

ING BANK ŚLĄSKI S.A. SUPERVISORY BOARD RISK COMMITTEE BYLAW

§ 1

The Risk Committee of the Supervisory Board of ING Bank Śląski S.A., hereinafter referred to as the Committee, shall perform consultation and advisory functions for the Supervisory Board.

§ 2

1. The Committee shall consist of at least three Members, including the Chairperson, appointed by the Supervisory Board out of their number for the duration of their term of office. The majority of Committee Members, including the Chairperson, should meet the independence criteria for the Supervisory Board Members.
2. The Supervisory Board shall elect the Committee Members at the first meeting of a term of office.
3. The Risk Committee Chair shall not be the Chair of any other Supervisory Board Committee at the same time.
4. The Committee may select experts, other than the Supervisory Board Members, for assistance.
5. If the mandate of a Supervisory Board Member who is also a Member of the Committee expires before the expiry of the term of the entire Supervisory Board, then the Supervisory Board shall supplement the Committee composition by appointing a new Committee Member for the remaining period until the expiry of the Supervisory Board's term.
6. Notwithstanding section 4, a Member of the Committee may be recalled from the Committee at any time pursuant to a relevant resolution of the Supervisory Board.
7. The experts selected to assist the Committee shall submit to the Supervisory Board Chairperson statements containing commitment to observe secrecy of information received in connection with or when holding their function.
8. The experts referred to in section 6 may receive remuneration. In such a case, the provisions of §39 of the Supervisory Board Bylaw shall apply accordingly.

§ 3

1. The purpose of the Committee shall be to support the Supervisory Board as the authority of the Bank in its statutory duties, including audit and supervisory activities, including especially:
 - 1) advising on the overall readiness of the Bank to take risk at present and in future – the Risk Appetite Statement of the Bank,



- 2) advising on the risk management strategy developed by the Bank Management Board and the Management Board's submissions concerning the implementation of that strategy,
 - 3) supporting the Supervisory Board in the oversight of the risk management strategy implementation by the senior management staff, the process of internal capital quantification and review of strategy and procedures of internal capital quantification and ongoing internal capital maintenance,
 - 4) verifying whether or not the prices of assets and liabilities offered to clients take full account of the Bank's business model and its risk strategy,
 - 5) advising upon appointment of third-party experts by the Supervisory Board,
 - 6) presenting the Supervisory Board with recommendations as to any change on the following positions: Bank Executive Directors within the CRO Division and Market Risk Management Department Director as well as Operational Risk Management Department Director.
 - 7) presenting the Supervisory Board with recommendations as to award of cash loans, bank guarantees, sureties or other off-balance sheet liabilities to the Members of the Management Board, Supervisory Board and other persons listed under Articles 79-79c of the Banking Law as far as their approval by the Supervisory Board is required.
2. The Supervisory Board may entrust the Committee with other tasks beyond the scope set out in section 1.
 3. To meet the objectives referred to in section 1 item 1), the Committee shall in particular:
 - 1) present recommendations to the Supervisory Board concerning the general principles of credit-, market- and operational risk management and mitigation at the Bank,
 - 2) present recommendations to the Supervisory Board concerning the annual planning documents, including the Planning Policy and risk strategy specifying the maximum LTV and DTI levels as well as the Funding Plan,
 - 3) present recommendations to the Supervisory Board concerning the Bank's Non-Financial Risk Appetite Statement for a given year, and review the quarterly reports on the utilisation of the actual financial loss limits,
 - 4) present recommendations to the Supervisory Board regarding the rules of internal capital quantification processes, capital management, and capital planning, as well as the model risk and the capital adequacy area.
 4. To meet the objectives referred to in section 1 item 2), the Committee shall in particular:
 - 1) present recommendations to the Supervisory Board regarding the overall limits concerning credit-, market- and operational risk as set out in the high-level RAS concerning the key credit-, market- and operational risk limits,

- 2) present recommendations to the Supervisory Board regarding the implementation of new (or amending the existing) policies on credit- and market risk management,
 - 3) present recommendations to the Supervisory Board regarding the implementation of new (or amending the existing) policies on operational risk management and fraud prevention,
 - 4) present the Supervisory Board with recommendations as to the implementation of new or amendments to existing policies as to internal capital quantification and capital management policy as well as the review of the strategy and procedures of internal capital quantification and capital management,
 - 5) review potential risk scenarios, including the stress-test scenarios and results to assess how the risk profile of the Bank may respond to external or internal developments,
 - 6) review the periodic reports on credit risk, market risk and operational risk,
 - 7) review the periodic reports on the internal capital estimation and capital management,
 - 8) present recommendations to the Supervisory Board regarding the implementation of new (or amending the existing) policies on model risk management,
 - 9) present recommendations to the Supervisory Board regarding the capital limits and model risk tolerance.
5. To meet the objectives referred to in section 1 item 3), the Committee shall in particular:
- 1) support the Supervisory Board in the periodical assessment of the Management Board's implementation of the credit-and market risk management strategy at the Bank, by way of reviewing and assessing, among others, the current utilisation of the limits set out in the credit risk appetite statement, market risk appetite statement and operational risk appetite statement, as well as the capital limits and the model risk tolerance,
 - 2) present the Supervisory Board with recommendations, and also approve the information subject to disclosure by the Bank in line with the *Policy of Disclosing Qualitative and Quantitative Information on Capital Adequacy and Variable Components of Remuneration of ING Bank Śląski S.A.*,
 - 3) verify that the elements of the remuneration system take account of risk, capital and liquidity in line with the *ING Bank Śląski S.A. Group Remuneration Policy*.
6. To meet the objectives referred to in section 1 item 4), the Committee shall in particular:
- 1) verify whether or not the principles applied by the Bank with respect to transactions concerning large exposures, within the meaning of the Banking Law and internal regulations, take account of the Bank's business model and its risk strategy,
 - 2) present recommendations to the Supervisory Board regarding the Management Board's motions seeking consent to the Bank assuming an obligation or taking an action involving disposal of assets,

