

14 Apr 2020 | Affirmation

## Fitch Takes Rating Action on Polish Banks

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Fitch Ratings-Warsaw-14 April 2020:

Fitch Ratings has taken rating action on seven Polish banking groups reflecting the economic impact of the coronavirus outbreak in Europe. The ultimate implications of the pandemic for banks' credit profiles are unclear, but Fitch considers the risks to be skewed to the downside. The actions on banks' Long-Term Issuer Default Ratings (IDRs) are as follows:

Long-Term IDR affirmed, Outlook revised to Negative from Stable:

Bank Pekao S.A. (BBB+/Negative)

Santander Bank Polska S.A. (BBB+/Negative)

Alior Bank S.A. (BB/Negative)

Bank Ochrony Srodowiska S.A. (BB-/Negative)

Long-Term IDR affirmed, Outlook Remains Stable

mBank S.A. (BBB-/Stable), off Rating Watch Positive (RWP)

Bank Millennium (BBB-/Stable)

Long-Term IDR maintained on Rating Watch Negative (RWN):

ING Bank Slaski S.A. (A+/RWN)

Fitch's updated baseline is for Polish GDP to contract by 0.6% this year (a 2.4pp swing from our March forecast), before returning to 3.8% growth in 2021. However, there is significant downside risk to this scenario, given the rapidly evolving impact of the pandemic and possible extensions of containment measures.

Polish authorities have taken monetary and fiscal measures to support the private sector, which should be positive for the banks. Nonetheless, we expect asset quality to weaken compared with previous expectations and earnings to come under pressure from lower business volumes, higher loan impairment charges and pressure on net interest margins resulting from two 50bp cuts in the policy rate. We recently revised the sector outlook for Polish banks to negative (see 'CEE Banking

Sector Outlooks Revised to Negative' dated 30 March on [www.fitchratings.com](http://www.fitchratings.com)). We have also revised the outlook on our 'bbb+' assessment of the operating environment for Polish banks to negative from stable.

The Stable Outlooks on the Long-Term IDRs of Bank Millennium and mBank reflect that (i) these banks have larger capital buffers and less vulnerable asset quality and profitability than lower-rated Alior and BOS; and (ii) their 'BBB-' ratings have somewhat greater tolerance for impairment of financial metrics than higher-rated Pekao and Santander. Fitch views the risk of deterioration in performance at Millennium, mBank, Pekao, Santander and ING as broadly similar, with differences in Outlooks or Rating Watches primarily reflecting rating levels and the availability of parent support.

### Key Rating Drivers

#### Bank Ochrony Srodowiska S.A.

Unless noted below, the key rating drivers for Bank Ochrony Srodowiska S.A. (BOS) are those outlined in our Rating Action Commentary published on 17 December 2019 (Fitch Affirms Bank Ochrony Srodowiska, Outlook Stable).

Fitch has affirmed the bank's VR-driven Long-Term IDR and senior debt ratings at 'BB-'. The Outlook on the Long-Term IDR has been revised to Negative from Stable because in our view, the economic fallout from the coronavirus crisis represents a medium-term risk to BOS's rating. We believe it creates downside risks to our assessment of the bank's asset quality and profitability relative to when we last reviewed its ratings.

We expect the bank's asset quality metrics to be negatively affected by borrower financial difficulties caused by the lockdown. BOS has limited earnings headroom to cushion the potentially materially higher cost of risk and margin pressures. Nevertheless, we calculate that the bank enters the crisis with a capital buffer that would allow it to write off a sizable 8% of gross loans before reaching the regulatory minimum threshold. This compares with an average 1% cost of risk over the last five years.

BOS's National Ratings have been affirmed at 'BBB-(pol)'/F3(pol)' and the Outlook on the Long-Term National Rating has been revised to Negative from Stable in line with that on Long-Term IDR. BOS's subordinated debt rating has been downgraded to 'BB(pol)' from 'BB+(pol)' to reflect the change in baseline notching for loss-severity to two notches (from one previously) for such instruments, in accordance with Fitch's revised Bank Rating Criteria.

