)	-
WAL (cover pool)	19.8y	PCU	-
WAL (covered bonds)	2.2y	Recovery uplift	-
Fixed interest (cover pool)	23.5%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	44.0%	LCR eligible	Yes
LTV (indexed)	-	LCR level (Bmk)	1
LTV (unindexed)	55.4%	Risk weight	10%
Loans in arrears	2.1%	Maturity structure (Bmk)	SB

## Borrower Types



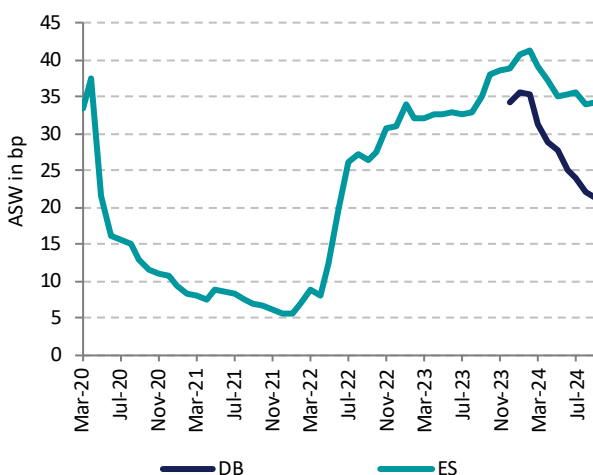
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



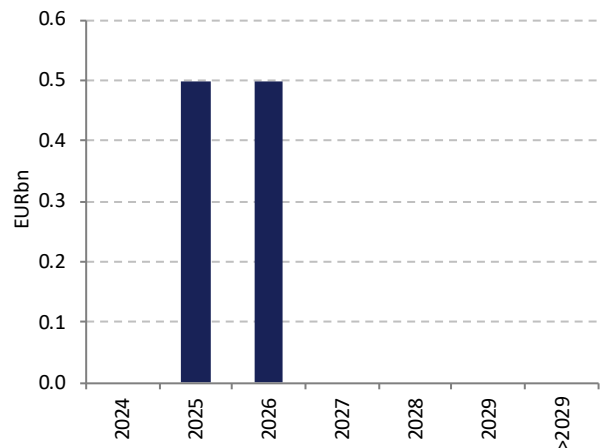
■ Catalonia ■ Madrid ■ Andalusia ■ Others

## Spread Development



— DB — ES

## Redemption Profile (Bmk)



## Kutxabank

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Kutxabank SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Headquartered in Bilbao, Kutxabank S.A. (Kutxa) is a leading commercial bank in the Basque Country with total assets of EUR 63.7bn (data as at FY 2023). It was formed in 2012 from the merger of a trio of Basque savings banks. Kutxa operates as the parent company of the Kutxabank Group and is owned by the following three foundations: Bilbao Bizkaia Kutxa Fundacion Bancaria (57%), Fundacion Bancaria Kutxa (32%) and Fundacion Bancaria Vital (11%; FY 2023). The bank's services are aimed at retail customers and SMEs as well as property developers and their investments. The bank employs around 5,000 staff and serves 2.3 million customers in 685 branches (FY 2023) located throughout Spain. Of these, 432 are located in the Basque Country and 253 in Andalusia, where Kutxa operates via its wholly owned subsidiary CajaSur Banco S.A. The group divides its business into the following operating segments: Kutxabank Subgroup (FY 2023: 89% of pre-tax profit), CajaSur Banco Subgroup (11.5%), Insurance Companies (11.1%), Asset Management Companies (13.1%) and Other Business Activities (-24.8%). A total of 68.4% of the loan portfolio (FY 2023) consists of loans to households, followed by loans to non-financial companies (13.3%), the public sector (11.2%) and SMEs (5.9%). Customer deposits account for 77.1% of the funding mix, with a share of 6.2% attributable to DCM funding. Kutxa has both a Green Bond Framework and a Social Bond Framework and issued its first social bond as early as 2015. It issued a second green bond in June 2023. In the same year, the volume of sustainable financing totalled EUR 2.1bn, of which EUR 1.4bn was in the form of corporate loans.

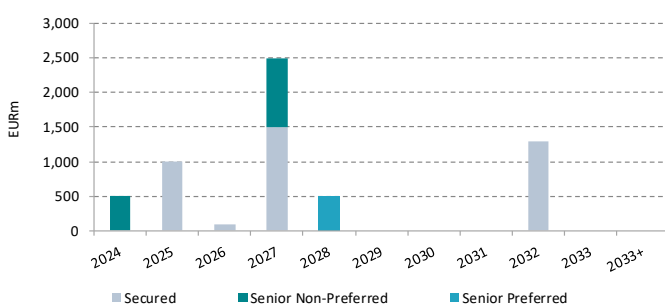
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	46,616	46,523	48,244
Total Securities	9,240	8,370	8,582
Total Deposits	49,293	49,470	52,940
Tier 1 Common Capital	5,265	5,434	5,547
Total Assets	66,595	63,712	66,862
Total Risk-weighted Assets	29,899	30,127	30,382

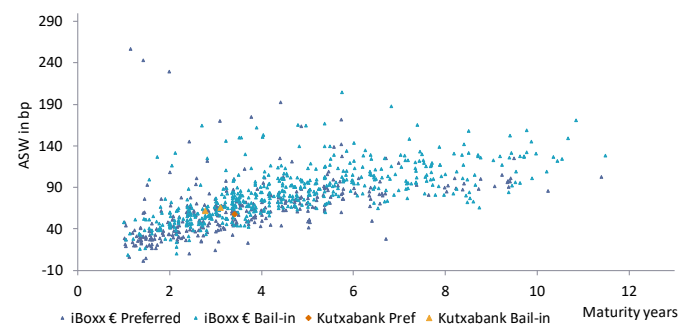
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	644	1,172	687
Net Fee & Commission Inc.	477	480	249
Net Trading Income	43	6	6
Operating Expense	656	796	503
Credit Commit. Impairment	63	34	2
Pre-tax Profit	452	723	343

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.04	1.91	2.21	Liquidity Coverage Ratio	233.48	172.34	179.85
ROAE	5.29	8.00	8.02	IFRS Tier 1 Leverage Ratio	8.01	8.65	8.41
Cost-to-Income	51.09	45.23	55.09	NPL / Loans at Amortised Cost	1.42	1.45	1.37
Core Tier 1 Ratio	17.61	18.04	18.26	Reserves/Loans at Amort. Cost	1.43	1.39	1.34

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Profitability
- Asset quality

## Risks / Weaknesses

- Foreclosure ratio in relation to real estate assets
- Macroeconomic environment



# Kutxabank – Mortgage

Spain 

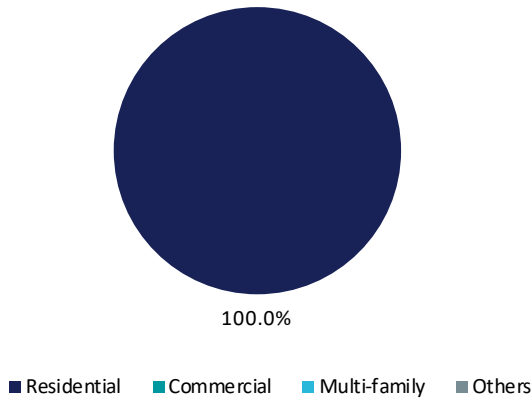
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

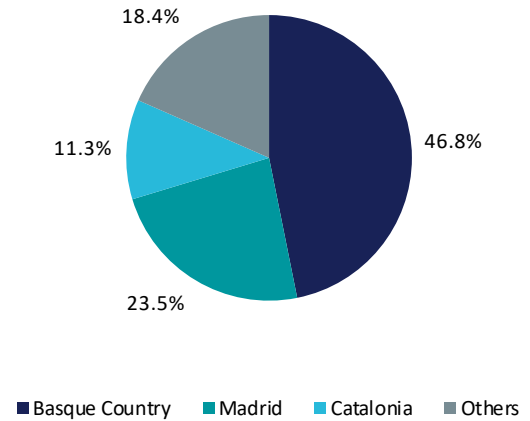
Cover pool volume (EURm)	3,101
Amount outstanding (EURm)	2,400
-thereof ≥ EUR 500m	41.7%
Current OC (nominal)	29.2%
Committed OC	5.0%
Cover type	Mortgage
Main country	100% Spain
Main region	47% Basque Country
Number of loans	26,622
Number of borrowers	40,855
Avg. exposure to borrowers (EUR)	75,908
WAL (cover pool)	8.0y
WAL (covered bonds)	5.0y
Fixed interest (cover pool)	40.1%
Fixed interest (covered bonds)	45.8%
LTV (indexed)	53.7%
LTV (unindexed)	53.5%
Loans in arrears	0.0%

Rating (Moody's)	Aa1
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	AAA
TPI	Probable-High
TPI leeway	2
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	Yes
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB

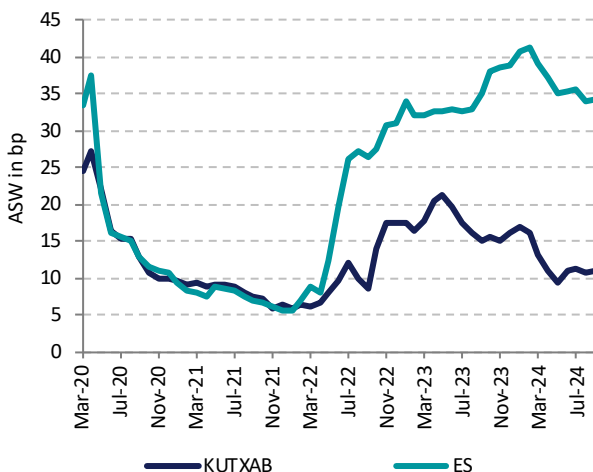
## Borrower Types



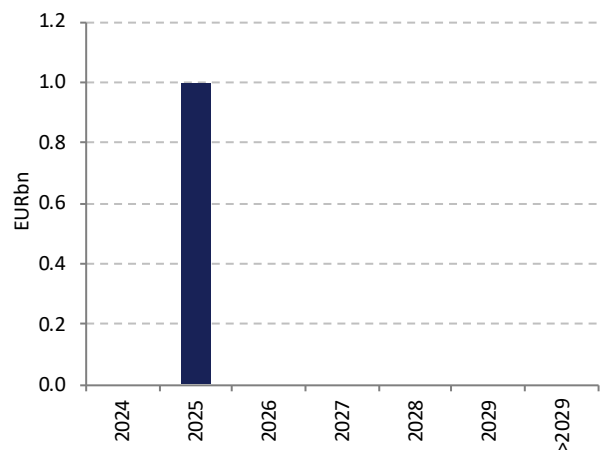
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Unicaja Banco

Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Unicaja Banco SA

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

Headquartered in Malaga in the south of Spain, Unicaja Banco (Unicaja) is Spain's sixth largest bank as measured by total assets (Q1 2024: EUR 97bn). The bank is listed on the stock exchanges in Madrid, Bilbao, Barcelona and Valencia, and its largest shareholder is Fundacion Bancaria Unicaja (31 December 2023: 30.2%). The business activities of Unicaja are mainly focused on retail banking, with private individuals and SMEs at the forefront. It also serves larger corporate and institutional clients via the Corporate Banking business segment. Business activities are conducted exclusively in Spain and Unicaja is the leading financial institute in the autonomous communities of Andalusia, Asturias, Cantabria, Castile and Leon, Castile-La Mancha and Extremadura. According to the bank of Spain, Unicaja boasts market shares of 4.9% for deposits and 4.1% for loans (as at 30 September 2023) at national level. The majority of the loan portfolio consists of private mortgage loans (63%) and corporate loans (22%). Public sector lending (10%) and consumer loans (6%) round off the portfolio. In geographical terms, the loan portfolio (FY 2023) is focused on the regions of Madrid (39%) and Andalusia (26%). The majority of the funding mix is made up of deposits from the private sector (78%), with a share of 4.5% attributable to wholesale funding. In 2022, the bank issued its first two green bonds, each of which featured an issuance volume of EUR 500m. In 2023, the bank was again active on the market with an additional green bond tranche worth EUR 300m. Unicaja is a member of the Net-Zero Banking Alliance and achieved a turnover-based green asset ratio of 2.0% in financial year 2023.

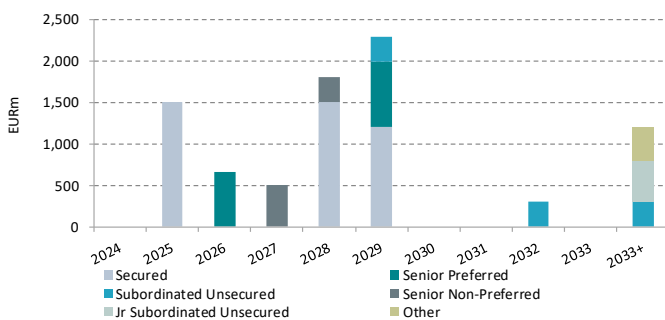
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	54,439	50,135	49,748
Total Securities	29,545	28,604	28,473
Total Deposits	74,386	73,475	75,203
Tier 1 Common Capital	4,659	4,470	4,326
Total Assets	98,969	97,153	95,647
Total Risk-weighted Assets	34,133	29,841	28,603

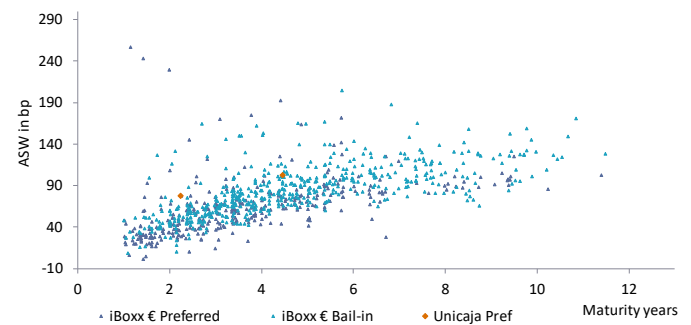
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,073	1,353	774
Net Fee & Commission Inc.	525	533	256
Net Trading Income	52	20	4
Operating Expense	956	973	511
Credit Commit. Impairment	215	146	59
Pre-tax Profit	383	371	432

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.05	1.50	1.75	Liquidity Coverage Ratio	284.00	308.00	312.00
ROAE	4.39	4.12	8.70	IFRS Tier 1 Leverage Ratio	4.77	4.66	4.57
Cost-to-Income	58.25	55.88	50.77	NPL / Loans at Amortised Cost	3.57	3.13	2.91
Core Tier 1 Ratio	13.65	14.98	15.12	Reserves/Loans at Amort. Cost	2.34	1.99	1.89

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Funding profile
- Profitability

## Risks / Weaknesses

- Capitalisation (high share of DTAs)
- Asset quality in a peer comparison

# Unicaja Banco – Mortgage

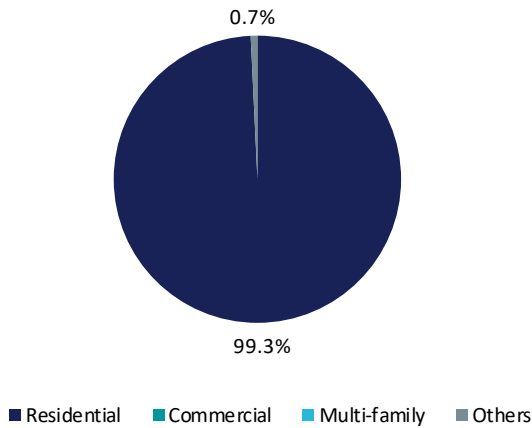
Spain 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

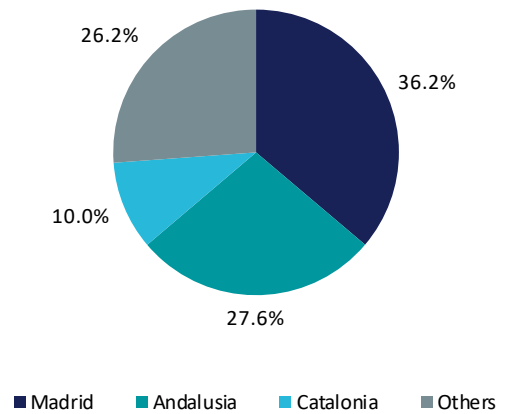
## Cover Pool Data

Cover pool volume (EURm)	11,397	Rating (Moody's)	Aa1
Amount outstanding (EURm)	8,222	Rating (S&P)	-
-thereof ≥ EUR 500m	14.6%	Rating (Fitch)	-
Current OC (nominal)	38.6%	Rating (DBRS)	-
Committed OC	5.0%	TPI	Probable-High
Cover type	Mortgage	TPI leeway	1
Main country	100% Spain	Collateral score	4.9%
Main region	36% Madrid	RRL	-
Number of loans	101,856	JRL	-
Number of borrowers	103,396	Unused notches	-
Avg. exposure to borrowers (EUR)	109,405	AAA credit risk (%)	-
WAL (cover pool)	12.4y	PCU	-
WAL (covered bonds)	4.0y	Recovery uplift	-
Fixed interest (cover pool)	67.2%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	81.8%	LCR eligible	Yes
LTV (indexed)	60.6%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB

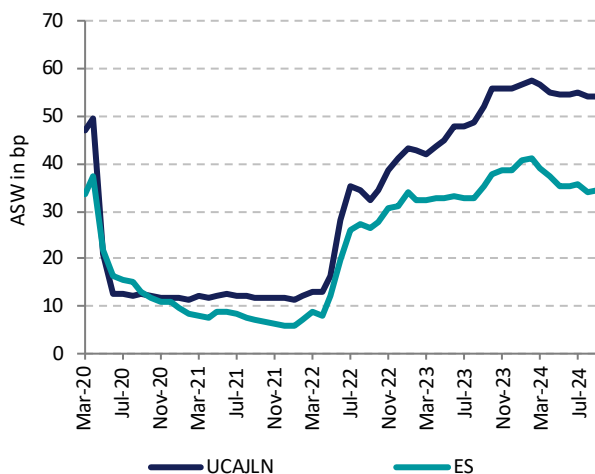
## Borrower Types



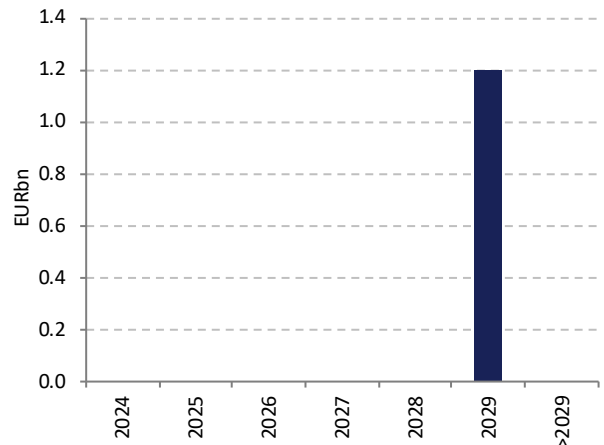
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

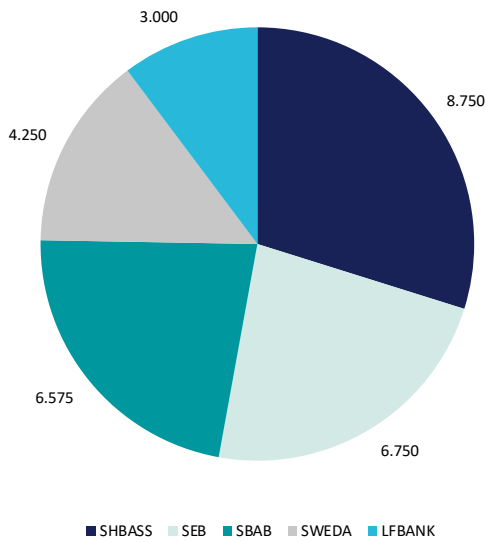
# Market Overview Covered Bonds

Sweden 

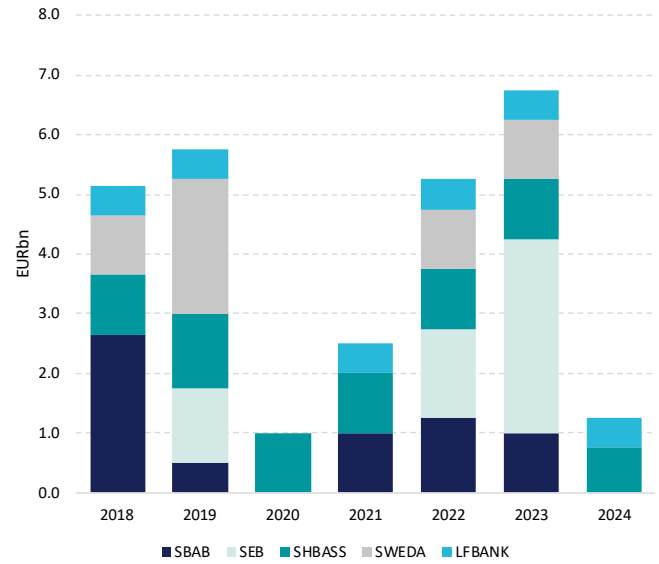
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 290.36bn	Outstanding volume (Bmk)	EUR 29.33bn
Amount outstanding	EUR 174.26bn	Number of benchmarks	33
Number of issuers	5	Outstanding ESG volume (Bmk)	EUR 1.00bn
No of cover pools	6	Number of ESG benchmarks	1
there of M / PS / others	6 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 1	Maturity types	HB, SB

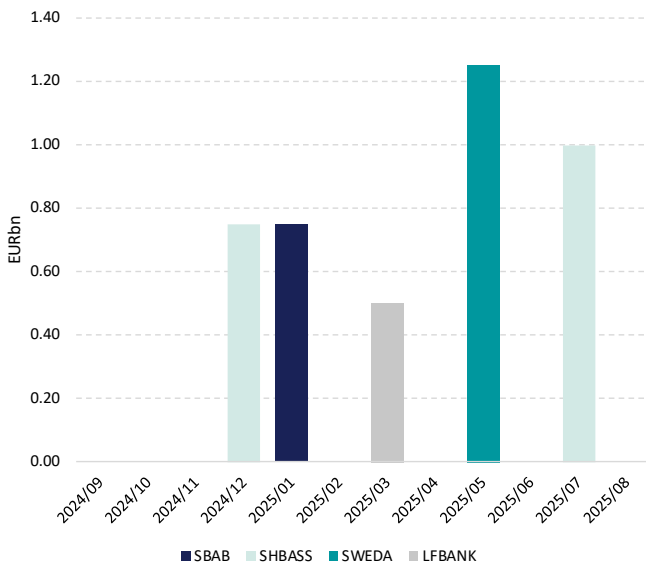
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



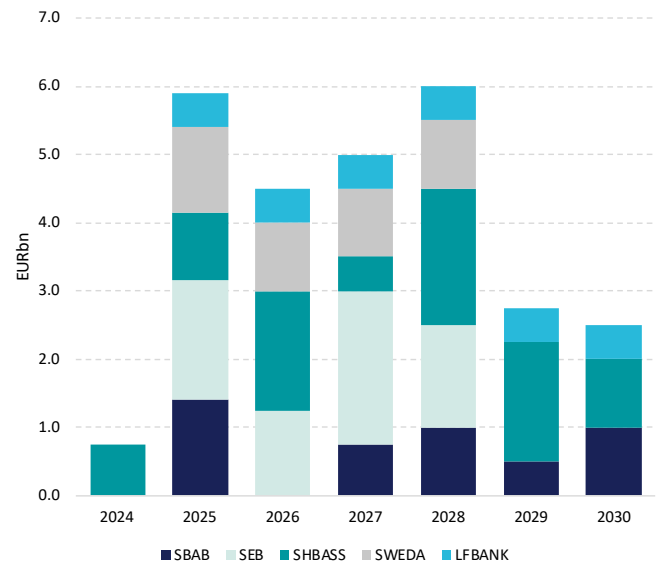
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

# LF Bank

Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Lansforsakringar Bank AB

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

## Homepage

[www.lansforsakringar.se](http://www.lansforsakringar.se)

\*Senior Unsecured/LT Bank Deposits

According to its own information, 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, these form the Länsförsäkringar Alliance. LF Bank has a market share in Sweden of 5.0% and 7.4% for retail customer deposits and private property loans respectively (FY 2023). LF Bank reports in the following segments: Banking Operations (BO; share of operating income without "Eliminations/Adjustments" FY 2023: 40.5%), Mortgage Institution (MI: 34.1%), Finance Company (FC: 15.4%), Mutual Funds (MF: 10.0%). MI, FC and MF are organised as separate subsidiaries: Länsförsäkringar Hypotek, Wasa Kredit and Länsförsäkringar Fondförvaltning MI. Mortgage loans (79.0%) account for the majority of the loan portfolio, which is 97.0% secured (92.0% mortgages) and denominated exclusively in SEK. In geographic terms, too, the loans are granted solely in Sweden and are regionally diversified. The main funding sources of LF Bank are covered bonds (FY 2023: 49.8%), deposits (32.4%) and senior unsecured bonds (10.5%). In June 2022, the bank published a Green Bond Framework. Since this time, it has issued two senior non-preferred green bonds (2022: SEK 2.3bn; 2023: SEK 1.5bn), in addition to a senior preferred green bond (January 2023: EUR 500m). In total, 63.0% of assets comply with the requirements of the EU taxonomy, while mortgages on energy-efficient single-family homes account for a volume of SEK 15bn.

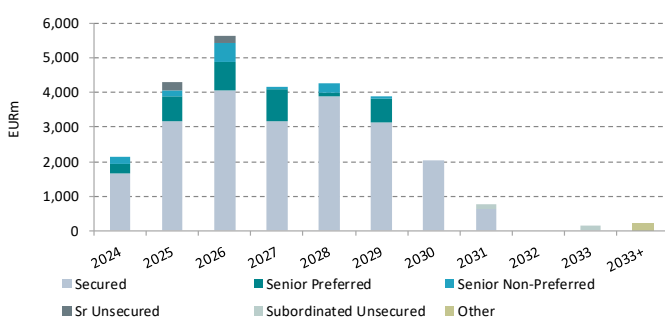
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	34,479	35,545	35,599
Total Securities	5,764	5,957	7,330
Total Deposits	13,764	13,540	13,394
Tier 1 Common Capital	1,658	1,730	1,744
Total Assets	41,043	42,354	43,855
Total Risk-weighted Assets	10,764	11,489	11,634

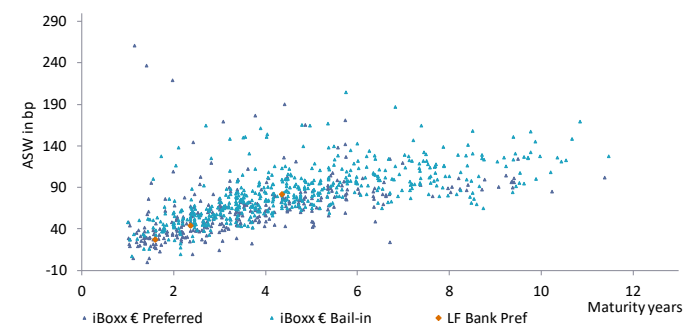
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	520	612	294
Net Fee & Commission Inc.	-48	-132	-46
Net Trading Income	0	0	0
Operating Expense	259	270	129
Credit Commit. Impairment	12	10	11
Pre-tax Profit	194	189	111

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.21	1.50	1.39	Liquidity Coverage Ratio	277.00	337.00	367.00
ROAE	7.47	7.39	7.92	IFRS Tier 1 Leverage Ratio	-	-	-
Cost-to-Income	54.71	55.84	51.38	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	15.40	15.06	14.99	Reserves/Loans at Amort. Cost	0.14	0.12	0.13

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Key role within the Länsförsäkringar Alliance
- Capitalisation
- Loan quality

## Risks / Weaknesses

- Dependency on capital market funding
- Concentration risks (Swedish mortgages)
- Lower market shares in comparison with competitors

# LF Hypotek – Mortgage

Sweden 

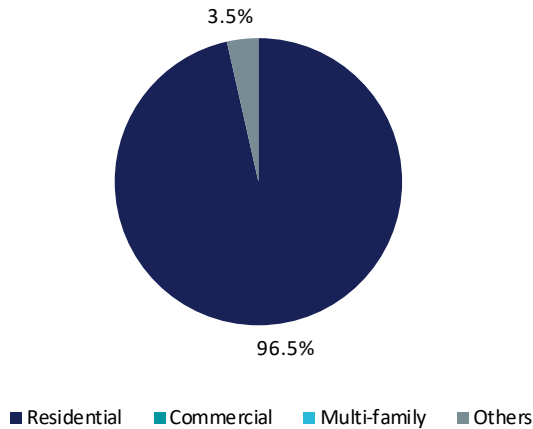
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

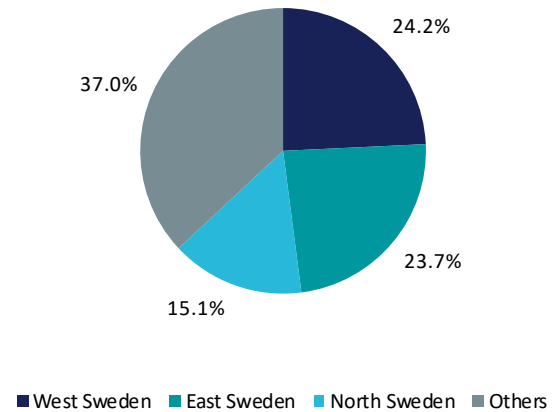
Cover pool volume (EURm)	27,004
Amount outstanding (EURm)	20,811
-thereof ≥ EUR 500m	14.4%
Current OC (nominal)	29.8%
Committed OC	10.0%
Cover type	Mortgage
Main country	100% Sweden
Main region	24% West Sweden
Number of loans	450,295
Number of borrowers	143,373
Avg. exposure to borrowers (EUR)	181,701
WAL (cover pool)	26.7y
WAL (covered bonds)	3.3y
Fixed interest (cover pool)	27.5%
Fixed interest (covered bonds)	96.3%
LTV (indexed)	61.9%
LTV (unindexed)	61.9%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	4.0%
RRL	aa-
JRL	aaa
Unused notches	2
AAA credit risk (%)	0.0%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

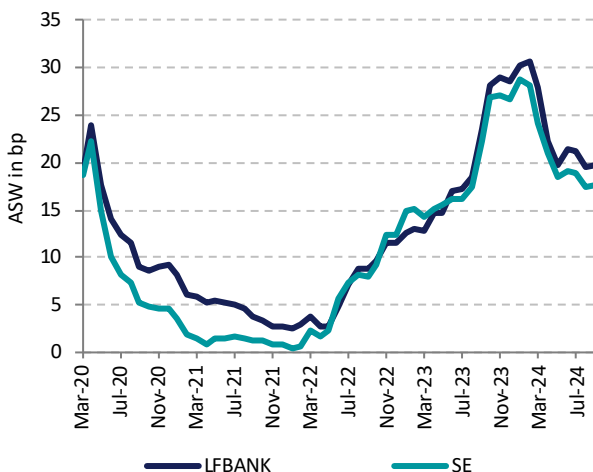
## Borrower Types



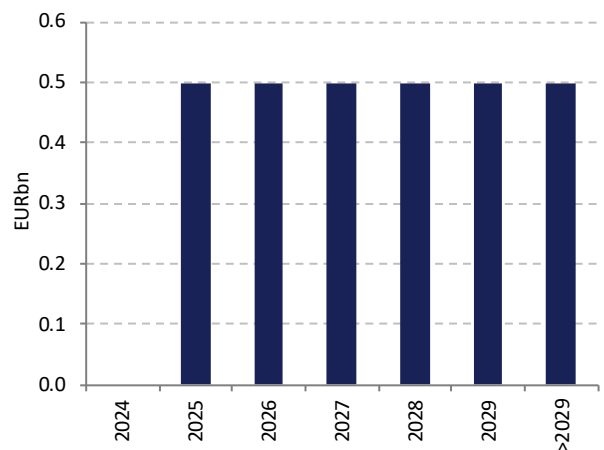
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## SBAB

Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## SBAB Bank AB

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

## Homepage

[www.sbab.se](http://www.sbab.se)

SBAB Bank AB (SBAB) was founded in 1985 by the Swedish government to finance state mortgages and continues to be wholly owned by the Swedish state. In addition to the core business in the area of real estate loans, SBAB also offers retail customers savings products, personal loans and insurance policies. In the corporate sector, the SBAB portfolio offers services in the areas of savings and housing finance. Unlike other banks, SBAB does not have a traditional branch network. Instead, it offers its products via the internet and call centres. SBAB reports in the operating business segments of Retail and Corporate Clients & Tenant-Owners' Associations. With a market share of 8.4% (Q4 2023), SBAB is the fifth largest bank in Sweden for residential property financing. The bank has a market share of 17.9% in relation to real estate companies, while the equivalent figure for tenant-owners' associations stands at 11.1%. More than 99.0% of the loan portfolio is attributable to residential properties, with 66.9% of all loans granted in the private mortgage sector. The bank's funding is principally made up of covered bonds (Q4 2023: 54.0%) and deposits (35.0%), with the funding mix denominated in EUR (19.5%) and SEK (80.4%). After issuing a senior non-preferred green bond (EUR 500m) in 2023, SBAB has an outstanding volume of green bonds totalling SEK 35.8bn (as at: April 2024). The bank has a green asset ratio of 90.1%. Accordingly, a total of SEK 586.4bn of assets are classified as compliant with the EU taxonomy.

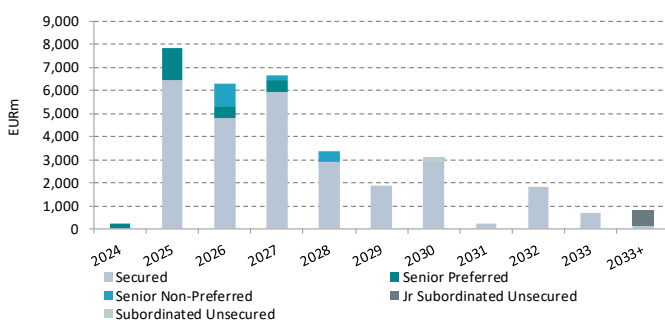
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	45,734	46,545	46,491
Total Securities	8,831	10,100	9,736
Total Deposits	16,377	19,360	21,251
Tier 1 Common Capital	1,767	1,836	1,845
Total Assets	56,954	58,524	58,118
Total Risk-weighted Assets	13,837	14,960	15,221

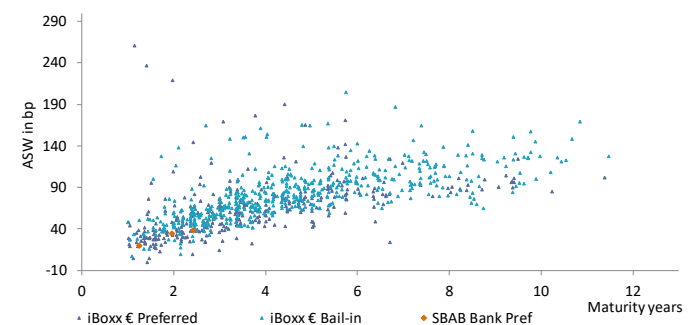
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	438	475	239
Net Fee & Commission Inc.	1	-3	-3
Net Trading Income	-3	-8	5
Operating Expense	182	191	105
Credit Commit. Impairment	6	8	4
Pre-tax Profit	248	268	135

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	0.78	0.84	0.83	Liquidity Coverage Ratio	250.00	258.00	265.00
ROAE	9.55	11.46	9.57	IFRS Tier 1 Leverage Ratio	3.23	3.22	3.26
Cost-to-Income	41.32	40.73	42.94	NPL / Loans at Amortised Cost	0.07	0.14	0.16
Core Tier 1 Ratio	12.77	12.28	12.12	Reserves/Loans at Amort. Cost	0.04	0.06	0.06

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Very high asset quality
- Capitalisation
- Efficient business model

## Risks / Weaknesses

- Dependency on capital market funding
- Credit concentration risks
- Low product diversification in a peer comparison

# SBAB – Mortgage

Sweden 

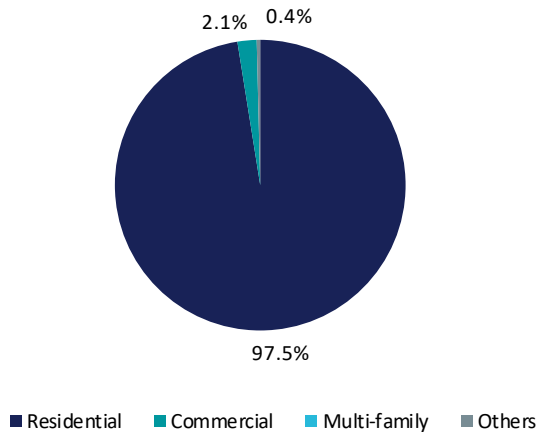
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

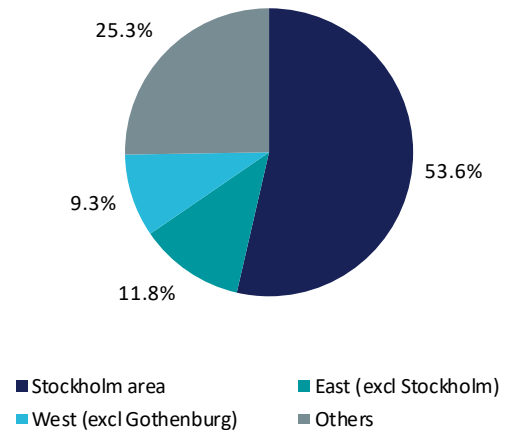
Cover pool volume (EURm)	37,375
Amount outstanding (EURm)	29,197
-thereof ≥ EUR 500m	22.5%
Current OC (nominal)	28.0%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Sweden
Main region	54% Stockholm area
Number of loans	432,793
Number of borrowers	168,672
Avg. exposure to borrowers (EUR)	220,853
WAL (cover pool)	18.8y
WAL (covered bonds)	3.4y
Fixed interest (cover pool)	35.1%
Fixed interest (covered bonds)	98.4%
LTV (indexed)	-
LTV (unindexed)	54.6%
Loans in arrears	0.0%

Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	4.4%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	SB

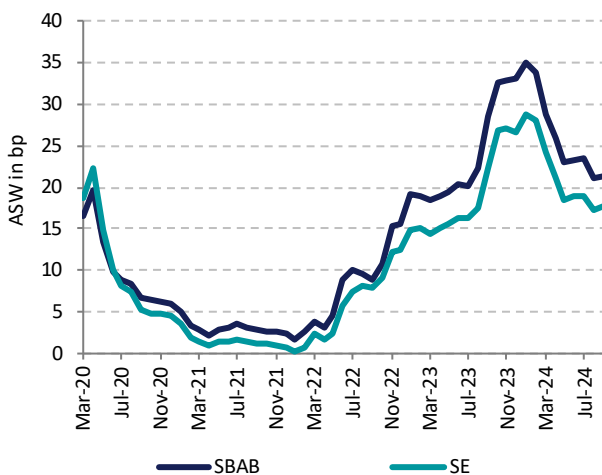
## Borrower Types



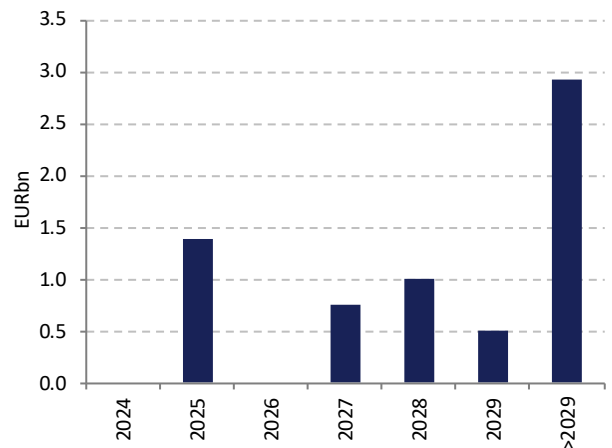
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## SEB

Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Skandinaviska Enskilda

## Banken AB

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

## Homepage

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

The SEB Group consists of Skandinaviska Enskilda Banken AB (SEB) and its subsidiaries. SEB employs 17,500 staff, who serve around 4 million retail customers, 400,000 SMEs and 3,100 large corporations and financial institutes across more than 20 countries. SEB is listed on the Stockholm stock exchange, where its largest shareholder is Investor AB (30 April 2024: 21.4%), followed by AMF (5.4%) and Alecta (5.1%). In Sweden, SEB has a market share of 17.1% for corporate loans (FY 2023) and 23.7% for corporate deposits. For private individuals, the share in the domestic market stands at 12.2% (loans) and 10.7% (deposits). SEB's market shares for retail and commercial customers (loans; deposits) in Estonia (22.8%; 20.8%), Latvia (21.9%; 21.3%) and Lithuania (27.9%; 29.5%) outstrip those in its domestic market (14.1%; 15.6%). At 55%, Sweden is its most important market in terms of operating income (as at FY 2023). Corporate loans (Q4 2023: 55.0%) and private mortgages (22.0%) account for the largest shares of the loan portfolio. Stable funding mainly consists of deposits from households, companies and the public sector, as well as wholesale funding, while short-term funding chiefly comprises short-term wholesale funding. The subsidiary SEB Kort agreed a takeover of AirPlus, a payment services provider for businesses, from Lufthansa for a price of EUR 450m. Having issued two green bonds in 2023 (EUR 1bn; EUR 500m), the outstanding volume (FY 2023) totals EUR 3.5bn. In relation to the EU taxonomy regulation, SEB reports a revenue-based green asset ratio of 2.0% (FY 2023).

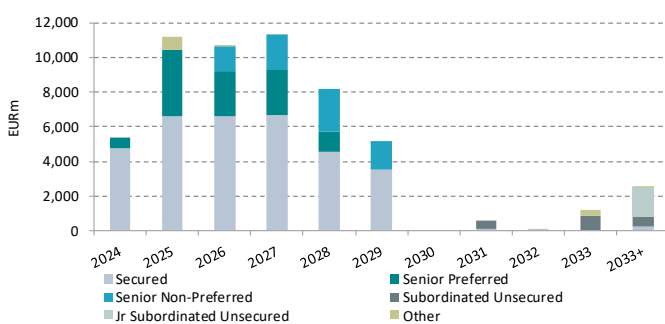
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	185,386	189,022	192,327
Total Securities	45,680	48,762	53,494
Total Deposits	152,750	144,984	172,337
Tier 1 Common Capital	14,628	15,326	15,387
Total Assets	317,115	324,596	365,635
Total Risk-weighted Assets	77,136	80,244	81,036

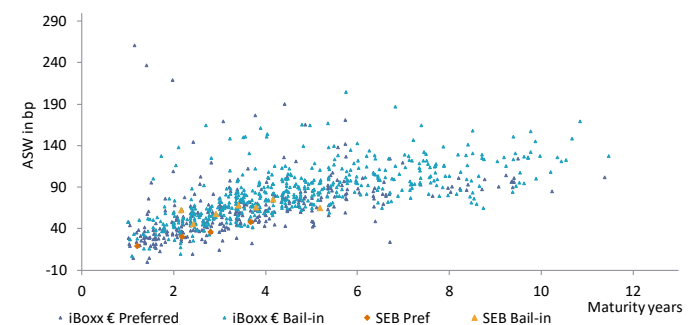
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,147	4,145	2,052
Net Fee & Commission Inc,	2,026	1,890	1,015
Net Trading Income	696	851	-
Operating Expense	2,541	2,718	1,468
Credit Commit, Impairment	321	84	10
Pre-tax Profit	3,175	4,183	2,120

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	0.98	1.38	1.35	Liquidity Coverage Ratio	143.54	139.43	130.41
ROAE	13.87	17.87	17.65	IFRS Tier 1 Leverage Ratio	4.97	5.02	-
Cost-to-Income	41.87	38.86	40.79	NPL / Loans at Amortised Cost	0.38	0.47	-
Core Tier 1 Ratio	18.96	19.10	18.99	Reserves/Loans at Amort. Cost	0.39	0.36	-

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in the Nordics
- Loan quality
- Capitalisation

## Risks / Weaknesses

- Funding profile
- Concentration risk in relation to corporate loans
- Residential property market in Sweden

# SEB – Mortgage

Sweden 

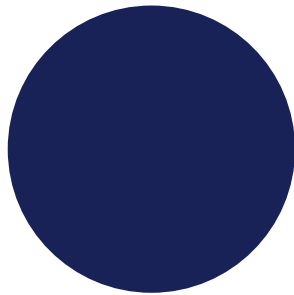
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	62,599
Amount outstanding (EURm)	31,316
-thereof ≥ EUR 500m	21.6%
Current OC (nominal)	99.9%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Sweden
Main region	41% Greater Stockholm
Number of loans	742,855
Number of borrowers	412,991
Avg. exposure to borrowers (EUR)	151,574
WAL (cover pool)	25.2y
WAL (covered bonds)	2.8y
Fixed interest (cover pool)	31.1%
Fixed interest (covered bonds)	100.0%
LTV (indexed)	51.0%
LTV (unindexed)	53.4%
Loans in arrears	0.1%

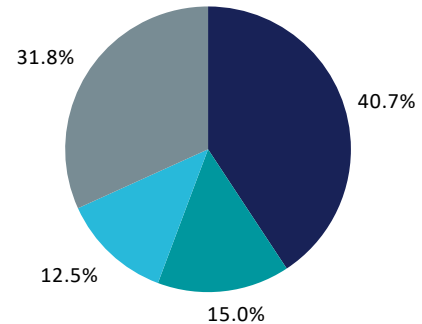
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	5
Collateral score	5.5%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

## Borrower Types



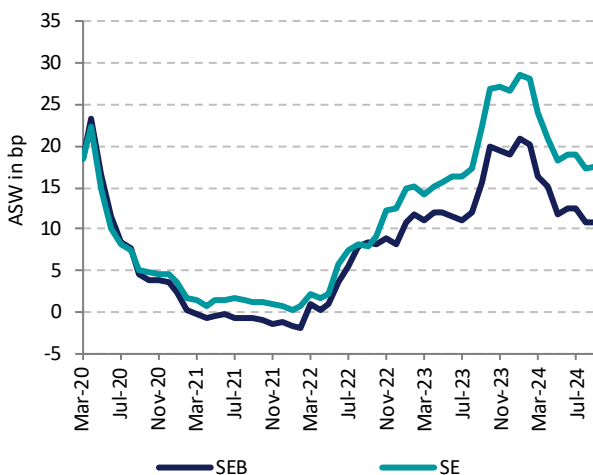
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



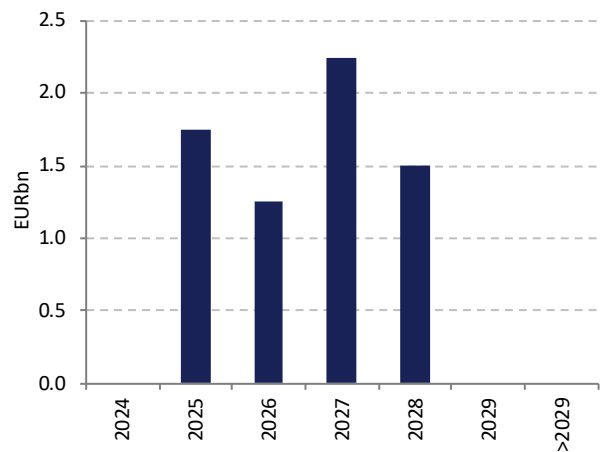
■ Greater Stockholm ■ Greater Gothenburg  
■ East Sweden ■ Others

## Spread Development



— SEB — SE

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Svenska Handelsbanken

Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Svenska Handelsbanken AB

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

## Homepage

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

Established in 1871, Svenska Handelsbanken (HB) is a universal bank with around 11,600 employees (FY 2023). Its shares are listed on the Stockholm stock exchange. The bank's main shareholders are the Swedish investment company Industrivärden (31 December 2023: 11.7% of the voting rights) and the Oktogonen Foundation (8.2%). The domestic markets defined by HB are Sweden (FY 2023: 74.4% of operating income), the UK (17.3%), Norway (7.2%) and the Netherlands (2.9%). Along with Capital Markets, Others and Adjustments and Eliminations, these four domestic markets constitute the seven operational segments of HB. Retail customers (48.8%) and asset managers (30.1%), in addition to housing cooperatives (12.1%) account for practically the entire loan portfolio. The funding mix comprises 47.4% issued securities (Q1 2024) and 43.4% retail deposits. Covered bonds account for a share of 42.1% of the securities issued, and these are placed by the wholly owned subsidiary Stadshypotek. In financial year 2021, HB announced its intention to withdraw from the Finnish and Danish markets. In this context, the Danish business activities were successfully transferred to Jyske Bank A/S, while the divestment of the Finnish retail banking, SME and life insurance segments is expected to be finalised in 2024. Having already issued three green bonds on the basis of its Green Bond Framework in 2018 (revised in 2022), HB placed its first two green covered bonds on the market (EUR 1bn; SEK 9bn) in 2023. Based on revenues, HB has a green asset ratio of 2.2%.

