



# Management Board Report

## on Operations of the ING Bank Śląski S.A. Group

in 2024

Covering the Report on Operations of ING Bank Śląski S.A.



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# Introduction

2024 was characterized by geopolitical tensions, primarily the continuation of Russia's war in Ukraine and the war in the Middle East. The West maintained enormous military and financial support for Ukraine and tightened sanctions against Russia. In 2024, there was continued pressure in global supply chains, the scale of which was similar to that observed in 2023, but it was significantly lower than in the previous three years. In the second half of last year, uncertainty regarding trade and fiscal policy increased significantly, mainly due to expectations that new tariffs would be introduced by Donald Trump, who was elected as the new US president in November 2024.

The Management Board's report on the activities of the ING Bank Śląski Capital Group is our response to the expectations of our stakeholders regarding information about us, how we operate and what the effects are - also in such difficult circumstances as those mentioned above.

We start the report by presenting our Capital Group, indicating our place in the sector, identifying the trends we face and our response to them through our operating strategy and our value creation model. Then we move on to our actions towards customers and the community. In the following chapters, we present information about the environment in which we operate and the results we achieve. Corporate governance is a very important element for us, which is why we devote a significant part of the report to it. Then we present our approach to managing the security of the bank and our clients, describing capital management and individual types of risk (both financial and non-financial).

Since 2016, we have published our annual Report on the Management Board's activities based on the International <IR> Framework integrated reporting guidelines, updated in 2021, and the information contained therein regarding sustainable development issues was presented in accordance with the international reporting standards of the Global

Reporting Initiative - GRI Standards 2021. Adoption The CSRD Directive by the European Parliament, which replaces the NFRD Directive and was implemented into the Polish legal system by amending the Accounting Act, brought a significant change in our approach to reporting and the structure of our report. This year, for the first time, we prepared a Sustainability Statement in accordance with the guidelines of the Corporate Sustainability Reporting Directive (CSRD), as a separate section of our Report on the Management Board's activities, and based on the European Sustainability Reporting Standards accompanying the Directive - **ESRS**. At the same time, we tried to maintain the integrated nature of our entire report, which reflects our approach to managing the organization. The company auditing the financial statements for 2024 was Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością.



## Letter from the President

Dear Sirs / Madams,

I have the pleasure to present you the annual report of ING Bank Śląski S.A. Group for 2024. I do believe that our financial results and commercial results showcase that the bank and the entire group head in the right direction. Clients' needs, high quality service, innovative products and services and sustainable growth have invariably been the key areas of our attention that we have consistently developed. With such an approach, we have gradually strengthened our competitive edge.

Looking ahead, we are optimistic and are waiting for a stronger economic rebound and higher competitiveness of the Polish economy. Last year, we continued the implementation of long-term projects that were of importance for the bank's growth. It was yet another year of moving away from traditional banking towards self-service.

In line with its long-term strategy, at the end of December 2024, ING Bank Śląski saw an increase in core commercial figures – the client number and the value of loans and deposits. Consolidated net profit of the bank totalled PLN 4.4 billion, which is close to the result generated a year ago. Last year, we continued our long-term strategy to increase the client number and the transaction level. We noted an increase in the core balance-sheet values – the loans and deposits. The growth rate of the corporate loan portfolio reflected the economic situation – it was yet another year of waiting for an uptick in investment projects level. We consistently increased the digitalisation level. Last year, the number of mobile only clients in retail banking grew by 15 percent and reached 2.3 million. In the fourth quarter, the number of electronic outgoing transfers made by individual clients in Moje ING totalled 168 million (+8 percent y/y).

We adapt our products and services to the world our clients live in and make them accessible online, mobile and on a remote basis. While designing the solutions, we focus on efforts to make them intuitive, functional and accessible via digital channels. In 2024, we presented, among other things, a new comprehensive offer for the youngest kids under 13, including access to Moje ING for children aged 6 and older.

We attach great importance to cybersecurity and fraud prevention – from awareness- and educational campaigns to campaigns aimed at changing our processes and procedures to solutions such as verification of phone calls from

ING where clients can check during phone call that it is actually a bank employee on the phone. That way they can get assurance that they are talking to the right person and exclude fraud.

Sustainable growth is also a major element of the long-term strategy of our bank. As a financial institution, we have an influence on many economic processes and individual choices. We feel responsible and we want to make our decisions to improve the competitiveness of the Polish economy while preserving the environment and society at large. That is why we continue our efforts to reduce the emission of greenhouse gases by integrating them with the bank's overall strategy and sustainability priorities. We expanded our approach by adding an inter-sectoral transformation plan to support clients as they transition to more sustainable business models and dialogue with companies that operate in the most emission-intensive economy sectors and the bank portfolio.

2024 saw the 10th anniversary of the "Plain Language" project at the bank to simplify and improve communication with the clients. Today, it is no longer a single initiative, it is how the bank operates. We keep evolving as an organisation. Our language also evolves – the one we use internally and externally. That coherence and consistency are of enormous importance. Without simple yet precise communication, it would be harder for us to serve our clients.

Our business- and financial results show that ING Bank Śląski S.A. Group is heading in the right direction. We wish to build long-term relationships with our clients. We wish to be a part of their daily lives, support them in their day-to-day activities and, whenever possible, as they make life-changing decisions.

We still intend to stand out from the crowd when it comes to service quality and the modernity of our solutions, such as mobile banking. We want to support our clients in their business and provide them with tools and solutions that make running a business easier for them.

This report is particularly special for me because it marks the end of my career as the CEO of the Management Board. I wish to thank all colleagues from the Orange Team for their joint efforts, their engagement and daily work. I wish you all that the years to come are full of inspiring challenges, creative success and constant satisfaction with your mission.

I encourage you to read the report and review a detailed description of our operations.

Yours faithfully,

Brunon Bartkiewicz, President of Management Board





# Summary 2024

## Environment

**-10.7%** **27.5%**

CO<sub>2</sub>e emissions reduction in scope 3 (category 13 and 15 combined) relative to 2022

Coverage of loan portfolio by local decarbonization targets and priorities as % of total assets

We are consistently implementing emissions reduction activities in our own economy and loan portfolio in line with the document [“ING BSK’s Roadmap for Reducing GHG Emissions”](#). At the same time, in December 2024, we published the document [“ING BSK’s Roadmap for Reducing GHG Emissions. Part 2”](#), extending our work to include a cross-sector transformation plan aimed at supporting clients in transformation and dialogue with companies operating in the most carbon-intensive sectors of the economy.

**PLN 0.5 billion** **2.52%**

Value of RES projects financed by our bank

Our GAR green asset ratio by KPI capex

We are developing our product offers and looking for innovative solutions to best address the needs of our customers in the transition to a climate-neutral economy.

For more information, please see the [Sustainability Statement](#) section.

## Society

**79%** **6,000**

Employee engagement rate in OHI survey

People in the Orange Team at the “Run Warsaw” and “I’m Marching and Cheering” events.

We are committed to creating a friendly workplace where we care about the well-being of our employees. We care about well-being and health but also support employees in their development. We present more on this topic in the chapter [Sustainability statement](#).

**PLN 5.6 million** **#1**

ING collection to help flood-affected people

Highest NPS in the retail segment (31 points)

Together with the ING for Children Foundation and ING Hubs Poland, we organised a collection to help those affected by the floods. More than PLN 5.6 million was raised, of which PLN 1 million was donated by the bank and PLN 200,000 by ING Hubs Poland. We refer to the details in this regard in the subchapter [Our social involvement](#).

We also pay great attention to the quality of our relationship with our clients. You can read more on this topic in the chapter [ING Bank Śląski](#).

## Corporate governance

**50%** **31%**

Participation of women in the Bank Management Board

Ratio of the difference between the average pay of men and women to the average pay of men according to the [EBA methodology \(unadjusted\)](#)

Diversity and gender equality in our bank is very important to us. That is why the policies we have adopted in this area have been in place for many years. We present more on this topic in the chapter on [Corporate Governance](#) and [Sustainability statement](#).

**3.9%** **75%**

Share of Stage 3 loans and POCI

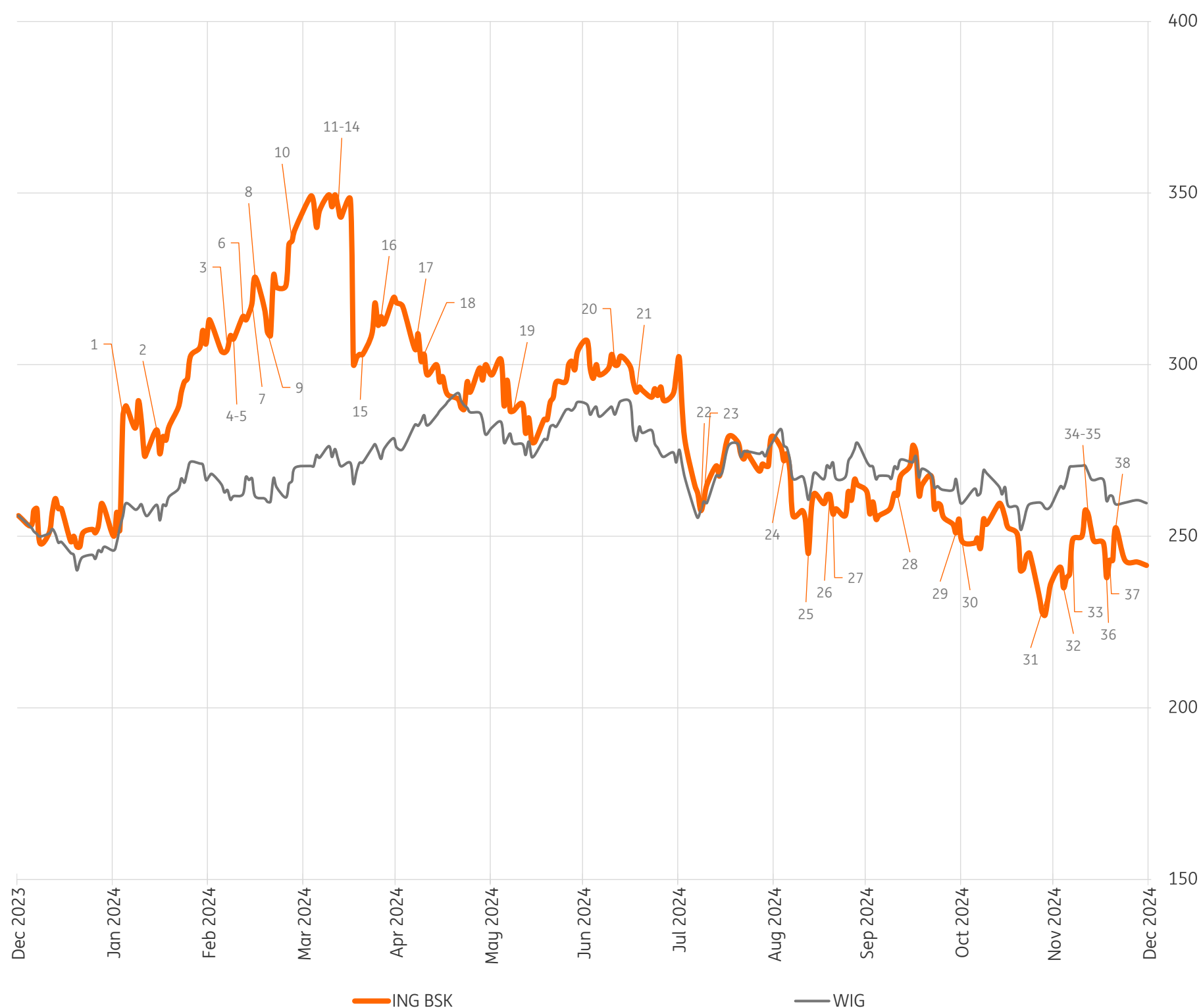
Management Board’s intention to pay a dividend from the profit for 2024

We take the utmost care in managing the capital entrusted to us. We take care to maintain capital above regulatory minimum levels while maintaining a high asset quality and profitability of our business. This allows us to share the profit with our shareholders, all the while taking care and precautions to protect our clients and their data. We present more on this topic in the chapter on [Bank and client security](#).



## 2024 events

### The price of ING Bank Śląski S.A. shares in 2024 (PLN)



1. **1 February** – publication of preliminary unaudited financial results for Q4 2023 ([link](#))
2. **12 February** – resignation of a member of the Supervisory Board ([link](#))
3. **6 March** – decision of the Bank Management Board on the dividend proposal ([link](#))
4. **8 March** – publication of the annual report for 2023 ([link](#))
5. **8 March** – resignation of a member of the Supervisory Board from seeking election to the next Supervisory Board term ([link](#))
6. **11 March** – repurchase of the 3rd tranche of treasury shares under the Bank's Identified Staff Incentive Programme ([link](#))
7. **14 March** – convening of the Ordinary General Meeting and draft resolutions ([link](#))
8. **15 March** – making the online identity confirmation process available to clients with the Moje ING app ([link](#))
9. **19 March** – repurchase of the 3rd tranche of own shares and completion of repurchase ([link](#))
10. **27 March** – Candidates for the Supervisory Board of ING Bank Śląski S.A. ([link](#))
11. **11 April** – information on dividend payment for 2023 ([link](#))
12. **11 April** – appointment of members of the Supervisory Board of ING Bank Śląski S.A. ([link](#))
13. **11 April** – resolutions adopted by the Ordinary General Meeting of ING Bank Śląski S.A. ([link](#))
14. **11 April** – decision of the Supervisory Board to commence the recruitment process for the position of President of the Bank Management Board ([link](#))
15. **18 April** – information on the amount of the annual contribution to the BGF forced restructuring fund in 2024 ([link](#))
16. **24 April** – registration of amendments to the Charter of ING Bank Śląski S.A. ([link](#))
17. **6 May** – publication of interim report for Q1 2024 ([link](#))
18. **8 May** – estimate of the amount of gross balance sheet value adjustment of the mortgage portfolio in PLN in Q2 2024 ([link](#))
19. **7 June** – update on the MREL requirement for ING Bank Śląski S.A. ([link](#))
20. **10 July** – phone verification available on the Moje ING app ([link](#))
21. **17 July** – introduction of a new, comprehensive offer for the youngest ([link](#))
22. **7 August** – publication of the interim report for H1 2024 ([link](#))
23. **8 August** – making available to clients a mortgage loan offer for energy-efficient real estate modernisation ([link](#))
24. **3 September** – information on a change in the composition of the Management Board of ING Bank Śląski S.A. ([link](#))
25. **11 September** – issuance of mortgage bonds worth PLN 500 million by ING Bank Hipoteczny ([link](#))
26. **17 September** – request from the PFSA for an opinion on setting the amount of the OSII buffer ([link](#))
27. **19 September** – registration of amendments to the Charter of ING Bank Śląski S.A. ([link](#))
28. **9 October** – non-preferred senior loan (NPS) agreement to meet MREL requirement ([link](#))
29. **29 October** – a green loan offer for companies with a BGK subsidy made available to clients ([link](#))
30. **31 October** – publication of the interim report for Q3 2024 ([link](#))
31. **29 November** – information on the change in the composition of the Management Board of ING Bank Śląski S.A. ([link](#))
32. **3 December** – repurchase of the 4th tranche of treasury shares under the Bank's Identified Staff Incentive Scheme ([link](#))
33. **6 December** – announcement of continuing emission reduction courses of action ([link](#))
34. **11 December** – purchase of the 4th tranche of own shares ([link](#))
35. **11 December** – PFSA's decision on changing the amount of the OSII buffer ([link](#))
36. **17 December** – purchase of the 4th tranche of own shares and information about the end of the buyback ([link](#))
37. **19 December** – information on the absence of a Pillar 2 (P2G) prescribed capital charge ([link](#))
38. **20 December** – approval by the PFSA of the appointment of the President of the Management Board of ING Bank Śląski S.A. ([link](#))





# ING Bank Śląski

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In this chapter you will find out who we are, the history behind us and how we operate as a group in Poland. What's more, you will find information about the scale of our activity, our market shares and the awards and distinctions we have received. You will also learn about our integrated business strategy and how ING Bank Śląski creates value for its stakeholders. Our mission is to support and inspire people to be one step ahead in life and business, which is why we focus on technological development and supporting clients in their day-to-day operations. We are committed to community engagement with our community partners and corporate foundations: ING for Children Foundation and the ING Polish Art Foundation.

## Who we are

### ESRS 2 SBM-1.40

Our history goes back to 1988. It was in that year, exactly on 11 April, that the Council of Ministers issued a regulation on the establishment of Bank Śląski in Katowice, and this is where our head office is still located today. Less than a year later, at the beginning of February 1989, Bank Śląski began its operations. In 1991, our bank was transformed from a state-owned bank into a public limited company. In 1993, we received approval from the Securities Commission to list our shares to the public. In January 1994, ING acquired 2.4 million shares in our bank which corresponded to 25.9% of the share capital. On 25 January 1994, the shares of Bank Śląski made their debut on the Warsaw Stock Exchange.

Since 6 September 2001 – following the merger of Bank Śląski with the ING branch – we have been operating under our current name, ING Bank Śląski S.A. At that time, ING Group N.V. became the majority shareholder in our bank (with a stake of 87.77%, which was reduced to 75.00% in March 2005).

The bank is effectively growing organically. The bank's mission is to inspire and assist clients in making the right life decisions. Achieving this requires a committed and responsive workforce. We pursue this mission through our bank, its subsidiaries and, above all, through our group of 8,001 employees (as at 2024 yearend).

After more than 30 years of continuous development, we are now ranked 4th in terms of total assets and commercial balance (total deposits and loans) in the Polish commercial banking sector. Our scale of operation contributes to the development of the Polish economy, but it also brings with it an awareness of the enormous responsibility for our employees, clients, society and the environment.

We are a universal bank that serves both retail clients and businesses. The Internet is the primary channel of communication with our over 5 million clients, with mobile banking playing a rapidly growing role. We also serve

our clients through a network of 175 meeting places. These are places where our clients can ask for advice and talk about their financial needs.

In 2024, ING is once again ranked as the leader in brand power (Demand Power) among banks (based on a local survey by Kantar Polska). The high level of brand strength indicates the role of the ING brand and its perception in building the bank's market share. Particularly strong brand image dimensions are responding to clients' needs and supporting them in making better financial decisions. ING Bank is seen as a brand for entrepreneurial people, occupying leadership positions. In 2024, ING was the most trusted brand among consumers and a bank that continuously improves the quality of its products and services in response to changing client needs and expectations. The strong image translated into the highest preference for ING among banks when consumers chose: a savings account, a loan, a mobile app, and second place for: mortgage loans and personal accounts. The brand image for the resourceful and entrepreneurial translates into ING's highest preference for credit products in the business client segment (based on sole proprietorship segment survey, Nielsen Consumer). The ING brand is seen as a brand with which companies can develop their business ventures. The bank's ESG activities, including educating children about cyber security, have translated into the perception of the bank as a brand supporting socially responsible attitudes.

## How we operate as the ING Group in Poland

ING Bank Śląski S.A. is the parent company of the ING Bank Śląski S.A. Group. As a group, we have established ourselves as one of the largest financial institutions in Poland over our more than 30 years of operation. Our core business is banking, i.e., inter alia, placing the funds entrusted to us by our clients at risk (this is indicated in detail in paragraph 8 of our charter). As a bank, together with our subsidiaries, we form a group in which we are also active in, among other things:

- leasing,





- factoring,
- payroll and accounting services,
- sales and implementation of business process robotisation software,
- the provision of payment services for the processing of e-commerce transactions.

Group companies are also founders of the ING for Children Foundation and the ING Polish Art Foundation.

In 2024, the bank and its subsidiaries did not enter into any transactions with related entities that would be individually or in aggregate material transactions entered into on other than arm’s length terms.

ING Bank Śląski conducts interbank market operations with ING Bank N.V. and its subsidiaries. These include deposits, loans, borrowings and derivative operations. The bank also maintains the bank accounts of ING Group N.V. entities, as well as providing outsourcing and advisory services. All of the above transactions take place on an arm’s length basis.

The operating expenses incurred by the bank for the parent company result primarily from agreements for consultancy and advisory services, operational support and data processing and analysis, the purchase of IT services and the provision of software licences. In terms of costs incurred by the bank for other related entities, outsourcing agreements for the provision of system resource hosting services for various applications and IT security monitoring and penetration testing play a dominant role. You can read more about related party transactions in the “Related entities” note in the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group for 2024.

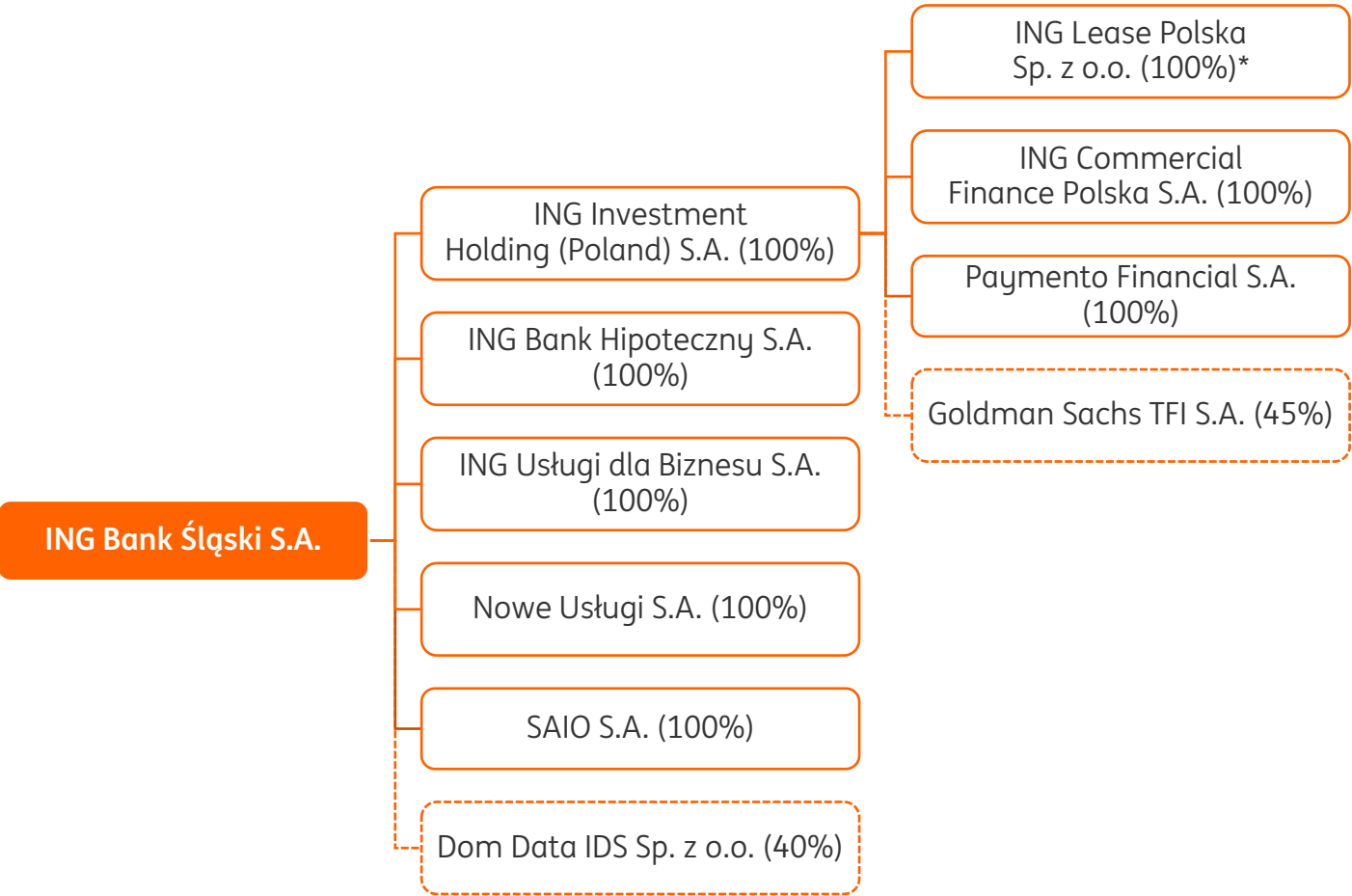
## Composition of the ING Bank Śląski Group

The Bank holds a 40% stake in Dom Data IDS Sp. z o.o. and, through ING Investment Holding (Polska) S.A., holds a 45% stake in Goldman Sachs TFI S.A. and treats these companies as associates. Subsidiaries are consolidated by our Bank using the full method, and the associated companies (Dom Data IDS Sp. z o.o. and Goldman Sachs TFI S.A.) are accounted for using the equity method. In addition to its subsidiaries and associates, the bank holds minority equity investments in the following companies, among others:

- Biuro Informacji Kredytowej S.A. (9.0% of shares),
- Krajowa Izba Rozliczeniowa S.A. (5.7% of shares),

- Polski Standard Płatności S.A. (14.3% of shares).

### Subsidiaries and associates within the ING Bank Śląski S.A. Group as at 31 December 2024



A solid frame line indicates a subsidiary and a dashed frame line indicates an associated company; \*the ING Lease (Polska) Group comprises an additional 5 subsidiaries in which ING Lease (Polska) Sp. z o.o. holds 100% of the shares.

### ING Investment Holding (Poland) S.A.

ING Investment Holding (Poland) is a holding company. Through it, the Bank primarily holds shares in four companies: ING Lease Polska Sp. z o.o. (100%), ING Commercial Finance Polska S.A. (100%), Paymentto Financial S.A. (100%) and Goldman Sachs TFI S.A. (45%).

### ING Lease (Polska) Sp. z o.o.

ING Lease (Polska) has been present in the market since 1995. Since 2012, it has been a member of the Group of ING Bank Śląski S.A. ING Lease (Polska) offers leasing to finance both movables (in the form of cars, vans, heavy transport vehicles, machinery and equipment, construction, medical, equipment and IT equipment) and real estate. ING Lease (Polska) focuses on modern solutions, digital sales channels and tailoring offers to individual client needs.



The ING Lease (Polska) Group comprises an additional five subsidiaries in which ING Lease (Polska) Sp. z o.o. holds 100% of the shares. The company services are targeted at all market segments: large, medium-sized and small enterprises as well as micro clients (entrepreneurs).

In 2024, the company's new leasing production amounted to PLN 6.2 billion (-10.3% y/y). As at 2024 yearend, the company served more than 37,300 clients (up by 3.0% y/y) and the portfolio value was PLN 14.0 billion (+2.2% y/y; based on management accounting data).

#### ING Commercial Finance Polska S.A.

ING Commercial Finance Polska offers factoring and receivables financing services. The company was founded in 1994 under the name Handlowy Heller. Since 2006, it has been operating under the name ING Commercial Finance, having been integrated into ING Group N.V. Since 2012, it has been part of the ING Bank Śląski Group.

In 2024, ING Commercial Finance Polska's turnover amounted to PLN 63.6 billion (-3.7% y/y), representing around 13.5% of the turnover of the entire market. As at 2024 yearend, the company had 8,700 clients (down 15% y/y, related to the cleaning of the portfolio from inactive clients) and had purchased 4.1 million invoices (down 3% y/y).

#### Paymento Financial S.A.

Paymento Financial was founded in 2016 as an initiative by private individuals and an equity infusion by venture capital funds. The company became part of the Bank Group on 31 March 2023 as a result of the acquisition by ING Investment Holding (Polska) S.A. of 100% of the shares from existing shareholders.

The aim of the company is to provide e-commerce transaction processing services to financial market players, particularly in the white-label formula. The company is a regulated entity authorised by the Polish Financial Supervision Authority to provide payment services as a National Payment Institution.

The company entered into a partnership with ING Bank Śląski in 2017. The subject of the cooperation is the development and transaction handling of the imoje payment gateway, the cooperation is being gradually developed. The company also provides services to entities outside our group.

#### ING Bank Hipoteczny S.A.

ING Bank Hipoteczny's strategic objective is to acquire and then increase the share of long-term funding on the ING Bank Śląski Group S.A.'s balance sheet by issuing mortgage bonds.

The achievement of the set goal will support:

- strengthening the funding stability in the ING Bank Śląski S.A. Group,
- diversification of funding sources for the existing retail mortgage portfolio,
- alignment of the term structure of assets and liabilities in the balance sheet of the ING Bank Śląski S.A. Group,
- lowering the cost of financing the conducted lending activity in the part of the loan portfolio financed with other long-term instruments.

In 2024, the bank carried out a second issuance of mortgage bonds. As at 2024 yearend, the nominal value of the mortgage bonds issued by the bank and outstanding amounted to PLN 500 million. Mortgage bonds issued by the bank are listed on the Luxembourg Stock Exchange and the parallel market of the Warsaw Stock Exchange. The bank's mortgage bonds can serve as collateral for a Lombard loan, a technical loan and repo operations conducted by the National Bank of Poland.

#### ING Usługi dla Biznesu S.A.

ING Usługi dla Biznesu was founded in 2012 and offers innovative business services that go beyond traditional banking. The company's main objective is to provide tools that make running a business easier. ING Usługi dla Biznesu currently offers the following solutions:

- ALEO.com – the largest online database of companies (registration data, financial data),
- ING Księgowość – an invoicing and payment management platform as well as accounting and payroll services for entrepreneurs,
- Firmove – a service supporting would-be and existing entrepreneurs in business creation and development.

In 2024, ING Usługi dla Biznesu consistently expanded its competences in supporting the acquisition of ING Bank Śląski S.A.'s corporate clients through a number of initiatives aimed at promoting banking products, mainly a company account for sole proprietorships. Initiatives ranged from remote promotion through channels owned by ING UdB, to cooperation with external partners and processes with telephone assistance to help clients set up a business and a company account with ING Bank Śląski S.A.

#### Nowe Usługi S.A.

Nowe Usługi S.A. conducts educational and marketing activities. In terms of education, it runs the [edukacjagiieldowa.pl](#) portal. This is a site about investing and the stock market, for both novice and advanced





investors. The website publishes investment-related material on an ongoing basis and a knowledge base is available.

Marketing activity centres around popularisation of ING Turbo certificates on the Polish market. These are instruments listed on the Warsaw Stock Exchange, of which ING Bank N.V. is the issuer. The company's main activities include organising marketing campaigns, providing training, operating the ING Turbo helpline or providing technical support for the [ingturbo.pl](https://ingturbo.pl) website.

### **SAIO S.A.**

SAIO, the technology spin-off of ING Bank Śląski, was established in 2022. The company specialises in the sale and implementation of business process automation solutions based on its proprietary RPA (Robotic Process Automation) platform. We offer the SAIO platform to companies in many industries - it is successfully used in the areas of sales, finance, accounting, purchasing processes or HR, among others. SAIO provides customers with a full range of automation services, and the product guarantees safety, speed of implementation and full control over the implemented robots. SAIO also supports companies in integrating and implementing artificial intelligence (AI) and other modern technologies, enabling them to use them effectively in their day-to-day business operations.

The development of SAIO's business is based on its own resources and cooperation with partners in Poland and internationally.

### **Goldman Sachs TFI S.A.**

Goldman Sachs TFI is the second largest TFI on the Polish market in terms of assets in capital market funds. It is also one of the longest-established investment fund companies in Poland. It has been operating in the local market since 1997. It is authorised by the Polish Financial Supervision Authority to operate. According to data as at the end of December 2024, the company served over 689,000 individuals and institutions and managed assets worth PLN 44 billion.

Goldman Sachs TFI S.A. is part of Goldman Sachs Asset Management, a US-based asset management firm. For 150 years, Goldman Sachs Asset Management has provided investment and advisory services to the world's leading institutions, financial advisers and individuals. It benefits from a global network and a wealth of expertise in every region and market of the world. As at 2024 yearend, Goldman Sachs Asset Management managed USD 3.1 trillion of assets worldwide.

### **Dom Data IDS Sp. z o.o.**

Dom Data IDS Sp. z o.o. is a special purpose vehicle created jointly by ING Bank Śląski S.A. and Dom Data AG Sp. z o.o. in order to provide services in a new, expanded formula, which offers much broader cooperation opportunities.

Dom Data AG is a Polish company operating in the IT market and implementing projects both in Poland and in the countries of the European Union. Among other things, it is the author of the Ferryt BPM process platform and additionally provides comprehensive solutions for the banking sector.

The intention of the joint venture is to further automate and digitise the Bank's processes, accelerate technology transition, as well as migrate to the public cloud and develop and maintain the Ferryt platform (a lowcode platform for business process automation) and the IWA application.

### **Changes in the Group's structure**

On 19 January 2024, ING Bank Śląski S.A. obtained the approval of the President of the Office of Competition and Consumer Protection (OCCP) for a concentration involving the acquisition of a 40% stake in Dom Data Services Sp. z o.o. in Q4 2023. (the approval of the President of the OCCP was a condition for finalising the acquisition). In April 2024, the company's name was changed to Dom Data IDS Sp. z o. o.

On 27 May 2024, i.e. the date of entry to the shareholder register, the transfer of 100% of the shares in SAIO S.A. from ING Investment Holding (Polska) S.A. to ING Bank Śląski S.A. took place. (in accordance with the provisions of the sale agreement of 20 May 2024 between ING Investment Holding (Polska) S.A. and the Bank).



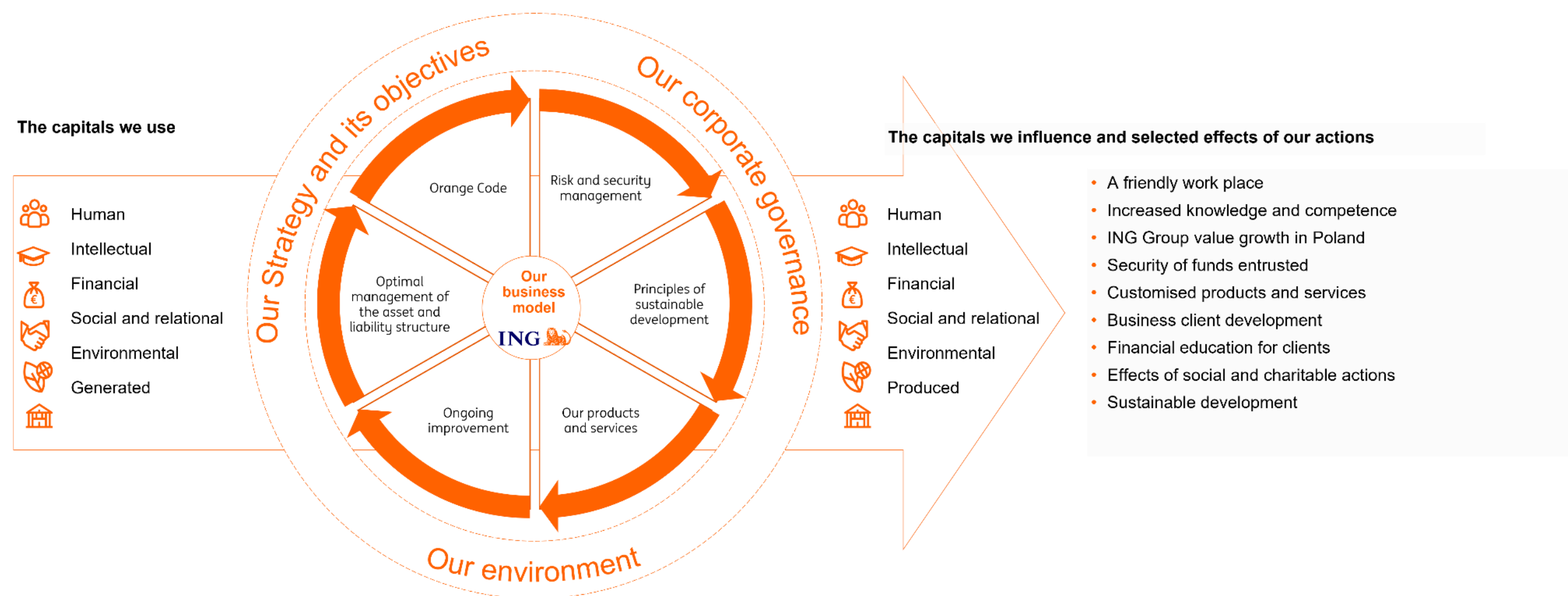
# Business model and value creation

## Integrated thinking

ESRS 2 SBM-1.42

Our business model and strategy are firmly rooted in the concept of integrated thinking. As a bank, we contribute more than just our financial value to society. The role of a financial institution is to support and promote economic, social and environmental progress leading to a better quality of life for people in society, while generating adequate profits and an increase in company value. Integrated thinking helps us to make decisions and take actions that take into account the creation and preservation of value for our stakeholders in the short, medium and long term. Our value creation model shows in a simplified way which capitals we use to create value for and with our stakeholders.

## Our value creation model







## Our business model

### ESRS SBM-1.40

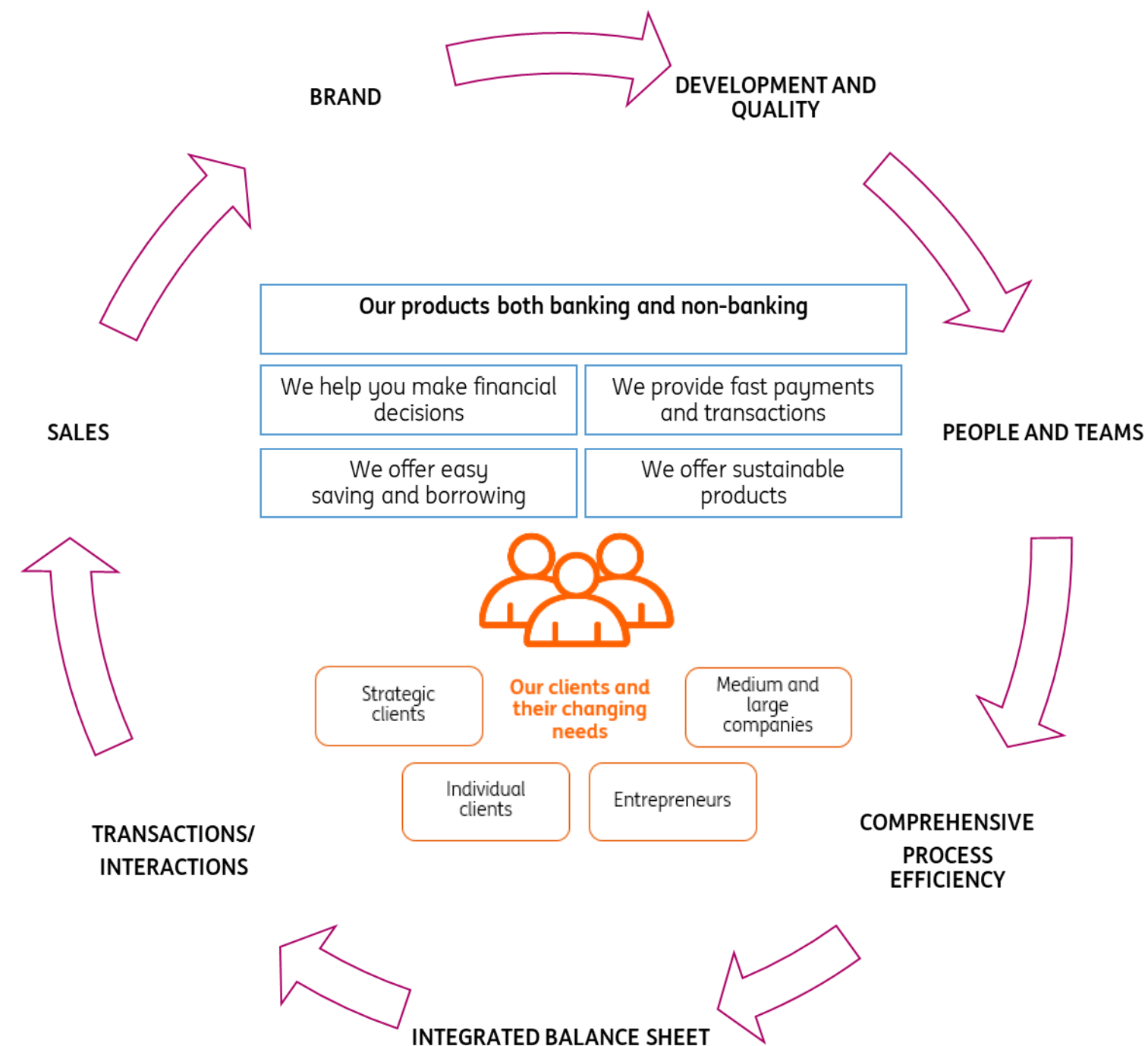
We are a universal bank which, together with the other companies in its group, serves both individual clients and companies as part of its operations. We want to be seen as the **bank of the future for entrepreneurial people** – a bank that provides its clients with practical solutions that they need and are happy to use. We want people to be able to achieve their goals with our support.

Our mission is to **support and inspire people to be one step ahead in life and business**. As a bank, we support our clients in their financial decisions providing knowledge and tools as well as simple, useful and tailored solutions and services, among others.

Our core business is, on the one hand, to enable our clients you to save money safely and efficiently and, on the other hand, to finance loans. The financing granted supports purchases of housing, opening business activity or development of companies. We develop and offer products to support sustainable operations for both individuals and companies. In this way, we support the development of the economy and society.

We offer our clients banking products and services (such as loans or savings accounts and transfers), but also in the area of *beyond banking*, i.e. not related to traditional banking. Our expertise allows us to build a positive client experience. It is not solely insurance products, accounting services or investment products. We offer our clients a broad range of tools for financial management.

As the bank of the future, **we implement innovations** to meet the needs of our clients. We also use *big data* and artificial intelligence and cooperate with fintechs to reach beyond. We take care that our payment and transactional systems are effective. At the same time – with the growing popularity of cashless trading – an efficient electronic payment system is becoming increasingly important. We provide our clients with transactional banking, processing transfers, card, phone or BLIK payments and developing tools for cashless payments. To this end, we have provided specific solutions to support the development of e-commerce, such as the imoje payment gateway – the first online payment for online shops offered by a bank in Poland.





For us electronic and mobile banking are the core interaction channel with both retail and corporate clients. We want our clients to have tools that enable them to make modern payments and remotely deal with simple issues such as paying for public transport tickets, parking and motorway journeys. Our electronic banking also allows you to deal with official matters more conveniently, e.g. you can submit applications for social benefits.

We also note the changing role of bank branch offices. That is why, for several years now, we have no longer been talking about branches, but about meeting places. These are places where our advisers help clients to make important decisions – whether in everyday banking, improving their living conditions, growing their business, or securing their financial future. For corporate clients, we also provide a service at their company's premises, depending on their needs. The task of our employees is to support them in taking financial decisions, inter alia, by analysing their financial needs and goals, financial condition or risk levels of investments.

### **We integrate sustainability into our business**

We are aware that, as a financial institution and a large organisation, we influence many economic processes and individual choices. Guided by our principles and values, we strive to respond to the challenges of the modern world. This is why we integrate sustainability principles into our business and non-business decisions – ESG goals are part of our strategy, this applies to the areas of climate and environment (E), society (S) and corporate governance (G). We support our clients in environmental transformation, entrepreneurship, and financial management. We work towards equal social opportunities and we care for the health of our employees. Our foundation is to operate ethically based on values, principles and processes and in accordance with regulations and with reference to market best practice.

### **We manage risk**

As a public trust institution, we are aware of the importance of stability and an effective risk management system for the banking sector and the entire economy. In our bank, it is structured in accordance with the best market standards, based on the principles of the three lines of defence. The first line consists of business management, the second line includes risk and financial management, and the third line comprises internal audit and compliance. We manage ESG risks as an integral part of each group of risks, both financial (e.g. credit risk or market risk) and non-financial (e.g. operational risk). We also care for optimum management of the asset and liability structure of our balance sheet in line with our risk appetite limits.



Key capitals used in our business model and key results in 2024

ESRS 2 SBM-1.42

Capitals – description, status and effects of their processing in 2024			
Capital	Description	Input	Outputs and outcomes
Human and intellectual	These are our employees, their knowledge, competences and commitment. Intellectual capital is our skills and knowledge that enable us to run our business and achieve our goals.	<ul style="list-style-type: none"><li>• We have 8,000 employees in our group (8,400 the year before).</li><li>• We have a Step-up system in place and Individual Development Plans for our employees.</li><li>• We have an organisational culture in place (Orange Code) that we are proud of.</li><li>• We work on the basis of Agile and PACE methodologies.</li></ul>	<ul style="list-style-type: none"><li>• The average number of development actions per employee was 37 (40 the year before).</li><li>• The ratio of the difference between the average pay of men and women to the average pay of men according to the EBA methodology (unadjusted ratio) is 31%.</li><li>• We have received the Top Employer certification for many years (in January 2025 we were awarded this title for the 16th time in a row).</li><li>• We are implementing a new cloud-based central system.</li><li>• The availability of Moje ING and ING Business as at 2024 yearend was 99.94% and 99.89% respectively.</li><li>• Our employee Net Promoter Score (eNPS) in the 2024 OHI survey is 48 (similar in 2023).</li></ul>
Financial	By financial capital we mean funds entrusted to us by clients, capital provided by shareholders and bondholders. These are all funds available to us from our wider capital providers and through which we finance our operations.	<ul style="list-style-type: none"><li>• Our portfolio of liabilities to clients amounts to PLN 220.0 billion (PLN 205.3 billion the year before).</li><li>• Our equity balance is PLN 17.2 billion (PLN 16.7 billion the year before).</li><li>• The balance of our Tier-2 subordinated liabilities is PLN 1.3 billion (1.5 billion the year before) and MREL liabilities are PLN 9.1 billion.</li><li>• Our total capital adequacy ratio is 14.85% (17.41% the year before) and our MREL (TREA, standalone, including combined buffer requirement) is 23.49%.</li></ul>	<ul style="list-style-type: none"><li>• Net profit amounted to PLN 4.4 billion (-1.6% vs. the year before).</li><li>• MCFH-adjusted return on equity was 20.4% (22.9% the year before).</li><li>• Interest expenses amounted to PLN 4.4 billion (PLN 4.2 billion the year before).</li></ul>
Social	Social capital is the relationship with our surrounding stakeholders: clients, suppliers, local communities or social and charitable organisations.	<ul style="list-style-type: none"><li>• We serve 4.6 million retail clients (4.5 million the year before), of which more than 2.3 are <i>primary</i> clients (2.2 million the year before).</li><li>• We also serve 572,000 corporate clients (559,000 the year before), of which 224,000 are <i>primary</i> clients (213,000 the year before).</li><li>• We are the founders of two corporate foundations (ING for Children Foundation and ING Polish Art Foundation).</li><li>• We have published the ING Bank Śląski S.A. Group Declaration on Respect for Human Rights.</li><li>• We signed the Children's Rights Charter in Business.</li></ul>	<ul style="list-style-type: none"><li>• The NPS of retail clients was 31 points (29 the year before) and remained the highest in the survey's peer group.</li><li>• The NPS for the corporate segment is divided into categories:<ul style="list-style-type: none"><li>• Entrepreneurs – 42 points (similar to 2023 and 2022), 17 points above market values</li><li>• Medium-sized companies – 46 points (up 7 points from 2023), 26 points above market values</li><li>• Large companies – 44 points (down 8 points from 2023), 10 points above market values</li><li>• Strategic clients – 85 points (down 5 points compared to 2023).</li></ul></li><li>• Our employees have dedicated almost 43,000 hours to volunteering.</li><li>• In total, ING Bank Śląski has donated PLN 10.2 million (PLN 6.4 million in 2023) to social and charitable activities – the amount includes charitable donations and donations to corporate foundations.</li></ul>
Environmental	Environmental capital is the natural environment and its resources. The direct negative impact of our organisation (i.e. in terms of our own economy) on this capital is not material, but we are committed to reducing it. We aim to minimise our indirect negative impact on this capital, generated mainly through the investments we finance.	<ul style="list-style-type: none"><li>• In 2023, we published “<a href="#">ING BSK's Roadmap for Reducing GHG Emissions</a>” concerning its own economy and loan portfolio. In 2024 we announced the <a href="#">continuation of the document</a> – broaden actions to include a cross-sector transformation plan to support clients in transitioning to more sustainable business models and dialogue with companies operating in the most carbon-intensive sectors of the economy and the bank's portfolio. In addition, the new document reports on the progress of the reduction measures announced a year ago in the bank's client support plan.</li><li>• We are constantly developing our sustainability product range.</li><li>• We assessed the long-term impact of climate risk on the bank's loan portfolios by performing climate stress tests based on selected NGFS scenarios over a horizon to 2050.</li></ul>	<ul style="list-style-type: none"><li>• We have reduced financed Scope 3 greenhouse gas emissions by 6.5% year-on-year and 10.7% relative to 2022.</li><li>• We provided PLN 0.5 billion of financing for RES projects (PLN 0.8 billion the year before).</li><li>• In 2024, we held a series of roundtables in 9 cities across Poland – together with more than 150 Business Banking companies, experts and partners, we discussed the challenges and opportunities of climate transformation and sustainable development.</li><li>• We made a donation of PLN 2 million to the “Błota Rakutowskie” project for activities related to the protection and restoration of the habitat of rare Polish birds in the naturally valuable Natura 2000 area. The project is implemented by the WWF Poland Foundation and local partner ALAUDA Nature Society, and aims to raise awareness of the environmental role of wetlands.</li></ul>





# Business strategy

Our mission is unchanged – we support and inspire people to be one step ahead in life and business. We are building our operational strategy around this mission. In a world that is constantly changing, we are focusing our efforts on the digitalisation of processes and client relationships, as well as on sustainability actions. The implementation of our strategy is based on three, key pillars:

- Excellent client service.
- People.
- A safe, sustainable and resilient organisation.

The implementation of our strategy within its three strong pillars is based on interrelated groups and mutually supportive priorities, which we explain below.



## Increased client activity and digitalisation

We are focused on continuous growth in the number of active clients and *primary* clients in all our business segments. We are committed to the highest quality of service and keep our promises. We are building a comprehensive range of products and services, and its digitalisation and high accessibility are increasing the level of self-service by our clients. We are constantly optimising ourselves in order to better adapt our processes to the needs of different client groups.

## Operational efficiency, AI and data management

We aim for fully automated processes, very high availability and error-free transactional and operational systems. We focus on a modern working environment and tools. We effectively manage and use data to support our operations and client interactions.

## Motivation and commitment, strong teams

We provide a safe and healthy workplace for all our employees. We want them to be proud of their employer. We create a consistent, positive and professional corporate image. We are building an organisational culture designed to foster responsibility, commitment and identification of employees with the company. We want our employees to build strong and motivated teams with their professionalism and commitment.

## Stability, accessibility, modernity

We want to be a strong, flexible and continuously change-oriented organisation. We want to develop these features on the basis of integrated, state-of-the-art transactional and operational systems. We aim to standardise the tools and systems we use. We place emphasis on ensuring the stability, security and resilience of our operating systems. Our competitive advantage must be our ability to change at a faster rate than the changes taking place in our environment.

## Compliance with regulatory requirements

Our actions must be characterised by total compliance with regulatory requirements. This compliance must be built into all operational layers of our business. We are committed to a high risk culture, whereby each of our employees is aware of the risk factors associated with their responsibilities and our business.



Sustainable development

We are building a strong ESG culture, increasing our employees’ awareness, knowledge and commitment to sustainability. In terms of self-management, we have consistently continued our emissions reduction measures, focused on real estate and the vehicle fleet. In the area of reducing emissions from the loan portfolio, our actions are consistent with the framework and guidelines promoted by organisations such as the Net Zero Banking Alliance (NZBA). Their aim is to fund climate actions to move the real economy towards net zero greenhouse gas emissions by 2050. ING Bank Śląski, as part of the ING Group N.V., a member of the NZBA, also joins in the objectives it promotes. We support and further intend to actively support our clients in complying with ESG requirements to remain competitive. We have described how we operate in the documents [“ING BSK’s Roadmap for Reducing GHG Emissions”](#) and [“ING BSK Group’s Roadmap for Reducing GHG Emissions. Part 2”](#), in which we describe, inter alia, a plan to support clients in their sustainable transformation. We integrate ESG into our business and operations at all levels.



Our business strategy for 2022-2024 and our financial ambitions for 2024 and the status of their achievement in 2024

As part of the implementation of our strategy, in 2022 we have set ourselves a number of key strategic areas to work on until the end of 2024. The level of achievement of these targets in 2024 is shown in the table below:

Business strategy objectives for 2022-2024		
Key priorities	Area and measure of ambition in 2024 published in 2022	State of ambition in 2024
Increased client activity and digitalisation	<ul style="list-style-type: none"><li>Number of <i>primary</i> clients: 2.3 million in the retail segment and 215,000 in the corporate segment</li><li>Relational NPS around: 29 for individual clients, 42 for entrepreneurs, 42 for medium companies, 49 for large companies and 69 for strategic clients</li><li>Transfer of entrepreneurs services from Moje ING to ING Business (100%)</li></ul>	<ul style="list-style-type: none"><li>PLN 2.3 million in the retail segment and PLN 224 thousand in the corporate segment (PLN 2.2 million and PLN 213 thousand the year before, respectively)</li><li>31 for retail clients, 42 for entrepreneurs, 46 for medium-sized companies, 44 for large companies and 85 for strategic clients</li><li>The process of transferring clients to ING Business was completed in January 2023</li></ul>
Operational efficiency, AI and data management	<ul style="list-style-type: none"><li>Number of meeting places – 200</li><li>Number of POS at meeting places – 50*</li><li>Number of clients per FTE in the Operations Division – 3 100</li><li>Ratio of general and administrative expenses to average commercial balance – a level 10 p.p. lower than in 2021 (2021 = 100%)</li></ul>	<ul style="list-style-type: none"><li>175 meeting places (205 the year before)</li><li>55 cash service points (no change y/y)</li><li>3,115 (2,900 the year before)</li><li>105% (previous year 104%)</li></ul>
Motivation and commitment, strong teams	<ul style="list-style-type: none"><li>Employee NPS of around 60 points</li><li>OHI score around 85 points</li><li>Percentage of internal recruitments for management positions around 80%</li><li>Recruitment time (<i>time to hire</i>) around 45 days</li></ul>	<ul style="list-style-type: none"><li>48 points (48 points the year before)</li><li>84 points (84 points for 2022, the survey is conducted every other year)</li><li>77% (77% the year before)</li><li>37 days (41 days the year before)</li></ul>
Stability, accessibility, modernity	<ul style="list-style-type: none"><li>Availability of Moje ING and ING Business at a minimum of 99.94%</li><li>Percentage of applications migrated to the cloud at a minimum of 50%</li><li>Control automation of a minimum of 90%</li></ul>	<ul style="list-style-type: none"><li>99.94% for Moje ING and 99.89% for ING Business (99.95% and 99.91% the year before, respectively)</li><li>31% (27% the year before)</li><li>73% (65% the year before)</li></ul>
Compliance with regulatory requirements	<ul style="list-style-type: none"><li>Non-financial risk level of no more than 2.4</li><li>Compliance risk level not higher than 2.4</li><li>Timely implementation of all audit recommendations (no delays)</li></ul>	<ul style="list-style-type: none"><li>1.6 (2.1 the year before)</li><li>1.8 (2.2 the year before)</li><li>No overdue payments (similar to the year before)</li></ul>
Sustainable development	<ul style="list-style-type: none"><li>Gender pay gap index – difference of no more than 1 p.p.**</li><li>Setting a minimum of one ESG-related goal for 100% of managers and 50% of employees</li><li>New financing for RES – target for 2024-2030 is PLN 5 billion (according to the document <a href="#">“ING BSK’s Roadmap for Reducing GHG Emissions”</a>)</li></ul>	<ul style="list-style-type: none"><li>6 p.p. difference. (5 p.p. the year before)</li><li>100% of leaders and 97% of staff had an ESG objective</li><li>We have earmarked PLN 0.5 billion in the corporate area for RES financing in 2024</li></ul>

\*During 2024, the assumptions were updated with a target of 55 cash points. \*\*The ratio calculated in accordance with the ZBP methodology - the average ratio of women's to men's pay weighted by the structure of employment in each grade. Other assumptions used in the calculation include conversion of pay to full-time for part-time employees and annualization of pay for employees included in the analysis. This indicator was calculated for the purpose of accounting for the above target for 2024 and will not be reported in the future.

The full presentation summarising our strategy to 2024 and plans up to 2025 is available at [this link](#).





Our financial ambitions for 2024 published in 2022 and an assessment of the extent to which they have been achieved in 2024 and our financial ambitions for 2025

	Indicator	2021	2022	2023	2024	Ambition 2024	Comments on implementation in 2024	Ambition 2025
Growth area	Average annual* growth in gross loan portfolio	16.2%	6.8%	1.2%	6.6%	~9%	The higher growth rate of the loan portfolio in 2024 is mainly the result of higher volumes on the retail segment.	+8% y/y
	Average annual* increase in net fee and commission income	20.7%	13.6%	3.3%	6.0%	>7%	The increase in net fee and commission income was supported by growth in commissions from payment cards, lending, the sale of insurance products and the distribution of units.	>5% y/y
Performance area	Cost/income ratio**	43.0%	47.2%	34.7%	35.1%	<40%	Y/y ratio maintained at similar level to 2023, slight increase due to slightly lower revenue dynamics (+6% y/y) vs cost dynamics (+7% y/y).	<40%
	Risk cost margin ratio***	23 pbs	48 pbs	32 pbs	58 pbs	<50 pbs	The cost-of-risk margin increased y/y (which was due, inter alia, to the realisation of credit losses on several clients in the corporate segment).	<60 pbs
Area of stability	Total solvency ratio	16.05%	16.22%	17.41%	14.85%	>15%	The total capital adequacy ratio decreased by 2.56 p.p. y/y, mainly as a result of dividend payments from retained earnings and an increase in risk-weighted assets due to model changes and changes in credit volumes.	>15%
	Loan-to-deposit ratio	85.9%	80.4%	76.2%	75.8%	90-95%	Credit growth was lower than deposit growth. The sector, and with it our bank, struggled with increasing deposit inflows, while lending slowed down.	75-80%
Area of profitability	Return on equity (adjusted for MCFH)	14.4%	10.2%	22.9%	20.4%	>13%	A net result only 2% lower y/y translated into continued high profitability.	>15%
	Dividend payout ratio from profit	30%	-	75%	around 75%	30-50%	We plan to pay out 75% of 2024 net profit as a dividend.	50%

\*Average for 2021-2024; \*\*income including share of profits of associated entities, bank tax not included in cost of operation; \*\*\*excluding legal risk costs of FX mortgage loans.



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Risks in the implementation of the business strategy in 2025

Geopolitical tensions	<ul style="list-style-type: none"><li>• High number of conflicts, including armed conflicts</li><li>• The timing, manner and effects of the end of the war in Ukraine and the Middle East</li><li>• Strained economic and territorial relations between the US, China, the EU and other partners. Dividing the world into spheres of influence.</li><li>• Uncertainty about the shape of trade, supply chains.</li></ul>
Climate crisis	<ul style="list-style-type: none"><li>• Growing social unrest, deepening divisions, new elites, hosts of discontented.</li><li>• Resolving political choices that deepen divisions between the parties.</li><li>• The shape of the European Union and its cohesion remains uncertain.</li><li>• Increasing number of natural disasters / Extreme weather conditions.</li><li>• Intensification of population migration.</li></ul>
Energy transformation	<ul style="list-style-type: none"><li>• Energy costs – a factor of competitive advantage and national security.</li><li>• Energy transformation of economies and companies, including its implementation costs.</li><li>• Necessary technological changes.</li><li>• Burdening economic growth with the costs of CO2 emissions and changing the energy mix.</li></ul>
Sovereign debt	<ul style="list-style-type: none"><li>• High debt servicing costs due to the persistence of elevated levels of market interest rates.</li><li>• High costs incurred to resolve military conflicts (including the war in Ukraine).</li><li>• The rising costs of the climate crisis.</li></ul>
Inflation	<ul style="list-style-type: none"><li>• Persistence of high local persistent inflation in Poland.</li><li>• Wage inflation. Continued pressure on companies' costs.</li><li>• Ease of transfer of increasing product prices and charges to the final client.</li></ul>
Cyber security	<ul style="list-style-type: none"><li>• The availability of modern technologies (including AI) that can be used by cybercriminals will lead to lower entry thresholds for cybercriminal activity.</li><li>• Sophisticated criminals will be backing themselves up on cloud solutions and vendor-provided services in an attempt to negatively influence/penetrate the financial market, looking for the weakest link.</li><li>• The number of cybercriminal actions will increase, along with the number of attacks on clients, banks and suppliers.</li><li>• The Bank will continue its prevention and detection actions, implement further strong and consistent security mechanisms in a very heterogeneous application and infrastructure environment.</li><li>• The Bank will continue to introduce strong controls and very high standards for working with suppliers.</li></ul>

Regulatory uncertainty	<ul style="list-style-type: none"><li>• Large number of announced regulatory changes awaiting implementation or recently implemented (e.g. 6th AML Directive, DORA, ESG, AI Act, MiFiD III, Accessibility Act).</li><li>• High regulatory volatility. Interpretative challenges (including mutual conflicts) in regulatory provisions requiring rapid implementation.</li><li>• Growing trend of integrating AI into AML/CFT compliance solutions, increasing technical and interpretive challenges.</li><li>• Lack of predictability of regulatory changes.</li></ul>
Reform of the benchmarks	<ul style="list-style-type: none"><li>• Difficult and complicated process of implementing benchmark reform.</li><li>• Transition to WIRON to be abandoned in favour of POLSTR.</li></ul>
Housing market financing model	<ul style="list-style-type: none"><li>• Uncertainty of regulation and legal prejudices.</li><li>• Restoring the sustainability of contractual relationships.</li><li>• Streamlining the relationship between monetary policy and the impact on the client/consumer.</li><li>• Failure to finalise a standard contract template, lack of defined terms and conditions for prepayments.</li></ul>
Structural over-liquidity of the sector	<ul style="list-style-type: none"><li>• Inflow of deposits and funding from the professional market.</li><li>• Limited demand for loans.</li><li>• Increased levels of investment in Treasury securities.</li></ul>



Opportunities for the implementation of the business strategy in 2025

Customers	<ul style="list-style-type: none"><li>• Maintain (above market levels) the rate of acquisition, transactionality and new customer activity.</li><li>• Increase the share of primary and primary mobile customers in the total number of customers.</li><li>• Taking advantage of electronic banking potential.</li><li>• High adaptability of new solutions, including technological ones, positively influencing cost efficiency.</li></ul>
Sustainable development	<ul style="list-style-type: none"><li>• Potential for investment and economic activity as a strong boost to GDP growth rates.</li><li>• Increased environmental awareness among the public, which will generate greater demand for sustainable products.</li><li>• Increased availability of green energy sources.</li><li>• EU climate neutrality.</li><li>• New sources of state funding, including access to the EU Reconstruction Fund and how to use it.</li></ul>
Stability of the financial sector	<ul style="list-style-type: none"><li>• All fundamental risks to the financial sector remain moderate or low.</li><li>• High level of provisions made for the risk of foreign currency mortgages.</li><li>• High level of capital buffers and met decile level of MREL.</li><li>• High dividend-paying capacity.</li></ul>
Economic growth	<ul style="list-style-type: none"><li>• Expected acceleration of economic growth (GDP).</li><li>• High potential for increased investment.</li><li>• Additional potential impetus related to the reconstruction of Ukraine.</li></ul>
New technologies	<ul style="list-style-type: none"><li>• Stability and security of systems.</li><li>• Productivity and flexibility.</li><li>• New regulations - AI Act.</li></ul>

The scale of our activity

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Our clients

In 2024, we acquired 293,000 new individual clients (284,000 in 2023), 57,000 entrepreneurs (50,400 in 2023) and 4,600 corporate clients (19,500 in 2023).

At the end of December 2024, the number of clients stood at 5.1 million (up by 127,000 y/y) and was divided into the following business segments:

- 4.57 million individual clients (up by 113,500 y/y),
- 572,000 corporate clients (up by 13,500 y/y), including:
  - 451,000 entrepreneurs (up by 9,100),
  - 118,000 medium-sized and large companies (up by 4,500),
  - 3,300 strategic clients (down by 62 clients y/y).

The growth of our client base is better described by the number of *primary* clients, i.e. those for whom we are the bank of first choice and who have several (specific) products. As at 2024 yearend, we had 2.51 million such clients in total, i.e. 102.2 thousand more than as at 2023 yearend, including:

- 2.28 million individual clients (up by 90,900 y/y),
- 163,000 entrepreneurs (up by 6,700 y/y), and
- 61,000 corporate clients (excluding strategic clients; up by 4,600 y/y).

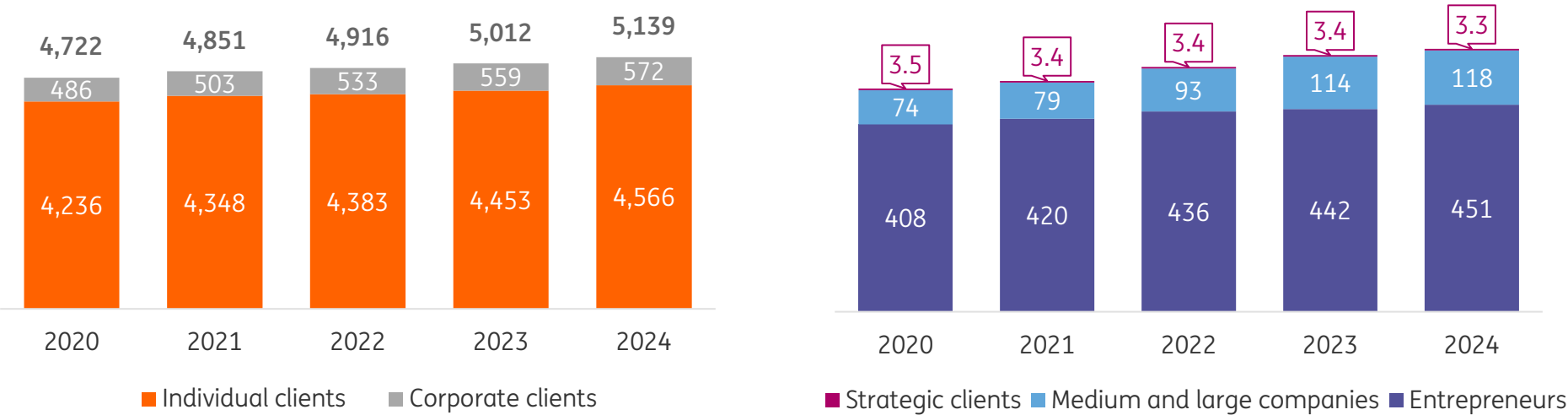
*Primary* clients accounted for 49% of our total clients as at 2024 yearend (48% as at 2023 yearend).

The constantly growing number of clients is the result of the activities pursued by us to foster long-term relationships with clients. These relationships are based on the trusted brand, transparent and flexible product offer and a continuously developed modern distribution and client service system.

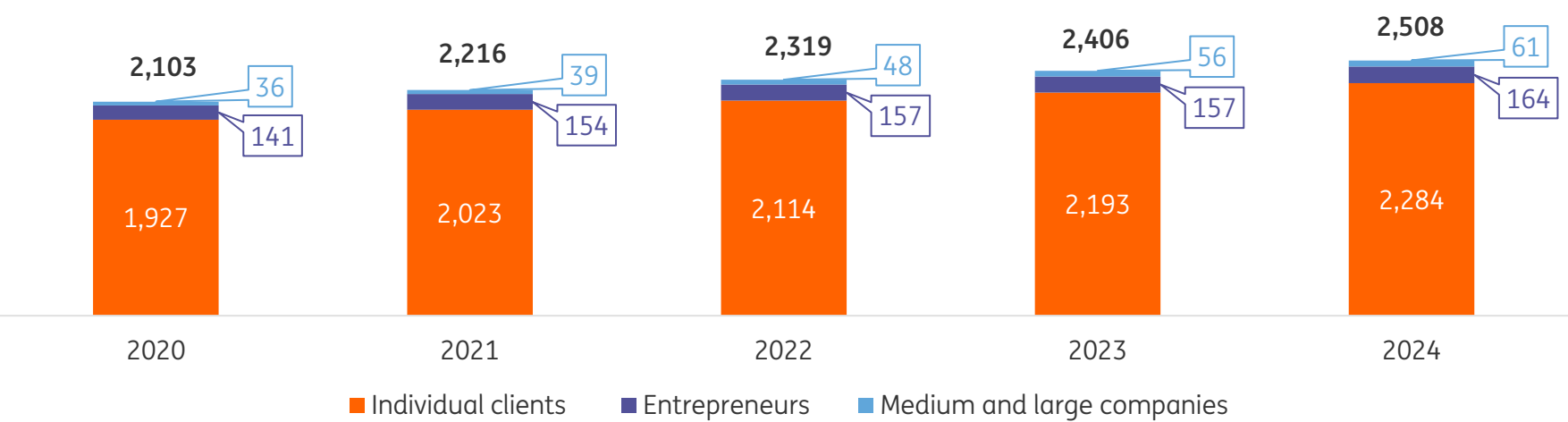




Number of clients of the ING Bank Śląski S.A. Group (thousands, end of year)

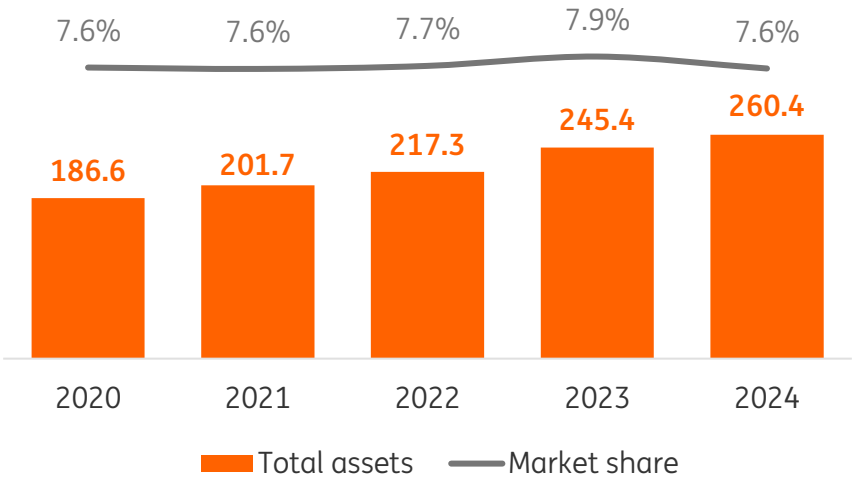


Primary clients (thousands, end of year)



Asset value and market share

The ING Bank Śląski Group assets (PLN billion) and market share in sector assets



The value of our assets as at 2024 yearend was PLN 260.4 billion. This was 6.1% higher than as at 2023 yearend. Compared to the end of 2020, our balance sheet total increased by 39.5% (by PLN 73.8 billion). Total asset growth in the sector was 10.5% y/y in 2024 and 40.0% compared to 2020, respectively. Our bank's share of the sector's assets was 7.6% as at 2024 yearend (similar to the end of 2020). As at 2024 yearend, we were the fourth bank in the market by asset value.

Source: Market data – NBP (Aggregate balance sheet of other monetary financial institutions).

Value of receivables from clients and market share

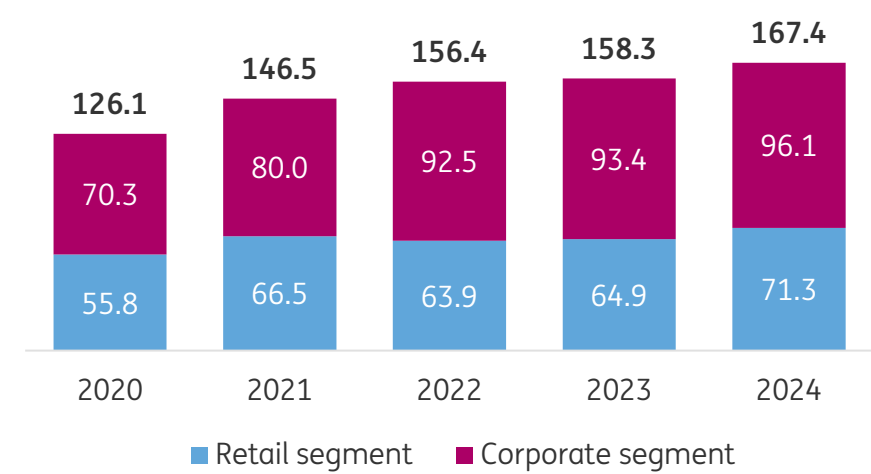
The volume of gross receivables (including loans measured at fair value) from our clients as at 2024 yearend amounted to PLN 167.4 billion and was by 5.8% higher than as at 2023 yearend. This translated into a 0.2 p.p. increase in our market share in loans, to 10.8% by the end of 2024.

The most significant part of the gross receivables portfolio continues to be receivables from corporate clients, with a share of 57.4% (-1.6 p.p. y/y) in 2024.

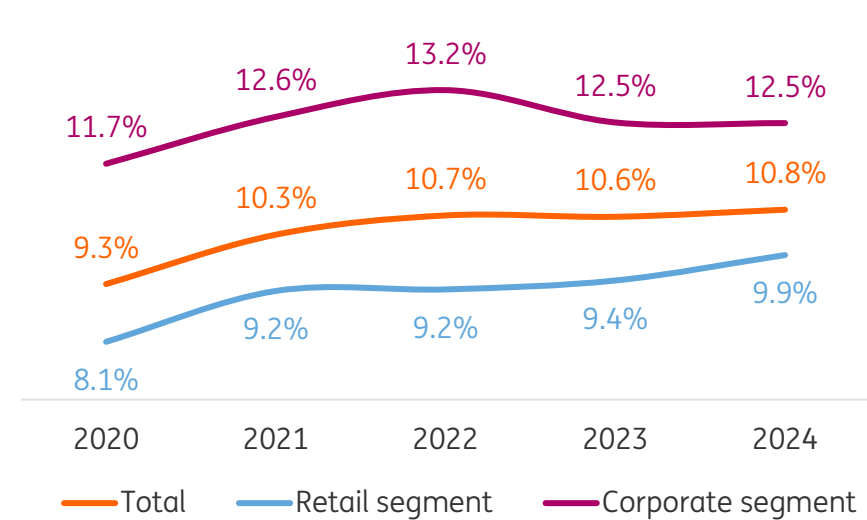
In terms of the size of the portfolio of amounts due from clients, we were the fourth bank on the market as at 2024 yearend.



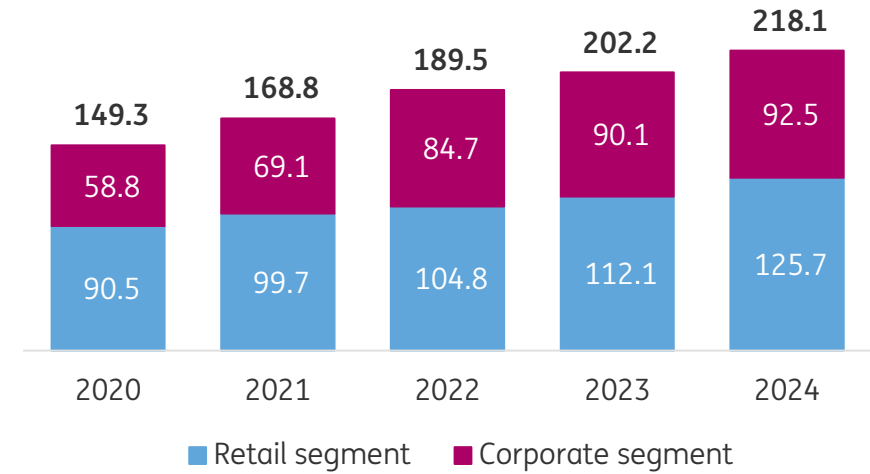
Gross receivables from clients of the ING Bank Śląski Group (PLN billion)



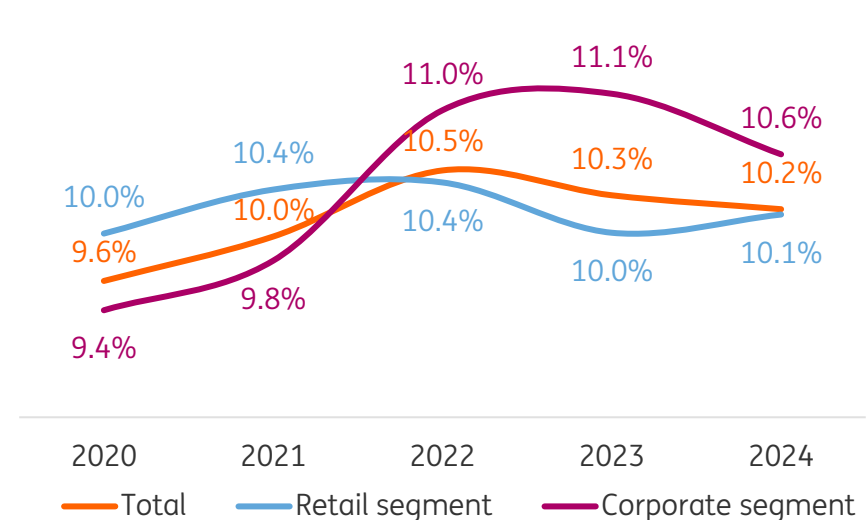
Market share in gross receivables



Amounts due to clients of the ING Bank Śląski S.A. Group (PLN billion)



Market share in deposits



Value of deposits and market share

Our clients’ savings (excluding off-balance-sheet savings of the retail banking segment) amounted to PLN 218.1 billion as at 2024 yearend, up by 7.9% y/y. Our market share as at 2024 yearend was 10.2%, down from 10.3% a year earlier (-0.1 p.p.).

Liabilities to the retail segment remain the predominant part of our clients’ balance sheet savings (they accounted for 57.6% of total deposits as at 2024 yearend, compared to 55.4% as at 2023 yearend).

In terms of the size of the client liabilities portfolio, we were the fourth bank on the market as at 2024 yearend.

Business segments

ESRS 2 SBM-1.40

In 2024, we divide our business activities into two segments – the retail banking segment and the corporate banking segment. Other business areas, including, for example, treasury activities, are allocated between the two segments. Within the retail banking segment, individual clients are served. Within the corporate banking segment, we serve entrepreneurs and companies run on a full accounting basis. We divide the corporate banking segment into three client groups, which depend on the value of annual turnover – as shown in the diagram below:



Entrepreneurs with an annual turnover of up to PLN 10 million



Medium-sized and large companies with an annual turnover of between PLN 10 million and PLN 1 billion



Strategic clients with an annual turnover in excess of PLN 1 billion

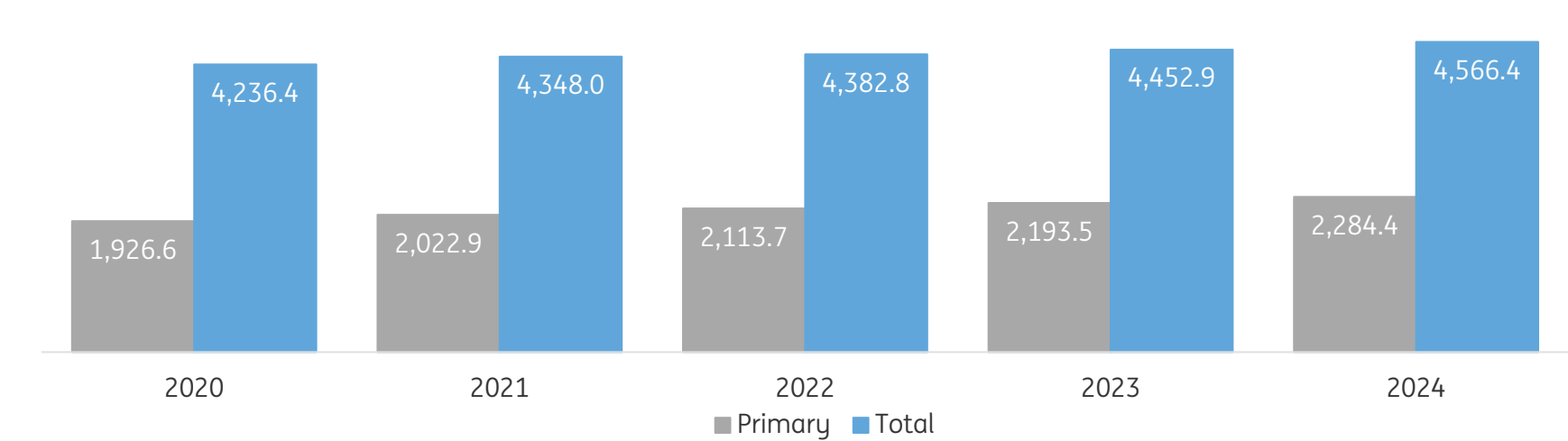
Entrepreneurs and medium-sized and large companies are served in the Business Banking division and strategic clients in the Wholesale Banking division.



Retail segment

Within the retail segment, we serve individual clients – we already have 4.57 million of them, of which 2.28 million are *primary* clients for whom we are the bank of first choice.

Number of clients (thousands)



Commentary on segment performance

The gross profit of the retail segment amounted to PLN 2,583 million in 2024, up by PLN 411 million (18.9%) y/y. The improvement in the retail segment’s performance was primarily driven by:

- an increase in interest income (PLN +374 million y/y) and
- an increase in commission income (PLN +82 million),

with operating expenses almost unchanged y/y (PLN -24 million) and a slight increase in risk costs (PLN -10 million y/y).