Alior Bank S.A.

Unless noted below, the key rating drivers for Alior are those outlined in our Rating Action Commentary published on 27 January 2020 (Fitch Affirms Alior Bank at 'BB'; Outlook Stable).

Fitch has affirmed Alior's 'BB' Long-Term IDR and 'bb' VR. We have revised the Outlook on the bank's IDR to Negative from Stable because we believe the economic fallout from the coronavirus outbreak represents a medium-term risk to Alior's ratings. We also affirmed Alior's 'BBB+(pol)'/F1(pol)' National Ratings and revised the Outlook on the Long-Term National Rating to Negative from Stable, in line with that on the Long-Term IDR.

The bank enters the economic downturn with moderate rating headroom because of its material risk appetite, demonstrated by a significant share of unsecured retail lending (38% of loans at end-2019) and (gradually shrinking) exposure to real estate and construction. The bank's earnings will suffer from lower business volumes, margin pressure and higher credit losses.

Alior's CET1 capital surplus over regulatory minimum levels provides only moderate loss absorption capacity given the bank's already high average cost of credit risk. We believe the economic and financial market fallout from the coronavirus outbreak creates additional risks to our assessment of asset quality, earnings and capitalisation relative to when we last reviewed the bank's ratings.

Bank Millennium S.A.

Unless noted below, the key rating drivers for Bank Millennium are those outlined in our Rating Action Commentary published on 15 October 2019 (Fitch Affirms Bank Millennium at 'BBB-'/Stable; Withdraws Euro Bank Ratings).

Fitch has affirmed Bank Millennium S.A.'s Long-Term IDR at 'BBB-' with a Stable Outlook and VR at 'bbb-'. We have also affirmed the bank's National Ratings. The affirmation reflects our view that the bank has sufficient headroom to resist the projected weakening of the Polish economy with its ratings intact. We expect the fallout from the coronavirus crisis to result in deterioration of Bank Millennium's earnings and asset quality, but believe this should be within the tolerance levels of a 'BBB-' rating.

Bank Millennium's asset quality is vulnerable to the economic downturn due to its material exposure to unsecured retail loans and foreign currency mortgages (each about 20% of gross loans). We expect that substantially weaker demand for loans, the progressive effects of the policy rate cuts and higher loan impairment charges will pressure the bank's earnings. Bank Millennium enters the economic downturn having just completed the integration of a medium-sized

acquisition, which will temporarily inflate the bank's costs. However, we believe that Bank Millennium's capital levels offer substantial flexibility to absorb deterioration in asset quality and profitability under the agency's baseline GDP forecasts or a moderately weaker scenario.

mBank S.A., mBank Hipoteczny SA and mFinance France S.A.

Unless noted below, the key rating drivers for mBank, mBank Hipoteczny (mBH) and mFinance France (mFF) are those outlined in our Rating Action Commentary published on 15 October 2019 (Fitch Downgrades mBank to 'BBB-' on Sale Announcement; on Rating Watch Positive).

Fitch has affirmed mBank's Long-Term IDR at 'BBB-' with a Stable Outlook, and its VR at 'bbb-'. The ratings have been removed from RWP. The Stable Outlook reflects our view that mBank's solid capital levels and buffers above minimum requirements are sufficient to withstand the projected weakening of the Polish economy without resulting in significant pressure on the ratings.

The removal from RWP reflects our view that under current market conditions the sale of mBank is unlikely. We believed that the sale would be accompanied by the transfer of risks on the bank's foreign currency mortgage portfolio to the parent, which would support our assessment of mBank's company profile, risk appetite, asset quality and capital.

mBank has reasonable headroom to emerge from the current crisis with its ratings intact. However, this outcome will depend on the depth and duration of the coronavirus shock to the Polish economy. The bank's asset quality is vulnerable to the economic downturn due to its material exposure to unsecured retail loans (about 20% of gross loans at end-2019) and foreign currency mortgages (about 12%). We expect that substantially weaker demand for loans, the progressive effects of the policy rate cut and higher loan impairment charges will pressure the bank's earnings.