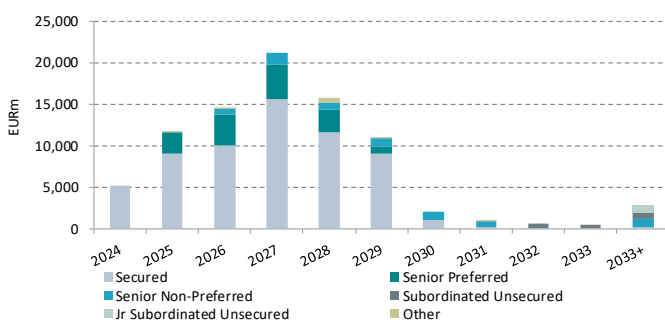
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	207,876	206,171	202,702
Total Securities	17,767	25,358	27,997
Total Deposits	118,392	116,811	124,716
Tier 1 Common Capital	14,232	14,176	14,115
Total Assets	310,018	318,260	328,234
Total Risk-weighted Assets	72,721	75,278	74,720

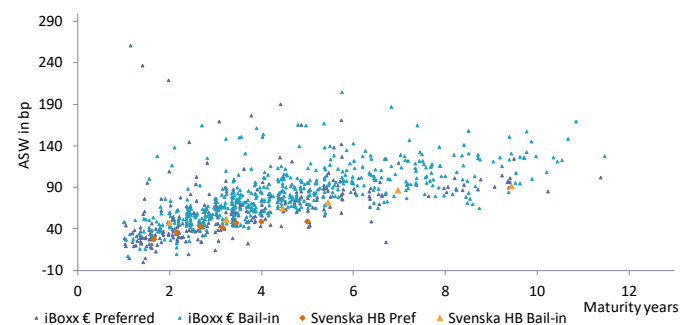
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,446	4,149	2,048
Net Fee & Commission Inc,	1,033	971	500
Net Trading Income	145	232	117
Operating Expense	2,174	2,226	1,229
Credit Commit, Impairment	4	12	-20
Pre-tax Profit	2,525	3,167	1,473

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.22	1.51	1.46	Liquidity Coverage Ratio	163.17	209.91	188.14
ROAE	11.76	14.85	13.75	IFRS Tier 1 Leverage Ratio	4.64	4.51	4.33
Cost-to-Income	46.82	41.09	45.50	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	19.57	18.83	18.89	Reserves/Loans at Amort. Cost	0.09	0.09	0.09

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in core markets
- Asset quality
- Capitalisation

## Risks / Weaknesses

- Dependency on capital market funding
- Concentration risks in lending business
- Residential property market in Sweden

# Stadshypotek – Mortgage (Swedish Pool)

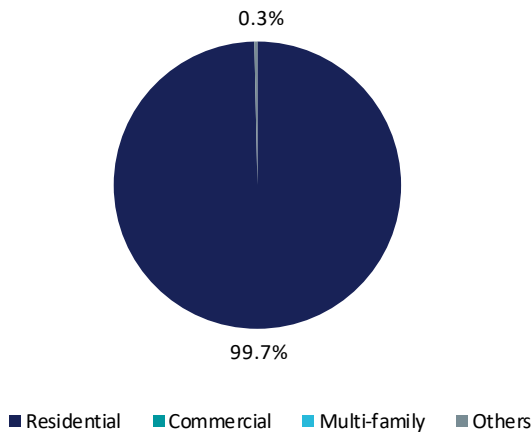
Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

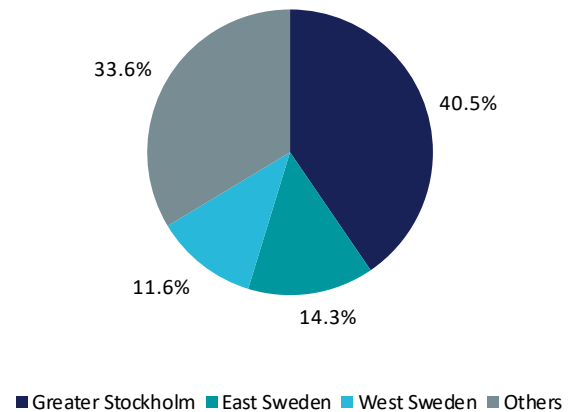
## Cover Pool Data

Cover pool volume (EURm)	59,932	Rating (Moody's)	Aaa
Amount outstanding (EURm)	54,484	Rating (S&P)	-
-thereof ≥ EUR 500m	9.2%	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	4.0%
Main region	40% Greater Stockholm	RRL	-
Number of loans	823,648	JRL	-
Number of borrowers	359,009	Unused notches	-
Avg. exposure to borrowers (EUR)	166,815	AAA credit risk (%)	-
WAL (cover pool)	29.0y	PCU	-
WAL (covered bonds)	2.9y	Recovery uplift	-
Fixed interest (cover pool)	45.8%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	92.5%	LCR eligible	Yes
LTV (indexed)	54.0%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

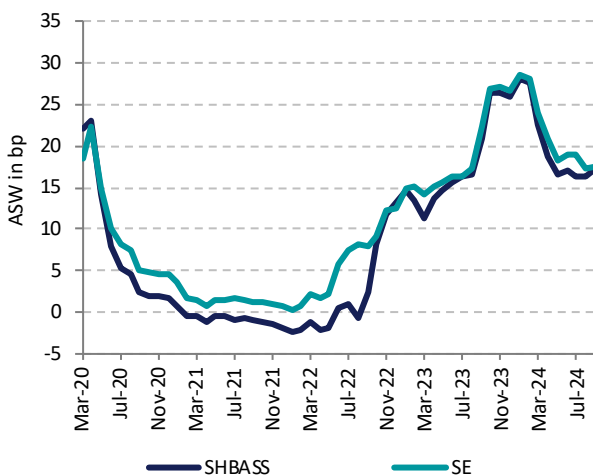
## Borrower Types



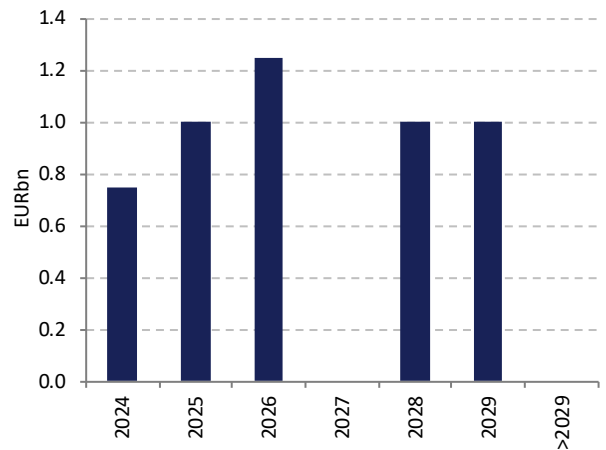
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Stadshypotek– Mortgage (Norwegian Pool)

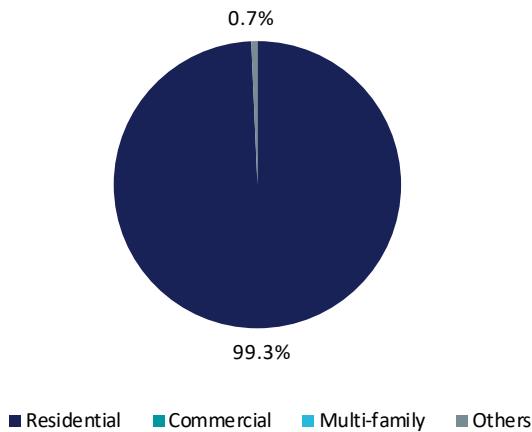
Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

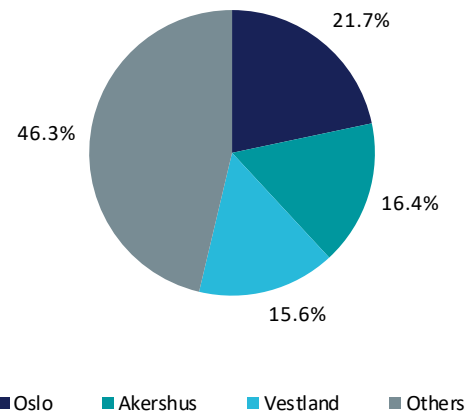
## Cover Pool Data

Cover pool volume (EURm)	6,245	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,677	Rating (S&P)	-
-thereof ≥ EUR 500m	66.1%	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% Norway	Collateral score	4.2%
Main region	22% Oslo	RRL	-
Number of loans	25,477	JRL	-
Number of borrowers	22,273	Unused notches	-
Avg. exposure to borrowers (EUR)	278,461	AAA credit risk (%)	-
WAL (cover pool)	23.4y	PCU	-
WAL (covered bonds)	4.2y	Recovery uplift	-
Fixed interest (cover pool)	6.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	67.2%	LCR eligible	Yes
LTV (indexed)	58.8%	LCR level (Bmk)	1
LTV (unindexed)	-	Risk weight	10%
Loans in arrears	0.0%	Maturity structure (Bmk)	HB & SB

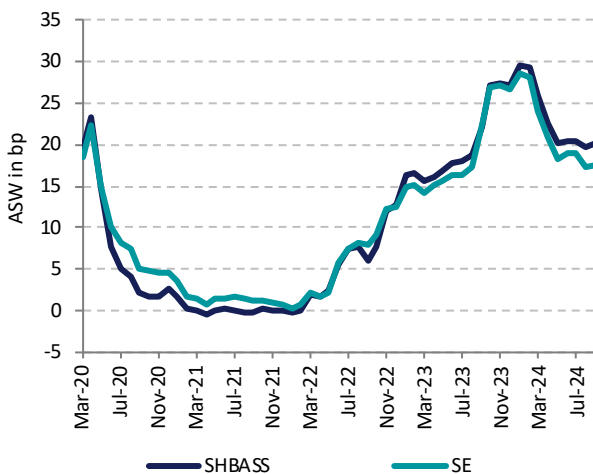
## Borrower Types



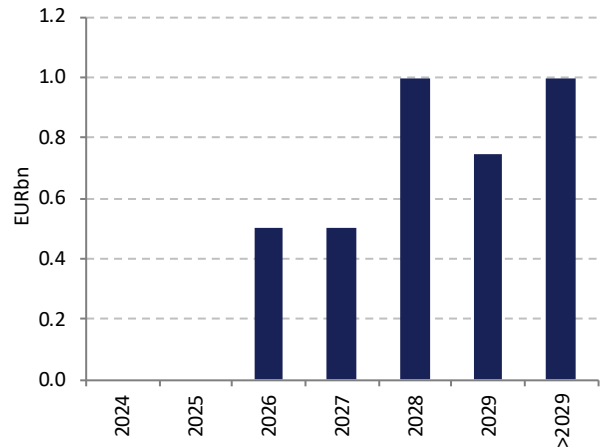
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Swedbank

Sweden 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Swedbank AB

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

## Homepage

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

Swedbank AB is one of the largest banks in Sweden, with more than 17,000 employees serving around 7 million retail customers (Sweden 52.1%) and 550,000 corporate customers (Sweden: 47.3%) in 224 branches (63.8% in Sweden). In the most important market of Sweden (68.8% of total income), the bank has market shares of 20.0% for retail lending and 18.0% for retail deposits. In addition, Swedbank is the market leader in the banking business and fund management in Estonia, Latvia and Lithuania, which it also counts among its domestic markets. The largest shareholder is the Sparbanksgruppen, which holds a stake of 12.3% (26 March 2024), followed by Folksam (7.1%). In 2023, Swedbank reported across the operational segments of Swedish Banking, Baltic Banking, Large Corporates & Institutions and Group Functions & Other. From 2024 onwards, Swedbank will additionally report in the new segment of Premium & Private Banking. At 67.5%, loans to the public account for the largest share of assets. These are made up of 64.9% residential mortgages and 11.8% office buildings. In geographical terms, 74.0% of assets are located in Sweden. The funding mix primarily comprises deposits (46.5%) and bonds (27.4%), of which covered bonds account for a share of 47.4%. The bank is striving to achieve climate neutrality in the loan and investment portfolio by 2050. In 2023, Swedbank issued three senior non-preferred green bonds, bringing its total outstanding volume to SEK 40bn in the process. In addition, it placed the first social bond (EUR 500m) by a Nordic bank on the market in August 2023. Swedbank's green asset ratio, as measured on the basis of revenues, stands at 1.36%.

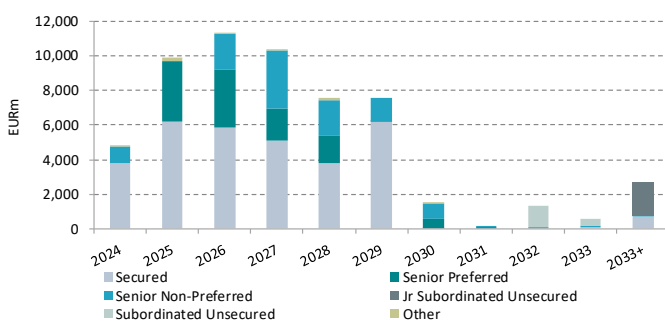
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	165,417	167,629	167,021
Total Securities	24,522	27,244	32,638
Total Deposits	117,227	111,034	113,522
Tier 1 Common Capital	12,936	14,453	15,015
Total Assets	256,243	256,883	270,148
Total Risk-weighted Assets	72,658	76,207	74,665

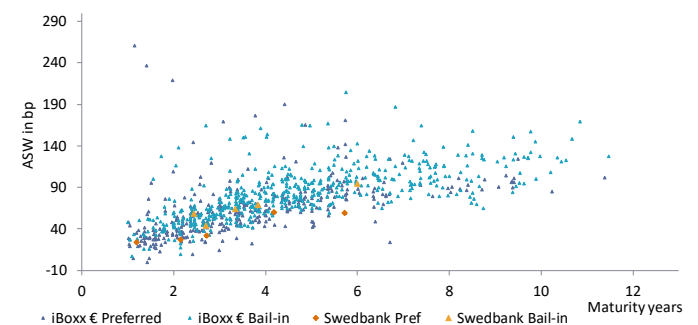
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	3,119	4,442	2,174
Net Fee & Commission Inc,	1,328	1,316	715
Net Trading Income	171	241	120
Operating Expense	2,124	2,413	1,299
Credit Commit, Impairment	139	146	-13
Pre-tax Profit	2,518	3,804	1,899

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.29	1.94	1.90	Liquidity Coverage Ratio	154.34	171.75	175.00
ROAE	13.05	18.49	17.40	IFRS Tier 1 Leverage Ratio	5.21	5.82	5.66
Cost-to-Income	43.37	37.88	40.74	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	17.80	18.97	20.11	Reserves/Loans at Amort. Cost	0.33	0.39	0.36

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Market position in Sweden and the Baltic
- Profitability
- Cost-efficiency from digitisation advances

## Risks / Weaknesses

- Dependency on capital market funding
- Legal risks (potential for fines, loss of reputation)
- Risks on the Swedish housing market

# Swedbank – Mortgage

Sweden 

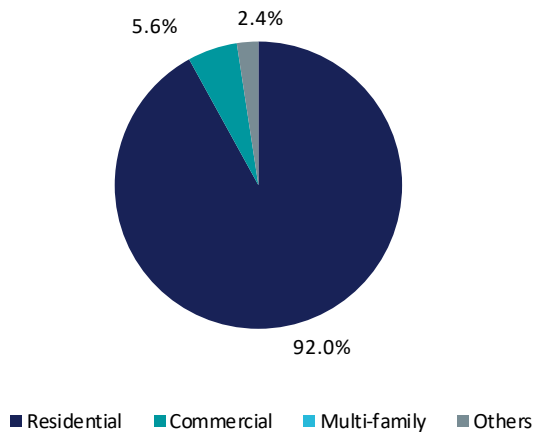
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

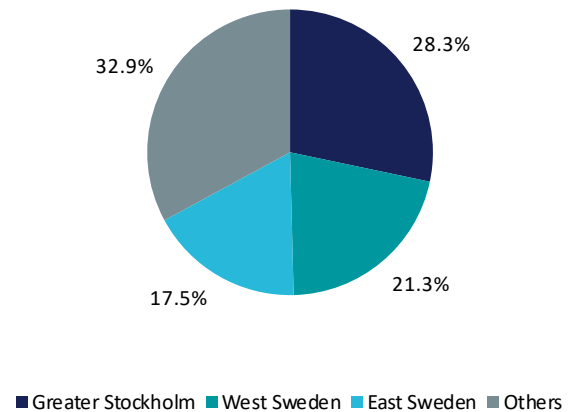
Cover pool volume (EURm)	97,205
Amount outstanding (EURm)	32,770
-thereof ≥ EUR 500m	13.0%
Current OC (nominal)	196.6%
Committed OC	2.0%
Cover type	Mortgage
Main country	100% Sweden
Main region	28% Greater Stockholm
Number of loans	1,607,636
Number of borrowers	976,976
Avg. exposure to borrowers (EUR)	97,379
WAL (cover pool)	25.3y
WAL (covered bonds)	2.7y
Fixed interest (cover pool)	43.9%
Fixed interest (covered bonds)	96.5%
LTV (indexed)	54.0%
LTV (unindexed)	-
Loans in arrears	0.3%

Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable-High
TPI leeway	4
Collateral score	4.7%
RRL	aa
JRL	aaa
Unused notches	3
AAA credit risk (%)	0.0%
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	1
Risk weight	10%
Maturity structure (Bmk)	HB & SB

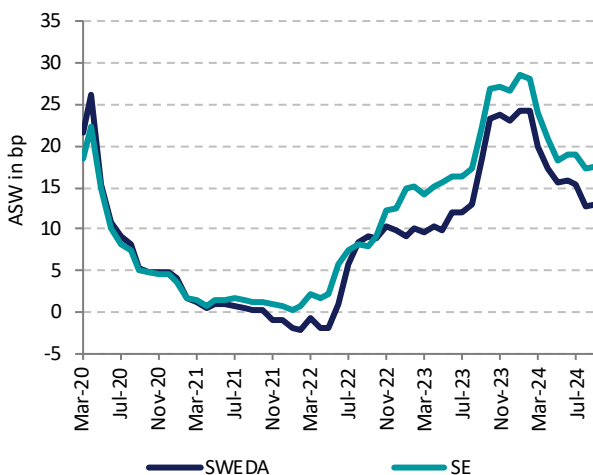
## Borrower Types



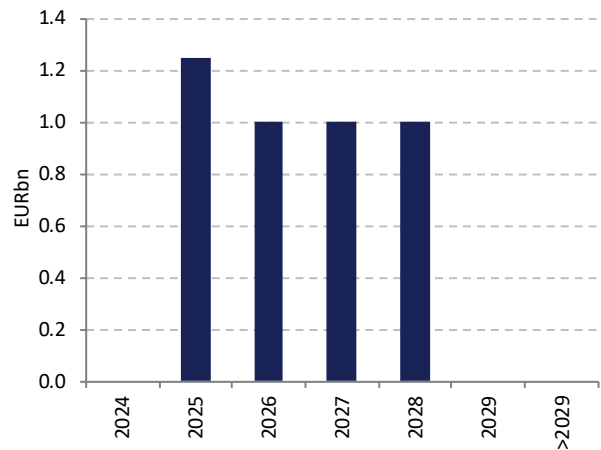
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

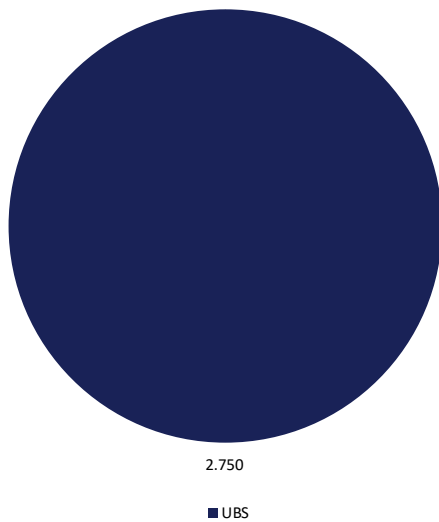
# Market Overview Covered Bonds

Switzerland 

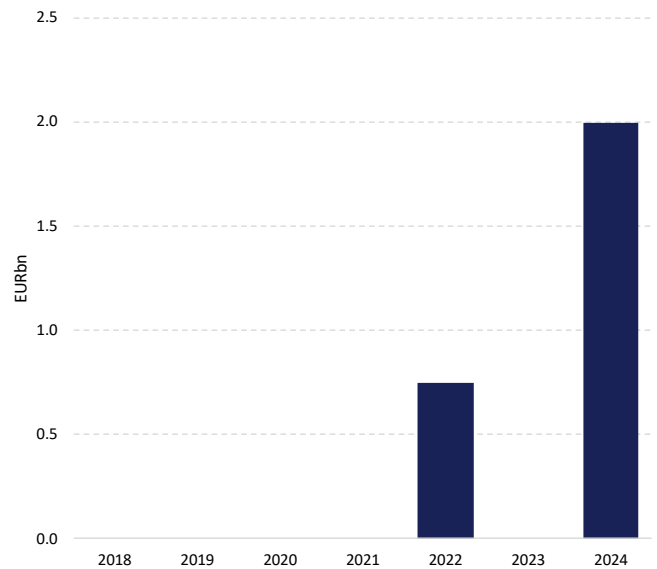
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 25.74bn	Outstanding volume (Bmk)	EUR 2.75bn
Amount outstanding	EUR 22.26bn	Number of benchmarks	3
Number of issuers	1	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

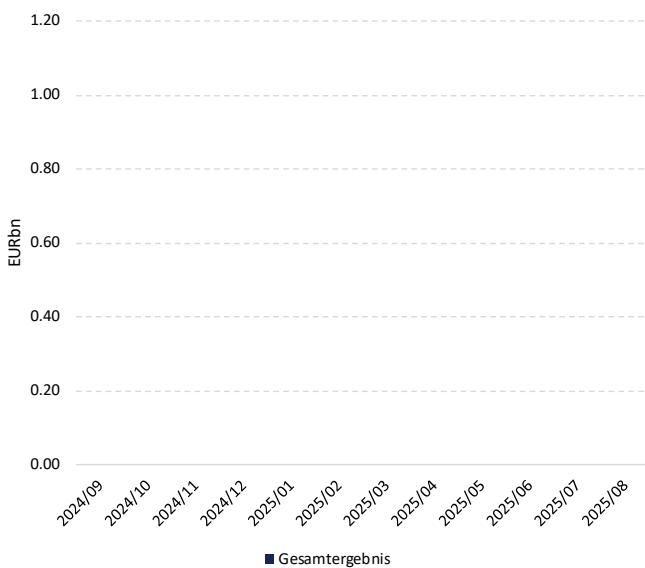
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



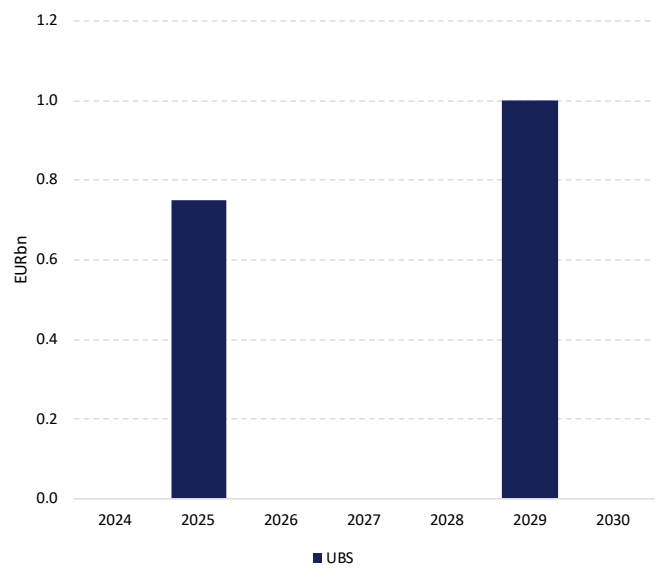
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24



# UBS Group

Switzerland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### UBS Group AG

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

## Homepage

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

\*Senior Unsecured/LT Bank Deposits

UBS Group AG (UBS) is a global banking and financial services group and the holding company of the UBS Group as well as the parent company of the Swiss bank UBS AG. It is classified as a global systemically important bank (G-SIB). It is the largest financial institution in Switzerland with total assets amounting to USD 1,541bn (FY 2023). Moreover, it is listed on both the SIX Swiss Exchange and the New York stock exchange. UBS offers its services to high net-worth retail customers in addition to businesses and institutional customers around the world. The bank has traditionally reported across the following business units: Global Wealth Management (FY 2023: USD 3.5bn of operating profit), Personal & Corporate Banking (USD 3.1bn), Asset Management (USD 0.3bn) and Investment Bank (USD -0.04bn), in addition to the segment Group Items (USD -1.2bn). The segment Non-core and Legacy (USD -4.7bn) was added in 2023. Here, reporting takes place in business units that were acquired following the acquisition of Credit Suisse, among other aspects. The customer lending portfolio mainly consists of retail mortgage loans (FY 2023: 42%) and lombard loans (24%), with loans for properties (15%), large corporates (5%) and SMEs (4%) constituting additional relevant shares. Most of the financing at UBS comes from customer deposits (FY 2023: 46% of liabilities). The institute is a founding member of the Net-Zero Banking Alliance (target: net zero emissions by 2050), with its volume of sustainable financing totalling USD 292bn as at FY 2023. Following the acquisition of Credit Suisse, the bank abandoned its target of investing USD 400bn in sustainable financing by 2025.

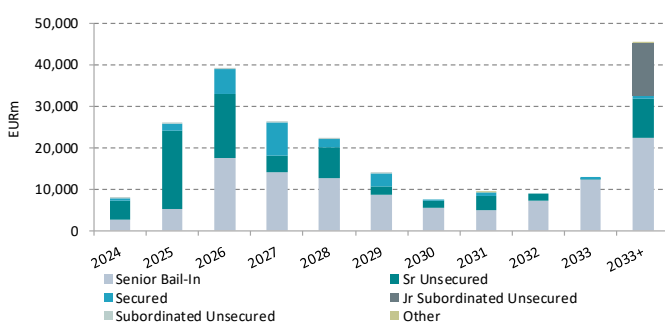
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	371,744	613,873	583,896
Total Securities	452,528	586,890	571,090
Total Deposits	491,290	716,549	706,349
Tier 1 Common Capital	42,534	70,568	71,028
Total Assets	1,033,353	1,553,301	1,456,859
Total Risk-weighted Assets	299,036	494,423	477,267

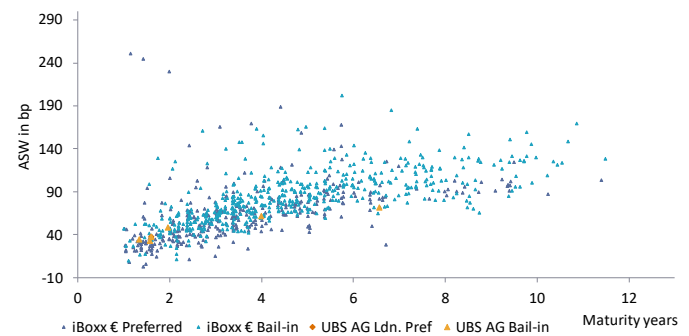
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	6,299	6,749	3,214
Net Fee & Commission Inc.	18,043	19,949	12,046
Net Trading Income	7,150	10,715	7,276
Operating Expense	23,668	35,340	19,052
Credit Commit. Impairment	28	959	186
Pre-tax Profit	9,136	26,132	3,556

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	0.61	0.52	0.44	Liquidity Coverage Ratio	-	-
ROAE	13.23	36.67	6.90	IFRS Tier 1 Leverage Ratio	4.82	5.14
Cost-to-Income	74.58	93.63	83.58	NPL / Loans at Amortised Cost	0.60	0.90
Core Tier 1 Ratio	14.22	14.27	14.88	Reserves/Loans at Amort. Cost	0.21	0.27
					0.29	

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Capitalisation
- Market position (domestic market & wealth manage.)
- Risk management

## Risks / Weaknesses

- Risks relating to integration of Credit Suisse
- Profitability (medium term)
- Complexity of capital market activities

# UBS (CS Legacy) – Mortgage

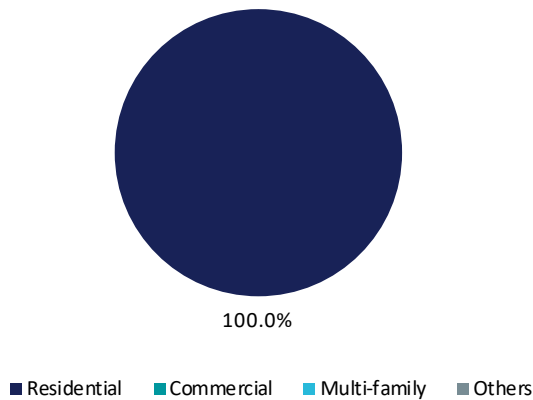
Switzerland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

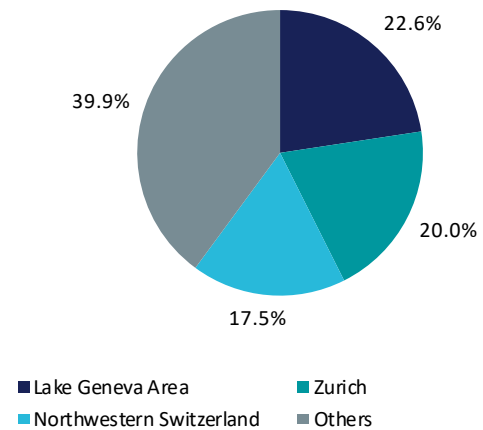
## Cover Pool Data

Cover pool volume (EURm)	12,110	Rating (Moody's)	-
Amount outstanding (EURm)	10,956	Rating (S&P)	-
-thereof ≥ EUR 500m	32.4%	Rating (Fitch)	AAA
Current OC (nominal)	18.0%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Switzerland	Collateral score	-
Main region	23% Lake Geneva Area	RRL	-
Number of loans	19,317	JRL	-
Number of borrowers	16,910	Unused notches	-
Avg. exposure to borrowers (EUR)	716,136	AAA credit risk (%)	-
WAL (cover pool)	3.7y	PCU	6
WAL (covered bonds)	4.1y	Recovery uplift	2
Fixed interest (cover pool)	87.6%	CRD compliant	No
Fixed interest (covered bonds)	100.0%	LCR eligible	No
LTV (indexed)	-	LCR level (Bmk)	Not eligible
LTV (unindexed)	66.0%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

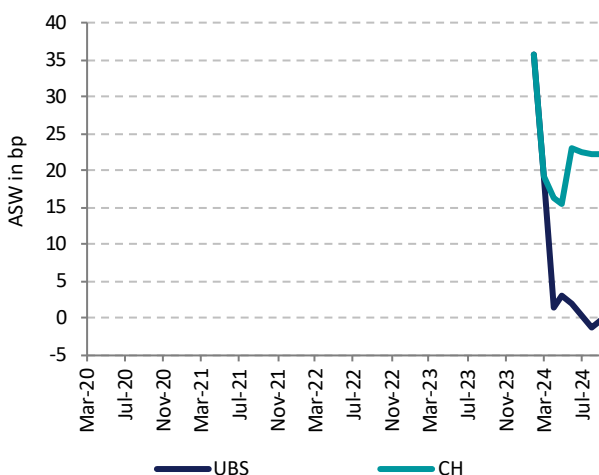
## Borrower Types



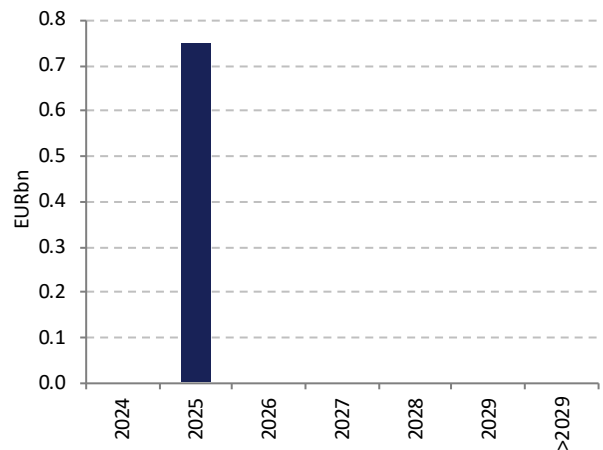
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# UBS – Mortgage

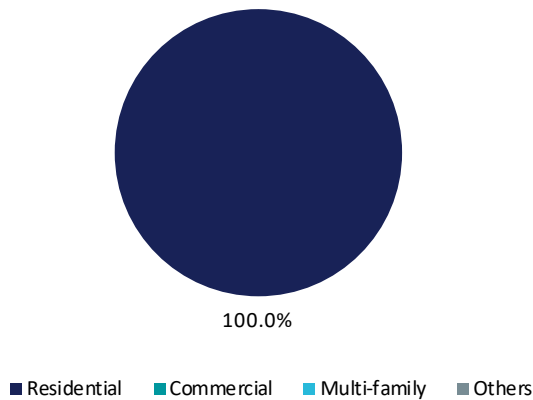
Switzerland 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

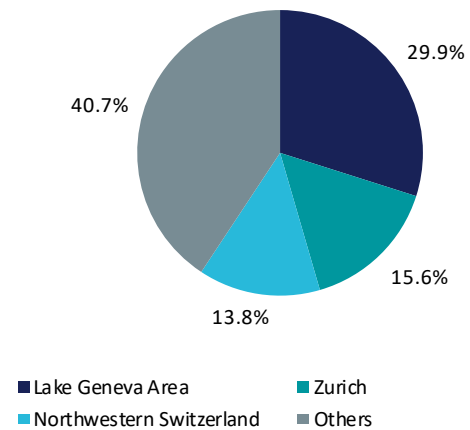
## Cover Pool Data

Cover pool volume (EURm)	13,627	Rating (Moody's)	-
Amount outstanding (EURm)	11,305	Rating (S&P)	-
-thereof ≥ EUR 500m	17.7%	Rating (Fitch)	AAA
Current OC (nominal)	20.5%	Rating (DBRS)	-
Committed OC	-	TPI	-
Cover type	Mortgage	TPI leeway	-
Main country	100% Switzerland	Collateral score	-
Main region	30% Lake Geneva Area	RRL	-
Number of loans	36,497	JRL	-
Number of borrowers	24,553	Unused notches	-
Avg. exposure to borrowers (EUR)	554,996	AAA credit risk (%)	-
WAL (cover pool)	4.1y	PCU	6
WAL (covered bonds)	3.7y	Recovery uplift	2
Fixed interest (cover pool)	100.0%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	93.1%	LCR eligible	No
LTV (indexed)	-	LCR level (Bmk)	Not eligible
LTV (unindexed)	49.8%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

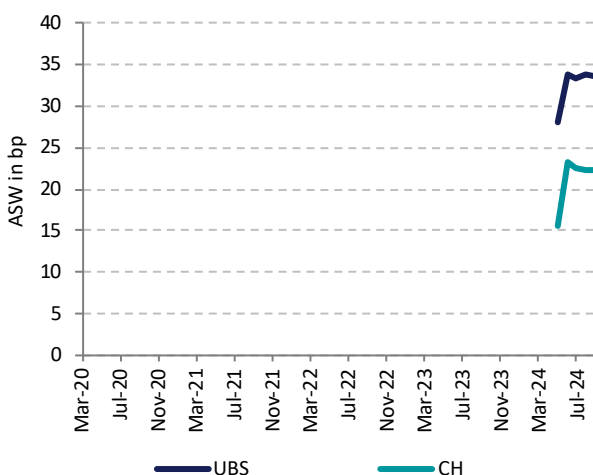
## Borrower Types



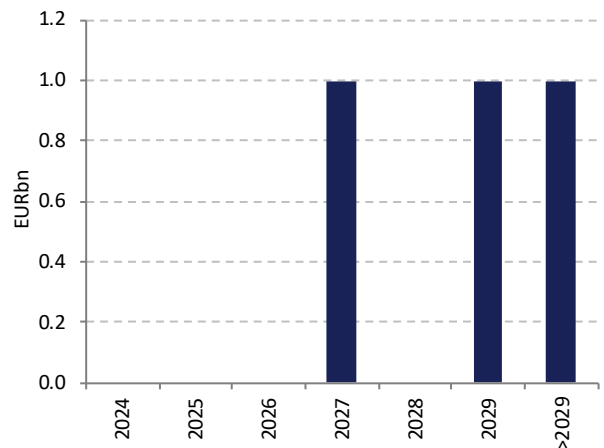
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

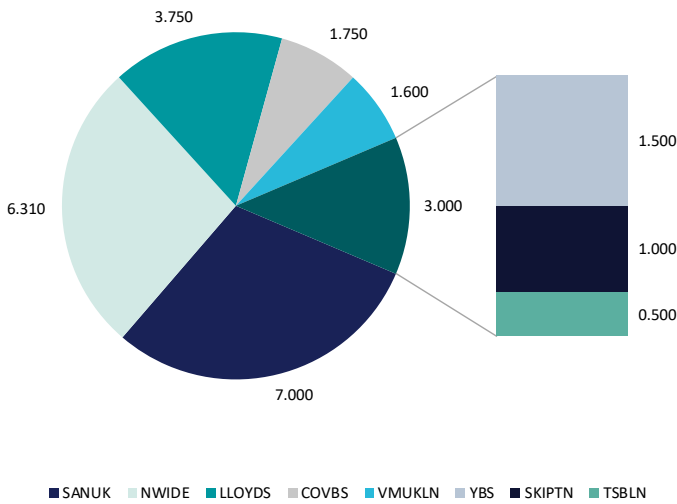
# Market Overview Covered Bonds

## United Kingdom

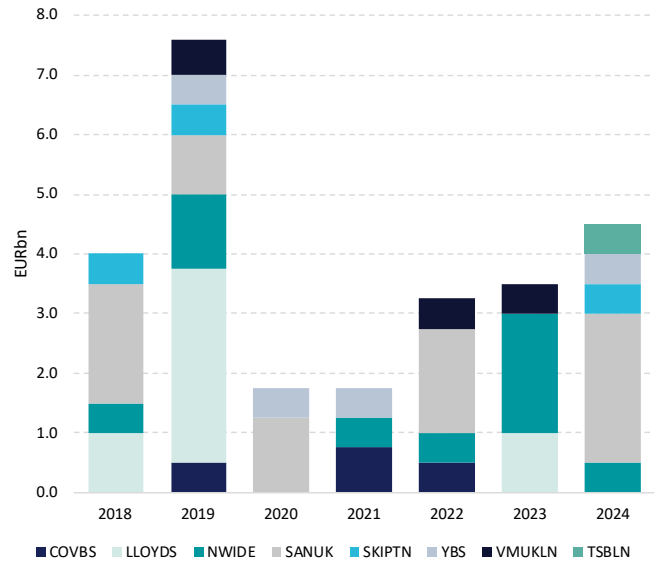
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Cover Pool Volume	EUR 135.54bn	Outstanding volume (Bmk)	EUR 23.41bn
Amount outstanding	EUR 82.40bn	Number of benchmarks	31
Number of issuers	8	Outstanding ESG volume (Bmk)	EUR 0.50bn
No of cover pools	8	Number of ESG benchmarks	1
there of M / PS / others	8 / 0 / 0	Outstanding volume (SBmk)	-
Ratings (low / high)	AAA / AAA	Number of subbenchmarks	-
Best possible LCR level	Level 2A	Maturity types	SB

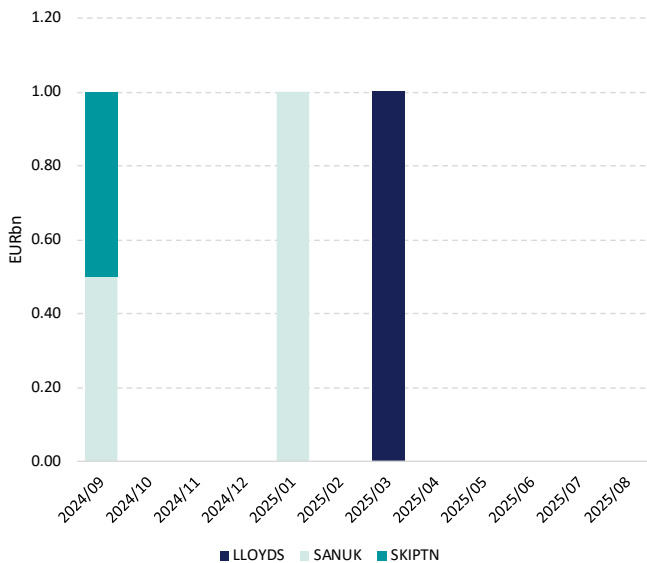
**Outstanding benchmark volume<sup>1</sup> (EURbn)**



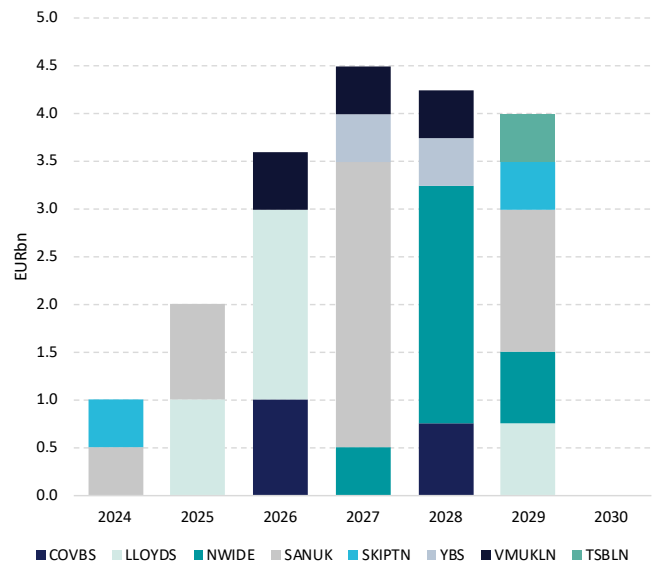
**Benchmark issuance volume<sup>1</sup>**



**Benchmark redemption profile<sup>1</sup>: 09/2024 - 08/2025**



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



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research; <sup>1</sup> based on Bloomberg ticker; <sup>2</sup> Redemptions 2024: 06.09.24 - 31.12.24

## Coventry Building Society

United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Coventry Building Society

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

## Homepage

[www.coventrybuildingsociety.co.uk](http://www.coventrybuildingsociety.co.uk)

\*Senior Unsecured/LT Bank Deposits

Coventry Building Society (COVBS) is the second-largest building society in the UK in terms of total assets (H1 2024: GBP 62.9bn). The building society, which is organised as a cooperative, is regulated by the Prudential Regulation Authority and the Financial Conduct Authority. COVBS offers its more than two million customers a wide range of retail products in 64 branches. The focus is on the mortgage and deposit business. Both the mortgage portfolio (+2.2%) and customer deposits (+2.6%) increased in the first half of 2024. The mortgage business (H1 2024) mainly consists of private residential mortgages (62%) and buy-to-let mortgages (38%). A large proportion of the mortgage portfolio is attributable to the regions in the south of England, in particular London (H1 2024: 27%) and South East England (18%). The regions of North (14%), East (12%) and Central England (14%) also contribute to diversification, as do the 6% of the portfolio located in Scotland, Wales and Northern Ireland. The majority of refinancing is made up of retail deposits (82%) and wholesale funding (17%). The Co-Operative Bank was acquired for GBP 780m in May 2024 to diversify and expand the customer base and business model. This will be integrated continuously over the next few years, until then both banks will continue to operate under their own names. With the Climate Action Plan published in 2021, COVBS has committed to reducing its emissions to "net zero" by 2040.

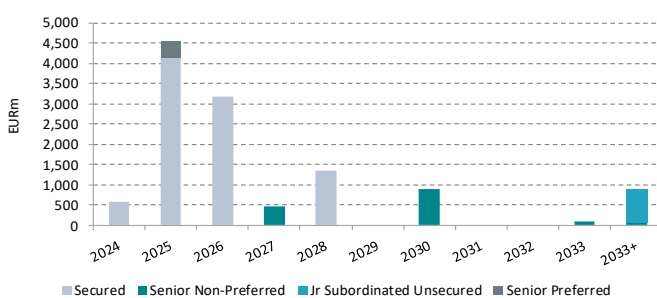
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	54,132	57,937	60,623
Total Securities	2,574	3,055	2,514
Total Deposits	48,152	55,106	57,784
Tier 1 Common Capital	2,448	2,856	-
Total Assets	66,368	71,980	74,224
Total Risk-weighted Assets	8,920	9,794	-

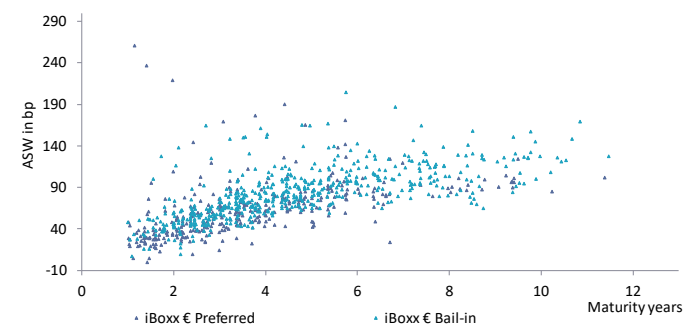
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	771	882	386
Net Fee & Commission Inc.	-4	-8	-3
Net Trading Income	31	35	-12
Operating Expense	347	359	176
Credit Commit. Impairment	19	8	-16
Pre-tax Profit	435	544	186

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.16	1.27	1.05	Liquidity Coverage Ratio	195.00	227.00	272.00
ROAE	10.59	11.35	7.22	IFRS Tier 1 Leverage Ratio	3.70	4.00	-
Cost-to-Income	43.28	39.37	47.52	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	27.44	29.16	-	Reserves/Loans at Amort. Cost	0.07	0.08	0.05

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Buy-to-let exposure
- Lack of diversification
- Moderate profitability

# Coventry Building Society – Mortgage

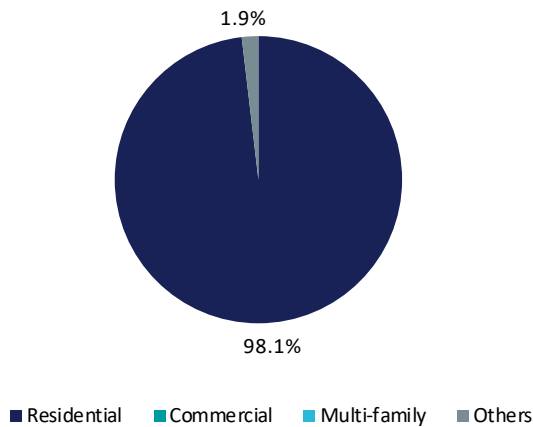
United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

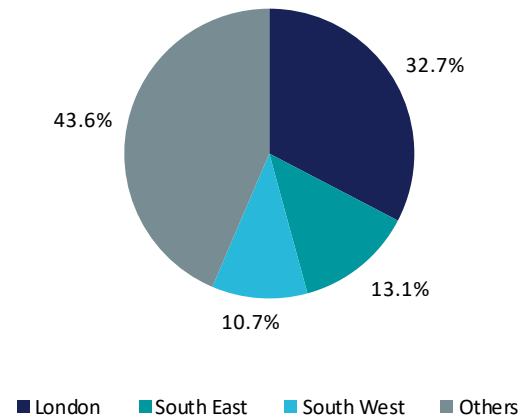
## Cover Pool Data

Cover pool volume (EURm)	8,260	Rating (Moody's)	Aaa
Amount outstanding (EURm)	4,596	Rating (S&P)	-
-thereof ≥ EUR 500m	49.0%	Rating (Fitch)	AAA
Current OC (nominal)	79.7%	Rating (DBRS)	-
Committed OC	11.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	4.0%
Main region	33% London	RRL	-
Number of loans	48,389	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	18.7y	PCU	6
WAL (covered bonds)	2.4y	Recovery uplift	1
Fixed interest (cover pool)	87.3%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	39.0%	LCR eligible	Yes
LTV (indexed)	43.9%	LCR level (Bmk)	2A
LTV (unindexed)	48.8%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

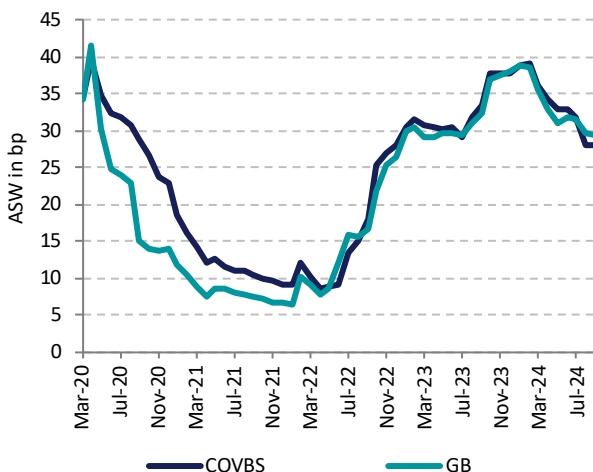
## Borrower Types



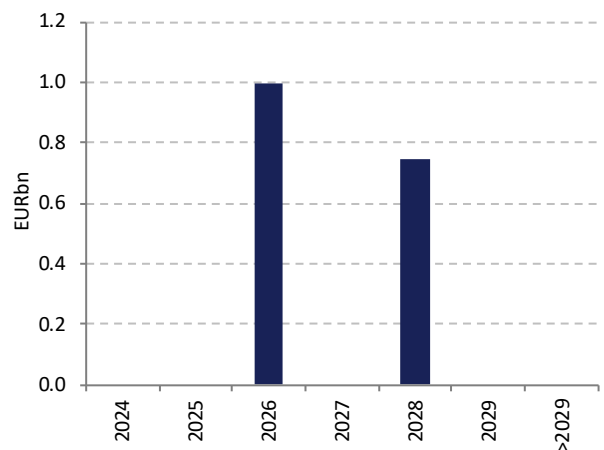
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Lloyds Banking Group

# United Kingdom

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### Lloyds Banking Group PLC

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

## Homepage

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

\*Baseline Credit Assessment

Lloyds Banking Group (LBG) operates as the holding company for its wholly owned subsidiary Lloyds Bank. LBG is one of the leading financial services groups in the United Kingdom and serves around 27 million retail and corporate customers. The main shareholders of the group were BlackRock (5.1%) and Harris Associates (5.0%) as at 31 December 2023. In terms of structure, LBG is divided into the sub-groups Ring Fenced Banks (Lloyds Bank plc and Bank of Scotland plc, incl. Halifax and MBNA) and Non-Ring-Fenced Banks (Lloyds Bank Corporate Markets plc). The Insurance sub-group including the Scottish Widows Group Limited (SWG) and the Equity sub-group with LBG Equity Investments Limited supplement the group structure. The bank reports across the following segments: Retail (FY 2023: 51.8% of pre-tax profit), Commercial Banking (41.2%), Insurance, Pensions and Investments (2.4%) and Other (4.6%). The majority of the loan portfolio comprises mortgages (68.1%), followed by loans to banks and businesses (19.7%). The vast majority of wholesale funding consists of medium-term notes (45.1%), covered bonds (14.3%) and commercial paper (12.5%). By 2030, LBG intends to have reduced the volume of CO2 emissions it finances by at least 50%, while it plans to have made available a total of GBP 10bn for mortgage loans in energy efficiency classes A and B by the end of 2024.