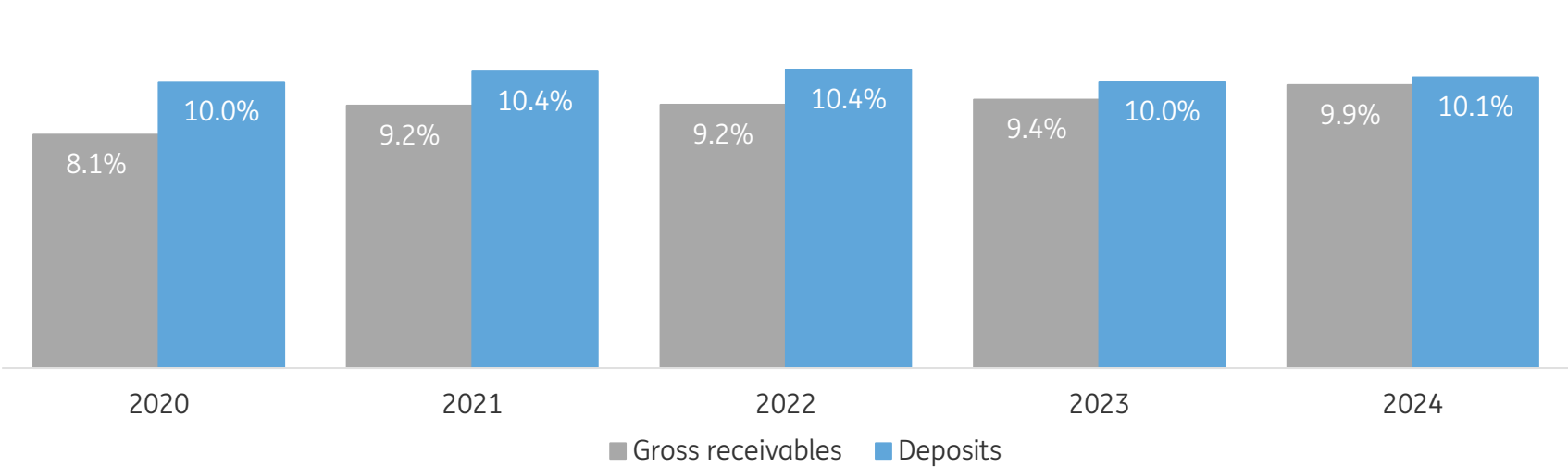
Profit and loss account

(PLN million)	2020	2021	2022	2023	2024	y/y (PLN million)	y/y (%)
Net interest income	2,440	2,716	1,912	3,779	4,153	+374	+9.9%
Net fee and commission income	460	558	581	589	671	+82	+13.9%
Other income*	61	31	88	100	110	+10	+10.0%
Income	2,961	3,305	2,581	4,468	4,934	+466	+10.4%
Operating expenses	-1,439	-1,543	-2,094	-1,954	-1,978	-24	+1.2%
Result before risk costs	1,522	1,762	487	2,514	2,956	+442	+17.6%
Risk cost**	-586	-135	-587	-111	-121	-10	+9.0%
Bank tax	-197	-232	-247	-231	-252	-21	+9.1%
Gross result	739	1,395	-347	2,172	2,583	+411	+18.9%

\*Including share of profit of associates;

\*\*Including legal risk costs of foreign currency mortgage loans

Market shares



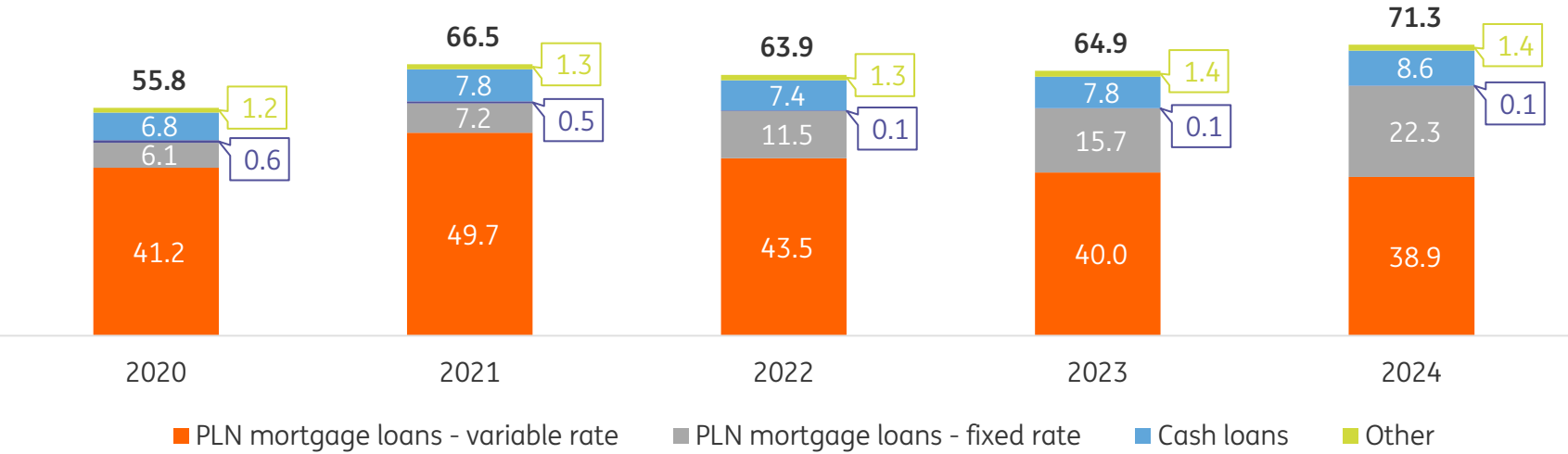




Balance sheet and key indicators

(PLN billion)	2020	2021	2022	2023	2024	y/y (PLN billion)	y/y (%, p.p.)
Total assets	83.1	92.0	93.0	104.1	113.0	+8.9	+8.6%
Receivables from clients (gross)	55.8	66.5	63.9	64.9	71.3	+6.4	+9.8%
Liabilities to clients	90.5	99.7	104.8	112.1	125.7	+13.6	+12.1%
Loans (gross) to deposits	62%	67%	61%	58%	57%		-1.2 p.p.
Costs to income	48.6%	46.7%	81.1%	43.7%	40.1%		-3.7 p.p.
Costs (including bank tax) to income	55.3%	53.7%	90.7%	48.9%	45.2%		-3.7 p.p.
Cost of risk margin	1.12%	0.22%	0.90%	0.17%	0.18%		0.0 p.p.
Participation of Stage 3 and POCI	1.89%	1.52%	1.45%	1.59%	1.34%		-0.2 p.p.

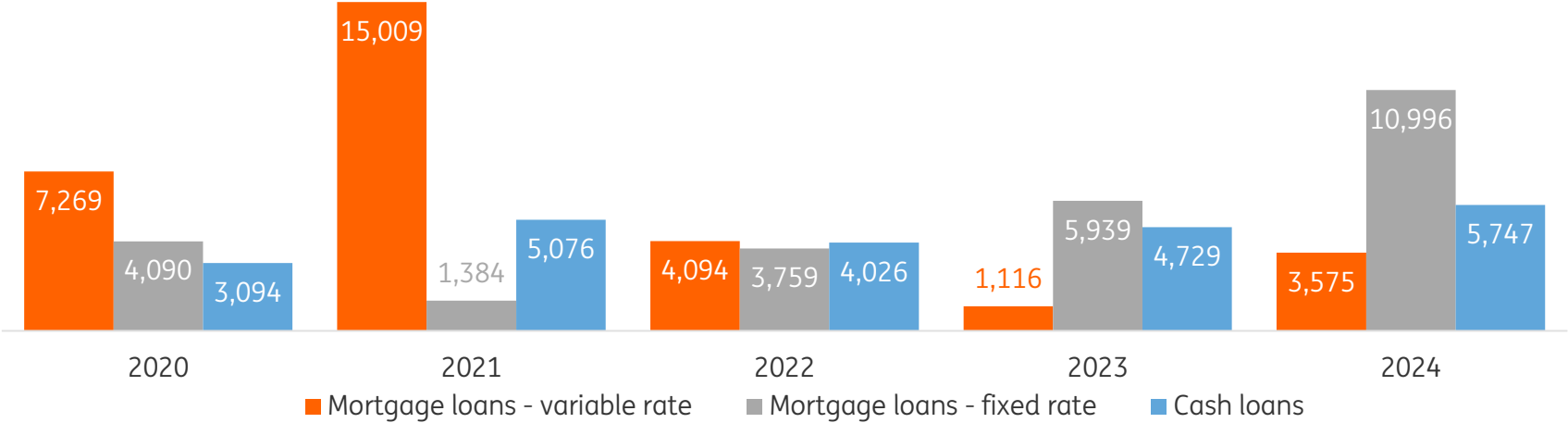
Gross receivables portfolio from clients in the segment by product (PLN billion)



As at 2024 yearend, total gross receivables from retail clients increased by 9.8% y/y to PLN 71.3 billion. The biggest increase was recorded in the portfolio of PLN fixed-rate mortgage loans (PLN +6.6 billion, 42.3% y/y), with a decrease in the portfolio of PLN variable-rate mortgage loans (PLN -1.1 billion, -2.7% y/y). In mid-2024, the bank decided to suspend the sale of floating rate loans based on the WIRON 1 M Compound Rate (which had been granted since the beginning of 2024 and had a volume of around PLN 3.4 billion as at 2024 yearend) and resumed offering such loans from the fourth quarter of 2024, but based on the 1M WIBOR rate. The cash loan portfolio recorded an increase of PLN 0.8 billion, or 10.2% y/y.

The mortgage portfolio for the energy-efficient home option amounted to PLN 3.4 billion as at 2024 yearend, an increase of 18.8% y/y (an energy-efficient house is a house or a residential premise whose annual demand for non-renewable primary energy for heating, ventilation and hot water preparation does not exceed respectively: 62 kWh/m²/year for a house or 76 kWh/m²/year for a renovated house and 58 kWh/m²/year for a residential premise in a multi-family building or 62 kWh/m²/year for a residential premise in a single-family building).

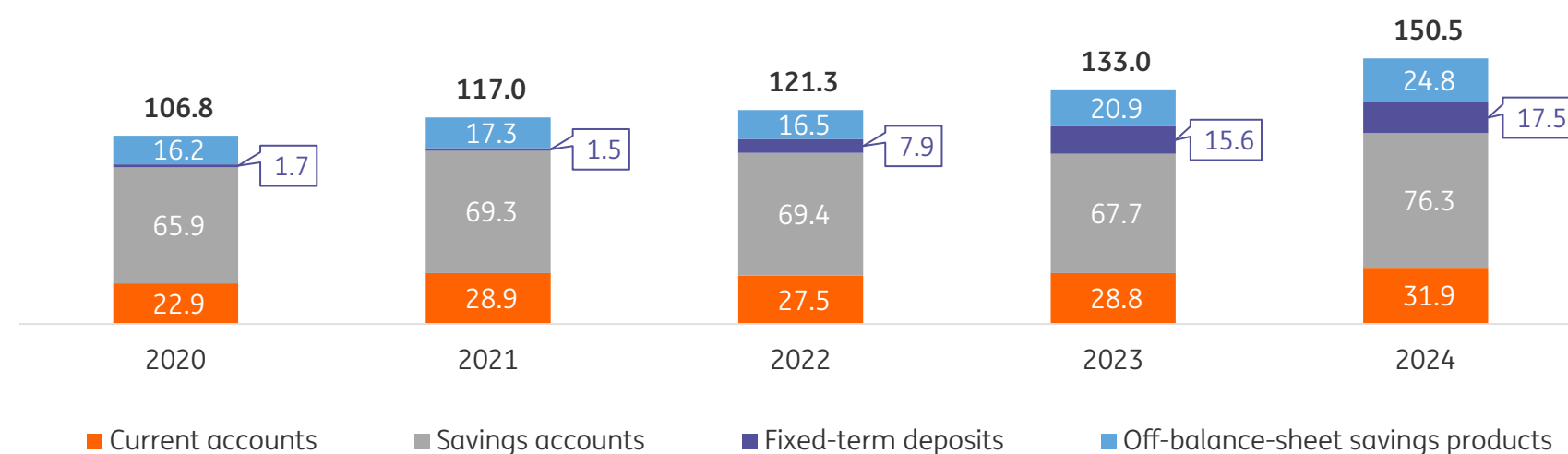
Retail loan sales (PLN million)



In 2024, we will have granted a total of PLN 14.6 billion in mortgage loans, 106.6% more than in the previous year. For several years, we have seen an increase in client interest in periodic fixed-rate mortgage loans – in total, we sold PLN 11.0 billion of them in 2024 (+85.2% y/y), and their share of the total mortgage sales structure was 75.5% (84.2% a year earlier). Sales of mortgage loans for an energy-efficient home in 2024 amounted to PLN 1,053.4 million (PLN 288.4 million a year earlier). In 2024, we granted PLN 5.7 billion in cash loans to individuals, up by 21.5% y/y. We sold 94.9% of these loans through the online channel (87.6% in 2023).



## Liabilities portfolio towards clients in the segment by product (PLN billion)



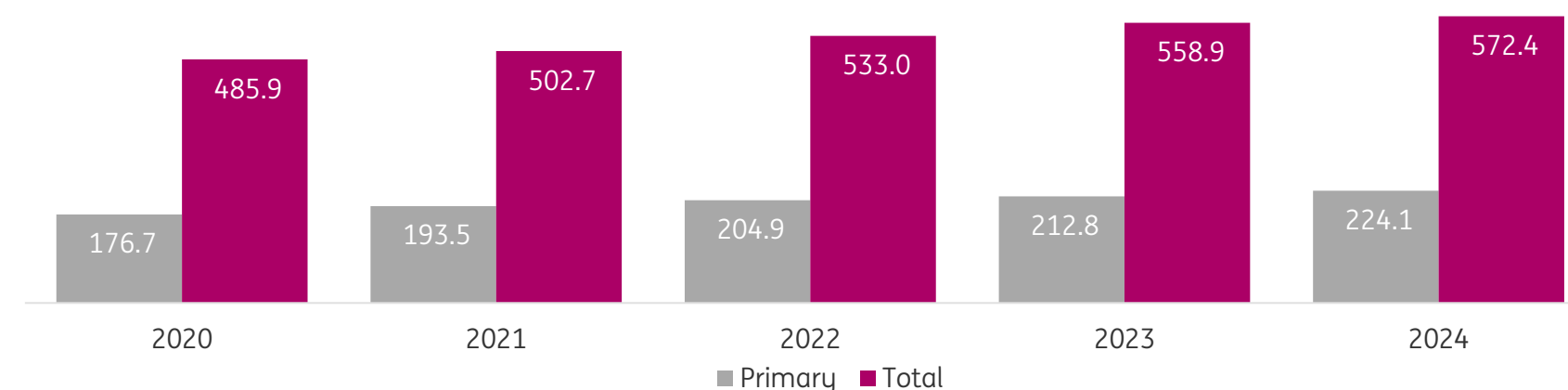
The portfolio of on-balance sheet liabilities to retail clients increased by 12.1% y/y to PLN 125.7 billion. Savings accounts recorded the highest y/y growth (+12.7% y/y), to a value of PLN 76.3 billion. Funds held on time deposits increased to PLN 17.5 billion (+12.4% y/y), while funds held on current accounts rose to PLN 31.9 billion (+10.5% y/y). The structure of the retail segment's balance sheet liability portfolio remained the same as in the previous year, with current accounts accounting for 25%, savings accounts 61% and time deposits 14%.

As part of our off-balance sheet products, we offer, inter alia, brokerage services and broker the sale of funds managed by TFIs. As at 2024 yearend, the savings accumulated in our clients' brokerage accounts amounted to PLN 7.9 billion (-10.7% y/y) and our clients' savings accumulated in TFIs amounted to PLN 17.0 billion (+40.6% y/y). Assets worth PLN 6.3 billion represented investments in funds complying with Articles 8 and 9 of the SFDR.

## Corporate segment

Within the corporate segment, we serve corporate clients, of whom we had 572.4 thousand as at 2024 yearend, of which 224.1 thousand were *primary* clients for whom we are the core bank.

### Number of clients (thousands)



### Commentary on segment performance

The gross result of the corporate segment was lower in 2024 by PLN 586 million (-16.5%) y/y. This deterioration in results was primarily driven by:

- higher costs of risk by PLN 412 million (+81.9% y/y), related to the realisation of credit losses in the area of several unrelated strategic clients, which is related to the economic situation and the economic slowdown we observed at the turn of 2023 and 2024, and
- lower other income by PLN 93 million,

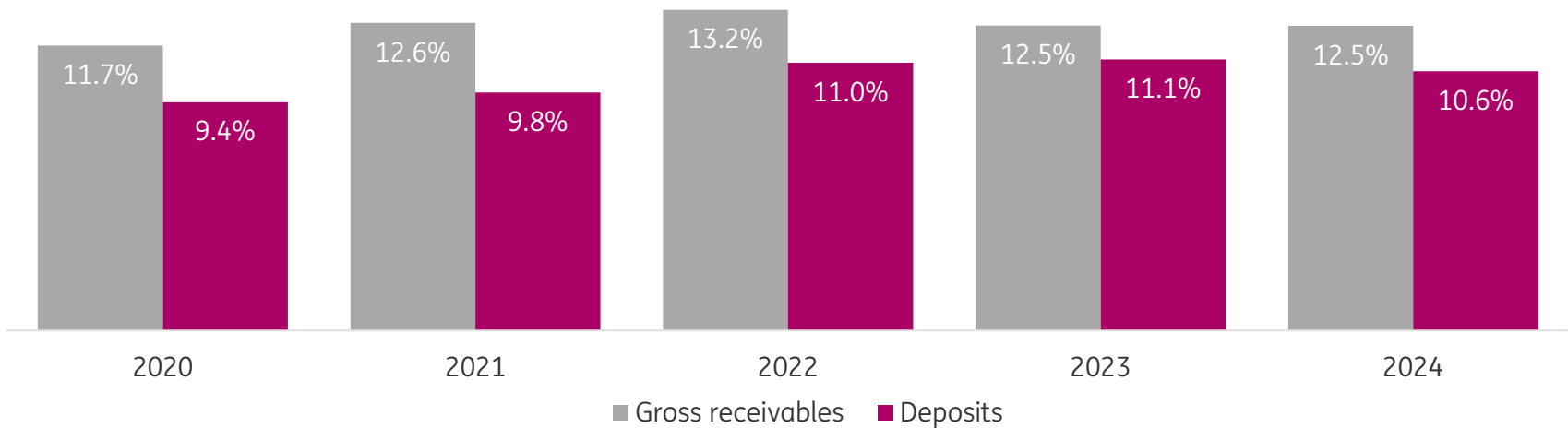
with an increase in interest income (PLN +180 million y/y) and commission income (PLN +48 million y/y).



Profit and loss account							
(PLN million)	2020	2021	2022	2023	2024	y/y (PLN million)	y/y (%)
Net interest income	2,102	2,254	3,702	4,392	4,572	+180	+4.1%
Net fee and commission income	1,068	1,287	1,514	1,575	1,623	+48	+3.0%
Other income*	100	51	-75	243	150	-93	-38.3%
Income	3,270	3,592	5,141	6,210	6,345	+135	+2.2%
Operating expenses	-1,324	-1,422	-1,548	-1,746	-1,980	-234	+13.4%
Result before risk costs	1,946	2,170	3,593	4,464	4,365	-99	-2.2%
Risk cost	-489	-237	-443	-503	-915	-412	+81.9%
Bank tax	-285	-313	-400	-413	-488	-75	+18.2%
Gross result	1,172	1,620	2,750	3,548	2,962	-587	-16.5%

\*Including share in profit of associates.

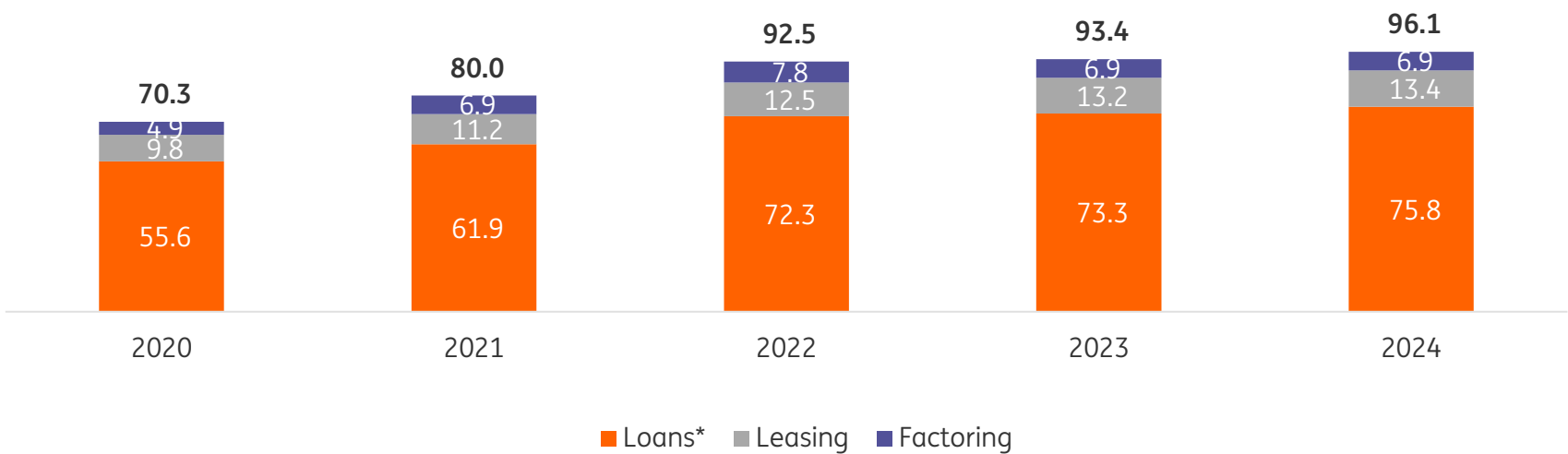
Market shares



Balance sheet and key indicators							
(PLN billion)	2020	2021	2022	2023	2024	y/y (PLN billion)	y/y (%, p.p.)
Total assets	101.7	106.4	120.5	138.6	145.1	+6.5	+4.7%
Receivables from clients (gross)*	70.3	80.0	92.5	93.4	96.1	+2.7	+2.9%
Liabilities to clients	58.8	69.1	84.7	90.1	92.5	+2.4	+2.6%
Loans (gross) to deposits	120%	116%	109%	104%	104%		+0.3 p.p.
Costs to income	40.5%	39.6%	30.1%	28.1%	31.2%		+3.1 p.p.
Costs (including bank tax) to income	49.2%	48.3%	37.9%	34.8%	38.9%		+4.1 p.p.
Cost of risk margin	0.69%	0.32%	0.51%	0.53%	0.96%		+0.4 p.p.
Participation of Stage 3 and POCI	4.41%	3.50%	2.87%	3.43%	5.73%		+2.3 p.p.

\*Including loans measured at fair value.

Gross receivables portfolio from clients in the segment by product (PLN billion)



\*Including loans measured at fair value.

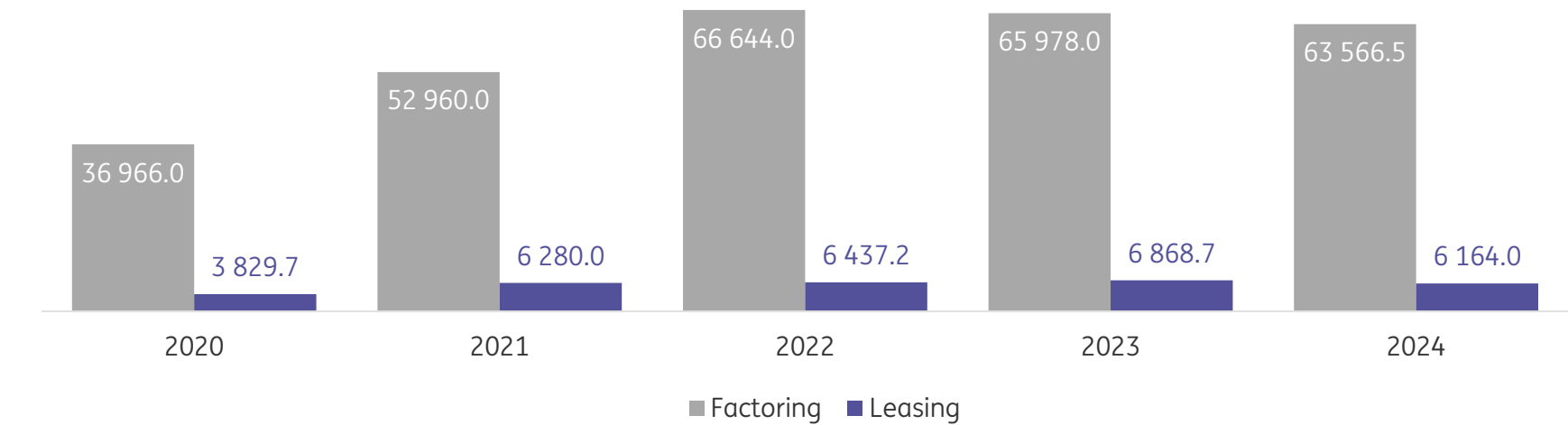




As at 2024 yearend, total gross receivables (including loans at fair value) from corporate segment clients increased by 2.9% y/y to PLN 96.1 billion.

The loan portfolio increased by 3.4% y/y (by PLN 2.5 billion to PLN 75.8 billion). The leasing receivables portfolio increased by 1.8% y/y to PLN 13.4 billion (mainly due to the portfolio of large companies and entrepreneurs). In contrast, the value of the factoring portfolio was PLN 6.9 billion, unchanged from last year.

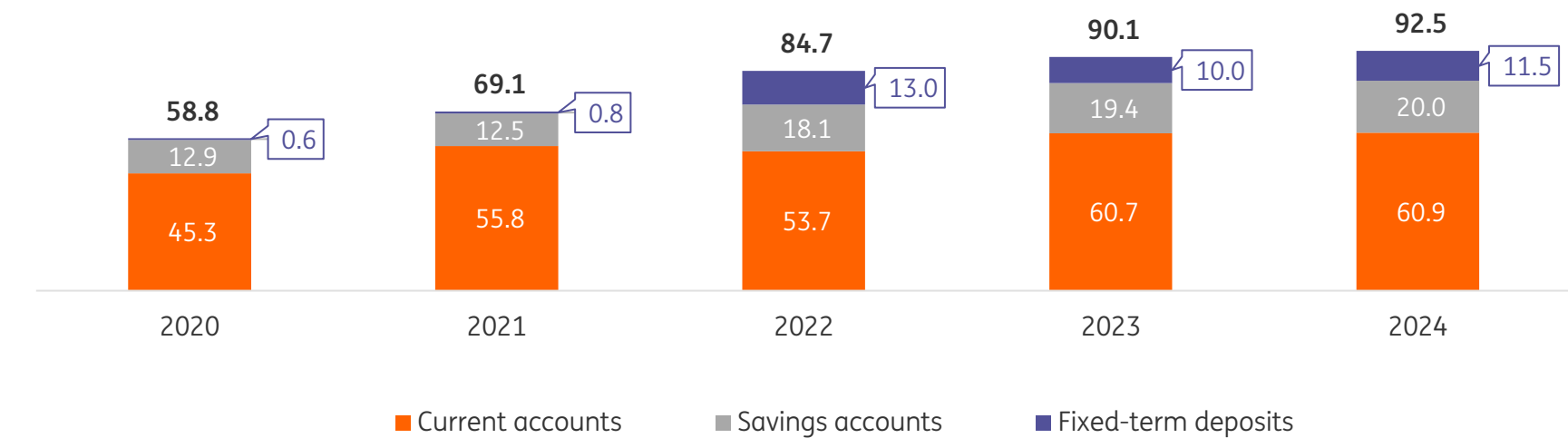
Turnover in factoring and leasing sales (PLN million)



Factoring turnover in 2024 was PLN 63.6 billion, 3.7% lower than in 2023. Turnover in 2024 allowed us to achieve 13.5% market share. In 2024, the number of our factoring clients fell by 15% y/y to 8,700, due to the connection with the cleaning of the portfolio from inactive clients. In 2024, we purchased 4.1 million invoices – 3% less than the previous year.

Sales of leasing products amounted to PLN 6.2 billion in 2024 and was 10.3% lower than in the previous year. Vehicle sales alone amounted to PLN 3.5 billion, down 14.3% on the figure achieved in 2023. Our market share in sales of leasing products was 5.6% in 2024 (6.9% in 2023). The number of leasing clients is 37.3 thousand. (+3.0% y/y).

Portfolio of liabilities to clients in the segment by product (PLN billion)



The funds deposited by our corporate clients as at 2024 yearend amounted to PLN 92.5 billion and were by 2.6% higher than at the end of the previous year.

Current account balances continue to account for the most significant proportion of liabilities to this group of clients (65.9% compared to 67.3% a year earlier). Funds held in current accounts increased by 0.5% y/y to PLN 60.9 billion, with the strongest growth in entrepreneurs’ current accounts (+11.8% y/y) and, to a lesser extent, current accounts of medium-sized and large companies (+2.8% y/y), with strategic clients’ current accounts falling by 10.9%. Funds held in savings accounts increased by 2.9% y/y to PLN 20.0 billion, mainly due to an influx of funds held by entrepreneurs (+15.4% y/y). Term deposits increased by 14.8% y/y, mainly as a result of an increase in term deposits from medium-sized and large companies (+19.7% y/y).

Our market position

We are the fourth bank in Poland based on the size of assets, deposits and receivables from clients – on a consolidated basis at the end of Q4 2024. We were also the fourth largest bank in terms of market capitalisation (PLN 31.4 billion) as at 2024 yearend, with our Price to Book Value ratio being the highest at 1.8x.



Our competitive position			
Measure	Nominal	Value date	Market position
Number of clients (million)	5.1	31 December 2024	4
Total assets (PLN billion)	260.4	31 December 2024	4
Client deposit portfolio (PLN billion)	218.1	31 December 2024	4
Gross receivables portfolio from clients (PLN billion)	167.4	31 December 2024	4
Commercial balance (PLN billion)	385.6	31 December 2024	4
Capitalization (PLN billion)	31.4	31 December 2024	4
C/WK ratio	1.8x	31 December 2024*	1

\*Calculated as the sum of net profit for 2024 to the average equity (MCFH-adjusted) for the five consecutive quarters ending Q4 2024.

Awards and distinctions

Our daily efforts in offering attractive products and services to our clients, our attention to high quality service and transparent communication, our sustainability measures and practices, and our outstanding commercial and financial performance are recognised by the market. Below please find selected 2024 awards. Their full list is available [here](#).

For overall performance

- ING Bank Śląski was among the “Best Banks 2023”, in the 14th edition of the “Golden Banker” ranking, including being named the best bank in social media.
- ING Lease (Poland) has received the “Financial Brand of the Year 2024” award. The report looks at companies that have demonstrated a stable market position in 2023, a good image in the financial world and have a range of comprehensive and diverse solutions on offer.
- In the Awards for Excellence competition organised by the financial magazine Euromoney, ING Bank Śląski received two awards: Poland’s Best Bank and Poland’s Best Bank For ESG.
- ING Lease (Poland) was awarded the Consumer Quality Leader award.
- ING Bank Śląski has won two awards in The Best Annual Report 2023. The bank received The Best of the Best award for model financial reporting for the seventh year in a row, as well as a special award for the Best Sustainability Report in the financial sector.

- ING Bank Śląski has been awarded the Mediation Friendly Financial Institution distinction.
- Brunon Bartkiewicz, President of the Management Board of ING Bank Śląski, was honoured with the “Friend of the Foundation” award by the Professor Zbigniew Religa Foundation for Cardiac Surgery Development.
- ING Bank Śląski was honoured by the National Securities Depository for its long-standing commitment to the development of the institution.
- ING Lease (Poland) was recognised in the “Leaders of Sustainable Development” report by Gazeta Finansowa.

For quality client service and innovation

- Brunon Bartkiewicz, President of the Management Board of ING Bank Śląski, was honoured with the Innovation Award at the Future of Payments competition in the category “Ahead of the Future. Visionary”. The award in this category aims to recognise an individual who has had a significant impact on shaping and developing the payments market through their vision, leadership and innovative approach.
- ING Lease (Poland) has been awarded the Best Product label for SMEs. Gazeta Finansowa honoured “Leasing na start” with the title Turbines of the Polish Economy. “Leasing for start-up” is an offer aimed at micro, small and medium-sized companies.
- SAIO, for the third consecutive year, has been recognised in the global ranking of leading industry suppliers – Everest Group’s “South African Products PEAK Matrix® Assessment 2024”. SAIO is the only company from Poland to be included in this prestigious list. This year, SAIO was classified in the “Major Contender” category and, in addition, was awarded “Star Performer” for the second year in a row.
- ING Bank Śląski was awarded for the fastest and smoothest remote onboarding for companies in the CEE region.
- ING Bank Śląski won first place and the title of Best Technology Lending Bank in the Innovation Finance Leaders Award ranking, prepared by the Polish Bank Association and Bank Gospodarstwa Krajowego on the occasion of Poland’s 20th anniversary in the European Union. The bank was included in the Top Five Banks of the 20th anniversary of Technology Credit.



## For ESG activities and practices

- ING Bank Śląski was awarded, in addition to the title of Poland's Best Bank awarded for the sixth time, the title of Poland's Best Bank for ESG in the Awards for Excellence competition, which is organised by the financial magazine Euromoney.
- ING Bank Śląski received the Eagles of the Rzeczpospolita for its ESG-related activities. The judging panel assessed companies' commitment to sustainability and green transformation, taking into account climate issues, wages, employee and environmental safety and respect for consumer rights.
- ING Bank Śląski was awarded the Green and Silver ESG Letter by Polityka. For the 13th time, the Polityka weekly, Deloitte and the Responsible Business Forum have honoured Polish leaders committed to sustainable development.
- ING Bank Śląski has been awarded a triple distinction in the ESG Ranking. Responsible Management. This is the 18th edition of the Ranking (until now the Ranking of Responsible Companies), organised by the Kozminski Business Hub at Kozminski University. The Bank won first place in the "Governance" area and third place overall and in the "Banking, financial and insurance sector" industry ranking.
- ING Bank Śląski received an award in the ESG Innovator competition in the "S" category for its role as a person of trust.
- ING Lease (Poland) received the "ESG Company of the Year 2024" award. The company was recognised for its contribution to sustainability and social responsibility, as well as for its effective ESG strategy and activities.
- ING Bank Śląski was awarded the top prize in the 2024 Sustainability Reports competition for the best sustainability report and integrated report in the financial sector.
- ING Bank Śląski has been shortlisted for the Diversity IN Check, a list of employers most advanced in diversity management and inclusion in Poland.
- ING Bank Śląski has scored the maximum 100 points out of a possible 100 in the 4th edition of a ranking of financial institutions that care about professional and social equality for LGBT+ people. The ranking is organised by cashless.pl.
- A report by the Responsible Business Forum singled out 5 good practices of ING Bank Śląski. The annually published report "Responsible Business in Poland. Good Practices" is the largest overview of CSR and sustainability

initiatives in Poland. The launch took place on 16 April 2024 at the ESG Idea Fair conference, during which the 5-year partnership anniversary with our bank was recognised.

## For communication with clients, the market and employees

- ING Bank Śląski took first place in the Banks and Financial Services category and is in the TOP 10 of all companies included in Poland's Best Employers 2024 ranking. The compilation compiled by Forbes Poland and Statista is a list of 300 companies operating in Poland whose outstanding HR achievements have been honoured with the title of best employer.
- ING Bank Śląski received a number of awards for its "ING City" project at the MIXX Awards Europe. The bank was recognised in the categories: Gold in the "In-Gaming Campaign" category; Silver in the "Influencer Marketing Campaign" category; Silver in the "Virtual Augmented Reality or New Technologies Campaign" category.
- ING Bank Śląski was awarded a silver sword in Poland's biggest creativity competition, KTR, for its song "Nie daj się wkręcić w sieć", recorded in ING City in Roblox.
- ING Bank Śląski came first in the Effie 25th Anniversary Company Ranking in Poland. For the effectiveness of its marketing activities, it has been awarded 39 times over the years in the competition.
- ING Bank Śląski won four awards in this year's IAB MIXX Awards. The bank received awards in all categories in which it received nominations.
- ING Bank Śląski received two silver awards in the "Golden Clips" competition.
- ING Bank Śląski received two awards in the Polish Project Excellence Award and the Polish PMO Award competitions.





# Technological development

## SDG 9

For ING, 2024 was a period of dynamic technological transformation that underpinned our operations and growth strategy. Continuing with our mission, we have focused on building a modern technological architecture that not only supports clients, but above all provides them with an excellent user experience and reduces the time to market for products and improvements.

We are continuing to move our applications, solutions and data to the cloud. This investment in state-of-the-art solutions is not only to bring IT environments in line with changing technology standards, but also to maintain performance and availability at the level our clients expect. Far-reaching digitalisation requires not only changes in how we function as a company, but also responsibility for our clients, their data and their security. Therefore, we strive to support our clients and employees by offering them safe and tailor-made solutions.

### Digital transformation and the public cloud are a priority for our activities

Our transformation is defined by the use of modern technology and the cloud first principle. With this approach, we migrated the entire integration layer to the Google Cloud Platform (GCP) public cloud. The public cloud has significantly improved our flexibility and operational scalability.

The technological transformation that we started in previous years not only allows us to rebuild the entire architecture of the bank, but above all allows us to build a data-driven culture. This, in turn, is essential to meet the next challenges such as the development of artificial intelligence algorithms. With its holistic approach to technology, ING Bank Śląski can be a pioneer and a role model for other banks. The redesign of the architecture is being carried out in a way that is completely transparent to our clients, so that they can use banking when they need it.

The consistent implementation of our strategy already allows us to build products that provide full personalisation. This approach allows our clients to tailor products to their individual needs and preferences. An additional advantage associated with technological transformation is the ability to implement new business ideas more quickly, which in turn leads to greater satisfaction for our clients.

### Supporting business needs

- We are working on new processes and solutions to speed up the processes of offering products such as a loan or a mortgage loan to clients.
- Bearing in mind the specific needs of clients affected by this year’s flooding, we have adapted the applications and processes associated with the products they use.
- Looking to the future, in turn, we have implemented a new onboarding process and are expanding Moje ING functionality for the youngest.
- In the business client area, we implemented an integration to improve communication via chat or video connection. Upgrades to the main financial markets applications have also been completed.

### We modernise technology and share knowledge

In 2024, we were active on many levels:

- Cloud computing – while working on expanding the catalogue of cloud services and the new operating model, we moved more applications to the cloud in a way that was not noticeable to clients (an example of which is the ING Business application). Migration to the GCP public cloud of applications (including an integration layer for the central system) built in a microservice architecture enable dynamic scaling as required. With the public cloud, applications use the minimum amount of resources needed to function properly.
- Infrastructure modernisation – being aware of the process ahead of us, we also take care of the infrastructure we already have by updating solutions such as the virtual machine management system or the file transfer application, among others.
- Regulatory changes – changing regulations (DORA<sup>1</sup>, WCAG<sup>2</sup>) have reinforced our conviction that ongoing and planned activities related to improving accessibility or adapting applications to the needs of people with disabilities are right and necessary. Due to the DORA regulation, which took effect at the beginning of 2025, we have been adapting the processes in place and the way we operate. And with an eye on the CBPR+ (*Cross-border*

<sup>1</sup> DORA - Digital Operational Resilience Act, Regulations on the operational digital resilience of the financial sector.

<sup>2</sup> WCAG - Web Content Accessibility Guidelines



*Payments and Reporting Plus*) specification and how ISO 20022<sup>3</sup> will affect transaction payment and cash reporting issues, we have made changes and refactored the applications that support these processes.

- AI – with a view to the AI ACT, which was under development on the side of the European institutions and published in the second half of 2024, we were active in the area of AI and Machine Learning. We have conducted communication campaigns to share knowledge about this topic, not only among employees but also in the surrounding banking and academic community. We met students at several universities and polytechnics, as well as through the “Exempt from Theory” programme. Our specialists have given several lectures at industry events, for external institutions and business partners. In turn, several events (such as “AI Trek”, “Spark the Future” and “Power of Data”) were held for employees, where they could not only hear about news from the world of AI, but also discuss and work together on ideas for applying these technologies to bank products and processes. In addition to this, we organised in-house training programmes (“AI Academy”) with as many as 331 participants from different areas of our organisation. Thanks to these actions, we have collectively implemented almost 30 AI&DS (Data Solutions) initiatives with recipients in 5 different divisions of the bank.

### Our plans for 2025

In 2025, in terms of technology and IT infrastructure management activities, we plan:

- activities around SRE (*Site Reliability Engineering*) and further work to keep the application as available as possible,
- further migration of applications to the cloud and further development of services to support the operation of products delivered and developed using cloud technology, as part of the implementation of the bank’s digital and technology transformation strategy,
- activities to democratise data access, migrate data warehouses and implement further solutions and models using AI and ML,
- further architectural transformation towards the use of events, micro-services and APIs,
- paradigm shifts in the assessment of IT risks,

- further automation of after-sales processes in the STP (*Straight-through processing*) model, using AI tools and the cloud.

### Moje ING

The Moje ING mobile app is the main channel for our clients to interact with the bank. It is already used by more than 2.9 million clients. In 2024, clients logged into Moje ING more than one billion times (88% on the mobile app) and made around 651 million transfers. We care about the performance and reliability of our systems. Moje ING’s availability as at 2024 yearend was 99.94% (99.95% a year earlier).

#### Moje ING for children

For children under 6 years of age, a parent/guardian can open an Open Savings Account in PLN or a foreign currency (EUR, USD, GBP). The process for the parent/guardian is available from the Offer in Moje ING.

For children aged 6 and over, we have made the Moje ING app available in an age-appropriate version with a limited range of functions. The functionalities available for a child aged 6-12 years are primarily:

- view balances and details of products held,
- access to transaction history,
- contactless payments with a prepaid card on an Android phone,
- requests for money, standard transfers and BLIK phone transfers (the child will not complete the transfer himself/herself, he/she sends a request for such transfers to the parent, who accepts or rejects it),
- practising savings skills with the Mobi Account or using savings targets linked to the Open Savings Account for your child.

Once a child reaches the age of 13, they will automatically gain access to additional functionality and products in the app.

In addition, for children aged 13 to 17, a parent/guardian can set up a Smart Saver without leaving home. As part of the process, the parent/guardian selects the method of saving on behalf of the child: rounding up the transaction

<sup>3</sup> ISO 20022 - is an ISO standard (International Standards Organization) regarding electronic data exchange between financial institutions.



amount or a percentage of the transaction amount, and indicates the account (Savings and Settlement Account) from which the money will be deposited into the Smart Saver.

The Mobi account with the Moje ING app extends our offer to young people, supports financial education and enables the first steps in learning to spend and save. Through the app, children gain practical mobile bank account skills and learn money management in a safe way. And all of this under the watchful eye of a parent who, from the Parent Panel in their app, has control over their child's spending and watches over their safety.

### ING phone verification

We have launched a service called "Phone Verification with ING", which allows you to check during a call whether a bank employee is calling. The tool shows the ING employee's details or a warning that the phone is suspicious. This allows the client to make sure they are talking to the right person and to rule out fraud (so-called spoofing). If the client uses the mobile app, when contacted by phone from the bank, they receive a PUSH notification that a bank employee has just called. When the client clicks on the PUSH message, they are redirected to the app, where they will find information about the ING employee calling. In this way, the client can confirm the authenticity of the call from the bank during the call. In addition, in the Security and Help and Contact sections, the client can check at any time if the bank is calling him or her, or trigger a check by using a button on the page before logging into the Moje ING mobile app.

### BIK sectoral behavioural verification

We have connected Moje ING to BIK's behavioural verification service, which is a sector-specific solution that allows us to build client behavioural models based on data collected from different banks – where the client has consented. The solution provides additional security against fraud and will help verify that it is definitely the client using their banking.

### Video with a specialist on a loan offer

For our clients, we have launched a Video Click to Call service, enabling an instant connection on Video with a specialist to discuss a loan offer. The solution is an alternative option for clients to meet with a specialist at the Meeting Place. It allows clients to find out more quickly about the offer. The video call is in the form of an assist in Moje ING and consists of supporting the client in the purchase process. The client can connect immediately by video with a specialist or make an appointment at a time of their choosing.

### Renewed mobile onboarding process

We have simplified the way in which an account is set up on the mobile app so that the whole process is even quicker and easier from the client's perspective. We have introduced a new UX standard that avoids extensive and complicated screens in the process. Such a process is clearer and quicker to click through. Thanks to the simplified Face&ID method, the client will confirm his or her identity in a friendly manner. If we need additional information from clients, we ask follow-up questions so that most can open an account without visiting a bank branch. Finally, once the application is submitted, clients immediately receive a login so they can activate the app and start using Moje ING.

### New presentation of client products in Moje ING

- Our clients have gained a new view of the details of the funds and investment portfolios – among other things, we have added a risk chart of the funds included in the portfolio, for the IKE and IKZE investment portfolio we have detailed the limits available within the pension product, we have also added a Q&A section and provided clients with new investment profile information for the investment funds and brokerage account (so clients will be able to check at any time what investment profile they have and what it is).
- Our clients have gained a new IKZE savings IKZE details view – we have added, inter alia, a chart showing the total of contributions made by the client in a given calendar year and the possibility to submit a "Declaration of non-agricultural activity" (after submitting such a declaration, the client will see in the IKZE savings IKZE details the increased IKZE contribution limit for a given year).
- Our clients have gained a new view of the Active Account details – among other things, we have drawn clients' attention to the conditions that allow free use of the Active Account, such as having assets of min. PLN 200,000 or PLN 100,000 of investment or total receipts above PLN 10,000.
- Our clients have gained a new view of their credit card details, allowing them to manage both their credit card and supplementary card independently, e.g. in terms of changing transaction limits or temporarily blocking cards, and we have also provided the client with all the necessary information about card repayment deadlines and related fees.

### Changes in tools for managing day-to-day finances

In 2024, we continued to develop the area of daily financial management.





- In the Expense Analysis and in the area of scheduling and managing recurring payments, we have added several usability improvements, making the use more intuitive, and we have also added icons to the list of Upcoming Payments and Subscriptions that refer to the logos of service providers, making it easier to recognise automatic card payments for services and subscriptions.
- In the BLIK area, we have rebuilt the processes to meet the requirements for people with impairments (EAA/WCAG) and raised the maximum available limits for BLIK phone transfers and transfers at someone else's request for adult clients.
- We have streamlined the process of communicating tax settlements from investments on the stock exchange. Now, our clients get a PUSH message as soon as the year ends, informing them whether they will receive their personal income tax information. Once the tax return is available, the client receives a PUSH message plus a message in Moje ING with a link directly to their document. This keeps clients informed and allows them to easily control their stock market tax returns.
- We have implemented a process to waive protection insurance for cash loans and mortgage loans. In addition, in the cash loan application process, we have implemented the functionality of naming a primary and secondary beneficiary to pay any excess.
- The needs and expectations of our clients inspired the implementation of a new tool called "Financial Month". From October 2024, we have provided clients with a single place in Moje ING where they can manage their finances in a monthly rhythm that is natural to them. We show clients, inter alia, how much money they have in their chosen accounts, how much the pending charges will be and how much money they will have left after making these payments. In addition, clients have access to a summary of their receipts and expenditure and the categories in which they spend the most.

#### Development of INGa's voicebot competence

- In 2024, we have implemented new ING competences from the subject areas most frequently raised by clients during phone calls. These included cards, BLIK, Moje ING, credit products or savings. We also actively reacted to current events – we prepared information on: forms of support for flood victims, the possibility of reserving the Polish National Identification Number (PESEL), news in the Moje ING offer for minor clients, or the next editions of government programmes (300+ and 800+).

- We have also provided automatic verification of the caller before switching to a contact centre specialist. The result of INGa's verification is transferred to the specialist's application. In doing so, we are influencing greater accessibility to our specialists and improving the experience of clients, who can go straight to dealing with the issue they are calling about, which they have not dealt with in a self-service manner with Inga.
- In part of its self-service competence, INGa offers the possibility to send a PUSH notification to the client with a link to a place in the Moje ING mobile app, so that the client can complete the issue he or she wanted to deal with on his or her own in the app by calling the bank. This solution helps to increase awareness of the possibilities offered by the mobile app and reduces the time it takes for the client to complete their instruction.

### Enhanced features for entrepreneurs in Moje ING

We have made further processes available to sole trader clients in Moje ING. The client can change the loan repayment account or the instalment payment day himself or herself online, and shorten the loan period if he or she has previously overpaid the loan (in this case, the process is for the time being only available to clients with a product not secured by a BGK guarantee). In addition, we have redesigned the loan repayment and overpayment process to make it more transparent for the client. As part of the new visualisation, we have also added a lot of useful information for the client about the product and related services. The client can contextually navigate from one place to the process of interest. He or she will also see important credit events, such as the need to deliver a document to the bank or a reminder of a loan default. The information presented is personalised for each product and client situation.

#### Multi-currency cards

In Moje ING for entrepreneurs for cards issued to company accounts in PLN (Visa Business contactless and MasterCard Business contactless), we have introduced the possibility of using a multi-currency feature. This allows entrepreneurs to pay with these cards abroad in EUR, GBP and USD without additional currency conversions and commissions. Once currency accounts in EUR, GBP or USD have been 'linked' to the cards, payments will be processed directly from the currency accounts.

#### Cards without plastic

For entrepreneurs in Moje ING (and corporate clients in ING Business), we have made it possible to order cards without plastic. It is a digital version of the traditional account payment card. The plastic-free card is available for activation immediately after ordering, without waiting for delivery of the physical card. Clients can add the card to



Apple Pay or Google Pay immediately after activation. It works like any traditional card, allowing payments online, in stationary shops and withdrawals from contactless ATMs. Clients can exchange the plastic-free card for a physical card at any time. Until the physical card is activated, the digital version remains active.

## ING Business

The online banking platform for corporate clients ING Business includes: a browser-based version, native smartphone apps and an H2H channel – ING WebService. We are successively working on further improvements and updates and making new solutions available to clients. ING Business availability was 99.89% as at 2024 yearend (99.91% a year earlier).

### Changes to the app

In 2024, we focused on changes in several areas of the mobile app such as:

- New loans module – clients can view their loans in the app. In the brand-new “Loans” tab, they will now find all the information they need: a list of their loan accounts, a repayment schedule, the ability to download statements, an overview of debits and credits on the account. With this facility, decision-makers will have an even easier view of the company’s finances.
- New view for cards – on the main card view, we have made card details such as limits or balance available to clients. Additionally, in June 2024, we implemented the ability to add cards directly from the app to the Apple Pay wallet.
- New section “My Data” – the “My Profile” tab has been expanded to include a new “My Data” function. From the new screen, the user will be able to manage the data that the bank has registered in the user’s individual file (KKI). The data update processes concern: address data, mother’s family name and identity document. In addition, in this section we have made it possible to change the telephone number for authorisation and the email address for password reset.
- LiveBank – we implemented LiveBank at ING Business in early 2024. It is a communication tool that allows users to interact with the bank via chat, audio and video. The tool makes it significantly easier to get the information clients need and shortens the conversation time. Anyone connecting to us via LiveBank is authorised by the system so that they do not have to answer a large number of questions to verify their identity.

- Integration of the companies’ product platforms – we released the ING Financing Invoices application and the ING Lease client portal. This means that our clients can easily, without additional authorisation, switch from the online banking system to these applications. With this integration, clients can handle all their products in ING Business after one login.
- Antispoofing – on 15 November 2024, we made phone verification with ING available in ING Business. In this way, we have consistently improved the safety and comfort of our clients during phone calls. This solution has been in place for quite some time in Moje ING for retail clients and one-person businesses. Now such a solution is also available to business clients. Phone verification from ING allows the client to confirm the identity of the person claiming to be a bank employee during the call. The client will see a notification in online banking or in the app with the employee’s name.
- Safety zone – we have made the zone familiar from the browser-based version of the ING Business system available in the mobile app. Here, clients will find the most important and up-to-date information and advice on safe banking. As part of the work on the navigation and design of the app, we have redesigned the app’s start screen to make it simpler and easier to read, shown the funds available on the account and recent operations, and allowed the client to choose which account they want to see on the dashboard.
- Mobile authorisation of applications via PUSH – we have made it possible for our clients to authorise applications made in online banking directly in the mobile app. This means fewer text messages and even more convenience in managing company matters.
- Notifications – we have provided clients with a new version of PUSH account event information notifications. These have replaced the existing short text message and email and other banking notifications. Currently, PUSH notifications are the only and free form of notification available to clients. To take advantage of the new notifications, it is necessary to update the mobile app to the latest version 4.9.0. With our clients’ needs in mind, we have included the following notifications in PUSH form:
  - transfer information: debits/credits and rejected transfers,
  - selected cantor transactions,
  - card transaction information, set up from within the ING Business Cards module,
  - statuses of completed and rejected requests,



- information on documents signed electronically.

## We improve develop and support

### Retail segment

#### Mortgage loan for energy-efficient real estate modernisation

In Q3 2024, we offered clients a special offer for a mortgage for energy-efficient real estate modernisation. It aims to support the fight against climate change by funding energy-efficient solutions. In order to take advantage of the offer, an energy performance certificate must be attached to the loan application. The initial (input) value of non-renewable primary energy (EP) is recorded in the loan agreement. The client then produces a further certificate after an agreed construction period (after the specified refurbishment/modernisation works have been carried out). It should specify that the real estate's EP demand has improved by a minimum of 30% from the original value and does not exceed 76 kWh/m<sup>2</sup>/year.

#### Loan for better

We developed the promotional offer "Loan for Better", supporting clients in their efforts to tackle climate change by financing energy-efficient solutions. If the loan amount is at least PLN 100,000 and a minimum of 70% of this amount is spent by the client on the purchase of an electric car, then the client can gain up to PLN 2,000 in rewards. All they need to do is to submit an invoice confirming the purchase of an electric car up to three months after the conclusion of the loan agreement and repay the loan on time for six months without making any overpayments or full repayments before the prize disbursement date, and fulfil the additional conditions indicated in the terms and conditions.

#### Assistance tools for those affected by floods

From 15 October until the end of December 2024, clients who met the eligibility criteria, i.e. suffered property damage to the real estate securing the loan or lost their job (main source of income) as a result of the flood or its immediate aftermath, could apply at Moje ING for deferred repayment of loans. During the deferral period, interest was charged for the deferral period and the repayment schedule was extended (even beyond the suspension period). The client could choose the type of deferral: only the capital part of the instalment or the entire capital-interest instalment for a period of 1 to 3 months.

#### BIK credit disclaimer

Biuro Informacji Kredytowej S.A. (BIK) offers a credit reservation service for individual clients (*Credit Freeze*). Clients who have an active credit disclaimer will not sign a loan agreement with a bank that has partnered with the BIK for this service. Our bank is one such bank. Before signing a loan agreement in the consumer loan process, we verify the client's details. If the client has *Credit Freeze* active, we will not sign an agreement with them. We implemented *Credit Freeze* before the Polish National Identification Number verification in the reservations database was even implemented. As clients continue to actively use the BIK credit disclaimer service, we continue to verify data in the BIK disclaimer database as part of our credit process. By doing so, we strengthen the anti-fraud protection of our clients.

#### Withholding of the Polish National Identification Number

In the credit processes for individual clients, we have implemented the verification of the Polish National Identification Number in the government reservation database. In accordance with statutory requirements from 1 June 2024, the Polish National Identification Number of each client is verified in the reservations database before signing a loan agreement or increasing the amount of an existing commitment. If the client's Polish National Identification Number is reserved at the time of signing, the contract will not be signed. By doing so, we are fulfilling a statutory obligation and protecting the client from being defrauded and our bank from losses resulting from these defrauds.

#### Multi-currency card for teenagers

From July 2024, our teenage clients can use the Visa multi-currency card. It allows young people to pay conveniently and without additional currency conversion fees with the card in foreign currencies such as EUR, GBP and USD. We have enabled the service for clients between the ages of 13 and 17, simply by having a parent set up a currency account for their child on their app. Since the launch of the feature for teenagers, up to 66% have enabled the multi-currency function for their card.

#### Promotion in partnership with Medcover Sport

We have prepared a promotion dedicated to Young clients, aged 18-26. New Mobi account holders who open a Mobi account on the Moje ING app using the selfie method can benefit from a Medcover sports pass at an attractive price of PLN 20 per month after meeting the conditions of the promotion. Young people can gain as much as PLN 828 in rewards per year. Offering a sports pass for a personal account is an innovative solution that goes beyond classic banking.





### Change in special offers: Open Savings Account in “Bonus na start”, Open Savings Account in “Bonus” and Open Savings Account in “Bonus MAX”

The aim of the change in special offers: Open Savings Account in “Bonus na start”, Open Savings Account in Bonus and “Open Savings Account” in Bonus MAX were to make special offers more attractive to clients actively banking with ING. The change consisted of implementing additional conditions into the special offer, necessary for the client to meet in order to receive the bonus interest rate. The new additional terms and conditions promote clients actively banking with ING – clients for whom ING is the primary bank.

### Deposit with Start-up Fund

We have introduced a new version of the Deposit with Fund. A new variant, the Start Fund Deposit, is a solution for those who are just entering the world of investments. The principles of the solution are the same as for a regular Fund Deposit, and what differs is the proportion of the amounts that are invested. Under the Start Fund Deposit, the client pays 70% into the deposit and 30% is invested in a fund of their choice.

### Promotion of Deposit with Model Portfolio

As part of our investment advisory service, we offered a Model Portfolio Deposit promotion to Private Banking clients. The offer is dedicated to clients looking to diversify their funds. Under the product, the client deposits 30% of the funds on deposit and invests 70% in a model portfolio, which includes investment funds selected by the experts of the Investment Competence Centre. The selection of an appropriate model portfolio is a reflection of the client's objectives, needs and financial situation.

## Corporate segment

### EU technology loans and green loan

In 2024, ING Bank Śląski S.A. supported entrepreneurs applying for EU subsidies under further competitions launched from aid programmes. ING Bank Śląski S.A. signed a total of 53 EU loan agreements or issued promises of EU loans to finance projects with a total volume of over PLN 462 million.

The bank also holds a leading position in terms of promises issued for a green loan. In 2024, as part of the next call for proposals, we issued 145 promises and concluded conditional loan agreements for a total of nearly PLN 614 million. The green loan finances projects that aim to improve energy efficiency by upgrading a company's existing infrastructure. The support provided will thus facilitate the energy transformation of companies.

### ESG-linked financing

Acting in line with our organisation's strategic objectives, we support the economy in its transformation towards more sustainable, sustainable and efficient business models. We make it easier for companies to invest in sustainability by offering them financing under:

- “Sustainability Loan” at preferential pricing conditions – no margin for the first 13 months of financing. Among other things, the loan covers investments in renewable energy sources;
- the special offer “Leasing to support sustainable development – 2 instalments for 0 PLN “, which is dedicated to investments in the financing of fixed assets for the achievement of sustainable development goals;

and funding:

- electric and hydrogen cars and vans, as well as electric motorbikes and scooters. A particular benefit of this offer is the 0% commission and PLN 0 for the registration of such vehicles;
- photovoltaic panels.

### Assistance tools for those affected by floods

After the floods, our clients found themselves in a very difficult situation, which is why we decided that clients with a Direct Account for Business who are based in an area affected by a natural disaster will not be charged for account maintenance and online transfers in PLN domestically and for foreign currency transfers in EUR to SEPA countries online from September to November 2024.

In addition, we have prepared the possibility of requesting a loan repayment grace period under the terms agreed in the Non-Statutory Moratorium on Flood Situations, and we have temporarily suspended the debt collection activities carried out against clients with delayed loan repayments from flooded areas.

### New BGK guarantees

In 2024, we continued the De Minimis Guarantee programme, which was very popular with clients. Guarantee sales in 2024 exceeded PLN 6.2 billion (vs. PLN 9.5 billion in 2023) and thus, with total sales of these guarantees of PLN 41.7 billion (from 2013 onwards), we are ranked 2nd in the ranking of all banks with this in their offering.

We have also implemented new guarantee instruments such as:





- Biznesmax Plus Guarantee – an instrument to support the development of innovative companies and to increase the global innovation potential of the sector. In total, we have provided PLN 213.2 million of this guarantee in 2024.
- Ekomax Guarantee – supporting energy efficiency improvements for companies and scaling up the energy transition. The volume of transactions granted, since the implementation of the product in April 2024, has amounted to almost PLN 6 million.
- Investmax guarantee – the aim of this facility is to support micro-entrepreneurs and SMEs. Investmax with the European Investment Fund’s counter-guarantee was implemented in the second half of 2024 and by the end of the year its volume exceeded PLN 36.8 million. The guarantee is an alternative for clients who have exhausted the de minimis aid limit.

We have also started cooperation with BGK in the area of projects related to the defence of our country.

#### Start-up solutions for ING clients

The rising cost of running your own business, especially in the first year, is challenging. ING makes it easy for people who decide to start their own business to get started and supports them with solutions that enable them to successfully grow without unnecessary start-up costs. To make our offer competitive, we support it with additional benefits for clients:

- every new client who opens a Direct Business Account will receive free account maintenance and transfers (domestic and SEPA) for 24 months,
- for card payments on the phone, clients will receive a PLN 1,000 bonus (10% cashback in the “Profit with Mastercard on the phone” promotion),
- for funds up to PLN 10 million, clients will receive an account interest rate of 6%.

#### Housing trust account

We have provided developers in the ING Business system with an electronic application to settle funds from the virtual account. With this application, clients can:

- send to the bank the notarial deed of the agreement transferring ownership rights to the purchaser in order to settle the final stage of the investment or

- submit an instruction to transfer erroneous transactions from the virtual account.

The online application is the primary means of sending notarial deeds for the withdrawal of funds from the virtual account from the final stage of the investment, as well as submitting any instructions for the reallocation of funds from the virtual account. In doing so, we have simplified the handling of development accounts and streamlined their handling on the operational side of the bank.

#### Offer for housing communities

From July 2024, communities already served by a bank, as well as those that have not previously had a relationship with a bank, can apply for a loan online. For existing clients – housing associations – the investment loan application is available at ING Business, and for the rest of the group, it is available on the bank’s website, in the section for housing associations. An initial credit decision is made automatically on the basis of the data entered by the client, and we issue the final credit decision after verification of the documents provided by the community.

In addition, we have provided an online loan calculator for housing associations. The community itself can calculate the instalment and check creditworthiness and choose the most favourable loan offer for itself, even before completing the loan application.

Clients sign the loan agreement at ING Business. The signing of an agreement by a new client is possible after undergoing the onboarding process and opening a settlement account and online banking system. At the same time as implementing the new process, we have made changes to the offer for housing associations by increasing the maximum amount of financing to PLN 4 million and extending the loan period to 20 years. No own contribution is required for a loan of up to PLN 2 million, and above this amount it is required at 10% of the investment. From the end of August 2024, communities can also apply for a loan on the mobile app.

#### Development of the imoje payment gateway

In 2024, we actively worked on the development of the imoje payment gateway. Among other things, we have standardised and refined the presentation of transaction reject codes on our screen (in cases where, for example, the amount limit has been exceeded or the card has expired), we have introduced the possibility to handle settlement for new currencies – the Swedish krona and the Bulgarian lev, and we have implemented a new payment method – BLIK I Pay Later – which allows for deferring payment for online purchases by up to 30 days.



## Product innovations linked to e-commerce

In 2024, we have provided the opportunity to integrate with the largest platforms serving the e-commerce sector: Allegro, Shoper, Baselinker, Magento2, PrestaShop or WooCommerce. We have given clients with international sales the option to invoice foreign clients under the VAT OSS procedure. A special document type will make it easier for them to account for sales.

## New features and improvements to the eTerminal app

The eTerminal app, allows payments to be accepted on mobile devices such as phones and tablets. It is offered on a “pay as you use” pricing model. With no fees for activation and use of the app, the only cost is the commission on transactions made. In addition, the app is available as part of the Cashless Poland programme and, in addition, ING provides two months of free use.

Among other things, users of the application can: log in using biometric data – a fingerprint, change the interface language to English, integrate eTerminal with the Virtual Fiscal Cash Register and sales systems, describe the transaction with additional data. In 2024, we have also introduced a new method of registering for the eTerminal app using a QR code and a simplified payment process thanks to the abandonment of the Pinpad app. These changes have significantly simplified the processes involved in using the eTerminal app.

# Client experience

## Client experience management

Invariably, our clients’ experience when banking is very important to us. We make sure that every moment spent with us is special and effortless for our clients. That is why we focus our efforts on ensuring that the products and services we provide are characterised by our differentiators – *easy, personal, relevant, instant*. By doing so, we also support the bank’s strategy.

We learn about all that is important to our clients from client voices, findings from research with clients and various Service Design tools. Key for us are the journey maps for the various products, of which we already have more than 180. It is from these that we read what problems and needs our clients have and what emotions they experience when using our products. In this way, we look broadly and react, i.e. change, improve and redesign.

We actively involve employees from different areas in designing solutions for our clients at the annual CX Day.

## Retail client

In 2024, we have streamlined the way our employees work on designing solutions for clients. When designing them, we pay attention to the preparation stage of solution proposals, which are developed in a creative way but preceded by in-depth business and client analyses. This creates solutions respond to the needs of both clients and the bank. The last CX Day also focused on preparing a variety of proposals for our clients. This event was attended by more than 650 employees who conducted more than 174 tests/interviews with our clients. As a result, the teams came up with 29 ideas.

## Business clients

We invariably simplify processes and design solutions and products with the aim of providing the best possible experience for our business clients. We monitor satisfaction with our services through an extensive NPS survey programme. Thanks to the digitalisation of many processes, clients can complete most matters completely remotely. We design and use effective tools for personalised communication with clients. They allow us to develop remote sales. We take advantage of the opportunities created by millions of user visits to our systems. For entrepreneurs and those looking to start their own business, we continuously develop [Firmove.pl](#), a platform that provides expert knowledge and useful tools to help successfully establish and run a business. Issues ranging from vetting a business idea to financing and accounting to business solutions to support sustainability are available. More than 750 articles, videos, podcasts and document templates await clients on Firmove.pl, as well as useful tools (e.g. calculators, e-books and an entrepreneur’s calendar) to support strategic decision-making or the introduction of ESG in the company. As at 2024 yearend, the platform had more than 600,000 unique visitors.

We are constantly improving the process of opening the first account for corporate clients. Our priority is to create a positive client experience during onboarding. Although the process involves a comprehensive AML/ KYC analysis of the client, it is highly automated. The client can remotely apply for an account, make a remote identification (video verification) and sign the account agreement. Thanks to the measures taken, 70% of accounts for sole traders are opened in less than an hour. The remote process is also available for partnerships and limited liability companies and housing associations. The process is positively evaluated by clients and was rated as the best onboarding process for SME entities in Southern and Eastern Europe in November 2024 (the Best Digital Solutions for SMEs in the CEE region ranking).

At this year’s CX Day in the area of corporate banking, the focus was on finding solutions to increase the bank’s chances of attracting new business clients. More than 80 ideas were generated in this thematic area.



Net Promoter Score

We consistently develop our products and services to best meet client expectations and dynamic market developments. Clients are a key resource for us – their feedback helps us see both strengths and areas for improvement.

The NPS (Net Promoter Score) is one of the basic tools that allows us to measure client satisfaction and their willingness to recommend our bank. By regularly monitoring this indicator, we can assess the effectiveness of our actions, compare ourselves with other banks and set directions for development. To ensure that the results are reliable, we rely on a consistent methodology across industry surveys.

We enrich the NPS surveys with open-ended questions that allow clients to indicate specific reasons for their ratings.

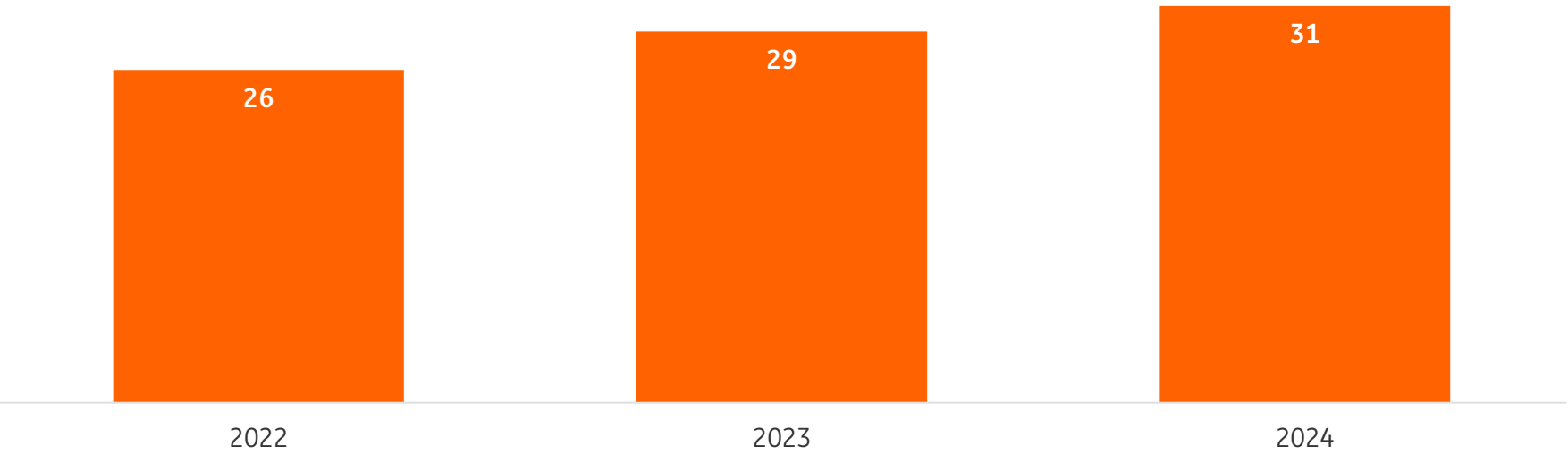
We combine the extracted data with other sources, including client voice analysis, using artificial intelligence tools. We analyse this information by client relationship, contact channels and products, allowing us to better understand the context and take effective action.

As part of our activities, we are also reinforcing a client-focused attitude throughout the organisation. We organise initiatives such as CX Day to engage employees and help build a client-focused culture. Through such activities, we develop a shared awareness of the importance of client experience in every aspect of our business.

Retail segment

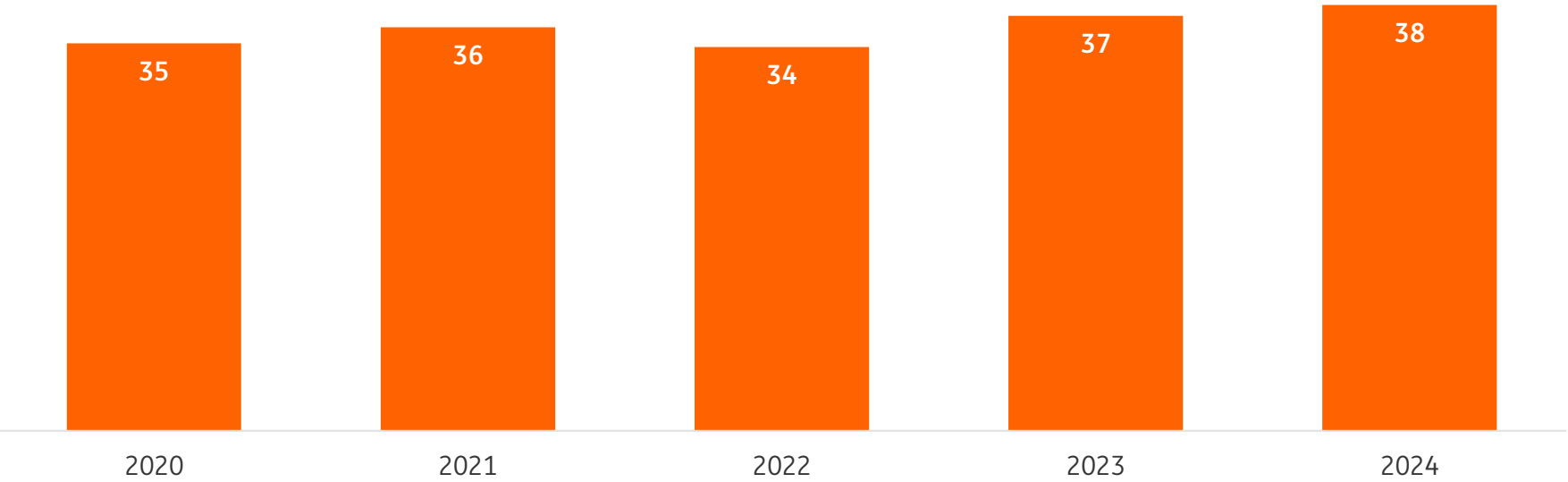
In 2024, we have seen an increase in NPS among retail clients. The annual average value reached 31 points, compared to 29 points in 2023.

Relational NPS in the retail client area



This result allowed us to maintain our position as the leader in the statements and maintain a 17-point lead over the market average and an eight-point lead over the next bank.

Relational NPS in the retail client area (main relationship)



The data comes from the independently syndicated NPS relational benchmark survey (Bermuda project), conducted by research agency Minds & Roses. The survey was conducted using the CATI method and covers a representative group of Polish bank clients aged 15 and over.



We are constantly developing our research by analysing more and more points of contact between clients and the bank. We are systematically increasing the number of surveys, enabling clients to evaluate completed processes. We aim to cover all key processes with research, which will allow us to identify areas for improvement even more precisely and make the necessary improvements.

We are also innovating in satisfaction surveys – engaging our voicebot (INGa) to conduct surveys during client conversations. This allows us to gather feedback in real time and better understand client needs.

Digital client experience remains a key area of our work. We are focusing on the development of the Moje ING system, while maintaining a high standard of service in stationary outlets. We prioritise digital interaction research in our development strategy, but nurturing direct contact with clients remains equally important.

In 2024, we also conducted Mystery Shopper surveys to verify the level of service standards in our meeting points – stationary outlets and ING Express outlets. The results provided valuable information to support our efforts to further improve service quality.

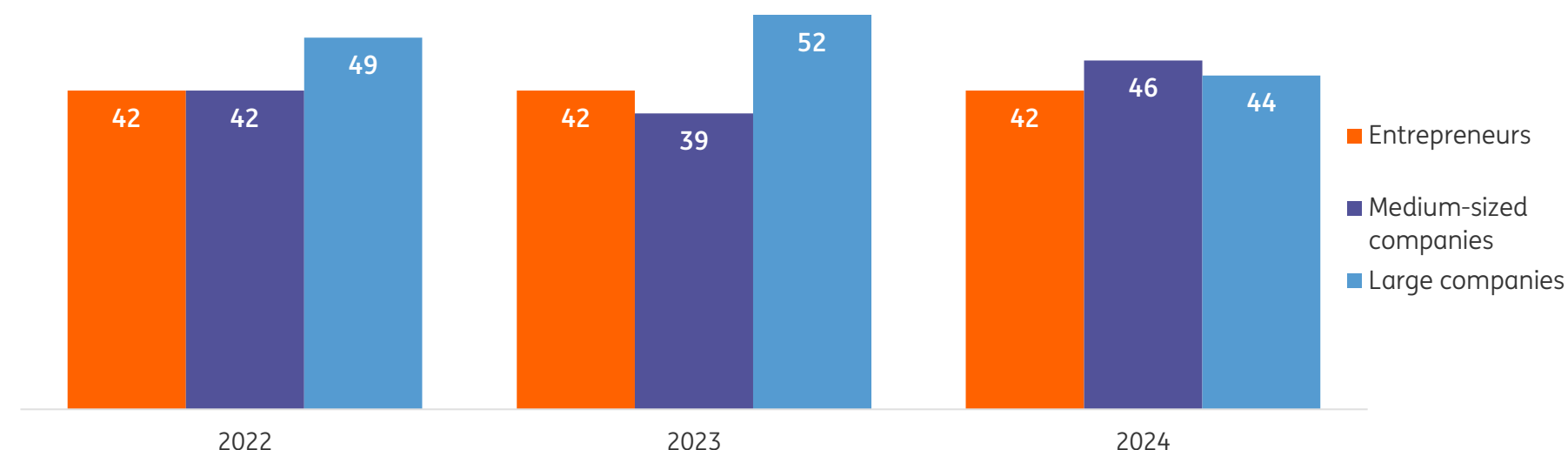
Constant analysis of the results of the bank rankings shows that our activities are highly rated by clients. Leading positions in market rankings reinforce our conviction that the chosen strategy for development and service quality is yielding tangible results.

### Corporate segment

In 2024, we have maintained our position as a leader in the ranking for serving entrepreneurs and medium-sized companies. The NPS ratios we achieved in all Business Banking segments were well above the market average.

- In the group of entrepreneurs – as in 2023 and 2022 – the NPS index was 42 points. The result achieved was 17 points higher than the market benchmark and determined the bank's first place in this segment.
- In the area of medium-sized companies, the NPS index was 46 points (up by 7 points on 2023) and 26 points higher than the average market value, which puts ING firmly at the top of the list.
- In the sector of large companies, the bank achieved second place with an NPS score of 44 points. Despite an adjustment of 8 points compared to 2023, its level was still 10 points above the market benchmark.

### Relational NPS in the area of entrepreneurs, medium-sized and large companies



The reported indicator values are based on the results of the NPS benchmark survey, which is part of an international research project carried out by the research institute IPSOS on behalf of ING Group N.V. in the Business Banking markets. Measurements are mainly carried out using the CATI method.

Satisfaction and CX surveys are an important part of our strategy to grow and build lasting client relationships. In 2024, we sent out more than half a million surveys, which allowed us to gather extensive material for analysis. The information gathered from them has become the foundation for implementing improvements and proposing solutions better tailored to market expectations.

We focus not only on key processes and contact channels. In the past year, we have included new interaction channels and products in our research. Among other things, we carry out satisfaction surveys after video calls and chats with our consultants, which allows us to gather feedback in real time and better understand the needs of clients in real time.

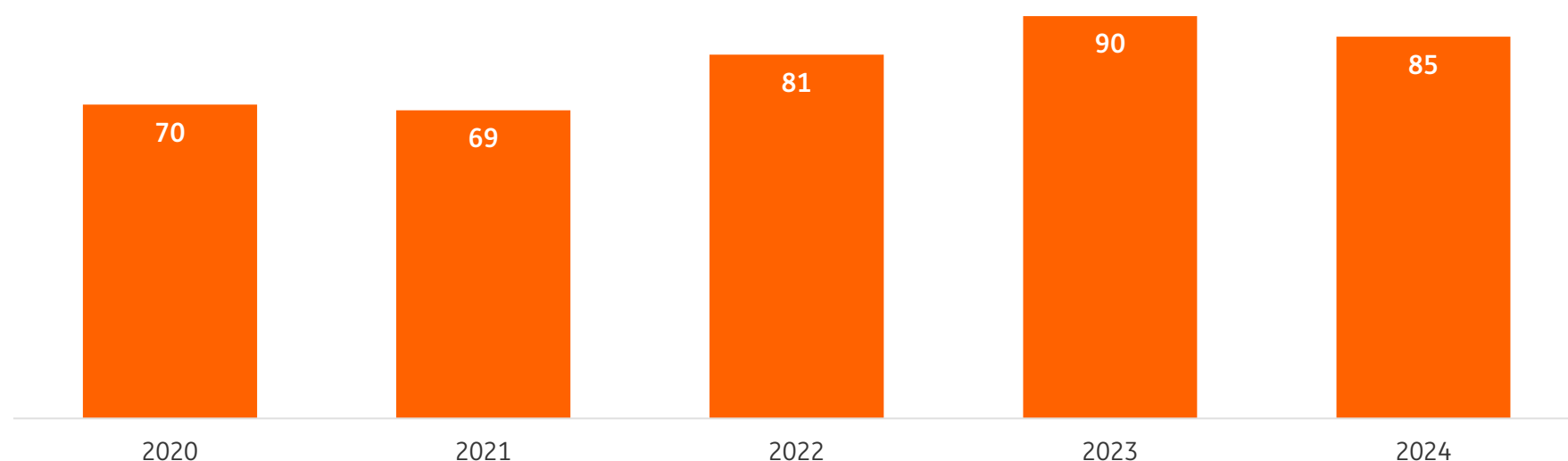
Leading places in the rankings are confirmation that clients appreciate the changes that are being made, which motivates us to further improve our processes, quality and service standards.

In the Wholesale Banking strategic client area, the relational NPS stood at 85.1 points (down 4.5 points compared to 2023). The research in this area is also part of an international research project carried out by the ING Group N.V.





## Relational NPS in the area of strategic clients



## Customer service at meeting points

### Retail segment

In accordance with the *Bank Organisational Bylaw*, we serve individual clients at banking branches, which we divide into:

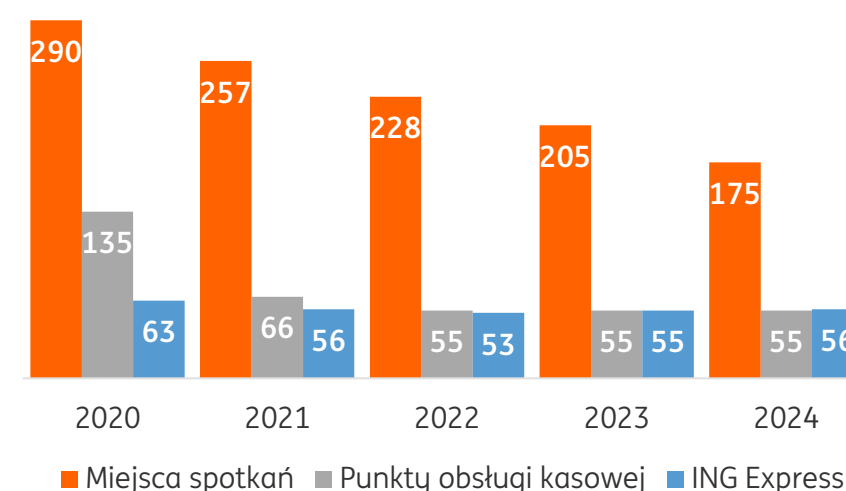
- meeting places: we will arrange a convenient day and time with the client to discuss their needs. Specialists will help you take care of your financial future, live better, as well as in everyday banking,
- private Banking meeting places – Private Banking clients will meet their advisor here,
- cash service points – here we take care of the comfort of withdrawing and depositing cash at the cash desk; a specialist will help to make the transaction smooth and safe,
- ING Express sales outlets – operate in shopping malls; our clients can open an account there along with access to online banking.

As at 2024 yearend we had:

- 175 meeting places;
- 56 ING Express outlets, located in major shopping centres across Poland. The ING Express network of points of sale is a response to the expectations of clients who are looking for a bank that is available anywhere at any time.
- 5 Private Banking centres and
- 55 cash service points dedicated to cash deposits and withdrawals at the counter.

We are consistently in the process of modernising our bank outlets, which involves changing equipment and décor and introducing new functional solutions.

### Number of our meeting places and cash points



### Geographical structure of meeting place locations as at 2024 yearend



We continue optimization activities by relocating and consolidating outlets to the most attractive business locations in individual cities and regions.

### Corporate segment

The bank serviced corporate clients in the segment of medium-sized and large companies through:

- 9 Business Development Centres,
- 29 Business Banking Centres,



- 14 Corporate Banking Centres.

Almost all of them operated in the same locations as the venues.

Strategic clients were serviced by the Strategic Clients Department in Warsaw and a regional office in Katowice.

### Development of the video channel at venues

In 2023, we implemented the possibility for clients to meet on video and talk to our experts about their new mortgage. Observing the high client interest in this form of contact (more than half of self-appointed clients choose video vs. in-office appointments), we have been developing this functionality in 2024 and increasing the availability of experts in this channel. In addition, we have implemented the following solution – in addition to being able to make a dedicated appointment, the client also has the option to connect with a specialist “here and now” (*click to video*). Without making an appointment, he or she can immediately discuss a mortgage offer and even apply for a loan. In addition, we have implemented the possibility of a *click to video* call after p.m. and on Saturdays, which is proving quite popular with clients. The client can make an appointment, use the click call option, via our bank website, Moje ING and e-commerce. Private Banking clients can also meet with their adviser by video and discuss the current savings and investment offer.

### Automatic teller machines (ATMs) and cash dispensers

An accessible and developed ATM network is an important channel for clients to access cash. As at 2024 yearend, our clients will have more than 5,200 commission-free ATMs at their disposal. This represents an increase of 10% on the end of the previous year. The increase is mainly due to the addition of Santander Bank Polska S.A.’s off-branch facilities to its preferred network, with which Planet Cash has established a partnership. At the moment, the commission-free network mainly consists of machines with the ING logo (all with deposit facilities) and Planet Cash and Planet Cash in cobrand with banks: BNP Paribas Bank Polska S.A., mBank S.A., Credit Agricole Bank Polska S.A., VeloBank S.A. and selected Co-operative Banks. Most of these devices also allow deposits.

In the area of the ING logo device network, our activities in 2024 focused on:

- continuing to educate clients on cyber security – screens displayed on devices,
- increasing the number of devices with an active voice guide function – adaptation for blind and partially sighted people (+60 devices y/y, meaning that at the end of 2024, 70% of devices had this feature),

- preparing to modify the transaction scenario – adding a screen to make clients aware that the money they deposit is immediately in their account,
- the introduction of a new standard in Cash Service Points – dual-currency devices at each location.

At the end of the year, clients could withdraw EUR from 89 Orange ATMs (up by 12% compared to the end of 2023).

## Our social involvement

We attach particular importance to activities in the area of financial education, which we have been targeting a wide range of audiences for many years. The implementation of these activities flows from the need to share the expertise we have as a financial institution. That is why, as part of their cooperation with partners in many projects, ING Bank Śląski Group employees participate as experts or mentors. In order to carry out social activities effectively, we establish partnerships with organisations with a broad, nationwide reach that declare high standards of action. Together with partners, we set targets and metrics to determine the effectiveness and social impact of the programme. This way, we know what social change we are achieving as a result of our joint activities. In addition to regular programmes and partnerships, we also implement activities that respond to humanitarian need. An example is the fundraising for those affected by the floods that hit south-western Poland in September 2024.

ING Bank Śląski conducts social and charity activities in priority areas in line with its business strategy for sustainable development. We carry out activities both independently and in cooperation with community partners and with the support of two corporate foundations – the ING for Children Foundation and the ING Polish Art Foundation.

We attach great importance to the transparency of our activities. We work with organisations that declare their compliance with anti-corruption, ethical and environmental standards. We ensure due diligence in the process of establishing cooperation. Financial charitable donations are made on the basis of *ING Bank Śląski S.A.’s Donations Policy* in place at the bank, with the Donations Committee participating in the process each time. Sponsorship and partnership activities are also covered in our bank by the *ING Bank Śląski Sponsorship Policy* and the *ING Bank Śląski Social Partnerships Policy*, respectively. For more on this topic, see [Donations sponsorships and partnerships](#).

### Assistance to flood victims

A collection to help flood victims (which took place in southwestern Poland in September 2024), launched by ING Bank Śląski together with the ING for Children Foundation, raised more than PLN 5.6 million, of which PLN 1 million was donated by the bank and PLN 200,000 by ING Hubs Poland. The money was earmarked for humanitarian aid



organised by the Polish Red Cross. It reached those affected, especially children and their families. It will help provide safe shelter, food and care for those living in devastated areas. In addition, ING Bank Śląski made a donation to the “Kompas” Association for the Promotion of Physical Culture to organise a school trip for children from flood-affected areas.