- where the value of a single transaction or the aggregated value towards one entity or entities related to that entity exceeds the limit set out in the Bank's Charter or other internal regulations,
- 3) support the Supervisory Board in the process of giving advice on the conclusion of agreements with entities related to the Bank, where the agreements concern assuming obligations or disposal of assets with the value exceeding the limit set out in the Bank's Charter, and other agreements with such entities that may have a material impact on the Bank's financial- or legal standing,
 - 4) present proposals to the Supervisory Board regarding the types of agreements that, in the Committee's view, should be classified as having a material impact on the financial- and legal standing of the Bank,
 - 5) present proposals to the Bank Management Board to ensure the adequacy of the prices of assets and liabilities to the risk types, should the prices not reflect adequately the risk types in accordance with the business model and its strategy.
7. As part of pursuing the goals set out in §3 section 1, the Committee shall take account of the results of monitoring the effectiveness of the risk management system, including operational risk, compliance risk, credit risk and market risk management, as well as capital management and model risk management. Further, the Committee should cooperate with other committees whose activities may impact the risk strategy.

§ 4

The Chairperson of the Committee shall advise the Audit Committee of the ING Bank Śląski S.A. Supervisory Board of any observations that arise from the Committee works and that relate to the internal control systems or risk management.

§ 5

In order to perform on behalf of the Supervisory Board the activities referred to in §3, the Committee Chairperson shall have the right to perform the following activities without a separate authorisation of the Supervisory Board:

- 1) to supervise, within the Committee's responsibilities, the Bank's operations according to the stipulations of §6 section 3 of the Supervisory Board Bylaw,
- 2) to invite to their sessions the third parties who have adequate experience to examine certain matters.

§ 6



The execution of activities defined herein by the Committee shall not replace the statutory rights and duties of the Supervisory Board. It shall not release the Members of the Supervisory Board from their responsibilities towards the Bank, either.

§ 7

1. The Committee shall meet at least once a quarter at dates determined by the Committee Chairperson.
2. Additional Committee meetings may be summoned by their Chairperson at the initiative of a Committee Member or another Member of the Supervisory Board, as well as at the request of the Management Board.
3. The Committee Chairperson shall be responsible for development of the agenda of each Committee meeting. The Chairperson may request a competent Member of the Management Board to prepare relevant materials.
4. The agenda of each meeting shall be forwarded to each Committee Member along with the indispensable materials at least 1 week before the set Committee meeting date.
5. At least a half of the Committee Members shall be present for the Committee to be quorate.
6. The following individuals may participate in the Committee meeting, without the right of vote: Members of the Audit Committee; Members of the Remuneration and Nomination Committee, President of the Management Board; Vice-Presidents in charge of the CRO Division and of the CFO Division and Division representatives designated by them; Centre of Expertise Lead II – Accounting Policy and Financial Reporting – Chief Accountant, Centre of Expertise – Compliance Lead; Operational Risk Management Department Director; Internal Audit Department Director; Market Risk Management Department Director; Credit Risk Inspection Department Director, Centre of Expertise Lead II – Treasury, Model Validation Department Director, a representative of the external auditor and other invited guests. Whenever needed, the Committee Chairperson may summon the Committee meeting without the participation of all or some of the abovementioned individuals.
7. The mode of summoning and the course of Committee meetings shall be regulated by provisions of the Supervisory Board Bylaw concerning the Supervisory Board meetings.

§ 8

1. The minutes shall be drawn up at each meeting of the Committee, to be signed by the Committee Chairperson.
2. The minutes of the Committee meetings, and also the Committee's motions, suggestions, letters of advice, decisions and recommendations (including those adopted outside the meeting), shall be submitted to the Supervisory Board at the nearest meeting, and also to the Management Board. The



issues raised during the Risk Committee meetings shall be discussed at the nearest meeting of the Supervisory Board.

3. Subject to section 4, the motions, suggestions, letters of advice, decisions and recommendations shall be adopted during the meeting.
4. Where necessary, the documents referred to in section 3 may also be adopted in writing, without convening a meeting or using means of direct distance communication, including in particular the telephone, audio-visual and electronic means of communication.
5. The documents referred to in section 3 shall be adopted by the absolute majority of votes. The contents of the adopted documents together with the voting results shall be included in the minutes.
6. Relevant stipulations of the Supervisory Board Bylaw shall apply to the procedure for the submission of documents to the Committee Members, the voting procedure and the minutes-taking.

§ 9

The Committee shall submit to the Supervisory Board a report on their operations in a given financial year. The report shall be submitted in reasonable advance so that the Supervisory Board is able to take account of its content in their annual evaluation of the Bank's standing.

§ 10

1. This Bylaw shall be approved by the Supervisory Board.
2. This Bylaw shall be reviewed and assessed by the Risk Committee in terms of its adequacy at least once a year. Should the necessity to introduce amendments to the Bylaw arise, the Chairperson of the Committee submits a relevant motion within the said scope to the Supervisory Board.