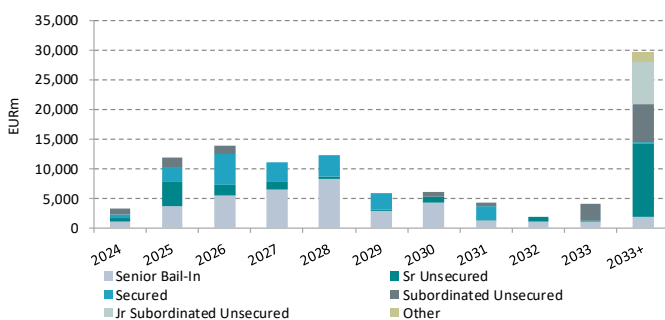
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	523,867	529,685	544,763
Total Securities	304,827	339,211	363,222
Total Deposits	535,896	543,221	559,899
Tier 1 Common Capital	35,925	36,757	36,912
Total Assets	984,680	1,015,757	1,053,204
Total Risk-weighted Assets	237,726	252,518	261,871

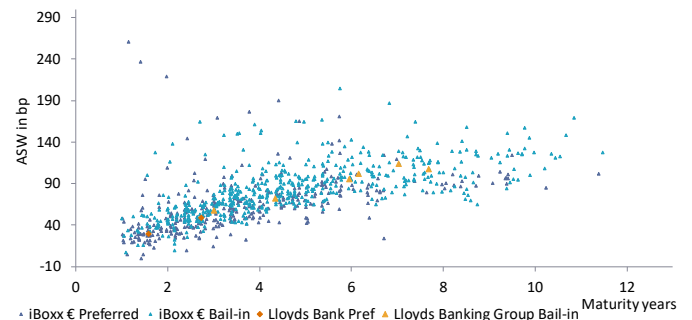
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	15,159	15,291	7,074
Net Fee & Commission Inc.	2,018	2,105	1,041
Net Trading Income	-22,739	20,995	12,582
Operating Expense	10,836	12,445	6,642
Credit Commit. Impairment	1,744	361	132
Pre-tax Profit	5,610	8,628	3,889

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.53	1.57	1.43	Liquidity Coverage Ratio	-	-
ROAE	8.19	12.06	10.40	IFRS Tier 1 Leverage Ratio	3.79	3.74
Cost-to-Income	59.62	58.10	62.38	NPL / Loans at Amortised Cost	1.68	1.59
Core Tier 1 Ratio	15.11	14.56	14.10	Reserves/Loans at Amort. Cost	0.98	0.82

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- UK market leader for retail banking
- Liquidity and funding profile

## Risks / Weaknesses

- Geographical concentration risks
- Macroeconomic environment in the UK

# Lloyds Bank – Mortgage

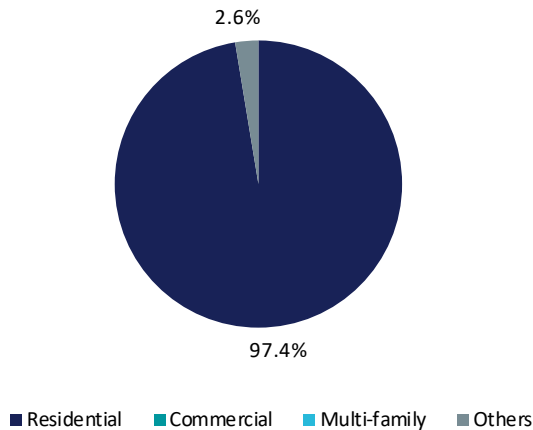
United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

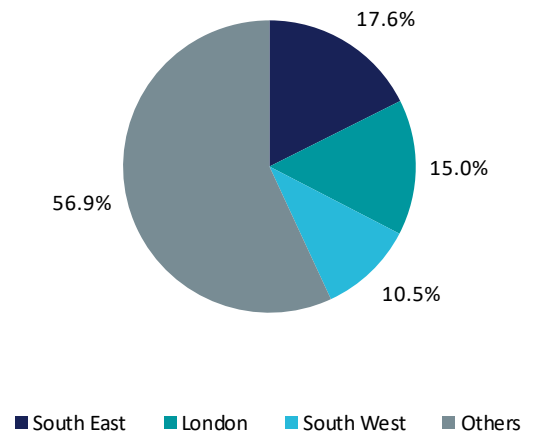
## Cover Pool Data

Cover pool volume (EURm)	35,095	Rating (Moody's)	Aaa
Amount outstanding (EURm)	21,492	Rating (S&P)	-
-thereof ≥ EUR 500m	17.4%	Rating (Fitch)	AAA
Current OC (nominal)	63.3%	Rating (DBRS)	-
Committed OC	7.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	4.2%
Main region	18% South East	RRL	-
Number of loans	265,725	JRL	-
Number of borrowers	n/a	Unused notches	-
Avg. exposure to borrowers (EUR)	n/a	AAA credit risk (%)	-
WAL (cover pool)	16.6y	PCU	6
WAL (covered bonds)	3.4y	Recovery uplift	1
Fixed interest (cover pool)	71.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	46.2%	LCR eligible	Yes
LTV (indexed)	48.2%	LCR level (Bmk)	2A
LTV (unindexed)	61.7%	Risk weight	20%
Loans in arrears	1.5%	Maturity structure (Bmk)	SB

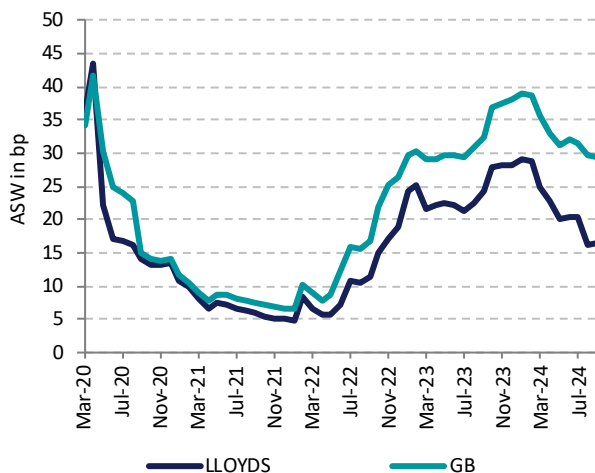
## Borrower Types



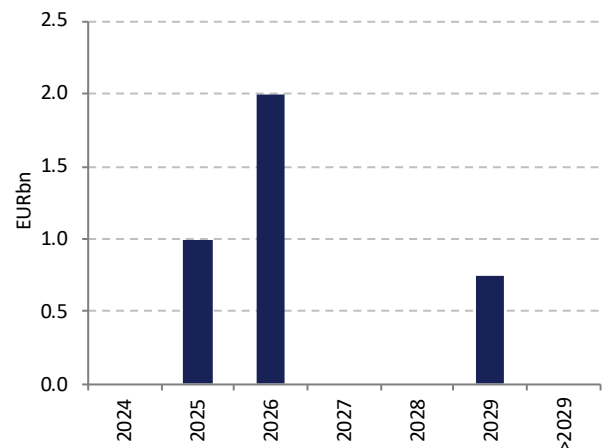
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



## Nationwide Building Society

United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Nationwide Building Society

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

## Homepage

[www.nationwide.co.uk](http://www.nationwide.co.uk)

\*Senior Unsecured/LT Bank Deposits

Nationwide Building Society (NBS) is headquartered in Swindon and is organised on cooperative lines. By assets, it is the UK's largest building society (FY 2023: GBP 272bn) and the second largest mortgage provider as measured by market share (10.8% in FY 2023). The Bank of England has classified it as another systemically important bank (O-SIB). Its market shares for deposits and current accounts amount to 9.6% and 10.4% respectively. Reporting takes place in the categories Residential Mortgages, Consumer Banking and Commercial Lending. The loan portfolio can be broken down as follows: prime residential mortgages (74.7%; April 2023), buy-to-let mortgages (20.8%), consumer banking (1.9%) and commercial and other lending (2.6%). Deposits from members (FY 2023: 68.8%) and wholesale funding (25%) account for the overwhelming majority of the funding mix at NBS. The most important components of wholesale funding are TFSME (Bank of England refinancing scheme; FY 2023: 29.7%), covered bonds (24.9%), medium term notes (19.2%) and deposits (19%). By 2025, NBS intends to make GBP 1.0bn in loans available for the social housing sector (baseline year 2022). The bank is a member of the Net-Zero Banking Alliance. As such, it plans to reduce CO2 emissions to net zero by 2050 and also supports social projects through the Nationwide Foundation. In March 2024, Nationwide announced that it had reached an agreement to acquire Virgin Money for GBP 2.9bn, although the transaction remains subject to the approval of Virgin Money shareholders.

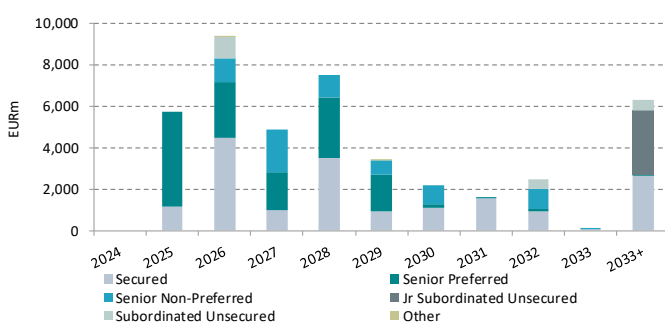
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	248,301	240,294	243,617
Total Securities	33,133	33,661	32,843
Total Deposits	218,597	219,263	227,817
Tier 1 Common Capital	14,883	15,656	16,513
Total Assets	325,021	309,961	316,457
Total Risk-weighted Assets	61,844	58,974	60,312

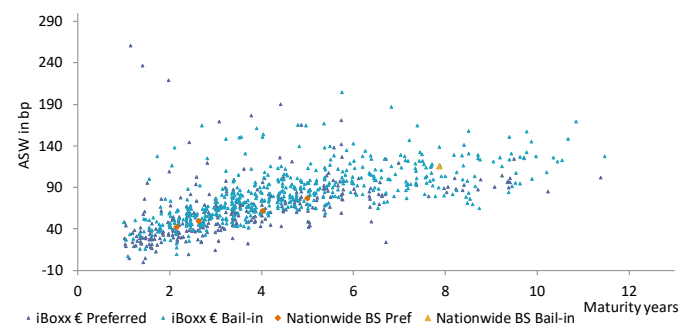
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	4,189	5,205	2,704
Net Fee & Commission Inc.	302	140	76
Net Trading Income	58	69	135
Operating Expense	2,611	2,614	1,311
Credit Commit. Impairment	-32	146	62
Pre-tax Profit	1,878	2,579	1,144

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.37	1.67	1.73	Liquidity Coverage Ratio	-	-
ROAE	8.40	10.21	8.43	IFRS Tier 1 Leverage Ratio	4.62	5.10
Cost-to-Income	57.51	48.38	44.96	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	24.06	26.55	27.38	Reserves/Loans at Amort. Cost	0.36	0.36

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Franchise position in the domestic market
- Capitalisation
- Liquidity

## Risks / Weaknesses

- Concentration risks (UK residential mortgages)
- Profitability
- Integration risk (Virgin Money acquisition)

# Nationwide Building Society – Mortgage

# United Kingdom

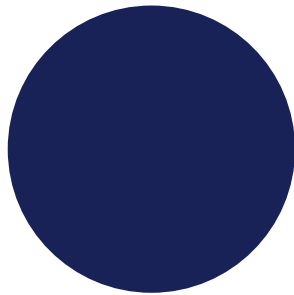
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Cover Pool Data

Cover pool volume (EURm)	28,137
Amount outstanding (EURm)	18,270
-thereof ≥ EUR 500m	34.5%
Current OC (nominal)	54.0%
Committed OC	7.5%
Cover type	Mortgage
Main country	100% United Kingdom
Main region	15% Outer Metropolitan
Number of loans	213,542
Number of borrowers	n/a
Avg. exposure to borrowers (EUR)	n/a
WAL (cover pool)	20.1y
WAL (covered bonds)	5.4y
Fixed interest (cover pool)	88.4%
Fixed interest (covered bonds)	68.4%
LTV (indexed)	49.0%
LTV (unindexed)	56.8%
Loans in arrears	0.5%

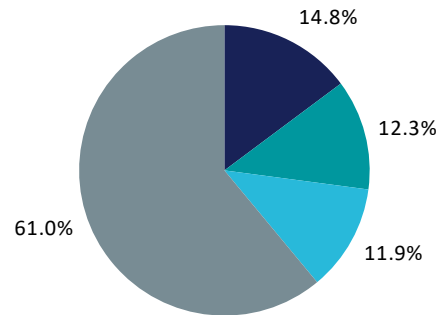
Rating (Moody's)	Aaa
Rating (S&P)	AAA
Rating (Fitch)	AAA
Rating (DBRS)	-
TPI	Probable
TPI leeway	4
Collateral score	4.0%
RRL	aa-
JRL	aa
Unused notches	2
AAA credit risk (%)	0.0%
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

### Borrower Types



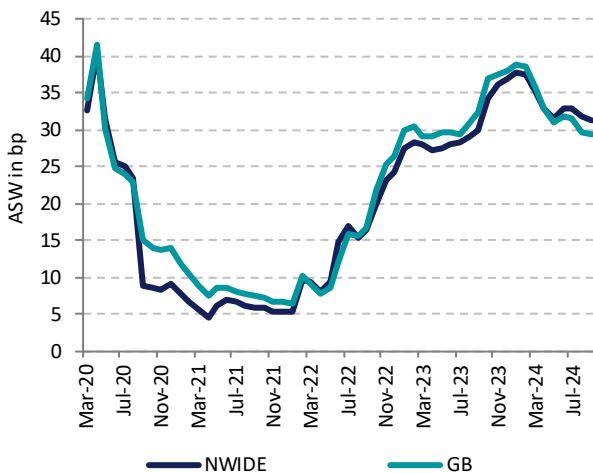
■ Residential ■ Commercial ■ Multi-family ■ Others

### Regional Distribution



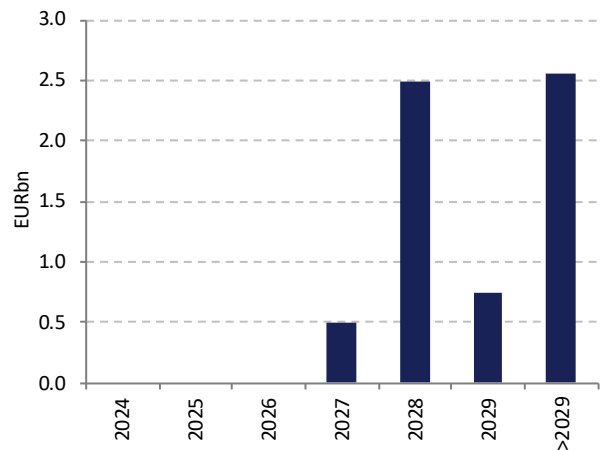
■ Outer Metropolitan ■ Outer South East  
■ London ■ Others

### Spread Development



— NWIDE — GB

### Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Santander UK Group Holdings

United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Santander UK Group

## Holdings plc

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

## Homepage

[www.santander.co.uk](http://www.santander.co.uk)

Santander UK Group Holdings (Santander UK) is a wholly owned subsidiary of the Spanish Banco Santander SA, which is a global systemically important bank (G-SIB). In turn, Santander UK plc is a wholly owned subsidiary of Santander UK Group Holdings and is categorised as a domestic systemically important bank (D-SIB) by the UK financial supervisory body. The main elements of the group structure include Santander UK plc (ring-fenced bank) and Santander Financial Services plc (non-ring-fenced bank). Through the implementation of a ring-fenced structure, the corporate and investment banking business of Santander UK was transferred to Banco Santander (London branch). As at the end of Q1 2024, Santander UK served around 14 million customers in 444 branches. It was the fourth largest retail mortgage lender in the UK as at 31 December 2023. Santander UK splits its business activities into the following segments: Retail & Business Banking, Corporate & Commercial Banking, Consumer Finance and Corporate Centre. Mortgages comprise the major share of the loan portfolio (85%) at group level. Other loans (15%) mainly consist of loans to businesses (Q1 2024). Group funding is extensively composed of customer deposits, which are supplemented by targeted placements on the capital market. The group's capital market funding activities are primarily centred around instruments such as covered bonds (Q1 2024: 34%), TFSME (31%) and HoldCo senior unsecured bonds (20%). Santander UK has set itself the target of financing green projects in the amount of GBP 20.0bn by 2025 (progress towards this goal by FY 2023: GBP 13.3bn) in order to support its customer base in the green transformation.

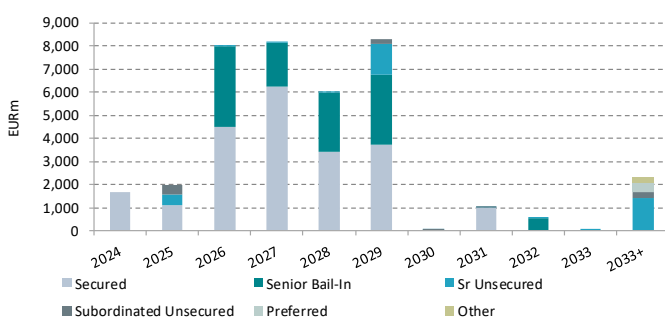
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	252,743	243,814	237,904
Total Securities	15,116	25,571	-
Total Deposits	222,816	225,374	221,745
Tier 1 Common Capital	12,225	12,128	12,267
Total Assets	329,480	325,063	320,115
Total Risk-weighted Assets	80,234	79,588	80,560

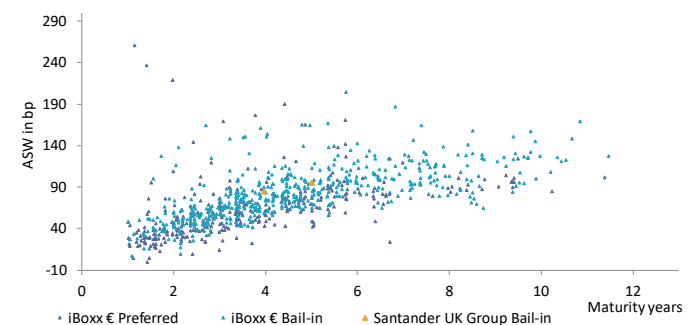
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	5,246	5,367	2,463
Net Fee & Commission Inc.	380	340	-
Net Trading Income	45	31	-
Operating Expense	2,917	2,993	1,681
Credit Commit. Impairment	377	237	70
Pre-tax Profit	2,222	2,471	941

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1		2022Y	2023Y	2024H1
Net Interest Margin	1.56	1.66	-	Liquidity Coverage Ratio	162.78	162.41	147.00
ROAE	8.94	10.58	8.00	IFRS Tier 1 Leverage Ratio	3.74	3.76	-
Cost-to-Income	49.61	50.32	62.45	NPL / Loans at Amortised Cost	1.17	1.40	1.57
Core Tier 1 Ratio	15.24	15.24	15.23	Reserves/Loans at Amort. Cost	0.42	0.44	0.47

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Retail business in the UK
- Profitability
- Capitalisation

## Risks / Weaknesses

- Debt level in comparison with peers
- Influence of the parent company on capitalisation
- Diversification of business areas versus UK peers

# Santander UK – Mortgage

United Kingdom 

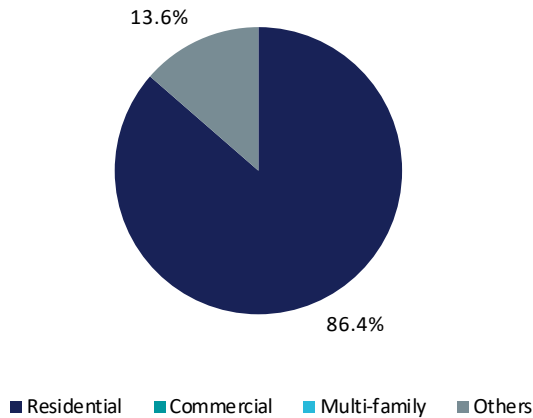
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

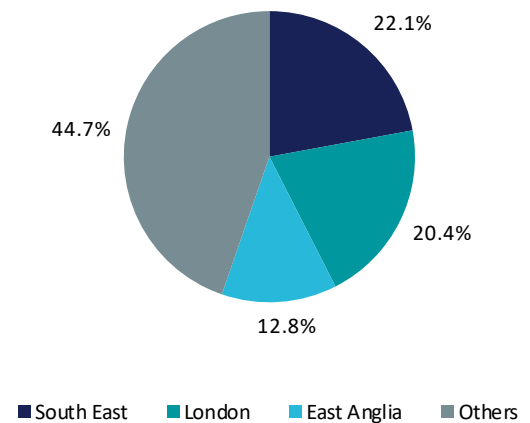
Cover pool volume (EURm)	33,897
Amount outstanding (EURm)	21,641
-thereof ≥ EUR 500m	32.3%
Current OC (nominal)	56.6%
Committed OC	17.9%
Cover type	Mortgage
Main country	100% United Kingdom
Main region	22% South East
Number of loans	160,528
Number of borrowers	237,478
Avg. exposure to borrowers (EUR)	123,326
WAL (cover pool)	21.7y
WAL (covered bonds)	2.9y
Fixed interest (cover pool)	93.3%
Fixed interest (covered bonds)	55.2%
LTV (indexed)	53.2%
LTV (unindexed)	58.0%
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	4.0%
RRL	a+
JRL	aa-
Unused notches	1
AAA credit risk (%)	0.0%
PCU	6
Recovery uplift	1
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

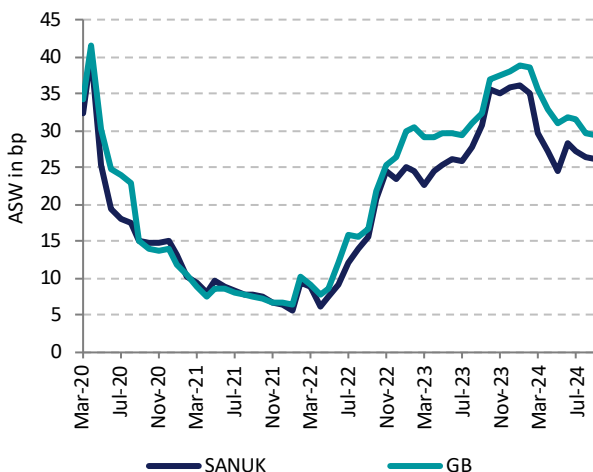
## Borrower Types



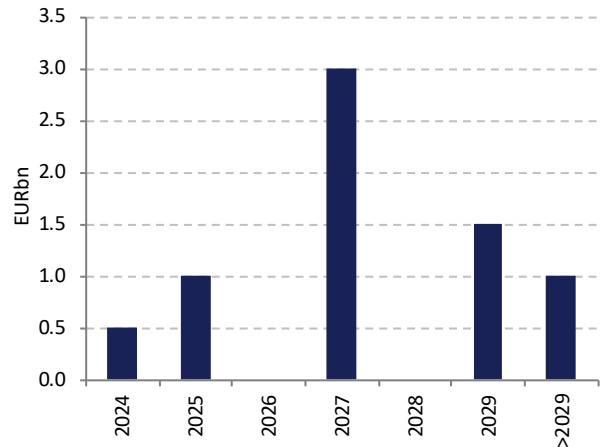
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Skipton Building Society

United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Skipton Building Society

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

## Homepage

[www.skipton.co.uk](http://www.skipton.co.uk)

\*Senior Unsecured/LT Bank Deposits

Skipton Building Society (Skipton) is 171 years old and has more than 82 branches across the United Kingdom. As measured by its balance sheet total (FY 2023: GBP 37bn), it is the fourth largest building society in the country. It has over 1.2 million members and is part of a group comprising the following four additional entities: Connells Group (the largest real estate broker in the UK), Skipton International Ltd. (savings and mortgage bank headquartered in the Channel Islands), Skipton Business Finance (invoice discounting) and Jade (anti-money laundering software). The bank reports in the following four segments: Society (FY 2023: 85.1% of pre-tax profit), Connells Group (4.1%), SIL (14.2%) and Other (-3.4%). The loan portfolio at group level largely consists of residential (78%) and buy-to-let (21.1%) mortgages, with sub-prime mortgages making up 0.14%. Skipton Building Society holds the major share of the portfolio at 92.6%. Geographically, the mortgage portfolio is split between the following regions: London (18.7%), South East (15.7%), North West (9.5%), East Anglia (9.2%) and South West (9.2%). The funding mix mainly consists of retail funding (83.2%). Excluding the funding activities of the wholly owned subsidiary Skipton Investment Ltd., wholesale funding is dominated by the components of covered bonds (46.2%) and TFSME (Bank of England refinancing scheme; share of 27.2% as at FY 2023). Skipton is playing its part in the national goal of ensuring that the UK economy operates on a carbon-neutral basis by 2050. To this end, the bank intends to halve its Scope 1, 2 and 3 emissions by 2023, before becoming fully carbon neutral by 2045.

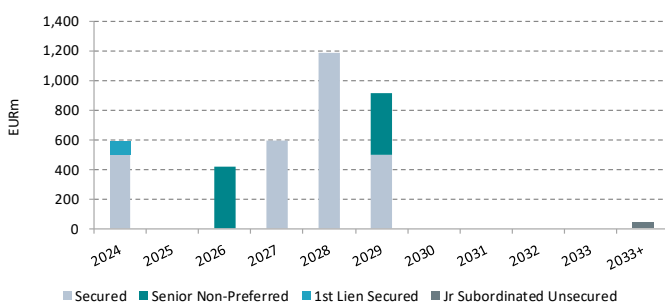
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	27,883	32,791	35,339
Total Securities	4,506	5,012	6,002
Total Deposits	27,835	33,140	35,707
Tier 1 Common Capital	2,202	2,530	2,690
Total Assets	37,849	42,893	45,672
Total Risk-weighted Assets	8,541	9,717	10,289

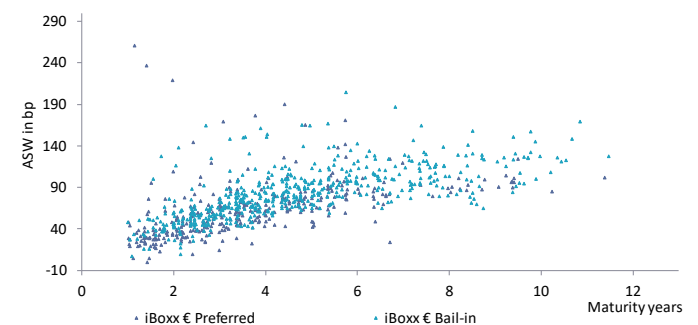
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	498	624	280
Net Fee & Commission Inc.	1,264	1,133	620
Net Trading Income	2	27	9
Operating Expense	1,396	1,403	737
Credit Commit. Impairment	21	-2	-9
Pre-tax Profit	351	383	184

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.38	1.56	1.28	Liquidity Coverage Ratio	175.00	173.00	188.00
ROAE	11.11	11.04	9.55	IFRS Tier 1 Leverage Ratio	5.95	6.02	5.99
Cost-to-Income	78.96	78.50	80.82	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	25.78	26.03	26.15	Reserves/Loans at Amort. Cost	0.18	0.14	0.10

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Asset quality
- Capitalisation
- Profitability in a peer comparison

## Risks / Weaknesses

- Economic environment
- Dwindling mortgage demand
- Geographical concentration

# Skipton Building Society – Mortgage

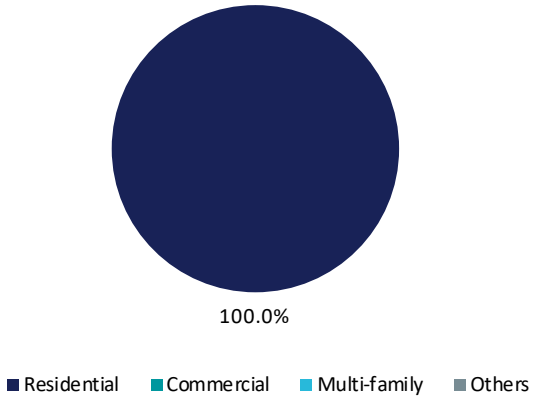
United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

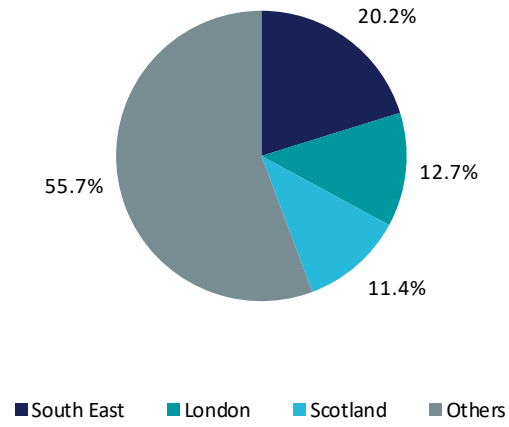
## Cover Pool Data

Cover pool volume (EURm)	4,315	Rating (Moody's)	Aaa
Amount outstanding (EURm)	2,306	Rating (S&P)	-
-thereof ≥ EUR 500m	43.4%	Rating (Fitch)	AAA
Current OC (nominal)	87.1%	Rating (DBRS)	-
Committed OC	8.0%	TPI	Probable
Cover type	Mortgage	TPI leeway	4
Main country	100% United Kingdom	Collateral score	4.0%
Main region	20% South East	RRL	-
Number of loans	30,431	JRL	-
Number of borrowers	27,061	Unused notches	-
Avg. exposure to borrowers (EUR)	159,453	AAA credit risk (%)	-
WAL (cover pool)	20.2y	PCU	6
WAL (covered bonds)	3.1y	Recovery uplift	1
Fixed interest (cover pool)	89.9%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	22.8%	LCR eligible	Yes
LTV (indexed)	50.9%	LCR level (Bmk)	2A
LTV (unindexed)	59.2%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

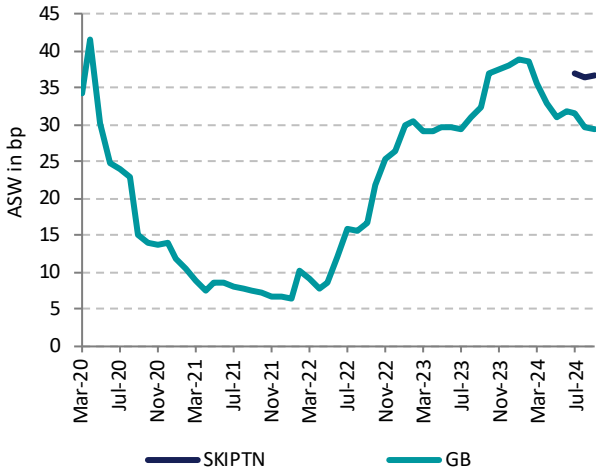
## Borrower Types



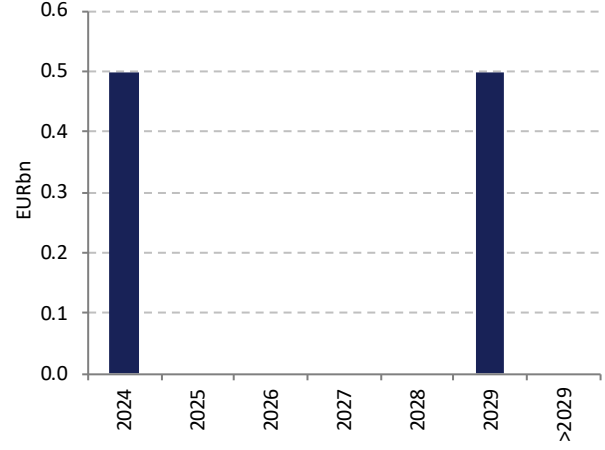
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# TSB Bank

 UK 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

### TSB Bank plc

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

## Homepage

[www.tsb.co.uk](http://www.tsb.co.uk)

Headquartered in Edinburgh, TSB Bank (TSB) is the operating unit of the TSB Banking Group (FY 2023: total assets: GBP 48bn), which in turn is wholly owned by the Spanish banking group Banco de Sabadell S.A. TSB has 211 branches across the UK, via which it offers retail banking solutions for retail and small business customers. According to TSB itself, its branch network is therefore the seventh largest in the country. Moreover, new sales and consultation channels are also being established, such as the 40 pop-up stores and video banking platform. Interest income is the main source of revenue for TSB (FY 2023: 88.2% of revenue). In this context, the bank differentiates between customer loans (66%), the liquidity portfolio (15%) and derivatives (19%). The vast majority of the loan portfolio is comprised of mortgage loans, credit cards, unsecured private loans and overdraft facilities, and is split into the segments Retail Mortgages (93.5%), Retail-Unsecured (5.2%) and Business Banking (1.3%). The funding mix is dominated by retail funding (73%). Wholesale funding constitutes 16.2% and is mainly made up of covered bonds, senior unsecured debt securities and TFSME (Bank of England refinancing scheme). As a member of the Net-Zero Banking Alliance, TSB aims to make its loan and investment portfolio carbon neutral by 2050. The bank has also signed up to the UN Global Compact initiative, which obligates it to uphold ten principles from the areas of human rights, labour, environment and anti-corruption.

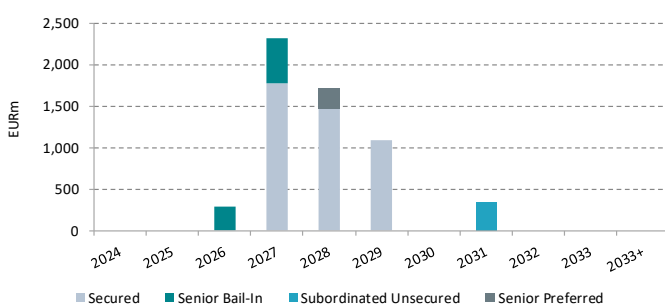
## Balance Sheet

(EURm)	2021Y	2022Y	2023Y
Net Loans to Customers	44,510	42,898	41,769
Total Securities	4,214	5,234	5,181
Total Deposits	42,805	40,968	40,061
Tier 1 Common Capital	2,060	2,007	2,119
Total Assets	55,609	55,750	54,914
Total Risk-weighted Assets	-	-	-

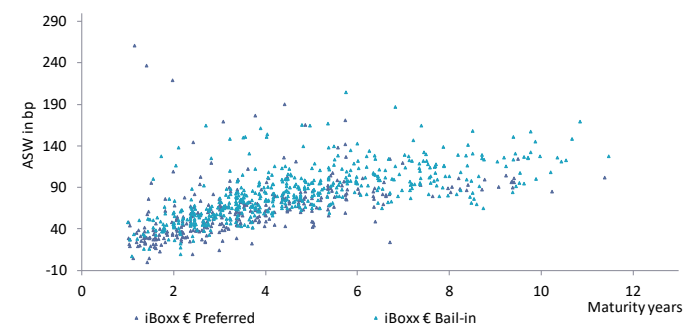
## Income Statement

(EURm)	2021Y	2022Y	2023Y
Net Interest Income	1,011	1,152	1,175
Net Fee & Commission Inc.	121	134	124
Net Trading Income	2	3	14
Operating Expense	963	1,020	981
Credit Commit. Impairment	0	64	79
Pre-tax Profit	181	212	271

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2021Y	2022Y	2023Y		2021Y	2022Y	2023Y
Net Interest Margin	1.98	2.07	2.13	Liquidity Coverage Ratio	194.50	195.80	203.00
ROAE	7.15	5.30	8.93	IFRS Tier 1 Leverage Ratio	3.73	3.70	3.97
Cost-to-Income	85.06	79.07	74.65	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	15.90	17.10	16.60	Reserves/Loans at Amort. Cost	0.50	0.52	0.58

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Quality of the retail loan portfolio
- Deposit base
- Capitalisation

## Risks / Weaknesses

- Efficiency
- Intense competition
- Concentration risk (UK)

# TSB Bank – Mortgage

United Kingdom 

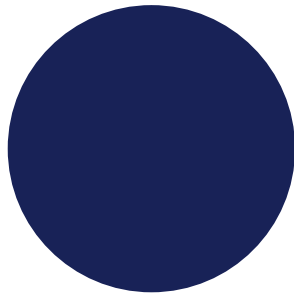
Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

Cover pool volume (EURm)	6,174
Amount outstanding (EURm)	3,770
-thereof ≥ EUR 500m	13.3%
Current OC (nominal)	63.8%
Committed OC	8.0%
Cover type	Mortgage
Main country	100% United Kingdom
Main region	19% South East
Number of loans	68,503
Number of borrowers	64,964
Avg. exposure to borrowers (EUR)	95,039
WAL (cover pool)	19.5y
WAL (covered bonds)	3.7y
Fixed interest (cover pool)	90.1%
Fixed interest (covered bonds)	13.5%
LTV (indexed)	48.6%
LTV (unindexed)	54.9%
Loans in arrears	0.0%

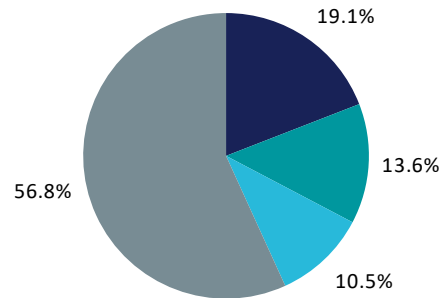
Rating (Moody's)	Aaa
Rating (S&P)	-
Rating (Fitch)	-
Rating (DBRS)	-
TPI	Probable
TPI leeway	2
Collateral score	4.0%
RRL	-
JRL	-
Unused notches	-
AAA credit risk (%)	-
PCU	-
Recovery uplift	-
Outstanding ESG BMKs	No
LCR eligible	Yes
LCR level (Bmk)	2A
Risk weight	20%
Maturity structure (Bmk)	SB

## Borrower Types



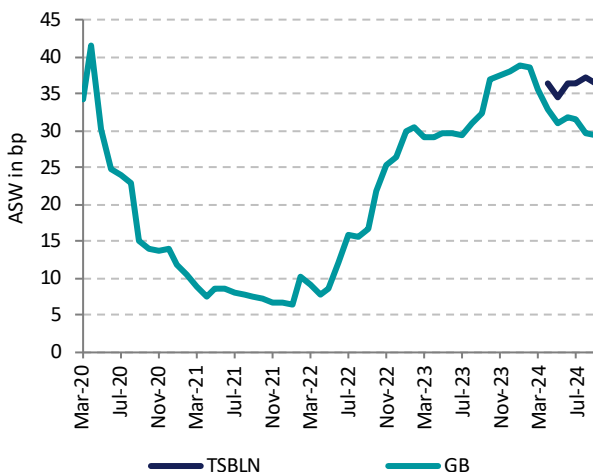
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution



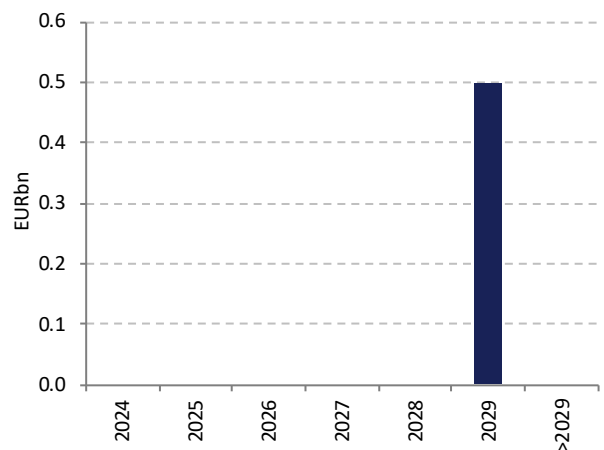
■ South East ■ London ■ Scotland ■ Others

## Spread Development



— TSBLN — GB

## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research



# Virgin Money

## United Kingdom

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Ratings

#### Virgin Money UK PLC

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

### Homepage

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

Virgin Money UK PLC (Virgin Money) is the sixth largest bank in the UK and offers all the services of a universal bank to its approximately 6.6 million customers. Virgin Money UK operates as a holding company in order to comply with ring fencing requirements. The group focuses its business on retail and corporate banking nationwide. The wholly owned subsidiary Clydesdale Bank (total assets: GBP 91.9bn, rating: A-/A3/A-) is the main operating unit of the group. Virgin Money reports in the four business segments Mortgages, Unsecured, Business, and Current Accounts and Personal Deposits. The loan portfolio consists predominantly of mortgages (79%), followed by the Unsecured (9%) and Business (12%) segments. A total of 74% of the loan portfolio in the Mortgages segment is allocated to the private sector (residential) and the remainder to the buy-to-let category. The group's funding is mainly made up of customer deposits. Virgin Money relies on the issuance of bonds with a medium term to maturity and covered bonds for funding. The latter are issued via Clydesdale Bank. The group has joined the Net-Zero Banking Alliance and set itself the goal of achieving net zero emissions by 2050. In addition, customers are supported in the realisation of sustainable goals and construction projects with the granting of green loans. A total of 6.7% of the loans in the business lending area is used for sustainable projects, with 39% of the mortgage portfolio allocated to the energy efficiency class C+.

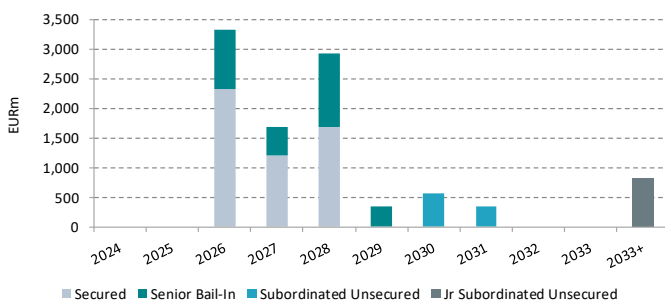
### Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	81,614	83,301	84,756
Total Securities	6,152	7,288	6,801
Total Deposits	74,356	77,048	80,381
Tier 1 Common Capital	3,999	4,279	4,368
Total Assets	104,439	105,825	108,909
Total Risk-weighted Assets	27,336	29,027	29,946

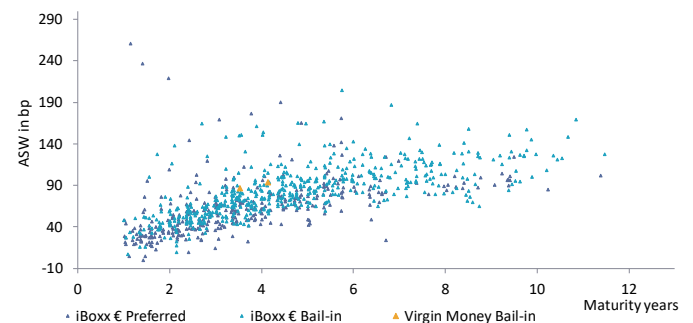
### Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	1,860	1,938	997
Net Fee & Commission Inc.	158	147	70
Net Trading Income	6	9	5
Operating Expense	977	1,114	583
Credit Commit. Impairment	60	355	108
Pre-tax Profit	702	396	324

### Redemption Profile



### Senior Unsecured Bonds



### Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1
Net Interest Margin	1.78	1.87	1.89	Liquidity Coverage Ratio	137.77	-
ROAE	9.09	4.12	8.38	IFRS Tier 1 Leverage Ratio	3.85	4.06
Cost-to-Income	48.34	53.98	54.92	NPL / Loans at Amortised Cost	-	-
Core Tier 1 Ratio	14.63	14.74	14.59	Reserves/Loans at Amort. Cost	0.63	0.84

Source: Bloomberg, S&P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

### Strengths / Opportunities

- Capitalisation
- Market position

### Risks / Weaknesses

- Low degree of diversification
- Economic development (UK)

# Virgin Money (Clydesdale) – Mortgage

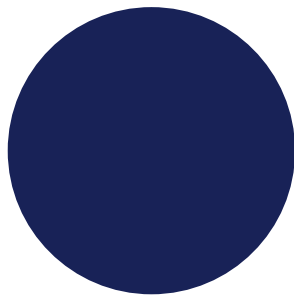
United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Cover Pool Data

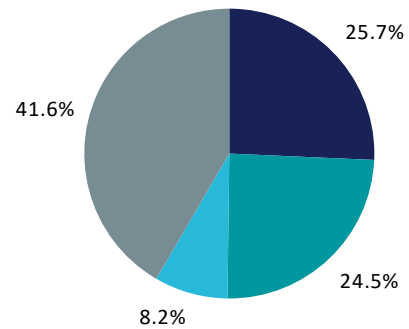
Cover pool volume (EURm)	11,244	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,266	Rating (S&P)	-
-thereof ≥ EUR 500m	30.4%	Rating (Fitch)	AAA
Current OC (nominal)	113.5%	Rating (DBRS)	-
Committed OC	8.1%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% United Kingdom	Collateral score	4.0%
Main region	26% South East	RRL	-
Number of loans	53,793	JRL	-
Number of borrowers	89,583	Unused notches	-
Avg. exposure to borrowers (EUR)	125,513	AAA credit risk (%)	-
WAL (cover pool)	19.9y	PCU	6
WAL (covered bonds)	3.1y	Recovery uplift	1
Fixed interest (cover pool)	95.4%	Outstanding ESG BMKs	No
Fixed interest (covered bonds)	47.1%	LCR eligible	Yes
LTV (indexed)	52.0%	LCR level (Bmk)	2A
LTV (unindexed)	57.6%	Risk weight	20%
Loans in arrears	0.0%	Maturity structure (Bmk)	SB

## Borrower Types



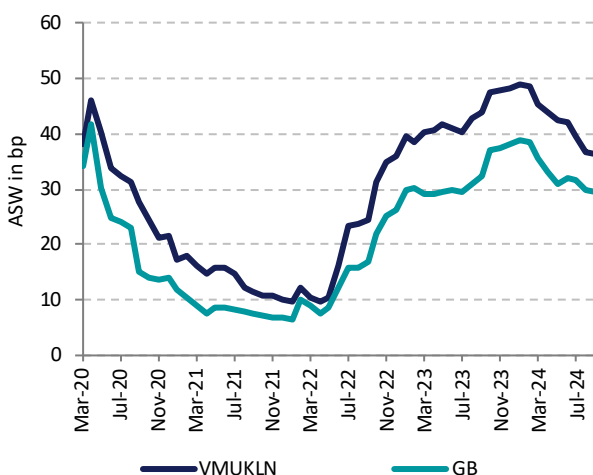
■ Residential ■ Commercial ■ Multi-family ■ Others

## Regional Distribution

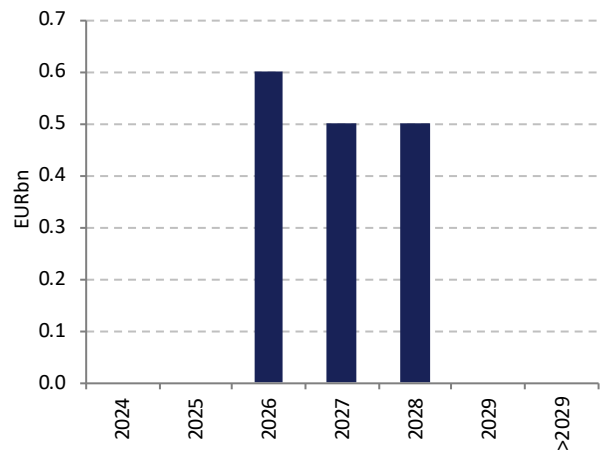


■ South East ■ London ■ North West ■ Others

## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

## Yorkshire Building Society

United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

## Ratings

## Yorkshire Building Society

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

## Homepage

[www.ybs.co.uk](http://www.ybs.co.uk)

\*Senior Unsecured/LT Bank Deposits

Yorkshire Building Society (YBS) is organised along cooperative lines and is headquartered in Bradford. It is the third largest building society in the UK as measured by assets (FY 2023: GBP 61bn). Around 3,000 employees offer approximately 3 million YBS members in the UK both traditional building society products such as savings accounts and mortgages in addition to insurance products. As a building society, YBS primarily offers direct issuance of mortgage loans to customers. Moreover, YBS also offers intermediary lending for residential property under the Accord Mortgages brand (wholly owned subsidiary). In 2023, the market share of YBS in the mortgage business stood at 3.9% and at 2.3% for savings deposits. Yorkshire Building Society achieved a record high in 2023 with the opening of 693,000 savings accounts. Residential mortgages and private buy-to-let mortgages account for the vast majority of the loan portfolio, at 80% and 15% respectively, while commercial mortgages comprise a share worth 4%. In geographical terms, the regions of Greater London (18%), South East (17%) and Midlands (13%) constitute the greatest shares of the overall portfolio. A total of 13% of wholesale funding consists of liabilities (FY 2023), while covered bonds account for 38%. YBS is planning to operate on a climate-neutral basis by 2050. In fact, this target is set to be achieved as early as 2035 for Scope 1 and Scope 2 emissions. For the future, YBS intends to further limit lending in sectors that harm the climate and to launch a series of green projects.