### Continuing to support those affected by the war in Ukraine

ING Bank Śląski continued its support for employees of Ukrainian origin in terms of medical care and housing rental, and for employees supporting people from Ukraine in terms of Easter and Santa Claus benefits for children. Following the attack on the Okhmatyd Children’s Hospital in Kyiv, ING Bank Śląski made a donation of PLN 50,000 to UNICEF Poland to help children and their families, particularly those affected by the shelling. ING Bank Śląski, together with the ING for Children Foundation, immediately after the rocket attack on Kyiv’s children’s hospital launched an internal collection among employees; the amount collected, more than PLN 22,000, was donated to UNICEF Poland.

### Actions for financial education, climate education, entrepreneurial development and sustainable development

- We Will Save the World – eco-programme for primary school students

“We Will Save the World” is an educational programme aimed at students at all levels of primary school, which combines the expansion of children and young people’s environmental knowledge with the enhancement of digital competence. The programme is part of ING Bank Śląski’s work on climate education for primary school children. The We Save the World Programme is organised by the “ABCXXI – All of Poland Reads to Kids” Foundation, with the WWF Polska Foundation as the content partner. ING Bank Śląski is a Strategic Partner. The Ministry of Climate and Environment and the National Library have assumed Honorary Patronage of the Programme. Nearly 17,000 male and female students from 219 institutions in 172 locations across the country were enrolled in the second edition of the programme, which ended in June 2024. The finale of the programme was for the students to carry out their own environmental projects for the benefit of the local community and to submit presentations of their implementation to the organiser for a competition. You can read more about the EIA Programme on the website: [We Will Save the World – All of Poland Reads to Kids](#).

- Warsaw Banking Institute – Bakcyl, Security in Cyberspace (BwC) and #EduSmartGrowth

As part of the industry’s financial education programme Bakcyl and the Cyber security programme for primary and secondary school students, lessons on finance and cyber security were taught by volunteers – employees of

participating banks. In addition, a new programme was implemented in 2024 to address the need for education in the area of sustainability in secondary schools – #EduSmartGrowth.

- ING Group N.V.’s global grant fund. – ING Community Investment Global Fund

The ING Group N.V.’s grant fund is dedicated to projects and programmes in individual countries for Community Investments – in the areas of financial health, supporting labour market resilient professional skills and supporting entrepreneurship. The projects, prepared by local NGOs in each country, are evaluated by a grant fund jury of international CSR experts. Grants for projects are provided through ING Bank Śląski on the basis of the *ING Bank Śląski’s Donations Policy*. In 2024, ING Bank Śląski provided social partners with funds from the fund to implement 5 projects (Already Job Ready / You A(nd)I, Exempt from Theory, ABC of Economics – Czepczynski Family Foundation, WWF Poland Foundation, National Foundation for Environmental Protection). This was over PLN 1 million from the Community Investment Fund.

- Exempt from the Theory –Competition of Social Projects

In 2024, ING Bank Śląski continued, together with the ING for Children Foundation, to implement the ING Challenge – A Step Ahead, in partnership with the Exempt from Theory Foundation. Once again, as part of the largest Social Projects Olympics in Poland, secondary school students organised their own social projects, responding to community-, cultural-, technological- or environmental needs. In the implementation of the projects, 72 youth teams benefited from the support of 70 expert mentors from the bank and foundations. A total of 466 participants completed our challenge. The most important Golden Wolf award for the implementation of the best social projects in Poland was won by as many as 19 projects. You can read more about the event [here](#). The bank additionally engaged in a new programme aimed at building awareness and knowledge about the use of AI tools – You A(nd)I. Selected participants of the competition of social projects, who implemented their ideas based on AI tools, took part in a webinar and classroom workshops led by bank experts.

- Lesław Paga Foundation

In 2024, ING Bank Śląski was a partner of the 19th edition of the Capital Market Leaders It is an educational leadership programme for talented university students and graduates up to the age of 27 who want to develop professionally in the areas of capital markets, M&A, strategy and strategic projects, corporate governance, analysis and controlling, and process optimisation. Participants in the programme took part in an intensive two-week Summer School, during which they attended workshops on leadership, managerial and hard skills led by





experienced managers and market practitioners. Experts from ING held a workshop on how banks operate in an inflationary environment and links to the capital market. You can read more about the event [here](#).

- Responsible Business Forum

ING Bank Śląski continued its partnership in the Responsible Business Forum as an institution that is committed to social responsibility and sustainability as well as diversity and inclusion initiatives as a signatory of the Diversity Charter. In the Responsible Business Forum’s annual report “Responsible Business in Poland. Good practices” featured 10 good practices in the area of sustainable development from ING Bank Śląski. The practices highlighted in the report are: Organisational Governance – managing the ESG area of the organisation; Human Rights – #Help Ukraine; Labour Practices – My Environment – a joint programme with the ING for Children Foundation; Mocodajnia; Mental Health Programme for Bank Employees; Environment – Save the World; OFF Culture; Consumer Issues – Online Safety; Social Involvement and Community Development Step forward – a joint project with the ING for Children Foundation and the Exempt from Theory Foundation; and the Grant Programme for Start-ups and Young Scientists.

- United Nations Global Compact Network Poland (UNGC)

As part of its continued cooperation with the UN Global Compact Network Poland, ING Bank Śląski was a partner in the ‘Business & Human Rights’ programme, which aims to implement the UN Guiding Principles on Business and Human Rights and their practical application in ethical programmes and company strategies. The bank was also a partner in the Climate Positive programme, which included initiatives related to the European Green Deal, green finance, promotion of clean energy technologies (e.g. hydrogen), energy efficiency, electrification of transport, among others. Representatives of ING Bank Śląski regularly and actively participated in the Steering Committee of this programme and spoke within the reports published by the UNGC.

In 2023, ING Bank Śląski joined the UN Global Compact as a direct member at country level (ING Group N.V. is a long-standing member of the UN Global Compact at global level).

- Run Warsaw

We have been taking part in “Run Warsaw” event since 2013. The Orange Team is made up of employees and their accompanying persons and families. Every year we run and march for the ING for Children Foundation. In 2024, during the “Run Warsaw” and “I’m Marching and Cheering” events, the Orange Team numbered as many as 6,000

people, and ING employees ran and marched for a record amount for the foundation – PLN 166,300, which the foundation will donate to the organisation of the Orange Force programme in 2025.

- ING Charity Football Tournament

On 22 June 2024, the ING Charity Football Tournament took place at the MORIS pitches in Chorzów. 21 teams from ING and 197 players and footballers took part. Teams made up of bank employees and group companies from across the country competed. As well as promoting healthy lifestyles, the aim of the tournament was to support charities that provide sporting activities for people with disabilities. In 2024, support for activation activities for children and adults with disabilities (PLN 15,000 each) was received: Hope for the World Cup Foundation, the Amp Football Poland Association and the Avalon Foundation.

### Donations sponsorships and partnerships

In 2024, ING Bank Śląski made charitable donations of a financial and in-kind nature. Donations were made on the basis of *ING Bank Śląski’s Donations Policy*. The policy sets out, inter alia, the areas of the bank’s involvement in charitable activities. The bank’s chosen areas for social investment are:

- education and activities for children and young people, including leisure for children and young people, as well as support for social and subsistence needs,
- education, science, schooling and education – especially in the area of financial and climate education,
- health protection and prevention,
- actions to promote diversity, build openness and equal opportunities,
- environmental protection, combating climate change,
- education and promotion of contemporary art by Polish artists,
- financial support in case of special events in which a worker or a member(s) of his or her family is affected.

In this policy, we also clarify which donations the bank does not make:

- for political purposes, for the benefit of political parties, election committees, for candidacy purposes, for election campaigns,
- those that may be considered as an attempt to influence decisions taken by persons exercising public functions,





- which have a business purpose and serve to establish or maintain a business relationship with a client or third party,
- that can be considered as trading in proceeds, in order to obtain preferential decisions for the bank,
- when there are circumstances indicating that the beneficiary has engaged in corruption, bribery or other unethical or illegal activities,
- if the donation could be judged as an attempt at corruption or bribery,
- individuals, with the exception of donations as defined in *ING Bank Śląski's Donations Policy* (Article 2(2) and (3)),
- for organisations that discriminate against people on the basis of age, race, colour, religious belief, gender, disability, sexual orientation or country of origin,
- for organisations suspected of acting contrary to the bank's values in line with the ING Orange Code,
- for organisations that do not operate under the act of 24 April 2003 on the activity of public benefit institutions and voluntary work,
- for projects, programmes aimed at supporting religious worship, faith-based organisations,
- for student organisations if the purpose is to finance trips and/or student events,
- to cover the running costs of social organisations, e.g. office operation, service charges, salaries.

The Donations Policy sets out the roles of the Donations Committee, the Bank Management Board Bureau and the Management Board in the process, the due diligence requirements and the decision-making process. Each time a charitable donation is made, the Centre of Expertise – Compliance and the Donations Committee (made up of 5 representatives of the bank) are involved, as well as, depending on the amount, two members of the Bank Management Board or the bank management board. In 2024, ING Bank Śląski made charitable donations from its own funds totalling around PLN 4.1 million.

The bank also made donations to the activities of two corporate foundations:

- for the ING for Children Foundation in the amount of PLN 3.6 million,
- for the ING Polish Art Foundation in the amount of PLN 1.1 million.

Objectives that the bank supported through donations, in selected areas of community investment in 2024:

- aid to children and their families affected by the floods – PLN 1.052 million,
- support and assistance to Ukraine – PLN 97,000,
- science, education, education and upbringing – particularly in the area of financial and climate education – the bank made donations totalling around PLN 1.032 million,
- health care and prevention – the bank made donations totalling PLN 268,000,
- environmental protection, counteracting climate change – PLN 2.25 million (including a donation of PLN 2 million to the WWF Poland Foundation and a donation of PLN 250,000 to UNEP/GRID-Warszawa for the Upper Biebrza Wetland Ecosystems project).

In total, ING Bank Śląski donated PLN 10.194 million to social- and charitable activities (the amount of charitable donations and donations to corporate foundations).

In 2024, the bank also made in-kind donations of end-of-life IT equipment (in good working order) and office furniture mostly to schools, kindergartens, care facilities and charities. The value of IT equipment donated to foundations, associations and care facilities amounted to PLN 127,500.

Donations in kind were made on the basis of the *Procedure for the Resale / Donation / Deprocessing of Fixed Assets at ING Bank Śląski S.A.*

Continuing with its sponsorship strategy, ING Bank Śląski engaged in 2024:

- aimed at young people by supporting them in being resourceful and entrepreneurial in their finances and personal lives;
- related to ESG and sustainability – these activities are permanently embedded in our bank's business strategy as one of its priorities. The bank sees it as an arena for building a long-term competitive advantage – both its own and that of its clients;
- aimed at entrepreneurs, owners and managers of medium and large-sized companies. The bank inspires, supports, promotes innovative approaches to doing business.

As part of its work with community organisations (partners), the bank was actively involved in:



- financial education,
- climate,
- entrepreneurial development,
- sustainable development.

The collaboration also covered aspects such as cyber security, building the competences of the future and promoting diversity and equal opportunities. It also served to share expertise and experiences and design solutions for the bank’s internal and external stakeholders.

The area of sponsorship is governed by *the ING Bank Śląski S.A. Sponsorship Policy*, while the area of partnerships is governed by *the Policy for Entering into Partnership Agreements with Social Organisations in ING Bank Śląski S.A.* Both policies clearly set out the rules for selecting bids and working with bidders and partners.

In 2024, ING Bank Śląski spent just over PLN 6 million on all sponsorships and partnerships, specifically:

Breakdown of sponsorship expenditure and partnership activities				
PLN thousand	2021	2022	2023	2024
Activities targeting entrepreneurs*	972	1,370	2,272	2,815
Activities targeting young people*	659	730	540	1,464
Activities related to social responsibility, ecology and environmental protection*	1,056	245	1,125	2,021
Total	2,690	2,345	3,937	6,300

*\*including congresses, conferences, building and maintaining good business relationships*

Highlights of the bank’s involvement in 2024

- European Economic Congress and EEC Trends

ING Bank Śląski as the bank for Entrepreneurs, has been supporting the European Economic Congress in Katowice and EEC Trends, the conference that constitutes the programme prologue of the European Economic Congress, for many years. This time in the role of EEC Trends Partner and Main Sponsor and the ECG Online Broadcast Main Sponsor.

The EEC Trends conference took place on 08 February 2024 in Warsaw. The most important phenomena in the economy came under discussion: the effects of the complex geopolitical situation, with the war in Europe and the energy crisis at the forefront, the transformation of the energy sector and the processes of adapting the economy to the climate challenge, as well as phenomena related to the economic slowdown and the determinants and effects of digitalisation.

The 16th edition of the European Economic Congress took place on 7-9 May 2024 at the International Congress Centre in Katowice. An important context for this edition of the congress was the 20th anniversary of Poland’s accession to the European Union, and the keynote, guiding the debates, transformation for the future. ING experts, among politicians and decision-makers, as well as numerous investors and representatives of major businesses who came to Silesia, discussed, inter alia, the impact of technology and the regulatory environment on modern banking in Poland, digitalisation, or climate policy and the sustainable economy.

- European Financial Congress

In 2024, ING Bank Śląski was one of the sponsors of the European Financial Congress (EFC) in Sopot. The congress discussed the topics of the stability of the European and Polish financial system, measures to increase Poland’s economic credibility, stimulating the growth of long-term savings and investment, and financing the sustainable development of the real estate market. They also discussed the challenges of financing major investment projects (energy transition, including nuclear power, arms expenditure, participation of Polish companies in the reconstruction of Ukraine). Much attention was paid to the topics of cyber security, secure data flows and the further digitalisation of the commercial and public spheres, including AI issues. The outcome of the EFC is recommendations on Poland’s financial stability and economic development. Representatives of the Management Board and experts from ING Bank Śląski took part in discussions during the Congress.

- Open Eyes Economy Summit

The 9th edition of the congress took place in Krakow on 19-20 November 2024. ING Bank Śląski, as a partner, has since the first edition of the Open Eyes Economy Summit supported this unique event that brings together business, science and culture, promoting the ideas of sustainable development and social responsibility.

In 2024, the bank’s activity was extremely varied. We prepared a zone inspired by ING City in Roblox, where the youngest could learn the principles of cyber security and develop their interests through creative workshops. For adults, we created a conversation space where participants could exchange ideas and inspirations over aromatic



coffee. In addition, everyone could take part in a unique activity – the joint creation of a 3D map of Europe, highlighting the Sustainable Development Goals and the values that define the future of our continent.

- Music festivals

ING Bank Śląski has committed to sponsoring two music festivals during the 2024 holiday season: Sun Festival in Kołobrzeg and the Olsztyn Green Festival (OGF). The Olsztyn Green Festival has played a significant role in the cultural and social landscape of Olsztyn for a decade. Since 2014, the festival has been attracting music and ecology lovers, creating a unique place to meet and celebrate together. The OGF is the only music event of its kind in Poland that strongly emphasises a commitment to ecology and sustainability.

The Sun Festival in Kołobrzeg is a relatively fresh music event, but one with great potential, which in just two years has clearly marked its place on the festival map of Poland, becoming the first choice among the 18-25 year-old target group.

*Chillout-style* ING zones were set up for participants at both festivals, where they could charge their phones and mobile devices during the event.

Our corporate foundations

The ING for Children Foundation

The ING for Children Foundation is one of the oldest corporate foundations in Poland. Its mission – We help children to be one step ahead. ING volunteering our strength! – implements in three areas: supporting development and education, nurturing health and equal opportunities. Each of these includes a number of original programmes (e.g. Bibliotherapy, Orange Power, Good Idea Fund or My Environment) as well as those implemented in partnership with local and national organisations (e.g. the Exempt from Theory Competition, ABC of Economics, ABC of Empathy). The Foundation is developing the ING Volunteer Programme, engaging ING employees in various climate education activities for the benefit of local communities. It helps children affected by social and economic problems, supports physical activity for children with disabilities, or assists refugee children and those in crisis situations.

2024 was a special year for the Foundation due to:

- the end of the Smile Turnout for the children of the Zaporizhia Children’s Home, whom the Foundation looked after for almost 2.5 years. In June, by a decision of the authorities, the children were returned to Ukraine;

- Year of Economic Education, during which the Foundation engaged in a number of initiatives, including continuing cooperation with the Czepczynski Family Foundation on the ABC of Economics programme, taking part in the National Forum for Economic Education and presenting its original educational materials for the youngest, which it prepared together with employees of the CFO Division of ING Bank Śląski;
- flooding that has affected south-western Poland in September 2024. As part of a relief campaign for flood victims, ING Bank Śląski and the Foundation have launched a special collection among ING employees and clients. We write more about this [here](#).

Employee volunteering

ING Bank Śląski and the other ING Bank Śląski Group companies provide all employees with the opportunity to use 8 hours per year for volunteering, in accordance with the *ING Bank Śląski Work Bylaw* and the work bylaws of the other Group companies. Every employee who takes advantage of this opportunity records their volunteering time in an internal system. Employees who volunteer for the ING for Children Foundation are covered by insurance.

Time spent on employee volunteering					
	2020	2021	2022	2023	2024
Number of hours used for volunteering by employees	1,072	1,099	5,867	8,360	42,890*

*\*In presenting the number of hours used for volunteering in 2024, ING for Children Foundation has changed its methodology for counting hours. In addition to the hours recorded by employees in the internal system (8,460 hours in 2024), hours dedicated to volunteering activities carried out as part of ING’s Volunteer Programme after working hours and at weekends have been added. The involvement of ING employees in major sporting charity events for the ING for Children Foundation and its beneficiaries was also taken into account.*

For more information on the ING for Children Foundation’s activities in 2024, see the report at: <https://www.ingdzieciom.pl/co-robimy/dokumenty>.

ING Polish Art Foundation

The ING Polish Art Foundation was established to support Polish male and female artists and to present the most current phenomena in art. The foundation is building a collection of contemporary art and carrying out a range of artistic and educational projects. At the same time, it carries out statutory activities related to the work of developing the collection and promoting the artists associated with it. In 2024, the Foundation implemented its projects in accordance with the action plan adopted and approved by the Management Board and the Foundation Council. In 2024, the initiatives of the Foundation were funded by ING Bank Śląski and ING Hubs Poland, aligning with





the global art patronage program of the ING N.V. Group, which plays a significant role in shaping the organization's culture.

- Collection

The Foundation's collection consists of works created after 1990 by Polish living artists. The collection currently comprises almost 300 works – 93 paintings, 81 photographs, 42 works on paper, 52 objects (sculptures, ceramics, textiles, etc.), 15 videos and 16 installations. The collection includes works by 50 female and 78 male artists. The collection of the Foundation remains one of the few corporate collections in Poland.

- Galeria 1 Piętro (1st Floor Gallery)

the 120 works from the Foundation's collection are presented permanently in the open space of Galeria 1 Piętro in the Plac Unii building, at 2 Puławska Street in Warsaw. The exhibition is located on the first floor of the shopping centre and is one of the few in the capital, a permanent presentation of the most interesting phenomena in Polish art after the 1990s, with access for the public. It is also the only office and conference space of its kind for bank employees, with a permanent exhibition of contemporary art, meeting rooms and a café.

The Foundation also shows its collection online. Images of works from the collection are made available free of charge on the Foundation's website (<https://ingart.pl/pl/main>) under Creative Commons licences (Attribution, Non-commercial use, No derivative works).

- Exhibitions, presentations and events

As part of the Foundation's permanent activities, presentations and projects have been carried out in the Preview gallery, located in the bank's head office at 2 Puławska Street in Warsaw. Thanks to its location, the content presented can be accessed by all passers-by, 24 hours a day. In 2024, the gallery had eight exhibitions showcasing works from the Foundation's collection, as well as one special project, the result of collaboration between invited curators from the "Turnus" gallery and those participating in the portfolio reviews of the Artist – Professional programme.

In the Foundation's headquarters building, a shopping centre space, a large-format Screen was launched as at 2023 yearend, accessible to all visitors, on which video works are presented. In 2024, films from the Foundation's collection were screened at monthly intervals, as well as external projects, including one linked to participants in the Artist – Professional programme. The Foundation also continued its public programme of guided tours of the collection and meetings with artists in Galeria 1 Piętro space. In 2024, there were 10 open tours, six meetings for organised groups and four for schoolchildren and students, gathering a total of around 500 people.

As part of the provision and loan of works from the Foundation's collection, works have been exhibited at 12 exhibitions and events in Poland and abroad.

2024, also marks the eighth edition of the Foundation Award during Warsaw Gallery Weekend (WGW). Through the award, the Foundation supports Polish artists, as well as galleries affiliated to the WGW, who are building the position of the Polish art scene on the international art market. This year, the Foundation's collaboration with WGW has expanded to include new activities. The Foundation funded 13 initiatives, selected through a competition, which took place in autumn in Warsaw galleries and institutions as a performative and educational programme accompanying Warsaw Gallery Weekend and attracted over 700 audiences.

- Artist – Professional

The Artist – Professional project, aimed at students and budding artists, was held for the eighth time in 2024. The aim of the project is to prepare for the moment of graduation and the professionalisation of artistic activity, to level the playing field and support in professional development. During the classes, you can learn about tools and practices helpful in functioning in the artist's profession. Lectures, workshops and portfolio consultations are given by curators, artists and activists, exhibition producers and art market specialists, among others. The 2024 edition features eight online lectures for more than 3,000 registered participants and 230 portfolio consultations led by 16 specialists and subject matter experts, as well as a trip to the Summer School in Burdag. All lectures were interpreted into Polish Sign Language (PJM). The recordings from this edition, as from previous editions, along with additional supplementary material, have gone into the Knowledge Base and are available to everyone on the Foundation's website.

- Educational offer for bank employees

Traditionally, the Foundation started the year with a series of online meetings with ING employees. In the fourth edition of the "Lunch Course on Art", the starting point for each of the seven meetings were works that had recently





been added to the Foundation's collection, presented in the context of interesting social phenomena or events in the lives of artists.

More than 20 guided tours of the Foundation's collection took place in Galeria 1 Piętro for the bank's employees and clients. As every year, there were also joint walks and visits to exhibitions as part of Warsaw Gallery Weekend. In addition, the Foundation communicated its activities to bank employees through a monthly newsletter.



# The environment in which we operate

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The environment in which we operate is very complex. As a capital group, we interact with a wide range of stakeholders. It is therefore very important for us to manage these relationships. In this chapter you will find information on how we approach this, our presence in the capital market, what characterises the current economic situation, what our economists expect in this respect and what other trends have or may have an impact on our business.

## Our presence on the capital market

### Investor relations

ING Bank Śląski S.A. strives after the highest standards of capital market communications. We pay particular attention to reliable and transparent information and to equal treatment of all stakeholders as well as observe all the laws regarding disclosure duties of listed companies. We carry out these tasks on the basis of, inter alia, the principles of corporate governance and *the Information Policy* (described in more detail in the chapter on [Corporate Governance](#)).

Important financial and business information in the form of financial reports, current reports, investor presentations and editable files with key bank data are presented to the broad capital market. Communication with investors, analysts and rating agencies (both credit and ESG ratings) is handled by a dedicated unit, the Investors Relations, ESG Reporting and Market Research Bureau.



#### Contact details:

**Investors Relations, ESG Reporting and Market Research Bureau**

**e-mail:** [investor@ing.pl](mailto:investor@ing.pl)

In 2024, representatives of the Management Board and the Investors Relations, ESG Reporting and Market Research Bureau participated in individual and group meetings with investors and also attended key investor conferences.

As a rule, open meetings for investors, analysts and journalists are organised by the Investors Relations, ESG Reporting and Market Research Bureau once a quarter, at the quarterly report publication date. In 2024, we organised conferences in a hybrid mode, i.e. as meetings at the bank's premises, which we simultaneously broadcast over the Internet. Remote participants of the conference were still able to ask questions via the broadcast

page or by contacting the Investors Relations, ESG Reporting and Market Research Bureau directly by email. Recordings of our conference broadcasts are available for viewing on the website in the Investor Relations tab.

We pay a lot of attention to the quality of communication with stakeholders through [our website](#). The website offers up-to-date information such as shares quotations on the WSE, company shareholding structure, General Meetings, dividend payout track or credit and ESG ratings. Current, interim and annual reports, results presentations, excel sheets with key financial and business information are also published on the website. The website has been designed in the RWD technology, so it is adjusted to mobile devices – tablets and smartphones.

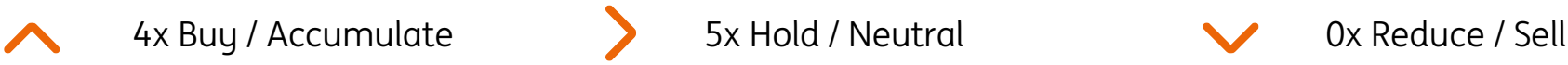
Employees of the Investors Relations, ESG Reporting and Market Research Bureau also engage in educational activities. In 2024, they shared their knowledge and experience, inter alia, as speakers for internal training courses for bank employees and as conference panellists.

Our bank is among the companies subject to market observation and analysis. As at 2024 yearend, analysts representing 10 domestic and foreign financial institutions published reports and recommendations for the ING Bank Śląski's shares.

On the bank's Investor Relations website and in the separate Analysts and Market Consensus tab (located [at this address](#)), a summary of recommendations issued by analysts is updated on a monthly basis, together with the average target price and the market consensus based on the average of expectations.



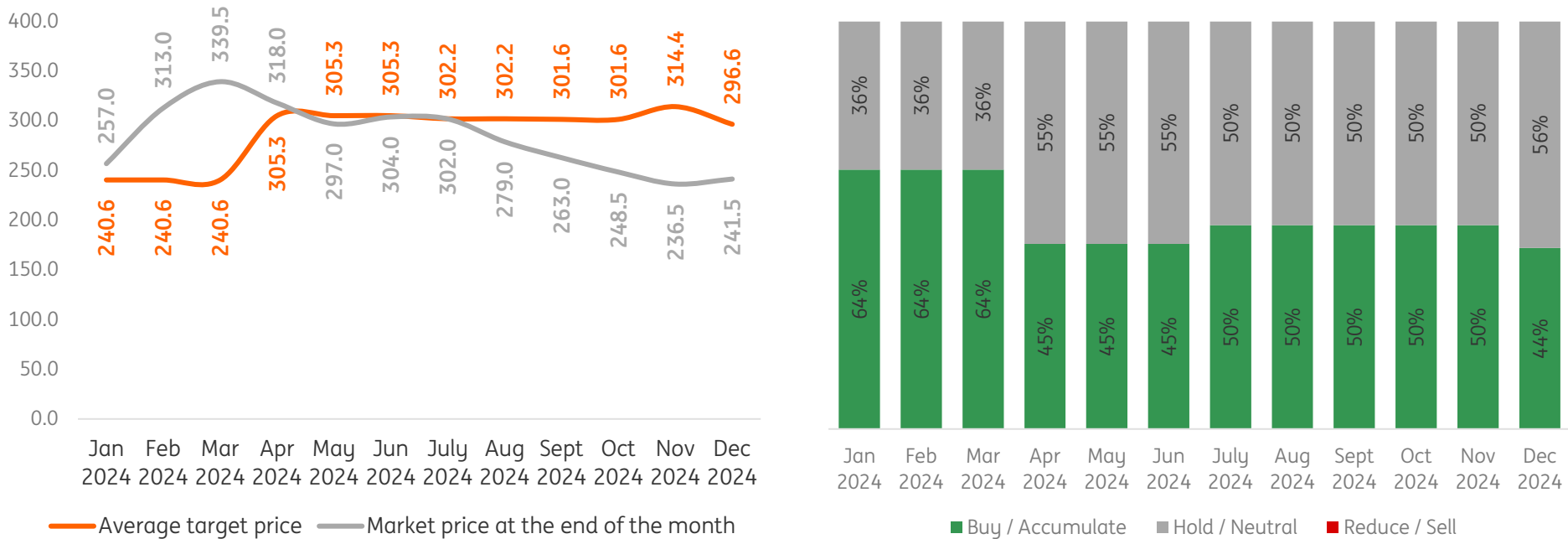
Structure of share recommendations for ING Bank Śląski S.A. as at 31 December 2024



Average target price for ING Bank Śląski S.A.'s shares as at 31 December 2024

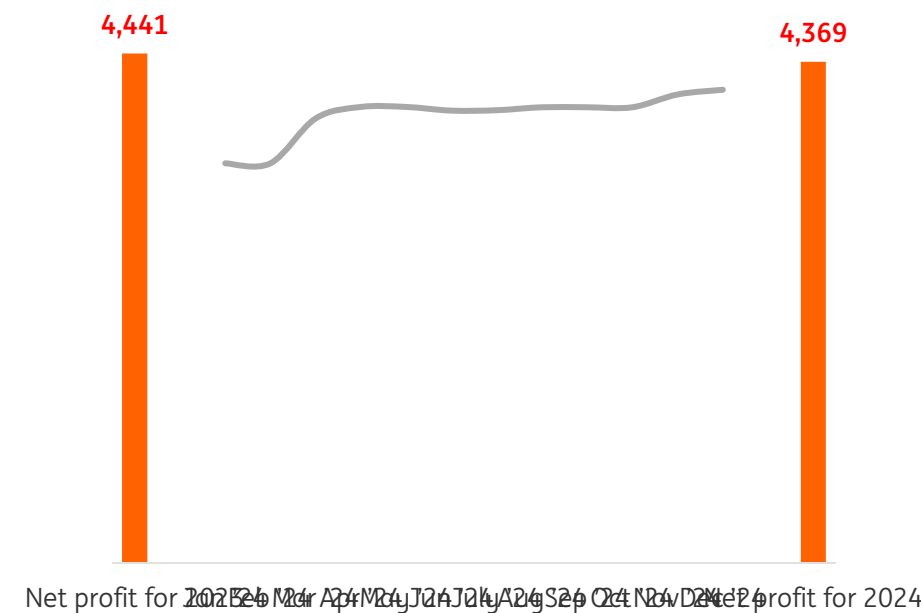
PLN 296.63

Structure of share recommendations and average target price over 2024

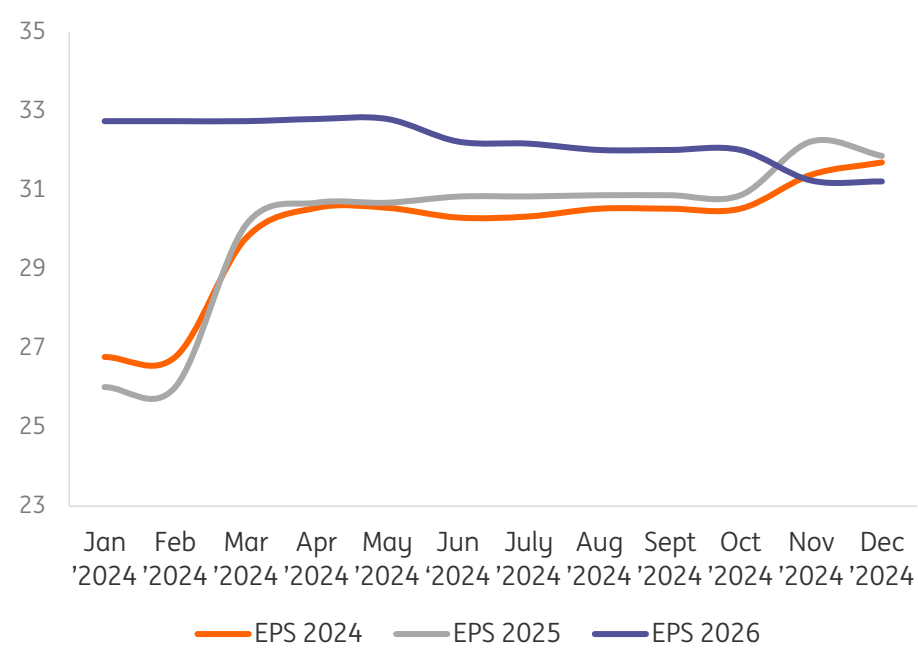


Analysts' expectations of the bank's 2024 result changed gradually over the course of the year, and the average target price for ING Bank Śląski shares as at 2024 yearend was 23% higher than the corresponding price at the beginning of the year. However, the market price of the bank's shares had been in a downward trend since mid-2024 and at the end of the year it was 18.6% below the average target price.

Analysts' expectations regarding the consolidated result of ING Bank Śląski in 2024 (PLN million)



Change in analysts' earnings per share (EPS) expectations for the 2024-2026 result (PLN per share)



The Investors Relations, ESG Reporting and Market Research Bureau also prepares a consensus of quarterly results based on the expectations of analysts covering our company. Looking ahead to the last four quarters (2024 results), the differences between the reported and expected results are shown in the table below. The highest divergence (relating to Q4 2024) was +21.7% and was driven by a lower cost of risk than the market had expected.

Reported net profit versus quarterly market expectations (PLN million)				
	Q1 2024	Q2 2024	Q3 2024	Q4 2024*
Reported net result	993	965	1,102	1,309
Consensus of expectations	1,091	973	1,122	1,076
Difference	-8.9%	-0.8%	-1.8%	+21.7%

\*Consensus and net profit for preliminary, unaudited data





Share price

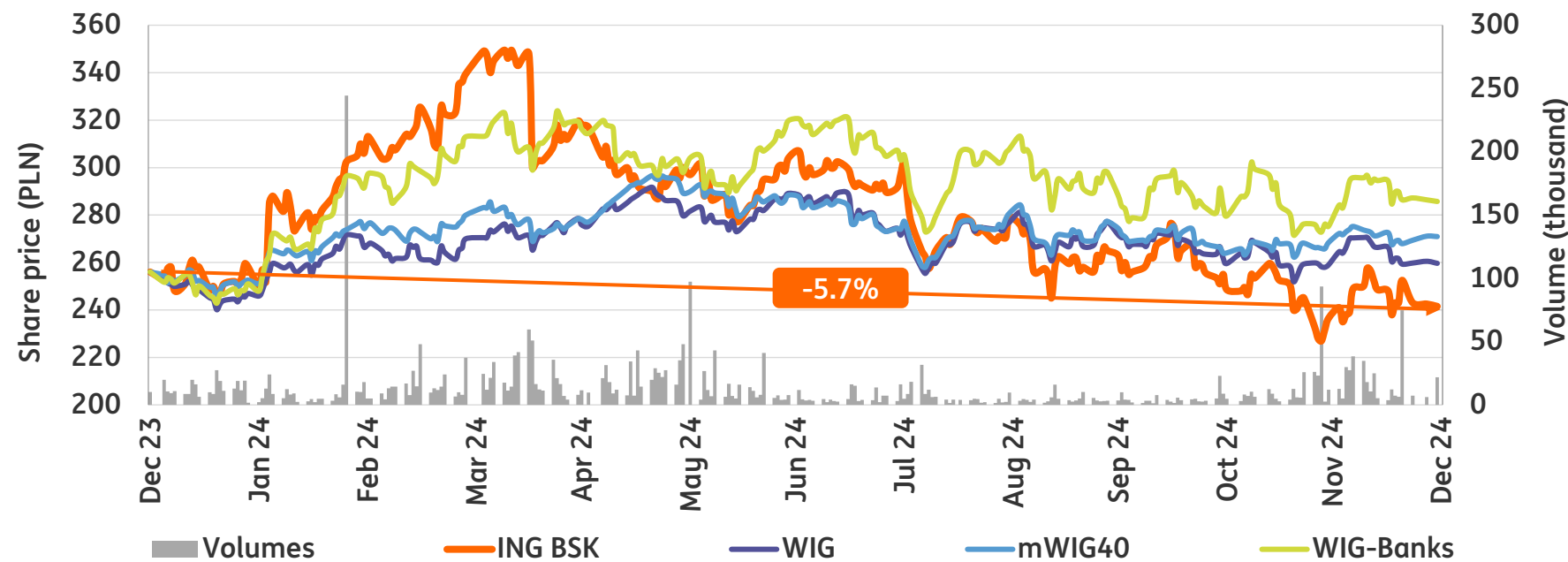
In 2024, the price of ING Bank Śląski shares on the WSE fluctuated from PLN 223.5 to PLN 357.5. On 30 December 2024, our bank’s share price was PLN 241.5 at the close of trading, 5.7% lower than on the last trading day of 2023. For comparison, the WIG-banks sector index grew by 11.6% at that time.

As at 2024 yearend, the market value of our bank was PLN 31.4 billion, while the book value of the bank’s capital group was PLN 17.2 billion.

Our bank has been part of the WIG and mWIG40 indices since their inception.

Participation in the main stock indices of ING Bank Śląski SA (based on the last revision in a given year)					
	2020	2021	2022	2023	2024
WIG	1.8181%	2.3694%	1.8698%	2.065%	1.9371%
mWIG40	9.7038%	9.9999%	8.6946%	9.995%	9.1380%

ING Bank Śląski S.A. share quotations in 2024 versus comparable selected WSE indexes



ING Bank Śląski S.A. shares data

	2020	2021	2022	2023	2024
Share price as at the yearend (PLN)	171.0	267.0	164.8	256.0	241.5
Top share price (PLN)	207.0	282.0	287.0	275.5	357.5
Bottom share price (PLN)	102.6	167.2	130.0	151.6	223.5
Turnover weighted average spread (basis points)	43	43	50	41	39
Yearend capitalization (PLN billion)	21.8	34.7	21.4	33.3	31.4
Number of shares (thousands)	130,100	130,100	130,100	130,100	130,100
Total number of transactions	88,567	60,865	63,709	68,759	119,544
Number of block trades	0	2	1	0	18
Average number of transactions per session	351	242	254	275	480
Trading volume	3,799,640	2,404,219	2 203 660	2,840,678	3,354,489
Average trading volume per session	17,078	9,579	8,780	11,363	13,472
Market makers’ share in turnover	12.41%	8.78%	8.39%	9.23%	7.58%
Dealers’ share in turnover	3.50%	2.50%	0.61%	0.99%	1.83%
Earnings per share in PLN	10.3	17.7	13.2	34.1	33.6
Share book value (PLN)	143.1	104.0	71.8	128.6	132.0
Dividend per share* (PLN)	0.00	5.10	5.30	0.00	33.35
P/E ratio**	16.6	15.0	12.5	7.5	7.2
C/WK** ratio	1.2	2.6	2.3	2.0	1.8

\*Paid in the year; \*\*index calculated based on the share price at the end of the year in question.

Our Bank’s shares are under the number ISIN PLBSK0000017. The ticker on the WSE market is “ING”, and information about our bank on Bloomberg and Reuters is available under “ING PW” and “INGP.WA”, respectively.



# Our position in the ratings

Confirmation of our stable financial position and very good sustainability performance is provided by external credit and ESG ratings. Our bank cooperates with the following rating agencies:

- on credit ratings:
  - Fitch Ratings and
  - Moody's Investors Service,
- in terms of ESG ratings from Sustainable Fitch.

The history of the changes in credit ratings assigned by the two agencies can be found on [our website](#).

## Fitch Ratings Ltd.

Fitch Ratings agency (Fitch Ratings Ireland Limited with its seat in Dublin) assigns a full rating under the agreement between our bank and the agency. As at the 2024 annual report's signing date, the ratings are as follows:

Fitch Ratings Ltd.	
Long-Term IDR	A+
Outlook for sustaining the rating	Stable
Short-Term IDR	F1+
Viability rating	bbb
Shareholder Support Rating	a+
National Long-Term Rating	AAA (pol)
Outlook for sustaining the above rating	Stable
National Short-Term Rating	F1+ (pol)

In the press release published by Fitch on 17 July 2024, as part of the annual review, the agency sustained the ratings for ING Bank Śląski SA The outlook for the entity's long-term rating and the outlook for this rating on a national scale is Stable.

## Moody's Investors Service Ltd.

Moody's Investors Service (Moody's Investors Service Cyprus Ltd.) assigns their rating to our bank on the basis of public information. As at the 2024 annual report's signing date, the ratings are as follows:

Moody's Investors Service Ltd.	
LT Rating	A2
ST Rating	P-1
Baseline Credit Assessment (BCA)	baa2
Adjusted BCA	baa1
Rating Outlook	Stable
Long-term/ short-term CR Assessment	A1 (cr) / P-1 (cr)
CR Rating	A1 / P-1

In the press releases published on 4 March 2025, the agency sustained the ratings assigned to the bank. In it, she stressed that the bank's rating reflects the bank's good capitalisation and profitability, which provide sufficient risk absorption buffers and a stable funding profile.

## Sustainable Fitch Ltd.

In 2022, our bank started working with Sustainable Fitch rating agency (Sustainable Fitch Limited, based in London).

In an announcement published by Sustainable Fitch Limited on 15 January 2025, as part of its annual review, the agency sustained the ESG rating for ING Bank Śląski at "2" on a five-point scale, with "1" being the best rating and "5" being the worst. The agency indicated that the rating awarded reflects the bank's ongoing efforts to increase environmentally positive lending engagement and establish a roadmap to reduce greenhouse gas emissions, including a plan to transition to climate neutrality by 2050.





ING Bank Hipoteczny S.A. ratings

Moody’s Investors Service Ltd.

Moody’s Investors Service assesses the risk of both ING Bank Hipoteczny and mortgage bonds issued by the bank under an agreement between the bank and the agency. As at the date of signing of the 2024 Annual Report, ING Bank Hipoteczny had the following ratings assigned by the agency:

Moody’s Investors Service Ltd.	
Rating of covered bonds	Aa1
LT Issuer Ratings	A3
ST Issuer Ratings	P-2
LT Counterparty Risk	A1
ST Counterparty Risk	P-1
Rating Outlook	Stable
Long-term/ short-term CR Assessment	A1 (cr) / P-1 (cr)

The agency stresses that the rating assigned to ING Bank Hipoteczny reflects:

- 100% ownership of ING Bank Śląski and its stable growth prospects,
- strategic alignment and operational integration within ING Bank Śląski Group structures,
- commitment from ING Bank Śląski to support ING Bank Hipoteczny’s capital and liquidity position to meet regulatory requirements.

Involvement in industry initiatives and organisations

We are an active member of trade associations and organisations. ESG activities require partnerships not only between companies in the same industry, but also cross-sectoral partnerships, with NGOs or universities. This allows us to share knowledge, identify what is important to us, co-create solutions and participate in a number of relevant projects.

Round tables

We organise round tables to foster the exchange of knowledge between representatives of different sectors, including on sustainability measures. In 2024, we organised nine roundtables with corporate clients on sustainability, climate competitiveness, energy efficiency and how the banking sector can support companies in their transformation.

We also collaborated with the financial sector and NGOs, continuing last year’s work on the topic of social impact in corporate finance. Prepared jointly with BNP Paribas Bank Polska S.A. and the Responsible Business Forum, the thematic analysis encourages discussion and knowledge sharing on, inter alia, good practice in the area of letter S (social) and enhancing positive impact through financial sector mechanisms.

Membership of organisations and associations

ING Group N.V. at international level is a signatory to, among others:

- United Nations Global Compact (UNGC)
- United Nations Guiding Principles on Business and Human Rights (UNGPR),
- UN Environment Programme Finance Initiative Principles for Responsible Banking (PRB),
- United Nations-backed Principles for Responsible Investment (PRI)

ING Group N.V. is also owned by, among others:

- Academy of Business in Society (ABIS),
- Association for Financial Markets in Europe (AFME),
- Climate Markets and Investment Association (CMIA),
- Equator Principles Association (EP),
- EUROSIF (VBDO),
- International Integrated Reporting Council (IIRC),
- United Nations Environment Programme Finance Initiative (UNEP FI),
- United Nations-convened Net-Zero Banking Alliance,



- Information on ING Group partnerships is available under [this link](#).

Institutions with which we cooperate in Poland or are members include:

- Polish Bank Association,
- Polish Factors Association,
- Polish Leasing Association,
- Association of Stock Exchange Issuers,
- Polish Association of Capital Investors,
- UN Global Compact Network Poland (UNGC),
- UNEP/GRID – Warsaw,
- Responsible Business Forum,
- WWF Poland,
- The Visible Foundation,
- Institute for Innovation and Responsible Development,
- Lesław Paga Foundation,
- Sustainable Investment Forum Poland (POLSIF).

**Promoting biodiversity**

Joint activities with NGOs are an important element of ING’s broader cooperation with the environment, both in the field of education and building market best practices. An example of this is the “Błota Rakutowskie” project implemented by the WWF Poland Foundation and local partner ALAUDA Nature Society, to which ING has made two donations totalling PLN 2 million. The aim of the “Błota Rakutowskie” project, for which we have earmarked PLN 1.5 million, is to raise awareness of the environmental role of wetlands and to carry out a range of activities related to the protection and restoration of waders’ habitats. The project is based on the EU Taxonomy and is subject to verification by UNEP/GRID-Warsaw as an independent certification body.

The second donation for the “Błota Rakutowskie”, worth PLN 500,000, is an own contribution to a grant obtained by the ALAUDA Nature Society for PLN 3.7 million under the European Funds for Infrastructure, Climate and Environment 2021-2027 programme. The TP ALAUDA project benefits from the support of WWF Poland.

In December 2024, we also paid a donation of PLN 250,000 to UNEP/GRID-Warszawa for the Upper Biebrza Wetland Ecosystems project, which aims to ensure proper protection in the valuable natural areas located in the park’s buffer zone and ultimately planned for inclusion in the Biebrza National Park. Supporting the project on the Biebrza River reaffirms our commitment to wetlands and aims to strengthen the dialogue on this critical ecosystem. We believe that these initiatives will facilitate dialogue between scientists, NGOs and business, which has the potential to contribute to the development of new common solutions in the area of biodiversity and other environmental objectives.

## Financial market and its regulations

We look at sector data, just like our business, broken down into two segments:

- retail segment:
  - individuals,
- corporate segment:
  - individual entrepreneurs,
  - individual farmers,
  - companies,
  - non-profit institutions serving households,
  - non-monetary financial institutions,
  - local government institutions and the Social Security Funds (FUS).

## Banking sector

**Liabilities**

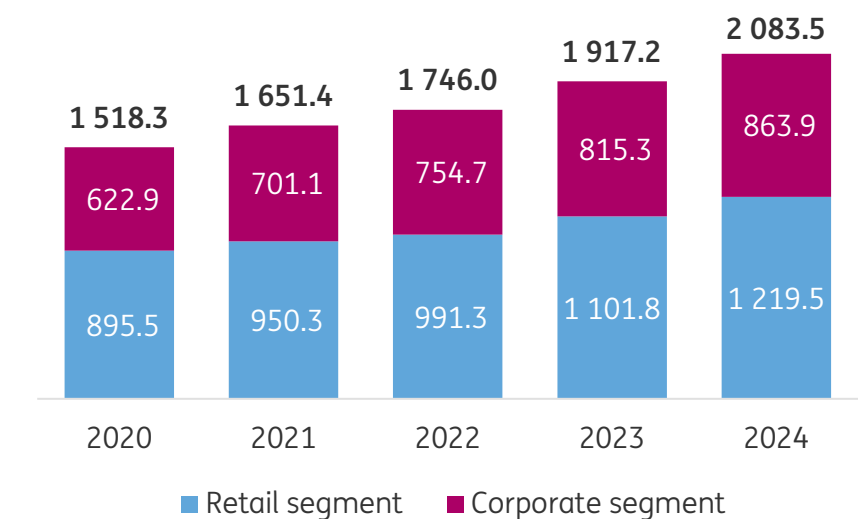
As of the end of December 2024, the basic cash categories were as follows:



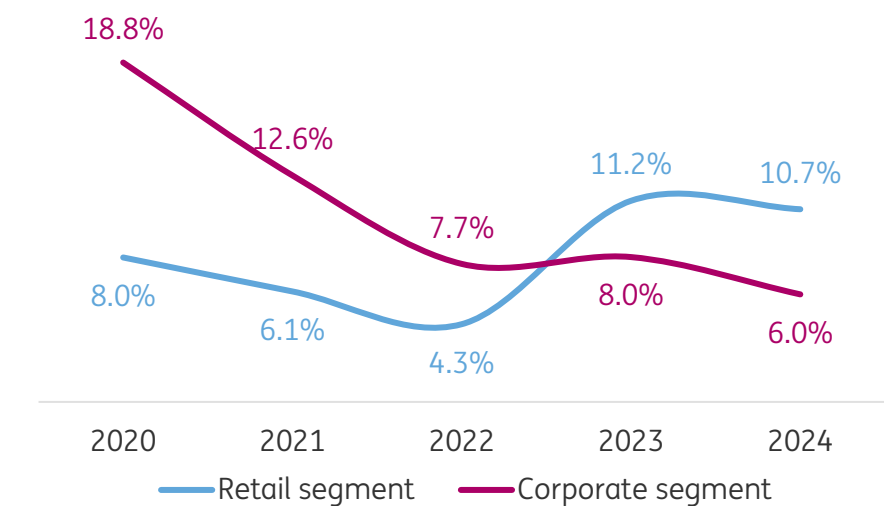


- Total liabilities increased by 8.7% y/y to a total of PLN 2,083.5 billion (up by PLN 166.3 billion y/y) and were characterised by a higher growth rate on the deposits side of the retail segment than on the corporate segment.
- Liabilities to the retail segment reached PLN 1,219.5 billion, an increase of PLN 117.7 billion y/y (+10.7% y/y) compared to the end of December 2023.
- Liabilities to the corporate segment amounted to PLN 863.9 billion, i.e. they were 6.0% higher than as at the end of December 2023. The y/y increase in volume by PLN 48.6 billion was achieved primarily due to an increase in liabilities towards local government institutions and the Social Security Institution (by 41.9%, i.e. by PLN 28.7 billion to PLN 97.2 billion) and companies (by 3.9%, i.e. by PLN 19.6 billion to PLN 524.8 billion). Non-monetary financial institutions' deposits, on the other hand, fell (PLN -3.1 billion, -4.0% y/y).

Balance of liabilities\* (PLN billion)



Growth rate of balance of liabilities\*



\*Based on NBP data.

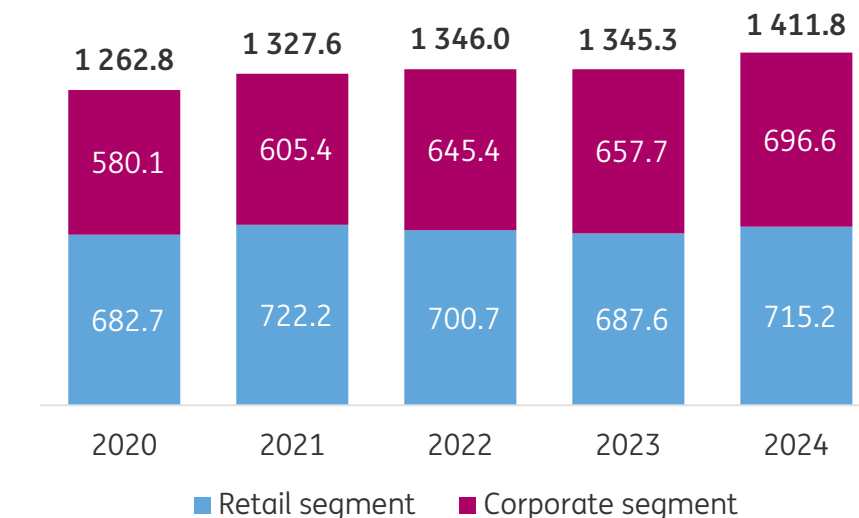
Receivables

- Total receivables at the end of December 2024 increased by 4.9% y/y to a total of PLN 1,411.8 billion (up by PLN 66.5 billion y/y) and were characterised by higher growth rates on the receivables side of the corporate segment than the retail segment.
- Receivables from the retail segment reached PLN 715.2 billion in December 2024 and were 4.0% higher than in the previous year. Volumes of residential loans, which form the main part of banks' credit exposure to the retail segment (their share of retail receivables was 69.3% in 2024, up from 69.8% in 2023), increased by 3.4% to PLN 495.9 billion. As at the end of December 2024, the portfolio of PLN-denominated housing loans amounted to PLN

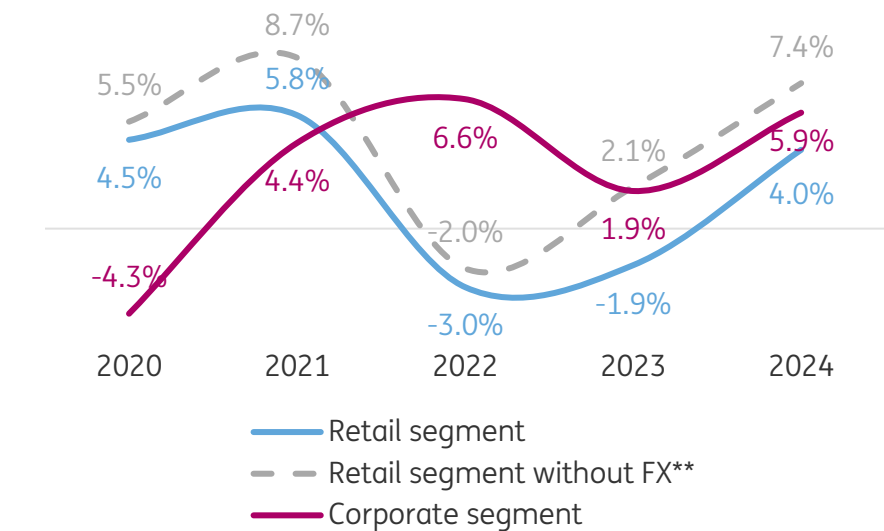
437.8 billion and was up by PLN 33.9 billion y/y. Mortgage sales alone – based on NBP data – amounted to PLN 83.9 billion from January to December 2024 (+43% y/y). The portfolio of foreign-currency housing loans fell by PLN 17.7 billion y/y to PLN 58.1 billion due to the natural depreciation of the portfolio and the banks' provisioning for the legal risk of this portfolio and the implementation of client settlement programmes. Other retail loans, including consumer loans, were up by 5.5% (by PLN 11.4 billion in value terms) compared to the end of December 2023 and reached PLN 219.3 billion. Sales of other retail loans – based on NBP data – amounted to PLN 131.4 billion from January to December 2024, an increase of 13% y/y.

- Receivables from corporate clients increased by PLN 38.9 billion (+5.9% y/y) compared to December 2023 to PLN 696.6 billion. The main contributors to these increases were the portfolio of receivables from companies, which recorded an increase of PLN 20.8 billion y/y (+5.4%), to PLN 406.7 billion, and the non-monetary receivables portfolio of financial institutions, which increased by PLN 21.0 billion y/y (+15.3%), to PLN 158.4 billion. Demand for corporate loans remained in a downward trend y/y between January and December 2024. Sales of loans to non-financial companies – based on NBP data – amounted to PLN 201.3 billion in 2024, a decrease of 1% y/y. On the other hand, receivables from individual entrepreneurs remained in a downward trend, with the balance decreasing by 12.0% y/y (PLN -6.7 billion) to PLN 49.4 billion.

Balance of receivables\* (PLN billion)



Receivables dynamics\*



\*Based on NBP data; \*\* excluding FX mortgage loan portfolio.

Asset quality

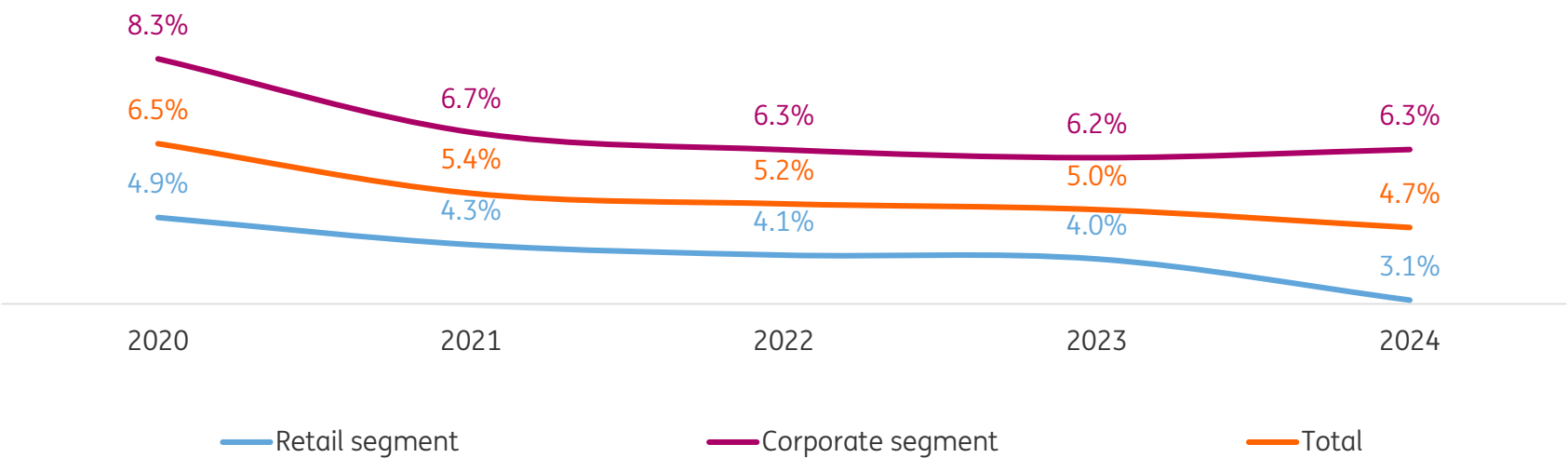
In terms of asset quality, as at 2024 yearend, the share of Stage 3 loans in total loans measured at amortised cost was 4.7% (compared to 5.0% in December 2023).



Asset quality in the retail segment was 3.1% as at 2024 yearend, an improvement of 0.9 p.p. compared to the end of 2023.

In the corporate segment, the share of Stage 3 and POCI exposures stood at 6.3% at the end of December 2024, 0.2 p.p. higher compared to the end of 2023. It is possible to observe a decrease in the quality of operating and investment loans during this period, with an increase in the quality of real estate loans.

Share of receivables at Stage 3



Source: Estimate based on PFSA data.

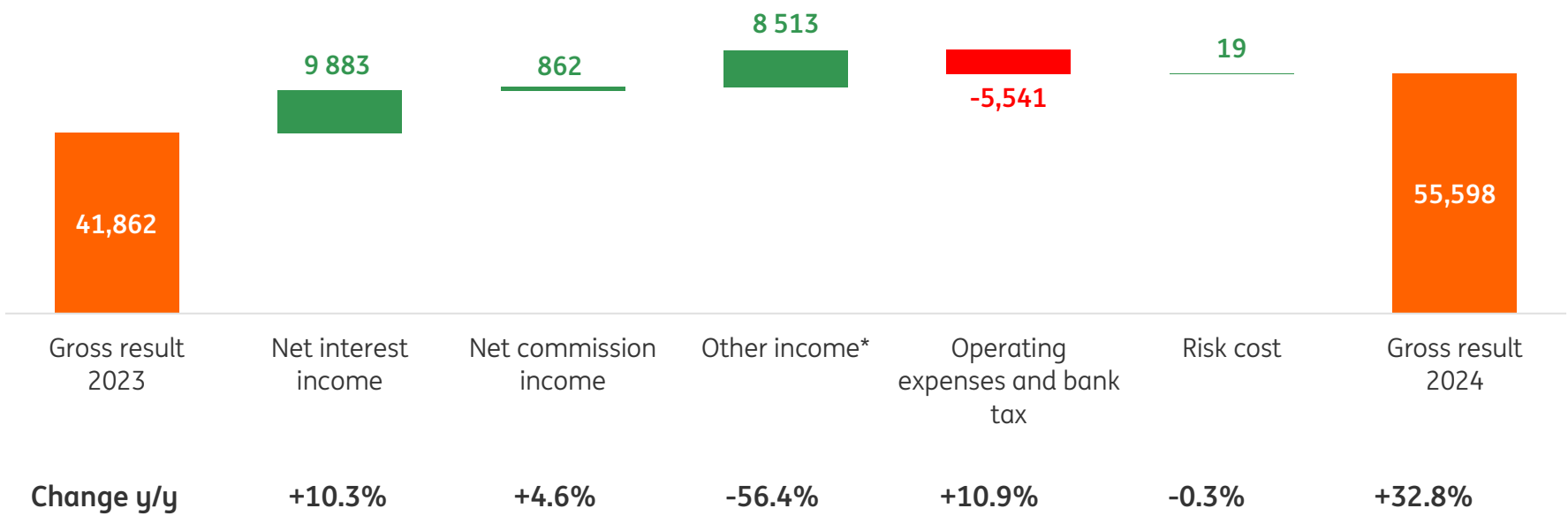
Financial results

The apparent improvement in the sector’s performance in 2024 is mainly the result of a high-interest rate environment. The banking sector’s interest income recorded an increase of around 10% y/y. It should be noted that the interest margin in the sector in 2024, calculated on the basis of average assets, was around 3.4%, and it was at a comparable level to the margin in 2023.

Net fee and commission income in 2024 increased by PLN 0.9 billion (+5% y/y), while other income was PLN 8.5 billion higher y/y, although still negative, in both 2023 and 2024, due to significant provisions for legal risk of foreign currency mortgage loans.

Operating expenses were 10.9% higher than in the previous year, mainly in terms of salary costs (+12.9% y/y), with depreciation and amortisation (+9.7% y/y) and other operating expenses (including bank tax) up 8.8% on 2023. The cost of risk, on the other hand, were at comparable levels y/y.

Factors of change in the banking sector’s gross result in 2024 (PLN million)



Source: Estimate based on PFSA data; \*including share of profits of associates.

Capital market

Warsaw Stock Exchange (WSE)

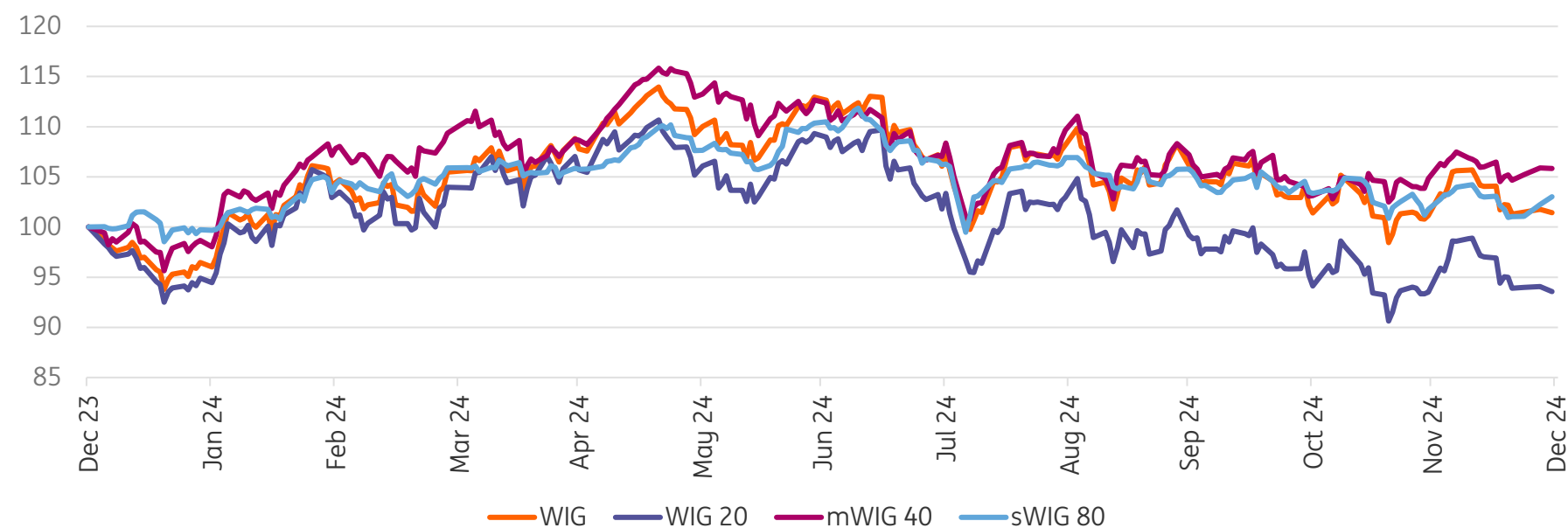
The main indices on the Warsaw Stock Exchange, apart from the WIG 20, ended 2024 slightly higher than as at 2023 yearend. The broad market index – WIG – gained 1.4% compared to the end of 2023. the mWIG40, on the other hand, gained 5.8% and the smaller companies index – the sWIG80 – increased by 3.0% in 2024 compared to the end of 2023. In 2024, the index grouping the largest-cap companies – the WIG20 – was the only one of the above to lose 6.4% y/y.

At the end of December 2024, 411 companies were listed on the WSE Main Market, including 43 foreign companies. The capitalisation of domestic companies amounted to PLN 731.9 billion, down 3.7% compared to the end of December 2023. The combined capitalisation of domestic and foreign companies amounted to PLN 1,491.7 billion, an increase of 3.6% y/y. In 2024, there were nine IPOs (eight of which were previously listed on NewConnect), while 11 other companies were delisted.

2024 was characterised by an increase in turnover on the Main Market. The value of session trading in shares, rights to shares and pre-emptive rights increased by 20.7% y/y to PLN 331.4 billion. The value of total turnover (including block trades) increased by 22.2% to PLN 344.8 billion.



Major WSE indices in 2024 (as of 31 December 2023 = 100)



Source: Warsaw Stock Exchange (WSE).

Investment funds

As at the end of December 2024, the assets of investment funds (based on IZFiA data) amounted to PLN 379.3 billion, i.e. up by PLN 59.1 billion (+18.4%) compared to the end of December 2023. Each of the months from January to December 2024 was characterised by a positive balance of deposits and redemptions. Total net inflows in 2024 amounted to PLN 42.5 billion, 85.7% higher than in 2023. By far the most dynamic development was in the equity funds market, which grew by PLN 56.9 billion (+26.9% y/y) to PLN 268.6 billion throughout 2024. In 2024, debt funds accounted for 40.7% of the investment fund market (+5.8 p.p. y/y) – they strengthened their leadership position, increasing assets under management to PLN 154.4 billion (+42.7 billion, +38.3% y/y).

Source: Chamber of Fund and Asset Management Companies.

Open Pension Funds

In December 2024, the assets of open pension funds amounted to PLN 213.0 billion, i.e. up by PLN 4.9 billion (+2.4%) compared to the end of December 2023. As at the end of December 2024, 89.3% of these assets consisted of shares of domestic and foreign issuers (91.4% at the end of December 2023).

Source: The Polish Financial Supervision Authority.

Employee Capital Plans

Based on data from the Employee Capital Plans Register, these funds had accumulated PLN 30.24 billion in assets at the end of December 2024 in a total of 4.43 million Employee Capital Plans accounts (21.74 billion and 3.95 million respectively as at 2023 yearend). At the end of December 2024, 329,000 entities allow their employees to save for their retirement through Employee Capital Plans, and participation in the programme was 50.46% (57.92% in the private sector and 28.46% in the public sector).

Source: [mojeppk.pl](https://mojeppk.pl)

Legal changes

Detailed information on legal changes concerning the banking sector can be found in the Attachment, under [Legal changes](#).

Business environment  
2024

Gross Domestic Product

According to a preliminary estimate by the Central Statistical Office (CSO), the growth rate of Gross Domestic Product (GDP) in 2024 has accelerated to 2.9%, compared to growth of just 0.1% in 2023. The marked recovery in household consumption (3.1%) was accompanied by low growth in investment (1.3%), a small positive contribution from stock changes (0.5 p.p.) and a negative contribution from net exports (-1.0 p.p.), linked to slower growth in exports than imports.

The recovery in 2024 has been uneven. In the first half of the year, the pace of growth was constrained by continued inventory adjustments and low investment activity of companies in a high-interest rate environment. The increase in investment recorded during this period was largely due to public expenditure on defence. In turn, private consumption dynamics were stimulated by high growth in real disposable income, driven by increases in the minimum wage and social benefits. In Q3, there was a strong deceleration in consumption and an increase in inventories. In Q4 2024, the growth structure was again consumption-based. The negative contribution of net exports to GDP in 2024 was due to unfavourable conditions in the main export markets, limiting exports, and robust domestic demand, stimulating imports.





According to estimates by economists at ING Bank Śląski, GDP growth in Q4 2024 was around 3.5% y/y. Household consumption increased by around 3.4% y/y and gross fixed capital formation did not change significantly on an annual basis. Supporting GDP was the change in inventories, while net exports had a negative impact on the annual change in GDP.

According to the bank's economists, 2025 should bring further growth in consumption and a rebound in investment linked, inter alia, to the implementation of projects financed using funds from the National Recovery Plan (NRP) and European funds under the 2021-2027 financial perspective.

### Restrictive monetary policy with expansionary fiscal policy

The beginning of 2024 saw a marked decline in inflation, resulting from the fading of the energy shock caused by the Russian aggression against Ukraine. The normalisation of commodity prices has allowed inflation to fall to 2.0% y/y in March 2024. The following months, however, saw inflation rise again, not least due to decisions on taxes and regulated prices. VAT on food was reinstated from April 2024, and the vast majority of electricity and natural gas price shield measures for households were withdrawn in July. Core inflation, which excludes food and energy prices, remained elevated throughout last year. This was due to high service price dynamics, driven by strongly rising labour costs. As at 2024 yearend, consumer inflation stood at 4.7% y/y.

Surrounded by the above inflation trends, the Monetary Policy Council (MPC) held interest rates steady throughout 2024. Thus, the reference rate as at 2024 yearend was 5.75%. Throughout 2024, the MPC has been attentive to inflationary pressures associated with buoyant wage growth and expansionary fiscal policy. According to the Autumn Fiscal Notification and estimates by ING Bank Śląski economists, the general government deficit could be close to 6% of GDP in 2024.

A change in the communication of the National Bank of Poland (NBP) has been observed recently. The NBP has clearly stepped up the rhetoric, highlighting the risks of higher inflation, including the potential increase in energy prices following the planned reinstatement of the power surcharge and the withdrawal of the cap price for electricity in Q4 2025. According to the NBP, this justifies postponing the start of discussions on interest rate cuts, although the Energy Regulatory Office's planned update of energy tariffs in the middle of this year may negate the energy price increase scenario in Q4 2025. At the beginning of 2025, the MPC remains divided in opinion as to the optimal time to start discussing monetary easing.

### International economic environment

By 2024, the global economy was growing below its long-term trend. This was due to the earlier inflation shock following the Russian aggression against Ukraine, the rise of protectionist tendencies and the strong monetary tightening in the US and Western Europe in earlier years. An additional factor was the structural weaknesses of the Chinese economy, particularly the deteriorating real estate market and fiscal tensions.

In 2024, robust economic activity in the US and almost 3% economic growth continued, while growth in the euro area accelerated to just 0.7% from 0.3% a year earlier. The low growth across the Eurozone is the result of the recession in Germany (real GDP down 0.2% in 2024 after falling 0.3% the year before), which is struggling with weakening external demand, increasing competitive pressure from China in industries that were previously engines of growth (e.g. automotive or chemicals) and an increased propensity for consumers to save. A factor supporting growth in the US and the euro area, was the good health of the labour market and the low unemployment rate.

Over the course of 2024, oil (Brent) and natural gas prices in Europe (TTF) declined, while global food prices were on a mild upward trend. The relative stability in energy and agricultural markets supported disinflation and a return of inflation in the major economies towards the 2% inflation target. Upward pressure on prices was also dampened by the restrictive monetary policies of the Fed and the ECB. The process of disinflation in developed countries was not uniform during 2024. Elevated inflationary pressures were present in the first months and then gradually subsided. The local peak in US consumer CPI inflation of 3.5% y/y was reached in March 2024 and the local peak of 2.4% y/y in September 2024, after which inflation rebounded slightly to 2.9% y/y in December. Also in the euro area, the local peak in consumer inflation (1.7% y/y) was in September 2024, with inflation gradually rising in the following months to reach 2.4% y/y in December 2024. This was because, by the end of 2024, energy prices were increasingly holding back the dynamics of the CPI index. In China, on the other hand, structural weaknesses and a weaker economy allowed inflation to stabilise at low levels (below 1% y/y).

The maintenance of anchored inflation expectations, thanks to, inter alia, a restrictive monetary policy, favourable inflation projections, allowed the start of a cycle of interest rate cuts. In the euro area, disappointing economic performance was an additional factor. The ECB decided to cut rates by 25 bps for the first time as early as June 2024, and by the end of the year had cut rates three more times by 25 bps each, for a total of 100 bps for the whole year. In contrast, the first Fed cut did not occur until September 2024, but it was more decisive – by 50 bps and, after two cuts in the following months, the Fed also cut interest rates by a total of 100 bps throughout the year. As at 2024 yearend, the Fed funds rate was in the 4.25%-4.50% range, while the ECB deposit rate was at 3.0%.



In its latest projections (January 2025), the International Monetary Fund (IMF) forecasts that the global economy will grow by 3.3% between 2025 and 2026, compared with estimates of 3.2% in 2024 and an execution of 3.3% in 2023. The IMF expects a gentle slowdown in US growth (to 2.7% in 2025 from 2.8% in 2024) and continued low growth in the euro area (1.0% in 2025 compared to 0.8% in 2024). It is worth noting that the IMF has lowered its forecast for German GDP growth in 2025 to 0.3% (from 0.8% in the previous forecasting round).

Against the backdrop of forecasts for 2025, which assume a weak economy in the euro area and its largest economies (Germany and France) and the potentially negative impact of Donald Trump’s trade policies, market participants expect further ECB rate cuts in total of another 100 bps in 2025. In the case of the Fed, market participants are pricing in two interest rate cuts due to, inter alia, strong economic activity and a robust labour market, and the risks of inflation being pushed up by the new US administration’s customs, fiscal and immigration policy decisions.

ING Group N.V. economists expect further ECB rate cuts in 2025 and a significant reduction in the deposit rate from 3.0% at the beginning of the year to a target of 1.75% by mid-year. In terms of Fed rate cuts, economists at ING Group N.V. are forecasting two cuts of 25 bps each this year and a final cut in 2026, to reach the target level of 3.75% for the Fed’s upper interest rate band. Expectations for the ECB’s decision stem from gradual disinflation towards the 2% target amid slow economic growth in the euro area. For the US, a moderate slowdown in economic growth is expected and the inflation projection is subject to increased uncertainty.

2025

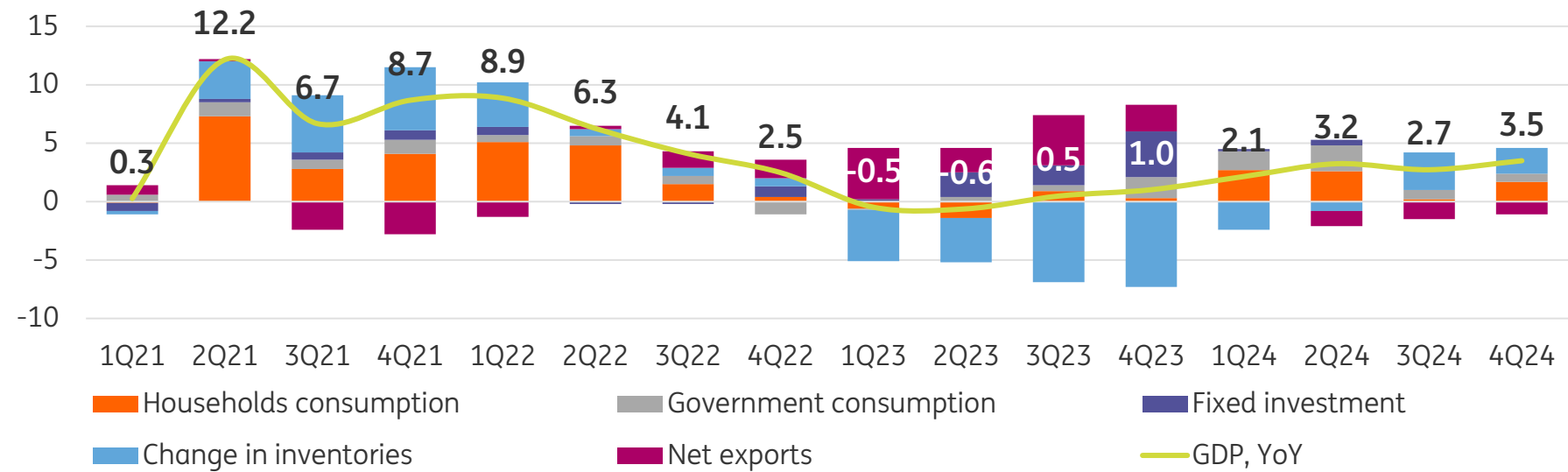
The forecasts and expectations of economists at ING Bank Śląski presented below were made at the turn of 2024 and 2025.

Gross Domestic Product

Economists at ING Bank Śląski forecast that GDP growth will accelerate to 3.2% in 2025 from 2.9% in 2024. The significant improvement in household disposable income in 2024, which is only partly translated into increased consumption, implies an increased propensity to save. The accumulation of savings in 2024 will support the maintenance of consumer purchasing activity in 2025, despite the lower scale of real income growth. Household consumption should therefore grow at a rate close to 3% in 2025. The second driver of growth will be a rebound in investment (forecast at 9.5% for 2025), driven by the implementation of projects from the National Recovery Plan (NRP). Under the grant part, Poland has PLN 108.6 billion at its disposal, which should be spent by mid-2026. The lending part is a further around PLN 148.5 billion, but the funds from this part can be used over a longer horizon.

The absorption of structural funds from the European Union under the 2021-2027 financial perspective is also forecast to accelerate. Economic growth in 2025 will be mainly based on domestic demand, which, in an environment of subdued foreign demand, will lead to a deterioration in the foreign trade balance and a negative contribution of net exports to growth.

Decomposition of GDP growth (%)



Source: CSO, projection by ING.

The economic growth outlook for 2025 is subject to a high degree of uncertainty, due to factors that can both improve the economic situation and worsen it. In particular, changes in forecasts may occur if geopolitical tensions, including Russia’s war with Ukraine, further escalate or, conversely, de-escalate. The European economy will also be challenged by a possible increase in US protectionism and the imposition of tariffs on imported goods, which could disrupt global supply chains and destabilise prices.

Labour market

The labour market remains tight and the unemployment rate is near record lows, despite the decline in employment. This is due to limited labour supply amid a shrinking working-age population and a less positive net migration balance compared to the first period after the Russian invasion of Ukraine. Despite an expected improvement in labour demand, economists at ING Bank Śląski forecast that wage growth will slow to single-digit levels, after three years of growth in excess of 10%. The reasons for this forecast are as follows. Firstly, the increase in the minimum wage is clearly lower in 2025 than in the previous two years. Compared to December 2024, the minimum wage increased by 8.5% in January 2025 (to PLN 4,666), against a 20.5% increase for the whole of 2024.



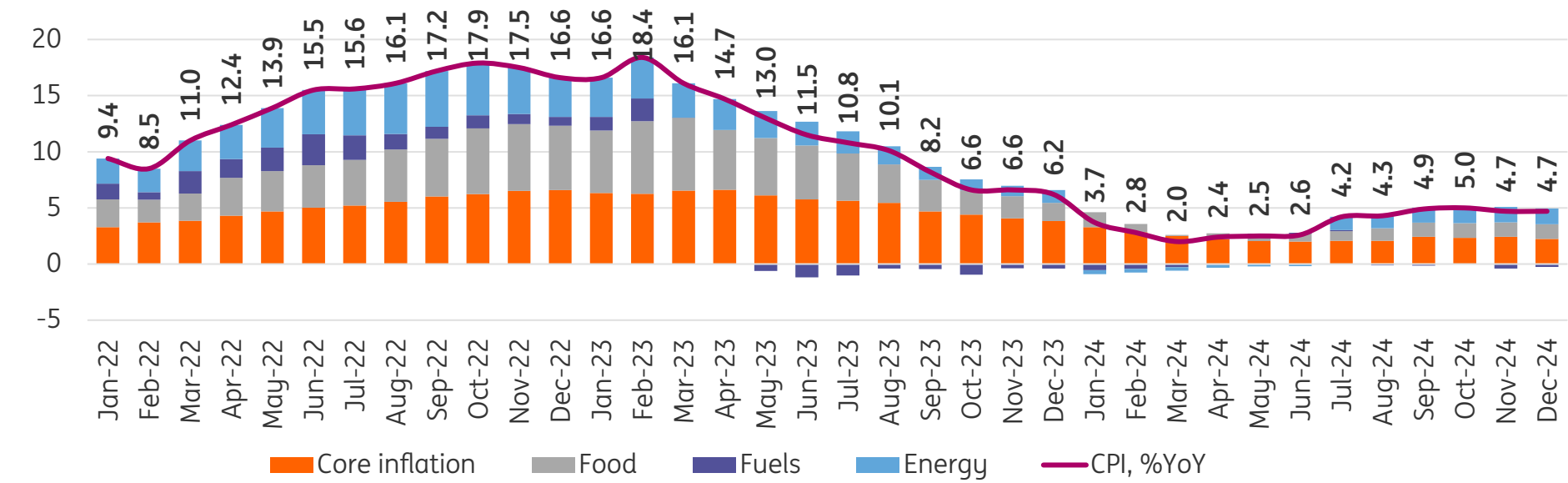
Secondly, lower levels of inflation mean that employees no longer put as much pressure on employers for increases to compensate for the fall in real purchasing power. Thirdly, deteriorating corporate financial performance and declining margins are limiting entrepreneurs' ability to raise wages.

Inflation

ING Bank Śląski economists forecast an average annual price increase of 4.5% in 2025, up from 3.6% in 2024. The course of inflation, on the other hand, will be the opposite of 2024. At the beginning of 2025, inflation will exceed 5%, while the second half of the year will see a decline towards the upper limit of permissible deviations from the NBP target (2.5%, +/- 1 p.p.) due to the expiry of the base effect associated with regulated energy prices. In July, the power surcharge will be reinstated, which will bump up the average household electricity bill by around 7-8% and imply an additional 0.3-0.4 p.p. increase in CPI inflation. On the other hand, the planned abolition of the maximum price for electricity (PLN 500/MWh net) from October will not translate into a significant increase in electricity prices for households, according to ING Bank economists, as the Energy Regulatory Office (URE) will ask energy distributors to submit new tariff proposals. Given the wholesale electricity prices on the Power Commodity Exchange (POLPX), the likelihood that the new tariffs will increase electricity prices is low.

Core inflation will decline slightly more slowly than CPI. In this case, slowing wage dynamics and a disinflationary external environment should be conducive to a general decline in price pressures, especially in the context of the NBP keeping interest rates high for a long time.

Inflation (CPI) – decomposition (%)

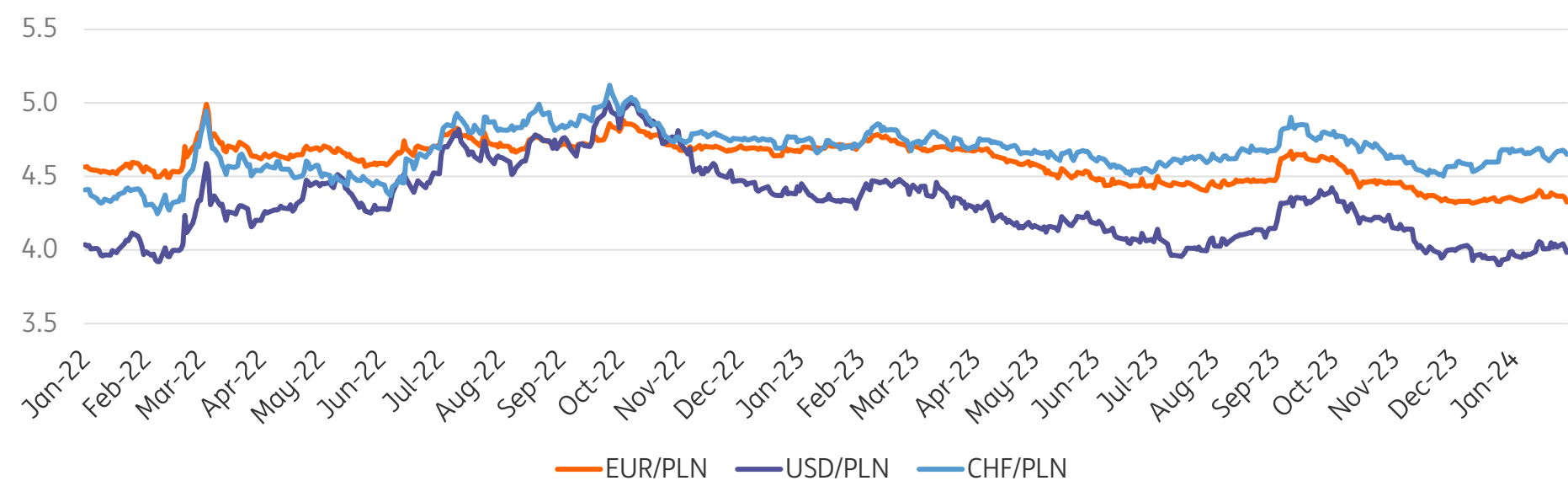


Source: CSO, projection by ING.