Fitch has affirmed the IDRs of mBank's mortgage bank subsidiary mBH with a Stable Outlook and the debt issued through mFF. mBH's ratings are driven by support from its direct parent, mBank, as we view the subsidiary as core to mBank. mFF is a special-purpose vehicle used by mBank to issue Eurobonds, which are fully guaranteed by mBank. The ratings of mBH and debt issued by mFF are equalised with those of mBank.

The National Ratings of mBank and mBH have been affirmed at 'A+(pol)'/ 'F1(pol)' with Stable Outlooks in line with the actions on the Long-Term IDR.

Bank Pekao S.A. and Pekao Bank Hipoteczny S.A.

Unless noted below, the key rating drivers for Bank Pekao are those outlined in our Rating Action Commentary published on 7 October 2019 (Fitch Affirms Pekao and Pekao Bank Hipoteczny at

'BBB+'; Outlook Stable).

Fitch has affirmed Bank Pekao's Long-Term IDR at 'BBB+' and Viability Rating (VR) at 'bbb+'. We have revised the Outlook on the bank's IDR to Negative from Stable because we believe the economic fallout from the coronavirus crisis represents a medium-term risk to the bank's ratings.

Fitch has also revised the Outlook to Negative from Stable on the Long-Term IDR of Bank Pekao's 100% owned mortgage subsidiary Pekao Bank Hipoteczny. Pekao Bank Hipoteczny's IDRs are driven by support available from Bank Pekao and its IDRs are equalised with those of its parent.

The National Ratings for both entities have been affirmed at 'AA(pol)/F1+(pol)' and the Outlooks on the National Long-term Ratings revised to Negative from Stable in line with those on the Long-Term IDRs.

Pekao enters the economic downturn from a position of relative strength, given its strong domestic retail and corporate franchise, well diversified credit exposures, solid capitalisation and strong deposit-driven funding and liquidity. In our view, sizeable CET1 capital buffers above revised regulatory minimums provide sizeable loss absorption capacity of around 7% of total gross loans compared with an average cost of risk of around 40bp over the last five years.

The bank's loan book is well diversified and exposure to more vulnerable products/customer segments is low. However, given its currently high level, the bank's VR has limited tolerance for weakening of key credit metrics. At its current level, our assessment of the Polish operating environment will also to a large degree act as a constraining factor for the bank's VR.

Santander Bank Polska S.A.

Unless noted below, the key rating drivers for Santander Bank Polska (Santander BP) are those outlined in our Rating Action Commentary published on 7 October 2019 (Fitch Affirms Santander Bank Polska at 'BBB+'; Outlook Stable).

Fitch has affirmed Santander BP's IDR at 'BBB+' and its VR at 'bbb+'. We have revised the Outlook on the bank's IDR to Negative from Stable because we believe the economic fallout from the coronavirus outbreak represents a medium-term risk to Santander BP's ratings. The Outlook revision also reflects the potential for available support from the bank's parent, Banco Santander (A-/Negative/a-), to weaken, given the recent revision of the Outlook on the latter's ratings to Negative from Stable. Santander BP's IDRs are underpinned by both the bank's VR and potential shareholder support.

The bank's National Ratings have been affirmed at 'AA(pol)'/F1+(pol)' and the Outlook on the National Long-term rating revised to Negative from Stable, in line with that on the Long-Term IDR.

Santander BP enters the economic downturn from a position of a relative strength, given its strong domestic franchise, solid capital position and healthy funding and liquidity profile. We believe the economic and financial market fallout from the coronavirus outbreak adds risks to our assessment of the operating environment for Polish banks as well as Santander BP's asset quality and profitability relative to when we last reviewed the bank's ratings.