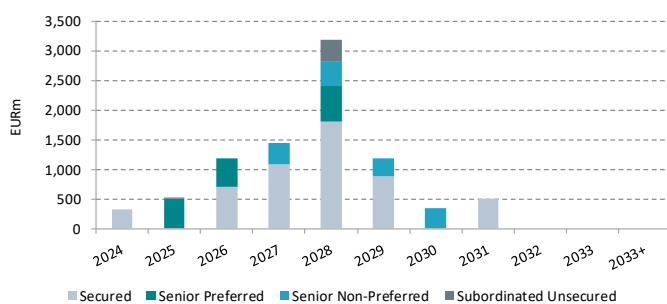
## Balance Sheet

(EURm)	2022Y	2023Y	2024H1
Net Loans to Customers	50,963	53,949	57,607
Total Securities	7,365	10,027	10,577
Total Deposits	48,644	55,360	59,964
Tier 1 Common Capital	3,755	4,193	-
Total Assets	66,240	70,258	75,341
Total Risk-weighted Assets	22,375	25,071	-

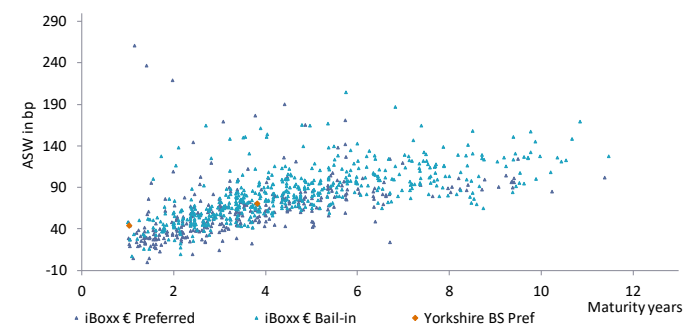
## Income Statement

(EURm)	2022Y	2023Y	2024H1
Net Interest Income	849	904	399
Net Fee & Commission Inc.	6	4	1
Net Trading Income	92	-4	8
Operating Expense	355	382	211
Credit Commit. Impairment	7	4	13
Pre-tax Profit	589	518	185

## Redemption Profile



## Senior Unsecured Bonds



## Company Ratios

	2022Y	2023Y	2024H1	2022Y	2023Y	2024H1	
Net Interest Margin	1.31	1.32	1.10	Liquidity Coverage Ratio	164.02	156.36	-
ROAE	11.70	9.35	6.19	IFRS Tier 1 Leverage Ratio	5.74	6.04	-
Cost-to-Income	37.22	42.25	51.69	NPL / Loans at Amortised Cost	-	-	-
Core Tier 1 Ratio	16.78	16.73	17.80	Reserves/Loans at Amort. Cost	0.07	0.08	0.10

Source: Bloomberg, S&amp;P Global Market Intelligence, NORD/LB Floor Research; as of: 06.09.2024

## Strengths / Opportunities

- Deposit base
- Capitalisation
- Profitability

## Risks / Weaknesses

- Dwindling mortgage demand
- Geographical concentration
- Economic environment may impair asset quality

# Yorkshire Building Society – Mortgage

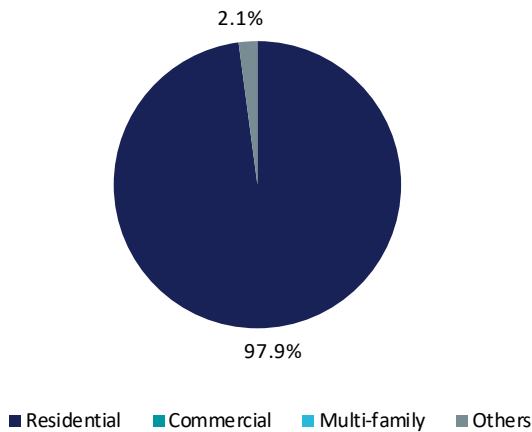
United Kingdom 

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

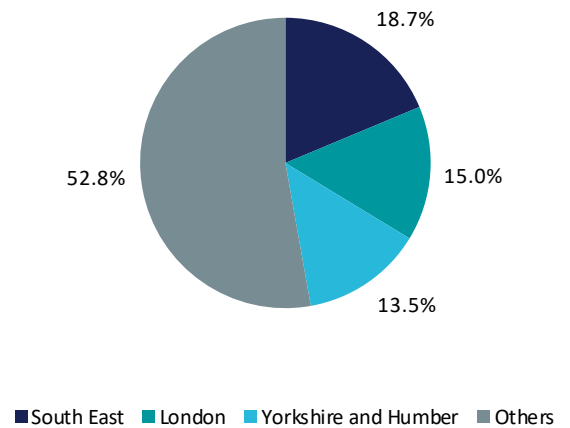
## Cover Pool Data

Cover pool volume (EURm)	8,416	Rating (Moody's)	Aaa
Amount outstanding (EURm)	5,060	Rating (S&P)	-
-thereof ≥ EUR 500m	29.6%	Rating (Fitch)	AAA
Current OC (nominal)	66.3%	Rating (DBRS)	-
Committed OC	10.5%	TPI	Probable
Cover type	Mortgage	TPI leeway	3
Main country	100% United Kingdom	Collateral score	4.0%
Main region	19% South East	RRL	-
Number of loans	44,501	JRL	-
Number of borrowers	44,495	Unused notches	-
Avg. exposure to borrowers (EUR)	185,183	AAA credit risk (%)	-
WAL (cover pool)	22.2y	PCU	6
WAL (covered bonds)	2.9y	Recovery uplift	1
Fixed interest (cover pool)	89.9%	Outstanding ESG BMKs	Yes
Fixed interest (covered bonds)	30.8%	LCR eligible	Yes
LTV (indexed)	55.8%	LCR level (Bmk)	2A
LTV (unindexed)	63.6%	Risk weight	20%
Loans in arrears	0.1%	Maturity structure (Bmk)	SB

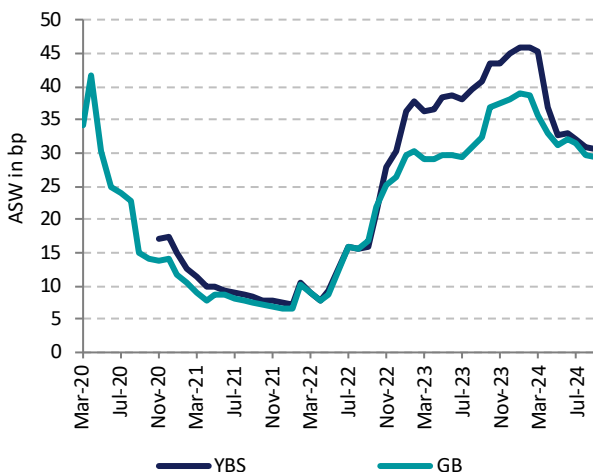
## Borrower Types



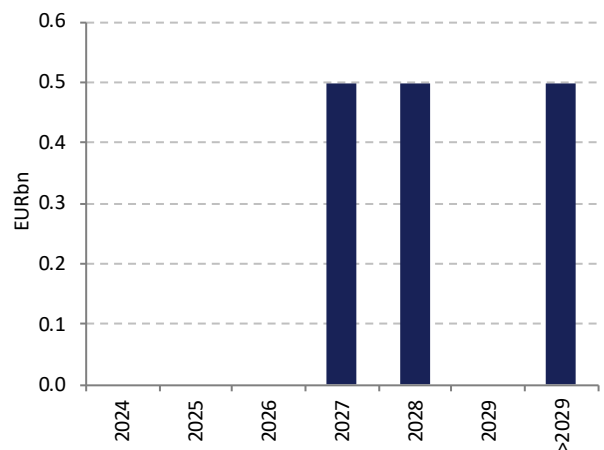
## Regional Distribution



## Spread Development



## Redemption Profile (Bmk)



Source: Issuer, Rating agencies, Bloomberg, NORD/LB Floor Research

# Regulatory

## Risk weights of covered bonds

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **Risk weights as the starting point for risk-weighted assets**

The Capital Requirements Regulation (CRR) includes provisions on calculating the capital requirements for credit institutions that follow the credit risk standardised approach (SACR) to determine the risk weightings of covered bonds, among other assets. Establishing the relevant risk weighting is important insofar as, under the SACR, the risk-weighted portion of an asset is obtained from multiplication of the position's value and the risk weighting. The sum of all the portions results in the risk-weighted assets (RWA), which must be backed accordingly by equity capital. In addition to the Covered Bond Directive ([CBD](#)) applicable to the issuance of covered bonds from 8 July 2022 onwards, collateralisation by eligible cover assets and appropriately transparent cover pool reporting, rating assessments of a risk position in particular play an important role in determining the risk weighting of a covered bond. The Credit Quality Step system used for this purpose and the other conditions for preferential risk weighting of covered bonds are dealt with below.

### **Compliance with Article 129 of the CRR required for preferential risk weighting**

Covered bonds are generally eligible for preferential treatment in relation to risk weighting under the credit risk standardised approach. The requirements that a bond has to meet in order to comply with this are laid down in [Article 129 CRR](#). The date of issuance is also of crucial importance in this regard. The Covered Bond Directive entered into force on 8 July 2022, together with a revised Article 129 CRR and an amendment to the liquidity requirements for credit institutions (LCR-R). In the past, reference was made here to Article 52(4) of the UCITS Directive, which rather "superficially" described a covered bond. Now, however, this article also refers to the Covered Bond Directive or, based on the CBD, Article 129 CRR specifies requirements so that a covered bond can be eligible for preferential risk weighting. As a result, conformity with the covered bond legislation in the particular country will now have to be checked, as the Member States had to transpose the CBD into national law. Nevertheless, slightly different requirements apply to covered bonds issued before 8 July 2022.

### **Until now, Article 52(4) of the UCITS Directive had been the "anchor" in the risk weighting of covered bonds**

The relevant Article ([Article 52\(4\) of the UCITS Directive](#)) defined requirements for covered bonds, even though this definition under the UCITS Directive may not initially have been seen in connection with establishing risk weightings or other regulatory metrics. Instead, Article 52(4) provides that undertakings for collective investment in transferable securities (UCITS) may, under certain conditions, hold a higher proportion of certain bonds. This is still the case. However, the Article also served in many cases as a basis for defining covered bonds. The aforementioned Directive was previously adapted to the future CB Directive in January 2020.

**Article 52(4) of the UCITS Directive was adapted to the CBD in 2020**

It also followed from the requirements of “old” Article 52(4) of the UCITS Directive, which has referred to the CBD since 7 January 2020, that covered bonds issued outside the European Economic Area (EEA) may under no circumstances be UCITS-compliant. The Covered Bond Directive, or rather the relevant transposition into national law, is now regarded as the reference point.

**Article 129 CRR defines the requirements for covered bonds and risk weighting**

Together with the Covered Bond Directive, a clear definition of the collateral and requirements for covered bonds was also included in Article 129 CRR. In conjunction with Directive 2019/2162, this Article will then be used for determining the risk weighting. Certain requirements of Article 129 do not apply to covered bonds issued up to 31 December 2007 or, as the case may be, up to 7 July 2022. If an issuer’s covered bonds (both “old” and “new”) are issued from one cover pool, however, the requirements must be met in full, so that this applies automatically to the old bonds as well. The table below shows which assets qualify as an eligible collateral. However, covered bonds issued up to 7 July 2022 must also meet the requirements of Art. 129 (1) to (3), i.e. including requirements and limits for creditworthiness and borrowers, as well as LTV limits and regular collateral monitoring. Liens on aircraft and loans to small and medium-sized enterprises (SMEs) are still disregarded, with the result that they are neither eligible as cover assets within the meaning of the CRR, nor do they benefit from preferential risk weighting.

**Review of property values as a hurdle for preferential risk weighting**

As mentioned above, the revised Article 129 CRR has brought about changes in the monitoring of property values. These reviews must now be conducted at least once a year, regardless of whether the property is residential, commercial or a ship. This is a fundamental point in the grandfathering of “old bonds”. When the CRR was introduced in 2013, real estate values were to be monitored annually in the case of commercial properties, and every three years for residential properties. Although issuers do not have to conduct the review each year if the bond was issued before 31 December 2007, the annual review now also applies to bonds placed at a later date. In Germany, the [Association of German Pfandbrief Banks](#) (Verband Deutscher Pfandbriefbanken, vdp) maintains a database as an ongoing market monitoring system. The database has been tracking price trends in Germany since 2007 and meets the requirements of Art. 208 CRR. As reported by vdpResearch, far more than 90% of the credit institutions based in Germany use the system for monitoring annual rent and price changes, thus fulfilling the extended requirement of Art. 129(3) CRR. Issuers and covered bond creditors will consequently need to spend more time on additional checks in order to continue to benefit from a lower risk weighting, because not every country can provide access to the type of transaction database mentioned above. Statistical market trends are sufficient to meet the requirement; monitoring at individual asset level is not necessary at this point. In Germany, BaFin (the German financial regulator) has agreed the following: in the event of changes in market values as provided by the vdp, at the level of -10% for commercial and -20% for residential properties within a period of three years, a “warning” will be issued. On this basis, the institutions using this data will examine their portfolio more closely and, if necessary, only then conduct a review at individual loan level. There is only a change to the required cycle of monitoring itself.

**Transparency requirement / Investor information now regulated through the CBD**

Up to 7 July 2022, Art. 129(7) CRR required that investors must be able to present certain portfolio information to the competent authority in order to obtain preferential treatment of covered bonds. This included: Value of the cover pool and outstanding covered bonds, geographical distribution and type of cover assets, loan size, interest rate and currency risks, maturity structure of cover assets and covered bonds, and loans  $\geq 90$  days past due. However, this passage no longer appears in the current version of Article 129 CRR. Instead, Article 129 CRR now requires compliance with Art. 3 No. 1 CBD. Article 14 CBD includes extensive requirements that issuers must meet regarding investor information. This information must be made available at least every quarter, whereas previously it was twice a year. In addition to the above-mentioned information, the following must be reported: An ISIN list of all covered bonds (if available), the type of cover assets, the valuation method, extended information on market risk and on credit and liquidity risks, maturity extension triggers, required/actual overcollateralisation (statutory, contractual, voluntary).

<b>Article 129 CRR (unchanged from 8 July 2022)</b>		Issued up to (paragraphs marked with x do <u>not</u> need to be met in order to qualify for lower risk weighting)	Current	Up to 31.12.2007	Up to 7 July 2022
Para-graph	Description				
1	To be eligible for the preferential treatment set out in Art. 3 No. 1 CBD, covered bonds must meet the requirements set out in Art. 129(3)(3a)(3b) CRR and be collateralised by any of the following assets: Exposures to or guaranteed by: a) Central governments, the ESCB central banks, public sector entities, regional governments or local authorities in the Union b) Third-country central governments, third-country central banks, multilateral development banks, international organisations (CQS 1), third-country public sector entities, third-country regional governments or third-country local authorities (CQS 1), and exposures within the meaning of this point that qualify with CQS 2, provided that they do not exceed 20% of the nominal amount of outstanding covered bonds of the issuing institutions c) Credit institutions that qualify for CQS 1 and 2 or CQS 3 under the following conditions: i) short-term deposits (original maturity <100 days), provided they comply with Art. 16 CBD, or ii) derivative contracts as referred to in Art. 11(1) CBD d) Residential loans: LTV limit 80% (in conjunction with paragraph 1c) e) Residential loans (guaranteed by a protection provider referred to in Art. 201 CRR with min. CQS 2) with max. LTV of 80% for a residential property located in France, provided that the loan-to-income ratio is $\leq 33\%$ when the loan has been granted (further requirements apply to borrower and collateral) f) Commercial property loans: LTV limit 60%; LTV limit of 70% if OC (overcollateralisation) is at least 10%, the bondholders' claim meets the legal certainty requirements set out in Chapter 4 CRR, and this claim has priority over all other claims on the collateral g) Loans secured by maritime liens: LTV limit 60%; 60% of the ship's value less any prior maritime liens			X	
1a	a) Exposures to credit institutions (Art. 129(1) subparagraph 1 point c) with CQS 1, $\leq 15\%$ of the nominal amount of issued covered bonds b) Exposures to credit institutions (Art. 129(1) subparagraph 1 point c) with CQS 2, $\leq 10\%$ of the nominal amount of issued covered bonds c) Short-term deposits of credit institutions or derivative contracts with CQS 3 (in accordance with Art. 129(1) subparagraph 1 (c) (i) or (ii) CRR); $\leq 8\%$ of the nominal amount of the issued covered bonds (additional approval requirements apply in the case of derivative contracts) d) Total exposure to credit institutions with CQS 1, 2 or 3, $\leq 15\%$ of the nominal amount of the issued covered bonds, and exposure to credit institutions that are assigned to CQS 2 or 3 may not exceed 10% of the nominal amount of the issuing institution's outstanding covered bonds			X	

Source: CRR, NORD/LB Floor Research; X = condition is NOT to be fulfilled or that version from the time of issue

Issued up to (paragraphs marked with x do not need to be met in order to qualify for lower risk weighting)

### Article 129 CRR (unchanged from 8 July 2022) – (CONTINUED)

Para-graph	Description	Current	Up to 31.12.2007	Up to 7 July 2022														
1b	Art. 129(1a) CRR applies not to collateral as defined in Art. 8 CBD (internally issued covered bonds; collateral of an internal covered bond for an external issue)																	
1c	For the purposes of Art. 129(1) subparagraph 1 (d) CRR, the LTV ceiling of 80% per loan shall apply; it applies over the entire term of the loan																	
1d	For the purposes of Art. 129(1) subparagraph 1 (f and g) CRR, the LTV ceiling of 60% or 70% per loan shall apply; it applies over the entire term of the loan																	
2	The cases referred to in Art. 129(1) subparagraph 1 points a to f CRR also relate to collateral which is intended solely for the protection of covered bond holders against losses																	
3	In the case of collateralisation with immovable property and ships, the requirements of Art. 208 CRR (Requirements for immovable property collateral) must be met. All property and ships must be monitored at least annually		X															
3a	Minimum overcollateralisation of 5% (as defined in Art. 3 No. 14 CBD) based on the "nominal principle" Member States may set a lower ratio or allow their competent authorities to set an appropriate ratio, provided that: a) overcollateralisation is based on a formal approach that takes into account the underlying risk of the assets, or asset valuation is based on the collateral value and b) the ratio does not fall below 2%, based on the nominal principle referred to in Art. 15(6) and (7) CBD. The assets contributing to the minimum overcollateralisation ratio are not subject to the limits specified in Art. 129(1a) CRR		X	X														
3b	Exposures referred to in Art. 129(1) CRR may be included as substitution cover assets (Art. 3 No. 13 CBD), provided the thresholds for creditworthiness and size according to Art. 129(1) and (1a) CRR are complied with		X	X														
4	Covered bonds for which a rating by an ECAI is available are assigned the following risk weighting, which corresponds to Art. 136 CRR: <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>Credit quality step (CQS)</th> <th>1</th> <th>2</th> <th>3</th> <th>4</th> <th>5</th> <th>6</th> </tr> </thead> <tbody> <tr> <td>Risk weighting (RW)</td> <td>10%</td> <td>20%</td> <td>20%</td> <td>50%</td> <td>50%</td> <td>100%</td> </tr> </tbody> </table>	Credit quality step (CQS)	1	2	3	4	5	6	Risk weighting (RW)	10%	20%	20%	50%	50%	100%			
Credit quality step (CQS)	1	2	3	4	5	6												
Risk weighting (RW)	10%	20%	20%	50%	50%	100%												
5	Unrated covered bonds are assigned a risk weighting based on the risk weighting of prior unsecured exposures to the issuing institution <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th>If a RW of X% applies to exposure to the institution,</th> <th>20%</th> <th>50%</th> <th>100%</th> <th>150%</th> </tr> </thead> <tbody> <tr> <td>then the covered bond is assigned a RW of X%</td> <td>10%</td> <td>20%</td> <td>50%</td> <td>100%</td> </tr> </tbody> </table>	If a RW of X% applies to exposure to the institution,	20%	50%	100%	150%	then the covered bond is assigned a RW of X%	10%	20%	50%	100%							
If a RW of X% applies to exposure to the institution,	20%	50%	100%	150%														
then the covered bond is assigned a RW of X%	10%	20%	50%	100%														
6	Covered bonds issued before 31 December 2007 are not subject to the requirements of Art. 129(1), (1a), (3), (3a) and (3b) CRR. The preferential treatment set out in paragraphs 4 and 5 may be applied to them until their due date																	
7	Covered bonds issued before 8 July 2022 that meet the requirements of this Regulation, in the version applicable at the time of issue, shall not be subject to the requirements of paragraphs 3a and 3b. The preferential treatment under paragraphs 4 and 5 may be applied to them until their due date																	

Source: CRR, NORD/LB Floor Research; X = condition is NOT to be fulfilled or that version from the time of issue



### Rating assessments as further decisive factors

Fulfilment of the requirements described above constitutes a necessary condition for a preferential risk weighting of covered bonds. As a further and decisive factor in determining the risk weighting, Article 129 (4) and (5) CRR lay down requirements with regard to rating assessments. While paragraph 4 applies risk weighting in the case of at least one existing rating assessment, paragraph 5 applies risk weighting in the case where a covered bond does not have a rating.

### Determining the Credit Quality Step for more than one recognised rating assessment

		Rating 2		CQS 1				CQS 2			CQS 3		
		AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-		
Rating 1	AAA	Credit Quality Step 1				Credit Quality Step 2			Credit Quality Step 3				
	AA+												
	AA												
	AA-												
CQS 1	AAA	Credit Quality Step 1				Credit Quality Step 2			Credit Quality Step 3				
	AA+												
	AA												
CQS 2	A+	Credit Quality Step 2				Credit Quality Step 2			Credit Quality Step 3				
	A												
	A-												
CQS 3	BBB+	Credit Quality Step 3				Credit Quality Step 3			Credit Quality Step 3				
	BBB												
	BBB-												

Source: Regulation 2016/1799 and 2021/2005, Regulation 575/2013, NORD/LB Floor Research

### Deriving the Credit Quality Step of a covered bond

Rating assessments are always taken into account using the Credit Quality Step system, which is laid down in [Regulation 2016/1799](#) and in the [2021/2005 amendment](#). A total of six different credit rating categories are assigned through ratings issued by recognised [External Credit Assessment Institutions \(ECAI\)](#). Since risk positions can in principle have several ECAI ratings, a new mapping is required to determine the Credit Quality Step (CQS) if there is more than one rating available (see table above). Irrespective of the number of eligible ratings, [Article 138 CRR](#) is key to determining the Credit Quality Step. If two ratings are available for a risk position, the applicable rating shall be the one resulting in the higher of the two possible risk weightings, if the two ratings differ (see table). A higher risk weighting is equivalent to a lower credit rating. In this respect, we understand an AA-equivalent rating to be lower than an AAA-equivalent rating. If more than two ratings are available for a risk position, the two ratings resulting in the lowest risk weighting, i.e. the two highest ratings, are applicable. If these two assessments differ from each other, the Credit Quality Step is determined on the basis of the rating (out of these two ratings) that results in the higher risk weighting. It follows from the requirements of Article 138 CRR that only the two highest ratings, if available, are relevant to determining the Credit Quality Step as defined in the CRR, even if a position has more than two ratings from recognised rating agencies. The resulting simplification of CQS provisions is shown in the table; no distinction is made with regard to the rating grades of individual agencies.

**Best rating and fulfilment of all requirements leads to a risk weighting of 10%**

To be eligible for preferential treatment of risk weighting, Article 129(1) CRR stipulates that, in addition to cover by eligible assets referred to in the aforementioned Article, the requirements of paragraphs 3 (monitoring of property/ship value), 3a (overcollateralisation) and 3b (substitution cover) must be met. If the requirements are deemed to have been met, the preferential risk weighting is determined on the basis of the corresponding Credit Quality Step of the issue in accordance with Article 129(4) CRR, assuming that at least one ECAI rating assessment is available. Accordingly, covered bonds that qualify for Credit Quality Step 1 can benefit from a preferential risk weighting of 10%. If, on the other hand, the creditworthiness of a covered bond corresponds only to Credit Quality Step 2, the risk weighting increases to 20%. This also applies to bonds that qualify for Credit Quality Step 3. With regard to covered bonds issued between 1 January 2008 and 8 July 2022, the requirements of the CRR in force at the time of issue must be met. They are not subject to the requirements of Art. 129(3a) and (3b) CRR. The assignment system applies uniformly.

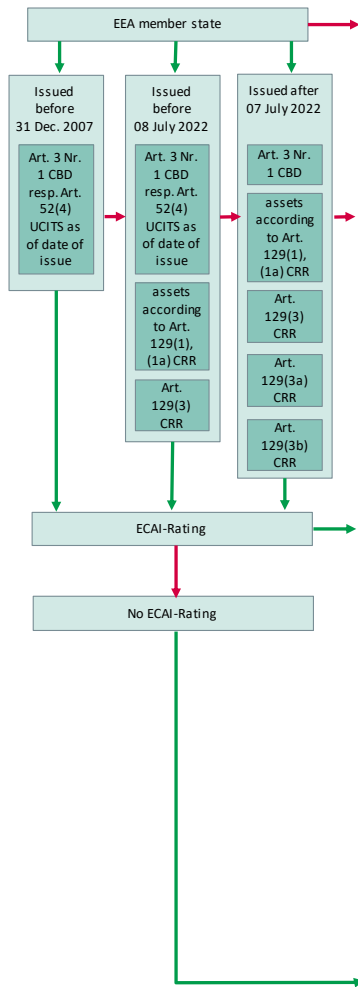
**Unrated bonds can also benefit from preferential risk weighting**

If a covered bond meets the requirements of the previous paragraph but does not have a rating by a recognised ECAI, this does not automatically result in an increased risk weighting for the bond. Instead, the senior unsecured credit rating of the issuer must be taken into account. For this purpose, the corresponding Credit Quality Step of unsecured risk positions is first determined and then the relevant covered bond risk weighting is derived from this step. It follows that, in the event that senior unsecured bonds and covered bonds are assigned to the same Credit Quality Step, there will be no regulatory disadvantage due to the lack of rating assessment.

**Non-EEA covered bonds**

In addition to the possibilities that the necessary conditions are fulfilled (the bond is CBD-compliant according to Article 3 No. 1; Article 129(3), (3a) and (3b) CRR are fulfilled; it is collateralised with cover assets according to Article 129(1) CRR and an assessment by an ECAI is available or such an assessment is not available), a corresponding classification system also exists for the case that the covered bond is not CBD-compliant. This is relevant, for example, to issues from outside the EEA. In this case, too, rating assessments play a crucial role and have a significant influence on the risk weighting to be applied. The decisive factor in this respect is no longer Article 129 CRR, but [Articles 120 and 121 CRR](#) (exposure to rated or unrated institutions). The risk weighting must be determined on the basis of Article 120 CRR if at least one ECAI assessment is available, while Article 121 CRR deals with positions without an ECAI rating. Article 120 CRR also makes a distinction between positions with a residual maturity of more than three months and those with a shorter maturity. Due to the long-term nature of covered bonds, however, we will – unless otherwise stated – only look at determining the risk weighting for maturities of more than three months. Covered bonds that do not meet the requirements of the three necessary conditions have a risk weighting of 20% if they have at least one recognised rating assessment at Credit Quality Step 1. This is also the lowest possible risk weighting for non-EEA covered bonds. If, on the other hand, an ECAI rating assessment is not available for the covered bonds, the relevant risk weighting is determined on the basis of the Credit Quality Step of the central government in which the issuer is domiciled; the risk weighting is higher compared with exposures to central governments in the investment-grade segment.

**Determining covered bond risk weights**



**Risk weighting of covered bonds according to Articles 120 and 121 CRR: necessary conditions not met; with or without ECAI rating**

Credit Quality Step	Credit Quality Step	Credit Quality Step	Credit Quality Step
1	AAA- and AA segment	20%	20%
2	A segment	50%	50%
3	BBB segment	50%	100%
4	BB segment	100%	100%
5	B segment	100%	100%
6	≤CCC segment	150%	150%

**Risk weighting of covered bonds according to Article 129(4) CRR: necessary conditions met; with ECAI rating**

Credit Quality Step	Credit Quality Step	Credit Quality Step
1	AAA and AA segment	10%
2	A segment	20%
3	BBB segment	20%
4	BB segment	50%
5	B segment	50%
6	≤CCC segment	100%

**Risk weighting of covered bonds according to Article 129(5) CRR: necessary conditions met; without ECAI rating**

Credit Quality Step	Credit Quality Step	Credit Quality Step	Credit Quality Step
1	AAA and AA segment	20%	→ 10%
2	A segment	50%	→ 20%
3	BBB segment	50%	→ 20%
4	BB segment	100%	→ 50%
5	B segment	100%	→ 50%
6	≤CCC segment	150%	→ 100%

Source: Regulation 2016/1799 and 2021/2005, CRR, NORD/LB Floor Research

Green arrow: condition met, red arrow: condition not met

## Regulatory

# Covered bonds within the framework of LCR management

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **Dynamic criteria for covered bonds under the LCR**

While a large proportion of the assets eligible for LCR management are classified statically, covered bonds are subject to dynamic criteria. Over time, the allocation of an issue to a specific Level category may change, which in turn may lead to the need for constant monitoring. In practice, fulfilment of the transparency criteria laid down in Article 14 of the Covered Bond Directive and/or the national legislation based on Art. 14 CBD turns out to be the trouble spot. This is because extensive data must be provided on the issuer side at least every quarter, and the investor must also be able to prove this to the supervisory authority. In addition to reviewing the information provided in cover pool reporting on outstanding covered bonds and their cover pools, the relevant ratings should also be constantly monitored with regard to the dynamic criteria for covered bonds, as rating changes of just one notch may have a direct impact on the LCR classification. In addition to the change in a rating, the addition or discontinuation of a rating assessment can also have an impact on the LCR classification. This is why we use not only the ratings of [Moody's](#), [Fitch](#) and [S&P](#) but also those of [DBRS](#).

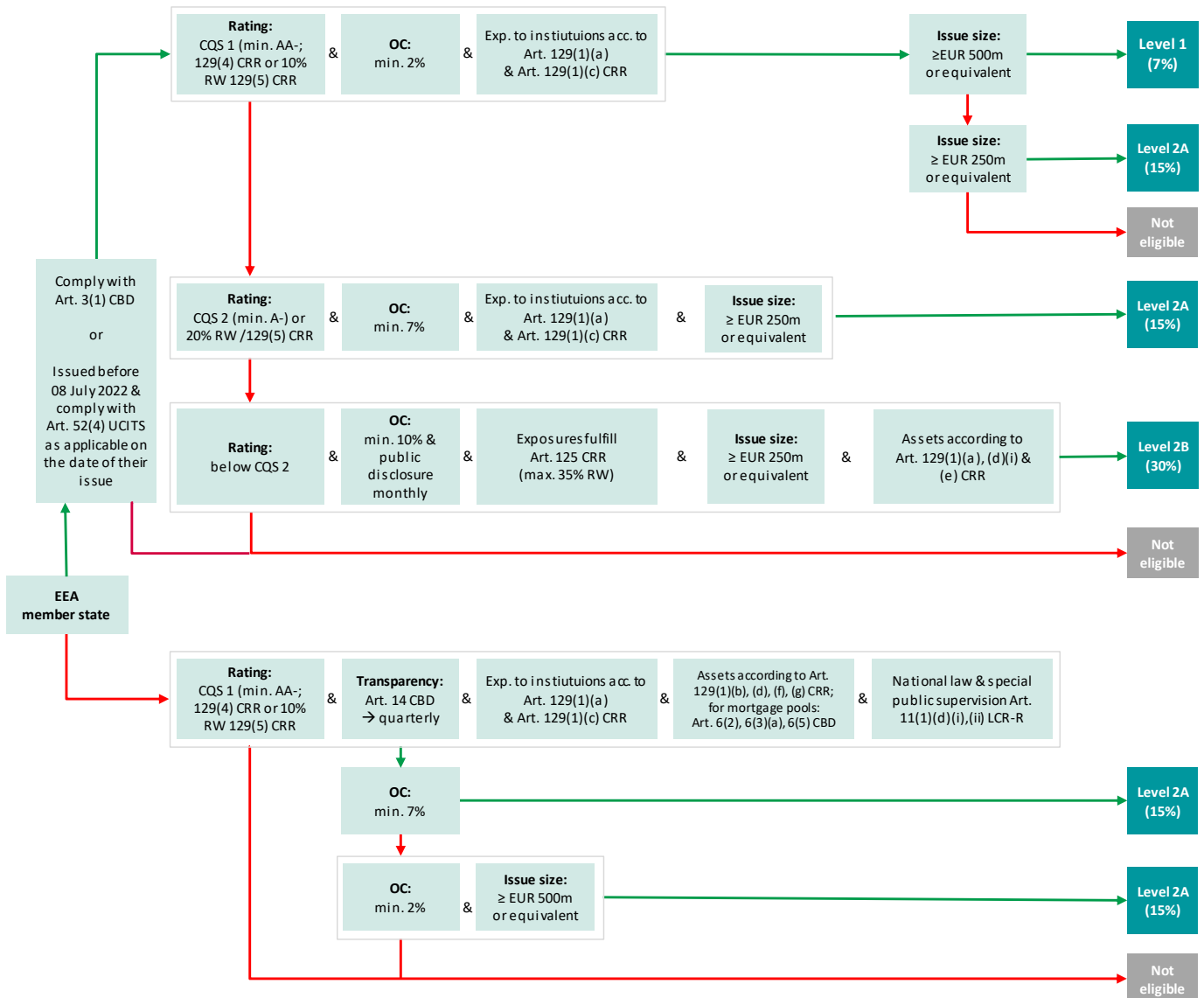
### **Tabular overview of the regulatory classification of covered bonds**

In this study, we analyse the bonds listed in iBoxx EUR Covered and assign them to the LCR category that we believe to be relevant. We also assign them to the resulting haircut. For this purpose, we have reviewed the relevant pool reports to ensure that their content is complete on the basis of the provisions in Article 129 CRR as well as covered bonds from third countries Article 14 CBD and have summarised the results initially at [programme level](#). In addition to the links leading to the relevant reports on the issuers' websites, the list also includes the ratings provided by the rating agencies mentioned in the previous section, a statement on the legal framework for the issue, and the overcollateralisation of the relevant programme. Finally, a more detailed overview is provided by a table which, in addition to our assessment of the LCR level and the risk weight according to CRR, contains further information at [ISIN level](#). Since the credit quality step (CQS) of the respective bond is relevant for the assessment of the LCR level as well as the relevant risk weight, an assessment in this regard can also be taken from the list. In addition to the outstanding volume and the type of cover assets, the table also contains the respective repayment structure of a covered bond. Issues from the European Economic Area (EEA) benefit from preferential regulatory capital treatment. For this reason, we indicate the affiliation of an issue or issuer to the jurisdiction of the European Central Bank (Eurozone), the European Economic Area and the G10 countries (relevant, among other things, for repo eligibility in transactions with the ECB).

**Numerous criteria for eligible covered bonds**

As mentioned above, covered bonds may in principle reach any of the three LCR levels. In every case, there are numerous criteria that an issue must meet in order to achieve the status of an eligible asset. While non-compliance with some criteria automatically results in exclusion from eligible assets, other requirements take the form of scores or tiers. For example, covered bonds whose reporting (Art. 14 CBD) does not comply with the Covered Bond Directive may under no circumstances be used as LCR assets. With regard to the issue volume or rating assessment, in contrast, the LCR system stipulates requirements in tiered form. This results in numerous paths on the way to the final LCR assessment of an issue. In order to approach this quite complex procedure, we will deal in the following with each of the eligibility criteria, which we have presented graphically in the form of a decision tree.

**LCR classification of rated covered bonds**



Source: Delegated Regulation 2015/61, NORD/LB Floor Research; green = condition met; red = condition not met

**What does “in compliance with Art. 3 CBD” mean?**

In order to be recognised as an LCR-eligible covered bond (apart from the criteria listed above), the LCR Regulation stipulates that the covered bond must either be a bond within the meaning of Art. 3(1) CBD, or the security was issued before 8 July 2022 and meets the requirements of Art. 52(4) UCITS in force at that time. However, reference is also made to the CBD in the UCITS and the CRR. As a result, there are also changes to "old bonds" in order to remain LCR-eligible. This requires a look at the transitional rules of the CBD: Art. 30 CBD reads as follows: *"Member States shall ensure that covered bonds issued before 8 July 2022 that comply with the requirements laid down in Article 52(4) of Directive 2009/65/EC, as applicable on the date of their issue, are not subject to the requirements set out in Articles 5 to 12 and Articles 15, 16, 17 and 19 of this Directive, but may continue to be referred to as covered bonds in accordance with this Directive until their maturity."*

**General distinction between EEA and non-EEA covered bonds**

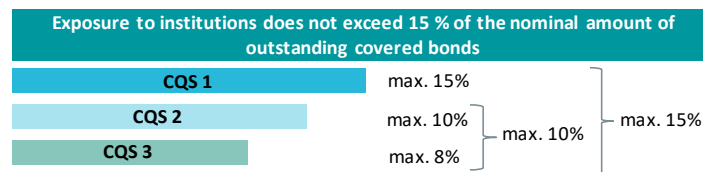
The requirements to be met by Level 1, Level 2A and Level 2B assets can be found in [Articles 10 to 12 of the LCR Regulation](#). Since the requirements of the delegated regulation are EEA-relevant, a general distinction is also made in the requirements for covered bonds between issues from the EEA and those issued by entities from third countries. For example, EEA bonds can generally be considered both as Level 1 assets and as the two sub-divisions of Level 2. Covered bonds from third countries can only be assigned to Level 2A if they are eligible as LCR assets.

**Article 129(4) CRR and Article 129(5) CRR**

Covered bonds from member states of the EEA must comply with the Covered Bond Directive in order to qualify for treatment under [Articles 129\(4\) or 129\(5\) CRR](#), or comply with Art. 129(3), (3a) and (3b) CRR in order to be eligible as an LCR asset (with the date of issue also playing a role in this respect). Alternatively, in cases where bonds were issued before 8 July 2022, these must comply with Art. 52(4) UCITS in the version applicable on the date of issue instead of the CBD. The Covered Bond Directive defines requirements for covered bonds, while Art. 129 CRR additionally limits the type of cover assets, defines certain minimum requirements for overcollateralisation, and so on. In contrast, paragraphs 4 and 5 of Article 129 CRR describe the requirements to be met by covered bonds in order to benefit from a preferential risk weighting. Paragraph 4 deals with bonds that have a rating assessment, while paragraph 5 deals with bonds that do not have a rating. If a covered bond issued in the EEA does not comply with Covered Bond Directive Art. 3 No. 1, and does not meet the requirements of the Directive nor those of Article 129(4) or Article 129(5) of the CRR, it cannot be used as HQLA in the context of LCR management.

**Article 129(1)(c) CRR in conjunction with Article 129(1a) CRR**

Article 129(1) (c) in conjunction with Article 129(1a) CRR is part of the requirements for eligible cover assets. Specifically, this concerns substitute cover assets in the form of exposures to credit institutions, which are generally limited to 15% of the outstanding covered bond volume. Exposures to institutions that qualify for Credit Quality Step 1 (CQS 1) or 2 are generally permitted. Exposures to institutions that qualify for CQS3 may only include up to a maximum of 8% of the nominal amount of outstanding covered bonds, subject to the following conditions: i) original maturity not exceeding 100 days, provided that the deposits meet the requirements of the CBD, ii) derivative contracts that comply with Art. 11(1) of the CBD (minimum requirements for derivatives in the cover pool). These articles must be complied with by Level 1 covered bonds and by Level 2A covered bonds, irrespective of whether the covered bond is issued in the EEA or a third country.

**Exposures to credit institutions in the cover pool**

Source: Delegated Regulation 575/2013, NORD/LB Floor Research

**Article 14 CBD: Transparency requirements for covered bond programmes**

As covered bonds within the meaning of Art. 3 No. 1 of the Covered Bond Directive, the securities must consequently meet the transparency requirements set out in Art. 14 CBD. To be recognised as LCR Level 2A, however, this also applies to covered bonds from third countries. For this purpose, Art. 14 CBD was explicitly included as a requirement in Article 11(1d)(v) of LCR Regulation 2015/61. As a result, it equally applies to all levels, so that corresponding covered bonds can be used as HQLA in the context of LCR management. In order to benefit from preferential regulatory treatment, a covered bond investor must be able to demonstrate to the relevant supervisory authority that it has a minimum level of information regarding its investment. Accordingly, the following information must be provided at least on a quarterly basis:

- i) Value of the cover pool and outstanding covered bonds
- ii) A list of ISINs for all issues made under this programme to which an ISIN was assigned
- iii) Geographical distribution and type of cover assets, loan size and valuation method
- iv) Information on market risk, including interest rate and currency risk, as well as credit and liquidity risks
- v) Maturity structure of the cover assets and covered bonds, which may include an overview of the triggers for maturity extension
- vi) Level of required and available cover, and the level of statutory, contractual and voluntary overcollateralisation
- vii) Percentage of loans considered to be in default as defined in Article 178 CRR (NPL), and in any case of loans more than 90 days past due.

For issues prior to July 08, 2022, Art. 52(4) UCITS applies at the time of issue, whereby the LCR-R requires the transparency requirement from Art. 14 CBD, so that this must also be fulfilled for "old bonds", which also comes from Art. 30 CBD. In addition, covered bonds of level 2B are subject to a monthly transparency requirement for overcollateralization.

### Credit Quality Steps as a vehicle for assessing creditworthiness

Rating assessments play a particularly important role in determining the LCR level of covered bonds. Credit assessments are taken into account with the help of the Credit Quality Step system, which is defined in [Regulation 2016/1799](#). A total of six different credit rating categories are assigned through ratings issued by recognised [External Credit Assessment Institutions \(ECAI\)](#).

### The Credit Quality Step system is based on Art. 138 CRR

While categories 1 to 3 are assigned to the investment grade segment, categories 4 to 6 are used for non-investment grade credit ratings. In principle, risk positions may have more than one ECAI rating. This means that if more than one rating is used to determine the Credit Quality Step, further mapping actions are necessary (depending on the context, we therefore present the table below with corresponding text passages once again). Irrespective of the number of available ratings, [Article 138 CRR](#) is key to determining the Credit Quality Step. In case there are two ECAI ratings available for a risk position, the applicable rating shall be the one resulting in the higher of the two possible risk weightings, if the two ratings differ. A higher risk weighting is equivalent to a lower credit rating. In this respect, we understand an AA-equivalent rating to be lower than an AAA-equivalent rating. If more than two ratings are available for a risk position, the two ratings resulting in the lowest risk weighting, i.e. the two highest ratings, are applicable. If these two assessments differ from each other, the Credit Quality Step is determined on the basis of the rating (out of these two ratings) that results in the higher risk weighting. It follows the requirements of Article 138 CRR that only the two highest ratings, if available, are relevant to determining the Credit Quality Step, even if a position has more than two recognised ratings. The resulting simplification of CQS provisions is shown in the following table. No distinction is made with regard to the rating grades of individual agencies. Mapping of these equivalence ratings is shown in the [Mapping of rating assessments](#) table.

### Determining the Credit Quality Step for more than one recognised rating assessment

Rating 1 \ Rating 2		CQS 1				CQS 2			CQS 3		
		AAA	AA+	AA	AA-	A+	A	A-	BBB+	BBB	BBB-
CQS 1	AAA	Credit Quality Step 1				Credit Quality Step 2			Credit Quality Step 3		
	AA+										
	AA										
	AA-										
CQS 2	A+	Credit Quality Step 2				Credit Quality Step 2			Credit Quality Step 3		
	A										
	A-										
CQS 3	BBB+	Credit Quality Step 3				Credit Quality Step 3			Credit Quality Step 3		
	BBB										
	BBB-										

Source: Regulation 2016/1799 and 2021/2005, Regulation 575/2013 (Art. 138), NORD/LB Floor Research



**LCR-eligible covered bonds and credit rating assessments**

As far as ratings are concerned, covered bonds also have to fulfil certain requirements in order to be deemed LCR-eligible. Only level 2B covered bonds are not subject to any requirements in terms of credit ratings. For the remaining levels, a distinction can firstly be made between covered bonds with or without a corresponding ECAI rating. Especially when combined with the issuance volume requirements for LCR-eligible covered bonds, it can be said that unrated covered bonds in the publicly placed benchmark/sub-benchmark bond segment are comparatively rare. However, the LCR Directive does provide an option for acquiring status as an LCR asset in these cases. Given the limited prevalence of such securities, we shall look at the system for unrated papers in the paragraph after next, merely for the sake of completeness, and then, for reasons of market practice, concentrate solely on rated covered bonds.

**Rating requirements for covered bonds with ECAI rating**

Regarding the rating requirements for covered bonds, a fundamental distinction must first be made between issues from third countries and those from the EEA. While covered bonds issued by a third country issuer must comply with Credit Quality Step 1 in order to be classified as an eligible asset for the purposes of LCR management, EEA bonds are not subject to a mandatory requirement of this type. Instead, in the case of issues from the EEA, creditworthiness is taken into account as a criterion in three tiers. In order to be classified as a Level 1 asset, bonds must meet the requirements of CQS 1. Nevertheless, being included as a CQS 1 asset does not automatically lead to classification as a Level 1 asset, as the issue must also have a volume of at least EUR 500m and feature overcollateralisation of 2%. If, on the other hand, it is a sub-benchmark issue (issuance volume: EUR ≥250m up to EUR <500m), a CQS 1 assessment only results in Level 2A classification. The same applies to CQS 2 sub-benchmarks that are overcollateralised by a minimum of 7% instead of 2%. Covered bonds with a rating below Credit Quality Step 2 or without a rating can at best only be assigned to Level 2B.