Impact of the situation in global financial markets on Poland's economy

The beginning of 2025 saw the strengthening of the zloty, with the EUR-PLN exchange rate at its strongest levels in over seven years. The first weeks of Donald Trump's presidency have allayed important fears, such as the failure to introduce high import tariffs and Trump's failure to withdraw support for Ukraine. In addition, the NBP clearly stepped up its rhetoric in late 2024 and early 2025, suggesting that the prospect of interest rate cuts in Poland was slipping away. Combined with the expected continuation of the ECB's monetary easing cycle, this raises the expected interest rate disparity in favour of the zloty. The combination of all factors influencing the zloty's exchange rate turned out to be more positive than expected.

PLN exchange rates



Source: NBP, projection by ING.

Public finances

As at 2023 yearend, the so-called general exit clause, which suspended the functioning of the European fiscal rules under the Stability and Growth Pact for the duration of the pandemic and its negative effects on public finances, expired. In 2023, the general government deficit stood at 5.1% of GDP, thus clearly exceeding the European limit of 3% of GDP, even after taking into account new defence investment spending, which is given a concession in the European Commission's process of assessing the fiscal situation in member states. By decision of 26 July 2024, the European Council triggered the excessive deficit procedure against Poland. In October 2024, the Polish government presented a medium-term budgetary and structural plan, which aims to limit the deficit below 3% of GDP in 2028.



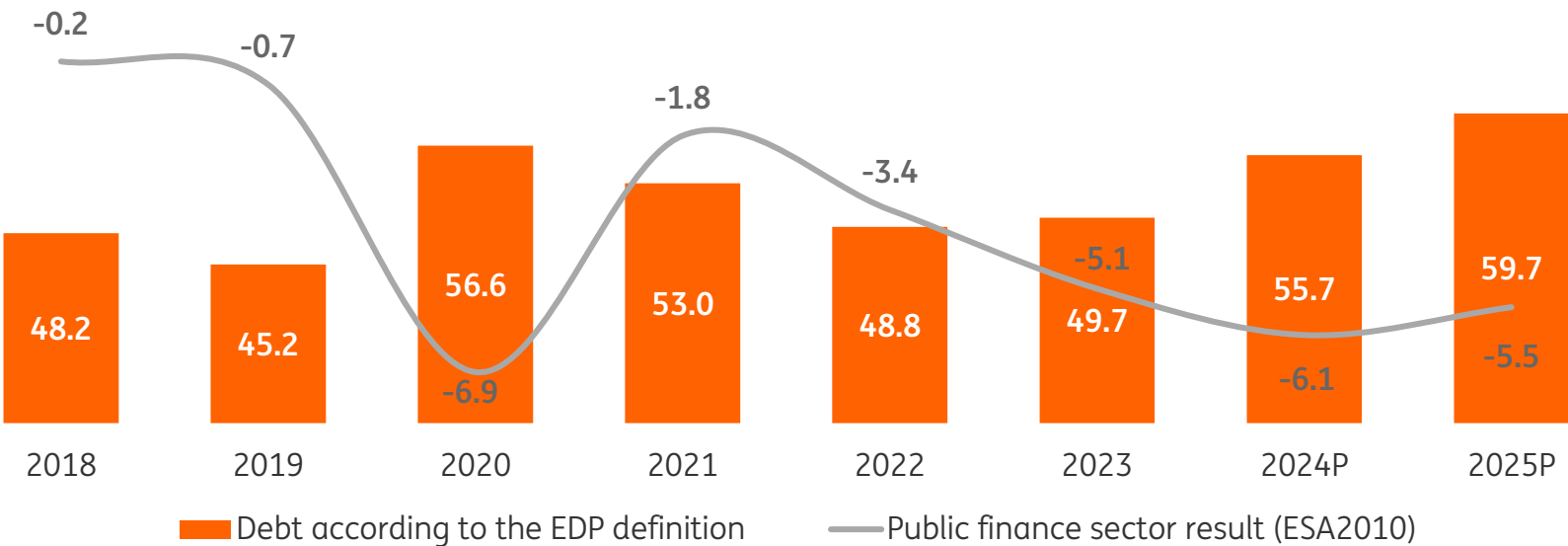


In January, the European Council recommended that Poland eliminate its excessive deficit by 2028, committing the country to a specific growth path for net spending in subsequent years.

According to the estimates of ING Bank Śląski economists, 2024 was another year characterised by a high deficit, probably close to 6% of GDP. The increase in expenditure was due, inter alia, to the high indexation rate of pensions (12.1%) resulting from high inflation in 2023, the indexation of care benefits from PLN 500 per child to PLN 800, high salary increases in administration (20%), including for teachers (30%), as well as rising expenditure on national defence. In addition, the draft budget law for 2024 was based on optimistic assumptions about Value Added Tax (VAT) revenues, which were expected to increase by around 30%. In October, there was an amendment to the 2024 Finance Act due to revenue shortfalls relative to earlier projections. The deficit was revised upwards by PLN 56.3 billion to PLN 240.3 billion, VAT revenue down by PLN 22.9 billion, corporate income tax (CIT) revenue by PLN 11.5 billion and non-tax revenue by PLN 12.0 billion, of which PLN 6.0 billion was due to the absence of the planned NBP profit payment for 2023, as the central bank recorded a loss.

ING Bank Śląski economists expect fiscal policy to remain expansionary also in 2025, with the general government deficit still above 5% of GDP. The government’s public finance consolidation plan for 2025-2028 assumes a small fiscal effort in 2025 and larger adjustments in the subsequent years of the 4-year plan. The draft budget law for 2025 assumes a state budget deficit of PLN 289 billion and record high levels of net (PLN 367 billion) and gross (PLN 553 billion) borrowing needs. This requires increased issuing activity in foreign markets and in the domestic market, including the offering of new instruments. As of January 2025, the Ministry of Finance is selling Treasury bills again. Public debt will also continue to be incurred by extra-budgetary funds, including mainly the COVID-19 Counterpart Fund. As at 2025 yearend, general government debt could rise to around 60% of GDP, up from around 55% of GDP as at 2024 yearend.

Public debt and budget deficit according to EU methodology (ESA2010; %)



Source: CSO, projection by ING.

Monetary policy

ING Bank Śląski economists expect the MPC to keep interest rates unchanged in the first months of 2025 due to rising inflation. Over the course of the year, however, the conditions should emerge for the start of a cycle of interest rate cuts. In autumn 2024, a consensus built up in the Council that the discussion on reductions should start in March 2025, when the next NBP macroeconomic projection is presented. In late 2024 and early 2025, however, the central bank tightened its rhetoric and indicated that the discussion on monetary easing would shift to the second half of 2025. The Council is divided in its views on the scale of potential interest rate cuts in 2025, with MPC statements suggesting room for a 25-100 bps reduction in NBP rates.

As at 2024 yearend, NBP interest rates were:

- deposit rate – 5.25%,
- reference rate – 5.75%,
- bill discount rate – 5.85%,
- bill re-discount rate – 5.80%,
- Lombard rate – 6.25%.



ING Bank Śląski economists’ forecasts suggest that inflation will decline markedly in the second half of 2025, supported by a more favourable reference base after the impact of the partial unfreezing of energy prices expires in mid-2024, as well as a reduction in electricity tariffs and a slowdown in wage growth. A rebound in the supply constraints of the Polish economy, especially in terms of the availability of workers, may have a pro-inflationary effect.

Summary

According to economists at ING Bank Śląski, economic growth in the euro area will remain relatively low (0.7%) in 2025, while the German economy will stagnate. In the Eurozone, consumers show a low propensity to spend despite improving incomes, due to geopolitical instability. A positive factor is the expected stabilisation, or even decline, of global oil prices. However, the low-price scenario is dependent on further developments in the Middle East and Ukraine.

According to forecasts by economists at ING Group N.V., Germany’s economy will experience a shallow recession for the third year in a row (GDP decline of 0.2% in 2025), due to cyclical and structural factors. The latter include increasing competitive pressure from China and the displacement of German manufacturers from their traditional markets, such as car manufacturing and chemicals. Weakness in Germany – where around 27% of Polish goods exports go – will limit the scale of the economic recovery in Poland.

According to ING Bank Śląski economists, the rate of economic growth will accelerate in 2025 compared to the growth recorded in 2024. The continuation of consumption growth will be accompanied by a marked acceleration in investment driven by funds from the National Reconstruction Plan (NRP) and the increasing uptake of structural funds from the European Union’s 2021-2027 financial perspective. ING Bank Śląski economists estimate that in 2025, the Polish economy will receive around PLN 50 billion from the grant part of the NSP, nearly PLN 40 billion from the loan part of the programme and around PLN 45 billion from structural funds. In addition, the expected start of a cycle of interest rate cuts should encourage a gradual acceleration of private sector investment. Poland should also gradually start making the necessary investments related to energy and digital transformation. An important element that could favour private sector investment decisions would be the possible end of hostilities in Ukraine, which would reduce the uncertainty surrounding geopolitical stability in the region. Domestic demand will be the main driver of GDP growth in 2025, while the foreign trade balance will deteriorate. The conjuncture in the main Polish export markets remains subdued, limiting the growth potential of Polish exports and industry. At the same time, accelerating investment, including increased arms spending, will drive imports.

Forecasts by ING Bank Śląski economists					
	2022	2023	2024P	2025P	2026P
GDP growth (%)	5.3	0.1	2.9	3.2	3.4
General government sector debt according to EU methodology (% GDP)	44.8	49.7	55.9	59.7	62.4
Average annual inflation (CPI) (%)	14.4	11.4	3.6	4.5	3.0
Registered unemployment rate (%; CSO)	5.2	5.1	5.1	4.8	4.6
USD/PLN exchange rate (year-end)	4.40	3.94	4.10	4.26	4.25
EUR/PLN exchange rate (year-end)	4.69	4.35	4.27	4.35	4.34
WIBOR 3M (year-end)	7.0	5.9	5.8	4.8	4.3

Market trends

Market trends are factors influencing the future of the economy, society, the sector and our bank, inter alia, over a horizon of the next 2-3 years.

After 30 years of rapid growth, the next few years may bring a slightly slower rate of economic growth, which at the peak of the business cycle will be closer to 3-4% rather than 5-6%. This is due to stagnation in the economies of Poland’s main trading partners, but also to constraints on the supply side of the economy. Poland is also looking for a new growth model that relies less on readily available and cheap labour. On the other hand, the role of the banking sector will increase at this stage of economic development. Poland also needs a dynamic development of the financial sector and a capital market that is not a threat to the banks. The development of non-credit forms of financing companies is complementary to the functions performed by banks. It can lead to the necessary scaling up of companies in Poland and ultimately lead to an increase in bank balance sheets, thus reversing the negative trend of recent years of rapid deleveraging of the economy.

Geopolitical tensions and security concerns in multiple dimensions

Following the pandemic and the start of the Russian invasion of Ukraine in 2022, security issues have become a priority for public policies and corporate strategies.

A risk factor for Europe and NATO countries is the attitude of the US after Donald Trump’s re-election. Internal and external security considerations have necessitated an increase in government spending on defence, increased



purchases of military equipment, more effective cooperation with NATO and EU allies, including the rebuilding of production capacity in the arms industry. Energy security required diversification of suppliers and a move away from Russian gas in the EU. Health security requires securing reserves of pharmaceutical products. Cyber security remains crucial in an era of proliferation of digital channels, including in the banking sector, and the growing use of generative artificial intelligence (AI) in the economy. Security issues in many dimensions are the main theme of the Polish Presidency of the Council of the European Union in the first half of 2025.

### Growing use of artificial intelligence, disinformation and threats to cyber security

2024 was a year of further rapid development and application of artificial intelligence solutions. With uneven capacity and preparedness at the level of countries and sectors, the impressively rapid application of AI solutions can lead to divisive winners at the level of countries, sectors, companies or professional groups. To the dominance of US companies in the technology race, China has recently joined in with a competitively priced artificial intelligence model. AI raises hopes for a boost to economic growth, but at the same time there are concerns arising from the differential benefits that different industries, groups may enjoy, which could result in polarised societies. AI solutions can also intensify the technological risks associated with disinformation.

According to a report by the World Economic Forum, the following are among the top 5 risks in the next two years: risk of disinformation and misrepresentation, armed conflict between states, social polarisation and cyber espionage and warfare. Geopolitical, technological and social risks can overlap and lead to a rise in populism, political destabilisation of countries and markets.

### Technology that supports important change

The digitalisation of business is accelerating. Companies are increasingly using the potential of digitalisation to create new business models, improve efficiency or optimise resources. Regulatory changes, including in the ESG area, are accelerating technological innovation. An example is companies that need technological solutions, for example to monitor supply chains.

In banking, technology provides clients with the ability to use secure banking services on a large scale, anytime, anywhere. We are seeing the growing impact of technology on the experience of clients, employees or business partners. Of particular importance here is the automation of processes through the use of data analytics, machine learning, cloud solutions or artificial intelligence. Automated processes are efficient, consistent and more accurate. In doing so, they improve the quality of services and also free up staff time and potential for higher-value creative tasks.

### Sustainable financing and ESG

Sustainable transformation is one of the most important challenges for the global economy. The role of the financial sector is and will continue to be crucial in this process. An increased commitment to sustainability by financial institutions and corporations is evident: they are increasingly committing to sustainability goals and integrating ESG issues into their business strategies. This trend is being driven by, inter alia, the regulator, investor pressure and the recognition that sustainable practices can lead to long-term value creation.

In response to market expectations, including ESG regulatory requirements, banks are increasingly changing their policies, processes and business strategies, which will consequently lead to a gradual allocation of capital towards sustainable assets. In order to realise their objectives, the banks actively seek to support the transformation of Polish companies on their path of sustainable development. They offer funding for projects that can contribute to sustainable development in areas such as renewable energy sources, electromobility or improving energy efficiency and thermo-modernisation. Activities include not only funding sources, but also those that contribute to awareness, ESG knowledge and the provision of practical services and tools such as carbon footprint calculators for companies.

### Clients expect the financial industry to support their financial health

According to an OECD study, only 47% of Poles regularly monitor their spending and 38% put money aside for the future. Financial literacy was rated at 56% of possible points, placing Poland below the OECD average. It is the banks that are seen as reliable partners in building financial stability. Clients expect financial institutions to provide tools, education and support to help them manage their finances, save or cope with difficulties. According to the Global Web Index report, 73% of Gen-Zers believe that banks should provide more advice on budgeting, spending habits, debt repayment and loans. 80% of people worldwide agree that companies should support clients in the face of a cost-of-living crisis (BCW 2023 report).

### 84% of Poles believe the climate is warming, but we need support to change habits

Contrary to stereotypes, awareness of climate change and care for the environment are not exclusive to the young, but increase with age, and more sustainable behaviours are just as popular in big cities as in small towns. Startups can help to increase the availability of environmentally friendly products and services, but they also need support, as for investors and consumers economic considerations are more important than the mission – these are the findings of the survey conducted by Ipsos and Startup Academy, at the request of ING Bank Śląski. More information and links to the results of the study can be found [here](#).



# Our financial results

<a href="#">Consolidated results of the ING Bank Śląski Group</a>	68
<a href="#">ING Bank Śląski separate results</a>	80





In this chapter, we describe our financial results on both the consolidated and separate bases. We identify the most important factors influencing the reported results. We believe that a transparent presentation of our financial results will help stakeholders in making future investment decisions.

## Consolidated results of the ING Bank Śląski Group

### Key effectiveness ratios

Key effectiveness ratios for the ING Bank Śląski S.A. Group in 2020-2024						
	2020	2021	2022	2023	2024	Change 2024 to 2023
Cost share ratio* (C/I)	44.3%	43.0%	47.2%	34.7%	35.1%	+0.4 p.p.
Cost share ratio** (C/I)	52.1%	50.9%	55.5%	40.7%	41.7%	+1.0 p.p.
Return on assets (ROA)	0.76%	1.18%	0.81%	1.93%	1.73%	-0.2 p.p.
Return on equity (ROE)	7.6%	13.6%	17.4%	33.9%	26.7%	-7.2 p.p.
Return on equity (ROE) – adjusted for MCFH	9.4%	14.4%	10.2%	22.9%	20.4%	-2.6 p.p.
Interest margin ratio (adjusted***)	2.63%	2.59%	3.56%	3.63%	3.57%	-0.1 p.p.
LTD ratio	82.6%	85.9%	80.4%	76.3%	75.8%	-0.5 p.p.
LCR****	220%	164%	152%	216%	279%	+63.0 p.p.
NSFR****	144%	158%	156%	171%	177%	+6.0 p.p.
LR according to transitional definition	7.3%	6.9%	7.0%	6.8%	6.1%	-0.7 p.p.
MREL by TREA (separate)	-	17.1%	17.8%	26.3%	23.5%	-2.8 p.p.
Total capital ratio	19.52%	16.05%	16.22%	17.41%	14.85%	-2.6 p.p.
Tier 1 capital ratio	16.91%	14.41%	14.72%	16.02%	13.76%	-2.3 p.p.

\*Income including net profit of equity method associates; \*\* Expenses including bank tax and income including net profit of equity method associates; \*\*\*Margin adjusted for the impact of credit holidays; \*\*\*\*Data in the comparative periods on liquidity measures have changed. The adjustments are due to improvements in the quality of the retail flag data.

### Key financial data

Brief information on the financial results of the ING Bank Śląski S.A. Group in 2020-2024						
PLN million	2020	2021	2022	2023	2024	Change 2024 to 2023
Income*	6,232	6,897	7,722	10,678	11,279	+5.6%
Fixed	-2,763	-2,965	-3,642	-3,700	-3,958	+7.0%
Risk cost**	-1,075	-372	-1,030	-614	-1,036	+68.7%
Gross profit	1,912	3,015	2,403	5,720	5,545	-3.1%
Net profit**	1,338	2,308	1,714	4,441	4,369	-1.6%
Balance sheet total	186,596	201,654	217,266	245,361	260,359	+6.1%
Liabilities to clients	151,029	170,610	192,731	205,290	219,996	+7.2%
Loans and other receivables to clients, net***	124,761	146,614	155,030	156,560	166,698	+6.5%
Equity****	18,618	13,531	9,343	16,736	17,170	+2.6%
Earnings per share (EPS) (PLN)	10.28	17.74	13.17	34.14	33.58	-1.6%
Dividend per share (PLN) for a given year	5.10	5.30	-	33.35	-	-

\*Including net profit of associates accounted for using the equity method; \*\* including legal costs of foreign currency mortgage loans; \*\*\* including fair value loans; \*\*\*\*attributable to shareholders of the parent company.

For the purposes of converting the data presented above into EUR, the Bank shall use the following rates:

- for items in the statement of financial position, the NBP exchange rate as at 31 December,
- for profit and loss account items – exchange rate calculated as an average of the National Bank of Poland rates prevailing on the last day of each month in the year.



EUR/PLN exchange rate

	2020	2021	2022	2023	2024
For the items set out in the statement of financial position	4.6148	4.5994	4.6899	4.3480	4.2730
For profit and loss account items	4.4742	4.5775	4.6883	4.5284	4.3042

Brief information on the financial results of the ING Bank Śląski S.A. Group in 2020-2024

EUR million	2020	2021	2022	2023	2024	Change 2024 to 2023
Income*	1,393	1,507	1,647	2,358	2,620	+11.1%
Fixed	-618	-648	-777	-817	-920	+12.5%
Risk cost**	-240	-81	-220	-136	-241	+77.5%
Gross profit	427	659	513	1,263	1,288	+2.0%
Net profit***	299	504	366	981	1,015	+3.5%
Balance sheet total	40,434	43,844	46,326	56,431	60,931	+8.0%
Liabilities to clients	32,727	37,094	41,095	47,215	51,485	+9.0%
Loans and other receivables to clients, net***	27,035	31,877	33,056	36,007	39,012	+8.3%
Equity****	4,034	2,942	1,992	3,849	4,018	+4.4%
Earnings per share (in EUR)	2.30	3.88	2.81	7.54	7.80	+3.5%
Dividend per share (in EUR) for the year	1.14	1.16	-	7.36	-	-

\*Including net profit of associates accounted for using the equity method; \*\* including legal costs of foreign currency mortgage loans; \*\*\* including fair value loans; \*\*\*\*attributable to shareholders of the parent company.

Position of the Management Board on the feasibility of the previously published forecasts

The Bank has not published its projected financial performance for 2024.

Profit and loss account

Basic figures of the consolidated profit and loss account of the ING Bank Śląski S.A. Group for 2024 and changes compared to the previous year are presented in the table below.

Basic figures of the consolidated profit and loss account in analytical terms

PLN million	2020	2021	2022	2023	2024	Change 2024 to 2023
						PLN million %
Net interest income	4,542	4,970	5,614	8,171	8,725	+554 +6.8%
Net commission income	1,529	1,845	2,095	2,164	2,294	+130 +6.0%
Other income*	161	82	13	343	260	-83 -24.2%
Total income	6,232	6,897	7,722	10,678	11,279	+601 +5.6%
Operating expenses	-2,763	-2,965	-3,642	-3,700	-3,958	-258 +7.0%
Impairment allowances and provisions**	-1,075	-372	-1,030	-614	-1,036	-422 +68.7%
Bank tax	-482	-545	-647	-644	-740	-96 +14.9%
Gross financial result	1,912	3,015	2,403	5,720	5,545	-175 -3.1%
Income Taxes	-574	-707	-689	-1,279	-1,176	+103 -8.1%
Net financial result	1,338	2,308	1,714	4,441	4,369	-72 -1.6%

\*Including the share in net profits of associates accounted for using the equity method; \*\*including legal costs of foreign currency mortgage loans

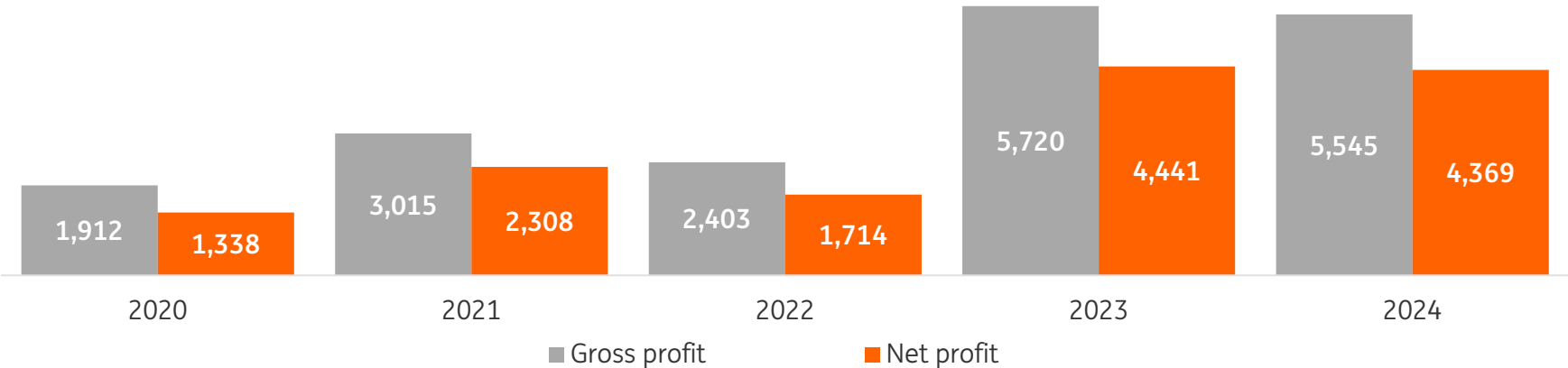
Gross profit and net profit

In 2024, the bank’s net profit reached PLN 4,369 million, down 1.6% y/y.

As since the beginning of 2018, the bank has applied, in its financial statements, the equity method to measure investments in its subsidiaries and associates, the bank’s consolidated group net income is equal to the bank’s individual net income.



Gross profit and net profit of the ING Bank Śląski S.A. Group (PLN million)



The pre-tax result came in at PLN 5,545 million, down 3.1% on 2023.

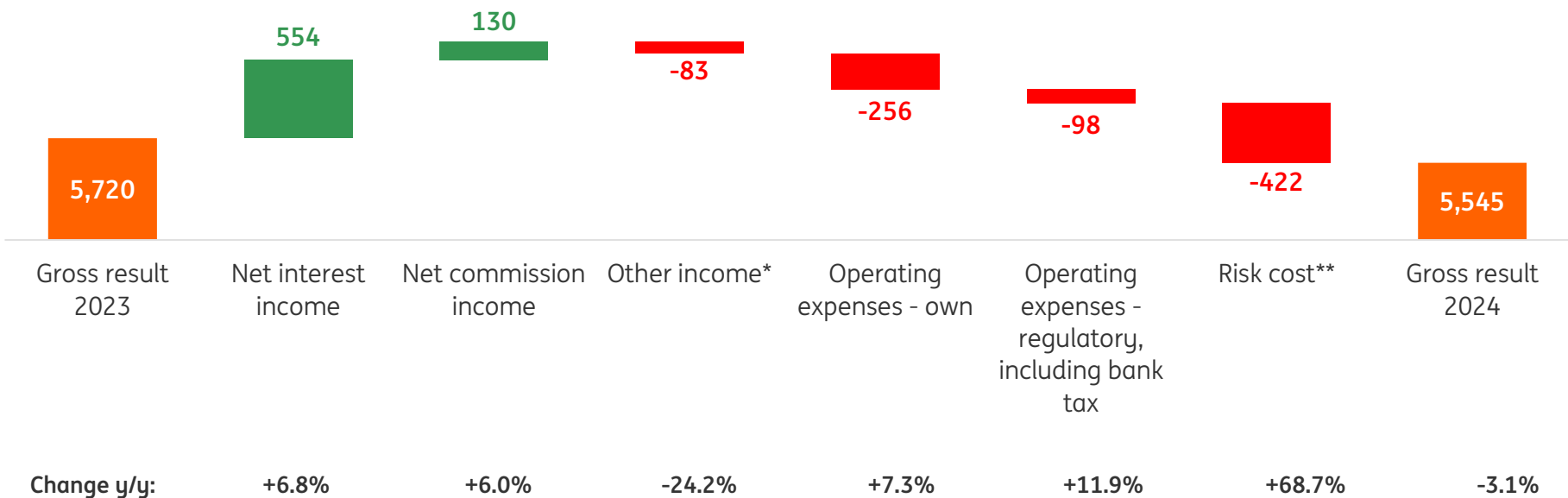
The biggest contributors to the PLN 175 million decrease in pre-tax profit for 2024 compared to 2023 were:

- higher by PLN 436 million (+85.8% y/y) costs of risk (excluding legal risk costs of foreign currency mortgage loans), due to their increase in the corporate segment,
- an increase of PLN 256 million (+7.3% y/y) in own operating expenses, mainly due to higher personnel costs and IT costs,
- an increase in the cost of bank tax by PLN 96 million (14.9% y/y), as well as
- lower by PLN 83 million (-24.2% y/y) other income (including the share of net profit of associates measured by the equity method), in particular the result on financial instruments measured at fair value and the result on foreign exchange items, which is related to higher market volatility in terms of exchange rates in 2023 than 2024.

These decreases were largely offset by an increase of PLN 554 million (+6.8% y/y) in net interest income and PLN 130 million (6.0% y/y) in net fee and commission income.

In 2024 the total income of the ING Bank Śląski Group attributable to the shareholders of the parent company (including, apart from net profit, also other income and cost items included in equity) amounted to PLN 4,765 million compared to PLN 7,385 million in 2023. The significant change in this item was mainly due to a change in the valuation of derivatives under hedge accounting.

Change drivers for gross result of the ING Bank Śląski Group in 2024 (PLN million)

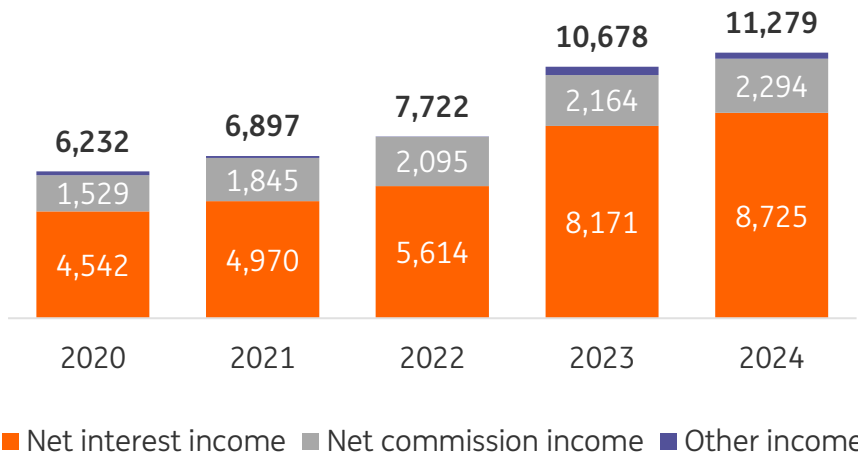


\*Including the share in net profits of associates accounted for using the equity method; \*\*including legal costs of foreign currency mortgage loans.

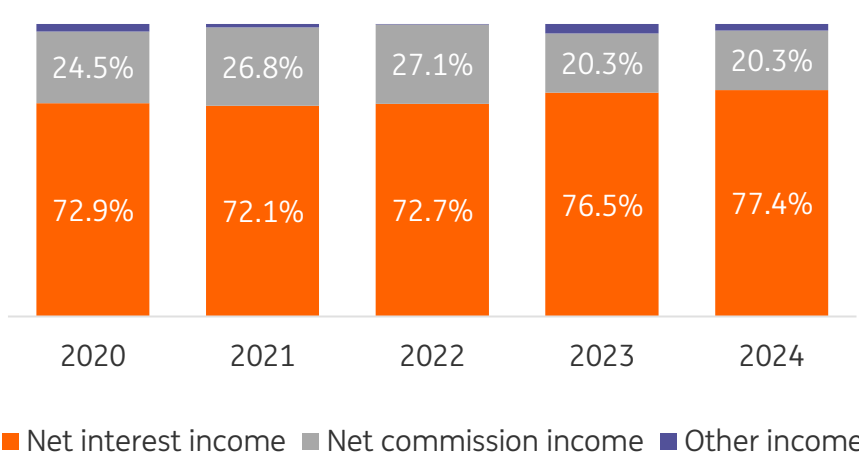
Income

In 2024 the total income of the ING Bank Śląski Group amounted to PLN 11,279 million. This means that the improvement compared to 2023 amounted to PLN 601 million (+5.6%) and was due to higher net interest income.

Income\* by income statement category (PLN million)



Income structure\*

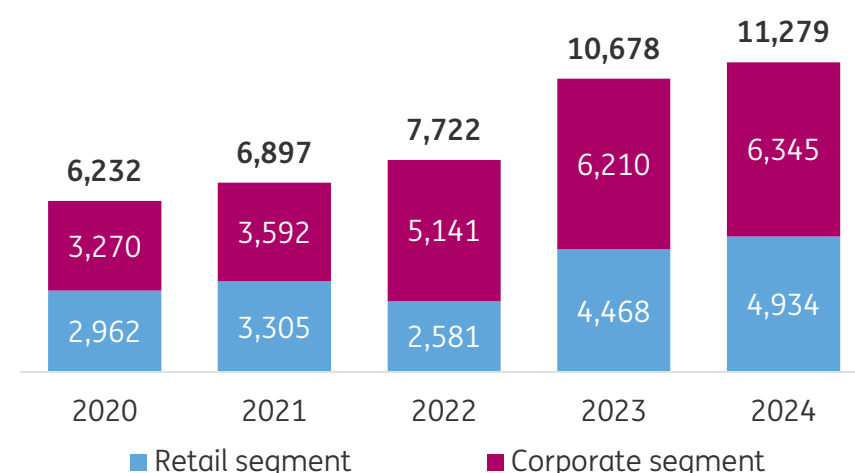
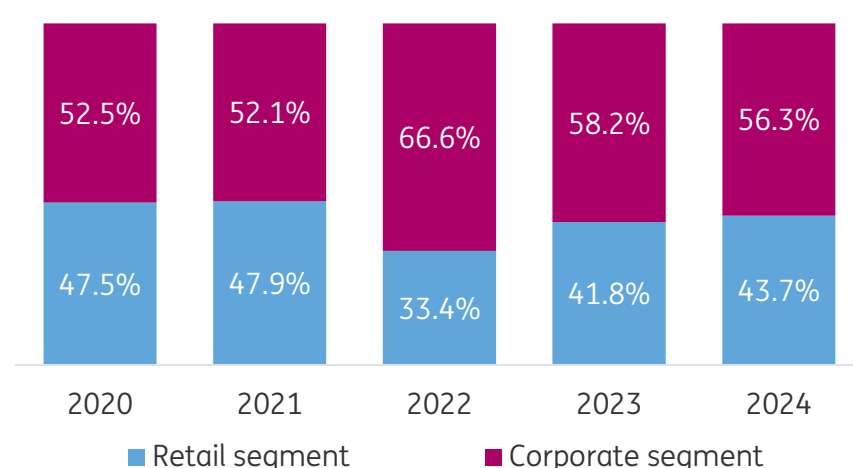


\*Including the share in net profits of associates accounted for using the equity method

In 2024, the retail segment was the main income growth contributor. Its revenue increased by PLN 466 million, or 10.4% y/y, to PLN 4,934 million, despite a PLN 140 million charge to this segment's interest income from the impact



of mortgage loan moratoria (the 2023 result was not subject to a similar charge). Consequently its share in the structure was up by 1.9 p.p. to the level of 43.7%. Corporate segment income increased by PLN 135 million, or 2.2%, to PLN 6,345 million.

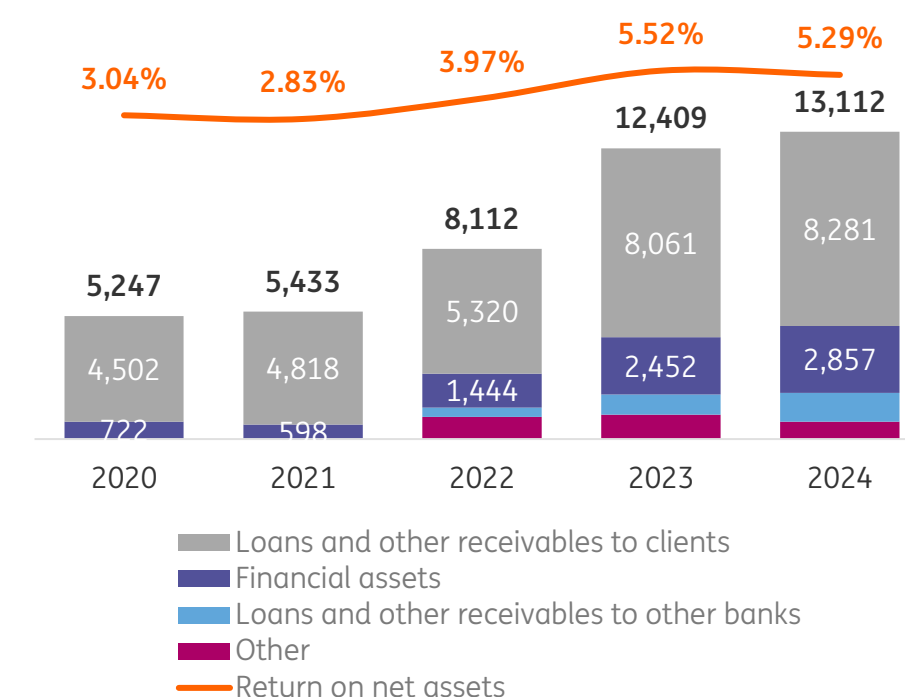
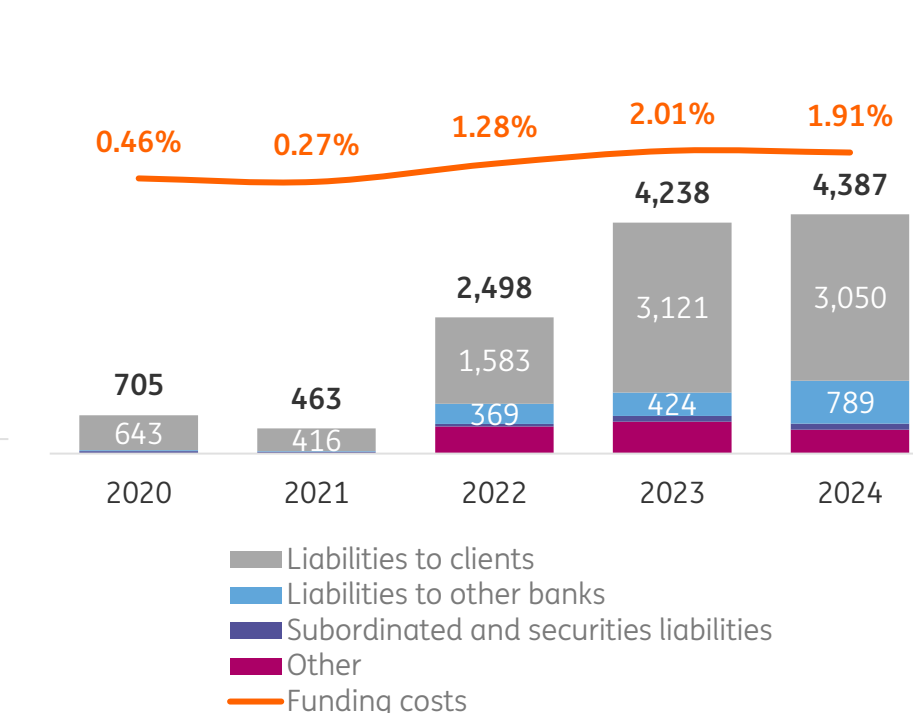
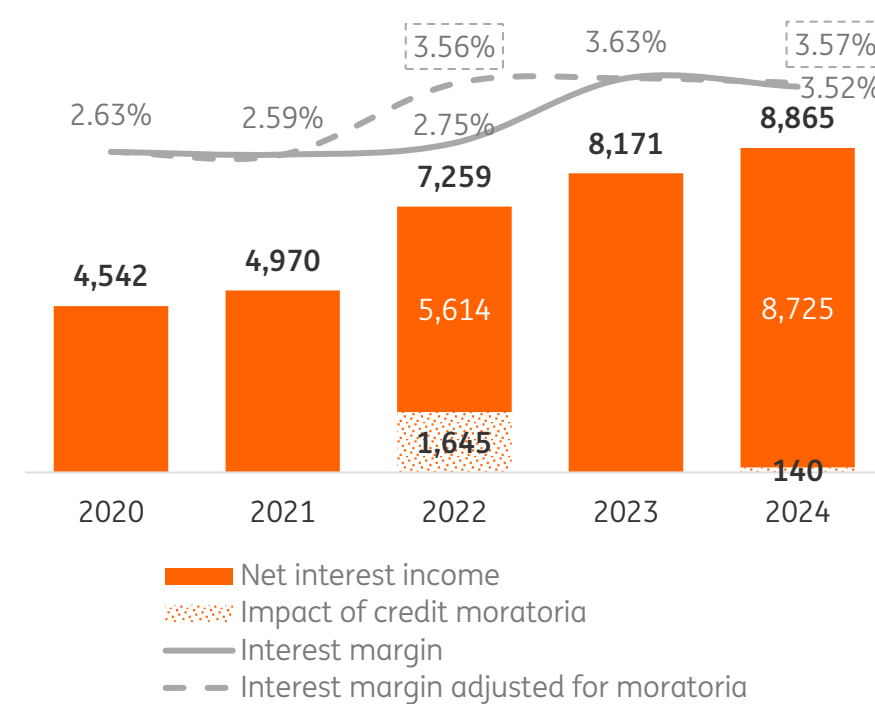
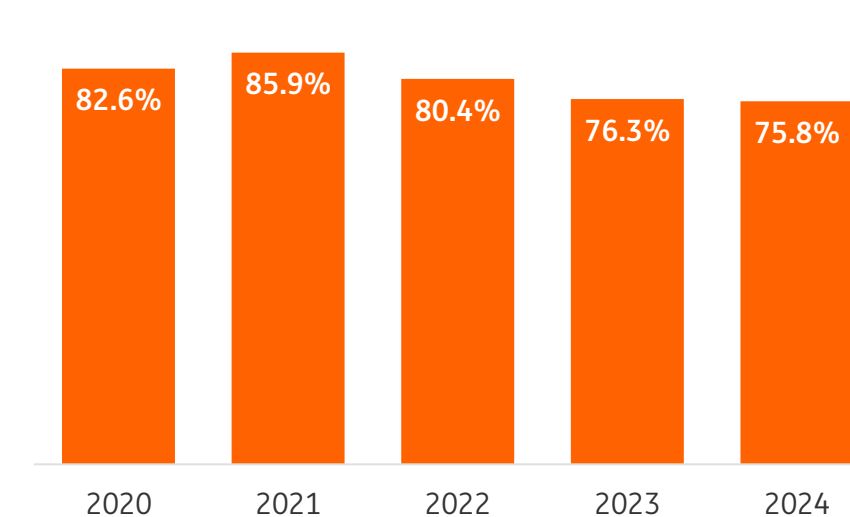
**Revenue\* by business segment (PLN million)****Revenue structure by business segment\***

\*Including the share in net profits of associates accounted for using the equity method

### Net interest income

In an environment of still high interest rates and growing volumes, our bank's interest income in 2024 increased by 5.7% compared to 2023. On the other hand, interest expenses increased by 3.5% y/y. Consequently, the net interest income was up by 6.8% y/y, i.e. by PLN 554 million to the level of PLN 8,725 million. After adjusting the 2024 result for the effect of credit holidays (PLN +140 million), the increase in interest income in 2024 vs. 2023 would be 8.5%.

The net interest margin was 3.52% in 2024, 11 bps below the 2023 result (3.63%). If the 2024 interest result were to be cleansed of the impact of credit moratoria, the 2024 interest margin would be 3.57% and would be 6 bps lower than in 2023, as a result of both a lower return on assets and a higher cost of funding.

**Interest income (PLN million)****Interest expenses (PLN million)****Net interest income (PLN million) and interest margin****LTD ratio**





Average basic interest rate\* in 2024

	Segment		Total
	Retail	Corporate	
Deposits			
PLN	2.22%	1.89%	2.08%
in foreign currencies	0.15%	0.33%	0.25%
Facilities			
PLN	7.55% (7.76%**)	7.55%	7.55% (8.01%**)
in foreign currencies	2.75%	5.27%	5.20%
of which: retail mortgage loans			
PLN	7.01% (7.25%**)	-	7.01% (7.25%**)
in foreign currencies	2.75%	-	2.75%

\*Based on management data; \*\* adjusted for the impact of credit moratoria.

Average basic interest rate\* in 2023

	Segment		Total
	Retail	Corporate	
Deposits			
PLN	2.64%	2.19%	2.45%
in foreign currencies	0.12%	0.17%	0.15%
Facilities			
PLN	8.52% (8.48%**)	8.31%	8.42% (8.40%**)
in foreign currencies	2.15%	4.79%	4.70%
of which: retail mortgage loans			
PLN	8.04% (6.89%**)	-	8.04% (6.89%**)
in foreign currencies	2.15%	-	2.15%

\*Based on management data; \*\* adjusted for the impact of credit moratoria.

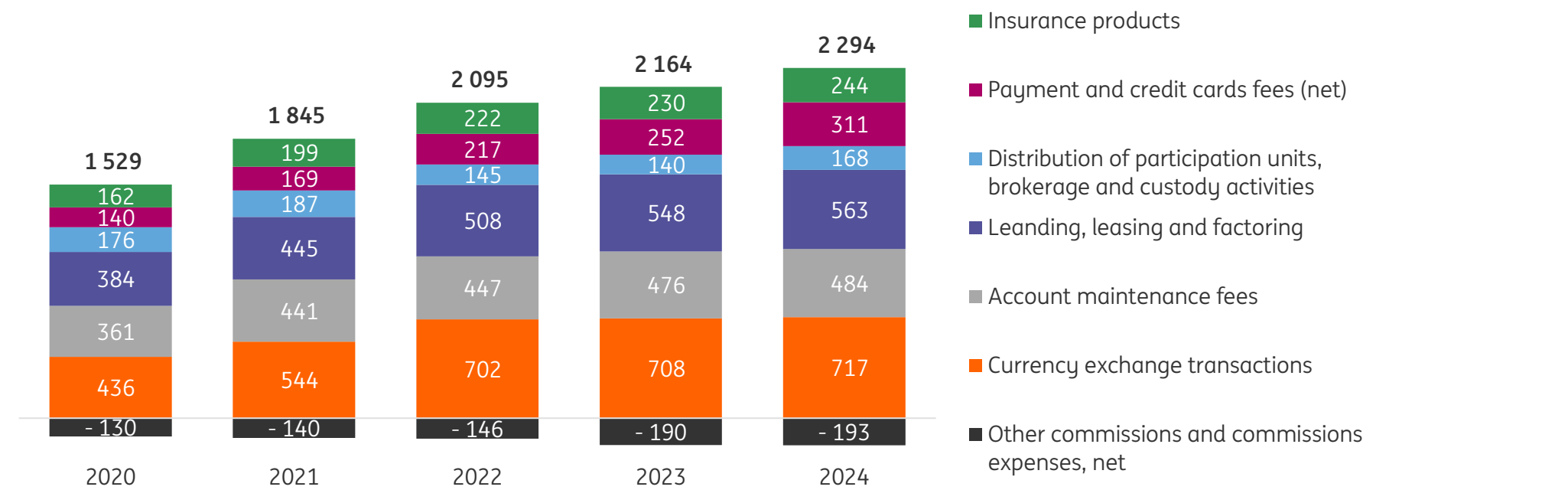
Net fee and commission income

In 2024, the ING Bank Śląski Group’s net fee and commission income increased by PLN 130 million (+6.0%) compared to 2023 to PLN 2,294 million.

The most significant increase in the fee and commission income was recorded for the following items:

- payment and credit cards (net) – an increase of PLN 59 million (+23.4% y/y), as a result of higher transaction volumes from our clients.
- unit distribution, brokerage and custody business – up by PLN 28 million (20.0% y/y), reflecting positive trends in the investment fund market; TFI assets purchased by clients through us increased by 41% y/y to PLN 17.0 billion, and
- insurance products – an increase of PLN 14 million (6.1% y/y), as a result of 106.5% higher mortgage sales.

Net fee and commission income (PLN billion)



Other income

In 2024, other income of the Group (including the share in the net result of associates accounted for using the equity method) amounted to PLN 260 million and were lower by PLN 83 million compared to the previous year. The decrease was mainly due to a lower result on financial instruments at fair value through profit or loss and the result on foreign exchange (PLN -134 million y/y) due to lower market volatility in 2024.



Other income							
PLN million	2020	2021	2022	2023	2024	Change 2024 to 2023	
						PLN million	%
Net income on financial instruments measured at fair value through profit or loss and foreign exchange result	104	64	32	332	198	-134	-40.4%
Result on sale of securities	38	41	2	1	-9	-10	-
Result on hedge accounting	12	-52	-39	-5	10	15	-
Result on other basic activities	-9	0	-7	-15	28	43	-
Share in net profits of associates accounted for using the equity method	16	29	25	30	33	3	+10.0%
Other income	161	82	13	343	260	-83	-24.2%

Operating expenses including bank tax

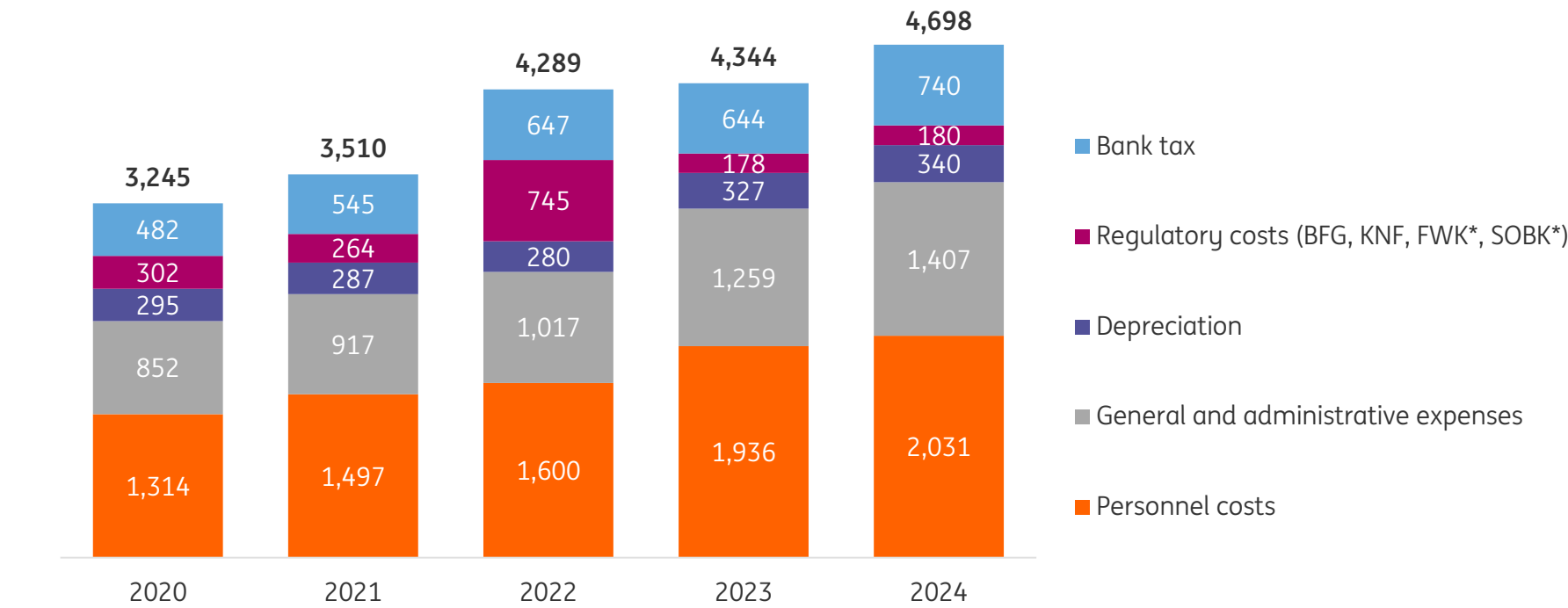
In 2024, ING Bank Śląski Group’s operating expenses (including bank tax) increased by 8.1% y/y to PLN 4,698 million, of which own costs increased by 7.3% y/y to PLN 3,778 million, and regulatory costs – including the BGF, PFSA and bank tax – increased by 11.9% y/y to PLN 920 million.

The charge for the BGF restructuring fund was PLN 2 million higher y/y (+1.1%). In 2024, as in 2023, the fee for the BGF guarantee fund was not charged – pursuant to Article 294(1) of the BGF Act, the Council of the Bank Guarantee Fund decided not to charge a contribution to the banks’ guarantee fund in 2023 and 2024. Supervision costs of the Polish Financial Supervision Authority rose to PLN 29 million from PLN 24 million a year earlier (+20.8% y/y). Again, in 2024, ING Bank Śląski Group paid a tax on certain financial institutions (so-called bank tax) of PLN 740 million (+14.9% compared to 2023).

Personnel costs costs increased by 4.9% y/y (PLN +95 million y/y), mainly as a result of salary increases and a change in the bank’s employment structure. In 2023, the bank set up a restructuring provision of PLN 86.1 million, as reported in [the current report of 28 December 2023](#).

Operating expenses and general and administrative expenses increased by 11.8% y/y (PLN +148 million y/y), mainly as a result of increased IT costs and marketing and promotion costs.

Operating expenses including bank tax (PLN million)



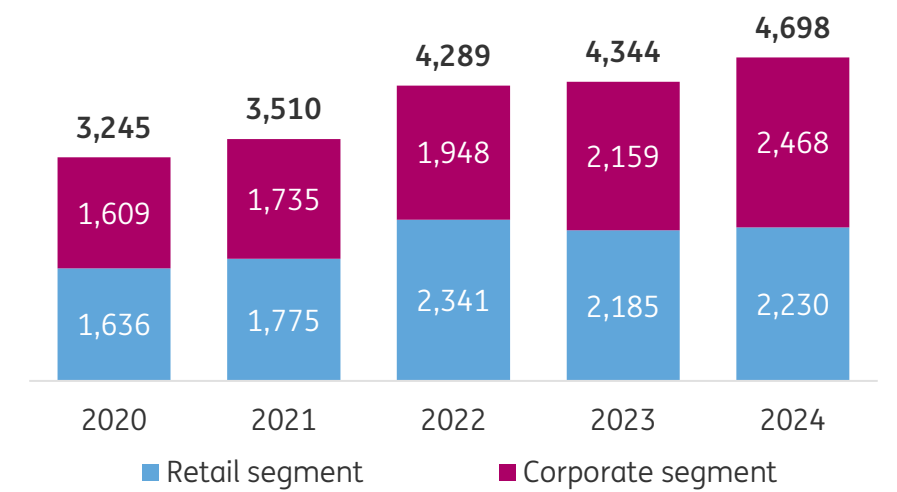
\*Costs related to the Commercial Bank Protection Scheme (SOBK) and the Borrower Support Fund (BSCF) occurred in 2022, these costs did not occur in 2023 and 2024.

The headcount level in the ING Bank Śląski Group decreased y/y from 8,333 FTEs as at 2023 yearend to 7,947 FTEs as at 2024 yearend.

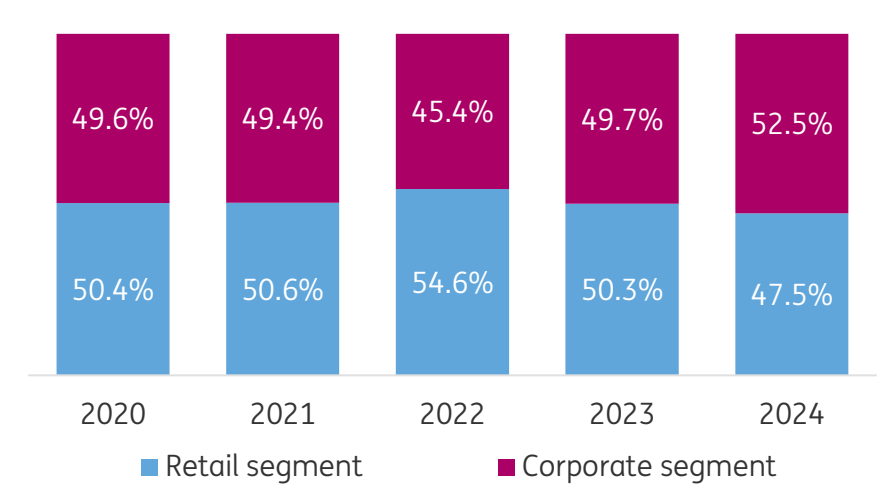
Retail segment operating expenses increased by PLN 45 million y/y (+2.1%) to PLN 2,230 million in 2024, while corporate segment operating expenses increased by PLN 309 million y/y (+14.3%) to PLN 2,468 million.



Operating expenses (including bank tax) by business segment (PLN million)

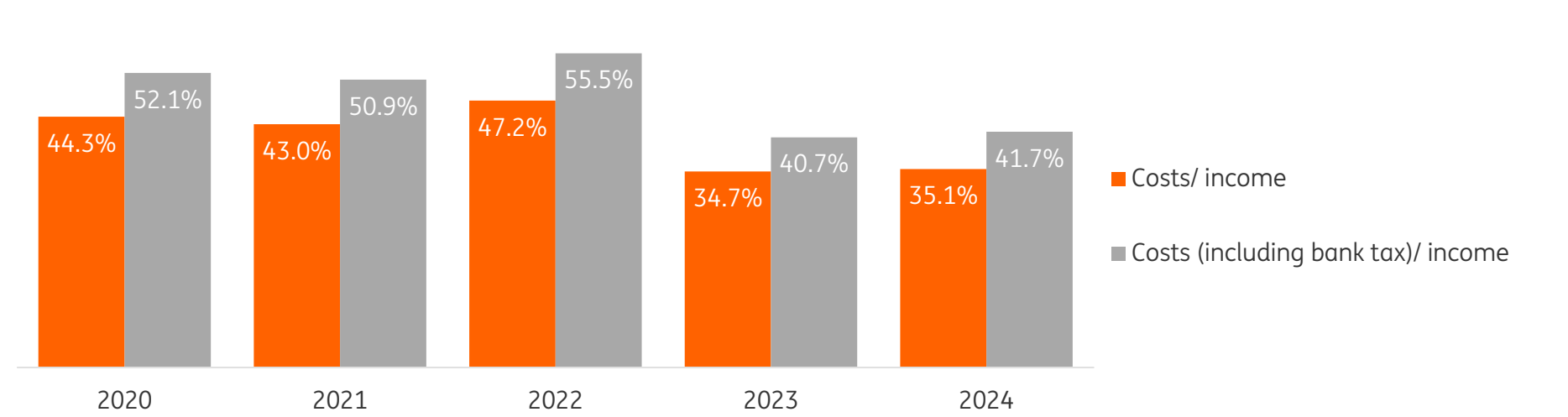


Structure of operating expenses (including bank tax) by business segment



Due to a slightly faster rate of growth in operating expenses than in revenue, the efficiency ratio – cost to revenue – increased by 4 bps in 2024 compared to the previous year. The ratio of costs including bank tax to income was 41.7% compared to 40.7% a year earlier (+1 p.p. y/y).

Cost/income ratio



Allowances for expected losses, including legal risk costs of foreign currency mortgage loans

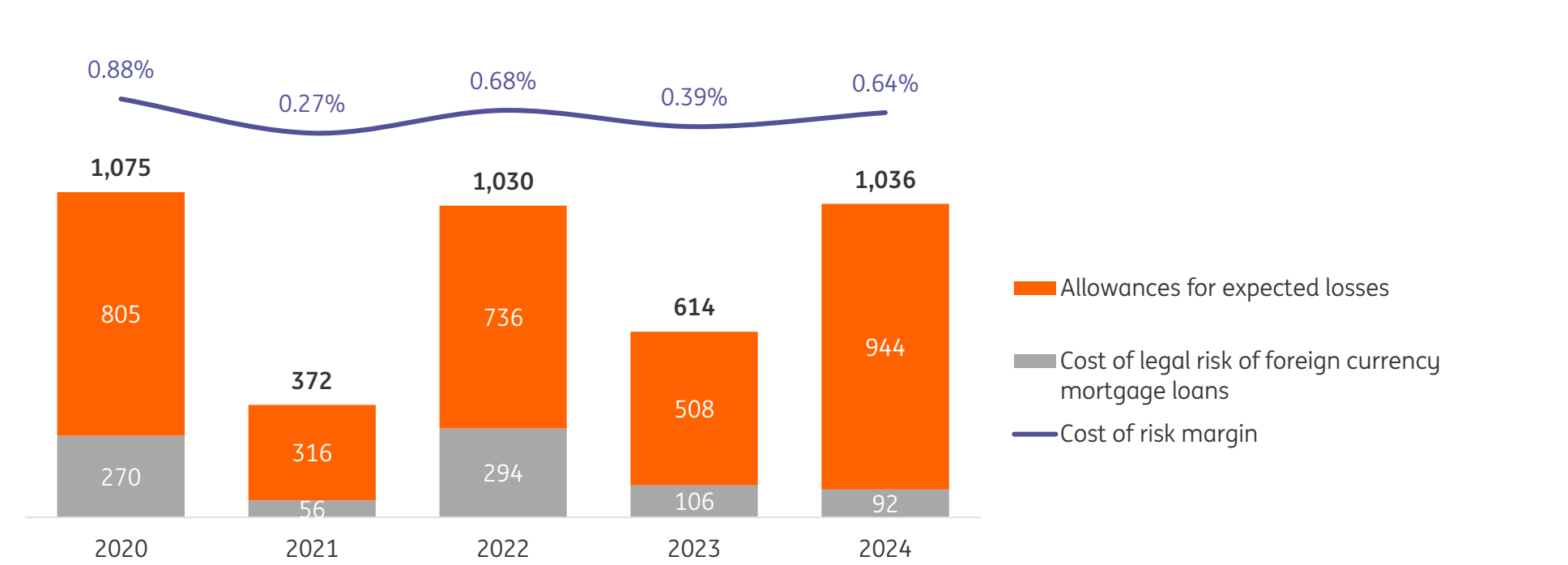
In 2024, there was an increase in the risk cost margin ratio (the ratio of the net expected loss allowance and provisions for legal risk of foreign currency mortgage loans to the gross loan portfolio) from 0.39% in 2023 to 0.64%. This was mainly due to the higher cost of risk in the corporate segment.

The total cost of risk (allowances for expected losses and legal risk costs of foreign currency mortgage loans) amounted to PLN 1,036 million in 2024, up by 68.7% y/y.

The legal risk costs of foreign currency mortgage loans amounted to PLN 92 million in 2024 compared to PLN 106 million a year earlier. The coverage ratio of the active CHF mortgage portfolio by total provisions as at 2024 yearend was 131% (+22 p.p. y/y).

In 2024, changes in the macroeconomic parities in the provisioning calculation models increased the cost of risk by PLN 81.9 million (in 74% were related to the corporate segment). In 2023, on the other hand, the cumulative impact of the change in macroeconomic parameters reduced the cost of risk by PLN 42.3 million (86% related to the corporate segment).

Consolidated allowances for expected losses including legal risk costs of foreign currency mortgage loans (PLN million)

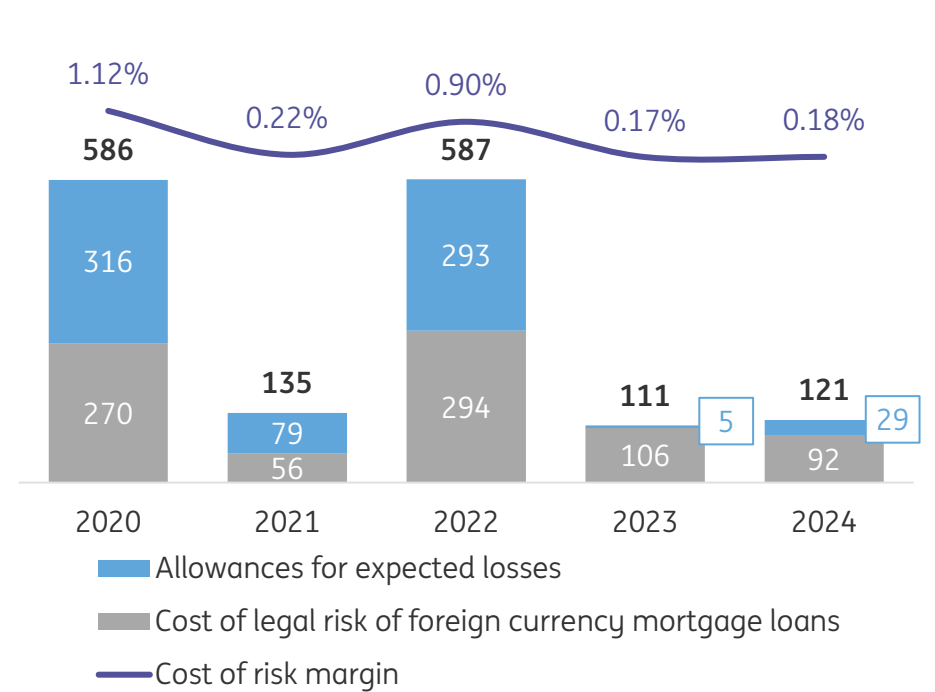


Risk costs in the retail segment amounted to PLN 121 million in 2024 compared to PLN 111 million in 2023 (up 9.0% y/y) and were dominated by legal risk costs of foreign currency mortgage loans in both years. Risk costs in the corporate segment amounted to PLN 915 million vs. PLN 503 million in 2023 (up by 81.9% y/y). This high increase in the cost of risk in the corporate segment was due to the materialisation of risk for several clients in this segment, undoubtedly influenced by the economic downturn we faced in 2023.

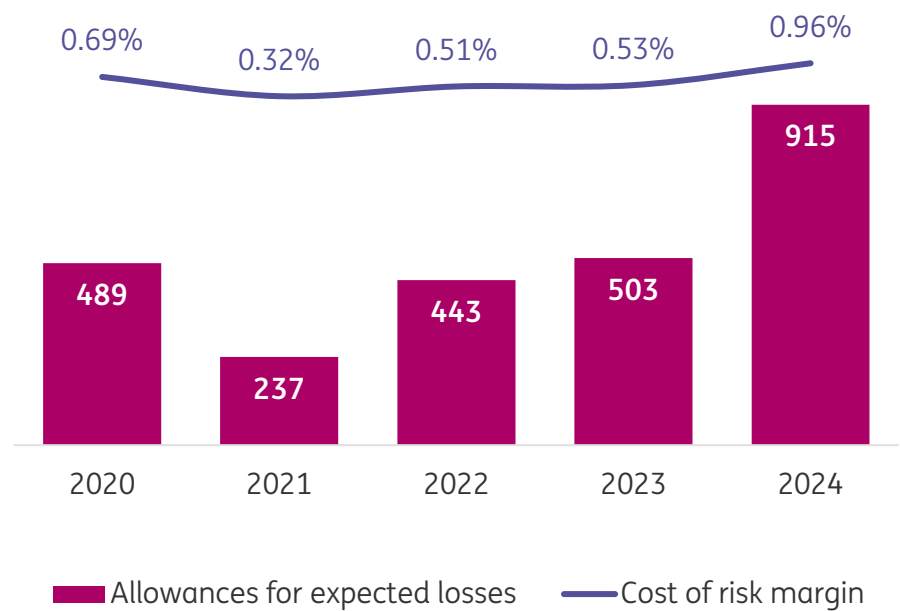
In Q3 and Q4 2024, the bank sold corporate and retail receivables from Stage 3. The positive impact of these transactions on the cost of risk amounted to PLN 80 million. The Bank regularly sells Stage 3 receivables portfolios under its credit risk management policy. Similar transactions were also completed in 2023, with a total positive impact on the cost of risk of PLN 24 million.



Allowances for expected losses in the retail segment, including legal risk costs of foreign currency mortgage loans (PLN million)



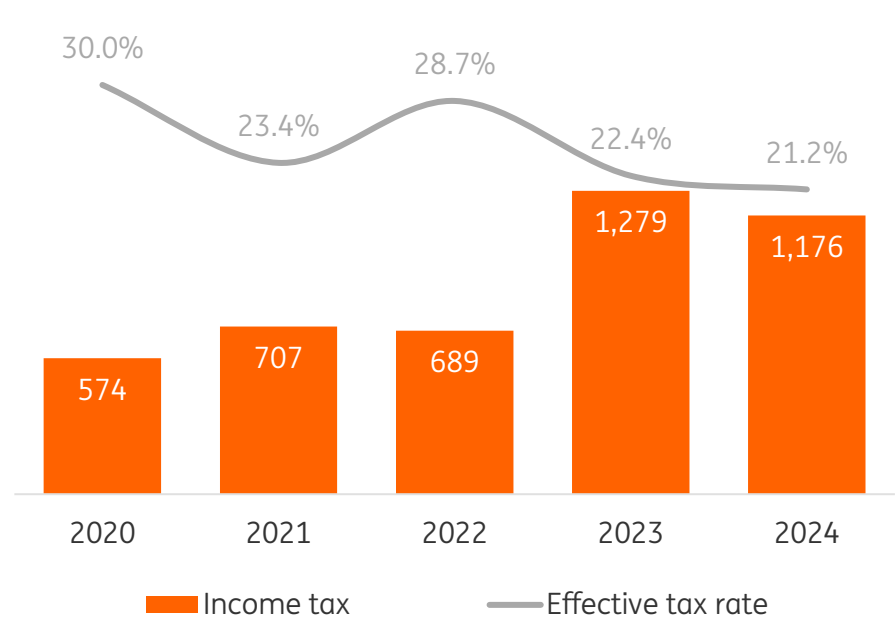
Allowances for expected losses in the corporate segment (PLN million)



The quality of our loan portfolio is described in the chapter “Bank and client security”, in the section [Credit risk](#).

Income Taxes

Income tax (PLN million) and effective tax rate



In 2024, ING Bank Śląski Group's income tax amounted to PLN 1,176 million, 8.1% lower compared to the previous year, as a result of, inter alia, the recognition of positive tax effect on losses incurred on CHF loans and the research and development allowance as well as lower y/y gross profit. The effective tax rate in 2024 was 21.2%, compared to 22.4% in the previous year.

Pursuant to Article 16(1)(71) of the CIT Act – the contribution to the banks’ guarantee fund, as well as the contribution to the banks’ forced restructuring fund, are not deductible costs. Bank tax is not a tax-deductible cost either (pursuant to Article 16(1)(70) of the CIT Act).

Statement of financial position

Assets

The ING Bank Śląski Group’s total assets reached PLN 260.4 billion as at 2024 yearend (PLN 245.4 billion a year earlier). It implies they were up by 6.1% compared to the end of 2023.

The main driver of their growth was loans and other receivables from clients, which increased by PLN 10.1 billion to PLN 166.7 billion (+6.5% y/y). They remain the most important assets item (64.0% compared to 63.8% a year earlier).

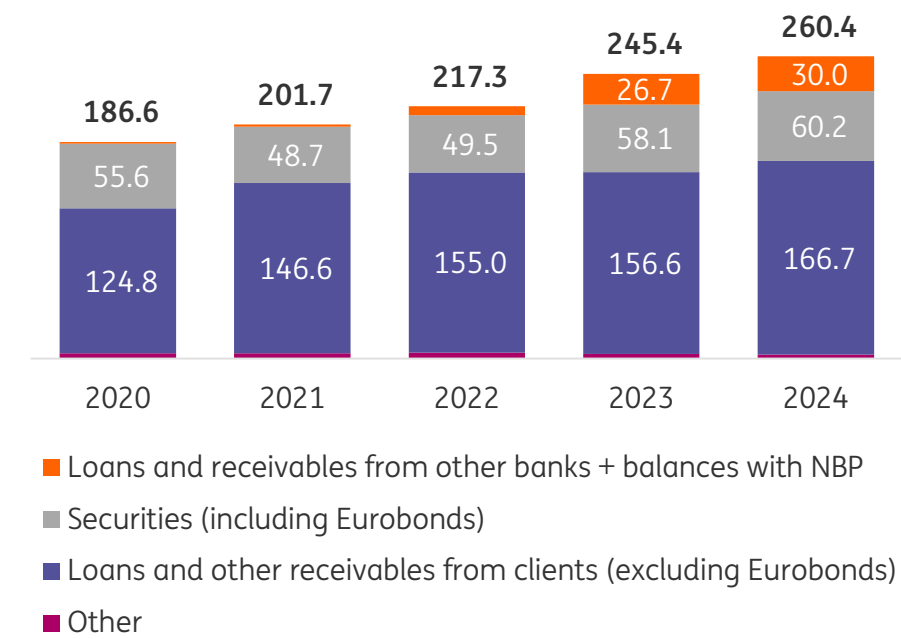
At the same time, loans and other receivables from other banks and funds in the NBP increased by PLN 3.3 billion, +12.5% y/y, to PLN 30.0 billion in 2024 compared to the end of 2023, while securities increased by PLN 2.1 billion, +3.6% y/y, to PLN 60.2 billion.

In 2024, net loans and other receivables in the retail segment increased by PLN 6.5 billion (+10.1% y/y), to PLN 70.4 billion, while in the corporate segment by PLN 2.2 billion (+2.4% y/y), to PLN 93.1 billion. Accordingly, the share of the retail segment in the net loans and other receivables portfolio increased from 40.8% in 2023 to 42.2% in 2024.

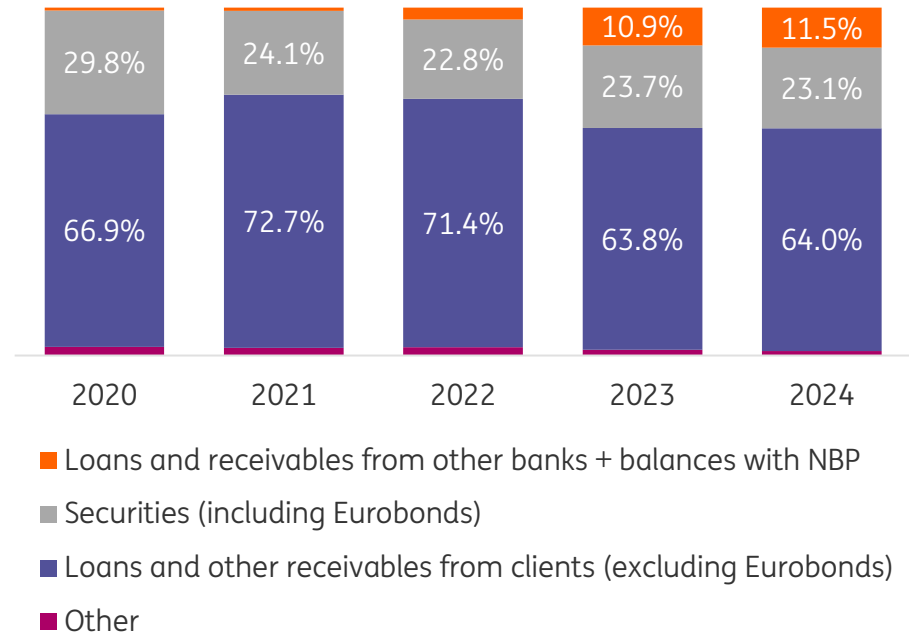




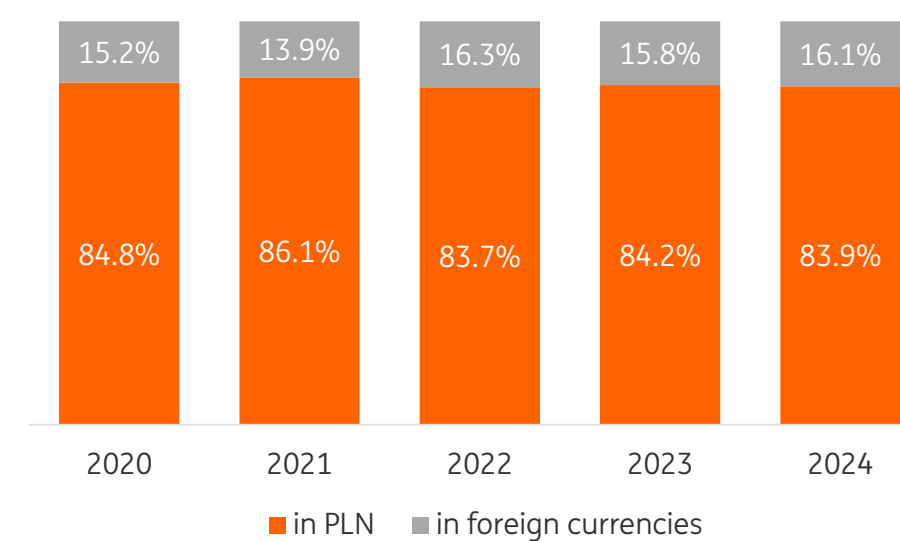
Assets of the ING Bank Śląski Group (PLN billion)



Structure of assets of the ING Bank Śląski Group

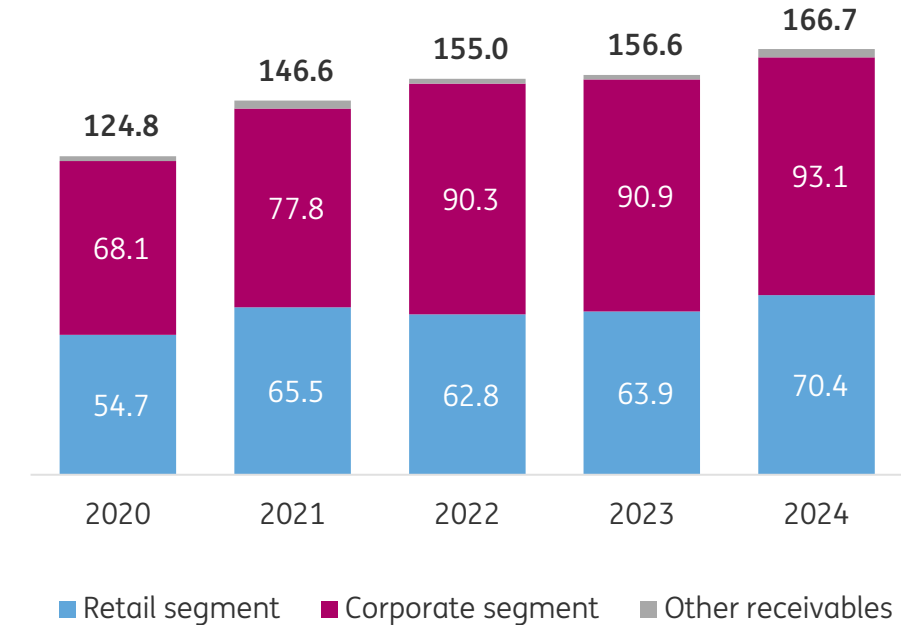


Currency structure of net client receivables portfolio

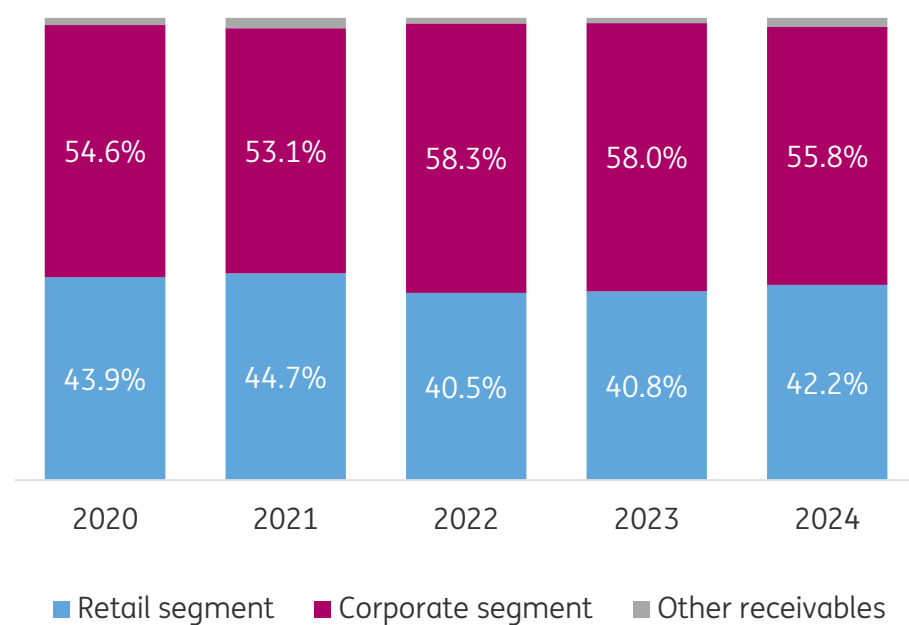


Within the structure of the net client receivables portfolio by currency, the share of exposures denominated in PLN in 2024 remained virtually unchanged compared to 2023.

Net loans by segment (PLN billion)



Net loan structure



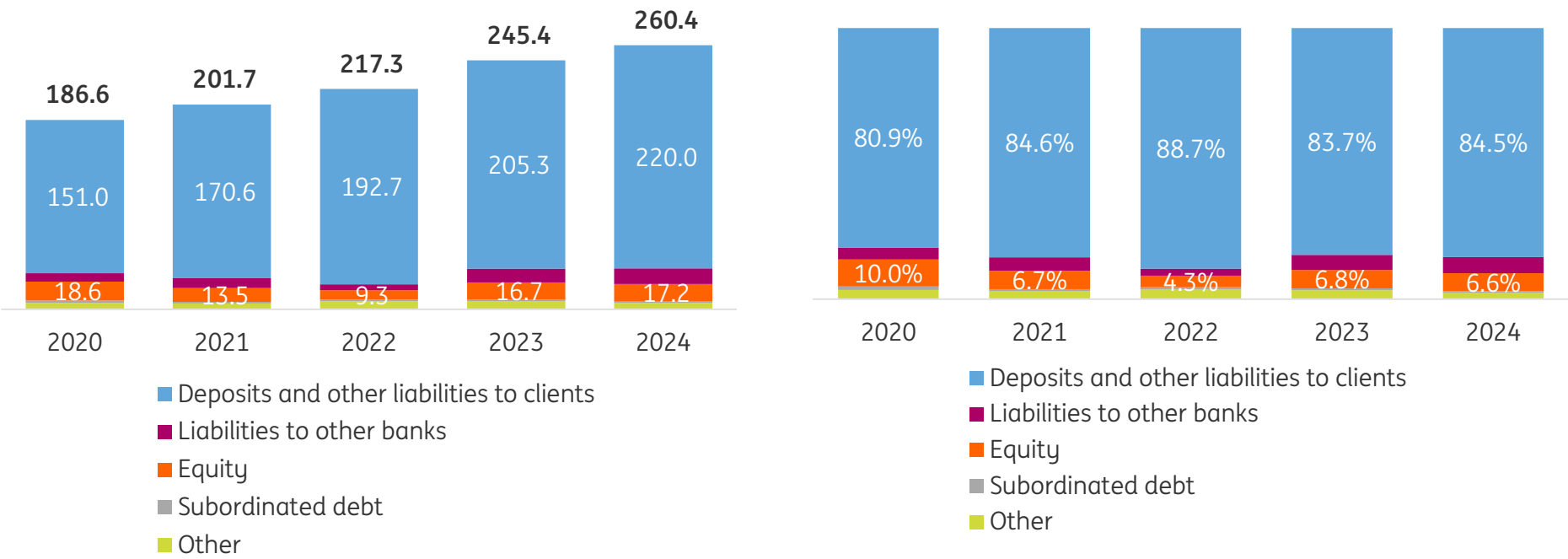


Net receivables portfolio from clients							
PLN billion	2020	2021	2022	2023	2024	Change 2024 to 2023	
						PLN billion	%
Total net receivables portfolio from clients							
Measured at amortised cost	124.7	146.5	155.0	156.5	166.7	+10.2	+6.5%
Measured at fair value through profit or loss	0.11	0.08	0.06	0.04	0.02	-0.02	-46.2%
Total	124.8	146.6	155.0	156.6	166.7	+10.1	+6.5%
Net receivables portfolio from clients measured at amortised cost							
Loan portfolio, of which:	122.7	143.3	153.1	154.7	163.4	+8.7	+5.6%
households	63.3	75.4	72.7	72.8	77.3	+4.4	+6.1%
business entities	56.1	64.9	77.3	78.8	83.4	+4.6	+5.8%
central and local government institutional sector	3.3	2.9	3.1	3.2	2.8	-0.3	-10.2%
Total, of which:	122.7	143.3	153.1	154.7	163.4	+8.7	+5.6%
Corporate banking	68.0	77.8	90.3	90.8	93.1	+2.2	+2.4%
overdrafts in current account	9.0	11.8	15.0	13.6	14.7	+1.1	+8.2%
term loans and borrowings	41.5	44.7	51.5	53.2	53.9	+0.7	+1.3%
lease receivables	9.7	11.1	12.4	13.1	13.3	+0.2	+1.6%
factoring receivables	4.8	6.8	7.7	6.7	6.6	-0.2	-2.6%
debt securities (corporate and municipal)	3.0	3.3	3.8	4.2	4.6	+0.4	+9.0%
Retail banking	54.7	65.5	62.8	63.9	70.4	+6.5	+10.1%
mortgage loans and borrowings	47.6	57.2	54.9	55.5	61.1	+5.6	+10.1%
overdrafts in current account	0.6	0.6	0.6	0.6	0.6	0.0	-3.0%
other loans and borrowings	6.5	7.7	7.3	7.8	8.6	+0.9	+11.3%
Other receivables, of which:	1.9	3.2	1.9	1.8	3.2	+1.5	+82.6%
opened call deposits	1.3	2.5	0.8	0.6	0.8	+0.2	+25.0%
other receivables	0.7	0.7	1.1	1.2	1.4	+0.3	+23.4%
Total	124.7	146.5	155.0	156.5	166.7	+10.2	+6.5%

Equity and liabilities

The dominant source of financing of the ING Bank Śląski Group’s operations was clients’ funds. As at 2024 yearend, liabilities to clients amounted to PLN 220.0 billion (+14.7 billion, +7.2% y/y) and accounted for 84.5% of total liabilities. The value of equity increased by PLN 0.4 billion to PLN 17.2 billion as at 2024 yearend, driven by the net result generated during 2024 supported by the positive valuation of cash flow hedging instruments (PLN +0.3 billion as at 2024 yearend compared to the end of 2023). This valuation forms part of accumulated other comprehensive income.