In our view, the bank's capital could withstand a significant stress. However, given its currently high level, the bank's VR has limited tolerance for weakening of key credit metrics. At its current level, our assessment of the Polish operating environment will to a large degree act as a constraining factor for the bank's VR.

ING Bank Slaski S.A.

Unless noted below, the key rating drivers for ING Bank Slaski's IDRs, National Ratings and SR are those outlined in our Rating Action Commentary published on 6 April 2020 (Fitch Upgrades ING Bank Slaski to 'A+' and Removes from UCO, Places Ratings on RWN), while the key VR drivers were stated in the commentary published on 7 October 2019 (Fitch Affirms ING Bank Slaski at 'A'; Outlook Stable).

Fitch has affirmed the bank's VR at 'bbb+'. Fitch believes that the economic fallout from the coronavirus crisis creates medium-term risks for ING Bank Slaski's standalone credit profile.

The bank enters the crisis from a position of strength given its sound asset quality, moderate exposure to unsecured retail loans and cyclical sectors and solid capital, which should be able to withstand significant stress. We expect both asset quality and profitability to come under pressure from the deteriorating operating environment. The bank's earnings will suffer from substantially weaker credit demand, progressive effects of policy rate cuts and higher loan impairment charges.

## RATING SENSITIVITIES

Bank Ochrony Srodowiska S.A.

## IDRs, VR AND SENIOR DEBT

Factors that could, individually or collectively, lead to negative rating action/downgrade:

The Long-Term IDR and senior debt ratings are sensitive to downgrade of BOS's VR. The VR would be downgraded if the bank experiences a sharp deterioration in asset quality and operating profitability metrics.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

The Outlook on Long-Term IDR could be revised back to Stable if the impact of the pandemic on the Polish economy is short and the recovery swift.

An upgrade of BOS's VR, and subsequent upgrade of its Long-Term IDR and debt ratings, is unlikely given the pressure arising from the coronavirus outbreak and the bank's exposure to foreign currency mortgages. In the event the bank is able to withstand ratings pressure arising from the pandemic, an upgrade of the bank's VR would require broadening of its franchise coupled with a longer record of profitable operation under the current business model, and improvements in its key credit metrics.

#### NATIONAL RATINGS

The National Ratings are sensitive to changes to the bank's Long-Term IDR and the bank's creditworthiness relative to Polish peers.

#### SUBORDINATED DEBT

The National Long-Term Rating of BOS's subordinated debt is primarily susceptible to a change in the bank's National Long-Term Rating, from which it is notched.

Alior Bank S.A.

Factors that could, individually or collectively, lead to negative rating action/downgrade:

Alior's ratings would be downgraded in case of i) an expected material increase in its impaired loans ratio ii) an expected sustained reduction of its operating profitability driven by credit losses and subdued revenues and iii) a material capital erosion which would be difficult to restore in a relatively short period of time.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

In the event Alior withstands ratings pressure arising from the coronavirus outbreak, the most likely trigger for an upgrade would be a significant improvement in the impaired loans ratio and lower loan book concentrations, an extended sustainable record of improved profitability and stronger capital buffers.

#### NATIONAL RATINGS

The National Ratings are sensitive to changes to the bank's Long-Term IDR and the bank's creditworthiness relative to Polish peers.

Bank Millennium S.A.

#### IDRs AND VR

Factors that could, individually or collectively, lead to negative rating action/downgrade:

Bank Millennium's VR and IDRs would be downgraded if the depth and duration of the pandemic shock to the Polish economy significantly exceeds our baseline scenario, leading to sustained pressure on earnings, asset quality and capitalisation from a material increase in loan impairment charges and appreciation of the Swiss franc.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

In the event the bank is able to withstand ratings pressure arising from the pandemic, an upgrade of Bank Millennium's VR and Long-Term IDR would require further significant strengthening of the bank's franchise and a material reduction in the bank's exposure to foreign-currency mortgages relative to capital, which is unlikely in the near term.