**Rating requirements for covered bonds without an ECAI rating**

Covered bonds without an ECAI rating can also be classified as LCR-asset under certain conditions. In the event that an issue does not have an ECAI rating, the [LCR Regulation](#) always refers to Article 129(5) CRR, which is used to [determine the risk weightings of unrated covered bonds](#). In our opinion, however, in the case of determining the LCR level, Article 129(5) CRR must be considered separately from the other requirements of Article 129 CRR, since this part of the Article is also decisive for covered bonds from third countries. Risk weights continue to be determined based on Article 129 CRR as a whole. If an EEA issue does not have a rating, but meets the other requirements, the bond can still be classified as Level 1 if it is assigned a risk weighting of 10% according to the provisions of Article 129(5) CRR. A preferential risk weighting of 10% therefore acts as a substitute for a CQS 1 ECAI rating.

**Rating requirements for third-country covered bonds without an ECAI rating**

The same applies to issues from third countries, as these must also comply with CQS 1 if a rating is available. In contrast to EEA bonds, however, they can only reach Level 2A. If a rating of at least CQS 2 is required, however, an unrated covered bond must be assigned a risk weight of 20% in the sense of Article 129(5) CRR.

**Issue volume: Different treatment of EEA and non-EEA bonds**

Certain requirements must also be met with regard to the issue volume of a bond, but these also have different implications. For example, in order to be Level 1-eligible, the issue size of EEA bonds must be at least EUR 500m or its equivalent in the local currency. In order to remain eligible as a Level 2 (2A or 2B) asset, the volume must be at least EUR 250m or equivalent. Conversely, bonds issued by issuers domiciled outside the EEA are not subject to any special issue volume requirements. In the case of issues with an equivalent volume of at least EUR 500m, however, they benefit from preferential treatment with regard to the required overcollateralisation (2% overcollateralisation instead of 7%). While EEA bonds must therefore have a minimum volume of EUR 250m in order to be recognised as an LCR asset, this requirement does not apply to covered bonds from third countries. In general, all requirements relating to the issue volume refer to a figure that is equivalent to the required EUR volume.

**Overcollateralisation: Three different minimum levels of overcollateralisation**

As the core characteristic of a covered bond, great importance is attached to the level of overcollateralisation, also in relation to its eligibility as an LCR asset. The LCR Regulation distinguishes between the three overcollateralisation levels: i) 2%, ii) 7% and iii) 10%. A minimum overcollateralisation of 2% is required in cases where the issue volume of EEA and non-EEA CQS 1 bonds is at least EUR 500m. In addition, CQS 2 sub-benchmarks from the EEA are also LCR-eligible, starting from an overcollateralisation rate of 2%. However, if the volume required for non-EEA bonds is less than EUR 500m, overcollateralisation of 7% is required. The same applies to EEA bonds of CQS 2 level that are assigned to the sub-benchmark format. Since Level 2B covered bonds, as mentioned above, do not necessarily need to have a rating assessment, these assets are subject to increased requirements. In addition to quarterly reporting (now required in all level classes), they must also have overcollateralisation of at least 10%. Furthermore, compliance with the overcollateralisation requirement must be disclosed by the issuer on a monthly basis.

**Special requirements for third-country issues**

As is the case with Level 2B covered bonds, non-EEA bonds must meet additional requirements to be recognised as an LCR asset. Article 11 of the LCR Regulation stipulates that bonds from outside the EEA must be issued in accordance with the national legislation of the third country. The issuer must also be a credit institution or a wholly owned subsidiary of a credit institution which guarantees the issue. Furthermore, the bond must have a dual recourse, i.e. it must enable investors to have recourse to the cover pool in addition to the receivables from the credit institution in the event of the issuer's insolvency. In addition, the issuer and the covered bonds must be subject to separate supervision; these arrangements must be at least equivalent to those applied in the EEA.

**Special requirements for risk exposures and issues from third countries**

Like Level 1 and 2A EEA bonds, third country issues must meet the requirements of Article 129(1)(c) and 129 (1a) CRR, but at the same time, like Level 1 covered bonds, may also benefit from the exemptions in Article 129(1a). In addition, cover assets for bonds not issued in the EEA are limited to those referred to in Article 129(1)(b), (d), (f) and (g) CRR. Overall, in addition to the assets referred to in Article 129(1)(c) and (1a), the eligible cover assets of issues from third countries include residential property (section d), commercial immovable property (section f) and loans secured by maritime liens on ships (section g). Collateralisation by public sector collateral is also possible and follows the requirements specified in Article 129(1)(b). Accordingly, exposures to central governments and central banks from third countries, multilateral development banks and international organisations that qualify for Credit Quality Step 1 are eligible, as well as risk positions guaranteed by these institutions. In addition, exposures to public sector entities as well as regional or local authorities are also eligible if they meet further requirements. If, on the other hand, risk positions from third countries that qualify as Credit Quality Step 2 are involved, the share of these assets is limited to 20% of the nominal amount of outstanding covered bonds (However, this limit also applies to EEA bonds). Where cover assets are loans secured by immovable property, the requirements of Articles 208 and 229(1) CRR must also be met.

**Additional requirements for Level 2B covered bonds**

Although Level 2B covered bonds are regarded as HQLA, they differ from Level 1 and 2A assets in terms of quality and/or liquidity. This is why the regulator has formulated additional requirements in this regard. As a result, the cover assets in question are limited to those referred to in Article 129(1)(a), (d)(i) and (e). The CRR Article 129(1)(a) includes exposures to the public sector within Member States, consisting of (i) central governments; (ii) ESCB central banks (European System of Central Banks); (iii) public sector entities; or (iv) regional governments or local authorities. Furthermore, these assets are eligible as cover assets for Level 2B covered bonds that are guaranteed by one of the aforementioned institutions. For covered bonds backed by residential property loans, Article 129(1)(d) and (e) is also relevant as it lays down the requirements for this form of cover asset. EEA covered bonds with a rating lower than CQS 2 (or without rating) may additionally only have cover assets that allow a risk weighting of 35% or lower. Article 125 CRR allows a 35% risk weighting for exposures that are fully collateralised by residential property which is or shall be occupied or let by the owner.

## Regulatory

## Regulatory classification: issuers (iBoxx EUR Covered)

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Australia	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
BANK OF QUEENSLAND LTD	<a href="#">Mortgages (CPT)</a>	AAA / Aaa / - / -	33.70%	✓	✗	Level 2A / 15%
BANK OF QUEENSLAND LTD	<a href="#">Mortgages (SB)</a>	AAA / - / - / -	16.50%	✓	✗	Level 2A / 15%
BENDIGO AND ADELAIDE BK	<a href="#">Mortgages</a>	AAA / Aaa / - / -	117.90%	✓	✗	Level 2A / 15%
COMMONWEALTH BANK AUST	<a href="#">Mortgages</a>	AAA / Aaa / - / -	18.70%	✓	✗	Level 2A / 15%
MACQUARIE BANK LTD	<a href="#">Mortgages</a>	AAA / Aaa / - / -	60.80%	✓	✗	Level 2A / 15%
NATIONAL AUSTRALIA BANK	<a href="#">Mortgages</a>	AAA / Aaa / - / -	26.20%	✓	✗	Level 2A / 15%
WESTPAC BANKING CORP	<a href="#">Mortgages</a>	AAA / Aaa / - / -	34.30%	✓	✗	Level 2A / 15%
Austria	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
BAWAG P.S.K.	<a href="#">Public Loans</a>	- / Aaa / - / -	88.9%	✓	✓	Level 1 / 7%
BAWAG P.S.K.	<a href="#">Mortgages</a>	- / Aaa / - / -	9.9%	✓	✓	Level 1 / 7%
ERSTE GROUP BANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	25.5%	✓	✓	Level 1 / 7%
HYPO NOE LB NOE WIEN AG	<a href="#">Public Loans</a>	- / Aa1 / - / -	21.4%	✓	✓	Level 1 / 7%
HYPO NOE LB NOE WIEN AG	<a href="#">Mortgages</a>	- / Aa1 / - / -	9.5%	✓	✓	Level 1 / 7%
HYPO TIROL BANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	22.6%	✓	✓	Level 1 / 7%
HYPO VORARLBERG BANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	28.8%	✓	✓	Level 1 / 7%
RAIFFEISEN BANK INTL	<a href="#">Mortgages</a>	- / Aa1 / - / -	27.3%	✓	✓	Level 1 / 7%
RAIFFEISEN LB NIEDEROEST	<a href="#">Mortgages</a>	- / Aaa / - / -	34.2%	✓	✓	Level 1 / 7%
RAIFFEISEN LB NIEDEROEST	<a href="#">Public Loans</a>	- / Aaa / - / -	22.8%	✓	✓	Level 1 / 7%
RAIFFEISEN LB STEIERMARK	<a href="#">Mortgages</a>	- / Aaa / - / -	51.7%	✓	✓	Level 1 / 7%
RAIFFEISEN LB VORARLBERG	<a href="#">Mortgages</a>	- / Aaa / - / -	38.3%	✓	✓	Level 1 / 7%
RAIFFLANDESBANK TIROL	<a href="#">Mortgages</a>	- / Aaa / - / -	28.1%	✓	✓	Level 1 / 7%
RLB OBEROESTERREICH	<a href="#">Mortgages (Pool A)</a>	- / Aaa / - / -	43.3%	✓	✓	Level 1 / 7%
UNICREDIT BK AUSTRIA AG	<a href="#">Mortgages</a>	- / Aaa / - / -	127.3%	✓	✓	Level 1 / 7%
VOLKSBANK WIEN AG	<a href="#">Mortgages</a>	- / Aaa / - / -	61.1%	✓	✓	Level 1 / 7%
Belgium	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
ARGENTA SPAARBANK	<a href="#">Mortgages</a>	- / - / AAA / -	22.6%	✓	✓	Level 1 / 7%
BELFIUS BANK SA/NV	<a href="#">Public Loans</a>	- / Aaa / AAA / -	36.9%	✓	✓	Level 1 / 7%
BELFIUS BANK SA/NV	<a href="#">Mortgages</a>	AAA / - / AAA / -	26.3%	✓	✓	Level 1 / 7%
BNP PARIBAS FORTIS SA	<a href="#">Mortgages</a>	- / Aaa / AAA / -	29.8%	✓	✓	Level 1 / 7%
ING BELGIUM SA	<a href="#">Mortgages</a>	AAA / Aaa / - / -	40.0%	✓	✓	Level 1 / 7%
KBC BANK NV	<a href="#">Mortgages</a>	AAA / Aaa / - / -	27.5%	✓	✓	Level 1 / 7%
Canada	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
BANK OF MONTREAL	<a href="#">Mortgages</a>	AAA / Aaa / - / AAA	55.6%	✓	✗	Level 2A / 15%
BANK OF NOVA SCOTIA	<a href="#">Mortgages</a>	AAA / Aaa / - / AAA	57.8%	✓	✗	Level 2A / 15%
CANADIAN IMPERIAL BANK	<a href="#">Mortgages</a>	AAA / Aaa / - / -	37.4%	✓	✗	Level 2A / 15%
EQUITABLE BANK	<a href="#">Mortgages</a>	AA / - / - / AA	28.8%	✓	✗	Level 2A / 15%
FED CAISSES DESJARDINS	<a href="#">Mortgages</a>	AAA / Aaa / - / -	26.3%	✓	✗	Level 2A / 15%
NATIONAL BANK OF CANADA	<a href="#">Mortgages</a>	AAA / Aaa / - / AAA	71.5%	✓	✗	Level 2A / 15%
ROYAL BANK OF CANADA	<a href="#">Mortgages</a>	AAA / Aaa / - / AAA	62.4%	✓	✗	Level 2A / 15%
THE TORONTO-DOMINION BANK	<a href="#">Mortgages</a>	AAA / Aaa / - / AAA	43.8%	✓	✗	Level 2A / 15%
Czechia	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
KOMERCNI BANKA AS	<a href="#">Mortgages</a>	AAA / - / - / -	24.5%	✓	✓	Level 1 / 7%
UNICREDIT BANK CZECH RE	<a href="#">Mortgages</a>	- / Aa2 / - / -	42.9%	✓	✓	Level 1 / 7%

Denmark	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
DANMARKS SKIBSKREDIT AS	<a href="#">Mortgages (Capital Centre A)</a>	- / - / A / -	22.9%	✓	✓	Level 2A / 15%
DANSKE BANK A/S	<a href="#">Mortgages (Pool C)</a>	AAA / - / AAA / -	22.5%	✓	✓	Level 1 / 7%
DANSKE BANK A/S	<a href="#">Mortgages (Pool D)</a>	AAA / - / AAA / -	9.6%	✓	✓	Level 1 / 7%
JYSKE REALKREDIT A/S	<a href="#">Mortgages (Capital Centre E)</a>	- / - / AAA / -	6.5%	✓	✓	Level 1 / 7%
Estonia	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
LUMINOR BANK	<a href="#">Mortgages</a>	- / Aaa / - / -	78.9%	✓	✓	Level 1 / 7%
Finland	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
AKTIA BANK	<a href="#">Mortgages (Pool 2)</a>	- / Aaa / - / -	35.7%	✓	✓	Level 1 / 7%
AKTIA BANK	<a href="#">Mortgages (Pool 1)</a>	- / Aaa / - / -	25.9%	✓	✓	Level 1 / 7%
DANSKE MORTGAGE BANK PLC	<a href="#">Mortgages</a>	- / Aaa / - / -	29.0%	✓	✓	Level 1 / 7%
NORDEA KIINNITYSLUOTTO	<a href="#">Mortgages (Cover Pool)</a>	- / Aaa / - / -	14.4%	✓	✓	Level 1 / 7%
NORDEA KIINNITYSLUOTTO	<a href="#">Mortgages (Cover Pool 2)</a>	- / Aaa / - / -	22.5%	✓	✓	Level 1 / 7%
OMA SAASTOPANKKI OYJ	<a href="#">Mortgages</a>	- / - / AAA / -	28.0%	✓	✓	Level 1 / 7%
OP MORTGAGE BANK	<a href="#">Mortgages (EMTCN)</a>	- / Aaa / AAA / -	27.7%	✓	✓	Level 1 / 7%
OP MORTGAGE BANK	<a href="#">Mortgages (EMTCB)</a>	- / Aaa / - / -	10.2%	✓	✓	Level 1 / 7%
SP KIINNITYSLUOTTOPANKKI	<a href="#">Mortgages (SP-01)</a>	- / - / AAA / -	66.9%	✓	✓	Level 1 / 7%
SP KIINNITYSLUOTTOPANKKI	<a href="#">Mortgages (SP-02)</a>	- / - / AAA / -	40.1%	✓	✓	Level 1 / 7%
S-PANKKI OYJ	<a href="#">Mortgages</a>	- / - / AAA / -	218.7%	✓	✓	Level 1 / 7%
France	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
ARKEA HOME LOANS	<a href="#">Mortgages</a>	AAA / Aaa / - / -	25.0%	✓	✓	Level 1 / 7%
ARKEA PUBLIC SECTOR SCF	<a href="#">Public Loans</a>	- / Aaa / - / -	25.2%	✓	✓	Level 1 / 7%
AXA BANK EUROPE SCF	<a href="#">Mortgages</a>	- / Aaa / - / -	33.1%	✓	✓	Level 1 / 7%
AXA HOME LOAN SFH	<a href="#">Mortgages</a>	AAA / - / AAA / -	15.0%	✓	✓	Level 1 / 7%
BNP PARIBAS HOMELOAN SFH	<a href="#">Mortgages</a>	AAA / - / AAA / -	25.4%	✓	✓	Level 1 / 7%
BPCE SFH - SOCIETE DE FI	<a href="#">Mortgages</a>	- / Aaa / AAA / -	33.1%	✓	✓	Level 1 / 7%
CAISSE FRANCAISE DE FIN	<a href="#">Public Loans</a>	- / Aaa / AA+ / AAA	17.2%	✓	✓	Level 1 / 7%
CAISSE REFINANCE L'HABIT	<a href="#">Mortgages</a>	AAA / - / - / -	40.7%	✓	✓	Level 1 / 7%
CCF SFH SACA	<a href="#">Mortgages</a>	- / - / AAA / -	25.0%	✓	✓	Level 1 / 7%
CIE FINANCEMENT FONCIER	<a href="#">Mortgages</a>	- / Aaa / AAA / -	15.5%	✓	✓	Level 1 / 7%
CRED MUTUEL HOME LOAN SF	<a href="#">Mortgages</a>	AAA / Aaa / AAA / -	46.8%	✓	✓	Level 1 / 7%
CREDIT AGRICOLE HOME LOA	<a href="#">Mortgages</a>	AAA / Aaa / AAA / -	49.7%	✓	✓	Level 1 / 7%
CREDIT AGRICOLE PUBLIC S	<a href="#">Public Loans</a>	- / Aaa / AAA / -	52.2%	✓	✓	Level 1 / 7%
LA BANQUE POST HOME LOAN	<a href="#">Mortgages</a>	- / - / AAA / -	41.4%	✓	✓	Level 1 / 7%
MMB SCF	<a href="#">Mortgages</a>	- / - / AAA / -	33.0%	✓	✓	Level 1 / 7%
SOCIETE GENERALE SFH	<a href="#">Mortgages</a>	AAA / Aaa / - / -	22.2%	✓	✓	Level 1 / 7%
Germany	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
AAREAL BANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	16.7%	✓	✓	Level 1 / 7%
BAUSPAR.SCHWAEBISCH HALL	<a href="#">Mortgages</a>	- / Aaa / - / -	53.9%	✓	✓	Level 1 / 7%
BAYERISCHE LANDESBANK	<a href="#">Mortgages</a>	- / Aaa / - / -	30.4%	✓	✓	Level 1 / 7%
BAYERISCHE LANDESBANK	<a href="#">Public Loans</a>	- / Aaa / - / -	74.6%	✓	✓	Level 1 / 7%
BERLIN HYP AG	<a href="#">Mortgages</a>	- / Aaa / - / -	4.9%	✓	✓	Level 1 / 7%
COMMERZBANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	41.7%	✓	✓	Level 1 / 7%
COMMERZBANK AG	<a href="#">Public Loans</a>	- / Aaa / - / -	84.5%	✓	✓	Level 1 / 7%
DEUT APOTHEKE AERZTEBANK	<a href="#">Mortgages</a>	- / - / AAA / -	99.1%	✓	✓	Level 1 / 7%
DEUT PFANDBRIEFBANK AG	<a href="#">Mortgages</a>	- / Aa1 / - / -	29.7%	✓	✓	Level 1 / 7%
DEUT PFANDBRIEFBANK AG	<a href="#">Public Loans</a>	- / Aa1 / - / -	16.3%	✓	✓	Level 1 / 7%
DEUTSCHE BANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	19.6%	✓	✓	Level 1 / 7%
DEUTSCHE KREDITBANK AG	<a href="#">Mortgages</a>	- / Aaa / - / -	145.2%	✓	✓	Level 1 / 7%
DEUTSCHE KREDITBANK AG	<a href="#">Public Loans</a>	- / Aaa / - / -	182.5%	✓	✓	Level 1 / 7%

Germany	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
DZ HYP AG	<a href="#">Mortgages</a>	- / Aaa / AAA / -	17.4%	✓	✓	Level 1 / 7%
DZ HYP AG	<a href="#">Public Loans</a>	- / Aaa / AAA / -	27.9%	✓	✓	Level 1 / 7%
HAMBURG COMMERCIAL BANK	<a href="#">Mortgages</a>	- / Aaa / - / -	19.5%	✓	✓	Level 1 / 7%
HAMBURG COMMERCIAL BANK	<a href="#">Mortgages (Ships)</a>	- / Aa3 / - / -	21.6%	✓	✓	Level 1 / 7%
HAMBURGER SPARKASSE	<a href="#">Mortgages</a>	- / Aaa / - / -	56.6%	✓	✓	Level 1 / 7%
ING-DIBA AG	<a href="#">Mortgages</a>	- / Aaa / - / -	41.3%	✓	✓	Level 1 / 7%
LANDBK HESSEN-THUERINGEN	<a href="#">Mortgages</a>	- / Aaa / - / -	73.5%	✓	✓	Level 1 / 7%
LANDBK HESSEN-THUERINGEN	<a href="#">Public Loans</a>	- / Aaa / - / -	67.3%	✓	✓	Level 1 / 7%
LB BADEN-WUERTTEMBERG	<a href="#">Mortgages</a>	- / Aaa / - / -	31.1%	✓	✓	Level 1 / 7%
LB BADEN-WUERTTEMBERG	<a href="#">Public Loans</a>	- / Aaa / - / -	22.5%	✓	✓	Level 1 / 7%
LB SAAR GIROZENTRALE	<a href="#">Public Loans</a>	AAA / - / - / -	27.2%	✓	✓	Level 1 / 7%
MUENCHENER HYPOTHEKENBNK	<a href="#">Mortgages</a>	- / Aaa / - / -	6.4%	✓	✓	Level 1 / 7%
NORDDEUTSCHE LANDESBANK	<a href="#">Mortgages</a>	- / Aaa / - / -	59.7%	✓	✓	Level 1 / 7%
NORDDEUTSCHE LANDESBANK	<a href="#">Public Loans</a>	- / Aaa / - / -	12.7%	✓	✓	Level 1 / 7%
OLDENBURGISCHE LANDESBK	<a href="#">Mortgages</a>	- / Aaa / - / -	17.2%	✓	✓	Level 1 / 7%
SANTANDER CONSUMER BANK	<a href="#">Mortgages</a>	AAA / Aaa / - / -	74.6%	✓	✓	Level 1 / 7%
SPARKASSE HANNOVER	<a href="#">Mortgages</a>	AAA / - / - / -	41.3%	✓	✓	Level 1 / 7%
SPARKASSE PFORZHEIM CALW	<a href="#">Mortgages</a>	AAA / - / - / -	30.3%	✓	✓	Level 1 / 7%
UNICREDIT BANK GMBH	<a href="#">Mortgages</a>	- / Aaa / - / -	28.4%	✓	✓	Level 1 / 7%
WUESTENROT BAUSPARKASSE	<a href="#">Mortgages</a>	- / - / AAA / -	25.7%	✓	✓	Level 1 / 7%
Iceland	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
ARION BANKI HF	<a href="#">Mortgages</a>	- / - / A / -	12.5%	✓	✓	Level 2A / 15%
Italy	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
BANCA MONTE DEI PASCHI S	<a href="#">Mortgages (OBG 1)</a>	AA- / Aa3 / - / AA	82.3%	✓	✓	Level 1 / 7%
BANCA POPOLARE SONDRIO	<a href="#">Mortgages</a>	AA / - / - / -	93.9%	✓	✓	Level 1 / 7%
BANCO BPM SPA	<a href="#">Mortgages (BPM OBG2)</a>	- / Aa3 / - / -	28.4%	✓	✓	Level 1 / 7%
BANCO DESIO DELLA BRIANZ	<a href="#">Mortgages</a>	AA / - / - / -	39.8%	✓	✓	Level 1 / 7%
BPER BANCA	<a href="#">Mortgages</a>	- / Aa3 / - / -	37.6%	✓	✓	Level 1 / 7%
CREDIT AGRICOLE ITALIA	<a href="#">Mortgages</a>	- / Aa3 / - / -	34.3%	✓	✓	Level 1 / 7%
CREDITO EMILIANO SPA	<a href="#">Mortgages</a>	AA / Aa3 / - / -	61.3%	✓	✓	Level 1 / 7%
ICCREA BANCA SPA	<a href="#">Mortgages</a>	- / Aa3 / - / -	34.1%	✓	✓	Level 1 / 7%
INTESA SANPAOLO SPA	<a href="#">Mortgages (OBG Mortgage)</a>	- / Aa3 / - / -	50.5%	✓	✓	Level 1 / 7%
INTESA SANPAOLO SPA	<a href="#">Mortgages (OBG UBI Finance)</a>	- / Aa3 / - / AA	46.6%	✓	✓	Level 1 / 7%
MEDIOBANCA DI CRED FIN	<a href="#">Mortgages</a>	AA / - / - / -	38.1%	✓	✓	Level 1 / 7%
UNICREDIT SPA	<a href="#">Mortgages (OBG2)</a>	- / Aa3 / - / -	76.8%	✓	✓	Level 1 / 7%
Japan	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
SUMITOMO MITSUI BANKING	<a href="#">Mortgages</a>	- / Aaa / - / -	81.8%	✗	✗	not eligible
SUMITOMO MITSUI TR BK LT	<a href="#">Mortgages</a>	- / Aaa / - / -	40.4%	✗	✗	not eligible
Korea	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
HANA BANK	<a href="#">Mortgages</a>	AAA / - / AAA / -	67.5%	✓	✗	Level 2A / 15%
KOOKMIN BANK	<a href="#">Mortgages</a>	AAA / - / AAA / -	57.0%	✓	✗	Level 2A / 15%
KOREA HOUSING FINANCE CO	<a href="#">Mortgages (2021/01 Issue)</a>	- / - / AAA / -	9.3%	✓	✗	Level 2A / 15%
KOREA HOUSING FINANCE CO	<a href="#">Mortgages (2021/02 Issue)</a>	- / - / AAA / -	15.6%	✓	✗	Level 2A / 15%
KOREA HOUSING FINANCE CO	<a href="#">Mortgages (Global)</a>	- / Aaa / AAA / -	16.2%	✓	✗	Level 2A / 15%
SHINHAN BANK	<a href="#">Mortgages</a>	AAA / - / - / -	242.6%	✓	✗	Level 2A / 15%
Luxembourg	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
NORDBL LX COV BOND BK	<a href="#">Public Loans (LdG Public)</a>	- / Aaa / - / -	17.8%	✓	✓	Level 1 / 7%

Netherlands	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
ABN AMRO BANK NV	<a href="#">Mortgages</a>	AAA / Aaa / - / -	31.9%	✓	✓	Level 1 / 7%
ACHMEA BANK NV	<a href="#">Mortgages (SB)</a>	- / - / AAA / -	42.8%	✓	✓	Level 1 / 7%
COOPERATIEVE RABOBANK UA	<a href="#">Mortgages</a>	- / Aaa / - / -	8.0%	✓	✓	Level 1 / 7%
DE VOLKSBANK NV	<a href="#">Mortgages</a>	AAA / Aaa / - / -	15.6%	✓	✓	Level 1 / 7%
F VAN LANSCHOT BANKIERS	<a href="#">Mortgages (CPT)</a>	- / - / - / -	40.4%	✓	✓	Level 1 / 7%
ING BANK NV	<a href="#">Mortgages</a>	AAA / Aaa / AAA / -	25.9%	✓	✓	Level 1 / 7%
KNAB NV	<a href="#">Mortgages (CPT)</a>	- / - / AAA / -	20.6%	✓	✓	Level 1 / 7%
KNAB NV	<a href="#">Mortgages (SB)</a>	- / - / AAA / -	27.4%	✓	✓	Level 1 / 7%
NIBC BANK NV	<a href="#">Mortgages (CPT)</a>	AAA / - / AAA / -	22.0%	✓	✓	Level 1 / 7%
NIBC BANK NV	<a href="#">Mortgages (SB)</a>	- / - / AAA / -	44.6%	✓	✓	Level 1 / 7%
NN BANK NV NETHERLANDS	<a href="#">Mortgages (SB)</a>	- / - / AAA / -	13.6%	✓	✓	Level 1 / 7%
VAN LANSCHOT NV	<a href="#">Mortgages (SB)</a>	- / - / AAA / -	36.0%	✓	✓	Level 1 / 7%
New Zealand	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
ANZ NEW ZEALAND INTL/LDN	<a href="#">Mortgages</a>	AAA / Aaa / - / -	322.1%	✓	✗	Level 2A / 15%
ASB BANK LIMITED	<a href="#">Mortgages</a>	AAA / Aaa / - / -	41.5%	✓	✗	Level 2A / 15%
BANK OF NEW ZEALAND	<a href="#">Mortgages</a>	AAA / Aaa / - / -	20.0%	✓	✗	Level 2A / 15%
WESTPAC SEC NZ/LONDON	<a href="#">Mortgages</a>	AAA / Aaa / - / -	42.6%	✓	✗	Level 2A / 15%
Norway	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
DNB BOLIGKREDITT AS	<a href="#">Mortgages</a>	- / Aaa / AAA / -	64.7%	✓	✓	Level 1 / 7%
EIKA BOLIGKREDITT AS	<a href="#">Mortgages</a>	- / Aaa / - / -	8.7%	✓	✓	Level 1 / 7%
SPAREBANK 1 BOLIGKREDITT	<a href="#">Mortgages</a>	- / Aaa / - / -	5.6%	✓	✓	Level 1 / 7%
SPAREBANKEN SOR BOLIGKRE	<a href="#">Mortgages</a>	- / Aaa / - / -	12.8%	✓	✓	Level 1 / 7%
SPAREBANKEN VEST BOLIGKR	<a href="#">Mortgages</a>	- / Aaa / - / -	27.4%	✓	✓	Level 1 / 7%
SR-BOLIGKREDITT AS	<a href="#">Mortgages</a>	- / Aaa / - / -	19.6%	✓	✓	Level 1 / 7%
Portugal	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
BANCO BPI SA	<a href="#">Mortgages</a>	- / Aaa / - / AA	34.8%	✓	✓	Level 1 / 7%
BANCO SANTANDER TOTTA SA	<a href="#">Mortgages</a>	AA- / Aaa / - / AA	18.2%	✓	✓	Level 1 / 7%
NOVO BANCO SA	<a href="#">Mortgages</a>	- / Aaa / - / -	39.2%	✓	✓	Level 1 / 7%
Singapore	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
DBS BANK LTD	<a href="#">Mortgages</a>	AAA / Aaa / - / -	71.8%	✓	✗	Level 2A / 15%
MAYBANK SINGAPORE LTD	<a href="#">Mortgages</a>	- / Aaa / AAA / -	53.4%	✓	✗	Level 2A / 15%
OVERSEA-CHINESE BANKING	<a href="#">Mortgages</a>	AAA / Aaa / - / -	275.7%	✓	✗	Level 2A / 15%
STANDARD CHARTERED SG LT	<a href="#">Mortgages</a>	- / Aaa / AAA / -	155.2%	✓	✗	Level 2A / 15%
UNITED OVERSEAS BANK LTD	<a href="#">Mortgages</a>	- / Aaa / AAA / -	123.3%	✓	✗	Level 2A / 15%
Slovakia	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
CESKO OBCH BANKA(SLOVAK)	<a href="#">Mortgages</a>	- / Aaa / - / -	20.7%	✓	✓	Level 1 / 7%
PRIMA BANKA SLOVENSKO AS	<a href="#">Mortgages</a>	- / Aaa / - / -	30.5%	✓	✓	Level 1 / 7%
SLOVENSKA SPORITELNA AS	<a href="#">Mortgages</a>	- / Aaa / - / -	39.0%	✓	✓	Level 1 / 7%
TATRA BANKA AS	<a href="#">Mortgages</a>	- / Aaa / - / -	20.4%	✓	✓	Level 1 / 7%
VSEOBECNA UVEROVA BANKA	<a href="#">Mortgages</a>	- / Aa1 / - / -	10.6%	✓	✓	Level 1 / 7%

Spain	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
ABANCA CORP BANCARIA SA	<a href="#">Mortgages</a>	- / Aa1 / AA+ / -	63.7%	✓	✓	Level 1 / 7%
BANCO BILBAO VIZCAYA ARG	<a href="#">Mortgages</a>	- / Aa1 / - / AAA	118.5%	✓	✓	Level 1 / 7%
BANCO DE SABADELL SA	<a href="#">Mortgages</a>	- / Aa1 / - / AAA	67.9%	✓	✓	Level 1 / 7%
BANCO SANTANDER SA	<a href="#">Mortgages</a>	AAA / Aa1 / - / -	44.9%	✓	✓	Level 1 / 7%
BANCO SANTANDER SA	<a href="#">Public Loans (Export Finance)</a>	- / Aa1 / - / -	61.1%	✓	✓	Level 1 / 7%
BANKINTER SA	<a href="#">Mortgages</a>	- / Aa1 / - / -	45.2%	✓	✓	Level 1 / 7%
CAIXABANK SA	<a href="#">Mortgages</a>	- / Aa1 / AA+ / AAA	83.5%	✓	✓	Level 1 / 7%
CAJA RURAL DE NAVARRA	<a href="#">Mortgages</a>	- / Aa1 / - / -	16.4%	✓	✓	Level 1 / 7%
CAJAMAR CAJA RURAL SCC	<a href="#">Mortgages</a>	- / - / AA+ / -	27.7%	✓	✓	Level 1 / 7%
DEUTSCHE BK SA ESPANOLA	<a href="#">Mortgages</a>	- / - / - / -	38.7%	✓	✓	Level 1 / 7%
EUROCAJA RURAL SCC	<a href="#">Mortgages</a>	- / Aa1 / - / -	53.5%	✓	✓	Level 1 / 7%
KUTXABANK SA	<a href="#">Mortgages</a>	- / Aa1 / - / AAA	29.2%	✓	✓	Level 1 / 7%
UNICAJA BANCO SA	<a href="#">Mortgages</a>	- / Aa1 / - / -	38.6%	✓	✓	Level 1 / 7%
Sweden	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
LANSFORSKRINGAR HYPOTEK	<a href="#">Mortgages</a>	- / Aaa / AAA / -	29.8%	✓	✓	Level 1 / 7%
SKANDINAVISKA ENSKILDA	<a href="#">Mortgages</a>	- / Aaa / - / -	99.9%	✓	✓	Level 1 / 7%
STADSHYPOTEK AB	<a href="#">Mortgages (NO Pool)</a>	- / Aaa / - / -	10.0%	✓	✓	Level 1 / 7%
STADSHYPOTEK AB	<a href="#">Mortgages (SE Pool)</a>	- / Aaa / - / -	10.0%	✓	✓	Level 1 / 7%
SWEDBANK HYPOTEK AB	<a href="#">Mortgages</a>	- / Aaa / AAA / -	196.6%	✓	✓	Level 1 / 7%
SWEDISH COVERED BOND	<a href="#">Mortgages</a>	- / Aaa / - / -	28.0%	✓	✓	Level 1 / 7%
Switzerland	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
UBS SWITZERLAND AG	<a href="#">Mortgages (Legacy)</a>	AAA / - / - / -	12.9%	✗	✗	not eligible
UBS SWITZERLAND AG	<a href="#">Mortgages (UBS)</a>	AAA / - / - / -	20.5%	✗	✗	not eligible
UK	Cover Pool	Rating (Fitch/Moody's/S&P/DBRS)	OC	Law	Scope CBD	LCR level / Haircut
CLYDESDALE BANK PLC	<a href="#">Mortgages</a>	AAA / Aaa / - / -	113.5%	✓	✗	Level 2A / 15%
COVENTRY BLDG SOCIETY	<a href="#">Mortgages</a>	AAA / Aaa / - / -	79.7%	✓	✗	Level 2A / 15%
LLOYDS BANK PLC	<a href="#">Mortgages</a>	AAA / Aaa / - / -	63.3%	✓	✗	Level 2A / 15%
NATIONWIDE BLDG SOCIETY	<a href="#">Mortgages</a>	AAA / Aaa / AAA / -	54.0%	✓	✗	Level 2A / 15%
SANTANDER UK PLC	<a href="#">Mortgages</a>	AAA / Aaa / AAA / -	56.6%	✓	✗	Level 2A / 15%
SKIPTON BUILDING SOCIETY	<a href="#">Mortgages</a>	AAA / Aaa / - / -	87.1%	✓	✗	Level 2A / 15%
TSB BANK PLC	<a href="#">Mortgages</a>	- / Aaa / - / -	63.8%	✓	✗	Level 2A / 15%
YORKSHIRE BUILDING SOC	<a href="#">Mortgages</a>	AAA / Aaa / - / -	66.3%	✓	✗	Level 2A / 15%

Source: Issuers, rating agencies, NORD/LB Floor Research



## Regulatory

# Covered Covered bond laws in tabular comparison

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### **Specific features of covered bonds as an asset class**

Covered bonds are a special asset class both from the issuer's and the investor's point of view. This is especially true with regard to the so-called "dual recourse" of the covered bond holders. In general terms, this firstly secures the investors' claim to the payment of interest and nominal amounts by the issuer (senior unsecured claim) and – in the event of the issuer's default – access to the cover assets that stand against the issued bonds. A distinction must also be made between those covered bonds that were placed on the basis of statutory frameworks and those that were issued on a "contractual" basis. For the latter, no legal requirements are relevant with regard to the design of the covered bond programme, e.g. with regard to the quality of the cover assets or the cover requirements. The most important benchmark index for the covered bond segment, the iBoxx EUR Covered, includes both statutory covered bonds and issues based on contractual arrangements. Legislative covered bonds account for by far the largest share. In our view, this can certainly be seen as an achievement. After all, some now established benchmark jurisdictions have only had covered bond legislations for a few years. This includes, for example, the Canadian market, which is now one of the most important jurisdictions in the EUR benchmark segment. We are also looking to Japan with some excitement: The two issuers in the world's third largest economy are currently still active in the market with contractual covered bonds. However, the country has been working on a legal framework for some time now, the finalisation of which may well be seen as a catalyst for dynamic growth in the Japanese covered bond market.

### **Covered Bond Laws: National requirements shaped for the European Economic Area by new minimum standards**

In our opinion, the EU Covered Bond Directive (and the associated regulation), which came into force on 8 July 2022, set an important minimum standard for covered bonds, which has led to a harmonisation of the previously heterogeneous covered bond landscape in the EU. At the same time, however, the implementation of the directive did not lead to a dilution of individual quality features in the established covered bond jurisdictions. In this respect, we deliberately speak of minimum requirements and less of genuine harmonisation. However, we do not question the fundamental success of the project. Rather, we still see the need to understand the national specifications as well as to harmonise European legislation with the frameworks not only covered by the Directive. Not least for this reason, we would like to provide an overview of the main features of national legislation in this Covered Bond Issuer Guide.

**EU Covered Bond legislation: Implementation of the minimum standards**

The minimum standards set by the EU Covered Bond Directive have been incorporated into the national legislations of the member states. As we will show below, despite the implementation of the Directive, national peculiarities remained and the requirements of the Directive were not all implemented in the same way. First, we would like to mention labelling in the context of European covered bonds. The new framework certainly offers significant assistance with regard to the valuation of European covered bonds in the context of risk weighting and LCR eligibility via labelling. If, for example, the name "European covered bond (premium)" is confirmed by the national supervisory authority at the programme level, a possible best-case classification as Level 1 assets in the context of LCR management and a possible best-case risk weight of 10% are derived from this for the corresponding programmes. We publish this classification every six months as part of our covered bond special "[Risk weight and LCR level of covered bonds](#)".

**National peculiarities of the LTV limit despite the EU Covered Bond Directive: A look at the examples of Germany and the Czech Republic**

An example which in our opinion impressively reveals the national peculiarities is the LTV limit anchored in law. Here, for example, the German legislator sticks to the more conservative reading compared to the Covered Bond Regulation. In the Pfandbrief Act (PfandBG), the limits for both commercial real estate loans and residential financing are 60% each. In addition, German legislation prescribes the valuation of the cover pool assets at the mortgage lending value. In most other jurisdictions, however, the use of the market value is common. The more conservative valuation approach of the mortgage lending value generally leads to higher LTVs than using a market value approach. In the Czech Republic, on the other hand, the legislator chose an LTV limit of 100% as the default. By complying with the legal requirements of the country, the issuer does not necessarily achieve the necessary condition for reaching a 10% risk limit according to the CRR. In this respect, it is important for the credit institution to ensure within the scope of the programme design that the requirements of the CRR are met if recognition as a "European Covered Bond (Premium)" is to be achieved.

**National peculiarities in the case of deferment of maturity**

In the context of the EU Covered Bond Directive, the implementation of Article 17 "Conditions for extendable maturities" is one of the issues that illustrate the continuing heterogeneity of legislations in Europe. Thus, most legislators have followed the "optional" requirement of introducing maturity deferral. When it comes to implementing the "objective triggers" for maturity deferral provided for in national law, national laws certainly diverge to a significant extent. Within the framework of the tabular presentation, we have compiled both whether a maturity deferral is provided for in the law and under which conditions it can occur. The jurisdictions of Australia, Great Britain, Canada, New Zealand, Singapore, Switzerland and South Korea do not fall within the scope of the Directive. However, we have also noted here whether "soft bullets" are permitted in principle and under what circumstances a deferral may occur.

**Structure of the following table**

The following table is intended to illustrate the majority of the relevant characteristics of covered bond legislation without claiming to be exhaustive. Fundamental questions in the systematic consideration of the legal basis of covered bond issues concern, among other things, the official national designation of the covered bond. In fact, in some jurisdictions a clear delineation is not trivial because the legal bases may differ. The question of the specialised bank principle is also important. Limiting the right to issue statutory covered bonds to specialised credit institutions has both advantages and disadvantages. In Luxembourg, for example, the group of possible covered bond issuers was expanded to include "normal" credit institutions as part of the implementation of the directive. The table also shows whether the cover assets remain on the issuer's balance sheet or are transferred to a specialised entity. It also states whether a cover register must be kept for the cover assets by law. A key focus of the table continues to be on the authorised cover assets and substitute cover. The authorised geographical origin of the cover assets plays a role here, as do the type of cover assets and the lending limits for mortgage cover assets. From an investor's perspective, ECB eligibility - i.e. the possible use as collateral in the context of liquidity procurement via the Eurosystem - remains an important variable, so we have also included this feature, even though it is not regulated in national laws.

**Performance check of the Covered Bond Directive by the EBA**

With the Covered Bond Directive, an initial minimum standard for legislation in the EU jurisdictions was formulated at European level. As the term minimum standard already indicates, there are still (sometimes considerable) differences between the individual covered bond legislations. Accordingly, the harmonisation process is far from complete and an evaluation process has already been set out in the Covered Bond Directive (Article 31). The European Banking Authority (EBA) has until 30 June 2025 to comment on the implementation of the directive in the covered bond laws of the member states. This so-called "[call for advice](#)" will focus on assessing the performance of the covered bond markets under the new legislation based on the Covered Bond Directive. Among other things, it is to be examined whether the implementation of the cover and liquidity requirements set out in the directive has helped to minimise the liquidity risks associated with covered bonds. The EBA report will also focus on topics such as third-country equivalence (with a view to covered bond issues from jurisdictions without EEA relevance), the possible introduction of a "European Secured Note", the trend towards increased issuance of soft bullet covered bonds as well as green covered bonds and ESG risks.

