ING Bank Śląski S.A.

2024-06-07 Report No. 26/2024: Update of information on the MREL requirement for ING Bank Śląski S.A.

Further to Current Report No. 12/2023 of 17 April 2023, the Management Board of ING Bank Śląski S.A. ("Bank") communicate to have received on 7 June 2024 a letter from the Bank Guarantee Fund ("BGF") on the joint decision of resolution bodies; i.e. Single Resolution Board ("SRB") and the BGF on the minimum requirement for own funds and eligible liabilities ("MREL"). The decision was taken following the Single Point of Entry (SPE) resolution strategy applicable to ING Group.

In liaison with the SRB, the BGF set the MREL for the Bank of 16.44% of the total risk exposure amount ("TREA") and 5.91% of the total exposure measure ("TEM") on an individual basis. At the same time, the Tier 1 capital ("CET1") instruments kept by the Bank for the purposes of the combined buffer requirement cannot be included in the MREL expressed as a percentage of the total risk exposure amount (TREA). This means that the MREL TREA requirement for the Bank, taking into account the current combined buffer requirement of 3.01%, is effectively 19.45% of TREA.

The Bank is required to meet the MREL immediately after receiving the information. The total MREL should be satisfied with own funds and eligible liabilities under Article 98.2l of the BGF Act transposing Article 45f(2) of the BRRD. The Bank fulfils the MREL as communicated by the BGF.

Further, the BGF stated that the recapitalisation amount portion of the MREL should be met with the following instruments: additional Tier 1 (AT1) instruments, Tier 2 (T2) instruments and other subordinated eligible liabilities bought directly or indirectly by the parent entity. Based on the BGF's methodology, the Bank Management Board estimate the recapitalisation amount portion of the MREL at 8.44% of the TREA and 2.91% of the TEM. The Bank fulfils this requirement.

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).