#### NATIONAL RATINGS

The National Ratings are sensitive to changes to the bank's Long-Term IDR and the bank's creditworthiness relative to Polish peers.

mBank S.A., mBank Hipoteczny SA and mFinance France S.A.

#### IDRs and VR

Factors that could, individually or collectively, lead to negative rating action/downgrade:

mBank's VR and IDRs would be downgraded if the depth and duration of the pandemic shock to the Polish economy significantly exceeds our baseline scenario, leading to sustained pressure on earnings, asset quality and capitalisation from a material increase in loan impairment charges and appreciation of the Swiss franc.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

In the event the bank is able to withstand ratings pressure arising from the pandemic, an upgrade of mBank's VR and Long-Term IDR would require further significant strengthening of the bank's franchise and a material reduction in its exposure to foreign-currency mortgages relative to capital, which is unlikely in the near term. The IDR could also be upgraded if a sale of the bank, involves the current parent assuming all risks related to the foreign currency mortgage portfolio.



## NATIONAL RATINGS

The National Ratings are sensitive to changes in the bank's Long-Term IDR and its creditworthiness relative to Polish peers.

mBH and mFF

The ratings of mBH and mFF's debt rating ratings are primarily sensitive to changes in mBank's Long Term IDR.

Bank Pekao S.A., Pekao Bank Hipoteczny S.A.

## IDRs AND VR

Factors that could, individually or collectively, lead to negative rating action/downgrade:

Bank Pekao's VR and Long-Term IDR would be downgraded if the bank experiences sharp deterioration in asset quality and operating profitability metrics. They would also be downgraded if pressures on the operating environment for Polish banks materialise to the extent that would trigger its reassessment below 'bbb+'.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

The Outlook on the Long-Term IDR could be revised back to Stable if the impact of the pandemic on the Polish economy is short and the recovery swift, given the strength of the bank's company profile, low risk appetite and the current health of its assets, capitalisation and funding profile.

In the event Bank Pekao is able to withstand rating pressure arising from the pandemic, an upgrade would be unlikely in the foreseeable future given its high rating level relative to peers and the Polish operating environment (bbb+).

## NATIONAL RATINGS

The National Ratings are sensitive to changes in the bank's Long-Term IDR and its creditworthiness relative to Polish peers.

Pekao Bank Hipoteczny S.A.

Pekao Bank Hipoteczny's ratings are primarily sensitive to changes in Bank Pekao's IDRs.

Santander Bank Polska S.A.

IDRs, SR and VR

Factors that could, individually or collectively, lead to negative rating action/downgrade:

The IDR will be downgraded if the bank's VR is downgraded and the propensity or ability of its parent to support its Polish subsidiary weakens.

The VR would be downgraded if the bank experiences a sharp deterioration in asset quality and operating profitability metrics. It would also be downgraded if pressures on the operating environment for Polish banks materialise to the extent that would trigger its reassessment below 'bbb+'.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

The Outlooks on the IDR and National Long-Term Rating could be revised back to Stable if i) the impact of the pandemic on the Polish economy is short and the recovery swift, given the strength of the bank's company profile, low risk appetite and the current health of its assets, capitalisation and funding profile; or ii) the Outlook on the parent's IDR is revised to Stable and our view of the parent's propensity to support the bank remains strong

In the event Santander Bank Polska is able to withstand rating pressure arising from the pandemic, an upgrade of its VR would be unlikely given its high rating level relative to peers and the Polish operating environment (bbb+).

## NATIONAL RATINGS

The National Ratings are sensitive to changes in the bank's Long-Term IDR and its creditworthiness relative to Polish peers.

ING Bank Slaski S.A.