Country	Australia	Austria	Belgium
<b>Designation</b>	Australian Covered Bonds	Pfandbriefe (Mortgage Pfandbriefe, Public Pfandbriefe, Ship Pfandbriefe)	Belgian Pandbrieven / Lettres de Gage
<b>Short form</b>	-	-	-
<b>Special bank principle</b>	No	No	No
<b>Owner of assets</b>	SPV	Issuer	Issuer
<b>Public supervision / Regulator</b>	Australian Prudential Regulation Authority (APRA)	Finanzmarktaufsicht (FMA)	National Bank of Belgium (NBB)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, Public sector loans, Bank loans	Mortgage loans, Public sector loans, Ship loans, Bank loans	Mortgage loans, Public sector loans, Bank loans
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	15%	15%	15% CQS1/ 10% CQS2
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	AU	EEA, CH, UK	EEA
<b>Geographical scope - Public sector loans</b>	AU	EEA, CH, UK	OECD
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60%	Residential: 80%, Commercial: 60%, Ships: 60%	Residential: 80% Commercial: 60%
<b>LTV calculation</b>	Monthly revaluation by indexation (contractually fixed)	Mortgage lending value	Market value (real estate at least annual check)
<b>Minimum OC</b>	3% nominal value	2% nominal value	5% nominal value
<b>Cover pool register</b>	Yes	Yes	Yes
<b>Asset encumbrance</b>	8% of domestic assets**	-	-
<b>* Issue limit</b>			
<b>** Cover pool limit</b>			
<b>Deferral of maturity</b>	Yes, optional	Yes, optional	Yes, optional
<b>Trigger Deferral of maturity</b>	Insolvency, Inability to pay	Insolvency, Resolution of the Issuer	Insolvency, Resolution, Inability to pay
<b>CRD compliant</b>	No	Yes	Yes
<b>ECB eligible</b>	No	Yes	Yes

Source: ECBC, national legislation, NORD/LB Floor Research

Country	Canada	Czech Republic	Denmark
<b>Designation</b>	Canadian Registered Covered Bonds	Hypotecni zastavni listy / Verejnopravni zastavni listy / Smisene zastavni listy	Saerligt Daekkede Obligationer
<b>Short form</b>	-	-	SDO
<b>Special bank principle</b>	No	No	Yes
<b>Owner of assets</b>	SPV	Issuer	Issuer
<b>Public supervision / Regulator</b>	Canada Mortgage and Housing Corporation (CMHC)	Czech National Bank (CNB)	Danish Financial Supervisory Authority (FSA)
<b>Cover assets (if applicable incl. substitute cover)</b>	Residential mortgage loans, Canadian government bonds, Cash (limited)	Mortgage loans, Ship loans, Bank loans, Public sector loans, Other	Mortgage loans, Public sector loans, Ship loans, Bank loans
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	10%	15%	15% CQS1/ 10% CQS2
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	CA	EEA	EEA, UK
<b>Geographical scope - Public sector loans</b>	-	CH, OECD	EEA, UK
<b>Loan to value - Mortgage loans</b>	Residential: 80%	100% <sup>1</sup>	Residential: 75%/80% <sup>2</sup> Holiday homes: 60%/75% <sup>3</sup> Agriculture 60%/70% <sup>4</sup> Commercial: 60%/70% <sup>4</sup> Ship: 60%
<b>LTV calculation</b>	Market value	Market Value	Market value (on site by valuation agent)
<b>Minimum OC</b>	3% nominal value	2% nominal (10% in the case of claims predominantly on public Companies)	2% nominal value
<b>Cover pool register</b>	Yes	Yes	Yes
<b>Asset encumbrance * Issue limit ** Cover pool limit</b>	5.5% of the Total Balance Sheet*	-	Balance Principle
<b>Deferral of maturity</b>	Yes	Yes, optional	Yes, mandatory (except specialised ship banks)
<b>Trigger Deferral of maturity</b>	Insolvency, Inability to pay, other events	Insolvency, Resolution, Inability to pay, breach of liquidity regulations	Refinancing CBs not guaranteed
<b>CRD compliant</b>	No	Yes (if issuer meets conditions in Article 129(1a) to (3) CRR)	Yes
<b>ECB eligible</b>	Yes	Yes	Yes

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>1</sup> In practice, the provisions of Article 129 CRR are complied with, i.e. private 80%, commercial: 60%, <sup>2</sup> 80%: loans issued up to 30y maturity and 10y interest-only period, 75%: loans with an unlimited maturity and interest-only period;

<sup>3</sup> 60%: residential use; 75%: commercial use; <sup>4</sup> up to 70% if the bank adds additional collateral

Country	Denmark		Estonia
<b>Designation</b>	Saerligt Daekkede Realkreditobligationer	Realkreditobligationer	1. Mortgage Covered Bond, 2. Mixed Asset Covered Bond
<b>Short form</b>	SDRO	RO	-
<b>Special bank principle</b>	Yes	Yes	No
<b>Owner of assets</b>	Issuer	Issuer	Issuer
<b>Public supervision / Regulator</b>	Danish Financial Supervisory Authority (FSA)	Danish Financial Supervisory Authority (FSA)	Estonian Financial Supervision and Resolution Authority (EFSA)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, public sector loans	Mortgage loans, public sector loans	1st: Residential mortgage loans 2nd: Mortgage loans, Public sector receivables 1st + 2nd: bank loans
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	-	-	Je nach Asset 12%-20%
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	EWR, UK	EWR, UK	EEA
<b>Geographical scope - Public sector loans</b>	EWR, UK	EWR, UK	EEA
<b>Loan to value - Mortgage loans</b>	Residential: 75%/80% <sup>5</sup> Holiday homes: 60%/75% <sup>6</sup> Agriculture: 60%/70% <sup>7</sup> Commercial: 60%/70% <sup>7</sup>	Residential: 80% Holiday homes: 60%/75% <sup>6</sup> Agriculture: 70% Commercial: 60%	Residential: 70% Commercial: 60% Other: 60%
<b>LTV calculation</b>	Market value (on site by valuation agent)	Market value (on site by valuation agent)	Market value
<b>Minimum OC</b>	2% nominal value	2% nominal value	5% nominal value
<b>Cover pool register</b>	Yes	Yes	Yes
<b>Asset encumbrance</b>			
<b>* Issue limit</b>	Balance Principle	Balance Principle	-
<b>** Cover pool limit</b>			
<b>Deferral of maturity</b>	Yes, mandatory	Yes, mandatory	Yes, optional
<b>Trigger Deferral of maturity</b>	Refinancing CBs not guaranteed	Refinancing CBs not guaranteed	Insolvency, moratorium, expiry of the licence, Dissolution of the issuer
<b>CRD compliant</b>	Yes	Depending on programme <sup>8</sup>	Yes
<b>ECB eligible</b>	Yes	Yes	Yes

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>5</sup> 80%: loans issued up to 30y maturity and 10y interest-only period, 75%: loans with an unlimited maturity and interest-only period; <sup>6</sup> 60%: residential use; 75%: commercial use; <sup>7</sup> up to 70% if the bank adds additional collateral; <sup>8</sup> All ROs issued before 1 January 2008 are grandfathered and hence UCITS and CRR compliant

Country	Finland	France	
<b>Designation</b>	Finnish Covered Bond	Obligations a l'Habitat	Obligations Foncières
<b>Short form</b>	-	OH	OF
<b>Special bank principle</b>	No	Ja {Societe de Financement a l'Habitat (SFH)}	Ja {Societe de Credit Foncier (SCF)}
<b>Owner of assets</b>	Issuer	Issuer or Credit institution (Pledge to Issuer)	Issuer or Credit institution (Pledge to Issuer)
<b>Public supervision / Regulator</b>	Finnish Financial Supervisory Authority (FIN-FSA)	Autorite de Controle Prudentiel et de Resolution (ACPR)	Autorite de Controle Prudentiel et de Resolution (ACPR)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, Public sector loans, Commercial loans max. 10% Bank loans	Mortgage loans (only residential), Bank loans	Mortgage loans (residential & commercial), Public sector loans (min CQS1), Bank loans
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	20%	15% max. 10% CQS2 / 8% CQS3	15% max. 10% CQS2 / 8% CQS3
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	EEA	EEA, outside CQS1 countries only	EEA, outside CQS1 countries only
<b>Geographical scope - Public sector loans</b>	EU	-	EEA, outside min. CQS2 countries
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60%	Residential: 80% FGAS <sup>9</sup> guarantee: 100%	Residential: 80% Commercial: 60% FGAS <sup>9</sup> guarantee: 100%
<b>LTV calculation</b>	Market value	Market value (long-term), updated annually	Market value (long-term), updated annually
<b>Minimum OC</b>	2% (present value and nominal), if §129 para. 3a CRR fulfilled, otherwise: 5% (present value and nominal)	5% nominal	5% nominal
<b>Cover pool register</b>	Yes	No (Transfer document)	No (Transfer document)
<b>Asset encumbrance</b>			
* Issue limit	-	-	-
** Cover pool limit			
<b>Deferral of maturity</b>	Yes, optional	Yes, optional	Yes, optional
<b>Trigger Deferral of maturity</b>	Inability to pay, Lack of liquidity	Insolvency, Resolution, Inability to pay, Lack of liquidity, breach of liquidity rules	Insolvency, Resolution, Inability to pay, Lack of liquidity, breach of liquidity rules
<b>CRD compliant</b>	Yes	Yes	Yes
<b>ECB eligible</b>	Yes	Yes	Yes

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>9</sup> FGAS: Fonds de garantie à l'accession sociale / Guarantee Fund for Social Home Accession

Country	France	Germany	Iceland
<b>Designation</b>	Caisse de Refinancement de l'Habitat	Mortgage Pfandbriefe, Public -, Ship- & Aircraft Pfandbriefe	Icelandic Covered Bonds
<b>Short form</b>	CRH	Hypfe, Öpfe, Schipfe, Flupfe	-
<b>Special bank principle</b>	Ja {Caisse de Refinancement de l'Habitat (CRH)}	No	No
<b>Owner of assets</b>	Credit institutions (Owner of the CRH <sup>10</sup> ); (Pledge to Issuer)	Issuer	Issuer
<b>Public supervision / Regulator</b>	Autorite de Controle Prudentiel et de Resolution (ACPR)	Federal Financial Services Supervisory Authority (BaFin)	Financial Supervisory Authority of the Central Bank of Iceland
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans (only residential, max. 1 Mio. und 25y Remaining maturity), Bank loans	Mortgage, Ship and Aircraft loans, Public sector loans, Bank loans	Mortgage loans, Public sector loans, Bank loans
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	15% max. 10% CQS2 / 8% CQS3	CQS1; 15% Öpfe 20% Hypfe, Schipf, Flupfe	20%
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	France	EEA, CH, US, CA, JP, AU, NZ, SG, UK <sup>11</sup> , Schipfe und Flupfe worldwide	EEA
<b>Geographical scope - Public sector loans</b>	-	EEA, CH, US, CA, JP, UK <sup>11</sup>	EEA
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60% FGAS guarantee: 100%	60% of the mortgage lending value	Residential: 80% Commercial: 60% Agricultural: 70%
<b>LTV calculation</b>	Market value (long-term), updated annually	Mortgage lending value	Market value
<b>Minimum OC</b>	5% nominal value	Hypfe/Öpfe: 2% (nom. + stressed present value), Schipfe/Flupfe: 5% (nom. value)	Law: no; By Rating Agencies and/or by contract: 5% nominal
<b>Cover pool register</b>	Yes	Yes	Yes
<b>Asset encumbrance</b>			
<b>* Issue limit</b>	-	-	Legal: No; licence includes limitation*
<b>** Cover pool limit</b>			
<b>Deferral of maturity</b>	Yes, optional	Yes, mandatory	Yes, optional
<b>Trigger Deferral of maturity</b>	Insolvency, Resolution, Inability to pay, Lack of liquidity, breach of liquidity rules	Insolvency, Resolution	Resolution, Prevention of forced sales
<b>CRD compliant</b>	Yes	Yes (does not apply to aircraft Pfandbriefe)	Yes
<b>ECB eligible</b>	Yes	Yes	Yes

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>10</sup> Owner of the CRH as of 30.12.2021: Crédit Agricole SA – Crédit Lyonnais 38.1%; Crédit Mutuel – CIC 27.1%; BPCE 21.1%; Société Générale – CDN 10.4%; BNP Paribas 3.3%; <sup>11</sup> Non-EEA assets are limited to 10% unless security is assured



Country	Ireland	Italy	Luxembourg
<b>Designation</b>	Asset Covered Securities	Obbligazioni Bancarie Garantite	Lettres de Gage, Obligations Garanties Europeennes, Obligations Garanties Europeennes Lettres de Gage du Qualite Superieur
<b>Short form</b>	ACS	OBG	LdG
<b>Special bank principle</b>	Yes	No	No
<b>Owner of assets</b>	Issuer, Designated public / mortgage credit institution; (DPCI / DMCI)	SPV	Issuer
<b>Public supervision / Regulator</b>	Central Bank of Ireland (CBI)	Banca d'Italia	Commission de Surveillance du Secteur Financier (CSSF)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans (Commercial: max. 10%), Public sector loans, Bank loans	Mortgage loans, Public sector loans, Ship loans, Bank loans (max. 8-15%)	Mortgage loans, Public sector loans, Moveable assets, Bank loans, Loans for renewable energies
<b>Substitute assets</b>	Yes	Ja	Yes
<b>Limit of substitute assets</b>	15%	-	20%
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	EEA, US, CA, JP, CH, AU, NZ	EEA, CH	EU, EEA, OECD, other (CQS 1: up to 50%; CQS 2: up to 10%)
<b>Geographical scope - Public sector loans</b>	EEA, US, CA, JP, CH, AU, NZ	EEA, CH, UK, AU, CA, JP, NZ, US, OECD	EEA, OECD, other
<b>Loan to value - Mortgage loans</b>	Residential: 75% Commercial: 60%	Residential: 80% Commercial: 60% (up to 70% with conditions), Ships 60%	Residential: 80% Other: 60% Renewable energy: 50% (up to 80%)
<b>LTV calculation</b>	Prudent Market value	Market value	-
<b>Minimum OC</b>	3% present value	Legal: 5% with Label "European Covered Bond (Premium)"	5% nominal value <sup>12</sup>
<b>Cover pool register</b>	Yes	Legal: No	Yes
<b>Asset encumbrance</b>	-	Individual limits, depending on the equity of the issuer**	20% of the total liabilities, if no special institution**
<b>* Issue limit</b>	-		
<b>** Cover pool limit</b>	-		
<b>Deferral of maturity</b>	Yes, optional	Yes, optional	No
<b>Trigger Deferral of maturity</b>	Inability to pay, Instruction authority or administrator	Bankruptcy/resolution, Issuer failure to pay, Bol measure	-
<b>CRD compliant</b>	Yes	Yes	programme-dependent
<b>ECB eligible</b>	Yes	Yes	programme-dependent

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>12</sup> For LdG Publiques, the minimum coverage is 10%

Country	Netherlands	New Zealand	Norway
<b>Designation</b>	Geregistreeerde Gedekte Obligaties	New Zealand Registered Covered Bonds	Obligasjoner med fortrinnsrett
<b>Short form</b>	GGO	-	OMF
<b>Special bank principle</b>	No	No	Yes
<b>Owner of assets</b>	SPV	SPV	Issuer
<b>Public supervision / Regulator</b>	De Nederlandsche Bank (DNB)	Reserve Bank of New Zealand (RBNZ)	Finanstilsynet
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, Public sector loans, Ship loans, Bank loans	Not regulated by law (in Practice: Mortgage loans)	Mortgage loans, Public sector loans, Loans collateralised with other assets, Bank loans
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	20%	Depending on issuer 10%-15% Cash: no Limit	15% <sup>13</sup>
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	EEA	Not regulated by law (practice NZ)	EEA
<b>Geographical scope - Public sector loans</b>	EEA	-	EEA
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60%/70% Ships: 60%	Not regulated by law, asset coverage test limited Valuation	Residential: 80% Commercial: 60%/70% Leisure Real Estate: 60%
<b>LTV calculation</b>	Market value	Not regulated by law (practice market value)	Market value
<b>Minimum OC</b>	5% nominal value	-	5% nominal 2% with Public claims
<b>Cover pool register</b>	No	Yes	Yes
<b>Asset encumbrance</b>	-	10% of Total Balance Sheet**	-
<b>* Issue limit</b>	-	-	-
<b>** Cover pool limit</b>	-	-	-
<b>Deferral of maturity</b>	Yes, optional	Yes	Yes, optional
<b>Trigger Deferral of maturity</b>	Insolvency, Resolution, Inability to pay	-	Insolvency, Resolution
<b>CRD compliant</b>	Yes	No	Yes
<b>ECB eligible</b>	Yes	No	Yes

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>13</sup> Limit from the CRR must also be fulfilled in Norway

Country	Poland	Portugal	Singapore
<b>Designation</b>	Hipoteczne Listy Zastawne / Publiczne Listy Zastawne	Obrigacoes Cobertas Europeia (Premium), Obrigacao Coberta Europeia	Singapore Covered Bonds
<b>Short form</b>	LZ	OCE Premium OCE	-
<b>Special bank principle</b>	Yes	No	No
<b>Owner of assets</b>	Issuer	Issuer	Issuer / SPV
<b>Public supervision / Regulator</b>	KomisYes Nadzoru Finansowego, (KNF)	Comissao do Mercado de Valores Mobiliarios (CMVM)	Monetary Authority of Singapore (MAS)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, Public sector loans, Bank loans	Mortgage loans, Public sector loans, Ships, Bank loans	Residential mortgage loans, Cash, Sing. Government bonds, MAS Bills
<b>Substitute assets</b>	Yes	Yes	Yes
<b>Limit of substitute assets</b>	15%	15%	15% <sup>14</sup>
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	PL	EU	No restriction (Practice SG)
<b>Geographical scope - Public sector loans</b>	EEA, OECD	EU	-
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60%	Residential: 80% Commercial: 60%/70% Ships: 60%	Residential: 80%
<b>LTV calculation</b>	Mortgage lending value	Market value	Market value
<b>Minimum OC</b>	5% nominal value	5% (OCE Premium, 10% if Commercial: LTV above 70%); 10% OCE (Non-Premium)	3% nominal
<b>Cover pool register</b>	Yes	Yes	Yes
<b>Asset encumbrance * Issue limit ** Cover pool limit</b>	Max. 40 times the equity capital*	-	10% of Total Balance Sheet*
<b>Deferral of maturity</b>	Yes, Second deferral possible by switching to CPT	Yes, optional	Yes, optional
<b>Trigger Deferral of maturity</b>	Insolvency, Failed cover tests	Inability to pay, Withdrawal of banking licence	Contractually regulated
<b>CRD compliant</b>	Yes	Yes	No
<b>ECB eligible</b>	Yes	Yes	No

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>14</sup> The 15%-limit can be temporarily exceeded in order to build up the necessary liquidity to meet payments in the upcoming 12 months or to account for operational timing differences

Country	Slovakia	South Korea	
<b>Designation</b>	europsky kryty dlhopis (premiovy) europsky kryty dlhopis	South Korean Covered Bonds	KHFC Covered Bonds
<b>Short form</b>	KD	-	KHFC
<b>Special bank principle</b>	No	No	Yes
<b>Owner of assets</b>	Issuer	Issuer	Issuer
<b>Public supervision / Regulator</b>	Narodna banka Slovenska (NBS)	Financial Services Commission (FSC)	Financial Services Commission (FSC)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, Public sector loans, Other Bank loans, Cash	Residential mortgage loans, Aircraft-and Ship loans, Public sector loans, RMBS	Mortgage loans
<b>Substitute assets</b>	Yes	Yes	-
<b>Limit of substitute assets</b>	10% <sup>15</sup> / 20% <sup>16</sup>	10%	-
<b>Derivatives as cover assets</b>	Yes	Yes	Yes
<b>Geographical scope - Mortgage loans</b>	Slovakia	KR	KR
<b>Geographical scope - Public sector loans</b>	Slovakia, EU	KR	-
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60%/70% Other: 70%	Residential: 70% Ships: 70% Aircraft: 70%	0%-100% <sup>17</sup>
<b>LTV calculation</b>	Market value	Mortgage lending value	- (contractually regulated)
<b>Minimum OC</b>	5% <sup>15</sup> / 10% <sup>16</sup>	5% nominal value	- (contractually regulated)
<b>Cover pool register</b>	Yes	Yes	Yes
<b>Asset encumbrance</b>			
* Issue limit	-	4% of Total Balance Sheet*	-
** Cover pool limit			
<b>Deferral of maturity</b>	Yes, optional	Yes, optional	Yes
<b>Trigger Deferral of maturity</b>	Insolvency, Resolution, Inability to pay Issuer, Cancellation of the Covered Bond Programme	Inability to pay Issuer	-
<b>CRD compliant</b>	Yes	No	No
<b>ECB eligible</b>	Yes	No	No

Source: ECBC, national legislation, NORD/LB Floor Research; <sup>15</sup> All assets fully fulfil the requirements of the CRR; <sup>16</sup> If "other" mortgage-backed assets and loans to the public sector to maintain essential public services are included in the cover pool; <sup>17</sup> No legal standard defined, valuation is determined individually based on the duration of the payment default in the transaction documents

Country	Spain	Sweden	Switzerland
<b>Designation</b>	Cedulas Hipotecarias, Cedulas Territoriales, Cedulas de internacionalizacion	Swedish Covered Bonds (Säkerställda Obligationer)	Contractual Law Based Covered Bonds
<b>Short form</b>	CH, CT, CI	-	-
<b>Special bank principle</b>	No	No	No
<b>Owner of assets</b>	Issuer	Issuer	SPV
<b>Public supervision / Regulator</b>	Banco de Espana	Finansinspektionen (SFSA)	Swiss Financial Market Supervisory Authority (FINMA)
<b>Cover assets (if applicable incl. substitute cover)</b>	Mortgage loans, Public sector loans, Export loans, Bank loans	Mortgage loans (Commercial: max. 10%), Public sector loans, Bank loans	Mortgage loans
<b>Substitute assets</b>	Yes	No	Yes (Contractually regulated)
<b>Limit of substitute assets</b>	10%	-	15%
<b>Derivatives as cover assets</b>	Yes	Yes	Yes (Contractually regulated)
<b>Geographical scope - Mortgage loans</b>	EEA	EEA	CH (Contractually regulated)
<b>Geographical scope - Public sector loans</b>	EEA	EEA	-
<b>Loan to value - Mortgage loans</b>	Residential: 80% Commercial: 60%	Residential: 80% Commercial: 60%/70%	Residential: 60%/70%/80% (Contractually regulated)
<b>LTV calculation</b>	Mortgage lending value	Market value	Market value
<b>Minimum OC</b>	5% nominal value	2% present value and nominal value	Contractually regulated
<b>Cover pool register</b>	Yes	Yes	No
<b>Asset encumbrance</b>			
<b>* Issue limit</b>	-	-	-
<b>** Cover pool limit</b>			
<b>Deferral of maturity</b>	Yes, optional	Yes, optional	Yes (Contractually regulated)
<b>Trigger Deferral of maturity</b>	Insolvency, Resolution, Lack of liquidity, Breach of liquidity regulations	Permission by the FSA to avoid Insolvency	Issuer default, Lack of liquidity
<b>CRD compliant</b>	Yes	Yes	No
<b>ECB eligible</b>	Yes	Yes	No

Source: ECBC, national legislation, NORD/LB Floor Research

Country	United Kingdom
Designation	Regulated Covered Bonds
Short form	RCB
Special bank principle	No
Owner of assets	SPV
Public supervision / Regulator	Financial Conduct Authority (FCA)
Cover assets (if applicable incl. substitute cover)	Mortgage loans, Public sector loans (incl. PPP loans & social housing), Bank loans
Substitute assets	Yes
Limit of substitute assets	-
Derivatives as cover assets	Yes
Geographical scope - Mortgage loans	UK (Practice), EEA, CH, US, CA, JP, NZ, AU, Channel Islands, Isle of Man
Geographical scope - Public sector loans	UK, EEA, CH, US, CA, JP, NZ, AU, Channel Islands, Isle of Man
Loan to value - Mortgage loans	Residential: max. 80% (In individual programmes partly different according to FCA)
LTV calculation	Market value (indexed, price in- creases with 15% discount, price decreases full)
Minimum OC	8% nominal
Cover pool register	Yes
Asset encumbrance * Issue limit ** Cover pool limit	FCA approval required for each is- sue
Deferral of maturity	Yes, optional
Trigger Deferral of maturity	Insolvency, Resolution, Inability to pay
CRD compliant	No
ECB eligible	Yes

Source: ECBC, national legislation, NORD/LB Floor Research

## Regulatory

# Central bank eligibility of covered bonds

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **ECB: Covered bonds as eligible collateral**

For credit institutions, the provision of collateral is an important criterion in the course of borrowing from central banks. The central banks attach great importance to covered bonds. They are among the Eligible Assets in the ECB Collateral Framework and can be deposited as collateral if the relevant criteria are met. In an international comparison, the eligibility criteria vary depending on the currency of issue, the rating, the issued volume, the coupon or the home jurisdiction (cf. [overview table](#)) and lead to different haircuts for eligibility as collateral. Covered bonds have played a not insignificant role at the ECB in the recent past, also in the context of TLTRO refinancing. This is due, among other things, to the fact that in the Eurozone retained covered bonds can generally be used as collateral in the Eurosystem, albeit with additional haircuts ([Directive \(EU\) 2016/65](#)).

### **ECB criteria allow for a broad range of international covered bonds**

In principle, eligibility applies to legally regulated, euro-denominated investment grade covered bonds from the EEA. This specification is extended to include the currencies USD, GBP and JPY on the basis of the ECB's Temporary Guidelines. In addition, covered bonds from G10 jurisdictions can also be submitted as collateral as a softening of the EEA restriction. In practice, this extension only includes covered bonds from Canada and the United Kingdom.

### **ECB Eligible Assets Database**

The ECB provides information on its homepage with regard to the list of eligible collateral. The [download area](#) provides access to the entire database as well as to the changes since the previous working day. In addition, it can be assessed on a [query basis](#) whether a security is recognised as collateral.

### **Global assessment of the eligibility of covered bonds for central banks**

In the following table we present not only the ECB criteria for covered bonds in the context of repo eligibility but also the standards of central banks outside the Eurosystem. For the purpose of comparison, the table summarises key aspects of the different sets of criteria. An important distinguishing feature in some currency areas is the suitability as "own-use" collateral. In principle, a connection can be derived between the systemic relevance of covered bonds and their possible use as collateral. For a detailed analysis, we also refer to the central banks' compilations of covered bonds suitable or used as collateral.

## Regulatory

Central bank eligibility of covered bonds<sup>1</sup>

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

	Eurozone	United Kingdom		Switzerland	United States
	<a href="#">European Central Bank</a>	<a href="#">Bank of England</a>		<a href="#">Swiss National Bank</a>	<a href="#">Federal Reserve Bank</a>
<b>Eligibility criteria</b>	<a href="#">link</a>	<a href="#">link</a>		<a href="#">link</a>	<a href="#">link</a>
<b>Eligible securities</b>	<a href="#">link</a>	<a href="#">link</a>		<a href="#">link</a>	
<b>Category</b>	Category II	Level B	Level C	L2A, L2A CHF	German Jumbo Pfandbrief
<b>Rating requirements</b>	Min. BBB-/Baa3	AAA/Aaa equivalent	A-/A3 equivalent	Min. AA-/Aa3	AAA/Aaa
<b>Rating agencies</b>	ECAI (accepted for ECAF, at present: DBRS, Fitch, Moody's, S&P, Scope <sup>2</sup> )	-	-	Fitch, Moody's, S&P	-
<b>Rating treatment</b>	First best	-	-	Second best	lowest
<b>Min. volume (home currency)</b>	✗	GBP 500m	-	CHF 100m	German Jumbo Pfandbrief
<b>Min. volume equivalent (foreign currency)</b>		EUR 500m	-	CHF 1.0bn	
<b>Own-use</b>	✓	✗	✓	✗	-
<b>Haircuts based on</b>	<b>TtM</b>	✓	✓	✓	✓
	<b>Coupon</b>	✓	✓	✓	✓
	<b>Currency</b>	✓	✓	✓	✓
	...	Own-use	-	-	-
<b>Currencies</b>	EUR	✓	✓	✓	✓
	USD	✓	✓	✓	✓
	GBP	✓	✓	✓	✓
	JPY	✓	✗	✗	✗
	CHF	✗	✓	✓	✓
	SEK	✗	✓	✓	✓
	NOK	✗	✗	✗	✓
	DKK	✗	✗	✗	✓
	CAD	✗	✓	✓	✗
	AUD	✗	✓	✓	✗
	NZD	✗	✗	✗	✗
	PLN	✗	✗	✗	✗
	<b>Country of issuance</b>	EU	✓	-	✓
EEA		✓	-	✓	✓ (non CHF-Bonds)
G10		✓	-	✗	✗
others		-	UK, DE, FR	US, UK	UK (non CHF-Bonds), CH; CHF bonds: no limitations

<sup>1</sup> The table serves to compare the requirements for eligible collateral and therefore does not address possible special/individual cases. To determine the central bank eligibility of securities, a case-by-case assessment is therefore essential and cannot be carried out solely on the basis of this table, <sup>2</sup> Scope in the implementation process; see [press release dated 10 November 2023](#)



Central bank eligibility of covered bonds <sup>1</sup> (Continued)

	Sweden	Norway	Denmark	Poland	
	<a href="#">Sveriges Riksbank</a>	<a href="#">Norges Bank</a>	<a href="#">Danmarks Nationalbank</a>	<a href="#">Narodowy Bank Polski</a>	
<b>Eligibility criteria</b>	<a href="#">link</a>	<a href="#">link</a>	<a href="#">link</a>	<a href="#">link</a>	
<b>Eligible securities</b>	<a href="#">link</a>	<a href="#">link</a>	<a href="#">link</a>	<a href="#">link</a>	
<b>Category</b>	Category 2	Category 2,3 & 4	Category 2 & 3	Mortgage Bonds	
<b>Rating requirements</b>	Min. AA-/Aa3	Min. BBB-/Baa3	-	Min. BBB-/Baa3	
<b>Rating agencies</b>	Fitch, Moody's, S&P	Fitch, Moody's, S&P, Scope	-	Fitch, Moody's, S&P	
<b>Rating treatment</b>	≥ two ratings: at least two min. AA-/Aa3	Second best	-	-	
<b>Min. volume (home currency)</b>	SEK 100m	NOK 300m	Category 2: EUR 1bn (or equivalent in DKK) Category 3: -	PLN 10m	
<b>Min. volume equivalent (foreign currency)</b>	SEK 100m	EUR 100m		✗	
<b>Own-use</b>	✗	✓		-	
<b>Haircuts based on</b>	<b>TtM</b>	✓	✓	✓	
	<b>Coupon</b>	✓	✓	✗	
	<b>Currency</b>	✓	✓	✓	
	<b>...</b>	Theoretical and/or old price	Own-use	Theoretical price	-
<b>Currencies</b>	EUR	✓	✓	✓	✗
	USD	✓	✓	✗	✗
	GBP	✓	✓	✗	✗
	JPY	✓	✓	✗	✗
	CHF	✗	✓	✗	✗
	SEK	✓	✓	✗	✗
	NOK	✓	✓	✗	✗
	DKK	✓	✓	✓	✗
	CAD	✗	✓	✗	✗
	AUD	✗	✓	✗	✗
	NZD	✗	✓	✗	✗
	PLN	✗	✗	✗	✓
<b>Country of issuance</b>	EU	-	✓	-	-
	EEA	-	✓	-	-
	G10	✓	-	✗	✗
	<b>others</b>	SE, NO, DK, FI, AT, LU, IE, PT, ES, GR, AU, NZ	NO, AU, NZ, US, CA, CH, GG, JE, KY, UK	DK	PL

<sup>1</sup> The table serves to compare the requirements for eligible collateral and therefore does not address possible special/individual cases. To determine the central bank eligibility of securities, a case-by-case assessment is therefore essential and cannot be carried out solely on the basis of this table.

Source: National Central Banks, NORD/LB Floor Research

Central bank eligibility of covered bonds <sup>1</sup> (Continued)

	Canada	Australia	New Zealand	
	<a href="#">Bank of Canada</a>	<a href="#">Reserve Bank of Australia</a>	<a href="#">Reserve Bank of New Zealand</a>	
<b>Eligibility criteria</b>	<a href="#">link</a>	<a href="#">link</a>	<a href="#">link</a>	
<b>Eligible securities</b>		<a href="#">link</a>	<a href="#">link</a>	
<b>Category</b>	Covered Bonds	ADI Bonds	Covered Bonds	
<b>Rating requirements</b>	AAA equivalent	Minimum average rating: BBB-	AAA/Aaa	
<b>Rating agencies</b>	-	Fitch, Moody's, S&P	Acceptable rating agencies	
<b>Rating treatment</b>	-	At least two ratings	at least two ratings; more than two ratings: at least two AAA/Aaa and no rating lower than AA+/Aa1	
<b>Min. volume (home currency)</b>	CAD 1m	-	-	
<b>Min. volume equivalent (foreign currency)</b>	x	-	-	
<b>Own-use</b>	x	x	x	
<b>Haircuts based on</b>	TtM	✓	✓	
	Coupon	x	x	
	Currency	✓	x	
	...	-	Average credit rating	
<b>Currencies</b>	EUR	x	x	
	USD	✓	x	
	GBP	x	x	
	JPY	x	x	
	CHF	x	x	
	SEK	x	x	
	NOK	x	x	
	DKK	x	x	
	CAD	✓	x	
	AUD	x	✓	
	NZD	x	x	✓
	PLN	x	x	x
	<b>Country of issuance</b>	EU	x	x
EEA		x	x	
G10		x	x	
others		CA	AU	NZ

<sup>1</sup> The table serves to compare the requirements for eligible collateral and therefore does not address possible special/individual cases. To determine the central bank eligibility of securities, a case-by-case assessment is therefore essential and cannot be carried out solely on the basis of this table.

Source: National Central Banks, NORD/LB Floor Research

## Regulatory

# Repayment structures on the covered bond market

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **Repayment structures for covered bonds**

Deferring maturity, i.e. the option of deferring repayment of the amounts owed under a bond beyond the original maturity date on certain conditions, has been an integral part of a large number of covered bond programmes for several years now. The implementation of the Covered Bond Directive has also left its mark on the covered bond market with regard to the repayment structures coming into effect. The Directive has ultimately given national legislators in the EEA the option of including the deferment of maturity in the official framework for covered bonds. If the option of deferring maturity were included in the context of the standardisation process, this would also be associated with the requirement to define objective triggers for the deferment of maturity in the legal framework. Since no standard approach was chosen by the respective national legislators when implementing the relevant article in the Directive in national legislation, the European covered bond market remains distinctly heterogeneous here. In our opinion, implementation of the Directive provides investors, who focus on the latest possible repayment date for their investment as a fundamental consideration, with the clear benefit that the statutory incorporation of triggers for deferring maturity delivers a greater degree of objectivity, although national implementation varies. In most cases, the option for deferring the maturity date in conjunction with specific triggers was previously included in the programme documentation of the bonds in question or issuance programmes. Implementation of the requirements laid down in the Directive favours a continuation of the trend whereby the hard bullet structures usually relied on in the past are less popular, with soft bullet structures now becoming even more established as the form most frequently chosen for EUR benchmarks. Bonds with a conditional pass-through structure (CPT) also continue to feature on the market occasionally.

### **Basic considerations on deferring maturity**

The aim of deferring maturity is to create opportunities to counteract risks resulting from maturity mismatches and potential shortages of liquidity. To create this option for mitigation in principle, the Covered Bond Directive also stipulates that the responsible national entities are free to permit extendable maturity structures, as mentioned at the beginning. If these are permitted, the event that triggers the extension or deferral of maturity is crucial for these structures. This trigger event was already of relevance before the Directive was implemented, albeit not enshrined in law (see following paragraph on soft bullet structures). As a rule, bond investors are provided with detailed information regarding the trigger, the effects on the maturity structure if the debtor is unable to pay and the role of the supervisory authority and the trustee in the wake of maturity being deferred. Starting from the “old market standard” of hard bullet bonds, we present the different approaches below.

**Hard bullet structures: No option for extending maturity**

Until a few years ago, hard bullet structures were regarded as market practice as far as repayment arrangements for covered bonds were concerned. If the issuer unable to comply with their outstanding payment obligations, the dual recourse mechanism means that investors have access to the covered bond programme's cover pool via the trustee or administrator – regardless of the repayment structure chosen. If repayment of an issue is imminent and the available cash is not sufficient to service this obligation and liquidity cannot be generated by other means, the collateral in the pool will be sold under a hard bullet structure. As a result, investors can firstly expect prompt repayments, while secondly this structure is associated with the risk that discounts on the market values of the cover assets have to be accepted and in the worst case the complete amount to be repaid will not be covered by the proceeds of the sale.

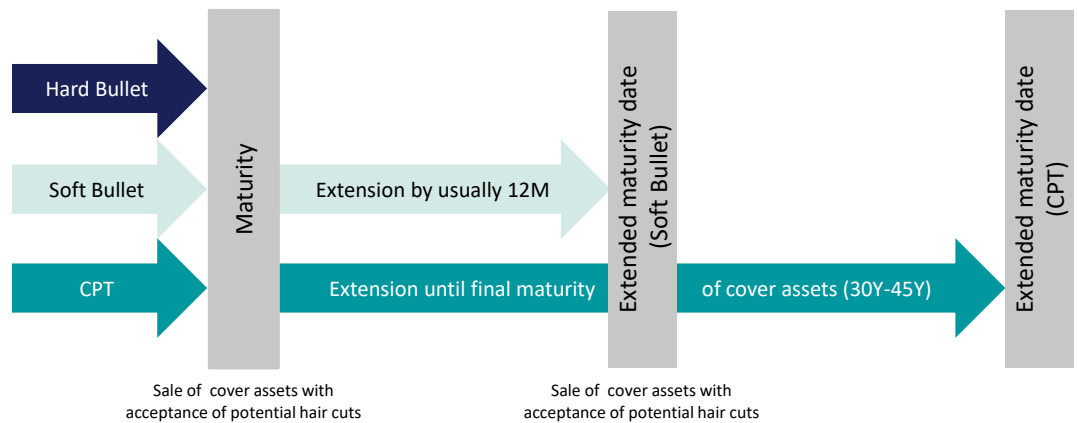
**Soft bullet structures: Maturity deferred through trigger events**

Soft bullet bonds, and in rare cases CPT structures, exist to counter this risk. If investors' claims can be met at the original maturity date, there are no differences between the three repayment structures for investors. Since there were no fundamental requirements regarding the events needed to trigger any deferral of maturity without the Directive, specific information was regularly to be found in the programme documentation and final terms of issuers from those jurisdictions that had not ruled out any deferral of maturity. Various approaches for these triggers took shape on the market. Examples of different models within the soft bullet variant are (i) the issuer becoming insolvent, and redemption being deferred to a later repayment date by an independent trustee or (ii) deferral of the original repayment date by the issuer. With regard to the possible deferral period, a deferral of maturity of twelve months has become established in most cases among the soft bullet structures. Interest payments during the deferral period are largely based on 1M- or 3M-Euribor plus a premium or discount which is, however, also partly defined as a fixed coupon. Trigger events in European Member States will only now be enshrined in law with the implementation of the Covered Bond Directive in national legislation. However, significant differences can be identified in this instance as well. We list the trigger events in the table below.

**Conditional pass-through structures: Actual final maturity is uncertain**

A significantly longer deferral of the original repayment date may occur with bonds that have a CPT structure. At the same time, the refinancing risk is reduced to a minimum as a result. In contrast to the soft bullet structure, the repayments of outstanding covered bond issues will be made firstly depending on the inflows generated from the associated cover assets, but secondly also from the sale of cover assets if this can be affected at adequate market prices following the triggering of the pass-through structure (for which, similarly to soft bullets, there are no standard trigger events). However, unlike the soft bullet structure, the date on which investors can expect the outstanding claims to be met cannot be determined ex ante – in the worst case not until the cover assets with the longest maturity fall due. Rating agencies see a positive influence in the wake of the credit assessment in soft bullet and even more so CPT structures due to the lower refinancing risk.

### Comparison of the different maturity structures



Source: NORD/LB Floor Research

#### Poland – an exception: Soft bullet with the option to convert to CPT

With regard to the maturity structure, Poland can be considered an exception. Covered bonds which cannot be serviced when they mature are initially extended for twelve months. During this extension period, a test is carried out at six-month intervals to determine whether there are sufficient assets to service investors' claims and also sufficient liquidity to service these claims on time. If the tests are not passed, the bond will be transferred to a CPT structure at the end of the twelve-month period. The repayment date will therefore be postponed to the latest date on which the cover assets mature plus three years. However, such an extension can be prevented with a 2/3 majority of the investors. Polish covered bonds are therefore initially soft bullet bonds, for which the final maturity cannot be unequivocally determined in advance because of the possible conversion to a CPT structure, meaning that their repayment structure cannot be clearly assigned to one of the three repayment forms.

#### Slovakia – an exception: Soft bullet with potential second maturity deferral

Slovakia also differs somewhat from the market standards that came into force as a result of a change in the law on 1 January 2018. Accordingly, the new legal framework initially envisages deferring the maturity by twelve months in the event of insolvency. Should any servicing of investors' claims not be foreseeable at the end of the extension period, the programme can be transferred to one or more other Slovakian banks. If such a transfer is not possible within the first extension period, a further deferral of maturity by another twelve months may be approved by the regulator. Both those bonds that were extended because of the first deferral and those where the maturity dates occur in the second 12-month period will be affected by the renewed extension. The Slovakian EUR benchmark covered bonds in the iBoxx EUR Covered are therefore soft bullet issues where the structure differs, however, because of the option to defer maturity twice. In our opinion, Slovakian issues can be clearly assigned to the soft bullet segment (in contrast to issues from Poland), albeit with a maximum extension of 24 months.

**Overview of possible triggers for deferring maturity: Global covered bond market**

Country	Country
Australia	Insolvency, inability to pay by the issuer
Austria	Bankruptcy, resolution of the issuer
Belgium	Bankruptcy, resolution, inability to pay by the issuer
Canada	Insolvency, payment default issuer, additional events
Czech Republic	Bankruptcy, resolution, inability to pay by the issuer, breach of liquidity provisions
Denmark	RO: Refinancing of CB not guaranteed, interest rate increases by 5% or more SDO: Refinancing of CB not guaranteed, interest rate increases by 5% or more SDRO: Refinancing of CB not guaranteed, interest rate increases by 5% or more payment default, lack of liquidity
Finland	
France	OF: Bankruptcy, resolution, payment default, lack of liquidity OH: Bankruptcy, resolution, payment default, lack of liquidity CRH: Bankruptcy, resolution, payment default, lack of liquidity
Germany	Bankruptcy, resolution issuer, lack of liquidity
Hungary	Depending on the design of the programme, lack of liquidity
Iceland	Resolution, prevention of forced sales, payment default
Ireland	Payment default, instruction from the supervisory authority or administrator
Italy	Inability to pay, resolution issuer, Bol measures
Luxembourg	-
Netherlands	Bankruptcy, resolution, inability to pay by the issuer
New Zealand	-
Norway	Bankruptcy, resolution of the issuer
Poland	Insolvency
Portugal	Inability to pay, withdrawal of banking licence
Singapore	Contractually regulated
Slovakia	Insolvency, inability to pay by the issuer, cancellation of the covered bond programme
South Korea	South Korean covered bonds: inability to pay by the issuer KHF covered bonds: -
Spain	Bankruptcy, resolution, lack of liquidity, breach of liquidity provisions
Sweden	FSA permission to avoid bankruptcy
United Kingdom	Bankruptcy, resolution, inability to pay by the issuer

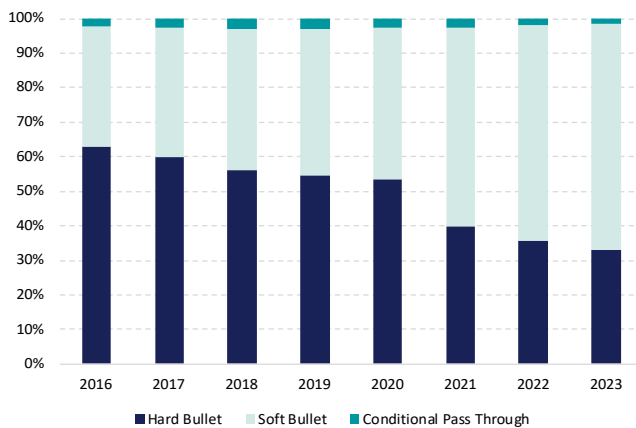
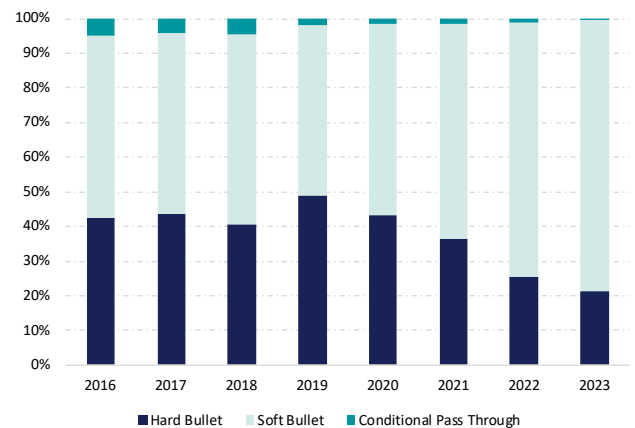
Source: Respective national legislation, market data, NORD/LB Floor Research

**Soft bullet and CPT bonds in the case of repo transactions**

Covered bonds with a CPT structure are subject to special requirements because of their maturity, which can be very long under certain circumstances. Thus, the ECB recently stopped purchasing covered bonds with such a structure under its CBPP3 programme, but in our understanding also justified this decision with the relatively modest size of the CPT market. CPT bonds also have an additional unique feature in the context of repo transactions with the ECB. Adjustments to the valuation discounts are of relevance for own-use soft bullet or CPT covered bonds. Accordingly, it is not the originally envisaged maturity but the extended one that is used to determine the haircut. Following this approach, the maturity would have to be extended by one year as a rule for a soft bullet structure, while all CPT structures would fall within the maturity range of “>10 years” because of the theoretically very long extension period when calculating the haircut. In December 2022, the ECB [re-viewed its risk control framework](#) and, in doing so, also adjusted requirements for discounting collateral as part of repo transactions. Since 29 June 2023, the previous maturity range “>10 years” has been split into the ranges “10 to 15 years”, “15 to 30 years” and “>30 years” for the residual maturity. In our opinion, CPT structures would therefore have to be classified in the category “>30 years”.

**ECBC – repayment structures: Soft bullets account for the largest share of issues in 2023**

On the basis of the ECBC's annual statistics as at 31 December 2023, the market for all outstanding and newly issued covered bonds can be subdivided with regard to their maturity structure. For the first time since this data was recorded in 2016, soft bullet structures accounted for the largest proportion of the volume of outstanding bonds in 2021, at 57% (2020: 44%). This figure rose further to 66% for the current reporting year. In 2021, the amendment of the German Pfandbrief Act transferred all hard bullet structures (2020: EUR 371,947m) to soft bullet structures (2020: – ; 2021: EUR 391,366m). With respect to newly issued covered bonds in 2023, 78% (2022: 74%) are attributable to soft bullet issues and 21% (2023: 25%) to hard bullets. At 1% (outstanding volume) and 0.4% (new issues in 2023) respectively, the category of CPT bonds accounts for only comparatively minor shares.

**Covered bond volume (global) – breakdown****Covered bond issues (global) – breakdown**

Source: ECBC, NORD/LB Floor Research

**iBoxx EUR Covered: Influence of EU harmonisation on repayment structures**

It is already clear from the comments above that the refinancing risk can be significantly reduced by means of a soft bullet or CPT structure compared with a hard bullet structure. In this respect it is not surprising that soft bullet structures are also especially common in third countries, as the Covered Bond Directive refers to them. Here, in particular, investment in such a covered bond requires detailed analysis of the relevant bond conditions in advance, as the Covered Bond Directive does not apply to "all countries" and was not implemented uniformly either. Therefore, investors must continue checking what happens to interest payments in the extension period when a trigger event occurs. With regard to the refinancing risk following insolvency on the part of the issuer, it must, however, be mentioned that issuers were already in some cases obliged by law to reduce this risk by maintaining a liquidity buffer for hard bullet structures. In the wake of harmonisation, article 16 of the Covered Bond Directive also provides for the fact that the introduction of a liquidity buffer to cover the net liquid outflows for 180 calendar days was mandatory for all jurisdictions subject to the regulation.

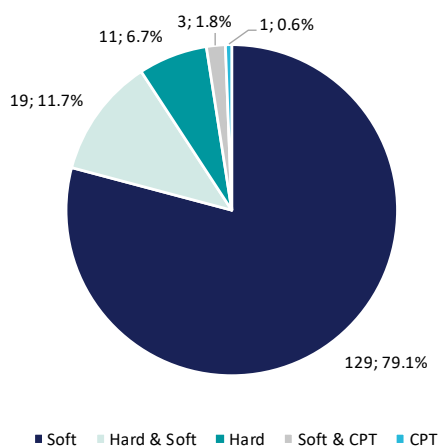
### Composition of the iBoxx EUR Covered: Maturity structures

While the shifts with regard to the weightings of maturity structures in the iBoxx EUR Covered initially took place generically if anything – the pivot by some issuers in the Netherlands from CPT to soft bullet must be cited as an example – the harmonisation of the European covered bond market added a significant driver. This is clearly recognisable from the example of the German Pfandbrief market. However, the adjustments to the legislation mean that more soft bullet issues are to be expected in other jurisdictions as well. Furthermore, no national legislator has preferred a “big bang” solution along the lines of the adjustments to the Pfandbrief Act and pivoted hard to extendable structures. This is currently the case, in particular, for those countries that have active issuers with both hard bullets and extendable structures. We refer to the composition of the iBoxx in July 2024 below.

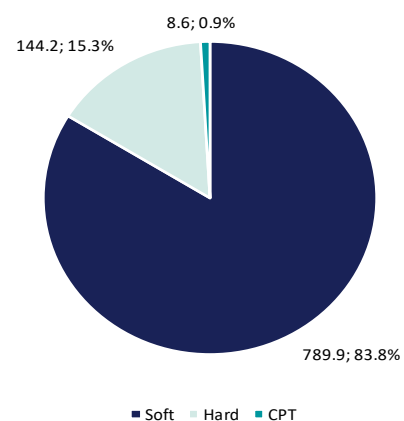
### Pure soft bullet issuers dominate the iBoxx EUR Covered

With 128 of 163 issuers (79%), the majority of the issuers listed in the iBoxx EUR Covered (excl. Spanish multi-cedulas) are those that currently only have outstanding benchmarks with a soft bullet structure. At present, only 7% (eleven issuers) is attributable to institutions that have exclusively hard bullets. Only one issuer, Banca Monte dei Paschi di Siena, is still a purely CPT institution. As a result, a clear model can be assigned to 86% of the institutions with outstanding EUR benchmarks. In contrast, the remaining 14% is attributable to issuers that have outstanding benchmarks with two different maturity structures. Here, the combination of hard and soft bullets is the most frequent case, at 12% (19 issuers). Knab (formerly Aegon), NIBC Bank, Achmea Bank and Van Lanschot Kempen (all four from the Netherlands) have EUR benchmarks with soft bullet and CPT structures. As a result of the conversion to soft bullets, Australia’s Bank of Queensland now also has outstanding benchmarks with soft bullet and CPT structures. The EUR benchmark of Poland’s PKO Bank Hipoteczny, which is characterized by a hybrid soft bullet and CPT maturity structure, is no longer included in the current composition of the iBoxx EUR Covered due to the residual maturity. For the same reason, the CPT benchmark of Deutsche Bank, which was not placed on the basis of the Pfandbrief Act, is not included in the iBoxx EUR Covered.

iBoxx EUR Covered: issuers by structure



iBoxx EUR Covered: covered bonds by structure



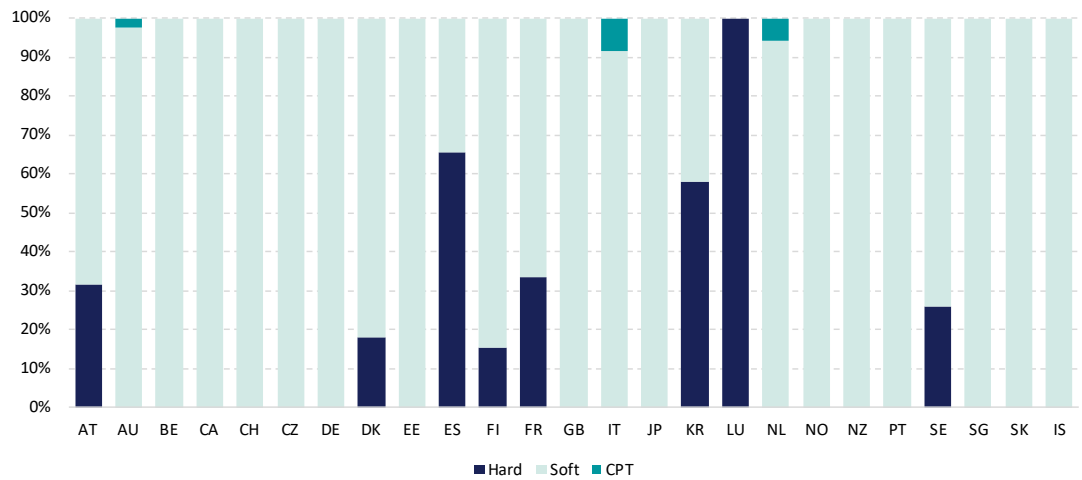
Source: Market data, NORD/LB Floor Research



**Largest outstanding volume attributable to soft bullet EUR benchmarks**

At EUR 793.3bn (just under 84%), the largest share of the volume contained in the iBoxx (i.e. excluding Spanish multi-credulas) by far is now attributable to soft bullet covered bonds. EUR benchmarks with a CPT structure still constitute a niche within the benchmark segment, since only around 1% (EUR 8.4bn) of the iBoxx volume is attributable to bonds with this structure. Traditional hard bullets account for EUR 145bn or around 15% respectively. France accounts for hard bullet issues amounting to EUR 80.2bn, while the next largest amounts are attributable to Spain (EUR 28bn), Austria (EUR 18bn) and Sweden (EUR 6.5bn). In our opinion, it is worth mentioning in this context that France (July 2024: EUR 159.9bn; May 2023: EUR 139.9bn) but also Austria (EUR 39.1bn; May 2023: EUR 29.4bn) and Sweden (EUR 19.6bn; May 2023: EUR 16.6bn) have rapidly rising volumes of soft bullets.

