

2020-04-06 Report no. 23/2020: Upgrade of ratings by Fitch.

The Management Board of ING Bank Śląski S.A. ("Bank") communicate that on 6 April 2020 Fitch Ratings ("Fitch") has taken two independent decisions on Bank ratings.

First, further to the information communicated by the Bank in current report no. 8/2020 of 5 March 2020, Fitch has upgraded the Long-Term Issuer Default Rating (Long-Term IDR) of the Bank to "A+" from "A" and the Short-Term Issuer Default Rating (Short-Term IDR) of the Bank to "F1+" from "F1", while removing them from the Under Criteria Observation (UCO) status.

On 28 February 2020, Fitch published new Bank Rating Criteria which make it possible to account for parent junior debt buffers (raised via the subordinated debt) in the assessment of support for the subsidiary. In the opinion of Fitch, such a situation applied to the Bank since it is a significant subsidiary of ING Bank N.V. (the majority shareholder of the Bank) and ING Group has the resolution strategy based on the Single Point of Entry (SPE). In consequence, Fitch bases the IDR for the Bank on the IDR for ING Bank N.V. and not the Viability Rating as was the case before. At present, the IDR for ING Bank N.V. is one notch above its Viability Rating.

Second, Fitch has resolved to place both Bank IDRs on the Rating Watch Negative. This is the immediate consequence of a similar placement of ING Bank N.V. ratings. The IDR outlook for ING Bank N.V. was changed on 1 April 2020 and it stemmed from the risk of the coronavirus epidemic-driven economic crisis for ING Bank N.V. as assessed by Fitch.

In consequence of the above-discussed rating decisions of Fitch, the Bank ratings are as follows:

- 1) Long-Term IDR: A+,
- 2) Outlook: Negative,
- 3) Short-term IDR: F1+,
- 4) Viability Rating: bbb+,
- 5) Support Rating: 1,
- 6) National Long-Term Rating: AAA(pol),
- 7) National Long-Term Rating Outlook: Stable,
- 8) National Short-Term Rating: F1+(pol).

Legal grounds: Article 17.1 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (MAR).