## IDRs AND VR

Factors that could, individually or collectively, lead to negative rating action/downgrade:

ING Bank Slaski's Long-Term IDR would be downgraded if ING's Long-Term IDR is downgraded, reflecting the parent's reduced ability to support its subsidiary. The Long-Term IDR could also be downgraded if we believe that ING's propensity to support ING Bank Slaski has weakened or there is a change in ING Group's SPE resolution strategy regarding ING Bank Slaski. However, we do not expect the bank's importance to ING Group to diminish in the medium term. We expect to resolve the RWN on the IDRs upon the resolution of the RWN on the parent. Fitch expects to resolve the RWN on ING's IDR in the near term, when the impact of the outbreak on the group's credit profile becomes more apparent.

The VR would be downgraded if the bank experiences a simultaneous and sharp deterioration in asset quality and operating profitability metrics. It would also be downgraded if pressures on the operating environment for Polish banks materialise to the extent that would trigger its reassessment below 'bbb+'.

Factors that could, individually or collectively, lead to positive rating action/upgrade:

An upgrade of ING Bank Slaski's IDRs is unlikely given the RWN on its parent's rating.

In the event ING Bank Slaski's VR is able to withstand rating pressure arising from the pandemic, an upgrade of the VR would be unlikely given its high rating level relative to peers and the Polish operating environment (bbb+).

#### NATIONAL RATINGS

The National Ratings are sensitive to a multi-notch downward revision of ING's IDR. This is considered unlikely in the near term, which is why the Outlook on the Long-Term National Ratings is Stable.

#### Best/Worst Case Rating Scenario

International scale credit ratings of Financial Institutions issuers have a best-case rating upgrade scenario (defined as the 99th percentile of rating transitions, measured in a positive direction) of three notches over a three-year rating horizon; and a worst-case rating downgrade scenario (defined as the 99th percentile of rating transitions, measured in a negative direction) of four notches over three years. The complete span of best- and worst-case scenario credit ratings for all rating categories ranges from 'AAA' to 'D'. Best- and worst-case scenario credit ratings are based on historical performance. For more information about the methodology used to determine sector-specific best- and worst-case scenario credit ratings, visit <https://www.fitchratings.com/site/re/10111579>.

#### REFERENCES FOR SUBSTANTIALLY MATERIAL SOURCE CITED AS KEY DRIVER OF RATING

The principal sources of information used in the analysis are described in the Applicable Criteria.

#### Public Ratings with Credit Linkage to other ratings

The Support Rating of mBank is linked to the Long-Term IDR of Commerzbank. The ratings of mBH and mFinance France are linked to mBank's ratings.

Pekao Bank Hipoteczny S.A IDR's are linked to the IDR of Bank Pekao

Handlowy's IDR's and SR are linked to Citigroup's IDR's.

Santander BP IDR's and SR are linked to those of Banco Santander's IDR.

ING Bank Slaski's IDR's and SR are linked to ING Bank N.V.'s IDR's.

Bank Millennium's SR is linked to Banco Comercial Portugues S.A.'s IDR.

### ESG Considerations

ESG issues are credit neutral or have only a minimal credit impact on the entity(ies), either due to their nature or the way in which they are being managed by the entity(ies). For more information on Fitch's ESG Relevance Scores, visit [www.fitchratings.com/esg](http://www.fitchratings.com/esg).

Bank Millennium S.A.; Long Term Issuer Default Rating; Affirmed; BBB-; RO:Sta

; Short Term Issuer Default Rating; Affirmed; F3

; National Long Term Rating; Affirmed; A(pol); RO:Sta

; National Short Term Rating; Affirmed; F1(pol)

; Viability Rating; Affirmed; bbb-

; Support Rating; Affirmed; 4

mBank S.A.; Long Term Issuer Default Rating; Affirmed; BBB-; RO:Sta

; Short Term Issuer Default Rating; Affirmed; F3; RW: Off

; National Long Term Rating; Affirmed; A+(pol); RO:Sta

; National Short Term Rating; Affirmed; F1(pol); RW: Off

; Viability Rating; Affirmed; bbb-; RW: Off

; Support Rating; Affirmed; 3

----senior unsecured; Long Term Rating; Affirmed; BBB-; RW: Off

----senior unsecured; Short Term Rating; Affirmed; F3; RW: Off

Bank Ochrony Srodowiska S.A.; Long Term Issuer Default Rating; Affirmed; BB-; RO:Neg