**Repayment structures by jurisdiction (iBoxx EUR Covered)**



Source: Market data, NORD/LB Floor Research

**Numerous jurisdictions with different repayment structures**

With regard to the dissemination of the three repayment structures at jurisdiction level, it is also apparent that only Luxembourg has EUR benchmarks with solely hard bullet structures represented in the iBoxx. On the other hand, there are numerous jurisdictions, namely Belgium, Canada, Czechia, Estonia, the UK, Ireland, Iceland, Japan, Norway, New Zealand, Singapore, Slovakia and Switzerland, from which only soft bullet benchmarks are included. CPT bonds were also issued from Australia, Italy, the Netherlands and Portugal. For these, we provide a tabular overview of the individual issuers and the maturity models they use below. Here, the fact that, under certain circumstances, repayment structures are also used in the respective jurisdictions – and even by the listed issuers – that may differ from those of EUR benchmarks or are no longer listed in the iBoxx because of their residual term must be taken into account.

**Repayment structures Austria**

	Hard	Soft
BAWAG PSK	X	X
Erste Group Bank	X	X
HYPO NOE		X
Hypo Tirol Bank		X
Hypo Vorarlberg Bank	X	X
Raiffeisen Bank International		X
Raiffeisenlandesbank Niederoesterreich-Wien	X	X
Raiffeisenlandesbank Oberoesterreich	X	X
Raiffeisen-Landesbank Steiermark	X	X
Raiffeisenlandesbank Vorarlberg	X	
Raiffeisen-Landesbank Tirol		X
UniCredit Bank Austria	X	X
Volksbank Wien	X	X

Source: Market data, NORD/LB Floor Research

**Repayment structures Italy**

	Soft	CPT
Banca Monte dei Paschi di Siena		X
Banca Popolare di Sondrio	X	
Banco BPM	X	
Banco di Desio e della Brianza	X	
BPER	X	
Credit Agricole Italia	X	
Credito Emiliano	X	
Intesa Sanpaolo	X	
Mediobanca Banca di Credito Finanziario	X	
Iccrea Banca	X	
UniCredit	X	

**Repayment structures in Austria**

In Austria, EUR benchmarks with a soft bullet structure (EUR 39.1bn) are now dominant. In total, 12 of the 13 Austrian issuers now have outstanding EUR benchmarks with an option to extend the maturity. The volume of hard bullets stands at EUR 18bn (May 2023: EUR 21bn).

**Repayment structures in Italy**

Italy is one of the jurisdictions in which covered bonds with CPT structures are outstanding (EUR 2.8bn), even though bonds with such a structure play a rather subordinate role on the Italian market for publicly placed EUR benchmarks compared with soft bullet bonds (EUR 39.2bn).

**Repayment structures in Denmark**

With regard to the Danish market, we would like to highlight the issues by Danish Ship Finance (Danmarks Skibskredit), since they differ not only because of their cover assets (shipping mortgages) but also the repayment structure (hard bullet). In contrast, Danske Bank and Jyske Realkredit have each placed their EUR benchmarks on the market with soft bullet structures (extension of up to twelve months).

**Repayment structures Denmark**

	Hard	Soft
Danmarks Skibskredit	X	
Danske Bank		X
Jyske Realkredit		X

**Repayment structures Finland**

	Hard	Soft
Aktia Bank		X
Danske Mortgage Bank		X
Nordea Kiinnitysluottopankki	X	X
OP Mortgage Bank		X
Oma Saastopankki		X
SP-Kiinnitysluottopankki		X
S-Pankki		X

Source: Market data, NORD/LB Floor Research

### Repayment structures in Finland

Of the currently outstanding EUR benchmarks placed on the market by Finnish issuers, only the five issues by Nordea Mortgage Bank are bonds with a hard bullet structure. In contrast, the six other issuers only have EUR benchmarks with a soft bullet structure giving the option to extend maturity by twelve months in each case. Nordea Mortgage Bank also issued its first soft bullet bond in 2022, meaning that now all seven Finnish issuers have issued bonds with this structure.

### Repayment structures in France

There are sixteen issuers in total in France, of which there are fourteen issuers that have designed their bonds with a uniform maturity structure, i.e., they have issued solely hard or soft bullet bonds. The majority, namely twelve institutions, are issuers that have the option of extending the maturity of their bonds. There have also been changes in the iBoxx in relation to issuers that placed EUR benchmarks with both hard and soft bullet structures in the past. Only two institutions are now represented in the index with both hard bullets and soft bullets.

### Repayment structures France

	Hard	Soft
Arkea Home Loans SFH		X
Arkea Public Sector SCF		X
AXA Bank Europe SCF		X
AXA Home Loan SFH		X
BNP Paribas Home Loan SFH		X
BPCE SFH	X	X
Caisse de Refinancement de l'Habitat	X	X
Caisse Francaise de Financement Local	X	
Cie de Financement Foncier	X	
Credit Agricole Home Loan SFH		X
Credit Agricole Public Sector SCF		X
Credit Mutuel Home Loan SFH		X
CCF SFH (formerly HSBC SFH France)		X
La Banque Postale Home Loan SFH		X
MMB SCF		X
Societe Generale SFH		X

### Repayment structures Germany

	Soft	CPT
Aareal Bank	X	
Bausparkasse Schwaebisch Hall	X	
Bayerische Landesbank	X	
Berlin Hyp	X	
Commerzbank	X	
Deutsche Apotheker-und Aerztebank	X	
Deutsche Bank	X	(X)
Deutsche Kreditbank	X	
Deutsche Pfandbriefbank	X	
DZ HYP	X	
Hamburg Commercial Bank	X	
Hamburger Sparkasse	X	
ING-DiBa	X	
Landesbank Baden-Wuerttemberg	X	
Landesbank Hessen-Thueringen Girozentrale	X	
Muenchener Hypothekenbank	X	
Landesbank Saar	X	
Norddeutsche Landesbank-Girozentrale	X	
Oldenburgische Landesbank	X	
Santander Consumer Bank	X	
Sparkasse Hannover	X	
Sparkasse KoelnBonn	X	
Sparkasse Pforzheim Calw	X	
UniCredit Bank	X	
Wuestenrot Bausparkasse	X	

Source: Market data, NORD/LB Floor Research

### Repayment structures in Germany

The adjustment to the legal basis for issuing Pfandbriefe in Germany implemented maturity extensions for all Pfandbriefe that we consider to be soft bullets. Deutsche Bank has also had a bond with a CPT structure since November 2019. The bond is no longer listed in the current composition of the iBoxx EUR Covered, meaning that Germany is currently one of the jurisdictions with only one maturity structure in the benchmark index.

### Repayment structures in Sweden

In Sweden, all five issuers now rely on covered bonds with the option to extend maturity. While SCBC and Stadshypotek are solely represented in the iBoxx EUR Covered with soft bullet bonds, after LF Hypothek, which placed its first soft bullet issue in May 2022, SEB and Swedbank are now also represented with both repayment structures in the iBoxx. In terms of volume, it is apparent that hard bullet bonds (EUR 6.5bn) have fallen further behind Swedish soft bullet bonds, which have a volume of EUR 19.6bn in the iBoxx.

#### Repayment structures Sweden

	Hard	Soft
Lansforsakringar Hypotek	X	X
Skandinaviska Enskilda Banken	X	X
Stadshypotek		X
Sveriges Sakerstallda Obligationer (SCBC)		X
Swedbank Hypotek	X	X

Source: Market data, NORD/LB Floor Research

#### Repayment structures Portugal

	Soft	CPT
Banco BPI	X	
Banco Santander Totta	X	
Novo Banco	X	
Montepio		(X)

### Repayment structures in Portugal

In addition to Australia, Germany, Italy and the Netherlands, Portugal is also one of the markets to have issued CPT structures. The covered bonds of Caixa Economica Montepio Gera had an option to extend maturity in CPT format, which specifically allowed for a maturity extension of up to 45 years, although this issuer is no longer represented in the iBoxx EUR Covered. Therefore, Portugal is currently one of the jurisdictions with only one maturity structure in the benchmark index.

### Repayment structures in the Netherlands

Following the introduction of the CPT repayment structure by NIBC Bank in 2013, it was followed by four further issuers with bonds in CPT format, namely Achmea Bank, Van Lanschot, Aegon Bank (now Knab) and NN Bank. Currently, there are still three banks with CPT structures, with the Netherlands boasting not only the most CPT issuers but also the most outstanding CPT benchmarks (10 deals). In April 2022, NN Bank put the proposal to convert outstanding CPT bonds to soft bullet structures to a vote in a meeting of bondholders. Achmea Bank then followed suit. At EUR 74.3bn, the volume of soft bullet bonds is many times higher than that of CPT bonds (EUR 5bn). The fact that all four issuers that used CPT structures in the past now issue bonds in soft bullet format means that the preponderance of soft bullets compared with CPT deals will increase further and the CPT format will be a thing of the past for the foreseeable future. The bond with the longest maturity is set to fall due in April 2031.

**Repayment structures Netherlands**

	Soft	CPT
ABN AMRO Bank	X	
Achmea Bank	X	
Knab (formerly Aegon Bank)	X	X
Cooperatieve Rabobank de Volksbank	X	
ING Bank	X	
Nationale-Nederlanden Bank	X	
NIBC Bank	X	X
Van Lanschot Kempen	X	X

Source: Market data, NORD/LB Floor Research

**Repayment structures Australia**

	Soft	CPT
Australia & New Zealand Banking Group	X	
Bank of Queensland	X	X
Bendigo & Adelaide Bank	X	
Commonwealth Bank of Australia	X	
National Australia Bank	X	
Westpac Banking Corp	X	
Macquarie Bank	X	

**Repayment structures in Australia**

Before the hard bullet covered bond issued by the ANZ Banking Group was repaid some time ago, Australia was the only jurisdiction to periodically have all three maturity structures in the index. At present, one issuer, namely the Bank of Queensland, has bonds in CPT format as well as soft bullet bonds outstanding. The Bank of Queensland made its debut in soft bullet format in May 2024. The last Australian CPT deal is due to mature in June 2027.

**Repayment structures in Spain**

Since the first soft bullet (dual tranche) issued by Banco Santander in September 2022, Spain has also ranked among those jurisdictions in which covered bonds have various maturity structures. Nationwide, there are seven covered bond issuers in the index that have hard bullet bonds outstanding – in total 24 bonds (EUR 28bn) – including Banco Santander. Soft bullet structures are clearly gaining ground as a result of the new legislation. The 24 hard bullets in the iBoxx EUR Covered compare with 14 soft bullet covered bonds (EUR 14.6bn).

**Repayment structures Spain**

	Hard	Soft
Abanca Corp Bancaria	X	
BBVA	X	X
Banco de Sabadell	X	X
Banco Santander	X	X
Bankinter	X	X
CaixaBank	X	
Caja Rural de Navarra	X	X
Cajamar Caja Rural		X
Deutsche Bank SA Espanola	X	X
Eurocaja Rural	X	
Kutxabank	X	
Liberbank	X	

Source: Market data, NORD/LB Floor Research

**Repayment structures South Korea**

	Hard	Soft
Kookmin Bank		X
Korea Housing Finance Corp	X	
KEB Hana Bank		X
Shinhan Bank		X

**Repayment structures in South Korea**

Since the first EUR benchmark issued by Kookmin Bank, South Korea has been one of those jurisdictions in which covered bonds have various maturity structures. While the seven EUR benchmarks issued by KHFC do not include the option to extend maturity and are therefore hard bullet bonds, Kookmin Bank issued its first EUR benchmark in soft bullet format and now has three bonds outstanding. Following the market entry of KEB Hana Bank, there is another South Korean issuer with soft bullet bonds. Shinhan Bank also issues soft bullet bonds, with the result that there are now seven soft bullet bonds from South Korea in the iBoxx.

**Conclusion and outlook**

A glance at the iBoxx EUR Covered index reveals that bonds with soft bullet structures have now clearly overtaken the former dominant form of hard bullet bonds. One of the reasons for this is that many issuers in France and Austria in particular have already switched to this form of maturity structure for their covered bonds, plus the fact that soft bullets are in the ascendency in Spain. The implementation of the European Covered Bond Directive has also facilitated the change from conditions based on programme descriptions to a legal framework. From a supervisory perspective, the focus remains on extendable maturities. Both market developments and opportunities and risks for covered bonds with extendable maturities are part of the Call for Advice that is currently occupying the EBA.

# Regulatory

## Solvency II and Covered Bonds

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

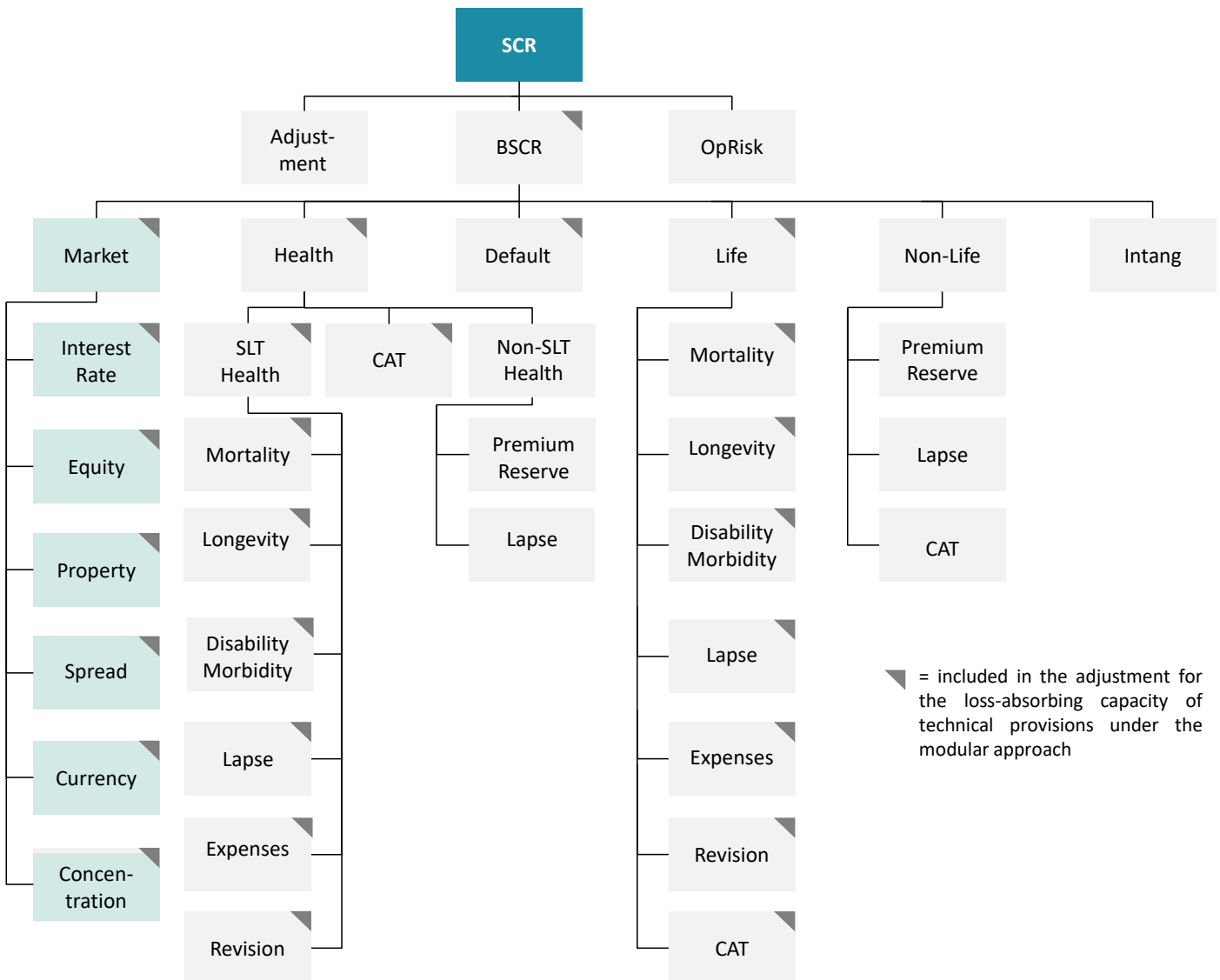
### **Solvency capital requirement (SCR) in Solvency II**

The relevance of covered bonds as an asset class for insurance firms can also be deduced from their preferential regulatory treatment. Capital requirements for insurance companies are generally regulated by pillar 1 (quantitative requirements) of Solvency II, with a distinction made between two levels of capital requirements. The minimum capital requirement (MCR) marks the regulatory lower limit of solvency capital to be maintained and is calibrated with a confidence level of 85%. In contrast, the second level of capital requirements, the solvency capital requirement (SCR), represents the capital resources required with the aim of ensuring that the financial institution in each case will be able to meet its insurer obligations in the coming twelve months with a 99.5% probability. In other words, the financial institution is not able to meet its obligations once in 200 years on a calculated basis. The provisions for determining the SCR, which are also relevant to covered bonds, are based on [EU Directive 2009/138/EC of 25 November 2009](#) and the [Commission Delegated Regulation \(EU\) 2015/35 published on 17 January 2015](#) respectively and, for example, were transposed in national law in Germany with effect from 1 January 2016 in the form of the Gesetz zur Modernisierung der Finanzaufsicht über Versicherungen (VAG, Act to modernise the financial supervision of insurance undertakings).

### **Solvency II: standard model and market risk relevant to Covered Bonds**

As part of Solvency II and in the Commission Delegated Regulation (EU) 2015/35, theoretically, three approaches for calculating solvency capital requirements are specified: i) simplified calculation models, ii) the SCR standard model as well as iii) internal models. This article focuses on the SCR standard approach, or standard model, which is based on a modular approach (cf. chart below, Solvency II – overview of the standard model). Capital requirements are calculated at the level of risk models and risk sub-modules respectively, which comprise the SCRnon-life, SCRmarket, SCRdefault, SCRhealth and SCRlife modules and are aggregated for the purpose of determining the SCR. According to the European Insurance and Occupational Pensions Authority (EIOPA), the above-mentioned confidence level (99.5%) is applied at the level of risk model and risk sub-modules. To additionally take into account the relevant diversification effects, appropriate correlation matrices are applied in the standard model when calculating capital requirements. With regard to covered bonds, the SCR module on market risk (SCRmarket) is particularly relevant. The market risk module comprises the following categories: equity, concentration, spread, interest rate change, property and currency risk. Covered bond positions are only indirectly linked to currency and interest rate change risks. However, spread and concentration risks are far more important. In terms of the method used, a stress scenario is assumed for spread risk, as well as other types of risk, when calculating the SCR, which triggers a decline in prices. In the spread risk, this risk factor is a function of the rating from an external credit assessment institution (ECAI) and the modified duration of the bond.

## Solvency II – overview of the standard model



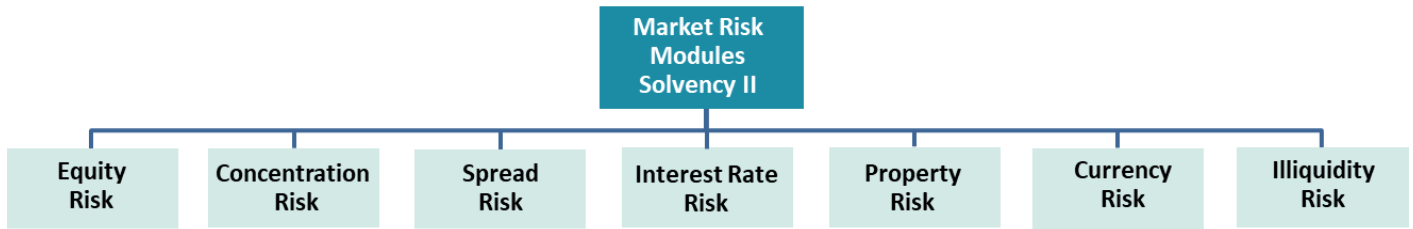
Source: EIOPA, NORD/LB Floor Research

### Preferential treatment of covered bonds under Solvency II

In view of the high share attributable to bond positions as part of asset allocation at insurance companies, the spread risk is particularly important when calculating the SCR. The spread risk essentially depends on the rating and duration of an investment. Weaker ratings and a longer capital commitment duration result in higher capital requirements for the insurance firm. Nevertheless, with regard to a duration of more than five years, the increase in capital requirement is smaller. This is, partly, aimed at taking into account the investment strategy of life assurance companies, which is based on matching maturities. For covered bonds (i.e. currently for bonds within the meaning of [Article 52 \(4\) of Directive 2009/65/EC](#)), specific requirements apply to capital backing pursuant to Solvency II and the VAG respectively, which result in preferential regulatory treatment compared with other interest rate instruments (e.g. corporate bonds and asset backed securities (ABS)).



**Solvency II – market risk modules**



Source: EIOPA, NORD/LB Floor Research

**Spread risk as part of determining the SCR for covered bonds**

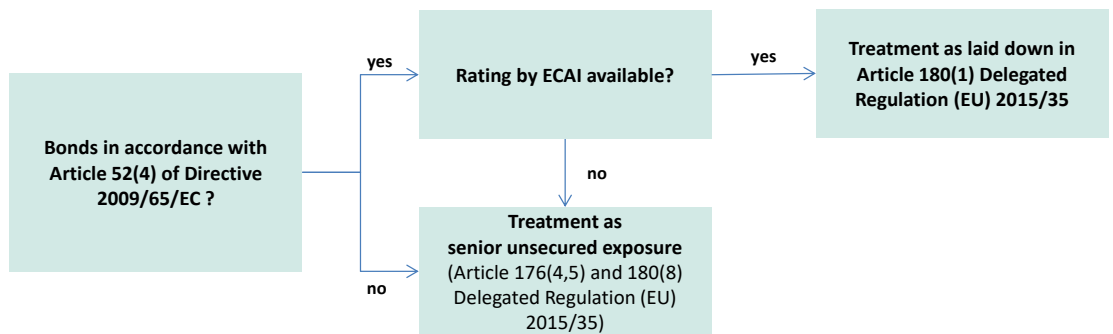
As part of the Solvency II framework, it is assumed that covered bonds with a high rating are covered by a diversified pool of assets and that this cover pool collateralizes the major part of the value of the relevant bond in the event of default. Pursuant to Article 180 (1) of the Commission Delegated Regulation (EU) 2015/35, the following parameters apply in the standard model when determining the risk factor for quantifying the SCR for the spread risk relating to covered bonds within the meaning of Article 52 (4) of Directive 2009/65/EC with credit quality steps (CQS) of 0 or 1 (see mapping table). As is evident from the SCR calculation table, the strain on capital resulting from the SCR for spread risk is lower for covered bonds with the relevant ratings compared with corporate bonds, based on the formulae indicated. For covered bonds of CQS 2 or lower, the applicable risk factor as part of determining the SCR is not lower. This means that when calculating the strain on capital, the formulae for CQS 2 covered bonds match the formulae applicable to corporate bonds.

**Mapping of ratings under Solvency II**

	CQS 0	CQS 1	CQS 2	CQS 3	CQS 4	CQS 5	CQS 6
<b>Fitch</b>	AAA	AA	A	BBB	BB	B	CCC, CC, C, RD, D
<b>S&amp;P</b>	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
<b>Moody's</b>	Aaa	Aa	A	Baa	Ba	B	Caa, Ca, C
<b>DBRS</b>	AAA	AA	A	BBB	BB	B	CCC, CC, C, D
<b>Scope</b>	AAA	AA	A	BBB	BB	B	CCC, CC, C, D

Source: [Regulation \(EU\) 2016/1800](#), NORD/LB Floor Research

**Solvency II – overview of the standard model**



Source: EIOPA, NORD/LB Floor Research

**Sovereign bonds of EU member states as well as bonds with rating levels 0 and 1 with a risk factor of zero**

However, the preferential (in relative terms) treatment of covered bonds when calculating the SCR must be put into perspective in view of the treatment of sovereign bonds. Bonds from EU member states (irrespective of the CQS and/or rating) as well as from countries with credit quality steps 0 and 1 benefit from a risk factor of 0% in a stress scenario, making them more attractive. Although the process of asset allocation must not be reduced solely to the regulatory capital commitment, we would say that, in view of their regulatory capital commitment, these bonds are more attractive than covered bonds.

**Solvency II – SCR calculation for covered bonds, sovereigns, corporate bonds and asset backed securities**

Assets	CQS	≤5y	5y to ≤10y	10y to ≤15y	15y to ≤20y	>20y
<b>Covered Bonds</b>	CQS 0	0.7%*D	3.5%+0.5%*(D-5)	6.0%+0.5%*(D-10)	8.5%+0.5%*(D-15)	11.0%+0.5%*(D-20)
	CQS 1	0.9%*D	4.5%+0.5%*(D-5)	7.0%+0.5%*(D-10)	9.5%+0.5%*(D-15)	12.0%+0.5%*(D-20)
	CQS 2	1.4%*D	7.0%+0.7%*(D-5)	10.5%+0.5%*(D-10)	13.0%+0.5%*(D-15)	15.5%+0.5%*(D-20)
	CQS 3	2.5%*D	12.5%+1.5%*(D-5)	20.0%+1.0%*(D-10)	25.0%+1.0%*(D-15)	30.0%+0.5%*(D-20)
	CQS 4	4.5%*D	22.5%+2.5%*(D-5)	35.0%+1.8%*(D-10)	44.0%+0.5%*(D-15)	46.6%+0.5%*(D-20)
	Not rated	3.0%*D	15.0%+1.7%*(D-5)	23.5%+1.2%*(D-10)	29.5%+1.2%*(D-15)	35.5%+0.5%*(D-20)
<b>Sovereign EU<sup>1</sup></b>	not relevant	0.0%	0.0%	0.0%	0.0%	0.0%
<b>Sovereign</b>	CQS 0	0.0%	0.0%	0.0%	0.0%	0.0%
	CQS 1	0.0%	0.0%	0.0%	0.0%	0.0%
	CQS 2	1.1%*D	5.5%+0.6%*(D-5)	8.4%+0.5%*(D-10)	10.9%+0.5%*(D-15)	13.4%+0.5%*(D-20)
	CQS 3	1.4%*D	7.0%+0.7%*(D-5)	10.5%+0.5%*(D-10)	13.0%+0.5%*(D-15)	15.5%+0.5%*(D-20)
	CQS 4	2.5%*D	12.5%+1.5%*(D-5)	20.0%+1.0%*(D-10)	25.0%+1.0%*(D-15)	30.0%+0.5%*(D-20)
<b>Corporate Bonds</b>	CQS 0	0.9%*D	4.5%+0.5%*(D-5)	7.0%+0.5%*(D-10)	9.7%+0.5%*(D-15)	12.0%+0.5%*(D-20)
	CQS 1	1.1%*D	5.5%+0.6%*(D-5)	8.4%+0.5%*(D-10)	10.9%+0.5%*(D-15)	13.4%+0.5%*(D-20)
	CQS 2	1.4%*D	7.0%+0.7%*(D-5)	10.5%+0.5%*(D-10)	13.0%+0.5%*(D-15)	15.5%+0.5%*(D-20)
	CQS 3	2.5%*D	12.5%+1.5%*(D-5)	20.0%+1.0%*(D-10)	25.0%+1.0%*(D-15)	30.0%+0.5%*(D-20)
	CQS 4	4.5%*D	22.5%+2.5%*(D-5)	35.0%+1.8%*(D-10)	44.0%+0.5%*(D-15)	46.6%+0.5%*(D-20)
<b>STS<sup>2</sup></b>	CQS 0	1.0%*D	5.0%+0.6%*(D-5)	8.0%+0.6%*(D-10)	11.0%+0.6%*(D-15)	14.0%+0.6%*(D-20)
	CQS 1	1.2%*D	6.0%+0.7%*(D-5)	9.5%+0.5%*(D-10)	12.0%+0.5%*(D-15)	14.5%+0.5%*(D-20)
	CQS 2	1.6%*D	8.0%+0.8%*(D-5)	12.0%+0.6%*(D-10)	15.0%+0.6%*(D-15)	18.0%+0.6%*(D-20)
	CQS 3	2.8%*D	14.0%+1.7%*(D-5)	22.5%+1.1%*(D-10)	28.0%+1.1%*(D-15)	33.5%+0.6%*(D-20)
	CQS 4	5.6%*D	28.0%+3.1%*(D-5)	43.5%+2.2%*(D-10)	54.5%+0.6%*(D-15)	57.5%+0.6%*(D-20)

Source: EIOPA, NORD/LB Floor Research,

D = modified duration;

<sup>1</sup> direct central government exposure / guaranteed by EU member central governments; <sup>2</sup> STS = Simple, Transparent and Standardised Securitisation Products

**Solvency II – thresholds relevant to the SCR concentration risk**

Bond type	ECAI Rating	Concentration threshold
Corporate Bonds, sub + hybrid debt, ABS, CDO	AAA - AA	3.0%
	A	3.0%
	BBB	1.5%
	BB or lower	1.5%
Covered Bonds	AAA - AA	15.0%
Exposure to EEA state, European Central Bank (ECB), multilateral development banks (MDB), international organisations (IO)	Not relevant	none

Source: EIOPA, NORD/LB Floor Research

**Concentration risk – separate treatment of covered bonds**

Too much of a focus on a single issuer is additionally taken into account as part of the SCR market risk sub-module on market risk concentration. As soon as the amount of debt in the event of counterparty default exceeds a specified concentration threshold (or concentration risk threshold), it becomes necessary to calculate the relevant SCR for concentration risk. The concentration risk is regulated in sub-section 6 “Market risk concentrations sub-module”, Articles 182 to 187 of Commission Delegated Regulation (EU) 2015/35. The concentration threshold is to be interpreted as a percentage of the assets – that is essentially the value of all assets held by an insurance or reinsurance company. The general rule applies that the weighted average rating of the risk exposure to a single issuer is decisive for deriving the concentration threshold. For ratings of 0, 1 and 2, the applicable threshold is 3%. For ratings of 3 to 6, the threshold is 1.5%. Within the scope of the sub-module on market risk concentration, an increased concentration threshold of 15% must be applied to covered bonds with a rating of 0 or 1 (cf. Article 187 (1) of Commission Delegated Regulation (EU) 2015/35). This means that a significantly higher threshold applies to covered bonds with particularly high ratings than, for example, to corporate bonds and ABS. Overall, this results in the SCR to be applied being lower. Nevertheless, it should also be noted in this respect that debt vis-à-vis EU member states and multilateral development banks is subject to preferential treatment compared with covered bonds, because of a general exemption regarding the SCR calculation for concentration risk.

## Appendix

### Bloomberg-Ticker

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

Country	Ticker	Issuer
Australia	ANZ	Australia & New Zealand Banking Group Ltd
Australia	BQDAU	Bank of Queensland Ltd
Australia	BENAU	Bendigo & Adelaide Bank Ltd
Australia	CBAAU	Commonwealth Bank of Australia
Australia	MQGAU	Macquarie Bank Ltd
Australia	NAB	National Australia Bank Ltd
Australia	WSTP	Westpac Banking Corp
Austria	BTV	Bank fuer Tirol und Vorarlberg AG
Austria	BSWUES	Bausparkasse Wuestenrot 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	LANTIR	Hypo Tirol Bank AG
Austria	VORHYP	Hypo Vorarlberg Bank AG
Austria	KA	Kommunalkredit Austria AG
Austria	OBERBK	Oberbank AG
Austria	OBLB	Oberoesterreichische Landesbank AG
Austria	RBIAV	Raiffeisen Bank International AG
Austria	RZBBAU	Raiffeisen Bausparkasse Gesellschaft mbH
Austria	RFVORA	Raiffeisen Landesbank Vorarlberg mit Revisionsverband eGen
Austria	RFLBNI	Raiffeisenlandesbank Niederoesterreich-Wien AG
Austria	RFLBOB	Raiffeisenlandesbank Oberoesterreich AG
Austria	RFLBST	Raiffeisen-Landesbank Steiermark AG
Austria	RFLBTI	Raiffeisen-Landesbank Tirol AG
Austria	RFVBSA	Raiffeisenverband Salzburg eGen
Austria	BACA	UniCredit Bank Austria 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	CM	Canadian Imperial Bank of Commerce
Canada	EQBCN	Equitable Bank
Canada	CCDJ	Federation des Caisses Desjardins du Quebec
Canada	NACN	National Bank of Canada
Canada	RY	Royal Bank of Canada
Canada	TD	Toronto-Dominion Bank/The
Czech Republic	KOMERC	Komerční Banka AS
Czech Republic	UNICZ	UniCredit Bank Czech Republic & Slovakia AS
Denmark	DANSKB	Danmarks Skibskredit A/S
Denmark	DANBNK	Danske Bank A/S
Denmark	JYKRE	Jyske Realkredit A/S
Estonia	LHVGRP	LHV Pank AS
Estonia	LUMINO	Luminor Bank AS/Estonia

Source: Bloomberg, NORD/LB Floor Research

Country	Ticker	Issuer
Finland	AKTIA	Aktia Bank Oyj
Finland	AABHFH	Alandsbanken Abp
Finland	DANBNK	Danske Mortgage Bank PLC
Finland	NDAFH	Nordea Kiinnitysluottopankki Oyj
Finland	OMASST	Oma Saastopankki Oyj
Finland	OPBANK	OP Mortgage Bank
Finland	POPBGR	POP Asuntoluottopankki Oyj
Finland	SPANOY	S-Pankki Oyj
Finland	SPMTBK	SP-Kiinnitysluottopankki Oyj
Finland	SUOHYP	Suomen Hypoteekkiyhdistys
France	CMARK	Arkea Home Loans SFH SA
France	CMARK	Arkea Public Sector SCF SA
France	CRLNCB	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	CRH	Caisse de Refinancement de l'Habitat SA
France	CAFFIL	Caisse Francaise de Financement Local
France	CCFSFH	CCF SFH SACA
France	CFF	Cie de Financement Foncier SA
France	ACACB	Credit Agricole Home Loan SFH SA
France	ACASCF	Credit Agricole Public Sector SCF SA
France	CMCICB	Credit Mutuel Home Loan SFH SA
France	LBPSFH	La Banque Postale Home Loan SFH SA
France	MMBSCF	MMB SCF SACA
France	SOCSFH	Societe Generale SFH SA
Germany	AARB	Aareal Bank AG
Germany	BAUSCH	Bausparkasse Schwaebisch Hall AG
Germany	BYLAN	Bayerische Landesbank
Germany	BHH	Berlin Hyp AG
Germany	CMZB	Commerzbank AG
Germany	DEKA	DekaBank Deutsche Girozentrale
Germany	DAA	Deutsche Apotheker-und Aerztebank eG
Germany	DB	Deutsche Bank AG
Germany	DKRED	Deutsche Kreditbank AG
Germany	PBBGR	Deutsche Pfandbriefbank AG
Germany	SPKBRE	Die Sparkasse Bremen AG
Germany	DZHYP	DZ HYP AG
Germany	HCOB	Hamburg Commercial Bank AG
Germany	HASPA	Hamburger Sparkasse AG
Germany	INGDIB	ING-DiBa AG
Germany	LBBW	Landesbank Baden-Wuerttemberg
Germany	LBBER	Landesbank Berlin AG
Germany	HESLAN	Landesbank Hessen-Thueringen Girozentrale
Germany	SAARLB	Landesbank Saar
Germany	LLOYDS	Lloyds Bank GmbH
Germany	MUNHYP	Muenchener Hypothekenbank eG
Germany	KNFP	Natixis Pfandbriefbank AG
Germany	NDB	Norddeutsche Landesbank-Girozentrale
Germany	LBOLD	Oldenburgische Landesbank AG
Germany	SCBGER	Santander Consumer Bank AG
Germany	SSPDOR	Sparkasse Dortmund
Germany	SSPHAN	Sparkasse Hannover
Germany	SPKKB	Sparkasse KoelnBonn
Germany	SKPPFO	Sparkasse Pforzheim Calw
Germany	SSPMUE	Stadtparkasse Muenchen
Germany	HVB	UniCredit Bank GmbH

Country	Ticker	Issuer
Germany	WUWGR	Wuestenrot Bausparkasse AG
Iceland	ARION	Arion Banki HF
Iceland	ISLBAN	Islandsbanki HF
Iceland	LANBNN	Landsbankinn HF
Ireland	BKIR	Bank of Ireland Mortgage Bank
Italy	MONTE	Banca Monte dei Paschi di Siena SpA
Italy	BPOPAA	Banca Popolare dell'Alto Adige SpA
Italy	BPSOIM	Banca Popolare di Sondrio SPA
Italy	BNSELL	Banca Sella SpA
Italy	BAMIIM	Banco BPM SpA
Italy	BANDES	Banco di Desio e della Brianza SpA
Italy	BPEIM	BPER Banca
Italy	CARPP	Credit Agricole Italia SpA
Italy	CRDEM	Credito Emiliano SpA
Italy	ICCREA	Iccrea Banca SpA
Italy	ISPIM	Intesa Sanpaolo SpA
Italy	BACRED	Mediobanca Banca di Credito Finanziario SpA
Italy	UCGIM	UniCredit SpA
Japan	SUMIBK	Sumitomo Mitsui Banking Corp
Japan	SUMITR	Sumitomo Mitsui Trust Bank Ltd
Korea	KEBHNB	Hana Bank
Korea	CITNAT	Kookmin Bank
Korea	KHFC	Korea Housing Finance Corp
Korea	SHNHAN	Shinhan Bank Co Ltd
Luxembourg	NDB	NORD/LB Luxembourg SA Covered Bond Bank
Netherlands	ABNANV	ABN AMRO Bank NV
Netherlands	ACHMEA	Achmea Bank NV
Netherlands	RABOBK	Cooperatieve Rabobank UA
Netherlands	DEVOBA	de Volksbank NV
Netherlands	INTNED	ING Bank NV
Netherlands	KNABNL	Knab NV
Netherlands	NNGRNV	Nationale-Nederlanden Bank NV/The Netherlands
Netherlands	NIBCAP	NIBC Bank NV
Netherlands	LANSNA	Van Lanschot Kempen NV
New Zealand	ANZNZ	ANZ New Zealand Int'l Ltd/London
New Zealand	ASBBNK	ASB Bank Ltd
New Zealand	BZLNZ	Bank of New Zealand
New Zealand	BZLNZ	BNZ International Funding Ltd/London
New Zealand	WSTPNZ	Westpac Securities NZ Ltd/London
Norway	DNBNO	DNB Boligkreditt AS
Norway	EIKBOL	Eika Boligkreditt AS
Norway	MOREBO	Moere Boligkreditt AS
Norway	SPABOL	SpareBank 1 Boligkreditt AS
Norway	SORBNO	Sparebanken Soer Boligkreditt AS
Norway	SVEGNO	Sparebanken Vest Boligkreditt AS
Norway	SRBANK	SR-Boligkreditt AS
Poland	MBKHIP	mBank Hipoteczny SA
Poland	PKOBHB	PKO Bank Hipoteczny SA
Portugal	BPIPL	Banco BPI SA
Portugal	SANTAN	Banco Santander Totta SA
Portugal	MONTPI	Caixa Economica Montepio Geral Caixa Economica Bancaria SA
Portugal	NOVBNC	Novo Banco SA
Singapore	DBSSP	DBS Bank Ltd
Singapore	MAYSIL	Maybank Singapore Ltd
Singapore	OCBCSP	Oversea-Chinese Banking Corp Ltd
Singapore	STNCSG	Standard Chartered Bank Singapore Ltd

Country	Ticker	Issuer
Singapore	UOBSP	United Overseas Bank Ltd
Slovakia	CSOBSK	Ceskoslovenska Obchodna Banka as
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	SABSM	Banco de Sabadell SA
Spain	SANTAN	Banco Santander SA
Spain	BKTSM	Bankinter SA
Spain	CABKSM	CaixaBank SA
Spain	CRUNAV	Caja Rural de Navarra SCC
Spain	CAJAMA	Cajamar Caja Rural SCC
Spain	DB	Deutsche Bank SA Espanola
Spain	EUROCR	Eurocaja Rural SCC
Spain	KUTXAB	Kutxabank SA
Spain	UCAJLN	Unicaja Banco SA
Sweden	LFBANK	Lansforsakringar Hypotek AB
Sweden	SEB	Skandinaviska Enskilda Banken AB
Sweden	SHBASS	Stadshypotek AB
Sweden	SBAB	Sveriges Sakerstallda Obligationer AB
Sweden	SWEDA	Swedbank Hypotek AB
Switzerland	UBS	UBS Switzerland AG
United Kingdom	VMUKLN	Clydesdale Bank PLC
United Kingdom	COVBS	Coventry Building Society
United Kingdom	LLOYDS	Lloyds Bank PLC
United Kingdom	NWIDE	Nationwide Building Society
United Kingdom	SANUK	Santander UK PLC
United Kingdom	SKIPTN	Skipton Building Society
United Kingdom	TSBLN	TSB Bank PLC
United Kingdom	YBS	Yorkshire Building Society

Source: Bloomberg, NORD/LB Floor Research

# Appendix

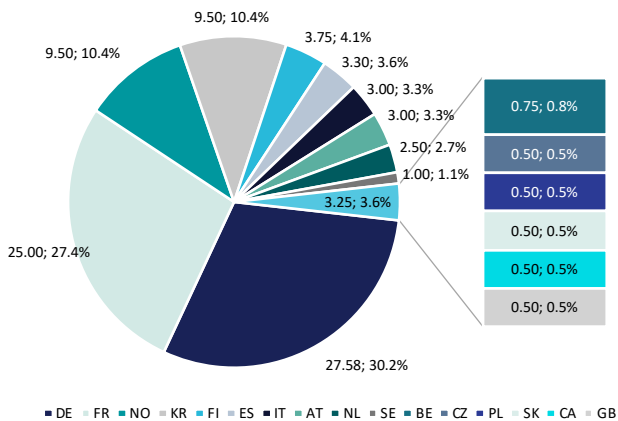
## ESG covered bonds in benchmark format

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

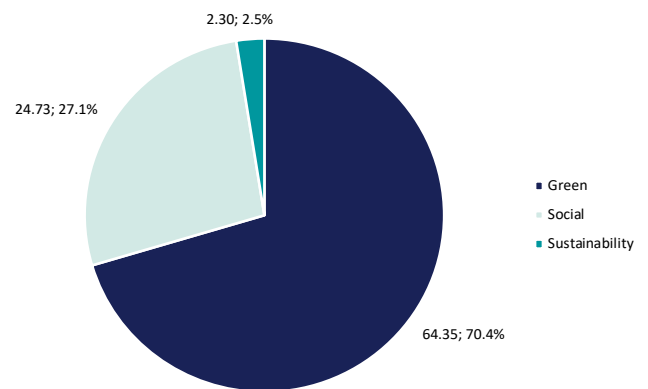
### ESG covered bonds market: An update

In our annual [ESG-Update](#) we regularly discuss general developments in the ESG segment and focus on the momentum in the steadily growing ESG bond sub-market as well as the regulatory progress and framework conditions. In this year’s edition of our NORD/LB Special on sustainable bond markets, we take a closer look at what is new in the context of the EU taxonomy and the EU Green Bond Standard. In this update article in our Issuer Guide Covered Bonds, we also look at the specific situation assessments for the issuers in our coverage. To this end, we would like to briefly describe the ESG sub-market of the covered bond asset class in more detail, focussing in particular on the EUR benchmark segment.

**ESG covered bonds by country (EUR BMK; EURbn)**



**ESG covered bonds by type (EUR BMK; EURbn)**



Source: Market data, Bloomberg, NORD/LB Floor Research

### EUR benchmarks in ESG format: “Green” continues to dominate....

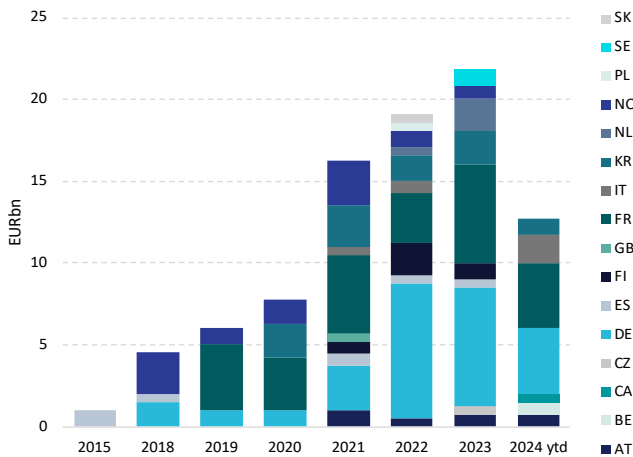
The total volume of outstanding EUR benchmarks stands at around EUR 1,096.8bn, of which some EUR 90bn is attributable to covered bonds in ESG format. In this context, issues declared as “green” continue to dominate (EUR 63.8bn or 70.9%). The remaining volume is divided between “social” bonds (EUR 23.9bn or 26.5%) and “sustainability” bonds (EUR 2.3bn or 2.6%). Given the background of the asset class and its cover assets (residential or commercial real estate finance), the dominance of green formats hardly comes as a surprise. The sustainability sub-category exclusively comprises bonds issued from South Korea and Spain, with the most recent primary market activity in this area dating back to June 2022. Although we would not rule out new primary market appearances in this small sub-market, we expect this to remain a niche part of the sustainable covered bond segment in the future as well.



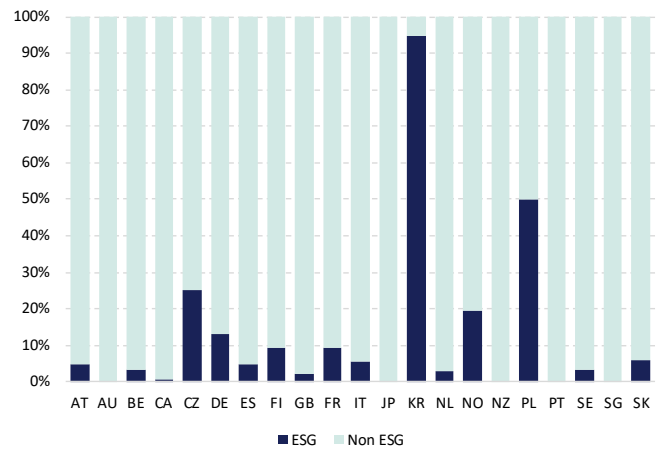
**...and Germany is the biggest issuer of ESG covered bonds**

At country level, most of the outstanding covered bonds in ESG format (a total of 123 outstanding bonds) are attributable to the jurisdictions of Germany (EUR 26.4bn; 41 bonds) and France (EUR 25.0bn; 26 bonds). In total, there are now 16 jurisdictions active in the EUR benchmark segment, including Norway (EUR 9.5bn; 12 bonds) and South Korea (EUR 10.0bn; 16 bonds). With regard to South Korean issuers, it should be noted that the market has an extremely high weighting of ESG bonds, primarily due to the public mandate of Korea Housing Finance Corporation (KHFC).

**ESG covered bond issues (EUR BMK)**



**ESG covered bonds: Market share (EUR BMK)**



Source: Market data, Bloomberg, NORD/LB Floor Research

**EUR benchmarks in ESG format: Market developments and new “records”**

In terms of the ESG segment, the 2023 calendar year was another record year in the primary market for covered bonds in EUR benchmark format. The new issuance volume totalled EUR 21.9bn (green: EUR 14.8bn and social: EUR 7.1bn). The trend of annual growth in new issues therefore remained unbroken in 2023 as well (new issuance volume in 2022: EUR 19.1bn). In terms of the number of individual bonds, 2023 also marked another record with 31 deals placed in ESG format (versus 28 in 2022). In the year to date, there have been 17 new ESG-related issues. Once again, the volume, which currently stands at EUR 11.0bn, is exclusively attributable to the green (EUR 8.5bn) and social (EUR 2.5bn) categories. Last year, a total volume of EUR 190.3bn was placed in the EUR benchmark segment, with the EUR 21.9bn share mentioned above representing 12.3% of the total primary market in 2023. The percentage share of new issues attributable to ESG placements on average for the years 2019-2024 is 10.5%. This figure also corresponds to the share accounted for by ESG issues in the deals placed so far in 2024. From an investor perspective, this share is likely to be perceived as rather modest, at least as far as investment demand is concerned. However, the growing requirements with regard to the “quality” of ESG paper must also be taken into account. In this context, attention is focused increasingly on issuers and their business models. At market level, the picture for the ESG share of outstanding covered bonds is currently very heterogeneous. In the country breakdown, high ESG shares tend to be attributable to the smaller markets.