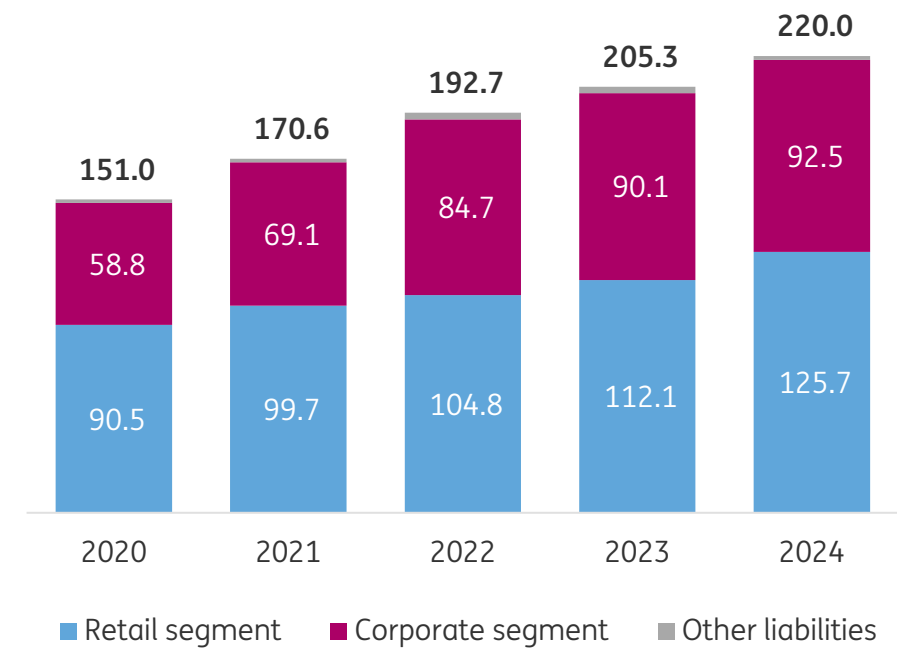
Equity and liabilities of the ING Bank Śląski Group (PLN billion)      Structure of liabilities of the ING Bank Śląski Group



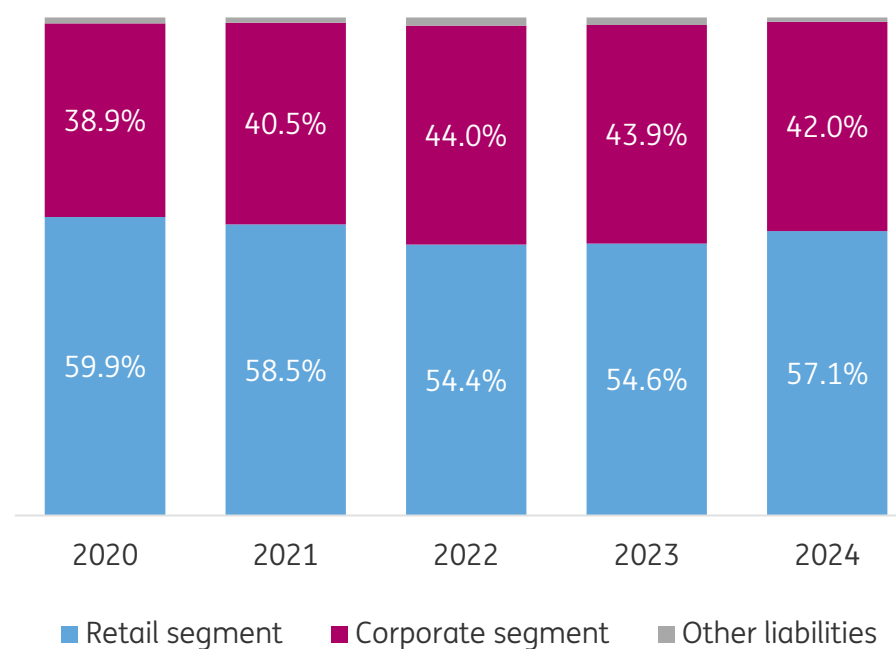


Deposits and other liabilities to clients of the retail segment increased by PLN 13.6 billion (+12.1% y/y) and to the corporate segment by PLN 2.4 billion (+2.6% y/y). Thus, the retail segment's share of deposits and other liabilities increased from 54.6% in 2023 to 57.1% in 2024.

Deposits\* by segment (PLN billion)

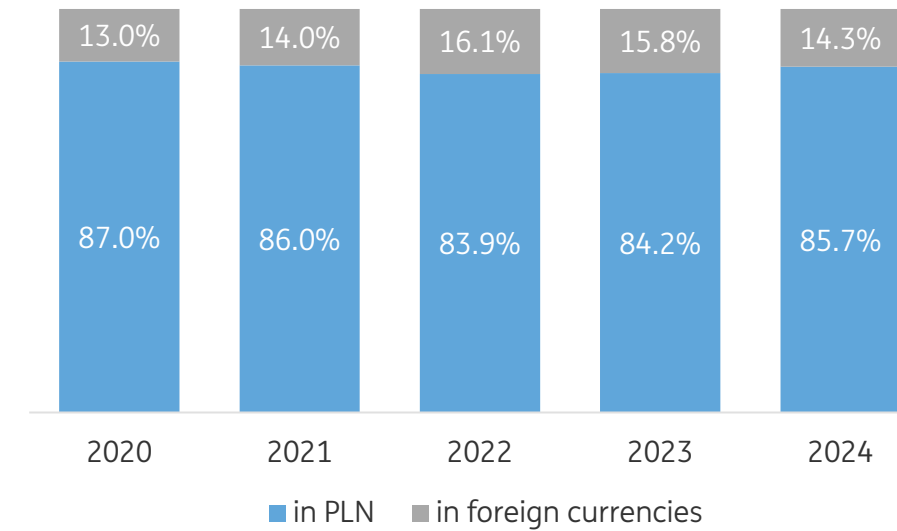


Structure of deposits\*



\*Deposits and other liabilities to clients.

Currency breakdown of deposits\*



\*Deposits and other liabilities to clients.

Within the structure of the deposit portfolio (and other liabilities to clients), client savings denominated in PLN accounted for 85.7% of the deposit portfolio in 2024, while those denominated in foreign currencies accounted for the remaining 14.3%.

Deposits and other liabilities to clients denominated in PLN increased by PLN 15.8 billion or 9.2% y/y compared to 2023, while those denominated in foreign currencies decreased by PLN 1.1 billion or 3.5% y/y.

Portfolio of liabilities to clients

PLN billion	2020	2021	2022	2023	2024	Change 2024 to 2023	
						PLN billion	%
Deposits, including:	149.3	168.8	189.5	202.2	218.1	+15.9	+7.9%
households	102.9	113.9	118.5	125.6	139.7	+14.1	+11.2%
business entities	43.5	51.5	64.3	73.0	73.1	+0.1	+0.1%
central and local government institutional sector	2.9	3.5	6.7	3.6	5.3	+1.7	+48.5%
Total, of which:	149.3	168.8	189.5	202.2	218.1	+15.9	+7.9%
Corporate banking	58.8	69.1	84.7	90.1	92.5	+2.4	+2.6%
current deposits	45.3	55.8	53.7	60.7	60.9	+0.3	0.5%
savings accounts	12.9	12.5	18.1	19.4	20.0	+0.6	+2.9%
term deposits	0.6	0.8	13.0	10.0	11.5	+1.5	+14.8%
Retail banking	90.5	99.7	104.8	112.1	125.7	+13.6	+12.1%
current deposits	22.9	28.9	27.5	28.8	31.9	+3.0	+10.5%
savings accounts	65.9	69.3	69.4	67.7	76.3	+8.6	+12.7%
term deposits	1.7	1.5	7.9	15.6	17.5	+1.9	+12.4%
Other liabilities, including:	1.8	1.8	3.2	3.1	1.8	-1.2	-40.0%
liabilities under monetary hedges	0.5	0.5	0.7	0.8	0.8	-0.1	-8.7%
call deposits	0.02	0.01	0.01	0.01	0.01	0.0	-36.4%
other liabilities	1.2	1.3	2.4	2.2	1.1	-1.2	-51.5%
Total	151.0	170.6	192.7	205.3	220.0	+14.7	+7.2%



## Off-balance sheet items

Off-balance items of the ING Bank Śląski Group					
PLN billion	2020	2021	2022	2023	2024
Contingent liabilities granted	43.6	48.7	48.2	53.2	54.5
unused credit lines	34.0	39.0	37.2	41.7	42.4
guarantees	6.1	6.2	7.5	8.1	8.0
undrawn overdrafts in current account	1.6	1.6	1.5	1.4	1.4
credit card limits	1.5	1.5	1.5	1.7	1.9
letters of credit	0.4	0.4	0.4	0.3	0.4
reverse repo	-	-	-	-	0.3
Contingent liabilities received	11.6	21.6	17.5	20.3	26.2
Off-balance sheet financial instruments	797.9	995.6	1,137.7	1,433.3	1,552.7
<b>Total off-balance items</b>	<b>853.1</b>	<b>1,065.9</b>	<b>1,203.4</b>	<b>1,506.8</b>	<b>1,633.4</b>

Details of off-balance items are presented in the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group for 2024.





# ING Bank Śląski separate results

## Key effectiveness ratios

Key effectiveness ratios for ING Bank Śląski S.A. in 2020-2024						
	2020	2021	2022	2023	2024	Change 2024 to 2023
Cost share ratio* (C/I)	44.0%	42.2%	46.6%	33.8%	34.3%	+0.5 p.p.
Cost share ratio** (C/I)	52.1%	50.3%	55.3%	40.0%	41.0%	+1.0 p.p.
Return on assets (ROA)	0.78%	1.21%	0.84%	1.98%	1.77%	-0.21 p.p.
Return on equity (ROE)	7.7%	13.8%	17.8%	34.1%	26.9%	-7.2 p.p.
LTD ratio	77.2%	80.7%	75.8%	71.5%	71.2%	-0.3 p.p.
LCR***	214%	167%	156%	220%	283%	+63 p.p.
NSFR***	140%	160%	158%	172%	177%	+5 p.p.
LR according to transitional definition	8.0%	7.4%	7.5%	7.2%	6.5%	-0.7 p.p.
MREL by TREA	-	17.1%	17.8%	26.3%	23.5%	-2.8 p.p.
Total capital ratio	20.87%	17.09%	17.84%	18.74%	15.62%	-3.1 p.p.
Tier 1 capital ratio	18.05%	15.31%	16.18%	17.24%	14.48%	-2.8 p.p.

*\*Income including net profit of equity method associates; \*\*expenses including bank tax and income including net profit of equity method associates; \*\*\*data in comparative periods for liquidity measures have changed. The adjustments are due to improvements in the quality of the retail flag data.*

## Key financial data

Brief information on the financial results of ING Bank Śląski S.A. in 2020-2024						
PLN million	2020	2021	2022	2023	2024	Change 2024 to 2023
Income*	5,951	6,670	7,467	10,376	10,956	+5.6%
Fixed	-2,616	-2,813	-3,480	-3,509	-3,755	+7.0%
Risk cost**	-970	-342	-966	-564	-971	+72.2%
Gross profit	1,883	2,971	2,375	5,659	5,490	-3.0%
Net earnings	1,338	2,308	1,714	4,441	4,369	-1.6%
Balance sheet total	181,117	195,905	211,159	239,600	254,941	+6.4%
Liabilities to clients	150,737	170,104	192,243	205,040	219,941	+7.3%
Loans and other receivables to clients, net***	116,459	137,419	145,788	146,702	156,517	+6.7%
Equity	18,371	13,216	9,267	16,619	17,107	+2.9%
Earnings per share (EPS) (PLN)	10.28	17.74	13.18	34.14	33.58	-1.6%
Dividend per share (PLN) for a given year	5.10	5.30	-	33.35	-	-

*\*Including net profit of associates accounted for using the equity method; \*\* including legal risk costs of foreign currency mortgage loans; \*\*\* including fair value loans.*

For the purposes of converting the figures presented above into EUR, we use the same exchange rates as those referred to in the section on our bank’s consolidated results.



Brief information on the financial results of ING Bank Śląski S.A. in 2020-2024

EUR million	2020	2021	2022	2023	2024	Change 2024 to 2023
Income*	1,330	1,457	1,593	2,291	2,545	+11.1%
Fixed	-585	-615	-742	-775	-872	+12.6%
Risk cost**	-217	-75	-206	-125	-226	+81.1%
Gross profit	421	649	507	1,250	1,275	+2.1%
Net earnings	299	504	366	981	1,015	+3.5%
Balance sheet total	39,247	42,594	45,024	55,106	59,663	+8.3%
Liabilities to clients	32,664	36,984	40,991	47,157	51,472	+9.2%
Loans and other receivables to clients, net***	25,236	29,878	31,086	33,740	36,629	+8.6%
Equity	3,981	2,873	1,976	3,822	4,004	+4.7%
Earnings per share (in EUR)	2.30	3.88	2.81	7.54	7.80	+3.5%
Dividend per share (in EUR) for the year	1.14	1.16	-	7.36	-	-

\*Including net profit of associates accounted for using the equity method; \*\* including legal risk costs of foreign currency mortgage loans; \*\*\* including fair value loans.

Profit and loss account

Basic figures of the profit and loss account of ING Bank Śląski for 2024 and changes compared to the previous year are presented in the table below.

Basic figures of the profit and loss account in analytical terms

PLN million	2020	2021	2022	2023	2024	Change 2024 to 2023
						PLN million      %
Net interest income	4,277	4,673	5,330	7,762	8,338	+576    +7.4%
Net commission income	1,472	1,779	2,019	2,079	2,208	+129    +6.2%
Other income*	202	219	118	535	410	-125    -23.4%
<b>Total income</b>	<b>5,951</b>	<b>6,670</b>	<b>7,467</b>	<b>10,376</b>	<b>10,956</b>	<b>+580    +5.6%</b>
<b>Operating expenses</b>	<b>-2,616</b>	<b>-2,813</b>	<b>-3,480</b>	<b>-3,509</b>	<b>-3,755</b>	<b>-246    +7.0%</b>
Impairment allowances and provisions**	-970	-342	-966	-564	-971	-407    +72.2%
Bank tax	-482	-545	-647	-644	-740	-96    +14.9%
<b>Gross financial result</b>	<b>1,883</b>	<b>2,971</b>	<b>2,375</b>	<b>5,659</b>	<b>5,490</b>	<b>-169    -3.0%</b>
Income Taxes	-545	-663	-660	-1218	-1121	+97    -8.0%
<b>Net financial result</b>	<b>1,338</b>	<b>2,308</b>	<b>1,714</b>	<b>4,441</b>	<b>4,369</b>	<b>-72    -1.6%</b>

\*Including the share in net profits of associates accounted for using the equity method; \*\*including legal costs of foreign currency mortgage loans.

Gross profit and net profit

In 2024, ING Bank Śląski S.A. generated a net profit of PLN 4,369 million. It implies that the net result deteriorated by 1.6% from 2023.

The pre-tax result came in at PLN 5,490 million, down 3.0% on 2023. The change in pre-tax profit for 2024 compared to 2023 was mostly influenced by:

- a PLN 125 million y/y decrease (-23.4%) in other income (including the share of net profits of associates accounted for using the equity method), in particular the result on financial instruments measured at fair value and the result on foreign exchange items,
- higher by PLN 342 million y/y (+8.2%) operating expenses including bank tax and



- higher risk costs (including legal risk costs of foreign currency mortgage loans) by PLN 407 million y/y (+72.2%).

These decreases have largely been offset:

- an increase in interest income by PLN 576 million y/y (+7.4%), and
- a higher commission income by PLN 129 million y/y (+6.2%).

In 2024, ING Bank Śląski’s total income (which includes, in addition to net profit, other income and expense items included in equity) amounted to PLN 4,819 million, compared to PLN 7,346 million in 2023.

**Net interest income**

In 2024, interest income of ING Bank Śląski was up by PLN 576 million compared to 2023 (+7.4% y/y) up to the level of PLN 8,338 million. After adjusting the 2024 result for the effect of credit holidays (PLN +132 million), the increase in interest income in 2024 vs. 2023 would be 9.1%. Interest income in 2024 was positively affected by rising volumes and the bank’s operation in an environment of still relatively high interest rates.

**Net commission income**

In 2024, net commission income of the bank was up by PLN 129 million (+6.2% y/y) compared to 2023 to the level of PLN 2,208 million.

The most significant increase in the net commission income was recorded for the following items in the:

- payment and credit cards (net) – up by PLN 59 million (+23.5% y/y),
- distribution of participation units – up by PLN 32 million (+49.6% y/y),
- offering of insurance products – up by PLN 15 million (+8.6% y/y).

**Operating expenses including bank tax**

In 2024, ING Bank Śląski’s operating expenses (including bank tax) increased by 8.2% y/y to PLN 4,495 million. Within the main cost categories, the dynamics were as follows:

- IT costs increased by PLN 102 million (+28.5% y/y),
- employee costs were up by PLN 87 million (+4,8% y/y),
- advisory and legal services and audit costs increased by PLN 66 million (+38.0% y/y),
- marketing and promotion costs were up by PLN 23 million, (+13.8% y/y),

- bank tax increased by PLN 95 million (+14.8% y/y), with other regulatory costs, including those of the BGF and the PFSA, remaining almost unchanged y/y,
- depreciation costs increased by PLN 9 million (+ +2.8% y/y),

ING Bank Śląski’s headcount was 7,505 FTEs as at 2024 yearend, compared to 7,874 FTEs as at 2023 yearend (down by 386 FTEs).

**Allowances for expected losses, including legal risk costs of foreign currency mortgage loans**

In 2024, the value of allowances for expected credit losses (including costs of legal risk of foreign currency mortgage loans) stood at PLN 971 million, compared to PLN 564 million a year earlier (+72.2% y/y). The increase in the cost of risk has to do with the higher provisions made by the bank in the corporate segment, due to the materialisation of risks for several clients in this segment.

**Income Taxes**

In 2024, ING Bank Śląski recorded income tax of PLN 1,121 million (-8.0% y/y). The effective tax rate in 2024 was 20.4%, compared to 21.5% the year before.

Pursuant to Article 16(1)(71) of the CIT Act – the contribution to the banks’ guarantee fund, as well as the contribution to the banks’ forced restructuring fund, are not deductible costs. Bank tax is not a tax-deductible cost either (pursuant to Article 16(1)(70) of the CIT Act).

**Statement of financial position**

**Assets**

Total assets of ING Bank Śląski amounted to PLN 254.9 billion as at 2024 yearend. It implies they were up by 6.4% compared to the end of 2023. The main drivers of the increase were loans and other receivables to clients (up by PLN 9.8 billion, +6.7% y/y) and investment securities (up by PLN 2.4 billion, +4.2% y/y).

In terms of the net client receivables portfolio, growth was recorded by both the retail and corporate segments. The retail segment’s portfolio increased by PLN 5.9 billion (+11.1% y/y), making the segment’s share of the total net receivables portfolio increase by 1.4 p.p. to 39.7%. The corporate segment’s portfolio increased by PLN 2.4 billion (+2.9% y/y) – the segment’s share of the total portfolio as at 2024 yearend was 58.2% (-2.3 p.p. y/y).

ING Bank Śląski is also providing financing to its subsidiaries (corporate segment) for a total of PLN 15.3 billion as at 2024 yearend vs 14.3 billion as at 2023 yearend. All transactions shall take place on a basis which does not deviate from market conditions.



Portfolio of loans to subsidiaries of ING Bank Śląski S.A. – 2024

PLN million	ING Commercial Finance S.A.	ING Bank Hipoteczny S.A.	ING Lease (Polska) Sp. z o.o.*	Total
Breakdown by maturity				
Up to 1 year	3,281	0	243	3,524
Over 1 year	0	3,429	8,346	11,775
Total	3,281	3,429	8,589	15,299
Breakdown by currency				
PLN	2,239	3,429	7,723	13,391
EUR	988	0	865	1,854
Other	54	0	0	54
Total	3,281	3,429	8,589	15,299

\*Including subsidiaries.

Portfolio of loans to subsidiaries of ING Bank Śląski S.A. – 2023

PLN million	ING Commercial Finance S.A.	ING Bank Hipoteczny S.A.	ING Lease (Polska) Sp. z o.o.*	Total
Breakdown by maturity				
Up to 1 year	3,188	78	307	3,572
Over 1 year	0	2,843	7,891	10,734
Total	3,188	2,921	8,198	14,306
Breakdown by currency				
PLN	2,149	2,921	7,354	12,424
EUR	980	0	844	1,824
Other	58	0	0	58
Total	3,187	2,921	8,198	14,306

\*Including subsidiaries.

At ING Lease (Poland), the sources of funding for long-term leasing contracts in EUR are loans received from ING Bank N.V. in Amsterdam and from ING Bank Śląski S.A. The current loan agreement with ING Bank N.V. of 15 July

2021 introduced a total funding limit for the ING Lease (Poland) group of EUR 1,305 million and remained unchanged. In contrast, the Loan Agreement with ING Bank Śląski S.A. of 24 November 2016, together with subsequent annexes, introduced a sub-limit for long-term financing of EUR 200 million, which was increased to EUR 400 million in August 2024.

As at 2024 yearend, the outstanding balance was EUR 1,094 million with ING Bank N.V. and EUR 201 million with ING Bank Śląski S.A. Disbursements are made in the form of loan tranches, which are drawn down in accordance with the needs arising from the leases and loans being drawn down. Repayment of the borrowed financing is carried out on time in accordance with the repayment schedules of the disbursed credit tranches.

In 2024, the Group's subsidiary ING Bank Hipoteczny S.A. did not issue any of its own bonds under the Bond Issuance Programme (Bond Programme) compared to 2023, when there were 3 bond issues with a total value of PLN 376 million. As at 2024 yearend, ING Bank Hipoteczny S.A. had no issued and unpurchased own bonds.

In 2024, ING Bank Hipoteczny S.A. issued Series 2 mortgage bonds with a nominal value of PLN 500 million. It also purchased a series 1 mortgage bond issue with a nominal value of PLN 400 million. As at 31 December 2024, liabilities under mortgage bonds issued by ING Bank Hipoteczny and outstanding amounted to PLN 508.6 million.

Equity and liabilities

The predominant source of funding for ING Bank Śląski's operations was client funds. As at 2024 yearend liabilities to clients amounted to PLN 219.9 billion, or 86.3% of total liabilities.

The next material important source of financing was equity, which at the end of December 2024 amounted to PLN 17.1 billion and accounted for 6.7% of total liabilities.

In 2024, deposits and other liabilities to clients increased by PLN 14.9 billion y/y, or 7.3%, driven by both deposits from the retail segment (PLN +13.6 billion, +12.1% y/y) and the corporate segment (+2.4 billion, +2.7% y/y).





## Off-balance sheet items

Off-balance sheet items of ING Bank Śląski					
PLN billion	2020	2021	2022	2023	2024
Contingent liabilities granted	47.5	51.4	50.0	55.1	56.6
unused credit lines	38.2	41.5	39.0	43.6	44.6
guarantees	5.8	6.4	7.5	8.1	8.0
undrawn overdrafts in current account	1.6	1.6	1.5	1.4	1.4
credit card limits	1.5	1.5	1.5	1.7	1.9
letters of credit	0.4	0.4	0.4	0.3	0.4
reverse repo	-	-	-	-	0.3
Contingent liabilities received	11.7	19.6	17.3	19.5	25.1
Off-balance sheet financial instruments	797.9	995.6	1,137.7	1,433.3	1,552.7
<b>Total off-balance items</b>	<b>857.2</b>	<b>1,066.5</b>	<b>1,205.0</b>	<b>1,507.9</b>	<b>1,634.4</b>

Details of off-balance items were presented in the Annual Financial Statements of ING Bank Śląski S.A. for the year 2024.



# ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles

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In this chapter, we provide information and a corporate governance statement, including information about our shareholders, bank charter (the company’s charter), general meeting, Supervisory Board and our Management Board.

ING Bank Śląski S.A. Management Board presents the Statement on the application of corporate governance principles in 2024, pursuant to Article 70.6.5) of the Regulation of the Minister of Finance of 29 March 2018 on current and periodic information published by issuers of securities and conditions for recognizing as equivalent information required by the law of a non-member state (Journal of Laws, item 57).

## Principles and scope of application of corporate governance

Corporate governance determines how the bank’s bodies operate and how its processes and systems function. The Bank Management Board accepted and the Supervisory Board approved: *Policy – Principles of Internal Governance at ING Bank Śląski S.A. and Policy – Principles of Internal Governance in the ING Bank Śląski S.A. Group*.

These documents describe the key principles for:

- the bank’s management system, its organisational structure, internal and external relations, (including relations with shareholders and clients), their organisation,
- the functioning of internal supervision and key internal systems and functions, the rules of operation, powers, duties and responsibilities, and the interrelationship of the Supervisory Board, the Management Board and the bank’s key functionaries, and
- assessment of the bank’s internal governance.

The principles indicated in the policies, which are followed by ING Bank Śląski S.A., are the implementation and realisation of the requirements resulting from, among others:

- the Banking Act of 29 August 1997 (Journal of Laws 2020, item 1896, as amended),
- the Act of 15 September 2000 Commercial Companies and Partnerships Code (Journal of Laws 2020, item 1526, as amended),
- Recommendation Z of the PFSA concerning the principles of internal governance in banks,
- Principles of Corporate Governance for Supervised Institutions of the PFSA,
- EBA’s internal governance guidelines,
- Best Practice for GPW Listed Companies 2021.

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**ING Bank Śląski S.A. Management Board declares that the Bank complied in 2024 with the corporate governance principles set out in the “Best Practice for GPW Listed Companies” and “Principles of Corporate Governance for Supervised Institutions”.**

The Bank found no breaches of the corporate governance principles adopted by the bank in the period covered by this report.

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Internal governance in the bank is based on legal compliance, transparency and efficiency. The implementation of the stated objectives is achieved by implementing the principles described in the internal regulations indicated above and basing the internal governance model on a defined hierarchy. The Bank, to the extent permitted by generally applicable law and guidelines of supervisory authorities, takes into account in its internal governance the considerations arising from its membership of ING Group N.V.

Our bank’s internal governance consists of the following elements:

- bank management system,
- organisation of the bank,
- principles of operation, powers, duties and responsibilities and mutual relations of the Bank’s Supervisory Board, Management Board and persons holding key positions in the Bank.

In order to ensure efficiency with regard to the elements comprising our bank’s internal governance, the tasks, responsibilities and powers of the various bodies and organisational units (Management Board, Supervisory Board, General Meeting and other bodies/units) with regard to the implementation, operation, assessment and supervision of internal governance at the bank, together with the assignment of responsibility for these tasks.

In 2024, the Bank Management Board and Supervisory Board positively assessed the functioning and observance of internal governance in our bank in 2023.



Principles of corporate governance for supervised institutions

The bank applies the *Principles of Corporate Governance for Supervised Institutions* introduced by Resolution No. 218/2014 of the Polish Financial Supervision Authority of 22 July 2014 (Journal of Laws of the Polish Financial Supervision Authority, item 17) (hereinafter: “Principles of corporate governance”). The Principles of corporate governance were accepted in the scope set out in the Statement of the Bank Management Board of 30 December 2014, posted on the bank’s website at [this address](#).

In order to fulfil the commitment of the Bank Management Board made in the aforementioned Declaration, the Ordinary General Meeting of the Bank on 31 March 2015 adopted Resolutions 25 and 26, the contents of which are available [at this address](#).

Since 2020, in connection with the conduct of the General Meeting with the possibility of electronic participation, the bank has used the principle resulting from Article 8.4 of the Principles of Corporate Governance. This means that ING Bank Śląski S.A. applies all *Principles of Corporate Governance for Supervised Institutions*

Best Practice for GPW Listed Companies 2021

The set of corporate governance principles to which the bank was subject in 2024 is contained, inter alia, in the *Best Practice for GPW Listed Companies 2021* introduced by a resolution of the Board of the Warsaw Stock Exchange S.A. of 29 March 2021. The text of this document, together with information on the application of the various principles, is available on the bank’s website at [this address](#).

Pursuant to a resolution of the Bank Management Board and a decision of the Supervisory Board, the Bank has adopted for application DPSN 2021 with the exclusion of principles 1.4.1, 1.4.2 and 2.9 as announced [in our EIB report](#) of 30 July 2021 (including the [Attachment](#)).

On 29 November 2021, the EGM made changes to the composition of the Bank Supervisory Board. Allowed the publication on 30 November 2021 of a further [EBI report](#) (with [Attachment](#)) reporting on the application of principle 2.9 ("The Chair of the supervisory board should not combine his or her function with the leadership of the audit committee acting within the board"). The EGM also passed a resolution regarding the application of the DPSN addressed to the General Meeting and shareholders.

The presentation in the Bank’s 2021 Annual Report of the value of the equality ratio of the remuneration paid to its employees in accordance with Principle 1.4.2, allowed for the publication on 11 March 2022 of a further [EIB report](#) (with [Attachment](#)) reporting on the application of Principle 1.4.2.

On 6 March 2023, we published information on managing sustainability issues, including the competences and roles of the ESG Council and the ESG Risk Committee, on the ESG section of our bank’s website. This allowed a further [EIB report](#) (with [Attachment](#)) to be published on the same day reporting on the application of Rule 1.4.1.

The bank currently applies all the principles set out in the Best Practice for GPW Listed Companies 2021.

Application of the Code of Best Practice for GPW Listed Companies 2021

Chapter 1: Information policy and communication with investors	We maintain active communication with stakeholders through a transparent and fair information policy, and we analyse and meet investors’ current expectations regarding access to information and communication channels. The principles of the information policy towards the capital market are available on the company’s website <a href="#">at this address</a> . It indicates that we respond to stakeholder questions as a general rule no later than 7 days. We provide comprehensive communication with investors through a dedicated website <a href="https://en.ing.pl/company-profile/investor-relations/">https://en.ing.pl/company-profile/investor-relations/</a> where legally required information, result presentations and recordings of selected major corporate events are regularly made available. We regularly hold quarterly results conferences. We publish annual reports in Polish and English. Our business strategy takes ESG issues into account, and details of long-term goals and their implementation are available at <a href="https://en.ing.pl/company-profile/esg-strategy">https://en.ing.pl/company-profile/esg-strategy</a> . In the annual reports, we also present information on expenditure to support culture, sport, charitable institutions, etc.
Chapter 2 Management Board and Supervisory Board	The Management Board Bylaw and the Supervisory Board Bylaw are available at <a href="https://en.ing.pl/company-profile/legal-documents">https://en.ing.pl/company-profile/legal-documents</a> . Information on the current composition of the bodies is available at <a href="https://en.ing.pl/company-profile/authorities">https://en.ing.pl/company-profile/authorities</a> . Only persons with the appropriate competence, skills and experience are appointed to the Management Board and Supervisory Board. Our bank has a <i>Diversity Policy for Members of the Management Board and Supervisory Board of ING Bank Śląski S.A.</i> The policy assumes aiming at ensuring representation of both genders in the processes of selection and succession plans, keeping in mind the laws on fair treatment while establishing employment relationship.
Chapter 3 Internal systems and functions	We maintain effective systems of internal control, risk management, compliance and an internal audit function. The organisational units responsible for the various areas are organisationally separate and have legally compliant scopes of responsibility, and the persons in charge of these units report directly to the President of the Management Board or another member of the Management Board. The remuneration of those responsible for risk management and compliance and the head of internal audit is based on the performance of the assigned tasks and not on the short-term performance of the company. The Supervisory Board oversees the functioning and effectiveness of our bank’s internal systems and functions.





<b>Chapter 4</b> General meeting and relations with shareholders	The general rules for the General Meeting are described in the <i>General Meeting Bylaw</i> , which is available at <a href="#">this address</a> . The bylaw also addresses shareholder relations issues. The terms and conditions of participation in the General Meeting by means of electronic communication are set out in the <i>Participation in the General Meeting of ING Bank Śląski S.A. Bylaw by Means of Electronic Communication</i> adopted by the Supervisory Board and made available on the website <a href="#">at this address</a> . In accordance with the Bank Charter, the Supervisory Board gives its opinion on draft resolutions submitted by the Management Board to the agenda of the General Meeting.
<b>Chapter 5</b> Conflict of interest and related-party transactions	One of the elements of our bank's corporate governance is a conflict of interest management system established to identify, assess, manage and prevent actual and potential conflicts of interest that may arise between the bank and the private interests of employees, including the interests of the bank's Management and the Supervisory Board, the interests of the bank's clients, shareholders, material suppliers or business partners and between the bank's clients. The bank's internal regulations also set standards for the protection of protected and confidential information from misuse, the appropriate governance structure, the separation of physical, technical and/or functional barriers to the flow of information to control protected and confidential information.
<b>Chapter 6</b> Remuneration	We have internal regulations in place to ensure that the remuneration of the members of the Management and Supervisory Boards and key managers is sufficient to attract, retain and motivate people with the competencies necessary for the proper management and supervision of the company. The remuneration of the Supervisory Board members does not depend on the number of meetings held or on the short-term performance of our bank.

Code of Banking Ethics

Notwithstanding the corporate governance principles, the 2013 Code of Banking Ethics (available on the website of the [Polish Bank Association](#)) was applied at the bank until March 2023. From April 2023, the new Code of Banking Ethics (available on the website [of the Polish Bank Association](#)) is applied.

Principles of professional ethics of the employees of ING Bank Śląski S.A.

In 2024, the bank had in force the Bylaw – *Principles of Professional Ethics for Employees of ING Bank Śląski S.A.*, which was replaced in December 2024 by the Bylaw – *Principles of Professional Ethics for Employees of the ING Bank Śląski S.A. Group*. Its purpose is to reduce the compliance risk by indicating to employees the principles, compliance with which is a prerequisite for ensuring the integrity of the bank's activities, including compliance with the law, regulatory requirements and ethical standards applicable in the financial services industry. The principles set out in the bylaw shall apply to the employee's all activities related to the performance of official duties. Some of the

principles may also apply to the employee's private activity, if such private activity may negatively affect the bank's reputation or cause a conflict of interest .

We address conflicts of interest

Our bank has a *Conflict of Interest Policy*, approved by the Management Board and the Supervisory Board, which introduces principles and responsibilities for dealing with conflict situations. The policy is applied together with complementary regulations, in particular *the Manual – Registers of Conflicts of Interest*, which provides for the registration of conflicts by: structural and incidental conflicts in order to manage their risks effectively. The registers define a catalogue of circumstances that may lead to a conflict of interest. Identified potential conflicts of interest, together with actions to mitigate their risk, are entered into registers and monitored.

The policy sets out conflict of interest requirements covering:

- the operation of the organisation and the methods used in the bank to manage conflicts of interest at the organisational level,
- personal interests of employees that may contribute to a conflict of interest, e.g. between the interests of the bank, clients or other stakeholders and the interests of employees, including the bank's management.

The controls in place at the bank include:

- implementation of appropriate training covering ethics and corporate culture,
- the segregation of responsibilities in the bank's organisational structure and the relationship between the different levels of management, as well as the staff links between employees,
- that employees consult and notify the bank when they undertake additional professional activities and personal interests that may give rise to a conflict of interest. In addition, employees were required to make annual declarations of personal interests,
- implementation of private investments by employees with access to protected information,
- the process of determining remuneration in a way that ensures that the interests of clients are central and that quantitative elements are balanced by qualitative indicators when determining variable remuneration ratios.

We comply with the requirements under the Best Practice and the Corporate Governance Principles for managing conflicts of interest:



- We disclose on our [website](#) the principles of the conflict of interest management arising from its *Conflict of Interest Policy*.
- The policy sets out standards of behaviour addressed to members of the bank's bodies in connection with their functions.
- Members of the bank's governing bodies should refrain from engaging in professional activities that could lead to a conflict of interest and should inform the bank immediately if a conflict of interest arises or is likely to arise.
- Members of the Bank's bodies may not participate in decision-making or take part in the settlement of matters in a situation that could give rise to a conflict of interest.
- Issues of potential conflicts of interest of members of the bank's bodies are also examined in the adequacy assessment process.
- The policy also introduces the obligation to assess transactions carried out with related entities for conflicts of interest and to publish information about such conflicts on the bank's website.

Conflict of interest risks are assessed annually as part of the review of the bank's Conflict of Interest Registers. The results of this assessment are presented at the Non-Financial Risk Committee or, in the case of conflicts concerning members of the Bank Management and Supervisory Boards and persons reporting directly to the Bank Management Board, are reviewed by each of these bodies respectively.

All employees are obliged to report irregularities related to corruption or conflicts of interest. Questionable behaviour should be challenged and (suspicious) improper payments or actions should be reported to management or through channels for anonymous reporting of violations of laws, internal regulations and ethical standards. Read more about breach reporting channels [here](#).

## Information policy of ING Bank Śląski

The Bank, as an institution of public trust, conducts an information policy based on open and transparent communication towards shareholders, investors, the media and all interested parties. In implementing the information policy, the bank complies with the legal requirements relating to confidentiality and information security incumbent on the bank as a public company and supervised institution. In implementing the information policy, the Bank follows the principles of corporate governance, in particular by providing shareholders, investors,

media and all interested parties with proper access to the bank's information. The full content of the Information Policy is available on [this website](#).

## Shares and shareholders of ING Bank Śląski S.A.

### Shares and share capital

In accordance with its Charter, the share capital of ING Bank Śląski S.A. is split into 130,100,000 shares with the nominal value of PLN 1 each share. All the shares issued by the Bank are ordinary bearer shares. No special control rights are attached to the bank shares. The Charter of ING Bank Śląski does not provide for any restrictions as to transfer of title to the shares issued by the bank, exercising voting rights and contains no provisions according to which equity rights related to securities are separate from holdings of securities.

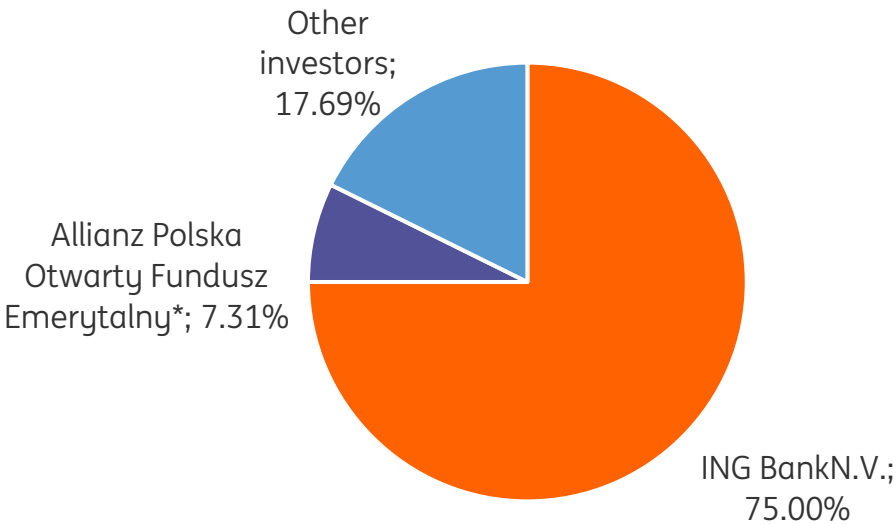
Additionally, the Charter authorises the Management Board to increase the share capital but maximum PLN 26 million (or issues of maximum 26 million shares) by 26 April 2026 (authorised capital) and to waive pre-emption rights at share issues of the authorised capital. The decisions taken by the Management Board on the share issue price and waiver of pre-emption rights require approval by the Supervisory Board. The authorization to issue the target capital will enable the Management Board to take, if necessary, quick actions aimed at the capital strengthening of the bank. The full justification in this regard was attached to the draft resolution of the General Meeting on this matter (p. 13 [of this document](#)).

### Shareholding structure

ING Bank Śląski S.A. is a subsidiary company of ING Bank N.V., which as at 31 December 2024, held a 75% shareholding in the share capital of ING Bank Śląski S.A. and 75% of the total number of votes at the General Meeting – the figures that have not changed since March 2005. The remaining shares of the Bank (25.0%) are in free float. They are held by institutions investors, especially Polish pension funds and national and foreign investment funds, and also individual investors.

The share of all OFEs in our bank's shareholding as at 2024 yearend was 21.38% (compared to 21.23% as at 2023 yearend), of which Allianz OFE's share was 7.31%.

In 2024, the value of the share capital of ING Bank Śląski SA and the share of the main shareholder in the capital did not change.



*\*Based on the annual information on the asset structure of Allianz Polska Otwarty Fundusz Emerytalny as at 31 December 2024.*

As at the publication hereof, ING Bank Śląski S.A. is not aware of any agreements that may in the future generate changes to the proportions of shareholdings by the existing shareholders. The Bank is also not aware of any shareholder other than those indicated below in the table exceeding the 5% shareholding threshold.

Shareholding structure				
Shareholder name	Number of shares/Number of votes at GM		Share in the share capital and the total number of votes at the General Meeting	
	31 December 2023	31 December 2024	31 December 2023	31 December 2024
ING BankN.V. (a subsidiary of ING Groep N.V.)	97,575,000	97,575,000	75.00%	75.00%
Allianz Polska Otwarty Fundusz Emerytalny*	12,102,036	9,512,036	9.30%	7.31%
Others	20,422,964	23,012,964	15.70%	17.69%
Total	130,100,000	130,100,000	100.00%	100.00%

*\*Based on the annual information on the asset structure of Allianz Polska Otwarty Fundusz Emerytalny as at 31 December 2023 and 31 December 2024.*

Characteristics of the dominating shareholder

ING Bank N.V. is a subsidiary of ING Group N.V. (ING Groep N.V.) – a leading European universal bank with global activities, offering retail and wholesale banking services to ~40 million customers in over 100 countries. ING Group employs over 60 thousand employees. Its products include savings, payments, investments, loans and mortgages in its retail markets. For Wholesale Banking clients, ING provides specialised lending, tailored corporate finance, debt and equity market solutions, sustainable finance solutions, payments & cash management and trade and treasury services.

ING Groep N.V. was created in 1991 as a result of a merger of the Dutch insurance company Nationale-Nederlanden and the national postal bank NMB Postbank. For years, ING Group developed both organically as well as inorganically. After the 2008-2009 global financial crisis the insurance activities were divested, and ING Groep continued as a bank with Europe-focused retail activities and a global Wholesale Bank.

ING Groep N.V. is a public company listed on the stock exchange in Amsterdam (INGA NA, INGA.AS), Brussels and New York (ADR: ING US, ING.N). ING Groep N.V. has a diversified shareholder ownership. Based on filings to the AFM (Dutch Financial Markets Authority), and to the best of our knowledge, on 31 December 2024 shareholders and investors with (potential) holdings of 3% or more were BlackRock Inc. and Capital Research and Management Company. In 2024, ING Group generated a net profit of EUR 6,392 million compared to EUR 7,287 million in 2023. Total assets amounted to EUR 1,020.5 billion at the end of 2024. The assets of ING Bank Śląski S.A. Group accounted for 6.0% of total assets of ING Group as at year-end 2024. Our net profit accounted for 15.9% of the net profit of ING Group.

More information on the dominant shareholder is available at <https://www.ing.com/Home.htm>.

The Bank Charter and the principles for its amendment

The current Charter of ING Bank Śląski S.A. are available on the website at [this address](#).

Principles for changing the Bank Charter

Amending the Bank Charter requires a resolution of the General Meeting and an entry in the register of entrepreneurs of the National Court Register. An amendment to the Bank Charter also requires the approval of the Polish Financial Supervision Authority.





Any change to the Charter relating to the bank's business shall not require the redemption of shares held by those shareholders who do not approve the change provided the resolution of the General Meeting on the change is approved by a majority of 2/3 votes in the attendance of persons representing minimum one half of share capital.

## Changes made to the Charter in 2024

The changes to the Bank Charter registered in 2024 include:

- adjusting the subject matter of activities to the legal changes introduced by the Act of 16 August 2023 amending certain acts in connection with ensuring the development of the financial market and the protection of investors in that market, in particular by listing in detail the activities that constitute brokerage activities performed by the bank and deleting trust services that are not performed by the bank,
- extending the scope of activities performed as part of brokerage activities to include the offering of financial instruments,
- clarification of when the mandate of a member of the Supervisory Board expires in the event of dismissal.

We reported on the above amendments to the Charter in current report No. 23/2024 of 24 April 2024 (link to [the report](#) and [Attachment](#)) and in current report No. 29/2024 of 19 September 2024 (link to [the report](#)).

## General Meeting

### Principles of convening and powers of the General Meeting

The General Meeting is convened by an announcement on the bank's website and in the manner specified for the provision of current information by public companies. The General Meeting works in compliance with the principles set out in the Commercial Companies and Partnerships Code and the Bank Charter as an Ordinary General Meeting or Extraordinary General Meeting.

General Meetings are convened on a date enabling the participation of all authorized and interested shareholders.

The competences of the General Meeting (apart from other matters stipulated in generally applicable provisions of law) include adopting resolutions, among others in the following cases:

- to consider and approve the annual financial statements as well as the Management Board Reports on the activities of the ING Bank Śląski S.A. Group, including the Corporate Governance and Sustainability Statements,

- accepting reports of the Supervisory Board and assessing the Bank's remuneration policy,
- acknowledging the fulfilment of duties by members of the Bank Management Board and Supervisory Board,
- distribution of profit and coverage of loss,
- dividend payment, determining the dividend record date and dividend payment date,
- amendments to the Bank Charter,
- changes in the composition of the Supervisory Board,
- assessment of compliance by Members of the Supervisory Board with the requirements referred to in Article 22aa of the (Polish) Banking Law Act (adequacy assessment),
- the remuneration policy for members of the Bank Management Board and Supervisory Board,
- increasing or decreasing the Bank's share capital.

### Shareholders' rights

The bank's shareholders representing at least 1/20 of the share capital may:

- demand that an Extraordinary General Meeting be convened,
- demand that certain matters be placed on the agenda of the next General Meeting,
- submit, before the date of the General Meeting, draft resolutions concerning matters included in the agenda.

Each shareholder may, during the General Meeting, submit draft resolutions regarding matters included in the agenda.

### Operation of the General Meeting

In the case of convening an Extraordinary General Meeting, the Bank Management Board presents the justification for convening and putting certain matters in order or asks for such justification if the request comes from another authorized entity.

Draft resolutions are submitted to the General Meeting by the Bank Management Board after obtaining the opinion of the Supervisory Board.





Subject to the cases set out in the Commercial Companies and Partnerships Code, the General Meeting is valid regardless of the number of shares represented at it. Each share shall entitle to one vote. Resolutions of the General Meeting are generally adopted by an absolute majority of votes, except for matters set out in the provisions of the Commercial Companies and Partnerships Code and the provisions of the Bank Charter. Apart from the Commercial Companies and Partnerships Code, the issues related to the convening and functioning of the General Meeting are set out in the *Bank Charter*, the *General Meeting Bylaw* and the announcement on convening the General Meeting.

General Meetings are held at the registered office of the Company in Katowice. The proceedings of the General Meeting are broadcast on the Internet. The Company may organize General Meetings in a manner enabling shareholders to participate by means of electronic communication, including, in particular, two-way communication in real time, enabling shareholders to express themselves during the General Meeting, as well as exercising voting rights in person or through a proxy. The interested representatives of the media may participate in the deliberations of the Assembly – as observers.

The principles of shareholders' participation in the General Meeting and the procedure to be followed during the General Meeting, as well as the method of communication between shareholders and the bank are set out in the *General Meeting Bylaw*. Only persons who are the Bank's shareholders sixteen days before the date of the General Meeting (the date of registering participation in the General Meeting) are entitled to participate in the General Meeting of the Bank. Shareholders may participate in the General Meeting and exercise their voting rights in person or through proxies.

A shareholder has the right to, among other things:

- voting, submitting motions and objections,
- proposing a candidate for the position of Chair of the General Meeting,
- submitting draft resolutions on matters placed on the agenda and submitting motions on a formal matter, in particular regarding the manner of deliberating and voting,
- proposing changes and supplements to draft resolutions included in the agenda of the General Meeting,
- proposing candidates for the Supervisory Board,
- dividends in the event of its adoption by the General Meeting (the list of authorized shareholders is determined on the dividend date set out in the resolution).

During the General Meeting, the Bank Management Board is obliged to provide the shareholder, at his or her request, with information about the company, if it is justified for the assessment of an issue on the agenda.

The Bank Management Board refuses to provide information if it could harm the company, a related entity or a subsidiary, in particular by disclosing technical, commercial or organizational secrets of the company. A member of the Bank Management Board may also refuse to provide information if providing information could constitute the basis of his or her criminal, civil or administrative liability.

The Bank Management Board may provide information in writing outside the general meeting if there are important reasons for it.

The shareholders also have the right to appeal against the resolutions of the General Meeting. This right may be exercised by a shareholder who:

- voted against the resolution and, after its adoption, demanded that the objection be recorded in the minutes,
- was unreasonably prevented from participating in the General Meeting,
- was not present at the General Meeting in the event of a defective convocation of the General Meeting or adoption of a resolution on a matter not included in the agenda.

The right to appeal against the resolutions of the General Meeting includes the possibility of:

- bringing an action to repeal a resolution in the event of a resolution contrary to the bank charter or morality and harming the company's interest or aimed at harming a shareholder,
- bringing an action for the declaration of invalidity of a resolution contrary to the Act.

The full text of the General Meeting Bylaw is available [here](#).

The competences of the General Meeting are defined in particular by the provisions of the Commercial Companies and Partnerships Code, the Banking Law and the provisions of the Bank Charter.



## Supervisory Board

### Composition of the Supervisory Board

The Supervisory Board of ING Bank Śląski S.A. operates pursuant to the Banking Act, the Commercial Companies and Partnerships Code, the Bank Charter and the Supervisory Board Bylaw. The number of members of the Supervisory Board is determined by the General Meeting and may not be less than 11 persons. Members of the Supervisory Board are appointed by the General Meeting for a joint term of office, which commences on the date of appointment and covers four consecutive full financial years.

The General Meeting determines the number of members of the Supervisory Board for a given term of office. Members of the Supervisory Board may be dismissed at any time by a resolution of the General Meeting. The current term of office started on 11 April 2024 and expires on the date of the General Meeting approving the financial statements for 2028.

The Supervisory Board is composed of independent members, pursuant to the corporate governance principles adopted by the bank and legal requirements. Pursuant to the Bank Charter, at least two members of the Supervisory Board should be free from any relations with the bank, its shareholders or employees, if such relations could significantly affect the member's ability to make impartial decisions (Independent Members). The minimum number of independent members of the Supervisory Board and the detailed criteria of independence result from the provisions of law and the Best Practice for GPW Listed Companies adopted by the bank and are specified in detail in the Supervisory Board Bylaw.

#### Changes to the composition of the Supervisory Board in 2024

On 12 February 2024, Ms Katarzyna Zajdel-Kurowska tendered her resignation from the capacity as the Supervisory Board Member, effective as of 29 February 2024. The reason for the resignation was an appointment at an international financial institution.

As the resignation of the Board member affected the composition of the Risk Committee and the Audit Committee of the Supervisory Board, on the basis of *the Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and Key Function Holders at ING Bank Śląski S.A.* The Remuneration and Nomination Committee of the Supervisory Board (the "Committee") carried out a process of individual assessment of the Chair of the Supervisory Board to serve on both Committees and a collective assessment of both Committees.

On 26 February 2024 – as a result of the assessments carried out – the Committee confirmed the individual competence of the current members of the Audit Committee and the Risk Committee, as well as the candidate for membership of the Audit Committee and the Risk Committee. It was further confirmed that the individual committees met the adequacy criteria concerning them, including the criterion of independence of a sufficient number of members of each committee and the Chair of the committee concerned. For the Audit Committee of the Supervisory Board of ING Bank Śląski S.A., it was also confirmed that this Committee met the criterion that a sufficient number of members of the Audit Committee of the Supervisory Board of ING Bank Śląski S.A. have knowledge and skills in accounting, auditing and banking.

With the above in mind, on 27 February 2024, the Supervisory Board accordingly changed the composition of the Audit Committee and the Risk Committee of the Supervisory Board of ING Bank Śląski S.A. as of 1 March 2024.

On 8 March 2024, Mr Aleksander Galos, acting as Chair of the Supervisory Board, tendered his resignation from standing for election to the Supervisory Board for the next term of office. The decision to decline to stand for election for the next term was dictated by the inability of Mr Aleksander Galos to meet the independence criteria for the entire period of the next full term, due to his long-standing service on the Supervisory Board.

Considering the above and the fact that on 11 April 2024, i.e. on the date of the General Meeting approving the financial statements for 2023, the term of office of the Supervisory Board expired, on the basis of the *Policy of Appointing and Recalling Members of the Supervisory Board of ING Bank Śląski S.A. and the Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and Key Function Holders at ING Bank Śląski S.A.*

The Committee on 22 March 2024 conducted the process of evaluating candidates for another term of office for the existing members of the Supervisory Board, i.e. Ms Małgorzata Kołakowska, Mr Stephen Creese, Ms Dorota Dobija, Ms Monika Marcinkowska, Mr Hans De Munck and Mr Michał Szczurek, and on 3 April 2024 the process of evaluating individual candidates for the Supervisory Board, i.e. Ms Aneta Hryckiewicz-Gontarczyk, Mr Arkadiusz Krasowski and Mr Serge Offers. The Committee also carried out a collective evaluation of the Supervisory Board in its proposed new composition for the new term. As a result of its assessment, the Committee concluded that the individual competences of the individual members of the Supervisory Board would complement each other in such a way that an appropriate level of collegial oversight of all areas of the Bank could be exercised. The Committee's recommendation on this matter was published on the Bank's website prior to the date of the General Meeting.



On 11 April 2024, the General Meeting adopted resolutions to change the number of members of the Supervisory Board from eight to nine members and, following the expiry of the term of office of the Supervisory Board, to appoint the Supervisory Board for a new term of office with the following composition: Mr Stephen Creese, Ms Dorota Dobija, Ms Aneta Hryckiewicz-Gontarczyk, Ms Małgorzata Kołakowska, Mr Arkadiusz Krasowski, Ms Monika Marcinkowska, Mr Hans De Munck, Mr Serge Offers and Mr Michał Szczurek. Mr Stephen Creese, Ms Dorota Dobija, Ms Małgorzata Kołakowska, Ms Monika Marcinkowska, Mr Hans De Munck and Mr Michał Szczurek all served on the Supervisory Board in the previous term. Mr Stephen Creese, Ms Malgorzata Kolakowska, Mr Hans De Munck, Mr Serge Offers and Mr Michał Szczurek are all related to ING Group N.V. On the other hand, Ms Dorota Dobija, Ms Aneta Hryckiewicz-Gontarczyk, Mr Arkadiusz Krasowski and Ms Monika Marcinkowska have no affiliation with ING Group N.V. and have independent member status. In addition, the General Meeting adopted an assessment of the individual and collective suitability of the Supervisory Board members, as recommended by the Committee.

On 11 April 2024, during the first meeting of the new term, the Supervisory Board appointed Ms Monika Marcinkowska as Chair of the Supervisory Board. At the same time, the Supervisory Board decided to commission an additional assessment of the suitability of Ms Monika Marcinkowska for the position of Chair of the Supervisory Board.

At the same meeting, the Supervisory Board appointed Ms Małgorzata Kołakowska as First Deputy Chair of the Supervisory Board and Mr Michał Szczurek as Deputy Chair of the Supervisory Board. In addition, the Supervisory Board appointed members of the Supervisory Board Committees for the new term, i.e.: Audit Committee, Risk Committee and Remuneration and Nomination Committee. At the same time, the Supervisory Board decided to commission an additional individual assessment of the adequacy of Mr Arkadiusz Krasowski to act as Chair of the Audit Committee and an additional collective assessment of the adequacy of the Audit Committee in its new composition. Similarly, an additional individual assessment of the Chair of the Risk Committee and an additional

Proportion of women and men on the Supervisory Board as at 31 December 2024

44% / 56%

collective assessment of the Risk Committee with its new composition were commissioned, as well as an additional

individual assessment of the Chair of the Remuneration and Nomination Committee and an additional collective assessment of the Remuneration and Nomination Committee with its new composition.

On the basis of the *Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and Key Function Holders at ING Bank Śląski S.A.* and in accordance with the provisions of the *Procedure for the Assessment of the Suitability of Members of the Supervisory Board, Members of the Management Board and the Audit Committee at ING Bank Śląski S.A.* On 22 May 2024, the Committee conducted a process for an additional individual adequacy assessment of Mr Arkadiusz Krasowski, for his role as Chair of the Audit Committee, and an additional collective adequacy assessment of the Audit Committee in its new composition. Similarly, an additional individual assessment of the Chair of the Risk Committee and an additional collective assessment of the Risk Committee with its new composition were carried out, as well as an additional individual assessment of the Chair of the Remuneration and Nomination Committee and an additional collective assessment of the Remuneration and Nomination Committee with its new composition.

As a result of its assessments, the Committee confirmed that the suitability criteria applicable to the position were met:

- Chair of the Supervisory Board by Ms Monika Marcinkowska,
- Chair of the Audit Committee by Mr Arkadiusz Krasowski,
- Chair of the Risk Committee by Ms Dorota Dobija,
- Chair of the Remuneration and Nomination Committee by Ms Aneta Hryckiewicz-Gontarczyk.

At the same time, the Committee confirmed the individual competence of the members of the Risk Committee, the Audit Committee and the Remuneration and Nomination Committee, as well as the individual committees' compliance with the adequacy criteria concerning them, including the criterion of independence of a sufficient number of members of each committee and the Chair of the respective committee. For the Audit Committee, it was also confirmed that this Committee met the criterion that a sufficient number of Audit Committee Members have knowledge and skills in accounting, auditing and banking.

On 23 May 2024, after reviewing the recommendation of the Remuneration and Nomination Committee, the Supervisory Board adopted the above assessments.





Composition of the Supervisory Board as at 31 December 2024

	Function in the Supervisory Board	Audit Committee	Remuneration and Nomination Committee	Risk Committee
Ms Monika Marcinkowska	Chair, Independent Member	●	●	●
Ms Małgorzata Kołakowska	First Deputy Chair		●	●
Mr Michał Szczurek	Vice-Chair		●	
Mr Stephen Creese	Member			●
Ms Dorota Dobija	Independent member	●	●	●
Ms Aneta Hryckiewicz-Gontarczyk	Independent member		●	●
Mr Arkadiusz Krasowski	Independent member	●		●
Mr Hans De Munck	Member	●		
Mr Serge Offers	Member	●		

● – Chair(s)      ● – Member

Competency profiles of Supervisory Board members

Highly qualified individuals are appointed to the Supervisory Board. All members demonstrate adequate experience and knowledge to supervise the bank. Six of the nine members of the Supervisory Board have Polish citizenship and Polish is their mother tongue. The other two Members hold British, Belgian and Dutch nationality.

Following the principle set out in the Best Practice for GPW Listed Companies concerning the application of a diversity policy, our bank has a diversity policy and ensures a 30% diversity and with regard to women and men in the Management Board and the Supervisory Board. Hence, the composition of the Supervisory Board is diverse and includes individuals from different backgrounds with a variety of skills, practical experience and knowledge, thus ensuring that the Supervisory Board is effectively supervised in all areas of the bank’s activities and that the Board is able to duly perform the tasks and responsibilities assigned to it.

For more information on diversity among the members of the Supervisory Board and the Management Board and the policies adopted in this regard, please click [here](#).

Qualifications of the members of the Supervisory Board of ING Bank Śląski S.A. are presented on the bank’s website . Below are the biographies of the Supervisory Board members indicating their individual competences.

Ms Monika Marcinkowska – Independent Supervisory Board Member

(Chair of the Supervisory Board, Member of the Audit Committee, Member of the Risk Committee, Member of the Remuneration and Nomination Committee)

She graduated, with a master’s degree, from the University of Łódź, Faculty of Management and Marketing, specialty: Accounting. She got her PhD in economic science (management science) and habilitation degree in economic science. She has been Full Professor in economic science since 2014. She has been a lecturer and researcher at the University of Łódź. During her professional career, she worked at PBG S.A., Pekao S.A., PKO BP S.A. and BRE Bank S.A., as well as held supervisory functions at Pocztylion-Arka PTE SA, DI Xelion sp. z o.o., and Polski GAZ TUW. She also was Member of the European Banking Authority’s Banking Stakeholder Group, where from March 2022 to June 2024 she acted as coordinator of the Sustainable Finance Working Group, and in Belgian think-tank Bruegel. She joined the Supervisory Board of ING Bank Śląski S.A. in 2021.

Mrs Malgorzata Kolakowska – First Deputy Chair of the Supervisory Board

(Member of the Remuneration and Nominating Committee, Member of the Risk Committee)

She graduated, with a master’s degree in economics, from the Faculty of International Trade Economics and Organisation at the Main School of Planning and Statistics (at present Warsaw School of Economics). She completed the Advanced Management Program (AMP) at the Harvard Business School. She was the President of the ING Bank Śląski S.A. Management Board between 2010-2016, and then moved on to hold the function of the Global Head for Wholesale Banking. Since 2018, she has been the CEO of ING Bank N.V., London Branch (the United Kingdom, Middle East). Before joining ING, she was the Director at the European Bank of Reconstruction and Development (Poland and Baltic Countries) and Finance Director at McDonalds’s Poland. She joined the Supervisory Board of ING Bank Śląski S.A. in 2016.

Mr Michał Szczurek – Deputy Chair of the Supervisory Board

(Member of the Remuneration and Nomination Committee)

He graduated, with a master’s degree in economic science, from a joint programme of Warsaw University and Columbia University. Also studied at the Faculty of Law and Administration, University of Warsaw and at the Department of Computer Sciences, Faculty of Electronics, University of Warsaw. He has been working at the ING Group N.V. since the formative years of his career. He sat on the Management Boards of: Nationale-Nederlanden Polska PTE S.A. (later known as ING Nationale-Nederlanden Polska Powszechne Towarzystwo Emerytalne S.A.),





Towarzystwo Ubezpieczeń na Życie ING Nationale-Nederlanden, ING Nationale-Nederlanden Polska S.A. and ING Bank Śląski S.A. (where he supervised the retail banking area). He also held functions on the Management Board of TMB Bank in Thailand, ING Bank Romania and was the Head of Challengers & Growth Markets (C&G), ING Asia. Since 2023, he was Country Manager for ING Bank Italy. He joined the Supervisory Board of ING Bank Śląski S.A. in 2018.

#### **Mr Stephen Creese – Supervisory Board Member**

##### **(Member of the Risk Committee)**

He graduated, with a bachelor’s (BA) degree, from University of Manchester, Economics and Economic History, Faculty of Arts. He is also a Certified Information Systems Security Professional (CISSP). From 1998 to 2021, he worked for Citigroup Inc., where he acted as the audit manager, the managing director for risk and control within the operations area and market sale and trading, and then Regional Head of Operational Risk – EMEA countries. Since June 2021, he has been associated with the ING N.V. Group as the Global Director in the area of non-financial risk and has been a member of the Supervisory Board of ING Bank Śląski S.A. since the same year.

#### **Ms Dorota Dobija – Independent Supervisory Board Member**

##### **(Chair of the Risk Committee, Member of the Remuneration and Nomination Committee, Member of the Audit Committee)**

She graduated, with a master’s degree in Cybernetics and Computer Science (specialty: Data Processing and Accounting), from the Cracow University of Economics. She got her PhD in economic science (specialty: Accounting) from the Cracow University of Economics and habilitation degree in economic science (management science) from the Kozminski University in Warsaw. She has been Full Professor in economic science since 2015. She is a certified accountant, a lecturer and researcher. She gave lectures at the Cracow University of Economics, the University of Warsaw, and Kozminski University where she has worked to this day. She was also a visiting professor at various universities around the world, including in Australia, Hongkong, the United Kingdom and others. She held supervisory functions in XIII National Investment Fund “Fortuna” and Pekao Investment Banking. She joined the Supervisory Board of ING Bank Śląski S.A. in 2021.

#### **Ms Aneta Hryckiewicz-Gontarczyk – Independent Supervisory Board Member**

##### **(Chair of the Remuneration and Nomination Committee, Member of the Risk Committee)**

She graduated, with a master’s degree in finance and accounting, from Kozminski University in Warsaw and in financial econometrics from Goethe University in Frankfurt. She got her PhD in economic science and habilitation degree in finance. Since 2023 she has been a researcher at the Said Business School, Oxford University, United Kingdom. Since 2017 she has been Professor at the Kozminski University in Warsaw. She is lecturing at the School of Business and Economics, Maastricht University, The Netherlands, and IESEG School of Management, Paris and Lille, France. She also lectured at the Goethe University in Frankfurt on the Main and at the Wharton Business School, the University of Pennsylvania, the USA. Between 2019-2023 she was member of the Polish Science Academy. During her professional career, she held supervisory functions at PEKAO Investment Banking in Warsaw. She also holds managerial positions at the Kozminski University. She has been Head of Centre for Analysis of Financial Systems and Head of the Economic Institute for Empirical Analysis since 2017 and Leader of Big Data Science Program since 2018 for example. Since 2019 she has been Head of Finance and Economics Discipline and since 2023 Vice-President of the Finance Committee at the Kozminski University. She joined the Supervisory Board of ING Bank Śląski S.A. in 2024.

#### **Mr Arkadiusz Krasowski – Independent Supervisory Board Member**

##### **(Chair of the Audit Committee, Member of the Risk Committee)**

He graduated from the Warsaw School of Economics with a master’s degree in Finance and Banking. He also completed the General Management Program at Harvard Business School. He is a Certified Information Systems Auditor and he is certified in Risk and Information Systems Control. A statutory auditor since 2003 and ACCA member since 2010. At present, he is in the process of the PhD dissertation preparation at the Nicolaus Copernicus University, Toruń. He started his professional career at Arthur Andersen Sp. z o.o. in 1998 and continued at Ernst & Young Audit Sp. z o.o., where in 2002-2008 he held the managerial roles, and later in 2008-2022 Director and Partner; including amongst other leading the Financial Markets Audit Division - Global Financial Services. Since 2020 he was Audit Committee Member at Harvard Club of Poland, and Audit Committee Chair since 2023. Since 2021 he has been Member of and since 2024 Deputy Chairman of the Business Council, at the Nicolaus Copernicus University, Toruń, Faculty of Economic Sciences and Management. Since January 2025 he is Member of the Association of Independent Non-Executive Directors. He joined the Supervisory Board of ING Bank Śląski S.A. in 2024.



Mr Hans De Munck – Supervisory Board Member

(Member of the Audit Committee)

He graduated from the University of Chicago, Graduate School of Business, receiving his Master in Business Administration with high honours. He also completed the General Management Program at Vlerick Business School. He was a teaching and research assistant at the Faculty of Applied Economics, Catholic University of Leuven in Belgium. Since the beginning of his professional career, he has been associated with the ING N.V. Group, where he has held managerial positions in the area of asset management & liabilities, market risk management, integration & analysis risk rating. He was Chief Financial Officer at ING Belgium since 2018. He joined the Supervisory Board of ING Bank Śląski S.A. in 2023.

Mr Serge Offers – Supervisory Board Member

(Member of the Audit Committee)

He graduated from the University of Amsterdam with a master’s degree in Accountancy and Control. He has been working at ING Group since the formative years of his career. He has held managerial functions there, he was Head of Regulatory Reporting or Head of External Reporting for example. He was the Chief Financial Officer at ING Romania in 2018-2022. He was Deputy CEO and Head of Business Banking at ING Romania in 2022-2024. Additionally, in 2019-2024 he was Board Member of the Netherlands Romanian Chamber of Commerce and in 2020-2024 Board Member of the Romanian Diversity Chamber of Commerce. Since October 2024 he has been Head of Business Banking at ING Germany. He joined the Supervisory Board of ING Bank Śląski S.A. in 2024.

Criterion of independence and possessed competences

	Satisfies the criterion of independence as per the Act on Statutory Auditors, Auditing Firms and Public Oversight	Knowledge of and competency in accounting or financial statements auditing (including confirmation with the qualifications of the statutory auditor)		Has knowledge of and competency in the banking area
		satisfies the criterion	Acquisition method date	
Ms Monika Marcinkowska	yes	yes	professor in economic science	yes

			(university degree – specialisation: accounting)	
Ms Małgorzata Kołakowska	no	yes	competence acquired in the course of carrying out professional activities and exercising functions in the Bank’s bodies	yes
Mr Michał Szczurek	no	yes	competence acquired in the course of carrying out professional activities and exercising functions in the Bank’s bodies	yes
Mr Stephen Creese	no	no	n.a.	yes
Ms Dorota Dobija	yes	yes	certified accountant, Professor in economic science (university degree – specialisation: data processing and accounting)	yes
Ms Aneta Hryckiewicz-Gontarczyk	yes	yes	ALK professor habilitation in finance (university degree – specialisation: financial econometrics and finance and accounting)	yes
Mr Arkadiusz Krasowski	yes	yes	chartered accountant, member of ACCA CRISC certificate, CISA certificate	yes
Mr Hans de Munck	no	yes	competence acquired in the course of carrying out professional activities and exercising functions in the Bank’s bodies	yes
Mr Serge Offers	no	yes	university degree – specialisation: accounting and controlling competence acquired in the course of carrying out professional activities and exercising functions in the Bank’s bodies	yes

Professional diversity of Supervisory Board members

Number of Supervisory Board members from the financial and audit sector	Number of Supervisory Board members from the higher education sector
6	3



## Competences, rights and obligations of the Supervisory Board

The basic mission of the Supervisory Board is to perform the supervisory function – the Supervisory Board exercises permanent supervision over the bank's activities in all areas. The specific competences and duties of the Supervisory Board include the assessment of the report on the bank's operations and the financial statements for the previous financial year, the Management Board's motions regarding the distribution of profit or coverage of loss, as well as submitting an annual written report on the results of this assessment to the General Meeting.

Apart from the aforementioned rights and obligations, the Supervisory Board adopts resolutions on matters set out in the Bank Charter. Resolutions of the Supervisory Board are passed by an absolute majority of votes, and in the event of a tie, the Chair of the Supervisory Board has the casting vote. Resolutions of the Supervisory Board may be adopted if the meeting is attended by more than half of the members of the Supervisory Board, including its Chair or Vice-Chair, provided that all members of the Supervisory Board have been invited. Meetings of the Supervisory Board are held at least 5 times a year. Resolutions of the Supervisory Board may – in the cases set out in the Charter and on the principles set out in the Supervisory Board Bylaw – be adopted without holding a meeting, in writing or by means of remote communication.

Detailed principles of the Supervisory Board's operation are set out in the Bank Charter and the Supervisory Board Bylaw adopted by the Supervisory Board. In addition to the rights and obligations provided for in these regulations, the powers of the Supervisory Board include in particular:

- approval of the following adopted by the Board: the ING Bank Śląski strategy and the annual financial plan,
- approving the overall level of risk acceptable to the Management Board, including operational and compliance risks,
- supervising the introduction and operation of an adequate and effective risk management system and internal control system at the bank,
- supervising the compliance of the bank's risk-taking regulations in line with the bank's strategy and financial plan,
- selection of an audit firm to audit and review the bank's financial statements and the consolidated financial statements of the bank's capital group,
- adopting the Supervisory Board Bylaw and its committees,

- approving the strategies and procedures developed by the Management Board in the scope of the internal control system, risk management system, internal capital assessment process, capital management and capital planning
- approving the policies and bylaws adopted by the Management Board, including: *Dividend Policy, Remuneration Policy, Management Board Bylaw, Bank Organisational Bylaw* ,
- giving opinions on motions and matters subject to resolutions of the General Meeting, including draft resolutions of the General Meeting,
- presenting to the Ordinary General Meeting reports and assessments set out in the regulations, recommendations of the supervision authority and other regulations adopted by the bank, including the assessment of the bank's situation, including the assessment of internal control systems, risk management, Compliance and the internal audit function,
- assessment of the functioning of the remuneration policy at the bank,
- assessment of the bank's application of the *Principles of Corporate Governance for Supervised Institutions* ,
- appointment and dismissal of members of the Management Board, as well as suspension of members of the Management Board and delegating members of the Supervisory Board to temporarily perform the duties of members of the Management Board,
- applying to the Polish Financial Supervision Authority for consent to appoint the President of the Management Board and a member of the Management Board overseeing the management of risks relevant to the bank's operations,
- concluding agreements with members of the Bank Management Board regarding the performance of their functions and determining the remuneration resulting from these agreements (as part of the general principles adopted by the General Meeting),
- approving the policy of variable components of remuneration for persons holding managerial positions at the bank,
- expressing consent for Members of the Bank Management Board to act as governing bodies of companies, societies, organizations and associations outside the bank's capital group,





- granting consent to grant loans, bank guarantees and sureties to members of the Management Board and Supervisory Board and entities related to them by capital or organization,
- expressing consent to activities that meet certain statutory criteria, including for the purchase and sale of fixed assets, establishment of a company, acquisition or purchase of shares and stocks, conclusion by the bank of significant transactions with a shareholder, including the consent or opinion on certain transactions with the bank’s related entities,
- expressing consent to the appointment and dismissal of directors of the Internal Audit Department and the Centre of Expertise – Compliance and approval of their remuneration
- considering the regular and exhaustive information received from the Management Board on all significant matters relating to the bank’s operations, risks related to the business as well as the methods and effectiveness of risk management.

When exercising supervision over the bank’s operations, the Supervisory Board has the right to control the full scope of the bank’s operations, in particular:

- checking books, files and documentation,
- auditing the bank’s assets and financial control,
- request the Bank Management Board to present all documents, materials and information regarding the Company’s operations,
- request relevant reports and explanations from the bank’s employees,
- participate in the meetings of the Bank Management Board.

Attendance and topics of the Supervisory Board meetings in 2024

In 2024, Members of the Bank’s Supervisory Board devoted the necessary amount of time to perform their duties. Between 1 January and 31 December 2024, the Supervisory Board held seven meetings; it also adopted resolutions by circulation (fifteen times). Meetings were held in both in-person and hybrid modes.

Meetings were held on the following dates: 22 February (known as *Strategy Day*), 8 March, 11 April, 7 June, 3 September, 27 September and 29 November, and by circulation on: 2 January, 17 January, 14 February, 26

February, 27 February, 25 April, 23 May, 20 June, 8 August, 26 August, 8 October, 23 October, 5 December, 6 December and 19 December.

Dates of Supervisory Board meetings in 2024



Dates of meetings of the Supervisory Board by circulation in 2024



In total, the Supervisory Board adopted 135 resolutions, of which 27 were adopted by circulation. All meetings were held in a composition and manner that allowed binding resolutions to be adopted, with high attendance.





The attendance of Supervisory Board members at Supervisory Board meetings in 2024 is given in the table below.

Attendance in 2024 (Attendance at meetings / Number of meetings during the mandate)	
Monika Marcinkowska	22/22
Małgorzata Kołakowska	22/22
Michał Szczurek	20/22
Stephen Creese	22/22
Dorota Dobija	22/22
Aneta Hryckiewicz-Gontarczyk (SB member from the date of appointment by the OGM, i.e. from 11 April 2024)	15/15
Arkadiusz Krasowski (SB member from the date of appointment by the OGM, i.e. from 11 April 2024)	15/15
Hans De Munck	21/22
Serge Offers (SB member from the date of appointment by the OGM, i.e. from 11 April 2024)	15/15
Aleksander Galos (SB member until the date of the OGM, i.e. 11 April 2024)	7/7
Katarzyna Zajdel-Kurowska (SB member until 29 February 2024)	5/6

During its meetings, the Supervisory Board considered matters resulting from legal regulations and supervisory recommendations, as well as matters related to the current operations of the company. The Supervisory Board received from the Bank Management Board extensive information on the current economic and financial situation of the bank, its operation, action plans and any important events that may affect its operation.

Irrespective of the regular meetings, the members of the Supervisory Board were in constant and direct contact with the Bank Management Board, taking an active part in all relevant issues concerning the Bank’s activities.

The Chairs of the Audit Committee of the previous and new terms of office held regular meetings with the Vice-President of the Management Board overseeing the CFO Division to discuss the bank’s financial statements prior to their publication and meetings with the Director of the Internal Audit Department on the specifics of the internal

audit function and the Centre of Expertise Lead III – Compliance on issues in the area of compliance risk management. The Chair of the Risk Committee of the previous and new terms of office held regular meetings with the managers of the various risk areas, and the Chairs of the Remuneration and Nomination Committee of the previous and new terms of office met regularly with the management of the Centre of Expertise – HR.

In the course of the work carried out in Q1 2024, the Supervisory Board prepared and presented to the General Meeting: the required assessment of the company’s situation, including the assessment of internal control systems, risk management, compliance and internal audit functions, as well as a report on the activities of the Supervisory Board. Moreover, the Supervisory Board presented the General Meeting with an assessment of the manner in which the bank fulfils its disclosure obligations, which relate to the application of corporate governance principles, as well as an assessment of the rationality of the bank’s sponsorship and charity policy. In 2024, the Supervisory Board considered and gave a favourable opinion on the draft resolutions presented to the General Meeting convened on 11 April 2024.

In the course of its work, the Supervisory Board discusses ESG topics (including ESG risks). The Board approves the ESG strategy as part of the Bank’s Business Strategy. ESG issues, including environmental, social and corporate governance factors, are specifically addressed by the Supervisory Board as part of the Supervisory Board Sustainability Panel set up in the second half of the year. ESG risks, including climate risk, also form part of the cyclical Risk Report presented to the Board and Risk Committee. In addition, the Board periodically reviews reports on the bank’s employees’ compliance with ethical principles, assesses the adequacy and effectiveness of the system of anonymous reporting of violations of law, internal regulations and ethical standards at ING Bank Śląski S.A. and analyses information on employee issues as part of the bank’s cyclical OHI surveys.

In 2024, special attention of the Supervisory Board was given to the recruitment process for the position of the Bank’s President of the Management Board. In view of the expiry of Mr Bruno Bartkiewicz’s mandate in 2025 at the end of his current term as President of the Bank Management Board, i.e. on the date of the General Meeting approving the financial statements for 2024, the Supervisory Board decided at its meeting on 11 April 2024 to commence the recruitment process for the position of President of the Bank Management Board. The recruitment process took place taking into account the succession plan for the position of President of the Management Board, in accordance with the principles set out in the bank’s *Policy of Appointing, Onboarding and Recalling Members of the Management Board of ING Bank Śląski S.A.* In particular, members of the Remuneration and Nomination Committee were involved in the process. Following the recruitment process, based on the recommendation of the Remuneration and Nomination Committee, issued in connection with the assessment of the suitability of the



candidate for the position of President of the Management Board, in light of the fulfilment of the requirements set out in Article 22aa of the Banking Law Act, on 3 September 2024 the Supervisory Board adopted a resolution to appoint Mr Michał Bolesławski as President of the Management Board of the Bank as of the date of the General Meeting of Shareholders approving the financial statements for 2024, subject to the required approval of the Polish Financial Supervision Authority. On 20 December 2024, the bank was informed that the Polish Financial Supervision Authority had given its consent to the appointment of Mr Michał Bolesławski as President of the Bank Management Board.

In addition, on 29 November 2024, the Supervisory Board took note of the information of Mr Sławomir Soszyński, acting as Vice-President of the Bank Management Board supervising the CIO Division, that he had resigned from seeking election to the Bank Management Board for the next term of office, which will commence on the date of the General Meeting approving the financial statements for 2024.

Supervisory Board members are continuously improving their competences. In 2024, members of the Supervisory Board participated in internal training courses organised by the bank. Workshop sessions were held each quarter, in accordance with the training plan adopted by the Supervisory Board, with numerous Supervisory Board members in attendance. Workshops were devoted to artificial intelligence, the Know Your Customer (KYC) area, the DORA regulation, index reform and the WIBOR transit, among other topics. There was also a session on ESG issues (e.g. taxonomy, reporting, reputational risk) and training on how to develop and operate a *Recovery Plan* in a bank. In addition, the Chair of the Audit Committee and the Chair of the Supervisory Board attended an anti-fraud training course. In addition, the new Supervisory Board Members were introduced to their responsibilities through meetings with members of the Bank Management Board and representatives of key areas of the bank.

In order to support members of the Supervisory Board in their tasks, the Supervisory Board shall appoint members of the Audit Committee, Remuneration and Nomination Committee and Risk Audit Committee from among its members.

## Remuneration and Nomination Committee

### ESRS 2 GOV-3.29

The Remuneration and Nomination Committee supports the Supervisory Board in terms of monitoring and supervision over the bank's human resources and payroll area, and in particular, in the selection of Management Board Members, the diversity policy, suitability assessment of Management Board Members, succession plans, staff

rotation processes, satisfaction surveys of the bank's employees, and the remuneration and bonus policy, including the policy of variable remuneration components.

The activities of the Remuneration and Nomination Committee are described in detail in the *ING Bank Śląski S.A. Supervisory Board Remuneration and Nomination Committee Bylaw* adopted by the Supervisory Board.

The Remuneration and Nomination Committee meets at least once a quarter.

The Remuneration and Nomination Committee consists of at least 3 members of the Supervisory Board. Most of the Remuneration and Nomination Committee members, including the Chair, should meet the criteria for Independent Members of the Supervisory Board. The Committee currently comprises five members, including three independent Supervisory Board members.

In 2024, there were changes to the composition of the Remuneration and Nomination Committee. Following the appointment on 11 April 2024 by the General Meeting of the Supervisory Board of the new term, the Supervisory Board, at its first meeting of the new term on the same date, appointed the composition of the Remuneration and Nomination Committee, at the same time commissioning an additional individual adequacy assessment of Ms Aneta Hryckiewicz-Gontarczyk for her role as Chair of the Remuneration and Nomination Committee and an additional collective adequacy assessment of the Remuneration and Nomination Committee in its new composition. Following the assessment, on 22 May 2024, the competence of the members of the Remuneration and Nomination Committee was confirmed and that the Remuneration and Nomination Committee meets the adequacy criteria provided for the Committee, including the criterion of independence of a sufficient number of members, including the independence of the Chair of the Remuneration and Nomination Committee. The Supervisory Board on 23 May 2024 adopted the above assessments in a Resolution.

As at 31 December 2024, the composition of the Remuneration and Nomination Committee was as follows:

- Aneta Hryckiewicz-Gontarczyk – Chair (Independent Member),
- Dorota Dobija – Member (Independent Member),
- Małgorzata Kołakowska – Member,
- Monika Marcinkowska – Member (Independent Member),
- Michał Szczurek – Member.



The biographies of the Committee members showing individual competences are presented [here](#).

### Competences, powers and tasks of the Remuneration and Nomination Committee

The Remuneration and Nomination Committee's competences include, inter alia:

- selecting and assessing the suitability of Management Board members, including analysing candidates for Management Board members and presenting recommendations to the Supervisory Board in this regard and determining the scope of duties for a candidate to the Bank Management Board,
- presenting proposals regarding the content of agreements for the performance of the functions of a Management Board member, taking into account the amount of remuneration, including variable remuneration,
- overseeing the policy regarding the selection and appointment of persons holding managerial positions at the bank,
- monitoring succession plans, employee rotation processes and employee satisfaction surveys of the bank,
- supervising the policy of the remuneration system in place at the bank, including monitoring of the remuneration and bonus policy,
- supervising the *Variable Remuneration Policy of Identified Staff of ING Bank Śląski S.A.*,
- monitoring the control mechanisms for the level of remuneration of employees of the Internal Audit Department and the Centre of Expertise – Compliance and protection of employees of these units against unjustified termination of employment,
- supervising the remuneration package for persons responsible for control functions reporting directly to the Management Board of ING Bank Śląski S.A.
- submitting recommendations to the Supervisory Board regarding the approval of the *Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and Key Function Holders at ING Bank Śląski S.A.* and changes to its content
- determining the target value of the representation of the underrepresented gender in the Bank Management Board and Supervisory Board,
- developing a diversity policy in the composition of the Bank Management Board and Supervisory Board,

- periodic assessment of the structure, size, composition and effectiveness of the Management Board,
- periodic analysis of the knowledge, competences and experience of the Management Board as a whole and of individual members of the Management Board,
- analysis of succession and employee development plans, in particular of managerial staff,
- monitoring the fluctuation process of the bank's employees based on interim reports presented by the Management Board,
- monitoring the processes of testing the satisfaction of the bank's employees, in particular with regard to methodology, research results and actions taken on their basis.
- developing proposals for the remuneration of members of the Supervisory Board and presenting them to the Supervisory Board in order to submit a motion to the General Meeting,
- analysis of the remuneration and bonus policy, with particular emphasis on remuneration of senior management,
- presenting the Supervisory Board with recommendations on the results of the review carried out by the heads of units of the Internal Audit Department and the Centre of Expertise – Compliance in cooperation with HR regarding the level and structure of employment and remuneration
- presenting the Supervisory Board with recommendations regarding information on the implementation of the remuneration policy in relation to the manager and employees of the Internal Audit Department, as well as the manager and employees of the Centre of Expertise – Compliance, taking into account possible changes and the remuneration budget.

