

Supervisory Board's report on ING Bank Śląski S.A. policy concerning charitable and sponsorship initiatives in 2015.

ING Bank Śląski S.A. was involved in the following charitable and social activities in 2015:

1. education and support for children and teenagers,
2. support for local communities, and
3. promotion and education in the area of Polish modern art.

The Bank carries out those actions on its own and with the support of two corporate foundations: ING for Children Foundation and ING Polish Art Foundation.

ING for Children Foundation is a public benefit organisation. In keeping with its Charter (ING for Children Foundation Charter of 03 June 2014), the Foundation's operations centre around children and teenagers and embrace science, education, leisure time, health promotion, social assistance and volunteering. In 2015, ING for Children Foundation continued its social programmes for children and teenagers in 2015.

ING Bank Śląski S.A. made a donation to ING for Children Foundation for its statutory activities on the basis of the Management Board decision and upon approval of the Foundation's annual action plan. Moreover, the Foundation receives funds from donations made by ING Bank Śląski S.A. employees as part of an internal campaign and under the "1% of the tax" programme.

As a public benefit organisation, ING for Children Foundation compiles the annual financial statements and the report on operations which are available at www.pozYTEK.gov.pl.

As defined in its Charter (ING Polish Art Foundation Charter of 01 September 2009), **ING Polish Art Foundation** supports the development of Polish art. It organises art exhibitions, runs information and publishing activities, creates collections of artworks of young and promising artists as well as cooperates with cultural institutions.

The Foundation continued its statutory activities in 2015. Additionally, to celebrate its 15th anniversary, the Foundation staged an exhibition *Art in Our Age* in cooperation with Zachęta – the National Gallery of Art. A book under the same title was also published to commemorate that jubilee. ING Polish Art Foundation was also involved in a number of educational activities addressed to the ING Bank Śląski S.A. employees.

The Management Board of ING Bank Śląski S.A. decided to transfer funds for the statutory activities of ING Polish Art Foundation upon reviewing the annual action plan of the Foundation.

Information about the operations of ING for Children Foundation and ING Polish Art Foundation are available in the ING Bank Śląski S.A. Annual Report and in the CSR Report of ING Bank Śląski S.A. 2013-

2014 “Zoom in on responsibility”. Additionally, ING Polish Art Foundation publishes all information on its website. Information about current events is published on Facebook profiles of both Foundations which are open to the public, on the intranet and in *Baśka* magazine. It is also published as press releases.

Charitable and social activities are an essential element of **ING Bank Śląski S.A.** operations. The Bank also encourages its employees to take charitable actions. *The Labour By-Law of ING Bank Śląski S.A.* guarantees Bank employees 8 hours per year for volunteering.

The Bank was involved in the following activities in 2015:

- employee volunteering – ING Voluntary Services Programme,
- communication and organisational support for charity collections organised for children – collection of school accessories in September and Christmas gifts in December,
- blood donation initiatives,
- support for 262 employees in a charity run called *Run Warsaw*, and
- BAKCYL project – a joint project of the banking sector to support finance education of teenagers from junior high schools launched by the Warsaw Institute of Banking.

More details are available in the ING Bank Śląski S.A. Annual Report.

ING Bank Śląski S.A. made financial and in-kind donations in 2015.

The Bank made financial donations pursuant to the *ING Bank Śląski S.A. Donation Policy*, whereunder a bank unit interested in making a financial donation filed a donation application with the Donations Committee for their respective decision. There were 12 donations made in 2015 to, among others, Fundacja „Wrocławskie Hospicjum dla Dzieci” [Children Hospice in Wrocław Foundation], Towarzystwo Przyjaciół Dzieci [Children’s Friends Association], Fundacja Dzieciom „Zdążyć z pomocą” [Children Foundation “Help on Time”] and the Warsaw Institute of Banking.

In 2015, the Bank also transferred in-kind donations such as phased-out IT equipment (in a good technical condition) and office furniture. In-kind donations were made pursuant to the *Procedure for the sale/ donation/ reprocessing of assets at ING Bank Śląski S.A.* In-kind donations were given mainly to kindergartens, schools, hospitals and charities.

In 2015, ING Bank Śląski S.A. also sponsored educational, economic and cultural initiatives:

- year-long scientific initiatives of the University of Silesia such as research and science promotion,
- European Economic Congress in Katowice,
- Eurobild Awards 2015 Gala for the best companies in the commercial real property sector in the Central and Eastern Europe, and
- Ave Arte – Paderewski International Festival.

Furthermore, regional branches of ING Bank Śląski S.A. supported smaller initiatives, of value to local communities.

Assessment of rationality of the Bank's policy concerning charitable and sponsorship activities at ING Bank Śląski S.A.

ING Bank Śląski S.A. was involved in charitable and social activities in the specific areas and addressed most of its actions to children, teenagers and local communities. The Bank acted independently and in cooperation with its corporate foundations. Joint actions enabled the Bank to leverage on the knowledge potential and experience of those organisations. The employee volunteering programme is an example of a joint programme – the Foundation finances the programme while the Bank communicates it. ING Polish Art Foundation together with the Bank supported education on and promotion of Polish contemporary art among employees.

The Bank was not only the donor, but also a supporter of employee initiatives (volunteering, charity collections, blood donation initiatives, communication) and a social partner, especially for local projects. The Bank implemented the *ING Bank Śląski S.A. Donation Policy* which is applicable to all financial donations and the *Procedure for the sale/ donation/ reprocessing of assets at ING Bank Śląski S.A.* which governs in-kind donations. Respective regulations ensured a process-based approach to donations and their effective usage in the charitable and social activity.

The Bank communicated its charitable actions in a transparent manner by publishing information on the current events and annual summaries in the annual report. Multiple communication tools were used to provide internal and external stakeholders with information in an accessible form.

This allows us to conclude that the ING Bank Śląski S.A. policy on the charitable and social activities was rational and took account of social needs.

In 2015, the Bank continued its Corporate Social Responsibility (CSR) actions. The Bank published the second edition of the Corporate Social Responsibility Report for 2013-2014, "Zoom in on responsibility". The Bank was awarded with the 2015 CSR Silver Leaf by *Polityka* and was the winner of the "Banking and Insurance World Leaders Competition" in the "CSR" category for an innovative way of communicating with deaf people at branches via online interpreters. What is more, fourteen CSR good practices of the Bank were listed in the "2014 Responsible Business in Poland" report published by the Responsible Business Forum. For the ninth time, the Bank became a member of the RESPECT Index – an index of socially responsible companies kept by the Warsaw Stock Exchange. It is an evidence of the highest standards of Bank's corporate social responsibility.

The Bank observes the *Code of Best Practice for WSE Listed Companies 2016* as regards the information policy and investor communications. Investors and analysts have ongoing access to information via websites and foundations' profiles in social media. The Bank operates a transparent and effective information policy; details about social, charitable and sponsorship activities launched by the Bank are published in the Management Board's annual report. Thus, the Bank implements recommendation I.R.2 of the *Code of Best Practice for WSE Listed Companies*.