; Short Term Issuer Default Rating; Affirmed; B

; National Long Term Rating; Affirmed; BBB-(pol); RO:Neg

; National Short Term Rating; Affirmed; F3(pol)

; Viability Rating; Affirmed; bb-

; Support Rating; Affirmed; 4

; Support Rating Floor; Affirmed; B

----senior unsecured; National Long Term Rating; Affirmed; BBB-(pol)

----senior unsecured; National Short Term Rating; Affirmed; F3(pol)

----subordinated; National Long Term Rating; Downgrade; BB(pol)

mFinance France S.A.

----senior unsecured; Long Term Rating; Affirmed; BBB-; RW: Off

ING Bank Śląski S.A.; Long Term Issuer Default Rating; Rating Watch Maintained; A+; RW: Neg

; Short Term Issuer Default Rating; Rating Watch Maintained; F1+; RW: Neg

; National Long Term Rating; Affirmed; AAA(pol); RO:Sta

; National Short Term Rating; Affirmed; F1+(pol)

; Viability Rating; Affirmed; bbb+

; Support Rating; Affirmed; 1

Pekao Bank Hipoteczny S.A.; Long Term Issuer Default Rating; Affirmed; BBB+; RO:Neg

; Short Term Issuer Default Rating; Affirmed; F2

; National Long Term Rating; Affirmed; AA(pol); RO:Neg

; National Short Term Rating; Affirmed; F1+(pol)

; Support Rating; Affirmed; 2

mBank Hipoteczny SA; Long Term Issuer Default Rating; Affirmed; BBB-; RO:Sta

; Short Term Issuer Default Rating; Affirmed; F3; RW: Off

; National Long Term Rating; Affirmed; A+(pol); RO:Sta

; National Short Term Rating; Affirmed; F1(pol); RW: Off

; Support Rating; Affirmed; 2; RW: Off

Santander Bank Polska S.A.; Long Term Issuer Default Rating; Affirmed; BBB+; RO:Neg

; Short Term Issuer Default Rating; Affirmed; F2

; National Long Term Rating; Affirmed; AA(pol); RO:Neg

; National Short Term Rating; Affirmed; F1+(pol)

; Viability Rating; Affirmed; bbb+

; Support Rating; Affirmed; 2

----senior unsecured; Long Term Rating; Affirmed; BBB+

----senior unsecured; Short Term Rating; Affirmed; F2

Bank Pekao S.A.; Long Term Issuer Default Rating; Affirmed; BBB+; RO:Neg

; Short Term Issuer Default Rating; Affirmed; F2

; National Long Term Rating; Affirmed; AA(pol); RO:Neg

; National Short Term Rating; Affirmed; F1+(pol)

; Viability Rating; Affirmed; bbb+

; Support Rating; Affirmed; 5

; Support Rating Floor; Affirmed; NF

Alior Bank S.A.; Long Term Issuer Default Rating; Affirmed; BB; RO:Neg

; Short Term Issuer Default Rating; Affirmed; B

; National Long Term Rating; Affirmed; BBB+(pol); RO:Neg  
; National Short Term Rating; Affirmed; F1(pol)  
; Viability Rating; Affirmed; bb  
; Support Rating; Affirmed; 5  
; Support Rating Floor; Affirmed; NF

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Additional information is available on [www.fitchratings.com](http://www.fitchratings.com)

**Applicable Criteria**

[Bank Rating Criteria \(pub. 28 Feb 2020\) \(including rating assumption sensitivity\)](#)

[National Scale Ratings Criteria \(pub. 18 Jul 2018\)](#)

## **Additional Disclosures**

[Dodd-Frank Rating Information Disclosure Form](#)

[Solicitation Status](#)

[Endorsement Status](#)

[Endorsement Policy](#)

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