### Attendance and topics of the Remuneration and Nomination Committee meetings in 2024

The Remuneration and Nomination Committee held ten meetings between 1 January and 31 December 2024. The Remuneration and Nomination Committee also made one recommendation by circulation. The meetings of the Remuneration and Nomination Committee were held on the following dates: 26 February, 8 March, 22 March, 3 April, 22 May, 7 June, 3 September, 27 September, 28 November and 29 November, and by circulation on 4 November.





In total, the Committee issued 62 recommendations, 5 opinions, 2 evaluations and 2 decisions (including 1 decision by circulation).

All meetings were held in a composition and mode that enabled binding recommendations to be made, with high attendance. The attendance of Remuneration and Nomination Committee members at the 2024 Committee meetings is given in the table below.

Attendance in 2024 (Attendance at meetings / Number of meetings)	
Aneta Hryckiewicz-Gontarczyk (Committee Chair from 11 April 2024)	7/7
Dorota Dobija (Committee Member)	11/11
Małgorzata Kołakowska (Committee Member)	11/11
Monika Marcinkowska (Committee member as of 11 April 2024)	7/7
Michał Szczurek (Committee member as of 11 April 2024)	7/7
Aleksander Galos (Committee member until 11 April 2024)	4/4

In 2024, the work of the Committee focused primarily on the following areas:

- proactively overseeing the process of assessing the suitability of the members of the Supervisory Board, the Management Board and persons performing key functions in the bank, including:
  - periodic annual assessment of the suitability of the Bank’s Supervisory Board and Management Board,
  - assessing the suitability of the candidate for membership of the Supervisory Board,
  - assessing the suitability of the Chairs of the Audit Committee, the Risk Committee and the Remuneration and Nomination Committee,
  - assessing the suitability of the Audit Committee, the Risk Committee and the Remuneration and Nomination Committee,

- assessing the suitability of a member of the Supervisory Board in connection with a change of engagement,
- monitoring the adequacy and effectiveness of the bank’s employment policy,
- review of succession for the positions of members of the Bank Management Board,
- monitoring the adequacy and effectiveness of the bank’s remuneration policy,
- analysing information on pay policy/practice assumptions for 2024 and 2025,
- assessment of the level of achievement of goals for 2023 by members of the Bank Management Board and setting bonus tasks for 2024,
- development and presentation of recommendations to the Supervisory Board in the scope of the Report on the implementation of the remuneration policy in relation to employees and the Director of the Internal Audit Department,
- development and presentation of recommendations to the Supervisory Board regarding the Report on the implementation of the remuneration policy in relation to employees and the Lead II Centre of Expertise – Compliance,
- analysis of the proposed remuneration packages for persons performing control functions at the bank submitted by the Management Board,
- analysis of the results of the remuneration review based on the Hay Group report.

In 2024, the attention of the Remuneration and Nomination Committee was also devoted to the recruitment process for the position of President of the Management Board of the Bank. In accordance with the information provided above, in connection with the expiry in 2025 of the mandate of Mr Bruno Bartkiewicz at the end of his current term as President of the Bank Management Board, the Supervisory Board decided at its meeting on 11 April 2024 to commence the recruitment process for the position of President of the Bank Management Board. The recruitment process took place taking into account the succession plan for the position of President of the Management Board, in accordance with the principles set out in the bank’s *Policy of Appointing, Onboarding and Recalling Members of the Management Board of ING Bank Śląski S.A.*

During the recruitment process, the Remuneration and Nomination Committee held, inter alia, two working meetings – on 26 April and 28 June 2024 – to discuss the status of the work. Members of the Remuneration and





Nomination Committee took an active part in the panel meetings conducted as part of the recruitment process. Upon completion of the recruitment process, taking into account the results of the adequacy assessment, the panel interviews and the documentation gathered during the recruitment process, on 3 September 2024 the Remuneration and Nomination Committee decided to recommend to the Supervisory Board the appointment of Mr Michał Boleslawski as President of the Bank Management Board, as of the date of the General Meeting approving the financial statements for 2024, subject to the approval of the Polish Financial Supervision Authority, but not earlier than the date of the aforementioned approval.

According to the information provided above, on 20 December 2024, the Bank was informed that the Polish Financial Supervision Authority had given its approval for the appointment of Mr Michał Boleslawski as President of the Bank Management Board.

## Risk Committee

The Risk Committee supports the Supervisory Board in terms of monitoring and supervision over the risk management process, including the operational risk, the credit risk, and the market risk, and also the internal capital estimation process, capital management and planning and the model risk, and the capital adequacy area.

The activities of the Risk Committee are described in detail in the Supervisory Board Risk Committee Bylaw of ING Bank Śląski S.A. adopted by the Supervisory Board

The Risk Committee meets at least once a quarter.

According to the Bylaw, the Risk Committee is composed of at least 3 members of the Supervisory Board. Most Committee Members, including the Chair, should meet the criteria for Independent Members of the Board.

In 2024, the following changes to the composition of the Risk Committee took place:

According to the information provided above, following the resignation of Ms Katarzyna Zajdel-Kurowska from her position as Member of the Supervisory Board of ING Bank Śląski S.A. as of 29 February 2024, which affected the composition of the Risk Committee, Mr Aleksander Galos joined the Risk Committee as of 1 March 2024.

Further changes to the composition of the Committee took place after the General Meeting appointed the Supervisory Board for a new term of office on 11 April 2024. At its first meeting of the new term of office on the same date, the Supervisory Board appointed the composition of the Risk Committee, at the same time

commissioning an additional individual assessment of the adequacy of Ms Dorota Dobija to act as Chair of the Risk Committee and an additional collective assessment of the adequacy of the Risk Committee in its new composition.

Following the assessment, on 22 May 2024, the Remuneration and Nomination Committee confirmed the individual competence of the Risk Committee Members and that the Risk Committee meets the adequacy criteria provided for the Committee, including the criterion of independence of a sufficient number of members, including the independence of the Risk Committee Chair, and recommended their approval to the Supervisory Board. On 23 May 2024, the Supervisory Board adopted the above assessments in a Resolution

Thus, as at 31 December 2024, the Risk Committee was composed as follows:

- Dorota Dobija – Chair (Independent Member),
- Stephen Creese – Member,
- Aneta Hryckiewicz-Gontarczyk – Member (Independent Member),
- Małgorzata Kołakowska – Member,
- Arkadiusz Krasowski – Member (Independent Member),
- Monika Marcinkowska – Member (Independent Member).

Currently, the Risk Committee consists of 6 members, including 4 independent members.

The biographies of the Committee members showing individual competences are presented [here](#).

### Competences, powers and tasks of the Risk Committee

The competences of the Risk Committee include inter alia:

- determining the bank's current and future risk appetit,;
- giving opinions on the risk management strategy in the bank's operations developed by the Bank Management Board and the information submitted by the Management Board regarding the implementation of this strategy,
- supporting the Supervisory Board in supervising the implementation of the risk management strategy in the bank's operations by senior management, estimating internal capital and reviewing strategies and procedures for estimating internal capital and maintaining internal capital on a permanent basis,



- verification whether the prices of liabilities and assets offered to clients fully reflect the bank’s business model and its risk strategy,
- giving opinions on the appointment of external experts by the Supervisory Board,
- making recommendations to the Supervisory Board regarding changes in key risk positions,
- presenting the Supervisory Board with recommendations on granting a cash loan, bank guarantee, surety or other off-balance sheet obligations to members of the Management Board, Supervisory Board and other persons indicated in Article 79-79c of the Banking Law Act, to the extent that the consent of the Board is required,
- analysis of information on the bank’s remuneration policy/practice.

Attendance and topics of the Risk Committee meetings in 2024

In the period from 1 January to 31 December 2024, the Risk Committee held four meetings. The Risk Committee also made recommendations and decisions by circulation (eleven times). Risk Committee meetings were held on the following dates: 7 March, 6 June, 26 September and 28 November, and by circulation on: 2 January, 17 January, 25 April, 29 April, 20 June, 5 August, 8 August, 8 October, 23 October, 28 October and 5 December. In total, the Risk Committee made 32 recommendations (of which 12 were made by circulation) and 3 decisions (all by circulation).

All meetings were held in a composition and mode that enabled binding recommendations to be made, with high attendance.

The attendance of Risk Committee members at Committee meetings in 2024 is given in the table below.

Attendance in 2024 (Attendance at meetings / Number of meetings during the mandate)	
Dorota Dobija (Committee Chair)	15/15
Stephen Creese (Committee Member)	15/15
Aneta Hryckiewicz-Gontarczyk (Committee member as of 11 April 2024)	12/12
Małgorzata Kołakowska (Committee Member)	15/15

Arkadiusz Krasowski (Committee member as of 11 April 2024)	12/12
Monika Marcinkowska (Committee Member)	15/15
Katarzyna Zajdel-Kurowska (Committee Member until 29 February 2024)	2/2
Aleksander Galos (Committee Member from 1 March to 11 April 2024)	1/1

As part of the bank’s risk monitoring process, a standing item on the Risk Committee’s agenda in 2024 was the risk report, the components of which are the credit, market, operational (non-financial) and model risk reports. Information from the area of CHF mortgage loans, as well as ESG and climate risk issues, was an important part of the report under discussion.

In 2024, the work of the Committee was also focused, inter alia, in the following areas:

- development and presentation of recommendations to the Supervisory Board in the field of documents relating to the risk management area, including the Risk Management Strategy for 2024-2026,
- development and presentation of recommendations to the Supervisory Board on key risk appetite limits for the retail and corporate credit risk areas and the Non-financial Risk Appetite Statement,
- the development and presentation of recommendations to the Supervisory Board from the area of contracting by the bank, which should be qualified as likely to have a significant impact on the financial or legal situation of the bank,
- analysis of the Capital Management and Capital Adequacy Process Report (ICAAP) at ING Bank Śląski S.A. for 2023,
- analysis of the Report on the Review of the Internal Liquidity Adequacy Assessment Process (ILAAP) at ING Bank Śląski S.A. for 2023,
- analysis of information on the pay policy/practice assumptions for 2024 and 2025, including the determination of the adjustment factor applicable to the annual bonus for 2024 for bank staff.

In order to implement the requirement under Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms, amending



Regulation (EU) No 648/2012, as amended, and Recommendation M on operational risk management in banks and Recommendation Z on internal governance principles in banks, in 2024, the Risk Committee’s attention was also focused on the bank’s process of preparing and publishing interim qualitative and quantitative information on capital adequacy, which is disclosed on a quarterly basis for the Bank Group. In 2024, the Risk Committee issued three decisions by circulation in this regard.

## Audit Committee

The Audit Committee supports the Supervisory Board in monitoring and supervising the financial reporting process, internal and external audit and the management system at the bank and its subsidiaries, in particular the adequacy and effectiveness of the internal control system and the risk management system, relations between the bank and the entity performing the audit bank’s financial statements.

The activities of the Audit Committee are described in detail in the *ING Bank Śląski S.A. Supervisory Board Audit Committee Bylaw* adopted by the Supervisory Board.

The Audit Committee meets at least once a quarter. While performing its tasks, the Audit Committee may use the assistance of experts.

Pursuant to the Bylaw, the Audit Committee consists of at least 3 members of the Supervisory Board. Most members of the Audit Committee, including its Chair, should meet the criteria of independence, and at least one of the Independent Members in the Audit Committee should additionally have qualifications in the field of accounting or financial audit. Currently, the Audit Committee consists of three independent Members of the Supervisory Board, which meets the requirements set out in the Act of 11 May 2017 on Statutory Auditors, Audit Firms and Public Supervision.

In 2024, there were changes in the composition of the Audit Committee. According to the information given above, following the resignation of Ms Katarzyna Zajdel-Kurowska from the Supervisory Board of ING Bank Śląski S.A. as of 29 February 2024, which affected the composition of the Audit Committee, Mr Aleksander Galos joined the Audit Committee as of 1 March 2024.

Further changes to the composition of the Committee took place after the General Meeting appointed the Supervisory Board for a new term of office on 11 April 2024. At its first meeting of the new term of office on the same date, the Supervisory Board appointed the composition of the Audit Committee, at the same time commissioning an additional individual assessment of the adequacy of Mr Arkadiusz Krasowski to act as Chair of

the Audit Committee and an additional collective assessment of the adequacy of the Audit Committee in its new composition.

Following the assessment, on 22 May 2024 the Remuneration and Nomination Committee confirmed the individual competence of the members of the Audit Committee, and that the Audit Committee fulfils the criterion of collective suitability comprising that a sufficient number of members have knowledge and skills in accounting, auditing and banking, and the criterion of independence of a sufficient number of members, including the independence of the Chair of the Audit Committee, and recommended their approval to the Supervisory Board. On 23 May 2024, the Supervisory Board adopted the above assessments in a Resolution.

Thus, as at 31 December 2024, the composition of the Audit Committee was as follows:

- Arkadiusz Krasowski – Chair (Independent Member),
- Dorota Dobija – Member (Independent Member),
- Monika Marcinkowska – Member (Independent Member),
- Hans de Munck – Member,
- Serge Offers – Member.

In accordance with the requirements of the Act of 11 May 2017 on Statutory Auditors, the majority of members, including the Chair of the Committee, meet the independence criteria. Mr Arkadiusz Krasowski is a chartered accountant, a member of ACCA and holds CRISC and CISA certifications. In addition, Ms Monika Marcinkowska and Ms Dorota Dobija have knowledge and experience in the field of accounting/auditing confirmed by the title of professor. The other members of the Committee, i.e. Mr Hans De Munck and Mr Serge Offers, have competences acquired in the course of their professional activities. Mr Serge Offers also completed a degree in accounting and controlling.

The biographies of the Committee members showing individual competences are presented [here](#).

### Competences, powers and tasks of the Audit Committee

The competences of the Audit Committee include inter alia:

- financial reporting process,





- monitoring the effectiveness of internal control systems, internal audit and risk management, including financial reporting,
- monitoring of financial audit activities, especially performance of an audit by an auditing firm taking into consideration conclusions and findings of the National Audit Oversight Committee resulting from controls conducted in an auditing firm,
- controlling and monitoring of the independence of a statutory auditor and an auditing firm, especially in the event whereby an auditing firm performs services other than audit.

The tasks of the Audit Committee also include:

- supervising the bank’s relations with related entities by monitoring the agreements concluded by the bank with these entities,
- performing other supervisory activities in the areas specified separately by the Supervisory Board or resulting from internal regulations approved by the Supervisory Board,
- assessment and presentation of recommendations in the field of dividend policy,
- development and presentation of recommendations to the Supervisory Board regarding the implementation of the policy of selecting an audit firm to conduct the audit and the policy of providing permitted non-audit services by the audit company conducting the audit, by entities related to this audit company and by a member of the audit company’s network,
- defining and adopting the procedure for selecting an audit firm.

Attendance and topics of the Audit Committee meetings in 2024

The Audit Committee held five meetings between 1 January and 31 December 2024. The Committee also made recommendations by circulation (four times). Meetings were held on the following dates: 7 March, 6 June, 26 September, 22 October and 28 November and by circulation on: 12 January, 14 February, 22 August and 6 December. In accordance with the requirements of the Best Practice for Public Interest Entities on the Principles for the Appointment, Composition and Functioning of the Audit Committee issued by the Office of the Polish Financial Supervision Authority as of 24 December 2019 and the Audit Committee Bylaw, the Audit Committee held separate closed meetings on 7 March and 28 November 2024 with: Vice-President of the Management Board overseeing the CFO Division and with representatives of the internal auditor and external auditor.

In total, the Audit Committee made 26 recommendations to the Supervisory Board (including 5 recommendations by circulation) and took 3 decisions (including 2 by circulation). All meetings were held in a composition and mode that enabled binding recommendations to be made, with high attendance.

The attendance of Audit Committee members at Committee meetings in 2024 is given in the table below.

Attendance in 2024 (Attendance at meetings / Number of meetings during the mandate)	
Arkadiusz Krasowski (Committee Chair from 11 April 2024)	6/6
Dorota Dobija (Committee Member)	9/9
Monika Marcinkowska (Committee Member)	9/9
Hans De Munck (Committee Member)	9/9
Serge Offers (Committee member as of 11 April 2024)	6/6
Katarzyna Zajdel-Kurowska (Committee Member until 29 February 2024)	0/0
Michał Szczurek (Committee Member until 11 April 2024)	3/3
Aleksander Galos (Committee Member from 1 March to 11 April 2024)	1/1

In 2024, the work of the Committee focused primarily on the following areas:

- monitoring the adequacy and effectiveness of the internal control system and the risk management system, including compliance risk,
- development and presentation of recommendations to the Supervisory Board regarding the implementation of changes to the policy of selecting an audit firm to conduct an audit and the policy of providing permitted non-





audit services by the audit company conducting the audit, by entities related to this audit company and by a member of the audit company's network,

- determining the scope of work of the entity authorized to audit the financial statements of ING Bank Śląski S.A. and the consolidated financial statements of the ING Bank Śląski S.A. Group after selecting the entity authorized by the Supervisory Board,
- overseeing the relationship between the bank and the bank's auditor, including an analysis of the work performed by the auditor and the results of the audit, together with assumptions for the Letter to the Management Board,
- evaluation of the annual financial statements of ING Bank Śląski S.A. and ING Bank Śląski S.A. Capital Group,
- analysis of information and materials provided periodically by the external auditor and presentations by the external auditor made directly to Audit Committee members at Committee meetings,
- constant analysis of the periodic reports provided by the Director of the Internal Audit Department on the status of the implementation of the audit plan of the Internal Audit Department and the status and changes in the timing of the implementation of post-audit recommendations,
- monitoring of compliance work.

Other areas of work for the Audit Committee in 2024 include:

- monitoring the bank's relationships with related entities, including analysis of periodic information on related party agreements,
- supervision of the compliance area in the bank, including the development and presentation of recommendations to the Supervisory Board regarding amendments to the *Policy – Principles of Internal Governance in the ING Bank Śląski S.A. Group*,
- constant analysis of interim reports quarterly report of Compliance risk,
- analysis of critical and high-risk recommendations,
- analysis of financial and regulatory reporting information and the reporting control environment.

In addition, in the course of its work in 2024, the Committee leaned, on an ongoing basis, on the issues identified in the Good Practices for Public Interest Entities Concerning the Rules of Establishment, Composition and Functioning of the Audit Committee published on 24 December 2019 by the Office of the Polish Financial Supervision Authority. Bearing in mind the provisions of the Practices regarding the activities of:

- financial reporting process,
- monitoring the effectiveness of internal control, internal audit and risk management systems,
- monitoring the performance of audit activities,
- to control and monitor the independence of the statutory auditor and audit firm, in particular when services other than audit are provided to the public interest entity by the audit firm.

The Audit Committee – on the basis of information and documents provided by the Bank Management Board and analyses conducted during its meetings – carried out a risk assessment of the processes and areas being monitored. The Committee's assessment did not differ from the assessments made by the Board. The work carried out did not identify any areas for which the actions taken by the Management Board were inadequate to the bank's situation, market requirements or regulatory recommendations. Particular attention was paid to the following areas of banking activity: ensuring the bank's compliance with legislation, fraud prevention, Know Your Customer (KYC), model risk, IT and outsourcing.

## Internal Audit

The bank's risk management and internal control systems are organised on three independent levels (the so-called Three Lines of Defence Model), where the Internal Audit Department (hereinafter: Internal Audit) acts as a third line of defence. Internal Audit's primary responsibility is to independently and objectively assess the adequacy and effectiveness of the functioning of the internal control system, the risk management system, organisational governance and the systems and processes in place. This task is carried out through regular audits conducted at the bank, covering all significant areas of the bank's and its subsidiaries' activities. In addition, the internal audit function of ING Bank Śląski Group has been separated into ING Bank Hipoteczny S.A..

Internal Audit's tasks are carried out in accordance with the *Audit Charter* approved by the Bank's Supervisory Board and with the provisions of the *International Standards for the Professional Practice of Internal Auditing* set out by the Institute of Internal Auditors (IIA), taking into account the requirements set out by the supervision authority (PFSA



Office) in particular in Recommendation H. The last positive external verification of the Internal Audit’s compliance with these provisions, carried out over a five-year cycle, took place in May 2021. In addition, the bank’s internal auditors are required to comply with the principles set out in the Institute of Internal Auditors’ Code of Ethics.

A key factor for the proper performance of audit tasks is to ensure the full independence of the bank’s internal audit function. A number of organisational arrangements are used for this purpose, the most important of which are:

- proper positioning in the organisational structure – Internal Audit reports directly to the Bank’s President of the Management Board and is supervised directly by the Audit Committee in terms of audit activities and methodology,
- the auditors’ remuneration is not linked to the bank’s financial performance,
- approving the appointment and removal of the Head of Internal Audit by the Bank’s Supervisory Board,
- monitoring potential conflicts of interest of auditors.

Internal Audit’s independence is further strengthened by:

- direct contact between internal auditors and members of the Management Board, Audit Committee, Supervisory Board and the bank’s auditor,
- participation of Internal Audit representatives in all meetings of the Bank Management Board, Audit Committee and Supervisory Board,
- non-involvement of internal auditors in the bank’s operational activities.

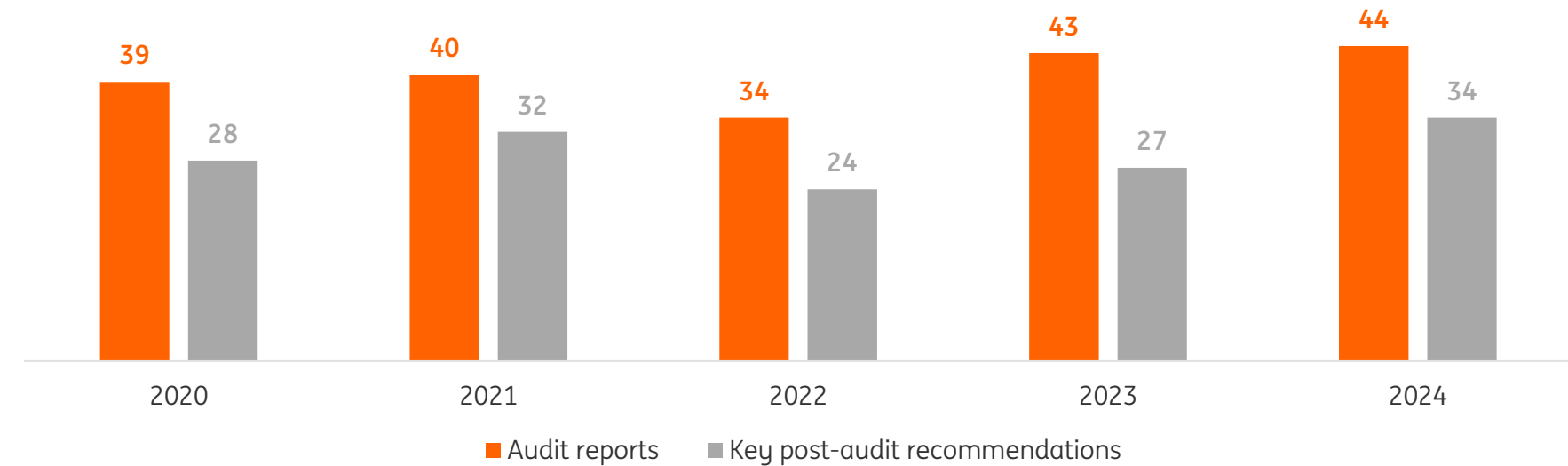
Internal Audit auditors are required to perform their tasks with objectivity and due professional care. As at 2024 yearend, 62% of the bank’s internal auditors held recognised industry certifications (e.g. CIA, CISA, ACCA). In addition, the bank supported them to further develop their professional skills. The average training hours completed per auditor in 2024 was 68.

In 2024, Internal Audit performed all planned audit tasks, issuing 44 reports and 34 key post-audit recommendations.

The audit plan was periodically reviewed and modified to cover areas currently relevant to the bank’s strategy and to take into account the expectations of the supervision authority. In addition, eight audits assessed the maturity level of the organisation’s risk culture in the audited area. Internal Audit monitored the status of the

implementation of the post-audit recommendations and those from the regulators on an ongoing basis and gave an opinion on the correctness of their implementation. In 2024, the bank implemented the key audit recommendations substantially on time and there were no overdue items as at 31 December 2024. The results of the work and monitoring carried out by Internal Audit were periodically reported to the Management Board, the Audit Committee and the Bank’s Supervisory Board.

Audit plan 2020-2024



## Risk control and management system in the process of preparing financial statements

The process of preparing financial statements is carried out within the CFO Division as one of the key elements of compliance with the standards. The basic elements enabling the implementation of the process are the *Accounting Policy* adopted by the Bank Management Board and the organization of accounting in the bank, defining the main principles of recording the bank’s economic events. As a consequence of recording events, the bank’s books are created, which are the basis for the preparation of financial statements.

In the process of preparing financial statements, the bank identified the following types of risk:

- the risk of incorrect input data,
- the risk of incorrect data presentation in financial statements,



- the risk of untimely reporting to external recipients,
- the risk of using incorrect estimates,
- the risk of lack of integration of IT systems and operational and reporting applications.

In order to mitigate this risk, the bank defined the structure of the process of preparing financial statements in two layers: application and content.

The application part of the process consists of the data flow from the bank's basic operating systems through a series of interfaces to the reporting database on which reporting applications are embedded. The application layer is controlled in accordance with the bank's *IT Risk Policy at ING Bank Śląski S.A.* Controls include user management, development environment management, integrity of data transfer systems, including the correct operation of interfaces in terms of completeness of data transfer from operating systems to the reporting environment.

The bank has a description of the process according to the principles adopted at the Bank for the purposes of correct management of the process of preparing financial statements. The description includes the key elements occurring in the process and the identification of their performers. In addition, the *Manual Describing the Approach to Financial and Regulatory Reporting at ING Bank Śląski S.A.* identifies key control points. The key controls embedded in the process of preparing the bank's financial statements include the following:

- quality control of input data for financial statements, supported by data control applications; a number of data correctness rules have been defined in the applications, the error correction path and strict monitoring of the data quality level,
- assessing the impact of new and/or updated regulations on the reporting process,
- monitoring the timeliness of reports submitted,
- review and approval of manual postings/corrections, including supporting documentation,
- review and approval of the results of the reconciliation,
- control of data mapping from source systems to financial statements, which ensures correct data presentation,
- an analytical review based on the knowledge of specialists, the main goal of which is to confront the knowledge of business with financial data and to detect possible signals of incorrect data presentation, or incorrect input data,

- approval of reporting reports.

A description of the estimates adopted by the bank, in line with IAS/IFRS, is included in the *Accounting Policy of ING Bank Śląski S.A.* To avoid the risk of incorrect estimates, the bank adopted, inter alia, the following solutions:

- for the assessment of loan impairment – the bank has implemented specific models and applications as well as internal regulations for credit risk assessment,
- for the valuation of debt financial instruments quoted on active markets or for which the valuation is based on these quotations, the bank has implemented the required functionality of the core systems and, in addition, has introduced controls by the market risk management units,
- for the estimation of provisions for legal risk related to Swiss franc-indexed mortgage loans – the bank estimated their impact based on a scenario analysis differentiated by the probability of invalidation judgments and the bank's expected scale of settlements with clients,
- for the estimation the impact of a change in the interpretation of the provisions on commission reimbursements on consumer loans – assumptions were made regarding the expected outflows from complaints and prepayment profiles based on historical data,
- for the valuation of financial instruments not quoted on active markets – the bank implemented valuation models that were subject to prior verification before their application,
- for the estimation of the provision for retirement and disability benefits – the bank commissioned an independent actuary to make the estimate,
- for the estimation of the provision for employee and managerial bonuses – the bank uses calculations in accordance with the bonus regulations adopted by the bank, using the forecast of the bank's results,
- for the valuation of its own real estate – the bank adopted as a rule obtaining a valuation from independent experts with a frequency of 3-5 years.

A detailed description of the accounting policies is included in the Annual Consolidated Financial Statements of ING Bank Śląski S.A. for 2024, under *Accounting Policy and Additional Notes*.

The bank's organisational structure put in place allows for a division of responsibilities between *Front-office*, *Back-office*, Risk and Finance. Additionally, the introduction of an appropriate internal control system enforces the





implementation of control of transactions and financial data in back-office units and support units. This area is subject to an independent and objective assessment by the Internal Audit Department, both in terms of the adequacy of the internal control system, risk management and corporate governance. [Read more about Internal Audit's role in control and risk management processes here.](#)

## Selection of the entity authorised to audit the financial statements

The selection of the audit firm to audit the separate and consolidated financial statements for 2024 was made in accordance with the applicable regulations, including the provisions on the selection and selection procedure of an audit firm.

The Bank has the *Policy of Selecting an Audit Firm to Audit Financial Statements, Assessing its Independence and Providing Other permitted Services at ING Bank Śląski S.A.*, which includes a policy for selecting an audit firm and a policy for providing services to the bank – by an auditing company, related entity with an audit firm or a member of its network – additional non-audit services, including services conditionally exempt from the prohibition of the audit firm from providing.

The independent auditor for the audit of the financial statements is selected by the Bank Supervisory Board on the recommendation of the Audit Committee ([more on the role of the Audit Committee here](#)). The selection is made taking into account the need to consolidate the financial statements and the related unified approach of ING Group N.V. regarding the rules for auditor changes. This approach meets the requirements of existing EU legislation.

Main assumptions of the developed Policy of selecting an audit firm to audit financial statements, assess its independence and provide other permitted services at ING Bank Śląski:

- The Audit Committee decides on consenting to the involvement of a statutory auditor (the audit company conducting the audit, an entity related to that audit firm and by a member of the audit firm's network) to provide permitted non-audit services,
- the provision of permitted services is possible only to the extent unrelated to the bank's tax policy, after the Audit Committee assesses the threats and safeguards to the independence of the statutory auditor and the audit firm,

- verification and monitoring of the independence of a statutory auditor or audit firm are performed at every stage of the process of selecting an audit firm to audit financial statements,

When making the final selection, the Supervisory Board, and the Audit Committee at the stage of preparing recommendations, are guided by the following transparent and non-discriminatory selection criteria, which are used by the bank to evaluate offers submitted by audit firms:

- assessment of the independence of the audit firm to conduct the audit already at the stage of the selection procedure,
- the ability to provide the full range of services specified by the bank (audit of individual statements, audits of consolidated statements, reviews, etc.),
- the company's experience to date in auditing reports of entities with a profile of activity similar to that of the bank,
- the company's experience to date in auditing reports of public interest entities from the banking sector,
- professional qualifications, experience relevant to the activities performed as part of the audit and the number of people directly involved in the study conducted at the bank,
- proposed price conditions by the auditing company to conduct the audit,
- a commitment to ensuring the quality of the examination as required by the relevant professional standards.

On 9 December 2022, the Bank Supervisory Board selected Mazars Audyt Spółka z ograniczoną odpowiedzialnością, a limited liability company based in Warsaw (from 2024 Forvis Mazars) as the entity authorised to audit and review the financial statements of ING Bank Śląski and the Bank Group for the period 2023-2025. The selection was made on the basis of the recommendation of the Audit Committee, which was drawn up following a selection procedure organised by the bank that met the applicable criteria. The selection was made taking into account the two bids submitted and the Audit Committee's recommendation met the applicable conditions, with the proviso that, in view of the non-fulfilment of the condition regarding the need to obtain authorisation from the PFSA included in one of the bids, the recommendation identified one proposed audit firm. The audit and review contract for 2023-2025, between the bank and Mazars, was signed on 22 June 2023. The 2024 survey is the second year of collaboration with Forvis Mazars.





According to the presented statement, the audit company Forvis Mazars Audyt spółka z ograniczoną odpowiedzialnością and members of the audit team met the conditions for drawing up an impartial and independent report on the audit of the annual financial statements in accordance with the applicable regulations, professional standards and the principles of professional ethics.

The bank complies with the applicable regulations on the rotation of the audit firm and the key statutory auditor as well as mandatory grace periods. Pursuant to the law currently in force, the maximum, uninterrupted period of employment for the same audit firm may not exceed 10 years. The maximum 10-year mandate given by the bank to the previous audit firm (KPMG Audyt spółka z ograniczoną odpowiedzialnością sp.k.) ended with the audit of the 2022 report. The auditor of the consolidated financial statements of the parent company ING Bank Śląski S.A. (ING Groep N.V.) for the period 2023-2025 remains KPMG Accountants N.V. For the preparation of the consolidated financial statements of ING Groep N.V., KPMG Audyt spółka z ograniczoną odpowiedzialnością sp.k. provided (on behalf of ING Bank N.V.) review and audit services for ING Bank Śląski S.A.’s 2024 consolidation packages, thus ensuring a consistent approach in the audit implementation process at ING Groep N.V. level.

Non-audit services

In 2023 and 2024, the audit firm auditing the Bank’s financial statements (Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością) provided the following non-audit services:

- review of the semi-annual financial statements of the bank and the ING Bank Śląski Group,
- attestation service – fulfilment of requirements for the storage of client assets,
- assurance service – compliance of annual information on the bank’s capital adequacy.

The provision of the aforementioned services was approved by the Audit Committee after assessing the threats and safeguards to the independence of the statutory auditor and the audit firm. In addition, Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością has been selected to provide attestation services for the ING Bank Śląski S.A. Group’s 2024 sustainability reporting.

Auditor’s remuneration

Remuneration of the entity authorised to audit the statutory financial statements of the ING Bank Śląski S.A. Capital Group entities, broken down by auditor

PLN thousand net	2020		2021		2022		2023		2024	
	KPMG	Another auditor	KPMG	Another auditor	KPMG	Another auditor	Forvis Mazars*	Another auditor**	Forvis Mazars*	Another auditor**
Examination of annual reports financial	567.6	129.0	567.6	129.0	661.1	146.0	1,088.7	498.8	1,186.5	535.6
Other certification services assurance, including reviews of financial statements	234.0	30.0	234.0	50.0	359.9	40.0	481.7	40.0	762.2	-

*\*Remuneration does not include: the supervision fee (in the amount arising from the Act on Statutory Auditors, Audit Firms and Public Supervision), and reimbursement of additional costs related to the performance of services (limit of 3% of the audit fee for the annual financial statements); \*\*including KPMG's remuneration for the audit of the financial statements of subsidiaries.*



Remuneration of the entity authorised to audit the statutory financial statements of the entities in the ING Bank Śląski S.A. Capital Group, broken down by bank and its subsidiaries

PLN thousand net	2020		2021		2022		2023*		2024*	
	Bank	Companies	Bank	Companies	Bank	Companies	Bank	Companies	Bank	Companies
Examination of annual reports financial	257.5	439.1	257.5	439.1	351.0	456.1	930.7	656.8	1,010.5	711.6
Other certification services assurance, including reviews of financial statements	234.0	30.0	234.0	50.0	359.9	40.0	481.7	40.0	690.9	71.3

\*The remuneration does not include: the supervision fee (in the amount resulting from the Act on Statutory Auditors, Audit Firms and Public Supervision) and reimbursement of additional costs related to the performance of services (limit of 3% of the audit fee for the annual financial statements).

Bank Management Board

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Composition of the Management Board

Pursuant to the provisions of the Bank Charter, the Bank Management Board consists of 3 to 8 members appointed by the Supervisory Board. The number of members of the Management Board in a given term of office is determined by the Supervisory Board. Members of the Management Board are appointed for a joint term of office, which begins on the date of their appointment and covers four consecutive full financial years. The current term of office started on 02 April 2020 and expires on the date of the General Meeting approving the financial statements for 2024. Appointment takes place after conducting the qualification procedure, the purpose of which is to check and evaluate the qualifications of the candidates. The suitability assessment process is carried out with the

involvement of an external entity in order to increase the objectivity of the work related to the verification of documents and preliminary suitability assessment. As part of this procedure, the Supervisory Board, based on the recommendations of the Remuneration and Nomination Committee, assesses the individual suitability of candidates for functions in the Management Board (in particular, meeting the requirements of Article 22aa of the Banking Law Act), as well as the collective suitability of the Management Board as a whole.

According to the Charter of ING Bank Śląski S.A. , at least half of the members of the Management Board should be Polish citizens. Two members of the Management Board, including the President and the Vice-President of the Management Board, supervising the management of risks relevant to the bank’s operations, are appointed with the approval of the Polish Financial Supervision Authority. Members of the Management Board may be dismissed at any time by the Supervisory Board. The dismissal of the Vice-President of the Management Board takes place after obtaining the opinion of the President of the Management Board by the Supervisory Board.

Composition of the Management Board in 2024

There were no changes to the composition of the Bank Management Board in 2024.

At its meeting on 11 April 2024, the Supervisory Board decided to start the recruitment process for the position of Chair of the Bank Management Board. The above decision was taken in connection with the expiry of Mr Bruno Bartkiewicz’s mandate in 2025 after the end of his current term as President of the Bank Management Board, i.e. on the date of the General Meeting approving the financial statements for 2024. The recruitment process took place taking into account the succession plan for the position of President of the Management Board under the rules set out in the Bank’s Policy of Appointing, Onboarding and Recalling Members of the Management Board of ING Bank Śląski S.A. On 3 September 2024, the Supervisory Board adopted a resolution to appoint Mr Michał Boleslawski as President of the Bank Management Board, subject to the required approval of the Polish Financial Supervision Authority. On 20 December 2024, the Polish Financial Supervision Authority approved the appointment of Mr Michał Bolesławski as President of the Bank Management Board. In accordance with the Supervisory Board’s resolution of 3 September 2024, the appointment will be effective as of the date of the General Meeting approving the financial statements for 2024.

In addition, on 29 November 2024, the Bank received a letter from Mr Sławomir Soszyński, Vice-President of the Management Board of ING Bank Śląski S.A., regarding his resignation from seeking election to the Bank Management Board for the next term of office, which will commence on the date of the General Meeting of ING Bank Śląski S.A. approving the financial statements for 2024. The reason for the resignation is personal.



The composition and segregation of responsibilities of the Management Board members as at 31 December 2024 was as follows:

- Mr Brunon Bartkiewicz – President of the Bank Management Board, supervising the President of the Management Board Division,
- Ms Joanna Erdman – Vice-President of the Bank Management Board supervising the CRO Division,
- Mr Marcin Giżycki – Vice-President of the Bank Management Board supervising the Retail Banking Division and its subsidiary Nowe Usługi S.A.,
- Ms Bożena Graczyk – Vice-President of the Bank Management Board supervising the CFO Division and the subsidiary ING Bank Hipoteczny S.A.,
- Ms Ewa Łuniewska – Vice-President of the Bank Management Board supervising the Business Clients Division and the following subsidiaries: ING Usługi dla Biznesu S.A. and ING Investment Holding (Polska) S.A.,
- Mr Michał H. Mrożek – Vice-President of the Bank Management Board, supervising the Wholesale Banking Division,
- Mr Sławomir Soszyński – Vice-President of the Bank Management Board, supervising the CIO Division,
- Ms Alicja Żyła – Vice-President of the Bank Management Board supervising the COO Division.





**Brunon Bartkiewicz**  
**President of the Management Board Supervises the CEO Division**

Mr Brunon Bartkiewicz meets all the requirements set out in the provisions of Article 22aa of the Act of 29 August 1997 – the Banking Law Act

**In the position of President of the Management Board at ING Bank Śląski S.A. since 2016 (previously in 1995-2000 and 2004 -2009).**

From June 2021 Supervisory Board Member of ING Bank Hipoteczny S.A. - he also held this position during the period March – April 2018. Previously (April 2018 – June 2021) Chair of the Supervisory Board of this company. For two years (2014 2016) Chief Innovation Officer at ING Bank N.V. From 2012 to 2014 Managing Director of the International Retail Banking Division at ING Bank N.V., where he oversaw ING’s activities in France, Italy, Poland, Spain, Romania and Turkey.

He held supervisory positions at Bank Śląski S.A. from 2000 to 2001 and ING Bank Śląski S.A. from 2010 to 2016. (from 2000 to 2001 and April 2010 to May 2011) Supervisory Board Member and then (May 2011 to March 2016) Deputy Chair of the Supervisory Board. From 2010 to 2012 he was associated with ING Direct N.V. as General Manager.

From October 2010 to March 2012 Member of the Board of Directors ING Bank (Australia) Ltd. He also served on the Board of Directors of ING Oyak Bank A.S. (now ING Bank A.S.) between 2008 and 2009. For 5 years (2004-2009), Supervisory Board Member of ING Towarzystwo Ubezpieczeń na Życie. In 2004 he became President of the Management Board of ING Bank Śląski S.A. and held this position until the end of 2009. In 2000, he took on the role of Chief Executive Officer and Member of the Management Board at ING Direct N.V. for a further four years. From 2002 to 2003 Member of the Management Board of ING Direct (UK) N.V.

In addition, from 2000 to 2004 he was: Member of the Board of Directors of ING Bank Canada, ING Direct Canada, Member of the Supervisory Board of ING DiBa AG and at ING Bank (Australia) Ltd. he was Chair of the Board of Directors. From 1991 to 2009, he was associated with Bank Śląski S.A., first as a Bank Director, then as a Member of the Management Board and First Vice-President and President of the Management Board. He previously worked at Penetrator S.A. (1990-1991), Digital Laboratories International S.A. (1986-1990) and at the Central School of Planning and Statistics (now the Warsaw School of Economics), Department of International Finance (1986-1989).

Between 1991 and 2009, he held supervisory positions in the following entities: Dom Maklerski Banku Śląskiego S.A. in Katowice – Supervisory Board Member, Nationale Nederlanden Polska – Supervisory Board Member, CERA – Supervisory Board Member, ING BSK Asset Management – Supervisory Board Member, ING Securities S.A. - Chair of the Supervisory Board and Supervisory Board Member, as well as functions as Member of the Board of Directors at ING Direct – Italian Branch (from 2001 to 2014) and ING Direct – French Branch (from 2001 to 2013).

In addition, he has served on the Supervisory Board of Polski Standard Płatności S.A. since June 2024. (previously: Polski Standard Płatności Sp. z o.o.) - initially as Chair of the Supervisory Board (June 2024 – December 2024) and currently as Supervisory Board Member. Since April 2021, she has been a member of the Programme Board of the Business Women Leaders Foundation. He has been involved in the activities of the Polish Bank Association for many years, where, inter alia, he was a Member of the Management Board (2005 – 2010), Chair of the Union Council (June 2020 – April 2021), Member of the Presidium of the Union Council (April 2021 – November 2022), and is currently a Member of the Union Council (since November 2022). For two years (2019-2020) he was a Member of the University Council of the Cracow University of Economics. From June 2022 to May 2024, he was also a member of the Supervisory Board of Interhyp AG (Munich, Germany).

Graduate of the Central School of Planning and Statistics (now the Warsaw School of Economics) in Warsaw. He has participated in management and banking training courses including CEDEP – Insead France and the Executive Program at the Graduate School of Business at Stanford University.



**Joanna Erdman**  
**Vice-President of the Management Board Supervises the CRO Division**

Ms Joanna Erdman meets all the requirements set out in the provisions of Article 22aa of the Act of August 29, 1997 – the Banking Law Act

**She assumed the position of Vice-President of the Management Board at ING Bank Śląski S.A. in April 2013. Since 24 May 2021, she has held the position of Vice-President of the Bank Management Board responsible for overseeing material risk management.**

Since June 2020, she has been a Member of the Supervisory Board of the subsidiaries: ING Commercial Finance Polska S.A., ING Lease (Polska) Sp. z o.o. and in Nowe Usługi S.A., where she was previously Chair of the Supervisory Board.

In December 2018, she became Deputy Chair of the Supervisory Board of ING Investment Holding (Poland) S.A. and continues in this role (she served as a Member of the Supervisory Board from June to September 2023). Since March 2018, she has been a member of the Supervisory Board of ING Bank Hipoteczny S.A.

From 2010 to 2013, Bank Director overseeing the Strategic Clients Division at ING Bank Śląski S.A.. In 2007, she took up the position of Director of the Strategic Clients Department in the Strategic Clients Division at ING Bank Śląski S.A., which she held until 2010. From 2001 to 2007, she was Director of the Strategic Client Centre in the Corporate Banking Division at ING Bank Śląski S.A.. From 1996 to 2001, she worked in the corporate part of the ING Bank N.V. branch, and before that in the Marketing Department of Bank Pekao S.A. from 1995 to 1996.

In addition, from June 2020 to September 2021, she was a Member of the Supervisory Board of Biuro Informacji Kredytowej S.A., then Deputy Chair of the Supervisory Board, Chair of the Supervisory Board and since August 2023 she has been a Member of the Supervisory Board of the Credit Information Bureau.

From 2020 to 2021 (June 2020 to April 2021), she was a Board Member of the Responsible Business Forum. For 5 years – from June 2016 to April 2021 she was associated with the ING Children’s Foundation. First as a Member of the Foundation Board and then as Chair of the Foundation Board (June 2019 – April 2021).

Graduate of the Warsaw School of Economics and London Business School. She has participated in development programmes in the areas of risk management and ESG/Sustainability: Advanced Risk Management Program at Wharton University, University of Cambridge Sustainable Finance and Global Association of Risk Professionals (GARP) – Sustainability and Climate Risk.





**Marcin Giżycki**  
**Vice-President of the Management Board Supervises the Clients Division Retail**

Mr Marcin Giżycki meets all the requirements set out in the provisions of Article 22aa of the Act of 29 August 1997 – the Banking Law Act.

**In the position of Vice-President of the Management Board at ING Bank Śląski S.A. since August 2016.**

Since December 2018, he has been a Member of the Supervisory Board at ING Investment Holding (Poland) S.A. He was a member of the Supervisory Board at ING Bank Hipoteczny S.A. from March to April 2018 and subsequently became Vice-Chair of the Supervisory Board and continues to hold this position. Since August 2015, he has held supervisory positions in the company Nowe Usługi S.A. – first as a Supervisory Board Member and currently as Chair of the Supervisory Board. In 2015, he became a Member of the Management Board of ING Securities S.A. and later President of the Board (August 2015 – May 2016). In 2006, he took on the role of Bank Director responsible for part of the Retail Banking Division at ING Bank Śląski S.A. and held this position for 10 years, while in 2016 he held the position of Bank Director of the Brokerage Division. Between 1996 and 2006, he held various positions in sales and retail network management at ING Bank Śląski S.A.

In addition, from May 2017 to June 2020, he held supervisory positions at Biuro Informacji Kredytowej S.A. as Deputy Chair of the Supervisory Board, Chair of the Supervisory Board and Member of the Board).

He has been a Board Member at the ING for Children Foundation since May 2021.

Graduate of the University of Economics in Katowice and Poznań School of Banking. He participated in the Executive Program at the Graduate School of Business at Stanford University.



**Bożena Graczyk**  
**Vice-President of the Management Board Supervises the CFO Division**

Ms Bożena Graczyk meets all the requirements set out in the provisions of Article 22aa of the Act of 29 August 1997 – the Banking Law Act.

**She assumed the position of Vice-President of the Management Board at ING Bank Śląski S.A. in June 2017.**

Since June 2021, she has been Chair of the Supervisory Board of ING Bank Hipoteczny S.A. and was previously a member of the Supervisory Board.

She also serves as a Member of the Supervisory Board in subsidiaries: ING Commercial Finance Polska S.A., ING Lease (Polska) Sp. z o.o., ING Investment Holding (Polska) S.A., ING Usługi dla Biznesu S.A. and SAIO S.A.. From April 2018 to June 2020, she was a Member of the Supervisory Board of Solver Sp. z o.o. in liquidation, and from June 2020 to August 2022, she was Chair of the Supervisory Board of this company.

From 1994 to 2017 she was associated with KPMG, in 2001 she became Partner in the audit and advisory area for the financial services sector. She held the positions of Director of the Accounting Advisory Services Team and then Director of the Financial Risk Management Team. Between 1996 and 1997, she participated in the audit of the financial statements of financial institutions carried out by KPMG Spain.

Additionally, she has been a member of the Presidium of the Diversity and Inclusion Committee of the Polish Bank Association since February 2023.

Graduate of the University of Łódź. She completed the Executive MBA in International Business, University of Bristol and École Nationale des Ponts et Chaussées, as well as the Advanced Management Program, IESE Business School at the University of Navarra. She participated in the Tempus programme at the University of Limburg and the Executive Program at the Graduate School of Business at Stanford University.

She is qualified as a chartered accountant.



**Ewa Łuniewska**  
**Vice-President of the Management Board**  
**Supervises the Clients Division**

Ms Ewa Łuniewska meets all the requirements set out in the provisions of Article 22aa of the Act of 29 August 1997 – the Banking Law Act.

**In the position of Vice-President of the Management Board at ING Bank Śląski S.A. since January 2021.**

She is Chair of the Supervisory Board of subsidiaries: ING Lease (Polska) Sp. z o.o., ING Commercial Finance Polska S.A., ING Usługi dla Biznesu S.A. and ING Investment Holding (Polska) S.A., and Member of the Supervisory Board of SAIO S.A..

Between 2012 and 2023, she also held other supervisory roles in companies: ING Commercial Finance Polska S.A., ING Usługi dla Biznesu S.A., ING Investment Holding (Polska) S.A., Nowe Usługi S.A. and functions in subsidiaries of ING Lease (Polska) Sp. z o.o.

From the beginning of 2016 until the end of 2020, she held the position of President of the Management Board of ING Lease (Polska) Sp. z o.o. and until November 2018 the position of Member of the Management Board of ING Investment Holding (Polska) S.A.

In 2006, she was appointed Bank Director in the Corporate Sales Network Division of ING Bank Śląski S.A., where she worked until 2015. Prior to that, she was Head of Strategic Clients in the Strategic Clients Division from 2001 to 2005. For two years (2000 – 2001) she was with ING Bank N.V., where as Managing Director she supervised the Corporate Banking Department, the Treasury Management Department, the Structured Finance Department and was a member of the Executive Committee.

From April 1997 to 1999 she was Deputy Director and then Director of the Capital Markets and Structured Finance Department at ING Bank N.V. She started her career in 1991 in the Corporate Banking Department of ING Bank N.V.

In 2020, she held the position of Chair of the Executive Committee of the Polish Leasing Association. Since 2016, she has been involved in the ING Polish Art Foundation, where she first served as a member of the Foundation’s Council and has been Chair of the Foundation’s Council since 2021.

Graduate of the Warsaw School of Economics.



**Michał H. Mrożek**  
**Vice-President of the Management Board**  
**Supervises the Wholesale**

Mr Michał H. Mrożek meets all the requirements set out in the provisions of Article 22aa of the Act of 29 August 1997 – the Banking Law Act.

**In the position of Vice-President of the Management Board at ING Bank Śląski S.A. since July 2020.**

He has been a member of the Supervisory Board of the subsidiary SAIO S.A. since October 2022.

From April 2019 to June 2020, he held the position of General Manager and Head of Wholesale Banking at HSBC France HBFR, Poland Branch. He was President of HSBC Bank Polska S.A. from 2015 to 2019, while he was Managing Director of Citibank N.A. from 2011 to 2014. Previously, between 1998 and 2011, he was with Citibank Handlowy – first as Deputy Head of Corporate Banking, then as Director of Strategic Planning and Corporate Development, and between 2004 and 2011 he was Deputy President of the Management Board. Between 1995 and 1998, he was Head of Corporate Banking Department at Bank Handlowy in Warsaw.

From 1991 to 1995 he was with Price Waterhouse (International Privatization Group), Washington, D.C., first as Manager and then as Department Head. He started his professional career at a branch of Bank Austria in New York.

In addition, he served as Vice-President at the Employers’ Association of Banks and Financial Institutions LEWIATAN from 2019 to 2021. From 2018 to 2019, he was Chair of the Board at the Council of the Polish Bank Association. Since 2013, he has been a member of the New York Council of the Kosciuszko Foundation and the Council of the Jan Karski Educational Foundation.

Graduate of Georgetown University School of Foreign Service in Washington, DC.

In 2013, awarded by the Minister of Foreign Affairs with the Badge of Honor “Bene Merito” for his contribution to promoting and strengthening the role of Poland in the international arena. In 2011 awarded the Bronze Cross of Merit by the President of the Republic of Poland for his contribution to the development of the Polish banking market.



## Sławomir Soszyński

### Vice-President of the Management Board Supervises

Mr Sławomir Soszyński meets all the requirements set out in the provisions of Article 22aa of the Act of 29 August 1997 – the Banking Law Act.

**He assumed the position of Vice-President of the Management Board at ING Bank Śląski S.A. in October 2019.**

From 2017 to 2019, he was a board member overseeing J.P.’s Global Corporate Centre. Morgan Poland Services Spółka z o.o. in Warsaw. Previously, he had been associated with J.P. since 2015. Morgan in London as Executive Director of Architecture for the Corporate Technology and Technology Infrastructure Sector.

From 2014 to 2015, he served as Global Head of Technology at OSTC Group in Poland.

Previously, he spent 10 years with Citibank in Poland, London, New York and Singapore. During this time he was responsible for IT security, technology in the Global Audit Division and then retail banking technology and IT architecture in EMEA as CTO.

Since April 2023, he has been Deputy Chair of the Presidium of the Electronic Banking Council of the Polish Bank Association, where he has served as a Member since February 2020.

Graduate of the Nicolaus Copernicus University. He completed the MBA programme at Kozminski University.



## Alicja Żyła

### Vice-President of the Management Board Supervises the COO Division

Ms Alicja Żyła meets all the requirements set out in the provisions of Article 22aa of the Banking Law Act of 29 August 1997.

**She assumed the position of Vice-President of the Management Board at ING Bank Śląski S.A. in September 2021.**

She has been Chair of the Supervisory Board of the subsidiary SAIO S.A. since October 2022.

From November 2018 to August 2021 associated with ING Lease (Poland) Sp. z o.o., first as Vice-President of the Management Board (November 2018 – February 2021) and then as President of the Board (March 2021 – August 2021). For 10 years, from 2008 to 2018, Bank Director responsible for the Operations Division at ING Bank Śląski S.A. From 1998, she worked for 10 years in the Retail Banking Division, where she held a number of key positions, including as Head of Product Development since 2006. In 1996, she started working at ING Bank Śląski S.A. in the HR department.

In addition, from 2009 to 2020 she served as a Member of the Supervisory Board of the National Clearing House (Krajowa Izba Rozliczeniowa S.A.), and from August 2019 to August 2021 she served as a Member of the Supervisory Board of NN Investment Partners TFI S.A. From July to August 2021, she was a Council Member of the ING Polish Art Foundation. From May to August 2021, she served as Vice-Chair of the Executive Committee at the Polish Leasing Association.

Graduate of the University of Economics in Katowice. She participated in the ING International Management Development Programme at University of Business Studies in Tilburg.





Competencies of the Management Board

The Management Board shall manage and represent the bank. All the matters not otherwise reserved by law or the Bank Charter to the competence of the other bank’s governing bodies shall be within the scope of the Management Board’s responsibilities. The Management Board operates collectively, subject to the matters which, pursuant to the provisions of the bank’s internal regulations, were entrusted to individual members of the Management Board. As a rule, the bank has two-person representation – in the following configurations:

- two Members of the Bank Management Board,
- one Member of the Bank Management Board with a proxy,
- two proxies.

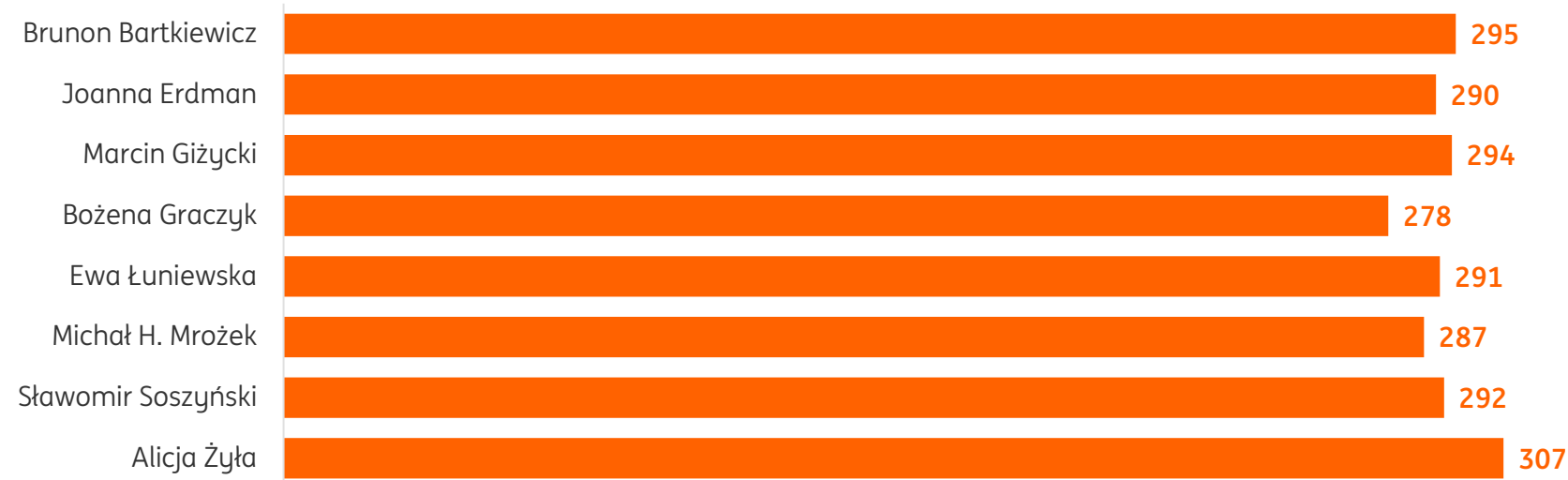
Proxies acting independently or jointly with the persons indicated above or with another representative may be appointed to perform specific activities or perform certain types of activities.

The Bank Management Board formulates the bank’s operating strategy as part of the rolling three-year action plan, which requires approval by the Supervisory Board.

The Management Board may approve valid resolution if the meeting is attended by more than one half of its members and all the members of the Management Board have been correctly invited. Resolutions of the Management Board shall be adopted by an absolute majority of votes. In the event of equal votes, the President of the Management Board shall have a casting vote.

In 2024, 70 meetings of the Bank Management Board were held. A total of 319 resolutions were adopted unanimously.

Number of resolutions in which individual Members of the Bank Management Board participated



Members of the Bank Management Board supervise individual divisions and organizational units, in accordance with the division of powers established by the Management Board and approved by the Supervisory Board, being responsible for the implementation of their mission and basic tasks. The organisation of work of the Management Board, matters requiring resolutions of the Management Board and its mode of functioning are set forth in the Management Board Bylaw resolved by the Management Board and approved by the Supervisory Board.

In addition to the matters listed in the Charter or the Organisational Bylaw, the following matters in particular (subject to the competence of the Supervisory Board) require resolutions of the Management Board:

- all matters which, in accordance with generally applicable laws and the provisions of the Bank Charter, require decisions of other statutory bodies of the bank,
- defining the bank’s policies, including in particular the credit policy, risk management policy and remuneration policy,
- determining the rules for acquiring funds from other financial institutions and the rules for their use, and setting the rules for investing own funds in other banks,
- defining the principles for determining the interest rate on products offered by the bank, including, in particular, the interest rate on loans and advances, funds on term accounts and payable on demand, and penalty interest,
- considering applications for recognition of extraordinary losses and the creation of provisions in excess of the amounts determined by the Bank Management Board separately,



- adopting investment plans and determining the principles of investment implementation,
- decisions on matters related to the purchase, encumbrance, sale and lease of real estate and other property rights, to the extent exceeding the amounts separately determined by the Management Board,
- decisions on the purchase and sale by the bank shares or stocks of other legal persons with a value exceeding the amounts separately determined by the Management Board,
- establishing principles for granting and revoking powers of attorney to perform specific activities or activities of a specific type,
- matters beyond the scope of day-to-day management, including in particular matters falling outside the competences of individual members of the Management Board and Committees appointed by the Management Board,
- other matters where the decisions have been reserved for the competence of the Management Board in separate regulations adopted by the Management Board and other matters brought by the President of the Management Board or another Member of the Management Board,
- matters where legal or other regulations require an opinion by the Management Board.

In matters other than those listed above, decisions are made in accordance with the following principles:

- decisions in matters where no collective action is required by the Management Board and that have been delegated to the competencies of individual members of the Management Board, are to be made in the form of decisions of such member of the Management Board; however, the Management Board by way of a resolution may identify matters that require a decision of minimum two members of the Management Board,
- decisions in matters that have been delegated by the Management Board to the competencies of the competent committee established by the Management Board, are made in the form of resolutions of such committee,
- decisions in matters not reserved for the competences of the Management Board, a member of the Management Board or the appropriate Committee shall be made in the form of decisions managing the organizational unit at the appropriate level, within the scope of the competences entrusted to him/her.

The competences of individual members of the Management Board are set out in the Organisational Bylaw and the regulations concerning the functioning of their areas introduced by the Management Board.

Additionally, the Management Board to authorised to increase the share capital but maximum PLN 26 million (or issues of maximum 26 million shares) by 26 April 2026 (authorised capital) and to waive pre-emption rights at share issues of the authorised capital. The decisions taken by the Management Board on the share issue price and waiver of pre-emption rights require approval by the Supervisory Board.

As at 31 December 2024, the Bank had the following standing committees, which are appointed by the Bank Management Board, approving their composition, tasks and rules of procedure:

- Assets and Liabilities Committee (ALCO),
- Credit Policy Committee,
- Credit Committee of ING Bank Śląski S.A.,
- Restructuring Credit Committee,
- Retail Product Committee,
- Corporate Products and Financial Markets Committee,
- Model Validation Policy at ING Bank Śląski S.A.,
- Committee for the parameterisation of financial instruments measured at fair value,
- Market Data and Valuation Models Committee,
- Client Protection and Product Approval Committee,
- Evaluation Team (SOX) Committee,
- Donation Committee,
- Operational Risk in a Trading Environment (ORiate) Committee,
- IT Architecture Committee,
- Retail Price Committee,



- Reference Rates Committee,
- Client Risk Management Committee (CIRC) at ING Bank Śląski S.A.,
- Know Your Customer Committee (KYC) at ING Bank Śląski S.A.,
- IT Risk and Security Committee in ING Bank Śląski S.A.,
- Pricing Committee for Business Clients,
- ESG Council Committee,
- ESG Risk Committee,
- Model Risk Committee at ING Bank Śląski S.A.,
- Sustainable Finance Committee of the Wholesale Banking Division,
- Issuance Committee of the Wholesale Banking Division at ING Bank Śląski S.A.

## Remuneration of the Management Board and the Supervisory Board members

ESRS 2 GOV-3.29

Since 2020, the bank has been operating a resolution adopted by the Ordinary General Meeting of ING Bank Śląski S.A. [Remuneration Policy for Supervisory Board and Management Board Members of ING Bank Śląski S.A.](#)

The policy has been prepared in line with the requirements arising from EU regulations and national legislation including:

- The Banking Law Act,
- Principles of Corporate Governance for Supervised Institutions,
- The Act on Public Offering, Conditions Governing the Introduction of Financial Instruments to Organized Trading, and Public Companies.

The policy sets out the principles for the remuneration of members of our bank’s governing bodies. The latest amendments to the policy were adopted by Resolution of the Ordinary General Meeting of ING Bank Śląski S.A. No.

39 of 11 April 2024. The changes introduced concerned the level of remuneration for members of the Supervisory Board and the clarification of the provisions on the dates determining the expiry of the mandate of a member of the Supervisory Board and the Management Board as a result of the end of a body’s term of office.

As at 2024 yearend, none of the members of the Supervisory Board held shares in ING Bank Śląski or in the bank’s related entities. In the case of the members of the Bank Management Board, non-deferred treasury shares for 2023 totalling 9,584 were granted under the Incentive Scheme based on this financial instrument. These shares were transferred to the individual brokerage accounts of the Management Board members.

Number of shares granted to members of the Bank Management Board	
First name and surname	Number of shares
Brunon Bartkiewicz	1,750
Joanna Erdman	953
Ewa Łuniewska	1,348
Marcin Giżycki	1,016
Bożena Graczyk	1,087
Sławomir Soszyński	1,214
Michał Mrożek	1,038
Alicja Żyła	1,178
Total	9,584

## Remuneration of Supervisory Board members

Each Supervisory Board Member serves by virtue of appointment by resolution of the General Meeting. The members of the Supervisory Board are appointed for a joint term of office which commences on the date of appointment and covers four consecutive full financial years. Members of the Supervisory Board shall hold office until the date of the General Meeting approving the financial statements for their last full financial year in office.

In determining the level of remuneration of the Supervisory Board members and allowances for additional functions on the Board, market medians for these positions in the banking sector are taken into account, taking into account the scale of the bank’s activities and its financial position. Supervisory Board members’ remuneration is analysed annually based on Sedlak & Sedlak’s independent remuneration report, which presents financial data from the banking sector on remuneration levels and fringe benefits.





In accordance with the regulations, members of the Supervisory Board who perform other functions at ING Bank N.V. at the same time perform their tasks on the Supervisory Board free of charge. Members of the Supervisory Board waive their right to remuneration by submitting a declaration to that effect in writing.

No variable remuneration is granted to members of the Supervisory Board. The fixed remuneration of the members of the Supervisory Board consists of:

- a basic salary,
- a monthly fixed allowance for the performance by the Supervisory Board members of any additional function on the Supervisory Board or its committees, set as a percentage of the basic remuneration in the amount of:
  - for the Chair of the Supervisory Board – 100%,
  - Deputy Chair of the Supervisory Board and Board members serving as Chairs of the Supervisory Board Committees – 25%,
  - members not serving as Chairs of Council Committees – 15%.

Below are the values of the remuneration due and paid by the bank to the members of the Supervisory Board in 2024.

Benefits payable to members of the Supervisory Board of ING Bank Śląski for 2024 (in PLN thousand)					
First name and surname	Period from – to	Remuneration	Rewarding	Other benefits	Total
Aleksander Galos	01.01.2024 – 11.04.2024	101.2	0.0	0.0	101.2
Dorota Dobija	01.01.2024 – 31.12.2024	291.7	0.0	0.0	291.7
Monika Marcinkowska	01.01.2024 – 31.12.2024	414.5	0.0	0.0	414.5
Katarzyna Zajdel-Kurowska	01.01.2024 – 29.02.2024	34.6	0.0	0.0	34.6
Anna Hryckiewicz-Gontarczyk	11.04.2024 – 31.12.2024	201.4	0.0	0.0	201.4
Arkadiusz Krasowski	11.04.2024 – 31.12.2024	201.4	0.0	0.0	201.4
Małgorzata Kołakowska	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Michał Szczurek	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Stephen Creese	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0

Hans De Munck	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Serge Offers	11.04.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Total		1,244.8	0.0	0.0	1,244.8

Benefits paid to members of the Supervisory Board of ING Bank Śląski for the year 2024 (in PLN thousand)					
First name and surname	Period from – to	Remuneration*	Rewarding	Other benefits	Total
Aleksander Galos	01.01.2024 – 11.04.2024	103.8	0.0	0.0	103.8
Dorota Dobija	01.01.2024 – 31.12.2024	297.0	0.0	0.0	297.0
Monika Marcinkowska	01.01.2024 – 31.12.2024	424.0	0.0	0.0	424.0
Katarzyna Zajdel-Kurowska	01.01.2024 – 29.02.2024	37.5	0.0	0.0	37.5
Anna Hryckiewicz-Gontarczyk	11.04.2024 – 31.12.2024	205.7	0.0	0.0	205.7
Arkadiusz Krasowski	11.04.2024 – 31.12.2024	201.4	0.0	0.0	201.4
Małgorzata Kołakowska	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Michał Szczurek	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Stephen Creese	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Hans De Munck	01.01.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Serge Offers	11.04.2024 – 31.12.2024	0.0	0.0	0.0	0.0
Total		1,269.4	0.0	0.0	1,269.4

\* The remuneration includes the return of contributions to the Social Insurance Institution due to exceeding the annual basis of contributions for retirement and disability pension insurance in keeping with a decision by the Social Insurance Institution.

The monthly fixed remuneration for individual Supervisory Board Members is no more than 10 times the average basic salary received by an employee at ING Bank Śląski.

### The principles of the Management Board Members remuneration

#### Internal regulations governing remuneration

The remuneration of a member of the Bank Management Board is determined in accordance with the *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.* adopted by the Bank’s



Supervisory Board. The latest amendments to the Bylaw were made by Resolution of the Supervisory Board No. 123/XIX/2024 of 29 November 2024.

The Bylaw is a clarification of the principles resulting from the *Remuneration Policy for Supervisory Board and Management Board Members of ING Bank Śląski S.A.* and at the same time constitute the implementation of the *Variable Remuneration Policy for Identified Staff of ING Bank Śląski S.A.*

### Agreements with members of the Management Board

The members of the Management Board are employed on the basis of employment contracts for a joint term of office, which commences on the date of appointment of the body and covers four consecutive full financial years, including the term of office until the date of the General Meeting approving the financial statements for the last full financial year of the members' term of office.

The agreements set out the terms and conditions of employment and the full remuneration package of the Board member. In this respect, the agreements comply with applicable laws and internal regulations. In addition, the members of the Management Board have entered into non-competition agreements with the bank upon termination of their employment, which formulate the principles applicable to a member of the Management Board and the benefits to which they are entitled upon termination.

### Management Board member remuneration package

In accordance with the regulations indicated above, the emoluments of a Management Board member consist of:

- fixed remuneration comprising basic remuneration and fringe benefits, and
- variable remuneration, i.e. an annual bonus.

The remuneration package for the members of the Management Board is reviewed annually by the Remuneration and Nomination Committee of the Supervisory Board. In determining the terms and conditions of remuneration for members of the Management Board, the Supervisory Board takes into account a market comparison, including the median values of comparable positions in comparable organisations. Market data sourced from:

- payroll reports, including Korn Ferry, Sedlak & Sedlak,
- stock exchange reports of banks listed on the Warsaw Stock Exchange (internal bank benchmarking).

Comparative market data sourced from independent salary reports includes data for the banking sector covering base salary, variable salary, termination benefits and other benefits. These figures provide a benchmark for the remuneration policy for the members of the Management Board.

As part of the review of the remuneration package, the Remuneration and Nomination Committee of the Supervisory Board:

- analyses salary data from the market,
- recommends the level of fixed remuneration and the proportion of the annual bonus to the basic salary.

### Fixed remuneration

The base salary is set in relation to the market salary level, according to the grade according to Korn Ferry's job evaluation methodology. When determining the basic remuneration of a Management Board member, the following in particular shall be taken into account: the function performed, the scope of responsibility, qualifications and professional experience.

The Bank provides its Management Board members with the following fringe benefits:

- Life and accident insurance with a guaranteed insured sum in the amount of gross annual basic remuneration, another type of protection and investment insurance or an investment fund, with the same premium,
- payments towards an investment fund in the amount of 15% of the monthly basic remuneration of a Management Board member,
- medical care (Gold Package). The Management Board Member has the right to extend the medical care to which he/she is entitled with the Gold Partner or Family package. The surcharge for the selected package shall be covered from the Management Board member's own funds in an amount equal to 35% of the total price of the respective Package. The remaining amount representing 65% of the price of the package in question is covered by the bank.

A separate part of the benefits included in the fixed remuneration are benefits related to the termination of the employment contract, i.e.: severance pay and punitive damages. The employment contracts provide for a severance payment of six times the average monthly basic salary of the last six months of service preceding the termination of employment. Severance pay is not payable if a member of the Management Board is dismissed for cause:



- an employment relationship be terminated under Article 52 of the Labour Code,
- termination of employment on the resignation of a member of the Management Board, when the termination of the relationship occurs on the initiative of a member of the Management Board who terminates his or her employment contract in order to take up employment with another entity or to pursue his or her own business,
- the suspension of a member of the Management Board or the suspension of the entire Management Board by the Polish Financial Supervision Authority under the provisions of the Banking Law Act.

Severance pay is also not paid in situations where a member of the Management Board continues to be employed by ING Group N.V. after termination of the contract with the bank.

In addition, the members of the Management Board have entered into non-compete agreements with the bank setting out the rights and obligations of the parties to the agreement with regard to competitive activities during and after the termination of the employment relationship. Under the terms of the contract, for a period of 12 months from the date of termination of employment, the Management Board member is entitled to payment of punitive damages equal to 12 months of the gross base salary received by the Management Board member in the last year of the contract. The amount of punitive damages is reduced in the event of:

- dismissal of a member of the Management Board for reasons justifying termination of the employment relationship without notice (Article 52 of the Labour Code) or due to suspension of a member of the Management Board or the entire Management Board of the Bank by the Polish Financial Supervision Authority under the provisions of the Banking Law Act – up to 25% of the 12-month gross basic remuneration received in the last year of the contract.
- termination of the employment relationship due to the resignation of a member of the Management Board on his/her own initiative who terminates his/her employment contract in order to take up employment in another entity or to pursue his/her own business – up to 50% of the 12-month gross basic salary received in the last year of the contract. The Supervisory Board may authorise the Chair to increase the punitive compensation above this level.

The members of the Management Board do not receive remuneration or rewards for their functions in the authorities of subsidiaries and associates of the ING Bank Śląski Group.

Furthermore, the Supervisory Board may decide on granting other benefits, e.g. covering private school tuition for children, rent and fittings of an apartment or a house or payment of a rent allowance, covering membership fees in clubs and associations in Poland and abroad, provided this is justified by interest of the bank.

### Variable remuneration

A member of the Management Board may receive a bonus of up to 100% of the annual base salary for the performance of bonus tasks set by the Supervisory Board. The objectives set by the Board support the creation of long-term value for the bank and include attention to the bank's cost of risk, cost of capital and liquidity risk. The objectives include both non-financial and financial elements.

- Targets of a financial nature include selected ratios set according to financial or management accounting standards taking into account the cost of risk, cost of capital and liquidity risk (including long-term). The target levels of the financial criteria are consistent with the Strategy and Financial Plan of ING Bank Śląski S.A. adopted by the Supervisory Board for the respective assessment period. As a rule, tasks of a financial nature cannot be linked to the results obtained in the areas controlled by the Management Board member concerned.
- Non-financial targets account for at least 50% of all targets, excluding the Management Board member responsible for control functions. As a rule of thumb, the objectives of the Management Board member in charge of control functions only include non-financial tasks.

The weights for financial and non-financial purposes are determined annually by the Supervisory Board.

A right to an annual bonus depends on the attainment by the bank in a financial year representing an assessment period of at least 80% of a gross profit forecast in a plan for the given year. Should such profit not be achieved, a Management Board member shall not have the right to an annual bonus and a base value thereof shall not be computed. In compliance with the *Capital Management Policy at ING Bank Śląski S.A.*, ING Bank Śląski tests capital to ensure that a total bonus pool for all the employees does not limit the bank's ability to maintain an adequate capital base. In case of such limitation, a decision may be taken not to activate the bonus pool.

The final decision on the amount of the annual bonus for individual Management Board members is made by the Supervisory Board based on the recommendation of the Remuneration and Nomination Committee of the Supervisory Board. As a rule, 40% of the bonus is deferred and 60% of the bonus is deferred if the amount set out in the Bylaw is exceeded. The deferral period is five years from the determination of the variable remuneration by the Supervisory Board. The award of deferred variable remuneration is made annually over a period of five years, in five





equal parts, unless there are grounds for reduction or non-payment. For the President of the Management Board, the deferral period is six years and the deferred variable remuneration is divided into six equal parts.

Non-deferred and deferred variable remuneration is divided into two parts:

- at least 50% in financial instruments – as of 1 July 2022, the treasury share (previously a phantom share) became the primary instrument;
- the remainder in cash to the Management Board member’s bank account designated for the purpose of remuneration payment, no later than within seven working days after the General Meeting of ING Bank Śląski approves the Bank’s annual financial statements.

Share-based incentive scheme

The bank’s share-based incentive scheme was adopted by resolution of the Bank’s Ordinary General Meeting No. 29 of 7 April 2022 in the bank and in the bank’s group companies subject to mandatory consolidation, excluding ING Bank Hipoteczny S.A..

Under the programme, treasury shares are awarded free of charge as a component of variable remuneration to *Identified Staff* within the meaning of the Regulation of the Minister of Finance, Funds and Regional Policy of 8 June 2021 on the risk management system and internal control system and remuneration policy in banks (Journal of Laws 2021, item 1045).

The operation of the programme is conditional on a sufficient number of treasury shares being raised from the market. Pursuant to the programme, the Bank’s Ordinary General Meeting authorised the Bank Management Board to purchase the Bank’s own shares on the terms and conditions described below:

- own shares will be fully paid up,
- own shares will only be acquired for the purpose of implementing the programme,
- the maximum number of own shares acquired will not exceed 800,000 (in words: eight hundred thousand) shares, representing 0.6% of the bank’s share capital and representing 0.6% of the total number of votes in the bank, and in no case will the total nominal value of the own shares acquired, taking into account own shares previously acquired by the bank and its subsidiaries which have not been sold or cancelled, exceed 0.6% of the bank’s share capital,

- the total amount that may be allocated for the acquisition of own shares, including the costs of their acquisition, shall not exceed PLN 200 million (in words: two hundred million) and shall in no case exceed the amount of the reserve capital created for this purpose,
- treasury shares will be acquired through an investment firm selected for this purpose,
- the unit purchase price per own share will be no less than PLN 50 (in words: fifty) and no more than PLN 500 (in words: five hundred), with the price per own share determined taking into account Article 5 of the MAR Regulation and the Technical Standards.

In the event that, for any reason, the repurchase of shares from the market is in fact impracticable or not possible without undue difficulty or within the assumed timetable, for the purpose of further fulfilment of the bank’s obligations under the programme, the Bank Management Board, with the consent of the Supervisory Board, may decide to replace the bank’s own shares with another financial instrument whose value depends on the value of the bank’s shares or to fulfil the bank’s obligations under the programme in another manner that achieves its objectives.

Phantom share rights granted prior to the start date of the new scheme will be exercised under the existing principles. In particular, the deferred portions of the remuneration granted in phantom shares will not be convertible into treasury shares.

As a result of the transactions, the bank acquired a total of 89,023 treasury shares for a total of PLN 21.8 million.

	Tranche 1	Tranche 2	Tranche 3	Tranche 4
Total number of shares bought back	24,931	22,800	16,292	25,000
Timeframe for purchase	12.05.2023-03.07.2023	05.12.2023-29.12.2023	13.03.2024-05.04.2024	04.12.2024-31.12.2024
Total value of shares bought back (PLN)	4,201,796.0	6,110,408.0	5,190,328.5	6,271,279.0
Share of shares bought back in share capital	0.01916%	0.01752%	0.01252%	0.01922%



Treasury shares were transferred to the individual brokerage accounts of the members of the Management Board and Identified Staff in number:

Bank Management Board	Identified Staff
9,584 own shares	26,352 own shares

No bonus shall be due should an employment contract be terminated under Article 52 of the Labour Code. The Supervisory Board may also decide to reduce the annual bonus or not to pay it out in a given bonus award period based on the verification of assessment of the execution of the bonus tasks, taking the ex post risk into account.

Linking remuneration principles to sustainability issues

ESRS 2 GOV-3.29, ESRS E1 GOV-3.13

The criteria for awarding variable remuneration are in line with our bank’s long-term business strategy, values and risk appetite, promote and support the process of effective risk management, and support the long-term interests of the bank and its clients. As of 2020, the provisions of the *ING Bank Śląski S.A. Group Remuneration Policy* are in force, which refer to the linking of remuneration principles at all levels with sustainability objectives. The remuneration policy is consistent with the bank’s strategy for the period, which is reflected in the objectives set for the Management Board and employees for the year and directly translates into the level of variable remuneration. In 2024, the objectives set for Management Board members were ESG-related and included, inter alia, the tasks of:

- a 3% reduction in CO<sub>2</sub> emissions in 2024 compared to 2023, on the way to an overall reduction in emissions in 2025 compared to 2014,
- increasing the proportion of women in senior management positions,
- improving internal controls over sustainability disclosures in the annual report (for local and group reporting) in line with the requirements of limited verification,
- ensuring timely implementation of controls in line with the 2024 disclosure schedule,
- implementing the ESG Data Model project objectives in accordance with the objectives, scope and timeline defined and approved by the 2024 Project Steering Committee,

- ensuring strong commitment of risk teams to timely implementation of ESG milestones,
- fostering transparent communication and collaboration across the bank on ESG issues.



Quantitative and qualitative criteria for awarding the variable remuneration components to Members of the Bank's Management Board (1/2)

Performance year 2024				Brunon Bartkiewicz (CEO)		Bożena Graczyk (CFO)		Joanna Erdman (CRO)		Michał Mrożek (Wholesale Banking)			
		Fully Meets Expectations	Performance	Weight	Performance on a scale of 1-5 (5-max)	Bonus points	Performance on a scale of 1-5 (5-max)	Bonus points	Performance on a scale of 1-5 (5-max)	Bonus points	Performance on a scale of 1-5 (5-max)	Bonus points	
Job	Financial	TOTAL BANK		60.0		66.0		66.0		60.0		48.0	
		Profit before tax (PLN m)	4,249		4,664		5		5		not applicable		5
		Return on equity	23%		26.7%		5		5		not applicable		5
		Operational expenses (PLN m)	3,502		3,489		3		3		not applicable		not applicable
		Manage total FTE			5		5		not applicable		not applicable		
		BUSINESS LINE			not applicable		not applicable		not applicable		1.9		
	Non-Financial	Customers	Non-financial goals are set within areas in line with ING's strategy in a given year		4.6		4.6		not applicable		3.8		
		Risk			4		4		4		3.7		
		Strategy			4.5		4.5		4		3		
		Environmental, Social & People			4.5		4.2		4		4.4		
Orange Behaviors		Individual goals, related to the way in which tasks are performed and supporting their realisation	40.0	4	44.0	3.3	40.0	3	40.0	3.3	40.0		
% of variable remuneration awarded by the Supervisory Board (80% target, 100% max)					97.0%	92.7%	88.0%	50.7%					

\*Assessment scale: 5- Consistently Exceeds Expectations,; 4- Frequently Exceeds Expectations, 3- Fully Meets Expectations, 2- Partially Meets Expectations, 1- Does not meet Expectations





Quantitative and qualitative criteria for awarding the variable remuneration components to Members of the Bank's Management Board (2/2)

Performance year 2024				Marcin Giżycki (Retail Banking)		Ewa Łuniewska (Business Banking)		Alicja Żyła (COO)		Sławomir Soszyński (CIO)			
		Fully Meets Expectations	Performance	Weight	Performance on a scale of 1-5 (5-max)	Bonus points	Performance on a scale of 1-5 (5-max)	Bonus points	Performance on a scale of 1-5 (5-max)	Bonus points	Performance on a scale of 1-5 (5-max)	Bonus points	
Job	Financial	TOTAL BANK		60.0									
		Profit before tax (PLN m)	4,249		4,664	5		5		5		5	
		Return on equity	23%		26.7%	5		5		5		5	
		Operational expenses (PLN m)	3,502		3,489	not applicable		not applicable		not applicable		not applicable	
		Manage total FTE				not applicable		not applicable		not applicable		not applicable	
		BUSINESS LINE				5	72.0	3.8	66.0	3.1	66.0	5	66.0
	Non-Financial	Customers	Non-financial goals are set within areas in line with ING's strategy in a given year		4		3.8		not applicable		4		
		Risk			not applicable		not applicable		3.4		3.7		
		Strategy			3.5		3.7		4.2		4.7		
		Environmental, Social & People			4.3		4.3		4.5		4		
Orange Behaviors		Individual goals, related to the way in which tasks are performed and supporting their realisation	40.0	3	40.0	3	40.0	3	40.0	3	40.0		
% of variable remuneration awarded by the Supervisory Board (80% target, 100% max)					98.0%		92.7%		92.7%		92.7%		

\*Assessment scale: 5- Consistently Exceeds Expectations,; 4- Frequently Exceeds Expectations, 3- Fully Meets Expectations, 2- Partially Meets Expectations, 1- Does not meet Expectations



Remuneration of Management Board members

Remuneration due and paid in 2024

Below are the values of the remuneration due and paid by the Bank to members of the Bank Management Board in 2024.