## Issuers of EUR benchmarks in ESG format

Issuer	Country	ESG Type	Volume (in EURbn)	No. of ESG BMKs	Framework based on ICMA principles
BAWAG	AT	Green	0.50	1	YES ( <a href="#">Link</a> )
Hypo Tirol Bank	AT	Social	0.50	1	YES ( <a href="#">Link</a> )
UniCredit Bank Austria	AT	Green	2.00	3	YES ( <a href="#">Link</a> )
Argenta Spaarbank	BE	Green	0.75	1	YES ( <a href="#">Link</a> )
Equitable Bank	CA	Social	0.50	1	YES ( <a href="#">Link</a> )
UniCredit Bank Czech Republic	CZ	Green	0.50	1	YES ( <a href="#">Link</a> )
Bayerische Landesbank	DE	Green	1.00	2	YES ( <a href="#">Link</a> )
Bausparkasse Schwabebisch Hall	DE	Green	1.00	2	YES ( <a href="#">Link</a> )
Berlin Hyp	DE	Green	5.50	9	YES ( <a href="#">Link</a> )
Berlin Hyp	DE	Social	2.38	4	YES ( <a href="#">Link</a> )
Deutsche Kreditbank	DE	Social	2.85	5	YES ( <a href="#">Link</a> )
DZ HYP	DE	Green	3.25	5	YES ( <a href="#">Link</a> )
ING-DiBa	DE	Green	3.25	3	YES ( <a href="#">Link</a> )
Landesbank Baden-Wuerttemberg	DE	Green	1.50	2	YES ( <a href="#">Link</a> )
Muenchener Hypothekenbank	DE	Green	3.25	4	YES ( <a href="#">Link</a> )
Norddeutsche Landesbank	DE	Green	2.00	4	YES ( <a href="#">Link</a> )
UniCredit Bank	DE	Green	1.00	2	YES ( <a href="#">Link</a> )
Wuestenrot Bausparkasse	DE	Green	0.60	1	YES ( <a href="#">Link</a> )
Caja Rural de Navarra	ES	Green	1.00	2	YES ( <a href="#">Link</a> )
Caja Rural de Navarra	ES	Sustainability	0.60	1	YES ( <a href="#">Link</a> )
Eurocaja Rural	ES	Sustainability	0.70	1	YES ( <a href="#">Link</a> )
Kutxabank	ES	Social	1.00	1	YES ( <a href="#">Link</a> )
Nordea Kiinnitysluottopankki	FI	Green	2.00	2	YES ( <a href="#">Link</a> )
OP Mortgage Bank	FI	Green	1.75	2	YES ( <a href="#">Link</a> )
Arkea Home Loans SFH	FR	Green	1.00	1	YES ( <a href="#">Link</a> )
BPCE SFH	FR	Green	6.00	5	YES ( <a href="#">Link</a> )
CAFFIL	FR	Green	2.25	3	YES ( <a href="#">Link</a> )
CAFFIL	FR	Social	4.25	6	YES ( <a href="#">Link</a> )
Compagnie de Financement Foncier	FR	Social	0.50	1	YES ( <a href="#">Link</a> )
Credit Agricole Home Loan SFH	FR	Green	2.50	2	YES ( <a href="#">Link</a> )
Credit Agricole Home Loan SFH	FR	Social	2.25	2	YES ( <a href="#">Link</a> )
La Banque Postale Home Loan SFH	FR	Green	1.50	2	YES ( <a href="#">Link</a> )
La Banque Postale Home Loan SFH	FR	Social	1.25	1	YES ( <a href="#">Link</a> )
Societe Generale SFH	FR	Green	3.50	3	YES ( <a href="#">Link</a> )
Yorkshire Building Society	GB	Social	0.50	1	YES ( <a href="#">Link</a> )
Banca Monte dei Paschi di Siena	IT	Social	0.75	1	YES ( <a href="#">Link</a> )
Banco BPM	IT	Green	0.75	1	YES ( <a href="#">Link</a> )
Credit Agricole Italia	IT	Green	1.00	2	YES ( <a href="#">Link</a> )
Credito Emiliano	IT	Social	0.50	1	YES ( <a href="#">Link</a> )
Hana Bank	KR	Social	1.10	2	YES ( <a href="#">Link</a> )
Kookmin Bank	KR	Green	0.50	1	YES ( <a href="#">Link</a> )
Kookmin Bank	KR	Sustainability	1.00	2	YES ( <a href="#">Link</a> )
Korea Housing Finance	KR	Social	6.40	9	YES ( <a href="#">Link</a> )
Shinhan Bank	KR	Green	0.50	1	YES ( <a href="#">Link</a> )
Cooperatieve Rabobank	NL	Green	1.25	1	YES ( <a href="#">Link</a> )
Nationale-Nederlanden Bank NV	NL	Green	1.25	2	YES ( <a href="#">Link</a> )
DNB Boligkredditt	NO	Green	3.00	2	YES ( <a href="#">Link</a> )
Eika Boligkredditt	NO	Green	1.00	2	YES ( <a href="#">Link</a> )
SpareBank 1 Boligkredditt	NO	Green	2.75	3	YES ( <a href="#">Link</a> )
Sparebanken Soer Boligkredditt	NO	Green	1.00	2	YES ( <a href="#">Link</a> )
Sparebanken Vest Boligkredditt	NO	Green	1.25	2	YES ( <a href="#">Link</a> )
SR-Boligkredditt	NO	Green	0.50	1	YES ( <a href="#">Link</a> )
PKO Bank Hipoteczny	PL	Green	0.50	1	YES ( <a href="#">Link</a> )
Stadshypotek	SE	Green	1.00	1	YES ( <a href="#">Link</a> )
Slovenska Sporitelna	SK	Green	0.50	1	YES ( <a href="#">Link</a> )

Source: Market data, issuers, NORD/LB Floor Research

**ESG covered bonds in benchmark format: 49 active issuers and open discussions**

Having already welcomed several "ESG debutants" in 2024, we now have 49 active ESG issuers in the EUR benchmark segment for covered bonds. Green debuts were made by Bausparkasse Schwäbisch Hall (DE), Shinhan Bank (KR), Banca Monte dei Paschi di Siena (IT) and Argenta Spaarbank (BE), among others. Bausparkasse Schwäbisch Hall took advantage of the opportunity to place Green Pfandbriefe twice in 2024 and approached its investors both in January of this year and in February. Credito Emiliano (IT) placed its first social benchmark. The first ESG benchmark was also announced for Canada. Equitable Bank chose a social format for its issue in April of this year and successfully placed EUR 500m of fresh stock on the market. Overall, the net new supply for 2024 (with maturities of EUR 1.0bn) already amounts to EUR 12bn. Accordingly, we believe that the ESG segment will continue to grow, even if the issue volume in 2024 does not set a new record.

**Conclusion**

The market for ESG covered bonds will continue to grow in 2024. Nevertheless, we see significant challenges in the entire market for ESG bonds, which we also addressed in our ESG update. We are pleased to see the number of new issuers with green and social bonds on the market. We continue to see the covered bond segment as an important market in the (re-)financing of the green transformation. However, in order to fulfil this role, both issuers and investors are still dependent on the framework that is in place. This applies to the regulatory framework as well as to the market standards (e.g. set by the ICMA).

## Appendix

### Fitch: Rating approach covered bonds

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

#### Issuer rating as starting point

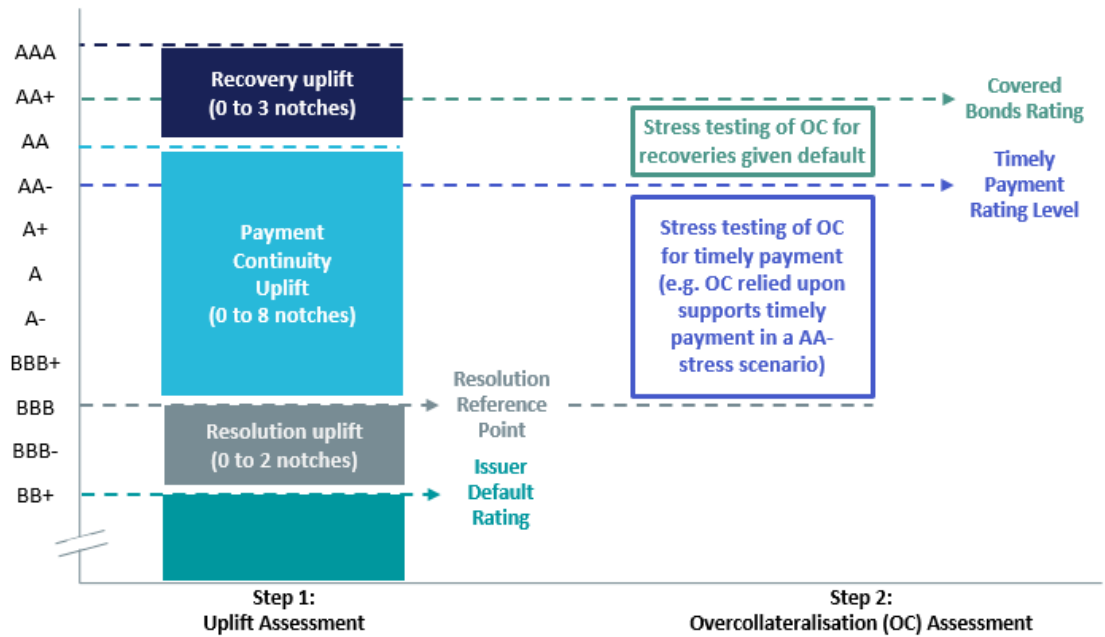
Fitch uses a [two-step process](#) to determine its covered bond ratings, taking into account both the probability of a default on a bond as well as the recovery given default. The first step involves assessing the resolution uplift of up to two notches above the Long-Term Issuer Default Rating (IDR). A resolution uplift may be granted to Covered Bonds originated from a jurisdiction that has, among other things, an advanced bank resolution mechanism that provides for a bail-in of senior bonds and excludes fully collateralised Covered Bonds from this. Moreover, an uplift is only awarded when the risk of a coverage deficit in relation to outstanding liabilities is minimal at the time a resolution threat exists. From the rating agency's perspective, this is then expected when, for example, a legal framework or contractual provisions, a responsible supervisory authority and an asset monitor are all in place. If all criteria are met, Fitch will award a resolution uplift above the IDR of a maximum of two notches. This expresses the preferred status of a covered bond in comparison with unsecured bonds in the case of a liquidation and creditor participation. The conditions for a resolution uplift can be seen in the table below, as well as those conditions that do not involve such uplift.

#### Fitch: Resolution Uplift

Issuer Characteristics	Notches
<ul style="list-style-type: none"> <li>No support: Institutions with an IDR not driven by institutional or state support and their subsidiaries whose IDR is equalised with their parent's</li> <li>Support schemes: Institutions with an IDR based on their participation/integration in a mutual support scheme and equalised with group IDR</li> <li>Temporary support: Institutions and their subsidiaries with an IDR driven by support, when support is deemed to be temporary</li> </ul>	2
<ul style="list-style-type: none"> <li>Support: Institutions with an IDR driven by support and their subsidiaries.</li> </ul>	1
<ul style="list-style-type: none"> <li>Specialised mortgage or public-sector lenders that form part of a broader banking group and are not operationally integrated with the parent</li> <li>Institutions without debt buffers requirement such as Minimum Requirement for Own Funds and Liabilities and for which Fitch does not expect resolution to be applied in case of a failure or default</li> </ul>	0

Source: Fitch, NORD/LB Floor Research

### Overview of the covered bonds rating steps



Source: Fitch, NORD/LB Floor Research

### Determining the Payment Continuity Uplift (PCU)

Fitch additionally determines the Payment Continuity Uplift (PCU). The PCU reflects the rating agency's assessment as to how likely a delay or interruption to interest and capital payments is to occur during transfer of the payment flow from the issuer to the cover pool (following issuer insolvency). The PCU can range from zero to eight notches and together with the resolution uplift and the IDR reflects the maximum possible covered bond rating on timely payment basis. The following applies: The higher the PCU, the less likely the disturbance of the cash flow is considered. Where Fitch assumes that an interruption to payment due to a lack of liquidity mechanisms is likely, the assessed covered bond programme receives a PCU of zero notches, whereas programmes with a soft-bullet structure (and 12 month extension) could be granted a PCU of up to six notches (above the IDR adjusted by the resolution uplift) as long as they are backed by standard cover pool assets in developed banking markets. Issues with a pass-through structure receive a PCU of up to eight notches. In line with the methodology presented on the following page, German Pfandbriefe benefit from a PCU of six notches reflecting the 180 day liquidity buffer and 12-months principal maturity extension feature. Other risks, e.g. resulting from insufficient separation of assets or high risks related to alternative cover pool management, can lead to a reduction in the PCU uplifts.

**Level of Payment Continuity Uplift**

Maximum PCU in Notches	Effective Liquidity Protection for Principal Payments	Programme Types
8	Maturity date extends beyond the longest maturing asset in the cover pool	Pass-through programmes
6	At least 12 months	Mortgage and public-sector programmes predominantly exposed to developed banking markets
5	At least 6 months	Public-sector programmes predominantly exposed to developed banking markets
4	At least 9 months	Mortgage programmes predominantly exposed to developed banking markets
3	At least 6 months	Mortgage programmes predominantly exposed to developed banking markets
0	No protection	Any programme exposed to maturity mismatches

Source: Fitch Ratings, NORD/LB Floor Research

**Recovery uplift – additional uplift of up to two or three notches possible**

As covered bonds offer a recovery given default even in the event of a payment default on account of the associated assets, the respective programmes may receive a further uplift over the timely payment rating level of up to two notches based on the recovery prospects; for covered bonds with a non-investment grade timely payment rating, this can be up to three notches. The maximum number of notches is awarded when the programme's relied upon overcollateralisation ratio sufficiently covers the credit risk in the relevant rating scenario and in the absence of additional material downside risk to recoveries. The uplift can be limited if, for example, the bulk of the cover assets are denominated in a currency which differs from the covered bond issued.

**Limit to the maximum covered bond rating via break-even OC for the rating**

Finally, in a second step, the overcollateralisation ratio for the respective rating level (break-even OC) is determined. This ensures timely payment of outstanding covered bonds during stress scenarios at the timely payment rating level above the IDR adjusted by the resolution uplift (i.e. issuer default) and also meets the threshold for the applied recovery uplift. The break-even OC reflects the amount of assets needed in excess of covered bonds issued, it is composed of (i) the ALM loss (non-credit loss) and (ii) the credit loss. The break-even OC calculated by Fitch for a given rating is then compared with the OC expected to be maintained over the long term by the issuers from the perspective of the rating agency. If the OC maintained by the issuer is below the break-even OC for the maximum possible rating, Fitch tests the next-lowest rating scenario. Usually the covered bond rating is floored at the IDR plus available notches of resolution uplift and at least one notch of recovery uplift.

## Appendix

# The Moody's rating approach

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **Rating approach comprises multi-stage process**

The [Moody's rating approach](#) comprises a multi-stage process which takes account of the regulatory preferential treatment of covered bonds in the context of the Bank Recovery and Resolution Directive (BRRD). This refers to the Counterparty Risk Assessment (CR Assessment), which takes into consideration the fact that banks in jurisdictions with resolution regimes (e.g. BRRD) maintain operational functions, even in the event of a default, and are able to meet further payment obligations under specific instruments, even though deposits and senior unsecured liabilities are experiencing losses (key word here: bail-in). The CR Assessment therefore describes the default probability of instruments for which a bail-in is less likely, such as covered bonds or certain derivatives. The CR Assessment can consequently end up higher than the SUR or deposit rating.

### **CR Assessment usually higher than senior unsecured or deposit rating**

The CR Assessment level depends on the extent to which bail-in-able debt instruments are available and provide protection to other instruments against losses. The existence and structure of the applicable insolvency or resolution directives therefore play a key role. Potential support from the state or regulator is also taken into consideration.

### **Additional notch uplift for the EU, Norway and Switzerland**

As covered bonds are fundamentally preferred instruments whose probability of default in the event of winding-up is lower than that of unsecured instruments, Moody's now typically uses the CR Assessment as the anchor point for determining the covered bond rating. For EU member states, the UK and Norway, the anchor point for legally based covered bonds can also be an additional notch higher than the CR Assessment, since in the case of an emergency the agency considers the intervention of state or the regulator to maintain the covered bond market to be likely given its long history and other characteristics. In the case of Switzerland, the anchor point can also be more than one notch higher than the CRA.

### **Assessing the creditworthiness of the issuer and value of the cover pool**

Moody's therefore looks at both the creditworthiness of the issuer in the context of the covered bond anchor point as well as the value of the cover pool following the institution's default. To do this, the issuer's probability of default is derived from the CR Assessment and linked with the losses expected from the cover pool in the event of the issuer's insolvency. Here Moody's uses the payment streams from the cover assets (taking account of credit and market risks) available to repay the outstanding covered bonds. The future payment flows are determined for a variety of scenarios and the loss to the investor calculated for each scenario. The losses in the individual scenarios are weighted according to probability and added together to give the expected loss.

**TPI as limiting factor**

However, the rating corresponding with this expected loss can be limited by what is known as the Timely Payment Indicator (TPI) framework. The TPI shows the expected probability of the timely servicing of covered bondholders in the event of non-payment by the issuer. The TPI has six levels ranging from “very improbable” to “very high”. The more positive the TPI, the greater the possible gap between the covered bond anchor point and covered bond rating. The TPI of a covered bond programme is affected by a series of factors. These include qualitative aspects of the cover assets and the covered bond programme, as well as the legal basis and contractual structure of the programme. Additional aspects considered include the quality of regulation in a country, the state’s creditworthiness as well as the maturity and depth of a market. Together with the covered bond anchor point, the TPI determines the maximum rating achievable for the respective covered bond.

**Decoupling from TPI possible**

In its methodology, Moody’s also outlines the circumstances under which the covered bond rating can be decoupled from the TPI approach and therefore no longer be constrained by this indicator. The rating agency cites two reasons in particular for applying the TPI Framework; on the one hand, the refinancing risk that can result from a hard or soft bullet structure, and on the other, the risks that can arise for the cover pool from the functions of the issuer. One way to limit the refinancing risks would be to use pass-through or conditional pass-through structures.

**Moody’s identifies various types of risk**

When calculating the expected losses in the cover pool following issuer insolvency, Moody’s identifies various types of risk. Here the rating agency uses the collateral score as a yardstick for the credit quality in the cover pool. This indicator shows the loss as a percentage that would be expected following issuer insolvency as a result of credit defaults in the cover pool. The lower the collateral score, the higher the credit quality of the cover pool. Moody’s assesses the credit risks using separate models for the individual collateral types such as own home finance or public sector finance. Depending on the issuer rating and covered bond rating, haircuts of up to 50% are applied to the credit risks, thereby producing the collateral risk. One of the main reasons for applying this haircut is the support expected for the programme from the issuer.

**Refinancing risk from differences in maturity profile**

According to Moody’s, a refinancing risk arises when there are differences in the maturity profiles of cover assets and covered bonds. To ensure creditors are paid in a timely manner, in some circumstances additional liquidity must be generated alongside the payment flows from the cover assets. This liquidity can come from the disposal of assets or interim financing. Depending on the refinancing margins involved, losses can arise that adversely affect the cover pool. The refinancing risk is modelled on the basis of three factors: (i) the portion of cover assets for which interim financing is required as a result of mismatched maturities; (ii) the average term of the refinancing requirement and (iii) the margin assumed. Other risks to be considered are interest rate and currency risks which result from mismatches between the assets in the cover pool and the outstanding covered bonds.



**Interest rate and currency risks produce market risk**

To determine the interest rate and currency risks in the wake of issuer insolvency, Moody's uses standardised assumptions on the volatility of the interest rates and exchange rates. The refinancing risk along with the interest rate and currency risks together produce the market risk. Adding the market risks and the collateral risk together produces the cover pool losses as the sum of all risk components. In Moody's approach, the cover pool losses together with the overcollateralisation level (OC) and issuer's probability of default (probability of anchor event) give the expected loss. The expected loss ultimately determines the covered bond rating. For existing ratings, the lowest OC at which the respective target rating is still achieved is calculated for the respective covered bonds as part of the monitoring process. The final outcome of the rating analysis is the lower of the results produced by the expected loss analysis and TPI analysis.

**Other rating considerations in the rating process: country ceiling and ESG factors**

Moody's also takes other relevant influencing factors into account in the rating analysis process. These factors include country risk in particular. This risk is derived from the country of domicile of the cover pool or issuer on the basis of the economic, legal and political situation. In accordance with the rating methodology for sovereigns and the resulting rating ceiling (cf. Sovereign Ceiling Methodology), there may also be caps on the covered bond rating. Considerations with regard to ESG factors also influence the assessment of covered bonds where necessary. The Rating Committee relies on the cross-sector methodologies for assessing ESG factors.

## Appendix

# The covered bonds ratings approach of S&P

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Four-stage process

[S&P's rating process](#) is split into four phases:

- i) Analysis of issuer-specific factors (e.g. legislative, regulatory, operational and administrative risks) → can the covered bond rating be higher than the issuer credit rating (Issuer Credit Rating, ICR)?
- ii) Establishing the RRL (Reference Rating Level) based on the applicable resolution mechanisms → bail-in yes/no?
- iii) Calculation of maximum possible rating based on the jurisdiction and cover pool → external probability of support (ex. state, central bank)? Quality of cover pool (expected loss, overcollateralisation, liquidity)?
- i) Combination of results and influence of additional factors (e.g. counterparty and country risk) → final rating?

### ICR forms rating floor

The issuer's credit worthiness remains an essential factor in the analysis since the respective institution is both the primary source for payments to the covered bond creditors and also manager of the cover pool, and can therefore have a significant influence on ALMM risks, credit quality and overcollateralisation. The issuer rating is therefore seen as the floor for the covered bond rating. On this basis, S&P first calculates whether an uplift above the ICR can be awarded in principle. Among other things, this requires legislative or contractual arrangements which guarantee the separation of the cover assets to the benefit of the covered bond holders.

### Resolution mechanisms define RRL

If an uplift is fundamentally possible, the next step involves setting the RRL. To this end, the agency checks whether the Bank Recovery and Resolution Directive (BRRD) or similar legislation is applicable, allowing the issuer to continue to make payments to covered bond holders, even though senior unsecured paper has defaulted. In such cases, the RRL is defined as the greater of:

- i) the issuing bank's ICR, plus up to two notches for programs in jurisdictions with effective resolution regimes that exempt covered bonds from bail-in
- ii) the RCR on the issuing bank, where applicable.

In jurisdictions where there is no corresponding resolution mechanism, the RRL equals the ICR.

**Likelihood of external support**

The next step will involve assessing the probability of public support in the respective jurisdiction, which aims to avoid the liquidation of cover assets in an extreme case. Such support can come from the government, from the central bank or from indirect intervention. The probability of support shall be assessed by evaluating: i) the covered bond legislation, ii) the systemic importance of the covered bonds in their market and iii) the credit worthiness of the state with marks ranging from "weak" to "very strong", whereby the overall score is based on the weakest individual assessment of the three criteria. Subsequently, an uplift of 0 to 3 notches over the RRL can be assigned, which defines the jurisdiction-supported rating level (JRL). The rating level achieved based on jurisdictional support (JRL) is capped at the foreign currency rating on the sovereign of domicile of the covered bond issuer.

**Cover pool factors**

Based on the JRL, a further notching is then undertaken which takes into account collateral in the cover pool and analyses the extent to which it covers credit risks and refinancing costs. The analysis of collateral support considers to what extent the amount of collateral available to cover credit risk or refinancing costs further increases the covered bond's creditworthiness by allowing the cover pool to raise funds from a broader range of investors and so address its refinancing needs. There can be an uplift of up to four notches for assets with an active secondary market. Where a sufficiently active secondary market for the cover pool assets does not exist to enable the covered bond program to raise funds against its assets the maximum uplift is two notches above the JRL.

**Deduction of notches for liquidity risks and voluntary overcollateralisation**

The form of commitment to maintaining overcollateralisation plays an important role. Overcollateralisation which is maintained purely voluntarily attracts a basic deduction of one notch. A public statement also leads to a deduction by one notch if the support in the jurisdiction in question is merely rated as "weak". In the case of a legal and contractual commitment, there is generally no deduction. A further deduction of one notch can be applied if there is no committed liquidity coverage of at least six months. Such a coverage can consist of liquidity lines or structural measures (e.g. soft bullet or CPT). The adjustment does not apply when a covered bond rating exceeds the foreign currency rating on the sovereign of the covered bond issuer in a member country of the European Economic and Monetary Union (EMU or eurozone) since the liquidity risk is taken into account in the cap above the country rating.

**Consideration of other factors**

The last step combines the previous results and further factors are taken into account in order to determine the final covered bond rating. These mainly include counterparty and country risks. For the country risk (for programmes with assets from just one jurisdiction), a notching above the foreign currency rating of the respective state is carried out, which is dependent on the sensitivity of the cover assets to the sovereign default. If this risk is rated as "high", then a maximum uplift of two notches is possible. If the risk is rated as "moderate", then the maximum uplift is four notches, while "Low" can be up to six notches, if additional criteria are met (e.g. there cannot be any refinance risk). Covered bonds with a refinancing risk arising from sovereign default risks which cannot be fully mitigated are subject to a specific restriction. In this case, the maximum uplift which can be assigned is five notches, whereby a further distinction is made between issuers from inside and outside a monetary union.

**Total uplift of up to 9 notches possible**

Overall therefore, the S&P methodology allows a maximum uplift of seven notches above the RRL starting point. In order to achieve this, the four criteria must be met as a minimum:

- i) systemic support must be rated as "very strong"
- ii) overcollateralisation must completely cover credit risks in the AAA scenario and all refinancing risks
- iii) 180 days liquidity need must be covered (could also be by ex.maturity extensions)
- iv) overcollateralisation will be contractually or legally assured or there will be a public commitment

In addition, the rating may not be limited by other factors such as country or counterparty risks.

**Notching above starting point**

	<b>Factor</b>	<b>No. of notches</b>
	Reference rating level	0 – 2
+	Jurisdictional support	0 – 3
+	Credit enhancement	0 – 4
-	Type of commitment	0 – 1
-	Liquidity scheme	0 – 1
=	Maximum CB rating	

Source: Standard & Poor's; NORD/LB Floor Research

**De-linking only without ALMM risk**

Contrary to the prescribed method, a covered bond rating can be completely decoupled from the RRL, so that it can be calculated without a maximum rating uplift. However, for this to happen, the covered bond programme must be protected structurally from an asset-liability mismatch (ALMM) and there must be a legal or contractual commitment to maintain overcollateralisation.

## Appendix

# The ratings approach of DBRS

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **Covered bond ratings: DBRS working with four components**

The [DBRS approach](#) comprises four components. Firstly, DBRS looks at the Reference Entity (RE). Accordingly, the Covered Bond Attachment Point (CBAP) is derived from the critical obligations rating (COR) or from the Reference Entity's Long-Term Senior Debt Rating (RE-LTSDR) of the RE<sup>1</sup>. In the context of the second component, DBRS assesses the programme-specific legal and structuring framework (LSF). As a result of this component, DBRS derives a scaling for the framework which is valid for the covered bond programme with the assessment of Very Strong, Strong, Adequate, Average and Modest. Based on the CBAP, as an anchor point for the rating level and the assessment of the LSF, the quality of the cover pool will be assessed in order to calculate the likelihood that the covered bonds issued under the programme will be repaid in accordance with the bond terms and conditions. The result of this assessment provides the LSF-Likelihood, which in turn should be seen as an intermediary step upon which the fourth component builds. This is the recovery analysis in which DBRS runs a wind-down cash flow simulation to determine the share of principal payments received.

### **Component one: Covered Bond Attachment Point takes into account three regimes**

The CBAP specifies the RE's credit strength. The RE's Long-Term Rating (of COR, Senior Unsecured or Issuer Rating) provides the basis and may be subject to adjustments. In this context, the RE basis and potential notch adjustments depend on the legal framework and systemic relevance. It is differentiated between three regimes: i) European programmes where the RE is subject to the Bank Recovery and Resolution Directive (BRRD); ii) programmes where the RE is subject to a "BRRD-equivalent" regime; iii) programmes where the RE is neither subject to the BRRD nor subject to "BRRD-equivalent" regime. In the case of i), REs that have been assigned a COR are assessed. The COR reflects the default risk of obligations which are more likely to be exempt from bail-ins and which, in the event of the resolution of the bank, would be more likely to remain in that bank than other senior unsecured obligations. If the RE has a COR assigned: if DBRS considers CB to be either of high importance for the domestic market or of high strategic importance for the RE in terms of the funding of its activities, the CBAP is equated with the COR. Otherwise, the CBAP is set one notch below the COR, but floored at the RE-LTSDR.

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<sup>1</sup> Or the Long-Term Issuer rating if DBRS does not assign a Long-Term Senior Debt rating to the RE

**Reference to the importance of covered bonds for the domestic market**

If no COR exists, the CBAP is set equal to the RE-LTSDR plus a notch if CBs are highly relevant for the domestic market and/or issuer. Otherwise, the CBAP is equal to the RE-LTSDR. For ii), a distinction is made between RE that are systemically relevant and those to which this does not apply. For the former, DBRS sets the CBAP up to two notches above the RE-LTSDR, provided that covered bonds are considered important for the home market or the program is strategic for the RE. Otherwise, DBRS sets the CBAP up to one notch above the the RE-LTSDR.

**No systemic relevance, but high importance for the domestic market**

If the RE is not deemed to be systemically important, but the covered bonds are highly important for the domestic market, then the CBAP can also be set at up to one notch above the RE-LTSDR. In other cases, the CBAP is equated with the RE-LTSDR. In the case of iii), the CBAP is equalised with the RE-LTSDR for REs which are not subject to a BRRD or a BRRD-equivalent regime.

**Components two and three**

With component two, DBRS is aiming to classify the Legal and Structuring Framework (LSF) that is relevant for the covered bond. The evaluation limits the number of possible uplifts based on the CBAP and is based on an analysis of i) the robustness of the segregation of the cover pool; ii) accessibility of cover pool cash flows on a preferential and timely basis, as well as the need and ability to liquidate the cover pool, including the likelihood of systemic support, and iii) contingency plans, including the possible involvement and responsibility of regulatory authorities or the relevant central bank to facilitate the transfer of the cover pool and support from the regulatory authorities for the covered bond market. As a result of the analysis, DBRS specifies the LSF Assessment, which include Very Strong, Strong, Adequate, Average or Modest. The second component also includes the LSF-Likelihood (LSF-L), which denotes the likelihood that covered bond investors will be repaid in accordance with the bond conditions. Component three, the CP Credit Assessment, incorporates the assessment of the quality of the CP in order of whether it can meet the timely payment of interest and principal. DBRS includes exemptions where the assessment is not necessary: i) DBRS does not have a methodology applicable to the CP or ii) the LSF-L equals the CBAP and no rating uplift over the LSF-L is possible because of low recovery prospects. In these specific cases, the covered bond rating, therefore, equals the CBAP. Furthermore, component three is fundamentally regarded as the rating stress scenario which the structure is able to withstand given the overcollateralisation (OC) to which DBRS gives credit.

**Combination of CBAP, LSF and Cover Pool Credit Assessment**

The LSF-L reflects the likelihood that covered bond investors will receive payments in line with the bond terms and conditions. An assessment of the default probability of a covered bond is an integral part of DBRS's risk assessment. In principle, in view of dual recourse, a default only occurs when both the issuer and cover pool have defaulted. DBRS's methodology also works on the assumption of positive linear default correlation between the issuer and the cover pool. This means that a default correlation coefficient of  $\rho > 0$  is assumed. In addition to the correlation coefficient, the results of the first three components of the ratings approach are also factored into the calculation.

**Probability of default of RE and cover pool**

In this context, DBRS outlines the RE default probability by way of the CBAP, whereas the default probability of the cover pool is reflected by the Cover Pool Credit Assessment. The LSF assessment is also factored into the calculation through parameter  $\alpha$ , whereby the five potential matrices are each assigned a value which corresponds to the probability that investors will not have the full benefit of the cover pool or that the proceeds of the cover pool will not be disbursed rapidly enough in order to avert a default of the bond.

**Recovery prospects provided by the quality of the cover pool**

In the fourth component, DBRS also indicates the possibility of granting a comprehensive rating uplift of up to two notches, provided that the analysis of the cover pool indicates that the cover pool would offer substantial support or high recovery rates following a default of the covered bond. The following is a tabular summary of the building blocks previously described.

**DBRS Methodology Covered Bonds: The four components at a glance**

Building block	Major components
I. Covered bond attachment point (CBAP)	<ul style="list-style-type: none"> <li>▪ Designates the credit strength of the RE</li> <li>▪ European covered bond programmes where RE is subject to the BRRD:               <ol style="list-style-type: none"> <li>a. With critical obligations rating (COR); CBAP = [COR] or max([COR -1];[RE-LTSDR])</li> <li>b. Without COR: LT senior debt rating RE; CBAP = [RE-LTSDR+1] or [RE-LTSDR]</li> </ol> </li> <li>▪ Covered bond programs where the RE is subject to “BRRD-equivalent” regime:               <ol style="list-style-type: none"> <li>a. RE systemically important: CBAP = [RE-LTSDR+ up to 2] or [RE-LTSDR+ up to 1]</li> <li>b. RE not systemically important: CBAP = [RE-LTSDR+ up to 1] or [RE-LTSDR]</li> </ol> </li> <li>▪ Covered bond programs where the RE is neither subject to the BRRD nor subject to “BRRD-equivalent” regime: CBAP = [RE-LTSDR]               <ol style="list-style-type: none"> <li>a. Canadian REs: CBAP = LT senior debt rating</li> </ol> </li> </ul>
II. Legal and structuring framework (LSF) and LSF-L	<ul style="list-style-type: none"> <li>▪ Likelihood that payment obligations could be smoothly and efficiently transferred</li> <li>▪ Review of dedicated covered bond legislation</li> <li>▪ Prerequisite: covered bonds do not automatically default</li> <li>▪ Ability and willingness of the regulator to support</li> <li>▪ Likelihood that CB holders will be repaid according to the terms (LSF-L)</li> <li>▪ Analysis of the terms of each CB programme and the structuring features</li> </ul>
III. Cover Pool Credit Assessment	<ul style="list-style-type: none"> <li>▪ Estimation of PD and LGD, analysis of stressed asset cash flows</li> <li>▪ Accounts for timing of RE discontinuing its payments</li> <li>▪ Cover pools with public sector exposures may deserve a different type of analysis (high correlation between the PSEs and the sovereign in which the cover assets are concentrated)</li> <li>▪ Where applicable, downscaling of OC by reference to the minimum observed OC during the past 12m</li> </ul>
IV. Recovery Prospects	<ul style="list-style-type: none"> <li>▪ DBRS may give up to two notches uplift from the LSF-L</li> <li>▪ Application of cash flow simulation aimed at covering the cost of funding under stress scenario</li> </ul>

Source: DBRS, NORD/LB Floor Research

## Appendix

# The ratings approach of Scope

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### Structure and logic of the Scope methodology

The [Scope rating methodology](#) takes into account the dual recourse character of covered bonds. Consequently, the analysis of the issuer and the derivation of the issuer rating provides the basis for the covered bond rating. Potential uplifts are derived using this anchor rating; these result from the legal framework for covered bonds applicable in each case and the resolution regime to be applied to banks and the extent of systemic support. In this context, maximum uplifts of four notches are possible based on the resolution regime, while the legal framework allows uplifts of up to two notches. In total, a rating of up to six notches above the issuer rating can be recorded from the “governance support”. This potential for uplifts is a consequence of the high probability that the relevant regime will ensure that covered bonds are still serviced, or the programme continues even in the case of regulatory interventions affecting the issuer. As part of the analysis of the cover pool, recourse to the cover pool, which only takes place if necessary (i.e. upon default by the issuer), is rated. The “cover pool support” element is based on the rating, which is worked out from the combination of the issuer rating with the uplifts from the “governance support”. Governance considerations may lead to adjustments in the potential cover pool-based uplift, reflected in the cover pool complexity (CPC) category. Furthermore, the cover pool support takes into account the considerations below. For example, Scope evaluates the risks as to whether the issuer is unable to comply with their payment obligations and whether the payment surpluses from the cover pool are insufficient. The expected loss (EL) associated with these risks is also inferred. Here, in line with the basic principle of dual recourse, the approach provides for the fact that losses are only expected in the event of both an issuer default and that the covered bond structure does not guarantee complete and timely repayment. In total, a covered bond rating with a maximum of nine notches above the issuer rating is possible, even with an uplift of more than nine notches in individual cases (such as some CPT structures).



**Governance support: Analysis of the legal framework**

The analysis of the legal framework for covered bonds, which can produce a maximum uplift of two notches, is based on the assessment of the ring fencing of the cover pool and the design of the SPV structure. Therefore, the evaluation of the legal framework includes ensuring that payments can be made at all times and that the cover pool is protected from insolvency. The analysis also looks at the question of whether and to what extent the permitted cover assets are high quality and how market and liquidity risks are dealt with adequately before and after the issuer's insolvency. In addition, the analysis of the legal framework also addresses issues such as sufficient overcollateralisation, how conflicts of interest are dealt with in the event of insolvency and independent supervision of the programmes in question, among other things.

**Scope: Structure of covered bond rating methodology**

1	2	3	4
Rating anchor	Maximum governance support	Maximum additional cover pool support	Maximum Credit uplift
		Cover pool support +3	+9 Notches
		Cover pool support +2	+8 Notches
		Cover pool support +1	+7 Notches
		Resolution regime +4	+6 Notches
		Resolution regime +3	+5 Notches
		Resolution regime +2	+4 Notches
		Resolution regime +1	+3 Notches
		Legal framework +2	+2 Notches
		Legal framework +1	+1 Notch
	Issuer rating	Issuer rating	Covered Bond Rating Floor = Governance Support

Source: Scope, NORD/LB Floor Research

**Governance support: Assessment of the resolution regime**

Improved regulatory conditions, which also include new resolution regimes, can in particular lead to a lower probability of default for covered bonds in a scenario of this kind. Among other things, this is attributable to the fact that banks and issuers can withstand a far higher stress level before investors may access the cover pool if need be. Scope derives the actual uplifts from the resolution regime and from specific factors linked to the preservation of the covered bonds credit quality in a resolution scenario. In addition to questions with regard to the possible prevention of an issuer default, Scope focuses on the systemic relevance of the issuer or of covered bonds in the domestic market here, among other things. As part of the methodological description of the analysis of the resolution regime, Scope also considers the case that there is no suitable resolution mechanism.

**Cover pool support analysis: CobEL model**

The analysis of the cover pool is based on the results from the governance support. Even though, as mentioned initially, an uplift of up to three notches in the covered bond rating floor (issuer rating + notch uplift from the governance support) is possible in the context of the cover pool support. The covered bond expected loss model (CobEL) is used to evaluate if the maximum cover pool uplift is possible. In addition, the rating uplift can be constrained as outlined further below. It is divided into four elements, namely credit risk analysis, cash flow risk analysis, auxiliary credit considerations and sensitivity analysis. The credit risk analysis is based on identifying the relevant asset risks arising from the cover pool and is included in the cash flow risk analysis where the CobEL is used to stress the cash flows. The model takes into account both scenarios where the issuer remains in a position to service the covered bonds and the theoretical cases, where investors have to take recourse to the cover pool. The individual components of the assessments as part of the application of the CobEL model extend to both credit risk relevant aspects of the cover pool and the analysis of the risks of cash flows (such as refinancing risks, liquidity premiums, exchange and interest rate risks or reinvestment risks).

**Available OC**

Scope also provides for the assessment of the available overcollateralisation and securing the liquidity of the cover pool following a default by the issuer. In addition, the CobEL model incorporates auxiliary risk considerations and a sensitivity analysis, as both can constrain the potential rating uplift. As part of the auxiliary risk considerations, attention is also focused on counterparty risks by analysing possible negative consequences for covered bonds potentially arising from the credit quality of counterparties.

**Cover pool support analysis: Cover pool complexity (CPC) category**

Scope applies a cover pool complexity (CPC) category to rate the individual cover pool based on transparent criteria such as the availability of information on key risk drivers as well as on the interplay of the covered bond programmes complexity and transparency. The CPC category, therefore, reflects those factors and limits the potential cover pool-based uplift. For example, the CPC category Low equals the maximum uplift of three notches and the CPC category Highest indicates that no additional cover pool uplift is possible. No additional rating uplift is possible, when the available information is insufficient to perform a cover pool analysis. In the absence of necessary data for their full rating process, the covered bond rating can also be withdrawn.

**Cover pool analysis now also includes ESG risks**

In the course of the auxiliary risk considerations for the cover pool support analysis, Scope explains how ESG aspects (ESG = environmental, social and governance) could impact the quantitative cover pool analysis. In the case, an issuer can sufficiently support the assumption that environmental or social cover assets exhibit lower credit risk, these can be taken into account in the analysis (lower default probability because of a borrower's higher affordability of a mortgage, and or all things equal potential higher recovery proceeds as more energy efficient houses achieve higher sale proceeds). Similarly, if ESG assets can be robustly identified, they likely would receive lower haircuts upon a forced asset sale. However, empirical evidence of differences in credit risk or pricing differences between "traditional" and ESG assets or covered bonds is currently very scarce and often not sufficiently robustly supported. For now ESG aspects have thus limited relevance for the rating analysis.

**Country risks: no general sovereign limit**

In its consideration of country risks, Scope ranks as one of the rating agencies that does not, in principle, restrict the covered bond rating to the sovereign limit. Nevertheless, Scope's methodology does provide for consideration of country-specific risk factors and in this context lists, among other things, the possible influence of transfer risks, convertibility risks and the risks of an institutional crisis on the covered bond rating.

## Appendix

### Rating scale mapping and rating modifiers

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

	Long-term Ratings				Scope	Credit	Credit	Credit
	Fitch	S&P	Moody's	DBRS		Quality Step gem. CRR <sup>1</sup>	Quality Step gem. EZB <sup>2</sup>	Quality Step gem. Solvency II <sup>3</sup>
Investment Grade	AAA	AAA	Aaa	AAA	AAA			CQS 0
	AA+	AA+	Aa1	AA (high)	AA+	CQS 1	CQS 1	CQS 1
	AA	AA	Aa2	AA	AA			
	AA-	AA-	Aa3	AA (low)	AA-			
	A+	A+	A1	A (high)	A+	CQS 2	CQS 2	CQS 2
	A	A	A2	A	A			
	A-	A-	A3	A (low)	A-			
	BBB+	BBB+	Baa1	BBB (high)	BBB+	CQS 3	CQS 3	CQS 3
BBB	BBB	Baa2	BBB	BBB				
BBB-	BBB-	Baa3	BBB (low)	BBB-				
Non- Investment Grade	BB+	BB+	Ba1	BB (high)	BB+	CQS 4	CQS 4 CQS 5	CQS 4
	BB	BB	Ba2	BB	BB			
	BB-	BB-	Ba3	BB (low)	BB-			
	B+	B+	B1	B (high)	B+	CQS 5	CQS 5	CQS 5
	B	B	B2	B	B			
	B-	B-	B3	B (low)	B-			
	CCC+	CCC+	Caa1	CCC (high)	CCC	CQS 6	CQS 6	CQS 6
	CCC	CCC	Caa2	CCC				
	CCC-	CCC-	Caa3	CCC (low)				
	CC	CC	Ca	CC (high)	CC			
CC								
CC (low)								
C	C	C	C (high)	C				
			C					
RD/D	SD/D		C (low)	D				
			D	D/SD				

#### Rating supplements

*	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> [ECB Guideline \(EU\) 2015/510](#), [Eurosystem Credit Assessment Framework](#)

<sup>3</sup> [Article 109a Directive 2009/138/EG \(Solvency II\)](#), [Directive \(EU\) 2016/1800](#)

Source: Rating agencies, ECB, EU, NORD/LB Floor Research

# Appendix

## Data base

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### **Data used for cover pool analysis and market overview**

The cover pool key figures presented are based on information provided by the issuers and rating agencies; the most recent data available at the time of recording was used in each case. This implies that cover pools may have different reporting dates. Key figures were either adopted unchanged or converted on the basis of the reported data. In some cases, for example, the "Borrower Types" are categorised differently. The percentage data on regional distribution may in turn refer to the most strongly represented country. Cover pool data in foreign currencies was converted using exchange rates as at 6 September 2024 as reported by the European Central Bank. The items "LCR eligible", "LCR level (Bmk/SBmk)" and "Risk weight" represent our estimates based on the data available to us. Committed OC can be both "contractual" obligations, e.g. to a rating agency, as well as a legal requirement. The proportion of loans in arrears relates to arrears of three months or more (>90 days), where available. The "Spread development (>1y)" is aggregated at the level of benchmark issues ( $\geq$  EUR 500m) or sub-benchmarks ( $\text{EUR } 250\text{m} \leq X < \text{EUR } 500\text{m}$ ) of the individual issuers, taking into account the specific asset class, while the country aggregations include all collateralisation types in the EUR benchmark segment. The "Spread development" is based on data as at 6 September 2024 and only includes EUR benchmarks and EUR sub-benchmarks with a remaining term of at least one year. For EUR benchmarks, the iBoxx composition "September 2024" is also used. Significant jumps in the spread profile may be due in particular to new issues or redemptions. The "Redemption Profile" is based on historical data and may therefore contain bonds that are not yet included in the cover pool shown due to their date of issue. The "Market Overview Covered Bonds" shown at jurisdiction level refers to the cover pools recorded for the Issuer Guide or outstanding EUR benchmarks for the key figures shown. The graphical representations only show EUR benchmarks and are based on Bloomberg tickers.

### **Covered bond ratings**

The ratings of the covered bond programmes were reviewed via Bloomberg shortly before publication, while other rating metrics have in certain instances been taken from regular reports published by the rating agencies. In such cases, these may refer to an earlier reference date and therefore potentially older ratings. The ratings presented as part of the Cover Pool Overview are to be understood as aggregated data. As such, it is imperative to check ratings at ISIN level, since the rating agencies rate ISINs and not individual programmes. ISINs issued under a given programme can therefore have different ratings, meaning that their regulatory treatment may also differ as a result.

**Data used for the issuer profiles**

The figures, data and information used are based on information provided by the issuers or groups presented, the data provider S&P Global Markets Intelligence, Bloomberg L.P., the national central banks or supervisory authorities and the individual and sector analyses carried out by the rating agencies Moody's, Standard & Poor's and Fitch (where available). The financial data tables for the issuers were adopted from S&P Global Markets Intelligence using the standardised presentation system (templated). The tables and charts are also presented in a standardised English language and spelling. As a rule, the last available reporting date and the two preceding financial year-ends are shown (if data is available). Nevertheless, differing time periods in the publication of the data used mean that only the closest available data could be used in this study. An attempt was also made to always show the same data. In some cases, however, this is not possible due to the different accounting methods. The date of the last data update is indicated in each case. Essentially, the updates were made in the period between 2 September and 6 September 2024. The maturity profiles by asset category (secured, unsecured, etc.) are taken from Bloomberg, as are the asset swap spreads (ASW) of the euro-denominated senior unsecured bonds issued by the issuer in benchmark format and the iBoxx € Financials Senior, shown as a function of maturity. The issuer ratings (if available, we show the issuer rating/issuer default rating; if this is not available, it is indicated which one is shown) on the issuer profiles were reviewed as at 06 September 2024.

**Relevant legal texts and regulations**

The assessments and classifications we have made regarding LCR classification and risk weighting are based in particular on the applications of the applicable legal texts, which are presented schematically in the chapters [Risk Weights of Covered Bonds](#), [Covered Bonds in the Context of LCR Management](#) and [LCR Management: Eligible Assets](#). In this context, we focus on the legal and regulatory framework applicable since July 08, 2022.

**Focus on EUR benchmark and EUR sub-benchmark issues**

The classifications are determined with a focus on the relevant EUR benchmark and EUR sub-benchmark issues from the respective issuer. In this respect, for example, we present the LCR level for EUR sub-benchmark issuers, which can be derived on the basis of the issue size of equal to or greater than EUR 250m but less than EUR 500m. At jurisdiction level (i.e. in the respective country Market Overviews) the best-case consideration is based on the EUR benchmark size.

# Appendix

## Description of financial ratios

Authors: Alexander Grenner // Lukas Kühne // Dr Frederik Kunze

### 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.
<b>Income statement</b>	
<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 (loans that are >90 days in arrears) as a percentage of loans at amortised cost.
<b>Reserves / Loans at Amortised Cost</b>	Reserves for loan losses as a percent of loans held at amortised cost.

# Appendix

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Institutional Sales MM/FX	+49 511 9818-9460
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### Treasury

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