Benefits payable to members of the Management Board of ING Bank Śląski for 2024 (in PLN thousand)					
First name and surname	Period from – to	Remuneration	Awards*	Other benefits**	Total
Brunon Bartkiewicz	01.01.2024 – 31.12.2024	3,009.6	-	539.9	3,549.5
Joanna Erdman	01.01.2024 – 31.12.2024	1,642.2	-	310.2	1,952.4
Ewa Łuniewska	01.01.2024 – 31.12.2024	1,473.9	-	294.7	1,768.6
Marcin Giżycki	01.01.2024 – 31.12.2024	1,619.4	-	328.4	1,947.8
Bożena Graczyk	01.01.2024 – 31.12.2024	1,656.9	-	310.1	1,967.0
Sławomir Soszyński	01.01.2024 – 31.12.2024	1,448.9	-	265.7	1,714.5
Michał Mrożek	01.01.2024 – 31.12.2024	1,537.3	-	282.1	1,819.4
Alicja Żyła	01.01.2024 – 31.12.2024	1,417.4	-	268.2	1,685.6
Total		13,805.6	0.0	2,599.3	16,404.9

*\*The benefits for 2024 for the members of the Management Board of ING Bank Śląski S.A. under the Variable Compensation Scheme have not yet been awarded. In keeping with the bank’s remuneration system, the Bank Management Board members may be entitled to a 2024 bonus to be paid out in 2025-2032. Accordingly, a provision has been made for the payment of the 2024 bonus for the members of the Management Board, which amounted to PLN 13,529, 136 thousand as at 31 December 2024. The final decision on the amount of this bonus will be taken by the Bank Supervisory Board;*

*\*\*insurance, investment fund contributions, medical care and other benefits granted by the Bank Supervisory Board.*

Benefits paid to members of the Management Board of ING Bank Śląski for 2024 (in PLN thousand)					
First name and surname	Period from – to	Remuneration	Awards*	Other benefits**	Total
Brunon Bartkiewicz	01.01.2024 – 31.12.2024	3,009.6	1,832.3	539.9	5,381.8
Joanna Erdman	01.01.2024 – 31.12.2024	1,642.2	997.0	310.2	2,949.4
Ewa Łuniewska	01.01.2024 – 31.12.2024	1,473.9	650.9	294.7	2,419.5
Marcin Giżycki	01.01.2024 – 31.12.2024	1,619.4	1,046.3	328.4	2,994.1
Bożena Graczyk	01.01.2024 – 31.12.2024	1,656.9	1,102.2	310.1	3,069.2
Sławomir Soszyński	01.01.2024 – 31.12.2024	1,448.9	766.1	265.7	2,480.7
Michał Mrożek	01.01.2024 – 31.12.2024	1,537.3	694.7	282.1	2,514.1
Alicja Żyła	01.01.2024 – 31.12.2024	1,417.4	546.4	268.2	2,232.0
Total		13,805.6	7,635.8	2,599.3	24,040.7

*\*Bonus resulting from the Variable Compensation Plan: for 2023 cash not deferred, for 2022 cash 1st tranche deferred, for 2021 cash 2nd tranche deferred, for 2020 cash 2nd tranche deferred, for 2019 cash 3rd tranche deferred, for 2018 cash 4th tranche deferred and for 2017 cash 5th tranche deferred; Phantom Shares resulting from the Variable Compensation Plan: for 2022 held, for 2021 1st tranche deferred, for 2020 1st tranche deferred, for 2019 2nd tranche deferred, for 2018 3rd tranche deferred and for 2017 4th tranche deferred;*

*\*\*insurance, investment fund contributions, medical care and other benefits granted by the Bank Supervisory Board.*

Equal pay

We pay very close attention to equal pay in our bank. In addition to the area of equal pay between men and women, an important element is not to allow a disparity between the remuneration of the members of the Management Board and the average remuneration of our employees. Therefore, this area is governed by two policies: *Remuneration Policy for Supervisory Board and Management Board Members of ING Bank Śląski S.A. and ING Bank Śląski S.A. Group Remuneration Policy.*

According to the provisions of the regulations cited above, the average gross annual total remuneration of the members of the Management Board does not exceed 40 times the average gross total remuneration of the other employees in an annual period. This relationship is reviewed annually as part of the pay policy review. The average basic salary received by an employee in our bank is PLN 12.8 thousand gross per month.



Information on the ratio of remuneration of management board members to the average for employees					
	Limit	2021	2022	2023	2024
Ratio of times the average gross basic salary (monthly)	40	13	12	12	11
Ratio of times the average gross total remuneration (annual)	40	22	27	22	21

Index of total annual remuneration				
	2021	2022	2023	2024
Ratio of annual total remuneration for the highest paid person in the organisation to the median annual total remuneration for all employees (excluding the highest paid person)	41.9	40.6	36.7	36.0
Ratio of the percentage increase in total annual remuneration for the top earner in the organisation to the median percentage increase in total annual remuneration for all employees (excluding the top earner)	0.25	0.79	0.15	0.87

## Diversity policy for supervisory and management bodies

ESRS 2 GOV-1.21

ING Bank Śląski applies the principle of diversity in the selection, qualification assessment and succession of supervisory and management bodies. The bank’s [Diversity Policy for ING Bank Śląski S.A. Management Board and Supervisory Board Members](#). (approved by Resolution of the Ordinary General Meeting of ING Bank Śląski S.A. No. 34 of 7 April 2022) formulates principles to ensure that the members of these bodies are characterised by a broad range of competencies, high professional qualifications, adequate professional experience, skills and good reputation. At the same time the policy assumes aiming at ensuring representation of both genders in the processes of selection and succession plans, keeping in mind the laws on fair treatment while establishing employment relationship.

In making its decision when appointing members to the governing bodies, the bank takes into account that more diverse governing bodies foster constructive dissent and discussion based on different points of view.

The principles set out in the policy aim to:

- reach a broad spectrum of competence when appointing Supervisory Board and Management Board members so as to have diverse points of view and experience and to facilitate independent opinions and reasonable decisions to be issued by a given body;
- ensure the high quality of tasks performed by managing bodies by way of selecting competent individuals to the Supervisory Board and Management Board, primarily applying objective business-related criteria and taking into account benefits stemming from diversity.

As regards business-related criteria, the diversity strategy ensures selection of persons with diverse knowledge, skills and experience, suitable for positions held by them and duties entrusted to them, who complement each other at the level of the Management Board and Supervisory Board. The criteria are verified in the suitability assessment process described in the *Policy for the Assessment of the Suitability of the Members of the Supervisory Board, Management Board and Key Function Holders at ING Bank Śląski S.A.* Moreover, apart from knowledge, competences and professional experience, the diversity policy covers gender- and age-related differences, and applies them to arrive at the best outcome.

The Remuneration and Nomination Committee of the Supervisory Board of ING Bank Śląski defines the target value of the representation of the underrepresented gender in the Bank Management Board and Supervisory Board and adopts a plan aimed at achieving the target value. The target value is determined according to the term of office of the Supervisory Board and the Management Board of the Bank, i.e. once every four consecutive full financial years counted from the beginning of the term of office of a given body.





Information on diversity in the Management Board and Supervisory Board

	Management Board	Supervisory board
Gender		
women	4	4
men	4	5
Age		
41-50 years	2	4
51-60 years	5	5
61-70 years	1	-
Citizenship		
Polish	8	6
other	-	3
Seniority		
to 5 years	3	7
6-10 years	4	2
>10 years	1	-

Professional experience of the members of the Management Board and Supervisory Board

First name and surname	Position	Work experience	Education
Professional experience of Management Board members:			
Brunon Bartkiewicz	President of the Bank Management Board	banking, finance	finance and economics
Joanna Erdman	Vice-President of the Bank Management Board	banking, finance	finance and economics
Marcin Giżycki	Vice-President of the Bank Management Board	banking, finance	banking and finance

Bożena Graczyk	Vice-President of the Bank Management Board	banking, finance	finance and economics
Ewa Łuniewska	Vice-President of the Bank Management Board	banking, finance	finance and economics
Michał Mrożek	Vice-President of the Bank Management Board	banking, finance	finance and economics
Sławomir Soszyński	Vice-President of the Bank Management Board	banking, IT	IT
Alicja Żyła	Vice-President of the Bank Management Board	banking, finance	finance and economics

Professional experience of Supervisory Board members:			
Monika Marcinkowska	Chair of the Supervisory Board (Independent Member)	banking, finance	economics, management
Małgorzata Kołakowska	First Deputy Chair of the Supervisory Board	banking, finance	economics
Michał Szczurek	Deputy Chair of the Supervisory Board	banking, finance	economics, law, IT
Aneta Hryckiewicz-Gontarczyk	Independent SB Member	economics, finance	economics
Stephen Creese	Member of the Supervisory Board	banking	economics
Dorota Dobija	Independent SB Member	banking, finance	economics, IT
Hans De Munck	Member of the Supervisory Board	banking	economics
Arkadiusz Krasowski	Independent SB Member	banking, finance	economics
Serge Offers	Member of the Supervisory Board	economics, accounting, controlling	economics

Since the implementation of the Policy in 2019, the target value of the under-represented gender has been set at 30% of women and 70% of men (with a deviation of +/- 2%). The means to achieve the target value is to verify and update the database of successors. The target value is reviewed annually on the basis of reports prepared by the HR units and presented to the Remuneration and Nomination Committee of the Supervisory Board of ING Bank



Śląski S.A. If the target value is not achieved, the bank will document the reasons, the measures to be taken and the timing of such measures to ensure that the target value is achieved.

As at 2024 yearend, the Management Board consisted of 4 women (50% of the number of Management Board members), and the Supervisory Board comprised 4 women (44% of the number of Supervisory Board members). On the Supervisory Board, 33% (3 people) have a nationality other than Polish.

## Other information

### Tax Policy

ING Group N.V. has an *ING Global Tax Policy* that applies to the entire ING Groep. It aims to ensure that, with regard to tax matters, all ING N.V. Group employees act in accordance with the tax laws contained in local legislation, the ING Values and the ING Tax Principles.

ING Bank Śląski has a [Policy](#) that governs the principles we follow with regard to tax matters. In line with this policy, we comply with the principles described in the *ING Global Tax Policy* and the Orange Code.

As a result of the cyclical regulatory review in 2024, we revised the *Tax Policy*, which included introducing and defining the obligations that bank employees and ING entities are required to comply with, as well as supplementing the document with a description of tax risks and audit objectives.

In order to mitigate potential tax risks, we implement lower-level documents, i.e. tax procedures and instructions, inter alia:

- *ING Bank Śląski S.A. Corporate Income Tax Settlement Manual,*
- *Procedure on how to document and determine tax liability and deferred tax at ING Bank Śląski S.A.,*
- *Manual on Tax Documentation for Transactions with Related Entities and Those Established in Countries with Harmful Tax Competition,*
- *Manual on Flat-rate Income Taxes on Certain Income (revenue) Earned by Individuals and Non-resident Legal Entities, Together with Operating Procedures,*
- *Manual on the Preparation by the Bank of information on Income from Other Sources and Information on Certain Income from Monetary Capital,*

- *ING Bank Śląski S.A. Value Added Tax Settlement Manual,*
- *Manual and Procedure for Accounting for the Tax on Certain Financial Institutions (bank tax),*
- *Procedure for dealing with non-compliance with the obligation to provide information on tax schemes, etc.*
- *Manual on the Definition of Activities to be Performed by Individual Units at ING Bank Śląski S.A. When Obtaining and Submitting Information on US Reported Accounts,*
- *CRS Reporting Manual (Common Reporting Standard).*
- *Manual and Procedure for the Settlement of Excise Duty at ING Bank Śląski S.A.*

We apply the arm's length principle in our transactions with related entities. We strive to comply with national and international laws and regulations, taking into account both the letter and spirit of the law, as well as standards such as the OECD (Organisation for Economic Co-operation and Development) Guidelines.

We take a transparent approach to tax issues. Our disclosures are made in accordance with the relevant national legislation, as well as applicable requirements and reporting standards, such as IFRS.

The tax area is run by the Centre of Expertise TAX. The mission of this team, following the adopted Policy, is:

- providing high-quality tax support to the bank's business units and management,
- handling of the bank's tax settlements in accordance with applicable laws and regulations,
- ensuring, in cooperation with other units of the CFO Division, that the bank's tax position is correctly reflected in our financial statements.

The main tasks of the Centre of Expertise TAX include:

- rendering opinion, developing and implementing solutions relating to the bank's taxes,
- keeping tax reporting and tax settlements in compliance with applicable laws and the bank's internal needs,
- rendering opinions concerning bylaws, manuals and procedures, external legal acts, draft agreements and other internal documents of the bank with respect to tax effects,
- providing information on material amendments to tax regulations,



- developing and updates or principles and procedures relating to tax liabilities under CIT, VAT, banking tax, flat/withholding tax, excise tax, customs duties, civil law tax.

Summary information on the tax strategy implemented by the bank in each year is available on [this page](#).

### Management Board statement on agreements concluded

The Bank Management Board declares that as at 31 December 2024 ING Bank Śląski S.A. did not hold:

- material loan agreements, sureties and guarantees not related to operating activities,
- material underwriting agreements,
- material guarantee agreements granted to subsidiaries,
- liabilities to the central bank,
- material agreements with the central bank or supervision authorities,
- agreements referred to in Article 141t (1) of the Banking Act.

Detailed information on transactions with related entities was presented in the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group for 2024 and in the 2024 Financial Statements of ING Bank Śląski S.A..

### Indication of proceedings pending before a court, a body competent for arbitration proceedings or a public administration body

Detailed information on the initiated administrative and court proceedings is presented in the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Capital Group. for 2024 and in the Financial Statements of ING Bank Śląski S.A. for 2024.



# Bank and client safety

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Over the last few years, the organic growth of ING Bank Śląski S.A. Group has been carried out with high, better-than-market-quality assets. The speed and consistency of credit decisions can be a competitive advantage. This is due to the entire organization as well as the experience and motivation of our employees. Due to the increasing use of modern technology, the area of IT security and our clients’ data is becoming more and more important.

## Risk and capital management system

### Risk management system

Our management system allows us to manage risks according to the size and profile of the risks we incur. We continuously identify, measure or assess, monitor and control risks, including mitigation and reporting with an assessment of the effectiveness of the actions taken.

A risk management system is a set of principles, mechanisms, methodologies, models and tools (including, but not limited to, policies and procedures) embedded in risk processes. It covers all spheres of our bank’s activities and those of the entire group, as well as cooperation with outsourcers, clients and partners.

We hedge or mitigate risks by putting in place appropriate controls, a system of limits and an adequate level of provisions (allowances), as well as capital and liquidity buffers.

Our risk management system provides us with:

- maintaining a safe level of solvency, liquidity and non-financial risks (comprising operational, compliance and model risks), as well as an adequate level of provisions,
- supporting the effective achievement of business objectives,
- providing compliance with the law and supervisory requirements.

As part of the risk management system:

- we measure or assess risks at a set frequency that is appropriate to the scale and complexity of our bank’s activities,
- we use formalised principles that are used to determine the size of undertaken risks and principles governing risk management,
- we use formalised procedures aimed at risk identification, measurement, or estimation that also includes a predicable risk level in the future,

- we apply formalised limits to mitigate risk and rules in the event of exceeded limits, including ways and means to eliminate future exceeded limits,
- we use an approved management information system supporting risk level monitoring,
- we have an organisational structure in place that is adjusted to the size and profile of the risk that the bank incurs,
- we have a qualified risk management unit and provide training for first and second line of defence staff,
- we have a well-defined process for assessing and measuring credit risk, independent of the lending function,
- we have a documented range of reviews for the estimation of expected credit losses including the models used to estimate impairment allowances under IFRS 9 (impairment models) and the timing of these, with at least an annual frequency.

### Three lines of defence model

The risk management system is described in the policy – *General Principles of Risk Management at ING Bank Śląski S.A.* Our risk management structure is based on a model of three lines of defence. It provides us with a solid foundation for risk management by defining and implementing three layers, with separate enforcement and oversight responsibilities.

First line of defence – is responsible for developing, implementing and executing mitigating controls and monitoring their effectiveness. Its responsibilities include:

- analysis,
- control and
- managing risks in the processes, including for outsourced activities.

The management of the business units and support functions has primary responsibility for assessing, controlling and mitigating all risks affecting their operations, and for the completeness and accuracy of financial and risk reports relating to their areas of responsibility.

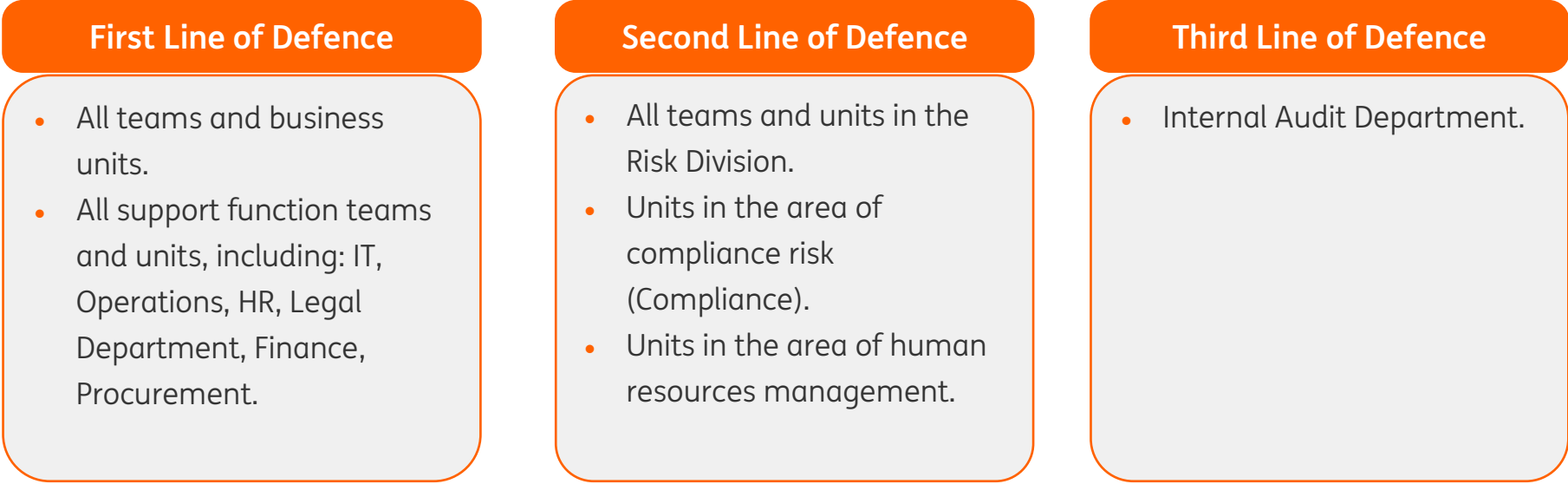


The second line of defence is responsible for formulating and translating risk appetite into methodologies and policies. Moreover, it objectively verifies and challenges risk management and control processes implemented by the first line of defence. It also coordinates the reporting of risks and controls by the first line of defence. Its main task is:

- support,
- instructing,
- opinion,
- counselling,
- questioning and
- overseeing the first line of risk management.

The third line of defence is the Internal Audit Department, which provides the Management Board, Supervisory Board and Audit Committee with independent assurance on the quality and effectiveness of the system of internal control, risk management, corporate governance and the systems and processes in place.

Diagram of the three lines of defence model



Internal control system

The internal control system is described in the policy – *Internal Control System at ING Bank Śląski S.A.* It is one of the elements of bank management and its foundations, principles and objectives derive from the Banking Act, the

Regulation of the Minister of Finance, Funds and Regional Policy on the risk management system and the internal control system and remuneration policy in banks and Recommendation H, concerning the internal control system in banks issued by the Polish Financial Supervision Authority.

The objective of the internal control system is to ensure:

- The efficiency and effectiveness of the bank’s operations.
- Reliability of financial reporting.
- Adherence to the bank’s risk management principles.
- Compliance of the bank’s operations with laws, internal regulations and market standards.

The internal control system consists of:

- Control function – this is the element of the internal control system that consists of all controls in the processes operating in the bank, independent monitoring of their compliance and reporting within the control function. Includes positions, groups of people or organisational units responsible for carrying out the tasks assigned to this function.
- Centre of Expertise – Compliance – acting as a compliance function to identify, assess, control, monitor and report on risks of non-compliance of the bank’s activities with laws, internal regulations and market standards.
- Internal Audit Department – which is an independent unit tasked with examining and assessing, in an independent and objective manner, the adequacy and effectiveness of the risk management system and the internal control system within the first and second lines of defence.

Principles of risk management

We manage credit, market, liquidity and funding and non-financial (operational and compliance) risks in accordance with the principles set out by:

- norms of Polish law,
- regulations of the Polish Financial Supervision Authority and other authorised bodies, as well as



- in accordance with the standards set by ING Group N.V. to an extent that does not lead to a breach of the aforementioned regulations and best practice documents.

Irrespective of the need to ensure regulatory and legal compliance (Compliance), we regard the management of credit, market, liquidity and funding and operational risks as a fundamental and integral part of the overall management of the ING Bank Śląski Group.

## Risk Appetite

The risk appetite determines the maximum amount of risk that the ING Bank Śląski Group is prepared to accept in support of stability and further growth. As part of our risk and capital management, we set risk appetite parameters (the so-called *Risk Appetite Statement*- RAS) to meet regulatory levels in a stressed situation and strategic capital targets to deliver the business strategy, including dividend targets.

### Capital adequacy objectives

In capital strategic objectives, the bank maintains management buffers to enable it to implement its strategy in the face of unexpected regulatory and business changes. The minimum level of capital adequacy results from the obligation to maintain minimum levels of capital ratios under the following external regulations:

- Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 (4.5% for CET1, 6% for T1 and 8% for TCR),
- Act of 5 August 2015 on macro-prudential supervision over the financial system and crisis management in the financial system sanctioning additional equity buffers, including:
  - the conservation buffer, which in 2024 (as in 2023) was 2.5%,
  - another systemically important institution buffer of 1.0% imposed by a decision of the PFSA received on 11 December 2024; until that date, the buffer was 0.5% under a decision of the PFSA received on 20 December 2022,
  - a countercyclical buffer to be applied to exposures to which that buffer has been imposed by competent authorities. The countercyclical buffer varies over time depending on the structure of the relevant exposures and the levels of countercyclical buffer rates imposed on the relevant exposures (as of the end of December

2024, the countercyclical buffer was effectively 0.009% (solo: 0.009%), compared to 0.012% (solo: 0.013%) as at the end of December 2023),

- Regulations of the Minister of Development and Finance of 18 March 2020 repealing the Regulation on the systemic risk buffer; however, following a prudent approach, we monitor capital ratios taking into account the size of the systemic risk buffer.

As part of the capital adequacy RAS, we also set capital limits for specific risks.

## Own funds and capital requirement

### Minimum capital requirements

On 11 December 2024, we received a letter from the Polish Financial Supervision Authority (which we reported on in [a current report](#)) regarding a change in the level of the buffer of another systemically important institution, the adequate amount of which, based on the principles adopted by the PFSA, was set at an equivalent of 1.0% of the total risk exposure amount. Until that date, the buffer of another systemically important institution for us was 0.5%.

On 19 December 2024, we received a letter from the Polish Financial Supervision Authority (which we reported on in [a current report](#)) regarding the non-designation of a recommendation for us to mitigate the risks inherent in our business by holding own funds to cover the additional capital charge (P2G) to absorb potential losses arising from stress events. The PFSA's decision means that the existing P2G of 0.32 p.p. at the individual level and 0.31 p.p. at the consolidated level no longer apply.

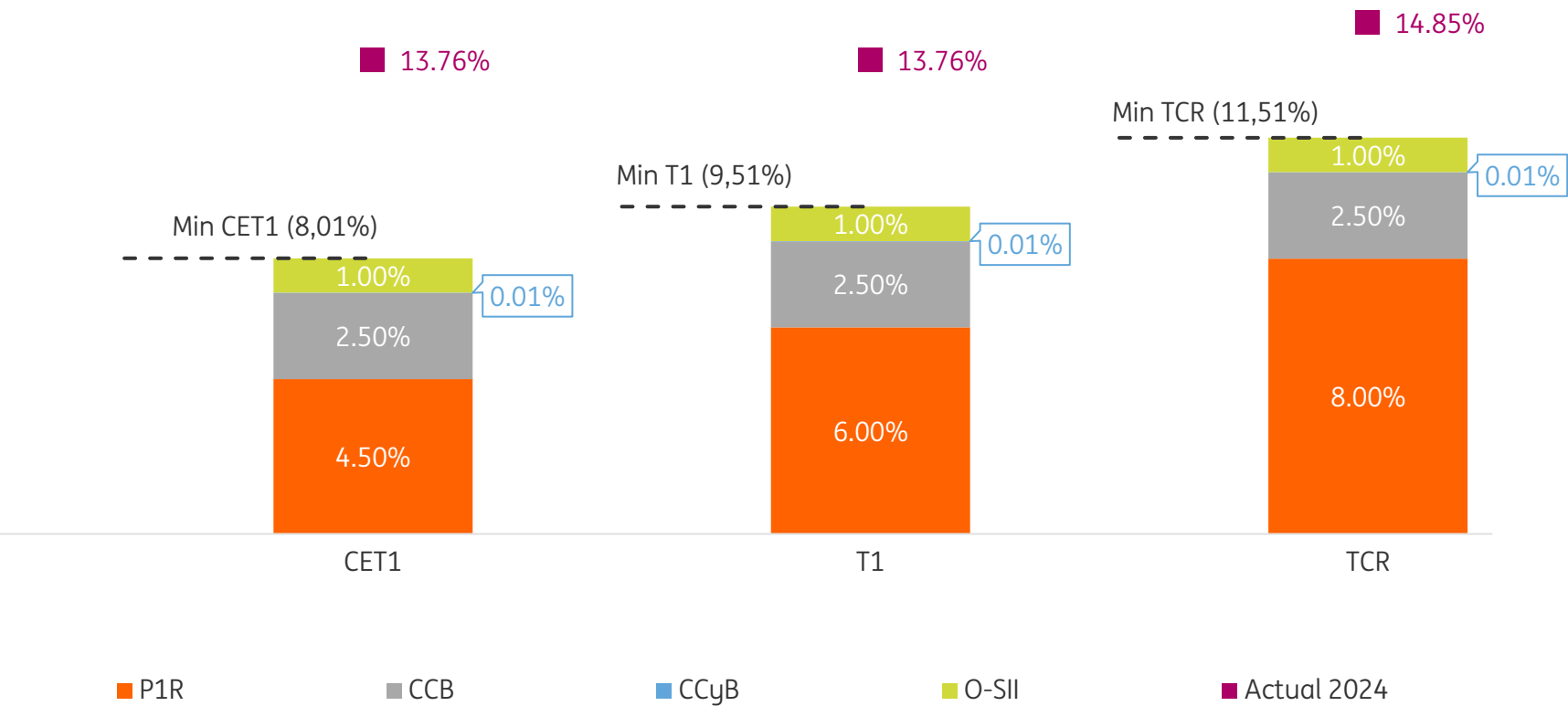
Consequently, as at 31 December 2024, the minimum capital requirements for the ING Bank Śląski Group are:

- The Common Equity Tier 1 (CET1) capital requirement is 8.01% (solo: 8.01%), of which:
  - 4.50% Pillar 1 Requirement (P1R),
  - 0.00% Pillar 2 Requirement (P2R),
  - 2.50% Capital Conservation Buffer (CCB),
  - 0.01% Countercyclical Buffer (CCyB),
  - 1.00% Other systemically important institution (O-SII) buffer,



- 0.00% Pillar 2 Guidance (P2G) recommendation.
- The Tier 1 (T1) requirement is 9.51%, of which:
  - 8.01% (solo: 8.01%) CET1 requirement,
  - 1.50% Pillar 1 requirement for Additional Tier 1 (AT1) instruments.
- The total capital ratio (TCR) requirement is 11.51% (solo: 11.51%), of which:
  - 9.51% (solo: 9.51%) T1 requirement,
  - 2.00% Pillar 1 requirement for Tier 2 (T2) capital.

Structure of minimum capital requirements for the ING Bank Śląski Group as at 31 December 2024:



Equity

Our own funds on a consolidated basis consist of:

- common Equity Tier 1 capital, which amounted to PLN 16,857 million as at 2024 yearend (PLN 17,507 million as at 2023 yearend),
- Tier 2 capital, which amounted to PLN 1,340 million as at 2024 yearend (PLN 1,523 million as at 2023 yearend).

At 31 December 2024, as at 31 December 2023, no Additional Tier 1 (AT1) capital is identified in the Group.

Capital requirement

In 2023 and 2024, for reporting purposes, we used the calculation of capital requirement relating to credit risk with an advanced method of internal ratings and the standard method. We are approved by the Polish Financial Supervision Authority and the National Bank of the Netherlands to use the Advanced Internal Ratings Based Approach (AIRB) for exposure classes: companies and credit institutions for our bank and ING Lease (Polska) Sp. z o.o. In the area of operational risk, we have been using the standardised approach (TSA) since June 2020. In the area of market risk, we use the basic method and the updated average return period method (depending on the type of risk). We determine capital requirements relating to concentration risk, settlement risk and adjustment risk or credit valuation (CVA). In all cases, the requirements are set in accordance with the CRR Regulation.

Our total capital requirement as at 2024 yearend was PLN 9,801 million, up by PLN 1,058 million on the previous year. Within its structure, it was dominated by the credit risk requirement. As at 2024 yearend, it represented 86% (as at 2023 yearend it was 85%).

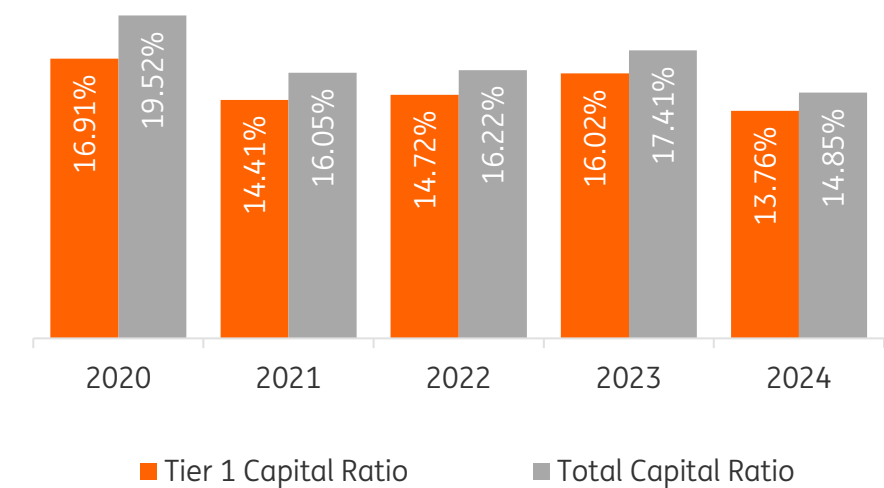
Capital Adequacy

As at 2024 yearend, the value of our total capital ratio on a consolidated basis was 14.85% compared to 17.41% as at 2023 yearend, and the value of our consolidated Tier 1 ratio was 13.76% compared to 16.02% as at 2023 yearend.

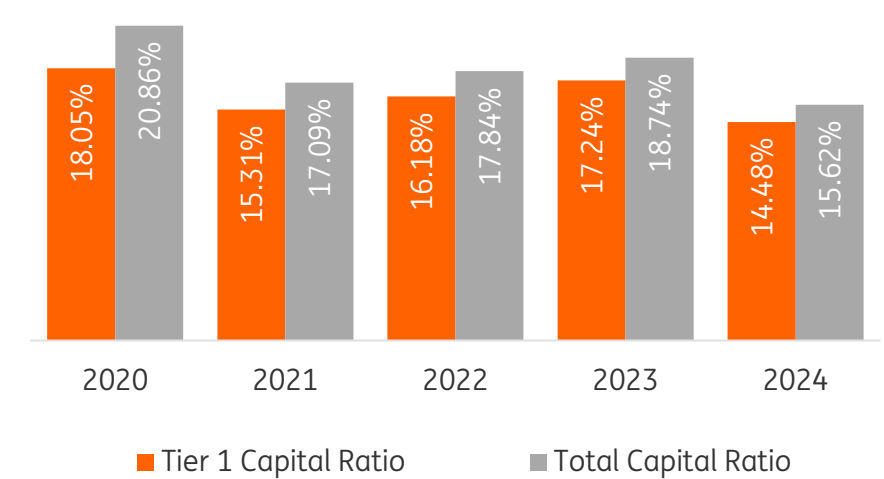




Capital ratios for the ING Bank Śląski S.A. Group



Capital ratios for ING Bank Śląski S.A.

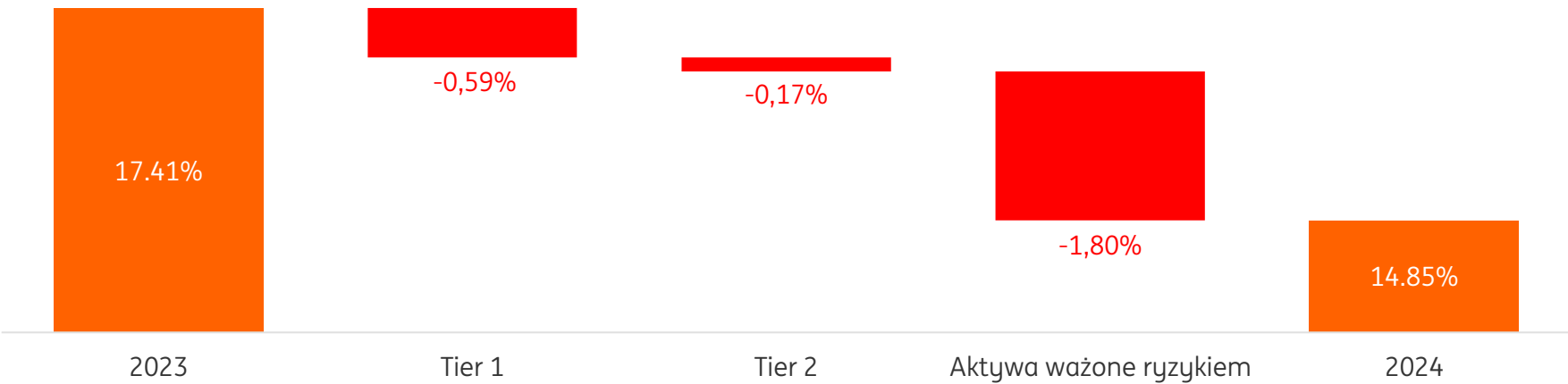


The main drivers of the change in the total capital ratio are:

- as part of Common Equity Tier 1 capital:
  - payment of dividends from retained earnings – decrease in total capital ratio by 0.92 p.p.,
  - a temporary increase in the shortfall of credit risk adjustments against expected losses according to the IRB approach – decrease in the total capital ratio by 0.32 p.p.,
  - decrease in deferred tax assets based on future profitability and not resulting from temporary differences – 0.47 p.p. increase in the total capital ratio,
  - application of the transition period for unrealised gains and losses on the portfolio measured at fair value through other comprehensive income – an increase in the total capital ratio of 0.21 pp,
- under Tier 2 capital:
  - increase in the amount of subordinated loans not included in own funds as a result of entering the last 5 years to maturity – decrease in the total capital ratio by 0.13 p.p.,
- as part of the capital requirement:

- increase in risk-weighted assets due to model changes – decrease in total capital ratio by 1.00 p.p.,
- increase in risk-weighted assets due to changes in loan volumes – decrease in total capital ratio by 0.85 p.p.

Breakdown of the annual change in the total capital ratio (consolidated approach)



The excess of total capital ratio over regulatory requirement decreased from 6.09% to 3.34% and the excess of Tier 1 ratio decreased from 6.70% to 4.25%.

In the calculation of capital ratios, we take advantage of the transitional provisions in terms of mitigating the impact of the implementation of IFRS 9 on the level of own funds. If this transitional period had not been applied, our capital ratios at 31 December 2024 would have been as follows:

- at the consolidated level, the total capital ratio would have been at 14.65% and the Tier 1 capital ratio at 13.56%,
- at the separate level, the total capital ratio would have been at 15.41% and the Tier 1 capital ratio at 14.27%,

Dividend policy

The most important assumptions of our dividend policy are as follows:

- stable realisation of dividend payments in a foreseeable perspective in the amount of up to 50% of our bank's annual net profit in compliance with the prudent management principle and all regulatory requirements we are obliged to comply with, and taking into account the adopted Best Practice for GPW Listed Companies 2021,



- a proposal to pay dividends in excess of the ratio indicated above is possible if justified by the bank’s financial situation and provided that all other requirements of the law and the dividend policy are met,
- possibility of dividend payouts from capital surplus over the minimum capital adequacy ratios and above the minimum levels of capital ratios determined by the Polish Financial Supervision Authority for dividend payouts.

When deciding on the proposed amount of dividend payment, the Bank Management Board takes into account the supervisory requirements communicated within the framework of the official communication of the PFSA concerning the dividend policy of banks, as well as the following considerations:

- the current economic and financial condition of the bank and the capital group, including limitations when financial losses are generated or in case of low profitability (low return on assets / equity),
- the assumptions of the management and risk management strategy of the bank and the bank’s group,
- restrictions resulting from Article 56 of the Act on Macro-prudential Supervision over the Financial System and Crisis Management in the Financial System of 5 August 2015,
- the need to reduce current period profits or unapproved annual profits included in own funds by foreseeable dividends, in accordance with Article 26 of EU Regulation No 575/2013,
- macroeconomic environment.

**PFSA’s guidelines with respect to dividend for 2024**

On 10 December 2024, the Polish Financial Supervisory Authority published its position on dividend policy in 2025. An amount of up to 50% of the profit for 2024 can only be paid out by banks that meet the following criteria at the same time:

- that do not pursue any recovery plan,
- are positively evaluated as part of the Supervisory Revision and Evaluation Process (final SREP score not worse than 2.5),

- have a leverage ratio (LR) of more than 5%,
- that hold their Tier 1 (CET1) core capital ratio not lower than the required minimum:  $4.5\% + 56.25\% \cdot P2R$  requirement + combined buffer requirement (taking into account the announced countercyclical buffer target of 2%) +  $P2G^{[4]}$ ,
- that hold their Tier 1 (T1) capital ratio not lower than the required minimum:  $6\% + 75\% \cdot P2R$  requirement + combined buffer requirement +  $P2G^1$ ,
- that hold their total capital ratio (TCR) not lower than the required minimum:  $8\% + P2R$  requirement + combined buffer requirement +  $P2G^1$ ,

An amount of up to 75% of the 2024 profit can only be paid out by banks that meet the criteria for a 50% payout and also whose portfolio of receivables from the non-financial sector has good credit quality (share of NPLs, including debt instruments, of no more than 5%).

We should meet the criteria set out above on both a separate and consolidated level, as at 2024 yearend and at the time of the resolution regarding the potential payment of dividends from 2024 profits.

The maximum dividend payable is capped at 75% , in line with the expectation of ensuring the stability of the Polish financial sector by adjusting the capital base of supervised entities to the level of their risk and protecting the recipients of financial services of these entities.

**Dividends paid**

On the basis of the PFSA’s position on the banks’ dividend policy for 2023, on 11 April 2024 the Bank’s Ordinary General Meeting adopted a resolution on the payment of dividends from the profit for 2023 and from the dividend reserve. Based on this resolution, on 06 May 2024 the bank paid a total dividend of PLN 4,338.8 million, i.e. a gross dividend of PLN 33.35 per share.

<sup>4</sup> Pillar 2 Guidance or Additional Capital Recommendation – measures a bank’s vulnerability to an adverse macroeconomic scenario using the results of supervisory stress tests. Sensitivity defined as: the relative change in CET1 calculated between the lowest level of CET1 in the scenario horizon and CET1 at the start of the test, including supervisory adjustments. The amount of the recommendation takes into account the compensation of the safety buffer.



The history of dividends paid in the last five years is shown in the table below. The full story is available on [our website](#) .

Abridged history of dividend payment by ING Bank Śląski S.A.					
	2019	2020	2021	2022	2023*
Dividend amount in a given year (PLN million)	0	663.5	689.5	0	4,338.8
Dividend amount per share (PLN)	0	5.10	5.30	0	33.35
Dividend payment rate (to consolidated profit)	0%	49.6%	29.9%	0%	97.7%
Dividend payment rate (to the share price on the dividend rights acquisition day)	0%	2.0%	2.3%	0%	11.0%

*\*Including: PLN 3,330.5 million from the Bank's 2023 profit, representing 75% of ING Bank Śląski S.A.'s separate and consolidated 2023 profit, and PLN 1,008.3 million from the dividend reserve. The amount of PLN 1,008.3 million consists of: PLN 494.4 million in profit for 2019 and PLN 513.9 million in profit for 2022.*

Declared dividends

The Bank Management Board is recommending to the General Meeting a dividend of PLN 3,275.9 million from the profit for 2024, which represents 75% of the consolidated profit of the ING Bank Śląski Group and 75% of the standalone profit of ING Bank Śląski. The proposed dividend per share is PLN 25.18 gross. The proposed ex-dividend date is 06 May 2025 and the proposed dividend payout date is 12 May 2025. The amount of the proposed dividend provides both for the current financial situation of the Group and the Bank and their development plans.

Recovery plan and enforced restructuring

On 13 December 2024, we received as ING Bank Śląski Group S.A. a positive decision from the PFSA of 6 December 2024 on the approval of the updated Recovery Plan document. The Recovery Plan complies with the provisions of Polish law transposing the requirements of the BRR Directive, i.e.:

- with the Bank Guarantee Fund Act of 10 June 2016 (as amended) and
- the implementing provisions of that Act.

In parallel to the work on the Recovery Plan, we are implementing further solutions to improve the feasibility of an effective restructuring. On 30 April 2024, we submitted to the Bank Guarantee Fund a self-assessment of the degree

of implementation of the EBA Guidelines on improving the capacity to restructure effectively (EBA/GL/2022/01). The status of activities in this area was also presented to the Bank Management Board and Supervisory Board.

The Bank Guarantee Fund (BGF) – as part of the tasks described in the Act – is obliged to participate in the forced restructuring colleges established by the competent forced restructuring authorities for groups that include a domestic entity or a significant branch operating on the territory of the Republic of Poland.

In carrying out these tasks, the BGF participates in the Single Resolution Board (SBR), which was set up by the Single Resolution Board (SRB) of the ING Group N.V., consisting of the parent company ING Groep N.V. and subsidiaries, including ING Bank Śląski S.A. The BGF, in a letter of 06 June 2024, reported that, in cooperation with the SRB, acting within the framework of the college, they had agreed and adopted, in the form of a joint decision, a Minimum Requirement for Own Funds and Eligible Liabilities (MREL), on a consolidated basis for ING Group N.V. and for subsidiaries, including ING Bank Śląski, at the separate level (internal MREL). The joint decision indicates that the group compulsory restructuring plan provides for a compulsory restructuring strategy involving a single point of contact in the event of the commencement of a compulsory restructuring (Single Point of Entry, SPE). The preferred compulsory restructuring tool for ING Group N.V. is the bail-in instrument. .

As part of the activities related to the compulsory restructuring process, we have prepared an operational Bail-in Manual, which outlines step-by-step the actions to be taken in a situation where a bail-in procedure is triggered. In 2024, we updated the Manual with comments from the BGF. We plan to finalise the next update of the Manual by 30 September 2025.

The MREL requirement set by the BGF, in consultation with the SRB, for us is 19.95% of the *total risk exposure amount* (TREA) – including a combined buffer requirement of 3.51% as at 2024 yearend, and 5.91% of the total exposure *measure* (TEM), at the unit level. As at 31 December 2024, the MREL TREA ratio was 23.49% and the MREL TEM ratio was 10.57%. The entire MREL requirement should be met in the form of own funds and liabilities that meet the criteria set out in Article 98 of the BGF Act, which transposes Article 45f(2) of the BRR Directive. The part of MREL corresponding to the recapitalisation amount should be met in the form of the following instruments: additional Tier 1 (AT1), Tier 2 (T2) capital instruments and other subordinated eligible liabilities acquired directly or indirectly by the parent company. As at 2024 yearend, we meet the BGF's expectation.



MREL requirement – under the current BGF methodology for subsidiaries in cross-border group structures for which SPE strategies have been defined – with respect to risk exposure, can be estimated based on the formula:

$$(CRR_{TCR} + BFX) + [1 - (CRR_{TCR} + BFX)] * (CRR_{TCR} + BFX) + MCC$$

- $CRR_{TCR}$  – the minimum required by CRR with respect to the total capital ratio,
- BFX – Pillar 2, i.e. add-on for foreign currency mortgage exposure,
- MCC – market credibility buffer (the nominal difference between the MREL requirement on a consolidated basis for the bank and the MREL requirement on a stand-alone basis, expressed as a percentage of the risk exposure on a stand-alone basis).

The MREL requirement, in relation to a measure of total exposure, can be estimated based on the formula:

$$(CRR_{LR}) + [1 - CRR_{LR}] * CRR_{LR}$$

- $CRR_{LR}$  – the minimum leverage ratio required by the CRR.

Common Equity Tier 1 (CET1) instruments held by an entity for the purposes of the combined buffer requirement cannot be counted towards the MREL requirement expressed as a percentage of total risk exposure.

The restructuring strategy and the MREL requirement may be subject to change, in particular in connection with work within the supervisory colleges.

As at 2024 yearend, the value of non-preferred senior loans from ING Bank N.V. amounted to PLN 9,055 million (PLN 7,681 million as at 2023 yearend). This value consists of:

- a loan of EUR 260 million (which we reported on in our [current report of 22 December 2022](#)) concluded for a period of 6 years (with the bank having the right of early repayment after 5 years),
- a loan of EUR 1.5 billion (which we reported on in our [current report of 21 December 2023](#)) concluded for a period of 4 years (with the bank having the right of early repayment after 3 years), and
- a loan of EUR 350 million (which we reported on in our [current report of 09 October 2024](#)) concluded for a period of 4 years (with the bank having the right of early repayment after 3 years).

The loans are an implementation of the *Single Point of Entry* strategy for ING Group N.V.

## Credit Risk

### Introduction

The overarching documents governing credit risk management are: *General Principles of Risk Management at ING Bank Śląski S.A.* and *Credit Risk Management Policy at ING Bank Śląski*.

Credit risk is understood as:

- the risk of the ING Bank Śląski Group incurring a financial loss as a result of a debtor failing to meet its loan obligations to the Group in full and on time,
- a risk of reduced economic value of credit exposures or groups of credit exposures as a result of impaired ability of debtors to service their debt at the agreed time.

The policy of the ING Bank Śląski Group on the risk of the credit exposure portfolio takes into account the fact that activities generating credit risk may also be associated with other risks, i.e. among others:

- liquidity risk,
- market risk,
- operational risk,
- legal risk,
- reputational risk,
- also takes ESG risks into account.

These risks can reinforce each other. The Group optimises and mitigates losses relating to risk exposure by:

- setting internal limits,
- an adequate structure of credit products,
- applying collateral,
- applying functional controls,





- effective monitoring, restructuring and collection,
- monitoring of changes to the clients' credit worthiness and reliability,
- regular monitoring and validation of models used to identify and measure credit risk,
- performing analyses of trends and the values of key risk indicators,

Our primary objective in the credit risk management process is to support the effective achievement of business objectives through proactive risk management and organic growth activities, while:

- maintaining a safe level of capital and liquidity ratio standards and an adequate level of reserves,
- ensuring compliance with the law and supervisory requirements,

We manage credit risk in an integrated manner based on:

- strategic planning,
- a consistent system of limits, policies and procedures, and
- tools for risk management, including those to identify, measure and control risk.

This integrated system consists of all the processes carried out in connection with lending activity. Detailed credit risk management objectives are as follows:

- support to business initiatives,
- maintenance of credit losses at a pre-determined level,
- ongoing verification, review of adequacy and development of the applied procedures, models and other elements of the risk management system,
- adaptation of activities to the changing external conditions,
- maintaining an adequate level of credit risk capital requirements and provisions,
- ensuring compliance with the regulator's requirements.

## Risk management strategy and risk appetite parameters

We regard credit risk management as a fundamental and integral part of overall management. The core elements of risk management include determination and monitoring of strategy implementation and RAS (Risk Appetite Statement) parameters.

### Credit risk management strategy

The credit risk management strategy supports implementation of business objectives while maintaining our bank's safe level of solvency and liquidity and an adequate level of provisions. We determine the strategy in order to ensure an optimum development of the loan portfolio while maintaining an adequate quality and profitability of credit operations and capital allocation. The primary goal of defining the credit risk management strategy is to optimise the risk/return on equity ratio, while considering information on the current and prospective macroeconomic environment, the bank's portfolio and the level of execution of the RAS limits.

In the credit risk management strategy we provide for a "lookout to the future", including the need to remain competitive, attractive and to develop the bank's offer.

### Determining the bank-wide risk appetite (RAS)

RAS is a bank-wide risk appetite, defined by setting acceptable values for key metrics. The bank-wide risk appetite is supported and hedged by setting more detailed strategic, internal limits and other risk measures.

Types of RAS limits for credit risk:

- sales and portfolio size limits,
- portfolio quality limits/risk parameter values,
- monitoring and recovery efficiency limits,
- sectoral limits,
- concentration limits, including limits for the portfolio of mortgage-backed credit exposures, resulting from the requirements of Recommendation S,
- RAS qualitative and quantitative parameters for ESG risk.



In addition to RAS limits, we set credit risk limits for individual areas, business lines and products, as well as transaction limits that are accepted by the relevant credit decision-maker. In addition, we set internal concentration limits for:

- industries,
- forms of collateral accepted,
- regions,
- mortgage-backed credit exposures.

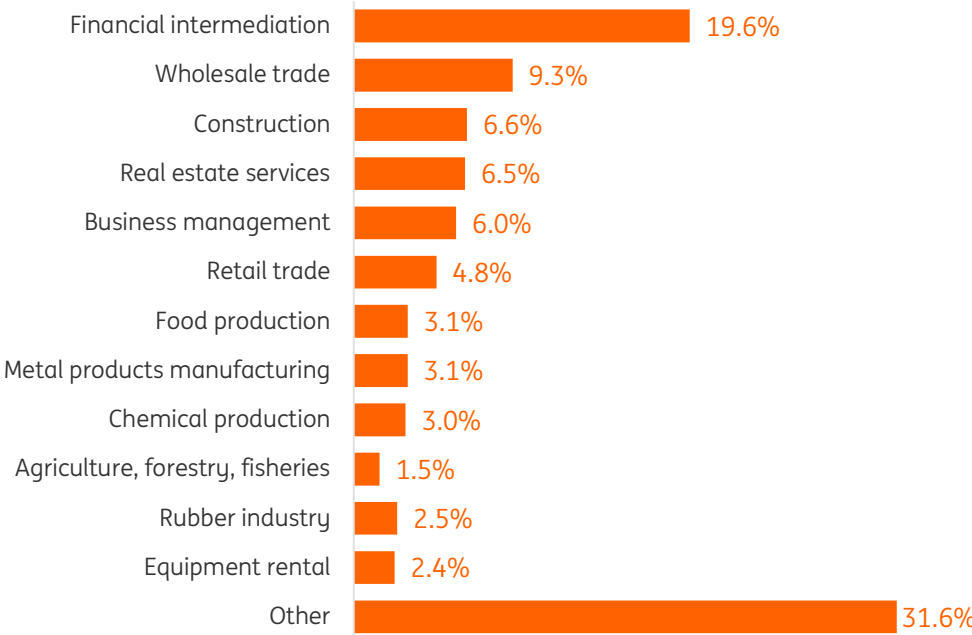
Ongoing performance of RAS limits is monitored and reported during the year, on a monthly basis.

Structure of non-bank corporate client portfolio – on-balance sheet and off-balance sheet exposures

ING Bank Śląski Group



ING Bank Śląski



Credit risk management process

Credit risk management is a continuous process which includes all activities of the bank related to its credit business. All units and persons that perform tasks in the credit process closely cooperate in order to:

- improve the effectiveness of risk management, and
- maintain risk at a level consistent with the strategy, the approved bank-wide risk appetite (RAS) and the bank's financial plans.

We implement the credit risk management process through three organisationally and functionally independent lines of defence. The bank applies organisational solutions providing for separation of the sales functions of banking products from the risk underwriting functions at all levels of the organisational structure, including the Bank Management Board. The separation of the monitoring functions and risk control of credit exposures (including concentration risk) from the sales functions of banking products and the risk underwriting functions is maintained below the level of the Bank Management Board; for retail credit exposures – also at the level of the Management Board.

In case of simplified, automatic credit process paths, the separation of the sales functions of banking products from the risk underwriting functions of credit exposures relies on the independence of the development and validation process of tools supporting the process of risk underwriting from the sales and operational functions. Competences with respect to credit decisions relating to individual credit transactions are separated from decision authority on the development of credit policies and credit risk management principles.

Risk management organisational structure

Within the CRO Division (which is headed by the Vice-President of the Management Board responsible for risk, Chief Risk Officer):

- the Risk Integration Area, which reports to the Bank’s Director, has been identified. It includes:
  - Risk Model Department,
  - ESG Risk Management Department,
  - Risk Integration Department,
  - Risk Change and Data Tribe,
  - Strategy and Transformation team;



- organisational units related to credit risk have been set up, which report directly to the Vice-President of the Management Board responsible for risk. It is composed of the following:
  - Department of Wholesale Banking Credit Risk,
  - Credit Risk Department in the Regions,
  - Consumer Credit Risk Department,
  - Business Credit Risk Department;
- other separate organisational units are:
  - Increased Risk Credits Department,
  - Model Risk Management Department,
  - Operational Risk Management Department,
  - Market Risk Management Department and
  - Credit Risk Inspection Department,

which report directly to the Vice-President of the Management Board responsible for risk.

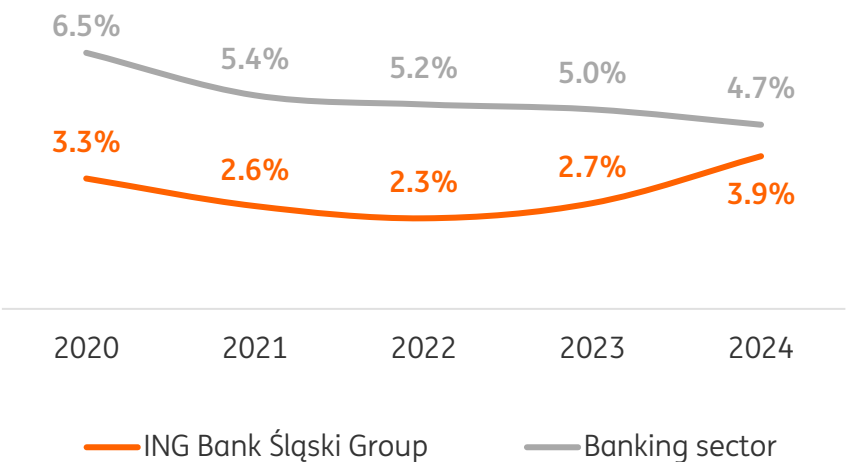
Each area controls and supervises the bank’s business and risk management processes assigned to them.

Detailed information on the principles of lending activities, credit risk management, risk management system is presented in the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group for 2024.

The quality of the loan portfolio

Share of receivables in stage 3 and POCI

Share of Stage 3 and POCI loans for the ING Bank Śląski Group

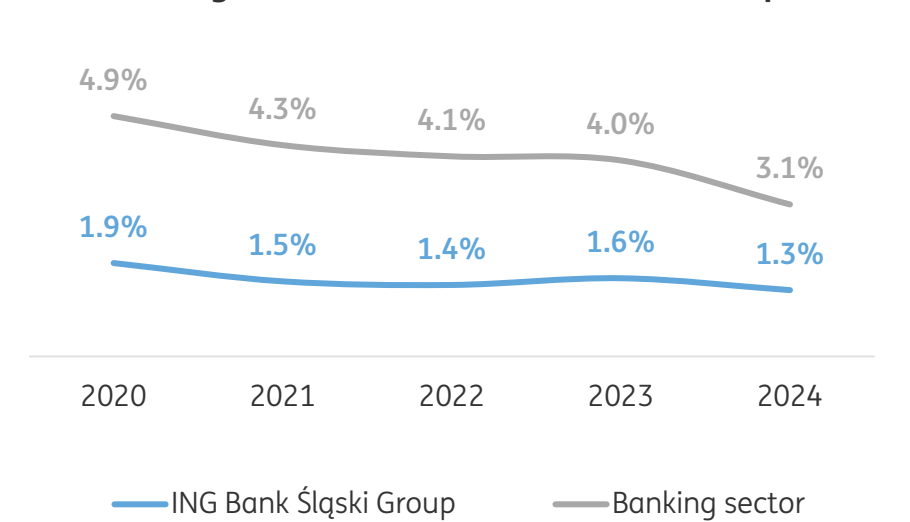


In 2024, the quality of our loan portfolio has deteriorated compared to 2023. The share of Stage 3 and POCI loans in our bank’s group decreased from 2.7% as at 2023 yearend to 3.9% as at 2024 yearend. The group’s Stage 3 and POCI loans stood at PLN 6,462 million compared to PLN 4,231 million as at 2023 yearend (up by 52.7% y/y), driven by growth in the corporate segment’s non-performing loan portfolio. This had to do with the realisation of credit losses on several clients of the corporate segment.

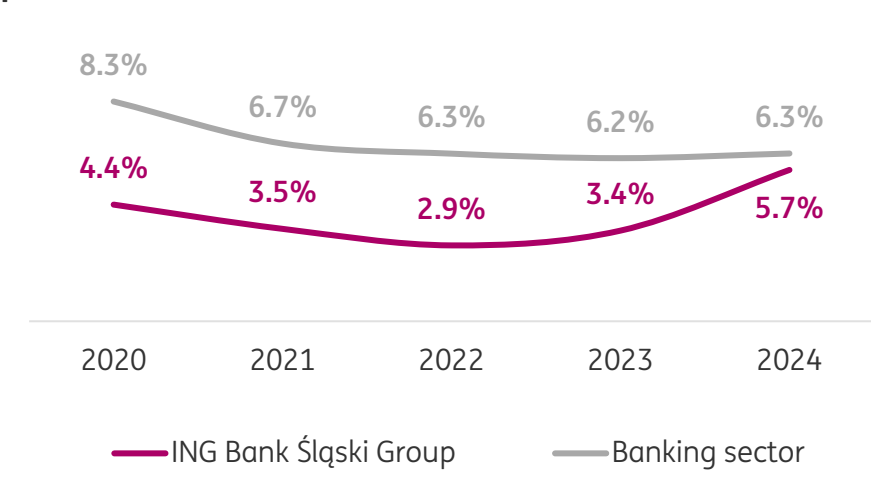
As at 2024 yearend, the share of Stage 3 and POCI loans in the retail segment in the ING Bank Śląski Group was 1.3% compared to 3.1% for the sector. The corresponding ratios for the corporate segment are 5.7% for the ING Bank Śląski S.A. Group and 6.3% for the sector, respectively.



Share of Stage 3 and POCI loans in the retail portfolio



Share of Stage 3 and POCI loans in the corporate portfolio



In 2024, the quality of our loan portfolio, apart from the increase in business volumes and prudent lending policy, was also affected by the sale of receivables classified as Stage 3 loans. As a result of these transactions, gross loans decreased by PLN 395.8 million in the corporate segment and by PLN 192.3 million in the retail segment.

Quality of the portfolio of loans to clients\* of the ING Bank Śląski Group

PLN billion	2020	2021	2022	2023	2024	Change 2024 to 2023	
						PLN billion	%
Total exposure	126.0	146.4	156.4	158.3	167.4	+9.1	+5.8%
Stage 1 and 2	121.8	142.6	152.8	154.0	160.9	+6.9	+4.5%
Stage 3 and POCI	4.2	3.8	3.6	4.2	6.5	+2.2	+52.7%
Impairment allowance	3.3	3.1	3.3	3.5	4.0	+0.4	+12.7%
Allowance for stages 1 and 2	0.8	0.6	1.2	0.9	0.8	-0.1	-13.1%
Allowance for stage 3 and POCI	2.5	2.5	2.1	2.6	3.1	+0.6	+22.1%
Portfolio share in stage 3 and POCI	3.3%	2.6%	2.3%	2.7%	3.9%		+1.2 p.p.
Portfolio coverage ratio in stage 3 and POCI	60.7%	65.2%	58.6%	61.0%	48.7%		-12.2 p.p.

Exposure – corporate banking	70.2	79.9	92.5	93.4	96.1	+2.8	+3.0%
Stage 1 and 2	67.1	77.1	89.8	90.2	90.6	+0.5	+0.5%
Stage 3 and POCI	3.1	2.8	2.7	3.2	5.5	+2.3	+71.9%
Impairment allowance	2.2	2.2	2.2	2.5	3.1	+0.6	+21.8%
Allowance for stages 1 and 2	0.4	0.4	0.7	0.6	0.5	-0.1	-11.8%
Allowance for stage 3 and POCI	1.8	1.8	1.5	1.9	2.5	+0.6	+32.3%
Portfolio share in stage 3 and POCI	4.4%	3.5%	2.9%	3.4%	5.7%		+2.3 p.p.
Portfolio coverage ratio in stage 3 and POCI	57.0%	63.4%	56.7%	60.1%	46.3%		-13.8 p.p.
Exposure – Retail Banking	55.8	66.5	63.9	64.9	71.3	+6.4	+9.8%
Stage 1 and 2	54.8	65.5	63.0	63.9	70.3	+6.4	+10.1%
Stage 3 and POCI	1.1	1.0	0.9	1.0	1.0	-0.1	-6.9%
Impairment allowance	1.1	1.0	1.1	1.0	0.9	-0.1	-10.5%
Allowance for stages 1 and 2	0.3	0.2	0.5	0.3	0.3	-0.1	-15.5%
Allowance for stage 3 and POCI	0.8	0.7	0.6	0.7	0.6	-0.1	-7.9%
Portfolio share in stage 3 and POCI	1.9%	1.5%	1.4%	1.6%	1.3%		-0.2 p.p.
Portfolio coverage ratio in stage 3 and POCI	71.4%	70.1%	64.1%	63.7%	62.9%		-0.7 p.p.

\*Excluding other receivables.





Quality of loans portfolio to clients\* of ING Bank Śląski

PLN billion	2020	2021	2022	2023	2024	Change 2024 to 2023	
						PLN billion	%
Total exposure	106.8	126.8	138.6	141.7	150.5	+8.8	+6.2%
Stage 1 and 2	103.3	123.5	135.6	138.1	144.9	+6.8	+4.9%
Stage 3 and POCI	3.5	3.2	3.0	3.6	5.6	+2.0	+54.5%
Impairment allowance	3.0	2.9	3.0	3.2	3.7	+0.4	+13.0%
Allowance for stages 1 and 2	0.7	0.6	1.1	0.9	0.8	-0.1	-15.1%
Allowance for stage 3 and POCI	2.3	2.3	1.9	2.4	2.9	+0.6	+23.6%
Portfolio share in stage 3 and POCI	3.2%	2.6%	2.2%	2.5%	3.7%		+1.2 p.p.
Portfolio coverage ratio in stage 3 and POCI	66.4%	69.6%	63.0%	65.0%	52.0%		- 13.0 p.p.
Exposure – corporate banking	65.6	74.7	86.0	87.1	90.1	+3.0	+3.4%
Stage 1 and 2	63.2	72.5	83.9	84.5	85.4	+0.9	+1.1%
Stage 3 and POCI	2.4	2.3	2.1	2.6	4.7	+2.0	+77.5%
Impairment allowance	1.9	1.9	1.9	2.3	2.8	+0.5	+22.7%
Allowance for stages 1 and 2	0.4	0.4	0.6	0.6	0.5	-0.1	-15.5%
Allowance for stage 3 and POCI	1.6	1.6	1.3	1.7	2.3	+0.6	+35.5%
Portfolio share in stage 3 and POCI	3.7%	3.0%	2.5%	3.0%	5.2%		+2.2 p.p.
Portfolio coverage ratio in stage 3 and POCI	64.2%	68.9%	62.1%	64.9%	49.6%		-15.3 p.p.
Exposure – Retail Banking	41.2	52.1	52.6	54.6	60.4	+5.8	+10.7%
Stage 1 and 2	40.2	51.1	51.7	53.6	59.5	+5.9	+11.0%
Stage 3 and POCI	1.0	1.0	0.9	1.0	0.9	-0.1	-6.7%
Impairment allowance	1.1	0.9	1.0	1.0	0.9	-0.1	-10.1%
Allowance for stages 1 and 2	0.3	0.2	0.5	0.3	0.3	0.0	-14.5%
Allowance for stage 3 and POCI	0.7	0.7	0.6	0.6	0.6	-0.1	-8.1%

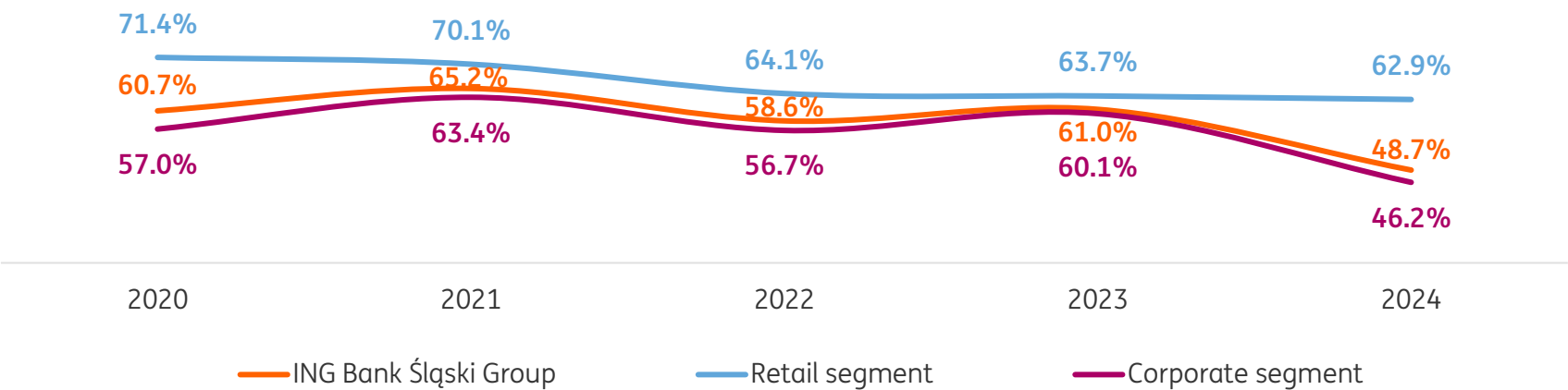
Portfolio share in stage 3 and POCI	2.5%	1.9%	1.7%	1.8%	1.5%	-0.3 p.p.
Portfolio coverage ratio in stage 3 and POCI	71.7%	71.2%	65.3%	65.3%	64.4%	-1.0 p.p.

\*Excluding other receivables.

Coverage of stage 3 portfolio with allowances

At the end of December 2024, ING Bank Śląski Group had provisions for its Stage 3 and POCI loan portfolio of PLN 3,148 million compared with PLN 2,579 million as at 2023 yearend (up by 22.1% y/y). The portfolio allowance rate in Stage 3 and POCI was 48.7%, compared to 61.0% last year. The decrease in ING Bank Śląski Group’s coverage ratio was due to lower portfolio coverage in the corporate segment, which was a natural consequence of the reclassification to Stage 3 of several exposures to several corporate segment clients. As a general rule, new exposures that reach Stage 3 have a lower coverage ratio than the average for the existing portfolio. The decline in the stage 3 loan portfolio is also influenced by the sale of this portfolio.

Impairment/ Stage 3 and POCI portfolio coverage ratio



Risk cost

In 2024, there was a y/y increase in the risk cost margin ratio (the ratio of the allowance for net loan provisions and provisions for legal risk of foreign currency mortgage loans to the gross loan portfolio). For more information on the cost of risk, see the chapter [Our financial results](#).

Types of applied credit risk collaterals

In order to secure the risks associated with our lending activities, we accept legal personal and material collateral in various forms, such as:



- bank guarantee,
- surety under civil law,
- blank promissory note,
- surety on a bill of exchange,
- the transfer of claims,
- mortgages,
- registered pledge,
- transfer of ownership for collateral,
- cash deposit,
- blocking of funds in a bank account.

As at 2024 yearend, the value of Basel2 collaterals on the accounts or assets of the borrowers amounted to PLN 227,420 million (of which 68.2% were mortgages) for the ING Bank Śląski S.A. Group and PLN 186,570 million (of which 78.2% are mortgages) for ING Bank Śląski S.A.

## Development of our competences

As part of the promotion of a risk culture, we improve the skills of our employees by organising internal or participating in external training courses on topics such as:

- knowledge of credit principles,
- knowledge of credit risk models and interpretation of the parameters estimated by these models,
- knowledge of systems and risk reporting,
- principles of writing in plain language,
- ESG and sustainability,
- general banking issues organised by ING Group N.V. and other units of the bank.

## Market risk

### Introduction

The main objectives of market risk management at ING Bank Śląski S.A. are:

- ensuring awareness and understanding of our bank’s exposure to market risk,
- ensuring that the bank’s exposure to market risk is adequately managed,
- ensuring (where applicable) that the exposure is within accepted limits.

We define market risk as the potential loss we may incur due to:

- adverse movements in market prices (such as yield curves, exchange rates, capital market prices),
- market parameters (market price volatility),
- the correlation between individual price movements and
- client behaviour (e.g. early repayment of loans).

### Policy of market risk management

The Market Risk Management Department has normative documents that describe its scope, principles and responsibilities. In order to optimise the market risk management process, we created *the Market Risk Management Policy at ING Bank Śląski S.A.*. In it, we describe the bank’s approach to market risk management, define the principles, methodology for managing and measuring market risk in the bank, as well as the general principles for managing the process.

The document is a further specification of the document *General Principles for the Management and Mitigation of Credit, Market and Operational Risk at ING Bank Śląski*, which is approved by the Bank Supervisory Board, based on the recommendations of the Risk Committee. The policy is approved by the Bank Management Board.

Another document is the policy describing our approach to the process of defining risk appetite in the area of market and liquidity risk (*Policy for Determining and Monitoring Risk Appetite in the Area of Market and Liquidity Risk*). It is also approved by the Bank Management Board.



The bank’s market risk management process includes:

- identification,
- measurement,
- monitoring and
- risk reporting.

The Market Risk Management Department provides the managers of the Financial Markets Area in the Wholesale Banking Division, the Centre of Expertise Treasury, selected members of the Management Board and the ALCO Committee with regular risk reports.

Additionally, the ALCO, the Bank Management Board and Supervisory Board are provided with periodic reports with the major measures of market risk. The acceptance of individual market risk limits is carried out at the level of the ALCO Committee, the Bank Management Board or the Supervisory Board, according to the division of responsibility in determining the levels of limits defined in the *Policy for Setting and Monitoring Risk Appetite in the Area of Market and Liquidity Risk*.

Employees of the Market Risk Management Department are qualified specialists and the independence of the department is assured by its separation from the risk generating units.

Our bank’s market risk management also includes the Product Control function (“Product Control”), which ensures the correctness of the pricing of Financial Markets products in the Wholesale Banking Division and the Centre of Expertise Treasury by monitoring the correctness of the pricing models and controlling the quality of the market data used for valuation and calculation of the financial result.

Decisions related to valuation process issues such as:

- sources of market data used for valuation,
- calculation of adjustments for market valuation models(bid-offer spread and BVA),

are undertaken by the Market Data and Valuation Models Committee.

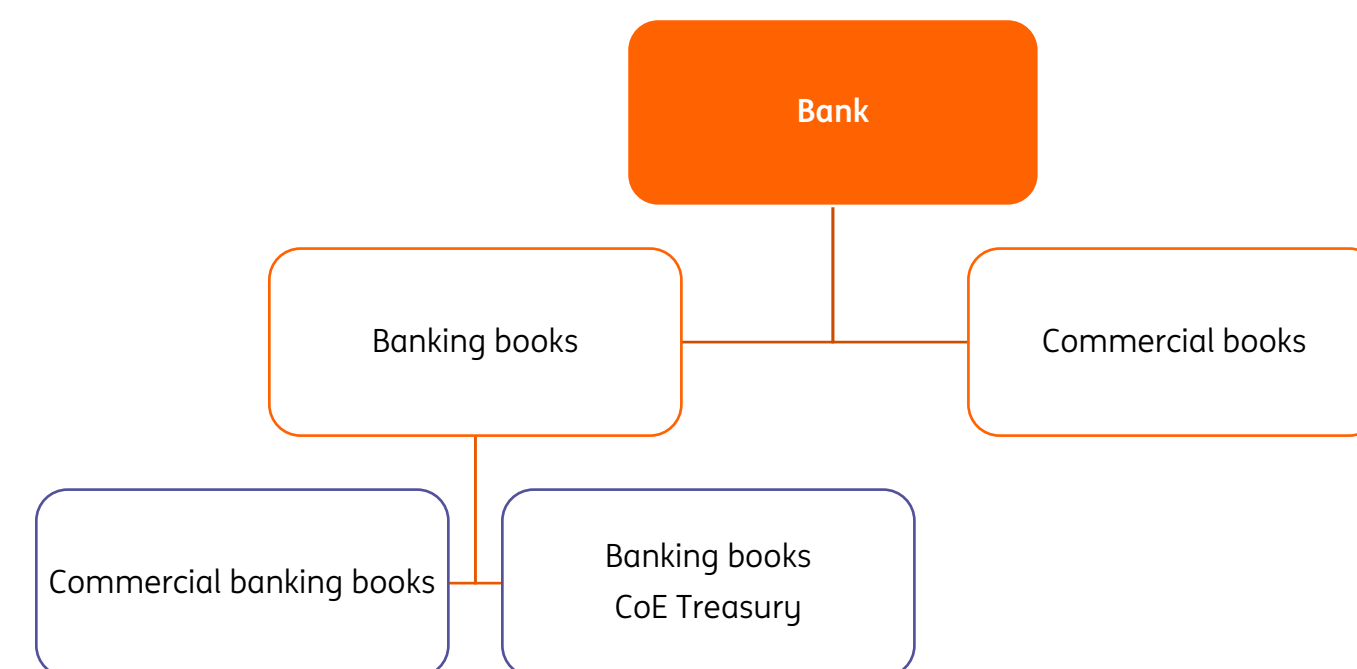
In the period under report, the market risk profile and the risk management methods were not materially changed.

## Book structure and risk measurement methods

At the bank, we maintain an intention-based book structure, which translates into many processes, including market risk management. The book structure reflects the types of market risk that are anticipated and accepted in the bank’s areas and of the fact that market risk should be internally transferred/mitigated. The books are grouped by an intention to maintain positions split into:

- “trading” (positions taken in order to generate benefits in a short period of time due to market price fluctuations), and
- “banking” (all other positions).

### General structure of the bank’s books



Banking books are divided into commercial banking books and Centre of Expertise Treasury (CoE Treasury) banking books. The commercial banking books include books of the retail and corporate divisions containing deposits and commercial loans. The risks relating to those positions are transferred to:

- CoE Treasury’s banking books (to manage the banking book’s interest rate risk, basis risk and liquidity risk as a whole), and



- the trading books of the Financial Markets Area in the Wholesale Banking Business Line (for foreign exchange risk) through internal transactions.

The process ensures that the banking commercial books do not retain any material economic market risk.

Maintaining open positions in CoE Treasury’s banking books is permitted within the limits of accepted market risk limits.

For more on risk measurement methods, please refer to the 2024 Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group.

Measurement of interest rate risk in the banking book

In its measurements of interest rate risk in its banking book, the bank applies measures required by the European Banking Authority (EBA/GL/2022/14).

For more on the measurement of interest rate risk in the banking book, please refer to the 2024 Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group.

Measurement of market risk in the trading book

The VaR measured by the Bank is compliant with the best market practices. In calculating VaR, the bank uses the following assumptions:

- one-day positions, 99% confidentiality level,
- 260-day observation period.

For more on the measurement of market risk in the trading book, please refer to the 2024 Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group.

Sensitivity to the interest rate risk in regulatory measures

Sensitivity to interest rate risk is presented below for the following measures:

- The change in the present value of capital (Standard Outlier Test for Economic Value of Equity) is a measure of the sensitivity of the economic value of interest rate positions to sudden changes in interest rates.

- The change in Net Interest Income (Standard Outlier Test for Net Interest Income) is a measure of the sensitivity of interest results to sudden changes in interest rates over a 1-year horizon.

The following measures apply to significant currencies, i.e. PLN and EUR. The parameters for parallel scenarios are 250 bps (PLN) and 200 bps (EUR). In the case of non-parallel scenarios, changes are assumed (for PLN and EUR respectively):

- for short-term rates - by 350 bps and 250 bps,
- for long-term rates - by 150 bps and 100 bps.

The assumptions for the recognition of individual items, the size and shape of shock scenarios and the method of aggregating results are set out in Regulation (EU) 2024/856 of the European Commission.

Resulting from the banking book - the observed changes in EVE measurements are mainly due to two factors:

- changes (growth) in product volumes and
- changes in model parameters used for non-maturity product portfolios.

Changes in PLN million

as at 31 December				
Shock scenarios used for supervisory purposes *	2024	2023	2024	2023
	changes in the carrying amount of the revalued capital		changes in net interest income	
Parallel increase in shock	48	-983	379	353
Parallel decrease in shock	59	243	-557	-716
Fall in short-term rates and increase in long-term rates (steepener)	347	303	-	-
Increase in short-term rates and decrease in long-term rates (flattener)	-515	-828	-	-
Increases in short-term rates	-453	-1,103	-	-
Fall in short-term rates	374	422	-	-





Changes in relation to Tier 1 capital

as at 31 December				
Shock scenarios used for supervisory purposes *	2024	2023	2024	2023
	changes in the carrying amount of the revalued capital in relation to Tier 1 capital		changes in net interest income in relation to Tier 1 capital	
Parallel increase in shock	0.28%	-5.61%	2.25%	2.02%
Parallel decrease in shock	0.35%	1.39%	-3.31%	-4.09%
Fall in short-term rates and increase in long-term rates (steepener)	2.06%	1.73%	-	-
Increase in short-term rates and decrease in long-term rates (flattener)	-3.06%	-4.73%	-	-
Increases in short-term rates	-2.69%	-6.30%	-	-
Fall in short-term rates	2.22%	2.41%	-	-

\*Positive results in a given scenario are scaled with factor 0.5 in accordance with EBA guidelines in the IRRBB area.

Sensitivity of equity to changes in interest rates resulting from debt instruments measured at fair value through other comprehensive income in the Center of Expertise Treasury portfolio:

	approximate change in the regulatory capital base for curve movement			
	-2%	-1%	+1%	+2%
2024	67	34	-34	-67
2023	221	111	-111	-221

For further information on the interest rate sensitivity of the bank’s result and capital, please refer to the 2024 Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group.

Liquidity and funding risk

Introduction

The process of stable liquidity and funding risk management is considered to be one of the most important processes in our bank.

Liquidity and funding risk – the risk of the lack of ability to perform financial liabilities under on- and off-balance sheet items at reasonable prices. We maintain liquidity so that financial liabilities can always be repaid with the available funds, inflows from maturing transactions, available funding sources at market prices and/or liquidation of negotiable assets.

Types of liquidity risk

We divide liquidity risk into two groups:

- liquidity risk resulting from external factors, and
- risk of internal factors relating to the specific bank.

Our aim is to take a conservative approach to liquidity risk management that will enable us to safely withstand events specific not only to our bank but to the banking sector as a whole.

In terms of time horizon, we divide liquidity risk into:

- operational – focused on current funding of the bank’s position and on managing intraday liquidity,
- strategic – focused on ensuring that the bank’s structural liquidity positions are at an acceptable level.

Considering the tenor and clients’ behaviour (the two aspects affecting the bank’s liquidity), we identify three types of liquidity and funding risk:

- structural,
- related to client behaviour,
- related to stress conditions.



## Management process

In order to optimise the liquidity and funding risk management process, we have developed the *Liquidity and Funding Risk Management Policy at ING Bank Śląski S.A.* which sets forth the principles ensuring adequate funding sources and mitigation of risks and costs related to funding. The Policy describes a general approach to the liquidity and funding risk management process in the bank. The main objective of this process is to maintain an adequate level of liquidity to ensure the safe and stable operation of the bank under normal market conditions and during a crisis. This policy is complemented by the *Emergency Funding Plan Manual at ING Bank Śląski S.A.*, which sets out the organisation and actions to address liquidity shortfalls under stress conditions.

The Policy was developed on the basis of the market management strategy in business, approved by the Supervisory Board (including the liquidity and funding risk management strategy). In particular, it reflects the risk appetite set out in the strategy and approved by the Supervisory Board.

The acceptable level of liquidity and funding risk is defined through a multi-element system, which is in line with the approach described in the *Policy for Setting and Monitoring Risk Appetite in the Area of Market and Liquidity Risk*.

Our limit system is based on 3 levels of acceptance:

- limits setting the risk appetite accepted by the Supervisory Board,
- strategic limits that allow for the implementation of the accepted risk strategy within the risk appetite accepted by the Bank Management Board and
- internal limits at the discretion of the ALCO Committee.

In addition, we are preparing an ILAAP process report. We present here, in a comprehensive and consistent manner, key indicators and figures on the bank's liquidity risk profile. There we take into account the strategy, the financing plan and the bank's risk tolerance. The results of the report are approved by the Management Board which informs the Supervisory Board of the results.

The general approach to liquidity and funding risk management is composed of five recurring activities:

### 1. Risk identification

We perform risk identification on an annual basis or ad-hoc by organising risk identification workshops.

### 2. Risk assessment

We assess each identified risk to determine the significance of such risks for the bank. We also carry out risk identification in the implementation of new products. We assess the valuation of risks and their materiality based on the probability with which these risks occur and the magnitude of the financial impact should they materialise.

### 3. Risk control

We control risks through actions that reduce the likelihood of their occurrence or actions that reduce the impact should they materialise. Definition of acceptable risk levels is an element of risk control.

### 4. Risk monitoring

Important elements of risk management include ongoing verification if the implemented controls are performed. Regular inspection should evidence that risk control actions are effective.

### 5. Risk reporting

Adequate reporting is a major element of the liquidity and funding risk management process which provides the managers with information required for risk management. Being able to show shareholders and partners that we are controlling risk efficiently helps to gain their trust and is one of the most important elements in banking.

## In-depth analysis of long-term liquidity

In line with the requirements of Recommendation S, we are preparing an in-depth analysis of long-term liquidity, with a particular focus on mortgage loans. The above liquidity analysis shows risk levels related to long-term funding of mortgage loans. Based on the analysis carried out, it was concluded that the processes currently in place for the supervision of long-term liquidity are sound. It was therefore recommended that the existing measures be maintained.

## Liquidity management in relation to currencies

We have an active liquidity management policy in relation to major currencies. For those currencies, liquidity risk measurement and limitation is made per currency and the management of operational liquidity is performed separately for each currency and it is incorporated in the risk transfer system.



## Management of intraday liquidity

Intraday liquidity is actively managed by the Centre of Expertise Treasury. In this process, the short-term (overnight and intraday) liquidity position and risk is of paramount importance, with the aim of meeting payment and settlement obligations in a timely manner under regular business conditions and in emergency / stressful situations.

### Transfer and pricing of liquidity risk

The bank operates a risk transfer system under which market risks, including liquidity risk, are transferred to the Centre of Expertise Treasury. Applying adequate tools, it manages the risks in a centralised manner within the limit system applied by the bank.

## Framework risk management principles

The framework liquidity and funding risk management principles contain all material methods with respect to intraday, shorty-term, medium-term and long-term liquidity and funding risk management. They include the following key elements:

- limit system and liquidity risk measurement,
- monitoring of funding sources and concentration risk,
- liquidity reserve management,
- management of intraday liquidity,
- management of collateral items,
- stress tests and contingency plans.

For more on the liquidity and funding risk management framework, please refer to the 2024 Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group.

## Development of our competences

The liquidity risk management procedures adopted at the bank are presented annually to the relevant bank staff involved in the bank's liquidity management process. Those involved in the process confirm that they have read and understood the procedures used and that they are checking that they are being carried out correctly.

In 2024, our employees participated in specialised training courses on liquidity and financing, as well as market risk, organised internally and by specialised external companies.

For more on the structure and organisation of the liquidity and funding risk management process, please refer to the 2024 Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group.

## Non-financial risk

Non-financial risk encompasses operational risk management functions (together with legal, model risk) and compliance risk and is based on a common framework that sets out clear principles and standards for identifying, assessing, monitoring, mitigating and reporting risks.

We manage non-financial risks in compliance with the Strategy and Risk Appetite Statement for Non-financial Risks approved by the Bank Management Board that set forth risk limits and tolerance. Compliance with the declared risk appetite is monitored in a periodic Report on the status of non-financial risk (NFRD). Additionally, the bank operates the Non-financial Risk Committee appointed by the Bank Management Board – the Committee advises the Bank Management Board with respect to the management of non-financial risks. The Supervisory Board, with the support of the Risk Committee, supervises the management of operational risk and assesses the effectiveness of its activities in this respect at least once a year.

The common non-financial risk management framework allows us to proactively identify the main risks and gaps and the associated risks that may cause undesirable events. These are supported by processes such as risk and control self-assessment, monitoring of key risk indicators or testing of key controls. The results of analyses of internal and external events keep improving the adequacy and effectiveness of the internal control system functioning in the bank.

We believe that an effective control environment is essential to building and maintaining a sustainable business, and preserves and enhances the trust of clients, employees and shareholders.

In terms of information on material events that may affect risk, senior management, including the Bank Management Board, is notified as part of the quarterly Non-Financial Risk Report (NFRR). . The report presents the events with the highest actual losses – with the greatest financial impact on the bank. Qualification is carried out by



operational risk and compliance experts. In 2024, 1,400 reported incidents were analysed, the most important ones resulting in the highest risk impact were related to compliance risk and external fraud.

In addition, the guidance on the principles of immediate reporting of material non-financial risk events to the Management Board, the Bank Supervisory Board and ING Group N.V. was further clarified in 2024.

## Operational risk

### Introduction

We define operational risk as the possibility of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. The scope of the operational risk also includes the legal risk and the model risk.

Operational risk management is an integral part of the bank's management process. The operational risk management process and business processes show interdependence, which means that information obtained within the operational risk management process is included while taking decision on business, and the operational risk management process incorporates business decisions.

### Operational risk management objectives

We define operational risk management objectives, which are part of the overall risk management strategy, based on:

- regulatory requirements,
- recommendations of the Bank Management Board and Supervisory Board,
- ING Group N.V.'s plans and good practices,
- the need to implement mitigating measures identified during assessments and external and internal audits,
- improvement plans in the area of risk management.

The Bank Management Board – subject to approval of the Supervisory Board – has developed a strategy of operational risk management.

Additionally, the Management Board – in agreement with the Supervisory Board – in its risk appetite statement defined the maximum acceptable loss limits, capital limits and risk scope that it is willing to accept in the pursuance of the planned business objectives – subject to full compliance with the law and regulations. The level of limit utilisation is monitored and reported periodically to the Management Board, the Non-Financial Risk Committee, the Risk Committee and the Supervisory Board.

The main objective in operational risk management is to continuously improve the security of the bank and its clients, reduce operating expenses and improve operational efficiency.

In addition to implementing core processes in the area of operational risk, in 2024 we focused our activities on:

- migrating to a new integrated tool for non-financial risk management – we launched the new application in June 2024,
- developing a single control framework covering subsidiaries,
- transferring insurance activities to the first line of defence,
- monitoring the control environment in the area of identity management,
- clarification of the definition of operational risk events at the borderline between operational and credit risk,
- updating non-financial risk management procedures to meet the requirements under the Digital Operational Resilience Regulation (DORA) and CRR 3,
- developing a methodology for assessing ESG risks in relation to climate and the environment,
- updating third-party and intra-group risk management rules for outsourcing (including ICT services) and procurement agreements,
- updating the business continuity risk management principles,
- proactive identification of high-risk areas,
- implementing a new approach to reporting non-financial risks, based on data metrics.





## Operational risk management policies

With regard to operational risk management, we have a coherent and continuously updated set of internal normative documents. The principles and guidelines contained in the regulations are designed to limit the impact and likelihood of financial and reputational losses.

The operational risk management system is based on:

- legal standards,
- requirements arising from internal regulations that are part of the Bank's strategy – *the Non-financial Risk Appetite Statement* and *the Operational Risk Management Policy* setting out the main operational risk management processes,
- other regulations at the policy level on the Internal Control System, non-financial risk control standards, fraud prevention, IT risks, as well as business continuity management, implementation, modification, review and liquidation of the bank's client products (PARP), outsourcing – Outsourcing, classification and safeguarding of documents, security of persons and resources,
- more detailed bylaws, manuals and procedures of the bank relating to specific risk management sub-processes.

## Risk management organisational structure

We have a governance structure with clearly defined, transparent and consistent areas of responsibility based on a three-line-of-defence model.

We have defined responsibilities starting with the Supervisory Board and its supporting Risk Committee and the Bank Management Board, through all organisational units of the bank. In terms of operational risk, we also supervise the bank's significant subsidiaries.

For years, the bank has had a permanent Non-Financial Risk Committee, whose main task is to support the Management Board in the management of non-financial risks on an ongoing basis.

## Operational risk management process

We have effective and consistent processes for identifying and controlling non-financial risks across all of the bank's products, activities, processes and systems.

The operational risk management system applies to all spheres of the bank and the bank's group activities, cooperation with clients, suppliers and partners, which has been developed in accordance with the principle of proportionality, i.e. taking into account the nature, scale and complexity of the activities, as well as the materiality of the processes and the bank's operational risk profile. It is a cohesive, regular practice that covers the following elements:

- risk identification and assessment, including, inter alia, risk assessments, internal and external event analysis or scenario analyses and stress tests,
- mitigation or risks and monitoring of mitigation activities,
- performance of inspections,
- quality monitoring and assurance.

## Key activities in 2024

In 2024, risks related to external fraud, third-party/intra-group agreements (outsourcing), business continuity events (failures) and identity and access management issues within the IT area were the main areas for analysis and introduction of additional mitigating actions. The result of the measures taken in our bank is an acceptable level of risk and no exceeded values of the basic limits under the Non-Financial Risk Appetite Statement as at 2024 yearend, similar to the previous year.



The main activities of the Second Line of Defence Operational Risk Unit in support of the First Line of Defence in 2023-2024 are as follows:

Topic	Operational risk data for 2023	Operational risk data for 2024
Legislative changes – opinion/analysis	around 900 initiatives	around 1,200 initiatives
Product development – opinion/analysis, including product review	around 400 initiatives, including around 30 reviews	400 initiatives, including around 60 reviews
Number of registered recommendations	around 500 recommendations created, including no overdue high priority recommendations at the end of each quarter	around 800 registered recommendations, including no overdue recommendations with high priority at the end of each quarter
Closing recommendations – opinion/analysis	around 140 recommendations	around 300 recommendations
Conducted workshops to assess risks in processes	around 140 scores	around 160 scores
Risk project support	around 30 projects	around 30 projects
Monitoring of outsourcing agreements	around 60 agreements	around 300 agreements (including monitoring of DORA agreements)
Monitoring of KRIs	around 150 indicators	around 220 indicators
Number of internal events/incidents	around 1 600 events	around 1,400 events

## Model risk

We manage model risk in accordance with the *Model Risk Management Policy at ING Bank Śląski*. This policy defines the key model risk management responsibilities that must be followed for each type of model. These responsibilities are defined in relation to the general principles of model risk management, as well as in relation to the different stages of the model life cycle.

The Model Risk Management Department provides a model register, which serves as a repository of information on the models operating in the bank’s group, and which is kept up to date by participants in the model risk management process, including model owners, validators and modellers. The register and model logs contain, inter alia, information on the relevance of the models, their risk levels and the results of monitoring their effectiveness and the results of model validation.

We regularly assess the risks of the individual models and, if required, allocate capital charges to the models, in accordance with the principles adopted in the internal regulations.

The quality of the performance of the models is subject to verification as part of the monitoring of model effectiveness and model validation. Model validation is performed in compliance with the *Model Validation Policy at ING Bank Śląski* and validation instructions.

Management reporting to the Model Risk Committee, the Bank Management Board and the Supervisory Board on the status of model management and validation activities includes, inter alia, an assessment of the aggregate level of model risk in the context of the accepted tolerance level for this risk, the results of the model risk assessment and the status of the validation plan.

As at 2024 yearend, we used 176 models in the bank (as at 2023 yearend, 161 models).

## Compliance risk

### Introduction

Our compliance mission is to build an organisational culture based on knowledge of and compliance with laws, internal regulations, market standards and ING Values and Behaviours, as defined in the [Orange Code](#).



## Compliance risk management process

At the bank, we understand compliance risk as the risk of the consequences of non-compliance in processes with laws, internal regulations and market standards operating in the bank.

The Bank Supervisory Board oversees compliance risk management and the Bank Management Board is responsible for effective compliance risk management, including:

- the implementation of organisational arrangements, regulations and procedures that enable compliance risk to be managed effectively, and
- ensuring that the resources and means required to perform the tasks are adequate.

The Centre of Expertise – Compliance is an organisationally separate, independent unit that is responsible for the organisation and operation of the compliance risk management process. The aim of the Centre of Expertise – Compliance is to shape solutions for identifying, assessing, controlling and monitoring the risk of non-compliance of the bank's activities with the law, internal regulations and market standards, and to provide reports in this respect. Compliance activities are aimed at the active participation of the bank's employees in the compliance risk management by shaping a risk culture based on knowledge and compliance with the law, internal regulations and market standards.

Centre of Expertise – Compliance flexibly adapts organisationally to the changing external environment. The changes are necessary to further increase the effectiveness of compliance risk management and to effectively mitigate these risks. With this in mind, the Compliance unit:

- developed the required procedures and methodologies on the basis of which it carried out independent inspections, training programs, issued recommendations and recommendations in banking processes, including in the process of giving opinions on product and legislative changes and marketing materials,
- strengthen the competences of subordinate employees,
- implemented an automation plan in the area of compliance risk,
- continued to cooperate with regulators in monitoring the implementation of the audit recommendations received.

## Key initiatives in 2024

In 2024, we continued our work to improve our compliance risk management system, including but not limited to the following:

- the introduction of an updated suite of policies on AML/CFT risk management, sanctions, corruption and the use of the financial sector for tax evasion, including a new Client Risk Rating Model ("CRRM"),
- further amendments to banking regulations to align with the EBA's guidance on compliance management policies and procedures and the role and responsibilities of the Anti-Money Laundering and Counter-Terrorist Financing Officer (AMLRO) in line with the regulator's expectations,
- implementation of a cyclical assessment of the effectiveness of the control environment in the FCC area ("*Operational Effectiveness Assessment*"),
- the introduction of a Policy on the Protection of Bank Secrecy as a general regulation describing the bank's conduct with regard to banking law,
- implementing a set of regulations and reporting in the area of client orientation,
- updating the staff code of conduct,
- raising staff knowledge and awareness of risk culture and ethical standards through the Culture of Risk programme,
- protecting the bank's reputation,
- implementing solutions to change the WIBOR reference index to WIRON,
- monitoring the application of the Best Practice for GPW Listed Companies.

The following regulations, inter alia, have been updated:

- *Client orientation policy* (new policy),
- *Competition policy*,
- *Bylaw – Principles of Professional Ethics for Employees of the ING Bank Śląski Group*,



- *Breach Notification Policy at ING Bank Śląski S.A.*
- *The “Know Your Customer” policy – has been updated and replaced by FEC Policies(Anti-Money Laundering and Countering the Financing of Terrorism Policy, Policy – Manual on CDD, Policy – Manual on Sanctions, Policy – Manual on Screening Business Relationships and Transactions, Policy – Manual on Products, Services and Distribution Channels, Policy – Manual on Non-Traditional Banking Activities, Policy – Manual on Third Parties, Policy – Manual on FEC Overarching Issues, Policy – Manual on FEC Risk-Prone Business Activities, Policy – Manual on FATCA/CRS, Anti-Corruption Policy, CTI/MDR Policy).*

## Anti-money laundering

As part of AML/CFT (Anti Money Laundering / Counter Financing of Terrorism) activities, we constantly assess, monitor and review client relationships. Potentially suspicious transactions are investigated and reported to the relevant authorities.

In recent years, we have taken a number of independent steps to improve and strengthen processes related to ensuring the application of financial security measures. We are also involved in industry projects aimed at systemically strengthening anti-money laundering and counter-terrorist financing processes in the Polish banking market. The fight against financial crime can only be effective by joining forces and exchanging information – banks, authorities, the judiciary, as well as public institutions and market participants – at national and international levels. We therefore strongly support initiatives to fight financial crime together.

In recent years, we have terminated business relationships with clients when, as a result of transaction analysis and due to documentation deficiencies, we were unable to apply financial security measures. We carry out these activities on an ongoing basis.

## Know Your Customer (KYC)

At ING Bank Śląski, we are guided by responsibility in our business and non-business activities. In addition to being guided in our daily work by the Orange Code and the principles of the Code of Banking Ethics, we devote much of our attention to ensuring the highest quality and safety of our services and products.

ING Bank Śląski’s priority is to protect clients and the financial system from financial and economic crime. The KYC (Know Your Customer) process plays a key role here, which includes FEC requirements. (*Financial Economic Crime*), tax avoidance including FATCA (Foreign Account Tax Compliance Act), CRS (*Common Reporting Standard*), DAC 6 (*Directive on Administrative Cooperation* 6).

### FEC Policies

Our FEC Policies set out the requirements and internal controls to ensure bank-wide compliance with regulations on:

- getting to know clients and business partners,
- reducing the risk of financial, economic and tax crime and to comply with sanctions,
- preventing breaches of social norms by employees as well as clients and business partners.

Our activities comply with laws and regulations in the field:

- the Act on the Prevention of Money Laundering and Terrorist Financing,
- the Financial and Economic Crime Policy,
- the Agreement between the Government of the Republic of Poland and the Government of the United States of America on Improving Fulfilment of International Tax Obligations and Implementation of FATCA Legislation and the accompanying Final Arrangements, as well as the Act on Implementation of the Agreement,
- regulations to comply with sanctions and prevent their circumvention,
- the Act on exchange of tax information with other countries (CRS),
- the detailed requirements for reporting MDR tax schemes (*Mandatory Disclosure Rules*) and the tax integrity of CTI clients (Customer Tax Integrity).

### Our principles

In the process of getting to know clients and business partners, we are guided by the following principles:

- we comply with laws and regulations relating to FEC, FATCA, CRS, CTI and MDR. Therefore, we do not participate, enable or engage in activities prohibited by Polish law, EU regulations, the UN and FEC Bank Policies,





- we do not advise clients on laws and regulations or on how to circumvent them,
- we only accept and maintain relationships with clients and business partners after conducting *Client Due Diligence* (CDD, client review) and *Third Party Due Diligence* (TPDD, third party review) respectively,
- we do not establish new relationships with clients from extremely high-risk countries and we exit existing such relationships,
- we are transparent with our clients regarding information and reporting requirements,
- we invest in expertise and the right tools to ensure data quality and compliance with FEC Policies requirements,
- we can provide evidence of effective implementation of KYC requirements at any time.

We undertake a number of activities that build awareness among our clients of the importance and relevance of KYC activities, including:

- we gave clients the opportunity to make their own statements and answer some of the questions from the bank. With the forms in Moje ING, the client can add a document and description, both on a computer and on mobile devices. The client confirms the declaration with an authorisation code,
- on our bank's website, we keep information on the progress of the KYC process up to date for both [individual clients](#) and [companies](#),
- we sent communications to clients reminding them to update and confirm their data,
- in the Business Banking segment, we have created a platform dedicated to communication between bank branch specialists and KYC specialists, which improves communication efficiency, information availability, notification speed and process processing time,
- in the Wholesale Banking segment, we successfully implemented a sanctions questionnaire, with which we increased client awareness of sanctions-related topics and risks.

## Transaction security and stability of IT systems

### Introduction

The security of transactions, the data of our partners, clients and their funds is an issue to which we pay particular attention. We monitor threats on an ongoing basis and analyse their impact on ICT infrastructure (applications, systems, networks) as well as business processes. We also pay attention to our partners and suppliers and their processes, and above all to the potential impact of these risks on clients. Drawing conclusions from our observations, we design organisational and technical solutions, which we implement in the areas of prevention, detection and response. We employ multi-layered cyber security mechanisms and systems to protect not only the systems exposed to the outside world, but also the bank's internal ICT resources.

### Availability and performance

An extremely important aspect for us is to ensure that systems are stable in order to deliver the right level of banking services to clients. To achieve this, we take measures such as:

- implementing the structure and improving the working model in order to influence, in accordance with the SRE(*Site Reliability Engineering*) methodology, the maximum reliability and availability of services,
- improving the quality and speed of changes by embedding selected automated tests that reproduce user behaviour into the production process of new versions of Moje ING. This allows us to catch application errors more quickly and to implement new functionalities and patches more quickly (tests are carried out in 48 minutes, which would take four days to complete manually),
- to carry out a technological process that increased the security, availability and performance of our applications supporting card processes, among others. The modernisation performed and the new technologies applied were primarily concerned with applications with an ageing technology stack,
- migration of card event processor applications and the card system to new cloud environments, thereby improving event processing reliability and process efficiency. For our clients, this means an increase in the security of card and transaction processing, ensuring a proper change management process that guarantees the adequacy of the tests carried out on the impact of the changes on the operation of the systems,
- providing the right architecture for critical systems to ensure component redundancy and fault tolerance,



- implementing a mechanism for monitoring the correct operation of systems, with a view to early detection of signs of malfunction and rapid fault diagnosis,
- carrying out a process to manage the growth in resource requirements to adapt hardware and software resources to changes in business volumes and changes in the way clients operate.

## Security of IT systems

Taking care of the security of systems is not just about reacting, but also about preventive action or properly designed processes and procedures. Most of what we do is up to us, but to ensure we are as effective as possible in line with market best practice we work with leading suppliers and organisations. Our actions:

- we continuously scan ICT systems to detect any vulnerabilities and address them immediately,
- we have implemented security monitoring of the banking systems (network, infrastructure and applications), which allows us to detect in real time attempted security breaches or any other unwanted activities and anomalies. Multi-layered protection against malware (such as ransomware) is also implemented,
- increasing the level of security through multi-factor access authentication mechanisms and monitoring user activity in systems, applications or when accessing data,
- we regularly verify the correctness and effectiveness of the model security requirements developed for each technology and specific application solution. To this end, we carry out – ourselves and with the involvement of reputable external companies – audits, tests and safety reviews,
- we are modernising protection mechanisms by introducing new solutions for protection against targeted attacks or for early detection of fraud. At the same time, we maintain and update the tools already in place to fulfil their role,
- thanks to unique solutions developed by in-house specialists, we prevent unauthorised transfers of large funds from the banking system,
- we actively cooperate with and comply with all recommendations and recommendations of governmental institutions or financial supervision (including requirements for the operator of a key service – in accordance with the National Cyber Security System Act),

- in line with regulatory requirements, we have implemented mechanisms to verify Polish National Identification Number blocking in sales processes and client editing/changing of data. In addition to this, we have implemented another solution to more effectively protect our clients' funds from phishing and call fraud,
- we continuously cooperate with companies and organisations (within the ING Group N.V. and in Poland – industry associations, banks, service providers). Together, we perform activities to counter threats in the area of IT security by observing trends or detecting new vulnerabilities,
- we use secure services, tools and solutions provided by leading suppliers. We define security requirements as part of our agreements and verify them by performing periodic audits.

## Cyber security

### Introduction

Cyber security is a set of processes, best practices and technological solutions used to protect IT networks, devices, programmes and data from attacks, damage or unauthorised access. Cyber security is the resilience of information systems against actions that compromise the confidentiality, integrity, availability and authenticity of processed data or related services.

### The cyber security threat landscape

Advances in technological fields, including the development of solutions using artificial *intelligence* (AI) capabilities, are increasing the level of threats to the security of information systems by making it more common, easier and faster for criminals to act, using new techniques and attack scenarios.

Geopolitical events such as elections, conventional or hybrid conflicts influence the increased involvement of criminal groups, often supported by external forces to destabilise the political or economic situation in the country. A large number of phishing campaigns use themes relating to these events. Attempts to destabilise the operation of individual financial market players through attacks resulting in the unavailability of services ( *denial of service*- DDoS – attacks), which have been observed for several years, also occurred last year.

Among the most serious global threats (according to the ENISA – European Union Cyber Security Agency) includes in 2024: data encryption (ransomware), malware, social engineering, threats against data, threats against availability (DDoS), information manipulation and supply chain attacks.



Advanced ransomware attacks, often carried out by organised crime groups, are based on the infection of IT devices with malware, also using social engineering attacks, have continuously been one of the most serious threats faced by banks and clients for several years. The encryption of data in order to extort ransomware makes the data temporarily or permanently inaccessible. Advanced ransomware attacks are often carried out by cooperating criminal groups specialising in particular phases of attack. Malware, through the use of new programming tools, gains the ability to propagate more easily between different IT ecosystems such as Windows and macOS.

One of the most common methods of attack remains phishing, in which a criminal impersonates another person or institution in order to phish for confidential information, usually using emails. Unauthorised acquisition of credentials is one of the main attack vectors. Various attack techniques are used for this purpose, including manipulation (e.g. phishing) and/or malware infection. To date, this has been one of the most effective ways to breach the cyber security of the financial sector.

Remote monitoring and management tools, including remote access tools, are increasingly used. The legitimate use and capabilities of these tools make it difficult to detect malicious use.

A significant threat is attacks carried out against service provider infrastructure that is not directly managed by the bank. Business processes are increasingly using external services. This includes global services, used by many companies, as well as dedicated solutions under individual supplier agreements. Cyber criminals, through attacks on service providers, can disrupt the delivery of services provided by the bank, gain unauthorised access to bank data or launch an attack on the bank's IT infrastructure through the provider's infrastructure.

DDoS threats have become a permanent part of the cyber security threat landscape. Also in 2024, such attacks on the bank's infrastructure were recorded.

Fraudsters use both modern technical means and social engineering in their attacks. At the same time, they are constantly modifying attack scenarios, which requires constant analysis of the bank's resilience to existing threats, adaptation of defence mechanisms, high flexibility and speed of response.

## Our cyber security action strategy

Cyber resilience is one of the core principles of how our bank builds its IT solutions and client interaction channels. We follow the rules:

- Security at the heart of everything we do in the ICT infrastructure area.

- Security as an integral part of business awareness.
- Security as a competitive advantage.

We place particular emphasis on:

- Building secure and resilient IT solutions, in line with the security architecture and operational model.
- A multi-layered model for the protection of ICT environments.
- Safeguarding all assets, whether they are internally or externally vulnerable.
- Increasing the contribution of threat modelling and the use of expertise in technology risk assessment, at all stages of the implementation and operation of ICT solutions.
- Using automated controls.
- Building threat awareness and IT security competence.
- Securing provision of services by external providers.
- Compliance with internal and external regulations.

We ensure compliance for the cyber security area:

- Act on the National Cyber Security System (UKSC), the subject of which is the organisation of the national cyber security system and the definition of the tasks and responsibilities of the entities comprising the national cyber security system.
- The Digital Operational Resilience Regulation (DORA), which sets out a new European framework for effective and comprehensive digital risk management in financial markets.

We care about the awareness of our employees. We carry out a number of educational activities to ensure that we have the right level of awareness of the risks associated with fraud and the bank's cyber security. We provide a range of IT risk control system training, technical training aimed at cyber security professionals. *Online, e-learning* and classroom training courses, are delivered by highly qualified experts.





The bank's activities are not only limited to resources and data managed directly by the bank, but are also carried out in relation to third-party providers of key services. To this end, the bank's agreements are continuously reviewed for compliance with applicable regulations such as: the PFSA's Cloud Communiqué, the EBA's guidelines and ING Group N.V. standards regarding security requirements for IT and cloud providers. We oblige the companies we work with to apply the best standards and guidelines in protecting the data and services entrusted to them. We verify these requirements in the course of supplier security audits with special attention to the entire business processes, taking into account activities also carried out by subcontractors.

## Our cyber security activities

All employees are responsible for ensuring the security of data and information systems, within their respective areas and tasks. Dedicated units are also set up within the bank to specifically carry out this task. The unit responsible for ensuring that the bank's ICT infrastructure, services and employees are protected from cyber threats is the Expert Centre Cyber Security and IT Risk. This unit was created from the merger of the IT Security Department and the IT Risk and Security Expert Centre, grouping together the functions resulting from the new operating model for the IT security area. Within the new unit, the Data Leakage Prevention (DLP) team has been separated and the IT risk management support team has been reorganised.

Due to the continuous development of new, advanced attack methods, the bank's security teams are constantly improving existing systems and building new, more effective detection and prevention mechanisms. In the past year, among others:

- We have built a *Threat Intelligence* function into the CERT team structure with tasks to proactively identify cyber threats to ING that occur outside ING's infrastructure.
- We have built a *Third Party Cyber Risk Management* (TPCRM) function within the IT Risk team that audits external partners on cyber security processes and mechanisms.
- We have launched the first security platform integrated into the bank's SaaS environment (*CyberArk Endpoint Privilege Management*).
- We have built up security competence in the *Public Cloud* area (a dozen certified security engineers).
- We have enforced better quality services (in terms of IT security services) from external suppliers.

- We have launched the *Threat Modelling* process.
- We have standardised the platform for security management in the public cloud during the solution building and deployment stage.
- We have implemented security scanning of solutions before launch in cloud environments.
- We have implemented an *Endpoint Detection and Response* (EDR) solution to identify suspicious behaviour or activity that may indicate a cyber-attack and then respond to it in real time.
- We launched the SOAR (*Security Orchestration, Automation and Response*) platform to optimise the management of threat identification and response processes.
- We have built mechanisms to detect data leaks in the online (web) channel.
- We have been proactive in our control activities, leading to the maintenance of an appropriate level of cyber security and IT risk.
- We have organised a series of events and training for employees – the so-called Cyber Security Month.
- We have created a '*Security Champions*' community reinforcing the idea of '*Shift Left*', i.e. greater responsibility of manufacturing teams for security at an early stage of solution development. As part of the programme, we have been developing IT security competences in a designated group of employees (not only among developers), in various organisational units.
- We have improved the security architecture.
- We have improved security monitoring of the bank's systems, workstations and networks.
- We have carried out more than 340 security (penetration) tests of banking systems, as well as crisis management exercises, resistance tests against selected attack scenarios ("*Red&BlueTeam*" tests) and simulated APT (*Advanced Persistent Threat*) attacks.
- We have implemented new control standards for the monitoring (detection) and security incident response processes and for the vulnerability management process.
- We have published new vulnerability management guidelines as part of the Security Test Strategy.





All these measures are aimed at protecting the bank's resources from threats from within and from outside, thereby protecting our clients and the funds entrusted to us. We carry out many of these activities jointly with other units of ING Group N.V., as well as in cooperation with financial institutions and state authorities. As in previous years, we take an active part in the work of the Bank Cyber Security Centre Fincyber.pl, which operates within the Polish Bank Association.

Despite rapidly changing trends, attack scenarios and technologies, the bank's cyber security units, acting on the basis of and in accordance with regulations, efficiently and, above all, effectively counter threats.

## Anti-fraud

The second important element from the field of cyber security is anti-fraud. The unit responsible for taking action on external and internal fraud is the Expert Centre – Anti-Fraud, which aims to limit losses for clients and the bank. The unit is also responsible for responding quickly when a crime is suspected and adapting preventive action to the activity of fraudsters.

Among other things, the Centre performs monitoring of incoming and outgoing transactions, analysis of client reports of unauthorised transactions, as well as preventive measures to adequately safeguard banking processes and products against fraud attempts.

By working closely with the bank's business units, we are continually improving our online banking systems, introducing new security mechanisms and reducing the risk of fraud, while ensuring clear and understandable communication with the client. We are also improving the mechanisms for detecting anomalies, both in the bank's transaction system itself and in transactions ordered by clients, thus catching suspicious transactions – those ordered by unauthorised persons. We also take care of the integrity of client mandated transactions, reducing the risk of internal fraud.

In online banking and mobile banking applications, we use various solutions to enhance client security, among others:

- Authorisation of operations (transactions, logins, data changes, etc.) with a one-time code or the PUSH method – this method enables authorisation of instructions in the internet banking system by means of an authorisation code or confirmation of a message in mobile app. Along with the request for transaction confirmation, the client

is provided with comprehensive information on the details of the transaction, which allows for additional verification of the instruction.

- FIDO2-compliant U2F key – is an additional security feature when logging into an online banking system on a computer, which effectively protects the user against phishing scams.
- Hard daily limit – an amount limit up to which transfers can be made on a given day in online banking.
- Encrypted Internet connection – access to banking systems is possible only after entering an ID and password. Communication between clients' computers and the bank's server is encrypted with the TLS protocol. The ing.pl website and the internet banking system are protected by digital certificates with a high level of trust, which secure the connection via the encrypted HTTPS protocol. This guarantees fully secure data transfer in an encrypted form, protects it from external changes and authenticates computers communicating with each other.
- 3D Secure (standard for on-line card payments) – when our clients pay with a card in an on-line shop that supports 3D Secure, they additionally confirm the payment with a one-time short text message code. In order to use 3D Secure payments in our Bank, you don't need to run or activate anything – just a card that supports on-line payments.
- Masked password – logging into the internet banking system is done without entering the whole password – the system automatically draws only selected characters.
- Automatic logout in the event of user inactivity.
- Voice-code as an additional authentication factor used, inter alia, in the loan contract process and the pairing of the mobile device with the client's account.
- Behavioral verification – analysis of user interactions with a computer in order to detect possible interference by undesirable persons. During this verification, it is not checked what a given user does, but how he/she does it. Among other things, we collect and analyse information on how quickly and often the user clicks on individual keys on the keyboard, how they scroll the screen, how quickly and often they click the mouse. The user profile is built only after logging into online banking system and the user's behaviour is compared after each login.
- Transaction monitoring – the bank monitors the use of internet banking in real time, both in detection and prevention modes.



- Malware detection – a tool has been implemented to detect malware activity at the client’s station when using online banking.
- Antispoofing – a tool that provides the ability for a client to verify the authenticity of a telephone call whether they are talking to a bank employee.
- Contextual messages for BLIK transactions alerting the client to the risks of the transaction being performed.

In addition, the Centre’s staff conducts awareness-raising campaigns on how to guard against fraud for different client groups, both consumers and corporate clients, and conducts awareness-raising campaigns and training for bank employees.

## Business risk

As part of business risk, there is one significant risk – macroeconomic risk.

Macroeconomic risk is the risk due to macroeconomic factors and their impact on the levels of minimum capital requirements. We manage this risk by conducting regular internal stress tests in accordance with *the Stress Testing Policy*, which allows for ongoing monitoring of the sensitivity of the minimum capital requirements to macroeconomic factors.

Based on the results of internal stress tests, in accordance with *the Methodology for the Calculation of Economic Capital for Macroeconomic Risks*, we estimate additional economic capital to hedge against the effects of the materialisation of the tested scenario. Due to the events of recent years, including the war in Ukraine, dynamic changes in the macroeconomic and political environment and the results of the stress tests, we continue to hold additional economic capital for macroeconomic risk.

## ESG risk

ESG issues are an important, enduring and intrinsic element for the entire organisation, integrated into our sustainability business strategy. You can read more about our objectives in this regard [here](#), while you can read more about our approach to managing these issues [here](#).

## ESG risk as an enabler of core risk categories

We have identified ESG risks as a set of factors that potentially amplify the likelihood and severity of existing risk categories:

- financial risks: solvency risk, credit risk (including: concentration risk), market risk, liquidity risk and funding risk,
- non-financial risks: operational risk (including legal and model risk), IT risk, reputation risk, compliance risk,

as interpreted in the *ECB Guide on climate-related and environmental risks – supervisory expectations relating to risk management and disclosure* of November 2020. ESG risk management is therefore about integrating mechanisms for its identification, measurement, assessment, mitigation, monitoring, reporting into the standard processes of managing the previously mentioned risk categories.

Below we identify those ESG risks that we believe will have the greatest impact on our business. We present them in order of most significant expected impact. We have grouped them according to traditional risk categories, starting with the impact within credit risk:

### a) ESG risks in credit risk:

as part of **transformation** risk, we identify the risk of deterioration in the quality of receivables from companies in carbon-intensive industries due to a decline in their revenues / increase in costs / increase in debt due to:

- regulations unfavourable to them,
- the need for significant investment in green solutions/products/processes,
- loss of competitiveness as a result of support (at macro level) for alternative low-carbon technologies,
- changing audience preferences,
- increase in legal costs,
- increased reporting costs,
- write-offs of assets related to technology/products that have gone out of use.



#### What action we have taken:

- We are consistently delivering on our pledge to move away from financing activities related to the mining, trading or generation of electricity/heat from thermal coal – with the end of 2025, the last remaining financings in our portfolio will come to an end.
- We have identified the sectors most exposed to transformation risks (based on an internal methodology for sectoral assessment of climate and environmental risks) and require that:
  - in manual processes: each credit decision package addressed this risk and identified its mitigants; additionally, for clients with a weaker financial and economic standing, we require each credit decision package to include an in-depth assessment of transformation risk in accordance with dedicated guidelines (e.g. issues relating to issuance and transformation plans),
  - in semi-automatic and automatic processes: transformation risk was one of the factors influencing the overall assessment of the sector and thus affects the credit limits offered.
- We periodically estimate issues from the corporate loan portfolio.
- We carried out a resilience analysis of our business model and strategy in relation to climate change based on NGFS(*Network for Greening the Financial System*) scenarios. The analysis carried out (*stress test*) illustrates the level of risk costs under different NGFS scenarios, with a focus on identifying deviations from the baseline scenario.
- We take this risk into account in the rating process through the possibility of appealing a corporate client rating.
- We built and validated a scoring model for transformation risk in the Business Banking segment. Ultimately, the model will be used at the stage of establishing a credit relationship with clients and as part of ongoing monitoring. We expect the model to identify as accurately as possible those clients who are particularly at risk of transformation, enabling an appropriate gradation of risk. In 2025, we will work on the process use of the model.
- We have launched a number of initiatives to capture emissions data from corporate clients.  
as part of **transformation risk** we identify:
- the risk of a decline in the value of real estates accepted as collateral with low energy efficiency,

- the risk of deterioration in the quality of receivables from mortgage loans granted to individual clients using a real estate with low energy efficiency,
- the risk of deterioration in the quality of receivables from loans financing commercial real estates with low energy efficiency.

#### What action we have taken:

- In 2024, we started to include transformation risk in the value of real estate collateral in the portfolio of retail mortgage exposures and in the vast majority of the portfolio of corporate exposures in the Business Banking segment.
- We periodically review the portfolio of retail mortgage loans for the energy efficiency of the real estate accepted as collateral and monitor the proportion of real estate with a high risk of transformation.
- In the retail mortgage segment, we periodically set a maximum share of new financing earmarked for the lowest performing real estate (RAS – risk appetite parameters for new sales).
- On a cyclical basis, we estimate issues from the retail mortgage portfolio and the commercial real estate loan portfolio.
- We have identified courses of action for decarbonisation in the areas of retail mortgage loans and commercial real estate loans ([details here](#)).
- We collect voluntary information on the energy efficiency of collateral real estate (for existing and new loans).
- In the retail segment, we promote products designed to finance energy-efficient real estates and to finance energy efficiency improvements in real estates.
- We apply financing criteria for income real estate in the corporate segment, according to which we do not finance real estate with low energy efficiency.
- Within the sectoral RAS limits (risk appetite parameter) for the corporate banking client portfolio, we include transformation risk. We apply a proportional reduction in the credit risk limit, the amount of which depends on the ratings given to individual sectors in the *climate change mitigation* risk materiality assessment or the average greenhouse gas emissions intensity for individual sectors.





as part of **physical climate** risk, we identify the risk of a decline in the value of real estate taken on as collateral that are exposed to violent or prolonged physical hazards:

What action we have taken:

- In 2024, we started to include river flood risk in the value of real estate collateral in the retail mortgage exposure portfolio and in the vast majority of the corporate exposure portfolio in the Business Banking segment.
- Flood insurance is mandatory in the retail mortgage exposure portfolio, regardless of the location of the real estate.
- In 2024, we set key risk indicators (KRIs) on physical risk for the first time for mortgage loans granted in the Retail segment and for loans secured by real estate in the Business Banking segment. The KRI makes it possible to establish a quantitative appetite for physical risk, which translates into a better understanding, monitoring and control of physical risk in the above segments.
- In the portfolio of corporate exposures in the Business Banking segment, if a risk of river flooding is identified for a real estate, then it is mandatory to obtain flood insurance or (if such insurance cannot be obtained) it is mandatory to obtain a derogation credit decision.
- For the third consecutive year, we are estimating the physical risks in the banking book in accordance with Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 laying down implementing technical standards on disclosure of information on environmental, social and governance risks (Model 5).
- We are developing our tools for accurately assessing physical risk with new data sources and working on the precision of the results obtained.

as part of **physical climate** risk, we identify the risk of deterioration in the quality of receivables from companies due to a decline in their revenues / increase in costs / increase in debt due to their operations in a location exposed to violent or prolonged physical hazards:

What action we have taken:

- In the portfolio of corporate exposures in the Business Banking segment in the manual path, we examine the level of river flood risk in relation to the real estate in which the client operates. Where we identify a risk, we require

confirmation of a flood insurance policy or the identification of significant mitigants (neutralising factors) as part of the credit decision.

- In 2024, we started collecting the place of business addresses of companies in the Wholesale Banking segment. It is worth noting that we already had the addresses of the business locations of companies in the Business Banking segment.
- In the Wholesale Banking segment, we assess the extent to which a company is exposed to physical risk mainly through a sectoral approach.
- For the third consecutive year, we are estimating the physical risks in the banking book in accordance with Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 laying down implementing technical standards on disclosure of information on environmental, social and governance risks (Model 5).
- We are developing our approach to assessing the share of exposures that are sensitive to sudden or prolonged physical hazards in the exposure to companies and we monitor this share on a cyclical basis.

as part of **environmental and social** risk, we identify the risk of deterioration in the quality of receivables from companies due to a decline in their revenues / increase in costs / increase in debt due to their activities having a negative impact on the environment or a negative impact on employees / communities:

What action we have taken:

- The bank's largest clients are subject to constant monitoring of the so-called "adverse press".
- In manual credit processes, we require each credit decision package to address this risk and identify its mitigants.
- In accordance with our ESG Manual, we exclude from financing or impose restrictions on financing environmentally or socially harmful activities (including the aforementioned departure from financing activities related to the mining, trading or generation of electricity/heat from thermal coal, or, inter alia, departure from financing companies whose activities are materially related to the cultivation, processing, production and sale of tobacco products and e-cigarettes).





## b) ESG risk in Compliance risk:

as part of **compliance risk**, we identify the risk of the consequences of non-compliance in the processes with laws, internal regulations and market standards operating in the bank:

What action we have taken:

- The organisational structure of our bank ensures proper oversight of ESG risks.
- The bank has an *ESG Risk Management Policy* and an *ESG Manual* in place.
- Established in 2023, the ESG Data Model Project, inter alia, ensures regulatory compliance of the bank's ESG reporting.
- In 2024, the bank implemented a *Client Orientation Policy*, under which factors such as greenwashing, physical risk and transformation risk were included in the Client Dishonesty Risk.
- We are monitoring the implementation of our publicly made declarations, including the move away from financing activities linked to the mining, trading or generation of electricity/heat from thermal coal, or those substantially involving the production, cultivation, processing and sale of tobacco.
- We have introduced a new *ESG (sustainability) Product and Transaction Qualification Manual*.
- We consider clients' ESG needs and preferences in our product approval processes.
- We review environmental, social and corporate governance communications for greenwashing.
- We have implemented the *Manual – Greenwashing Risk Prevention Guidelines* and the *Greenwashing Risk Management Manual*. At the next stage, we plan to develop a Physical Risk and Transformation Manual. All documents are complementary to the *Client Orientation Policy*.
- Thanks to staff awareness activities, a range of training courses and the introduction of mandatory greenwashing assessments in all new and modified products, the risk is reduced.
- We will implement further solutions in the area of compliance aiming to integrate ESG issues into compliance management processes. Our activities are aimed at ensuring compliance with applicable standards and regulations.

## c) ESG risk in liquidity risk:

as part of **transformation risk and physical climate risk**, we identify the risk of disruption to the bank's liquidity as a result of increased deposit outflows from the bank or increased credit needs of clients due to the need to cover additional expenses resulting from the materialisation of transformation risk or physical risk:

What action we have taken:

- In 2024, we conducted a Climate Liquidity Stress Test with a horizon to 2050 to assess the impact of climate risk on liquidity risk. The results of the Climate Liquidity Stress Test showed that there was no significant impact of climate risk on liquidity risk. The Climate Stress Liquidity Test will be conducted periodically.
- We periodically carry out an analysis of the impact on the bank's liquidity of client deposits with high climate risk (last carried out in 2023). The results of the analysis do not make it clear that client volumes with high climate risk represent a homogeneous volume of deposits that can be treated separately due to the expected costs of climate risk.
- In 2024, we have included a climate factor in the stress scenario as part of the Liquidity Stress Test programme.
- We carried out an assessment of the materiality of ESG risks within liquidity risk. We assessed the impact of ESG risks on liquidity risk to be negligible.

## d) ESG risks in other areas:

We also manage other ESG risks, without describing them in detail, among others:

- due to the estimated low impact of these risks (e.g. ESG risks within market risks, operational risks of disruption to business continuity and security of people and resources due to physical climate risks),
- due to the historically firmly established and effective system for managing these risks (e.g. social risks arising from poor human resources practices, social and environmental risks associated with working with suppliers).

## Oversight of ESG risk management

We expect the impact of ESG risks becoming increasingly strong and therefore our organisational structure addresses these concerns well. It ensures that ESG risks are effectively supervised and that the implementation of ESG risk management mechanisms is carried out correctly and in a timely manner.



The organisational structure of risk management, including the role of the Supervisory Board, the Bank Management Board and the Division supervised by the CRO (Chief Risk Officer), is defined by the *General Principles of Credit, Market, Liquidity and Funding and Operational Risk Management and Mitigation in ING Bank Śląski S.A.* The Bank Management Board monitors and oversees the risk management process, including credit, market, liquidity and funding and operational risks. It is supported in this task by the Risk Committee, which includes a minimum of three members of the Supervisory Board.

At the beginning of 2024, the Board approved a Risk Management Strategy, in which among the key objectives for 2024-2026 is the continuation of efforts to increasingly identify, measure and assess ESG risks, as well as efforts to ensure that the bank's policies, procedures and processes are in line with requirements under external regulations.

The Bank Management Board is involved in monitoring and overseeing the risk management process, including credit, market, liquidity and funding and operational risks. The Bank Management Board approves the Bank's business strategy and risk management strategy which include ESG risk strategies as elements. The approved strategy responds to an assessment of the expected impact of ESG risks in the short, medium and long term. In addition, the Bank Management Board set up a standing ESG Risk Committee, tasked with creating the structure, policies, methods and tools for ESG risk management, and appointed the members of the Committee.

The Management Board has designated the CRO as the Management Board member responsible for carrying out key tasks in the implementation of ESG risk management into the risk management system.

## ESG Risk Committee

The ESG Risk Committee is the Bank's standing committee dealing with ESG risk issues. Within the scope of its activities, it has decision-making functions vis-à-vis all organisational units of the bank and advisory functions vis-à-vis the Bank Management Board. The CRO acts as Chair of the ESG Risk Committee.

The tasks of the Committee include:

- setting and changing the level of ESG risk appetite limits,
- creating a policy for managing ESG risks:
  - approving methodologies for managing ESG risks, including their metrics,
  - validating the tools used to assess ESG risks,

- deciding on the implementation and modifications of regulations dedicated to ESG risks,
- defining credit analysis standards for ESG risks,
- defining the general principles of the ESG risk assessment and monitoring process,
- determining the principles for including ESG risks in collateral valuation,
- defining a process for the comprehensive management of ESG risks, including the definition of IT systems to support the management process,
- monitoring and assessing the level of ESG risks at stand-alone and consolidated levels,
- ensuring compliance with laws, supervisory regulations, deciding on the implementation of ING Group N.V.'s ESG risk guidance and recommendations and approving any other ESG risk issues.

The Committee is composed of the following:

- President of the Bank Management Board,
- Members of the Bank Management Board,
- Bank Directors in the CRO Division,
- Bank Director – Tribe Financing.
- Director of the Strategic Clients Financing Department,
- Tribe Lead III – Bank Director Loans and Insurance,
- Director of the Investor Relations, ESG Reporting and Market Research Bureau.

As a general rule, the unit that informs the ESG Risk Committee and provides solutions for the management of ESG risks is the ESG Risk Management Department (the tasks of the Department are further outlined in the information below on the division into three lines of defence). The ESG Risk Management Department has prepared an *ESG Risk Management Policy*, the update of which was approved by the Management Board in December 2024.

In the second half of 2024, the Sustainability Panel of the Supervisory Board was established. The Panel was established as a consultative and advisory function for the Board with regard to the Board's activity in the ESG and



Sustainability area. Regular informing, inspiring and initiating discussions at the Supervisory Board level, which concern different ESG aspects is its objective.

## ESG risk management under the three lines of defence

### First Line of Defence

With regard to ESG risks, which are an element that reinforces traditional risks, the first line of defence identifies, assesses and monitors ESG risks as part of its standard process/role, described in separate regulations:

- *Credit Risk Management Policy at ING Bank Śląski S.A.,*
- *ING Bank Śląski S.A. Operational Risk Management Policy,*
- *The Compliance Policy of ING Bank Śląski S.A.*

### Second Line of Defence

The units of the CRO Division ensure that ESG risks are duly and effectively addressed in all relevant processes managed by the unit. They advise the Governing Body on the actions to be taken to ensure compliance with applicable laws, rules, regulations and standards, and assess the possible impact of any changes in the legal or regulatory environment on the bank's operations and compliance framework.

Second line of defence units ensure that all risks are appropriately identified, assessed, measured, monitored, managed and reported. For individual credit transactions, they provide independent analysis and provide an expert opinion on risk exposures, including ESG risks. As ESG risks materialise through existing traditional risks, this analysis/assessment takes place as part of the standard activities performed within the CRO Division units.

The specialised ESG risk management unit within the second line of defence is the ESG Risk Management Department, which took over the functions of the ESG Risk Team in July 2024 and is responsible for creating the ESG risk management policy within the CRO Division and its implementation, including:

- development of methods to manage ESG risks, including their measurement,
- developing the tools used to measure ESG risks,
- implementing and updating ESG risk regulations,

- developing and updating standards for assessing ESG risks in the credit process,
- developing the general principles of the ESG risk assessment and monitoring process,
- how ESG risks are taken into account in collateral valuation,
- development of a comprehensive ESG risk management process including identification of IT systems used in the process,
- supervision of ESG models, including documentation, monitoring results and validation,
- monitoring of the level of ESG risks at stand-alone and consolidated levels,
- ensuring compliance with the law, supervisory regulations and best practice of ING Group N.V.

In December 2024, the Management Board approved the ESG Risk Management *Policy*, updated by the ESG Risk Management Department, which sets out how ESG risk is managed at the Bank, including how ESG risk management fits into the existing framework for managing credit, market, liquidity and funding and operational risks. It describes in detail the channels for transferring ESG risks, including environmental risks, into traditional risk categories.

In addition, within the CRO Division, sector specialists define sector guidelines and spread knowledge of the sector situation based on the analysis of individual transactions and available portfolio analyses.

The Centre of Expertise Compliance ensures that compliance risks arising from ESG risks are properly and effectively addressed in the relevant processes. Advises the board on measures to be taken to ensure compliance with applicable laws, rules, regulations and standards, and assesses the possible impact of any changes in the legal or regulatory environment on the bank's operations and compliance framework that arise from climate and environmental issues (E), as well as social risk issues (S) and corporate governance issues (G). It verifies whether there were planned mitigating actions and, if there were, whether they were designed correctly and executed.

### Third line of defence

Internal Audit Department, which – in terms of ESG risks – takes into account and assesses in its reviews the extent to which the bank is prepared to manage these risks. It performs internal controls of the risk management framework, including ESG risks, taking into account changes in the risk profile and in products and/or business lines.





The assessment covers the adequacy of ESG risk management policies and procedures and their compliance with the bank's internal policies and procedures and external requirements.

## Reporting of ESG risk

For the first time, we are reporting for 2024 in accordance with the CSRD Directive and ESRS Standards. We write more about this [here](#).

The ESG Risk Management Department, as part of its internal reporting on ESG risks, prepares and periodically presents reports on the level of ESG risks to the Bank Management Board, Supervisory Board and ESG Risk Committee to enable decision-making and, if necessary, appropriate further action. This reporting includes:

- periodic reports – provide information on status and developments, and support regular ESG risk management decisions; depending on their content and purpose, they may be provided on a monthly or quarterly basis; an example would be the monthly reports prepared for the Management Board on the environmental risk assessment of client exposures by sector,
- (ad-hoc) reports – these are any reports prepared to decide on a course of action for the ESG Team's internal use or at the request of management.

## ESG risk tolerance framework

### Risk tolerance framework – corporate clients

The primary internal document that indicates the risk framework in relation to environmental and social issues is the *ESG Manual*. As part of the process of identifying ESG risks, we identified sectors and areas excluded from funding and restricted. These are activities/areas with which – in our assessment – there is, inter alia, a particularly high risk of negative environmental impact and a high risk of negative social impact.

The environmental and social risk assessment covers the client and the transaction. We make our assessment to the best of our knowledge. At the client level, we assess whether the business is conducted with respect for human rights, environmental principles and is not subject to restrictions or exclusion policies. At the transaction level, we assess whether it complies with the requirements of specific policies and sectoral policies.

We apply *the Sector Exclusion Policy* to corporate clients to whom credit and other banking products/services are offered. It applies to activities with a particularly high risk of negative impacts on the environment and the principles of sustainable development and a risk of human rights violations. In line with this policy:

- we do not enter into relationships with clients whose core business is covered by restrictions or *the ING Bank Śląski Exclusion Policy*,
- past relationships with this type of client have been terminated or an exit path is agreed.

Sector-specific policies apply to corporate clients to whom credit products are offered. We identify and appropriately manage relationships with clients who operate in areas of greater social or environmental vulnerability. We apply sectoral policies and specific policies that are designed to promote environmental protection and minimise risks in exposed business areas. Specific policies address the following areas:

- animal welfare,
- forestry and plantations,
- tobacco industry,
- industrial processing,
- chemical industry and utilisation of chemicals,
- defence and the arms industry,
- hard coal mining, coal-fired power industry, and related activities,
- other mining and power industry, petrochemical industry and metal manufacturing.

We respect and care for the environment and expect a similar approach from all clients. After 2025, we will not finance coal clients whose business is directly dependent on thermal coal to the extent of more than 5%. Furthermore, we do not fund:

- new coal-fired power plants and oil sands projects and dedicated oil sands infrastructure,
- fishing with harmful methods or against protected species,





- harmful or illegal tree felling,
- ship dismantling activities without the appropriate environmental certification,
- operations located in UNESCO World Heritage sites, wetlands listed in the Ramsar Convention or significantly affecting these areas or critical habitats registered by the International Union for Conservation of Nature (IUCN).

We support clients on their journey towards environmentally sustainable operations. We help them to build awareness of:

- environmental impact of their business and the impact of ESG factors on their financial situation,
- take action to eliminate or reduce negative impacts and implement (where possible) sectoral best practice.

We require credit clients operating in sectors with significant environmental risk or significant exposure to environmental risk – in the standard credit process (*Normal Track*), commensurate with the size of the client, type of transaction and materiality of risk:

- transparency as to the client's environmental impact,
- as far as possible – have a policy/strategy/plan to move towards an environmentally sustainable economy,
- information on environmental objectives/activities – undertaken and planned, as well as the extent to which ESG risk mitigation actions have been implemented.

Under social risk management, the full funding ban applies to the following areas:

- human rights violations/abuses, including in forced labour situations, child labour, inadequate working conditions, use of violence,
- the risk to the health of workers and local communities, including contact with harmful chemical materials, transmission of animal diseases to humans, non-compliance with labour laws,
- production of and trade in controversial weapons, including: anti-personnel mines, cluster munitions, phosphorus bombs, depleted uranium munitions, nuclear, chemical, biological weapons,
- cultivation, processing, production and sale of tobacco and tobacco products and e-cigarettes,

- asbestos-related activities, fur farming, gambling.

We have a detailed policy on defence financing and activities related to the arms industry. We are not opposed to establishing relationships with this type of client. We believe that sovereign states, within the limits of the law, regulations, national and international conventions, have the right to maintain public order, to participate in joint military missions or peacekeeping missions, and to defend themselves and to have armed forces properly equipped. However, we believe that certain companies, weapons and activities violate our values and business ethics. We do not engage with controversial weapons because of their particularly destructive nature and the results of their use: mass casualties and destruction in the area under attack, from which it is difficult to exclude civilians. By key components of controversial weapons we mean infrastructure, equipment parts and materials, services and programmes and systems (mechanical, electronic and digital) specifically designed for controversial weapons.

In the *ESG Manual*, we have identified selected standards, guidelines and initiatives whose application can be an important reference in the social risk assessment process, such as: *Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, International Labour Organisation Conventions on Labour Standards, UN Global Compact, Guiding Principles on Business and Human Rights, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Companies*.

The exclusions and restrictions in the *ESG Manual* also apply to our bank's suppliers (KYS process – *Know Your Supplier*).

We also pay increased attention to the credit analysis of corporate clients who operate in sectors we have identified as higher environmental and social risk.

We have prepared RAS limits for credit risk for the Business Banking segment, taking into account transformation risk (based on average GHG intensity). We have introduced regular monitoring and warning signals for climatic RAS, in line with our existing practice of controlling RAS limits.

We are developing our approach to creating climate risk appetite limits (*Climate RAS*) for the corporate client segment. Within the sectoral RAS limits in the corporate segment, we have introduced a transformation risk component for the first time (this risk is part of environmental/climate risk). We apply a proportional reduction in the credit risk limit, the amount of which depends on the ratings given to individual sectors in the *climate change mitigation* risk materiality assessment or the average greenhouse gas emissions intensity for individual sectors. Management of potential exceeded values of approved RAS limits is carried out in accordance with the procedures in



place. An analysis of the situation that has arisen is carried out and the information, together with a description of the corrective action taken or planned, is forwarded to the Bank Management Board, which promptly informs the Supervisory Board. In order to prevent excessive risk-taking, the limits set will be reviewed on a cyclical basis and, in the event of significant changes in market conditions, the specifics or the scale of the bank's activities, the limits will be reviewed promptly.

### Risk tolerance framework – retail mortgage exposures

For the retail mortgage portfolio, we have updated our approach to identifying key transformation risks and their likelihood of occurrence in the short, medium and long term, replacing the previous environmental risk heatmaps with an assessment of the materiality of climate and environmental risks. We have identified the part of the portfolio exposed to high transition risk, based on an analysis of European Union regulations. We have implemented an assessment of the materiality of negative climate change impacts as a basis for assessing the likelihood of transformation risks materialising. We assessed the materiality of transformation risk for this portfolio as a combination of the probability and size of the portfolio exposed to high transformation risk. We have also implemented a methodology for determining the RAS for transformation risk and determined the risk appetite by year to 2030 for new sales. The defined objectives of the RAS are, expressed in concrete figures, a gradual reduction in the share of mortgage loans exposed to high transition risk in new sales.

## Definitions and methodology

When establishing the principles and framework for ESG risk management, we follow the guidelines of the EBA (European Banking Authority) EBA/GL/2020/06 from May 2020 on loan origination and monitoring. *Loan origination and monitoring*). From 30 June 2021, the bank is obliged, inter alia, to include an assessment of the ESG exposure of its clients' business in its lending process. Guided by these guidelines, we have included environmental, social and governance factors in our credit risk appetite and incorporated them into our credit assessment processes for corporate clients. The environmental risk heatmaps prepared in 2022/2023 were replaced in 2024 by a new approach, i.e. a sectoral assessment of climate and environmental risks referring to the assessment of double materiality methodology (DMA - Double Materiality Assessment). The sectoral assessment is now determined for those portfolios and those ESRS sub-themes (sustainability issues) where risk materiality has been identified through the DMA process and provides a benchmark for individual corporate client assessment in the manual pathways.

In the introduced standards on ESG risk management, we have also taken into account the provisions of the *ECB Guide on Climate-related and Environmental Risks – Supervisory Expectations Relating to Risk Management and Disclosure* of November 2020, and the *EBA Report on Management and Supervision on ESG risk for Credit Institutions and Investment Firms*, EBA/REP 2021/18 of July 2021.

We have indicated in the *ESG Risk Management Policy* the methods, definitions and international standards used. Among other things, there we defined environmental, social and corporate governance risks, using the provisions of the *EBA Report on management and supervision on ESG risk for credit institutions and investment firms*, EBA/REP 2021/18, July 2021. There, we also identified the key ESG risk factors and their channels of transmission to traditional risks.

We continually monitor regulatory risks arising from changes in the legal environment in relation to the financial sector – following the work of regulators and legislative proposals. We participate in the work of the Polish Bank Association on the interpretation of ESG regulations.

## Processes to identify, measure and monitor ESG risk-sensitive activities and exposures

As we treat ESG risk as an enabler of the core risks (credit, market, liquidity and funding, operational), most of the processes to identify, measure, monitor these risks have been built into the standard processes for managing these core risks.

### Environmental risk within credit risk

The KYC process excludes the risk of establishing a new relationship with a client carrying out environmentally harmful activities and allows us to identify clients carrying out such activities among existing relationships, with the result that we stop offering them new products and services. Thus, the KYC process significantly mitigates environmental risks in the short, medium and long term, thereby affecting the level of credit, liquidity and funding and reputational risks.

As part of our standard corporate client credit risk management processes, we have included the identification, measurement/assessment and monitoring of individual client environmental risk (assessment in the credit application and the possibility of rating appeals), which affects the level of funding in manual processes. We have also included a sectoral assessment of environmental risk, which influences the level of financing in automated and



semi-automated processes and provides a benchmark in the individual client's assessment. The relevant regulations and internal rules are contained in documents: *Credit Risk Management Policy, Sector Guidance, Transformation and Flood Risk Assessment Guidance, Sector Assessment of Climate and Environmental Risks for Business Banking and Wholesale Banking portfolios, ESG Manual for the Corporate Client Segment, Corporate Client Credit Manual* and *Strategic Client Credit Manual*.

The aforementioned sectoral assessment of climate and environmental risks, replacing the Environmental Risk Heatmaps, is now determined for those portfolios and ESRS sub-themes (sustainability issues) for which risk materiality has been established through the dual materiality (DMA) process. We have prepared a sector assessment methodology describing the approach to quantifying climate and environmental risks in the corporate segment.

We have identified key climate and environmental risks. Climate and environmental risks can materialise in the area of credit risk (and beyond) through the impact of different climate and environmental risks, the sectoral assessment is made taking into account the likelihood and magnitude of each of these risks analysed separately. The combination of these two components results in an overall assessment of the sector, which can take on one of 5 levels.

The inventory of risks is carried out by the ESG Risk Management Department. In identifying and inventorying climate and environmental risks, we rely, inter alia, on regulatory documents(*ECB Guide*), as well as scientific literature, climate scenarios, data from external parties such as: UNEP-FI, Encore, PCAF, KOBIZE, CSO and publications by other national or international institutions.

We envisage the development of a sectoral assessment approach to climate and environmental risks. In the future, it is possible that both the methodologies for assessing environmental and climate risks and the catalogue of these risks themselves may be extended or amended if new types of climate and environmental risks to which the bank may be exposed are identified.

For investment projects subject to the *Equator Principles*, we apply this socio-environmental principles standard in the assessment of transactions. Projects that do not comply with the *Equator Principles* are not financed by our bank.

In the mortgage portfolio, we replaced the *Environmental Risk Heatmap* with an assessment of the materiality of climate and environmental risks. The cash loan portfolio in the retail segment was excluded from the scope of the

analysis due to the small scale of the exposure relative to the retail portfolio and the inability to establish a direct link to transformation risk or physical risk for unsecured retail exposures. For the mortgage portfolio, the risks identified are related to physical risk factors of the financed real estate with low energy efficiency.

In the residential mortgage portfolio, the probability of transformation risk materialising is assessed as the risk that the security becomes non-compliant due to the borrower's inability to improve the energy efficiency of the high-impact real estate.

For real estate properties securing retail and corporate credit exposures, we assess the physical risk at a given date using an internal tool that assigns a risk level for a specific physical risk. The analysis showed that only river flooding is a material risk factor in the residential mortgage portfolio.

We are working on an even more accurate indication of the level of risk – at the level of the exact address.

In 2024, we started to include transformation risk and physical risk in the value of real estate collateral in the retail mortgage exposure portfolio and in the vast majority of the corporate exposure portfolio in the Business Banking segment. By lowering the value of the real estate accepted as collateral, we indirectly influence the amount of loans granted, through the limitation applied in the form of the maximum level of the *Loan to Value* parameter.

For the third consecutive year, we are estimating the physical risks in the banking book in accordance with Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 laying down implementing technical standards on disclosure of information on environmental, social and governance risks (Model 5). A table with the data, together with a discussion of the estimates, can be found in the Attachments under [ESG risk figures](#).

We have defined a method for estimating/measuring the energy efficiency of the real estates accepted as collateral. A table with the data, together with a discussion of the estimates, can be found in the Attachments, under [ESG risk figures](#).

We carried out short- and long-term stress tests for ESG risk in relation to credit risk. The key insights and conclusions of the stress tests carried out, together with the calculation methodology, were discussed and approved by the ALCO Committee.

In 2023, the bank conducted a *stress-test* for transformation risk for its corporate and retail mortgage portfolio. The calculations were carried out over a 3-year horizon, in line with the financial plan. The task was carried out as part of the ICAAP stress tests.





The basis for the short-term transition risk stress test was the three scenarios typically used in ICAAP stress tests, differing in assumptions and macroeconomic parameters, degree of severity and probability of implementation. We considered the following as factors influencing transition risk: carbon intensity, energy intensity, vulnerability to changing climate policies. For retail mortgage loans, we applied a selection for the energy efficiency of the real estates financed.

The results of the stress test confirmed that, under internally chosen assumptions, transformation risk affects the level of the cost of risk of both the retail mortgage portfolio and the corporate loan portfolio. The task also allowed observation of the potential magnitude of the impact of transformation risk on the loan portfolio depending on the future (projected) macroeconomic parameters and the severity of the chosen scenario. The stress test will be repeated depending on the identified needs of the bank, with the possibility of introducing an annual ESG stress test as part of the ICAAP stress test, by, for example, including a scenario dedicated to environmental and climate risks in the ICAAP stress test. The basis for developing such a scenario would be, for example, the scenario developed and published by the NGFS.

We conducted a long-term stress test in 2024, based on climate scenarios developed by the NGFS. Scenarios in the NIGEM model (National Institute Global Econometric Model) were used. The choice of this particular model among the several provided by the NGFS is dictated by the fact that the output of the NIGEM model also provides – based on future assumptions on transformation and physical risk factors – macroeconomic and financial information, such as: GDP, inflation, unemployment, consumption, investment, exports, imports, interest rates. These variables were used as part of the stress-test calculations. Data with a horizon up to 2050 was taken into account for the recalculations.

The Bank used three scenarios developed by the NGFS (and the NGFS baseline scenario, drawn up without taking climate risks into account), which differ in principle in their function of transformation risk relative to physical risk, and in practice in their ambitions to limit global temperature rise and their assumptions about the speed of technological change and the introduction of new climate and environmental regulations. The use of different scenarios in the stress-testing process allowed the bank's exposure to climate and environmental risks to be assessed depending on the direction of future change. Similar stress-tests will be carried out ad-hoc, depending on the current need.

### Social risk within credit risk

In the KYC process for the bank's largest clients (strategic clients), the ESG risk assessment at client level and the risk assessment at transaction level take into account social factors. Social risk factors such as, for example: human rights, labour rights, the impact of the activity on communities and societies are taken into account. We do not fund clients with an unacceptable level of ESG risk, and for clients with a high level of ESG risk, we conduct an in-depth assessment. We also have specific policies and sectoral policies for the financing of areas with – in our view – high social risks, in accordance with *the ESG Manual* (e.g. relating to the arms industry, tobacco, chemicals, industrial processing, animal welfare).

In the lending process in the Business Banking segment, we assess the client's sensitivity to social risk factors and its ability to mitigate these risks in the standard credit process pathway. In addition, we have identified and indicated sectors/areas sensitive to social risk – we require additional information from clients operating in these sectors/areas to assess social risk. We do not finance new clients for whom social risk has been assessed at an unacceptable level, and we can set corrective actions for clients with credit exposure with a high-risk level. Reporting on the distribution of the portfolio in the Business Banking segment by level of social risk takes place on a semi-annual basis.

We do not accept collateral with which to bear social risks – the relevant provisions are contained in the internal collateral instructions for each segment.

### Corporate governance risk within credit risk

We have defined corporate governance risk factors in the *ESG Manual* and take them into account in the ESG risk assessment of the bank's largest clients (strategic clients), carried out as part of the KYC process, at the individual client level. Among other things, we analyse issues such as how the client reports the impact of the E and S factors, having a human rights policy, information on negative NGO/media campaigns or possible stakeholder protests.

In the manual credit process, credit analysis standards for corporate banking clients include the requirement to assess the client's sensitivity to corporate governance risk factors (on a best knowledge basis) and to assess its ability to mitigate these risks. For companies in the strategic client segment, ESG risks are assessed on the basis of the information contained in published non-financial risk strategies/reports.





### ESG risk within liquidity risk

As part of our liquidity risk management, we conducted a Climate Liquidity Stress Test in 2024 with a horizon to 2050 to assess the impact of climate risk on liquidity risk. The results of the Climate Liquidity Stress Test showed that there was no significant impact of climate risk on liquidity risk. The impact assessment was accepted by ALCO and was presented at the ESG Risk Committee in December 2024. The Climate Stress Liquidity Test will be conducted periodically. The conclusions of this analysis will be used in determining the bank's development directions.

We periodically carry out analyses of the impact on the bank's liquidity of client deposits with high climate risk as part of our liquidity risk analysis. The results of the analysis do not make it clear that client volumes with high climate risk represent a homogeneous volume of deposits that can be treated separately due to the expected costs of climate risk. The costs of climate risk can arise both from the need to cover damage – in terms of physical risk, and from transition costs (or the need to terminate operations) due to regulation. Consequently, the additional costs of climate risk may affect deposit volumes of clients with high climate risk.

### ESG risks within operational risk

As part of the non-financial risk management system, including operational risk, ESG risk is treated as a factor that can affect the levels of the various risk subcategories, indicating climate/environmental risks and social and corporate governance risks.

Of the 10 operational risk categories identified in the bank – business interruption risk, employment malpractice risk, or risk of breach of security of persons and property – are potentially the most vulnerable to ESG factors.

The risk management process is described in the *ING Bank Śląski S.A. Operational Risk Management Policy*, in the document *Policy – Principles of Reputation Risk Management at ING Bank Śląski S.A.*, while the principles of risk identification and assessment are defined in the *Non-financial Risk Identification and Assessment Manual*.

The regulation *Manual on the Implementation of Environmental Risk in Non-Financial Risk Management at ING Bank Śląski S.A.* describes the impact of environmental risk on non-financial risk, including compliance risk and the possible consequences of this risk for daily non-financial risk management activities; additionally, criteria for the identification and recording of environmental risk are defined there.

### ESG risks within compliance risk

As a result of the assessment of the impact of climate and transformation risk factors on compliance risk, areas were identified and reflected in the *Client Orientation Policy*. We have put in place mandatory requirements and controls to effectively mitigate the adverse effects / negative impact of ESG risk factors (greenwashing, physical and transformation risks) under compliance risk:

- All information (including marketing materials) about ING's financial products that is provided to (potential) clients must be accurate, clear and not misleading.
- All financial products sold meet clients' needs. We offer products and services that are suitable for clients throughout the life cycle of the relationship.
- There is a consistent and recognisable complaints management process for all financial products. Complaints are a key indicator of client satisfaction and a tool used to assess whether ING's financial products are suitable for clients.

Work related to the consideration of ESG factors in the analysis of compliance risks continues. Actions taken are aimed at further improving risk management processes taking into account the impact of ESG factors on the area of Compliance.

### Mitigating ESG risks by building knowledge

We provide training as well as participate in external events on ESG risks. Training aims to build awareness of ESG risks and mitigate them through effective action by employees within the processes in which they participate.

### ESG data

We are expanding the acquisition of environmental risk data, including high-precision location data for physical risk assessments, client greenhouse gas emissions data and precise building energy efficiency data. Data from the in-house physical risk assessment tool, address data for collateral and corporate client sites, emissivity data provided by the BIK and data from the public energy performance certificate database enable the estimation of exposure to physical climate risk, CO<sup>2</sup> emissions from the loan portfolio and the energy efficiency of the collateral real estate. We have expanded the range of clients for whom we acquire business location data. For new financing of corporate income real estate and retail mortgage exposures, we obtain and record information from energy performance certificates. We add certificate data available in the public database to real estate that is already collateral.



Thanks to the data we collect, we not only estimate the risks, but also actively manage them in our processes, e.g. through minimum entry criteria for income real estate or by including risks related to low energy efficiency and/or physical risks in the valuation of real estate collateral. Based on the data extracted, we determined the RAS in terms of the share of retail mortgage exposures and the share of corporate income real estate financing exposures with transformation risk, the KRI in terms of the share of real estate collateral with physical risk within retail mortgage exposures and corporate exposures, the RAS in terms of the share of corporate exposures within a given sector due to, inter alia, the transformation risk of a given sector.

We are continuing with the ESG Data Model project, launched in 2023, which aims to implement a single consistent ESG data model across the organisation and develop a concept and roadmap for a targeted internal and external reporting process that is as automated as possible in line with regulatory requirements.

### Channels of transmission of ESG factors into core risk categories

We expect the impact of higher energy costs from non-renewable sources on the debt repayment and debt service capacity of corporate and retail clients. For corporate clients in high-risk sectors for transformation, we would additionally expect higher levels of their debt for the necessary transformation investments, possibly with increasingly lower yields if they did not address the transformation risks. We have excluded corporate clients with environmentally damaging activities from financing, and have introduced steps in our lending processes to take a more prudent approach towards clients in sectors with high environmental risk.

We have taken steps to limit the impact of physical risk on the real estate securing new retail mortgage exposures (mandatory flood insurance). We are testing a new approach to identifying the location of Business Banking companies and assigning a level of physical risk to that location. When assessing the physical risks in our corporate clients' operations, we take into account the physical risks to the real estate we secure and additionally analyse heat waves and water scarcity. We expect these risks to affect productivity in some sectors. An impact on the PD of corporate clients is therefore likely.

The results of the Climate Stress Liquidity Test for the horizon to 2050 carried out in 2024 indicate that there is no significant impact of climate risk on liquidity risk.

We have assessed that in the short term, social risks may materialise mainly through: major social incidents, fines paid resulting, for example, from non-compliance with labour laws, court cases, investor preferences – which may

translate into higher costs of raising capital, contractor and consumer choices, the outflow of valuable labour (costs of recruitment processes, training for new employees, etc.).

Serious incidents in the area of human rights violations or accidents at work, especially when publicised in the media, can lead to a change in investor preferences (increased cost of raising capital) and a change in counterparty and consumer choices, thereby realising themselves in credit and market risk (reduced creditworthiness, reduced asset value).

Inadequate OHS standards, e.g. a high number of serious occupational accidents or serious incidents of discrimination (especially publicised in the media), can result in court cases (costs) and the payment of fines or damages or compliance costs – Compliance (reduced profitability of the company, reduced asset value). Failure to invest in employee well-being can lead to an exodus of the most valuable workforce (recruitment costs, costs of acquiring and training new employees). Consumer boycotts resulting from controversies around the conduct of business, manufacturing of products, services, unethical supply chain, conflicts of interest, can translate into a reduction/loss of creditworthiness, value of assets.

We recognise that the materiality of social risk may increase in the medium to long term, in particular due to changes in policy and market sentiment related to social transformation, the introduction of enforcement mechanisms into the legal system (e.g. equal pay) and the implementation of social risk reporting requirements (ESRS) to ensure comparability of disclosures. Social risks can be realised in particular in the case of clients who are not prepared or willing to adapt or do not have the necessary resources, and can therefore become the target of complaints, be affected by lawsuits, market pressures or reputational risks.



# Sustainability Statement

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In this chapter, we present the Sustainability Statement which addresses the requirements of the Corporate Sustainability Reporting Directive, or CSRD.

## General disclosures

### Preparation of Sustainability Statement

#### Basis for preparation

##### BP-1.5

This Sustainability Statement for the financial year ended 31 December 2024 comprises ING Bank Śląski S.A. and its subsidiaries, together referred to as ING Bank Śląski S.A. Group, in line with the consolidation of our financial statement. Please note that some of the identified material sustainability matters are not material for all elements of our value chain and subsidiaries covered by the Sustainability Statement.

The scope of the information presented herein was determined based on the outcome of the double materiality assessment (DMA) conducted in accordance with the ESRS 1 guidelines and based on the guidance set out in the IG-1 *Materiality Assessment* guide published by the European Financial Reporting Advisory Group (EFRAG). A description of the process and its results are presented in the relevant sections of the Sustainability Statement. The assessment took into account the organisation's value chain in accordance with the diagram presented [here](#).

Since this is the first year of reporting in line with ESRS and there is still some uncertainty and ambiguity as to the interpretation of the Regulation, including the application of certain “datapoints” to the specific nature of a bank’s operations, we relied on support from third-party advisors and supporting guidelines that helped us prepare the Sustainability Statement.

#### Omissions of information

While preparing this Statement, we have taken the possibility to omit certain information relating to intellectual property, know-how and innovations. We have not disclosed any sensitive information which is key for our business strategy and development plans so as to protect our competitive position. This does not diminish the overall materiality of the information disclosed.

#### Estimations and uncertainties

##### BP-2

In our Sustainability Statement, we use data for which a certain degree of uncertainty remains, primarily attributed to external factors. Since regulations evolve and markets adapt, there is a certain challenge relating to data availability. Where reliable data are unavailable, we have used estimations, averages, proxies, assumptions or a combination of these. We continue our efforts to improve data quality and we expect it to get better as the methodologies evolve and as the market adapts to the regulatory requirements relating to sustainability.

While the annual report generally includes information relating to the current reporting year, ESRS requires that we make an additional disclosure of forward-looking information, resulting in the use of management judgement in relation to this scope of information.

#### Changes in the preparation or presentation of sustainability information

##### BP-2

Presented below are the most important changes in the presentation of sustainability information arising from CSRD:

- A change in the methodology of the materiality assessment process.
- A change in the structure of our Report : disclosures relating to the sustainability matters are presented in a separate section, except for the disclosure requirements presented further on under the caption “Incorporation by reference”.
- As for the metrics reported in prior years in line with the GRI guidelines, there has been a conversion to ESRS requirements. While doing so, we identified a minor reporting error in previous periods for HR data on turnover, which we have corrected in this Report. Changes, if any, in methodology were described accordingly in relation to each metric.

#### Incorporation by reference

Some ESRS requirements are already included in our annual report due to other reporting requirements we are subject to. To avoid duplication, we incorporate the following ESRS requirements by reference, in keeping with paragraph 119 of ESRS 1:





Disclosure / ESRS datapoint	Name	Place in the report
SBM-1.40	Strategy, business model and value chain	About ING: <ul style="list-style-type: none"><li>Who we are</li><li>The scale of our activity</li><li>Business segments</li><li>Business strategy</li><li>Risks in the implementation of the business strategy in 2025</li></ul>
SBM-1.42	Strategy, business model and value chain	About ING: <ul style="list-style-type: none"><li>Business model and value creation</li><li>Key capitals used in our business model and key results in 2024</li></ul>
GOV-1.21	The role of the administrative, management and supervisory bodies	ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles: <ul style="list-style-type: none"><li>Supervisory Board</li><li>Bank Management Board</li><li>Remuneration of the Management Board and Supervisory Board Members</li><li>Diversity policy for supervisory and management bodies</li></ul>
GOV-3.29	Integration of sustainability-related performance in incentive schemes	ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles: <ul style="list-style-type: none"><li>Remuneration and Nomination Committee</li><li>The principles of the Management Board Members remuneration</li><li>Linking remuneration principles to sustainability issues</li></ul>

Industry-specific disclosures

In addition to the list of sustainability matters set out in ESRS 1, we also evaluated whether or not there are any material impacts, risks and opportunities relating to sustainability which had not been included in ESRS 1 and which may be of materiality for our business. That assessment involved consultations with other entities to understand those issues and reflection on our own materiality assessments conducted in prior reporting periods in line with the

GRI reporting standards. No additional information specific to the entity was disclosed as a result of the assessment.

Internal control and management of the report preparation process

GOV-5

As with other reporting types, reporting on sustainability is subject to the risk of errors relating to the incompleteness and inaccuracy of information presented, including potential errors in internal systems, data quality, human errors and external events. The mitigation of the above risks is supported by the entire operational risk management system and the management of material sustainability matters, as described herein.

Sustainability reporting is related in particular with the process of risk identification and assessment for ESG strategy; the said process involves identification of the financial loss risk or the risk of reputational damage due to deficiencies in operational control caused by the lack of management or ineffective management control or poor organisational structures in the area of sustainability and ESG. Control processes for that type of risk include the control processes relating to the preparation of the Management Board Annual Report on the Operations of ING Bank Śląski Group. The content and quantitative data relating to the individual requirements on disclosures are developed by one or several bank employees responsible for a given area.

For the majority of sustainability data, we are supported by IT system, for example: for environmental data, HR metrics or the internal system of undesirable events monitoring called Risk Navigator.

As for the Taxonomy and ITS/CRR ESG, reports are generated automatically in a dedicated application- and database environment including a structure of automated controls and additional checks of the reporting process participants. The controls check the consistency, completeness and correctness of all data used in the reporting and the calculations. They are described in detail in the process documentation.

Each disclosure requirement is then verified by one or several members of the unit responsible for the preparation of the Sustainability Statement in order to check whether or not the reporting is correct and adequate, and in order for the Bank Management Board Members to review and accept it. In addition, the Bank Management Board Member in charge of the CFO Division (including the unit responsible for the preparation of the Sustainability Statement) was updated on a regular basis on the progress of works throughout the Statement preparation process.



The Statement was subject to attestation by the external auditor based on a limited assurance engagement as to the quantitative- and quantitative data presented, as required under CSRD.

Sustainability reporting continues to evolve. In 2025, we plan to implement a dedicated tool for the preparation of the annual report which will provide even better control over the reporting period.

## Our approach to sustainability

In keeping with our mission, we want to empower people to stay a step ahead in life and in business. We are aware of the role banks have to play in sustainable transition. That is why we want to respond to the challenges of today's world while being guided by our rules and values.

Sustainability is one of the pillars of our business operations which is included in the business strategy of ING Bank Śląski Group. We believe that only companies following such an approach will have a chance for a long-term success.

We recognise our responsibility to minimise our negative environmental impact, both in our own operations and in portfolio management. We perceive our role primarily in supporting clients in environmental transformation. In order to do it effectively, we need to look at the area from their perspective – that is why dialogue and learning the company's perspective are so important.

We want to foster a positive work environment, support the financial health of our clients, and provide user-friendly, accessible solutions to all user groups. At the same time, we help people to be entrepreneurial and manage their finances.

At ING, we recognise the value of knowledge and experience, and we are committed to sharing it, particularly in the ESG area. We want to support our clients as part of our efforts to limit the negative impact of our portfolio on the environment, while treating ESG as an opportunity to grow and build a competitive advantage.

Successful implementation of ESG objectives requires efficient cooperation not only within the organisation, but also more broadly with our environment. We engage in dialogue on sustainability issues and establish partnerships that foster socially and environmentally relevant initiatives.

In this chapter, we describe our double materiality assessment process, the method of setting ESG targets as part of our business strategy, the management structure for sustainability matters in the ING Bank Śląski S.A. Group and


the supervision over the target implementation, including how we take into account the views and needs of our key stakeholders.

## The assessment of sustainability impacts risks and opportunities


IRO-1, IRO-2

In the prior reporting periods our materiality assessment process was carried out in accordance to GRI standards. Reporting for 2024 is the first year that we have performed a double materiality assessment as required under ESRS 1. A sustainability matter is deemed material when it meets the criteria for impact materiality, financial materiality, or both. The perspectives of materiality are defined as follows:

### Impact materiality

- 
- Inside-out perspective**
    - Used to measure the actual or potential, positive or negative impacts on people or the environment.
    - It refers to the impacts caused or contributed to by our business, directly linked to our operations, products and services and through our business relationships. In the case of a business institution, this refers in particular to the business involving provision of funding.

### Financial materiality

- 
- Outside-in perspective**
    - Used to measure the negative and positive impacts of a changing environment and society on our operations.
    - As a financial institution, it is especially mirrored in climate and environmental risk management.



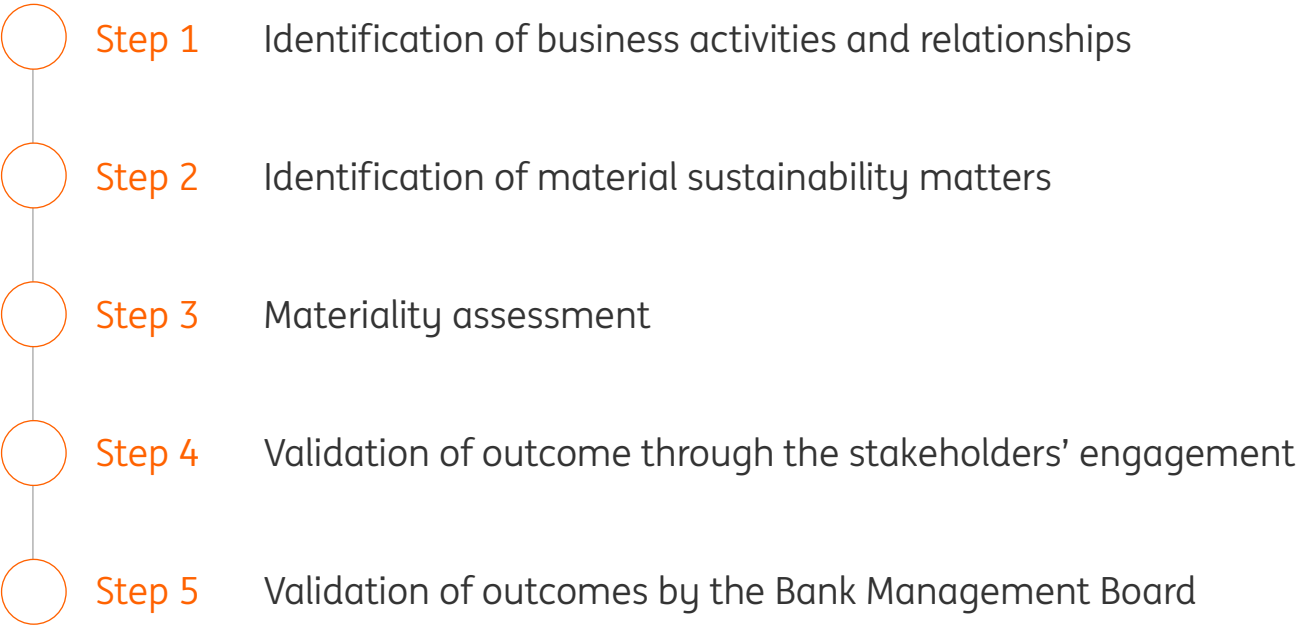
Time horizons

**BP-2**  
A sustainability matter may be material in different time horizons. As such, the time horizon is an essential element of the materiality assessment. Under ESRS, companies are required to define the short-, medium- and long-term time horizons used for the materiality assessment process. In our approach to time horizons, we accounted for the guidelines of the European Banking Authority (EBA) for the banking sector in conjunction with the ESRS guidelines. We applied the following time horizons in the materiality assessment process:

- very short-term: less than 1 year,
- short-term: between 1 and 3 years,
- mid-term: 3 to 5 years,
- long-term: over 5 years and at least 10 years.

Stages of the process of impact opportunity and risk assessment

Our process of material sustainability matters assessment consisted of the following stages:



Identification of business activities and relationships

Our value chain

In order to understand how our business affects sustainability issues and which sustainability issues materially affect or are likely to affect our business model and strategy (which we describe [here](#)), it is necessary to understand the structure of our bank's business relationships and operations and then conducting a double materiality assessment.

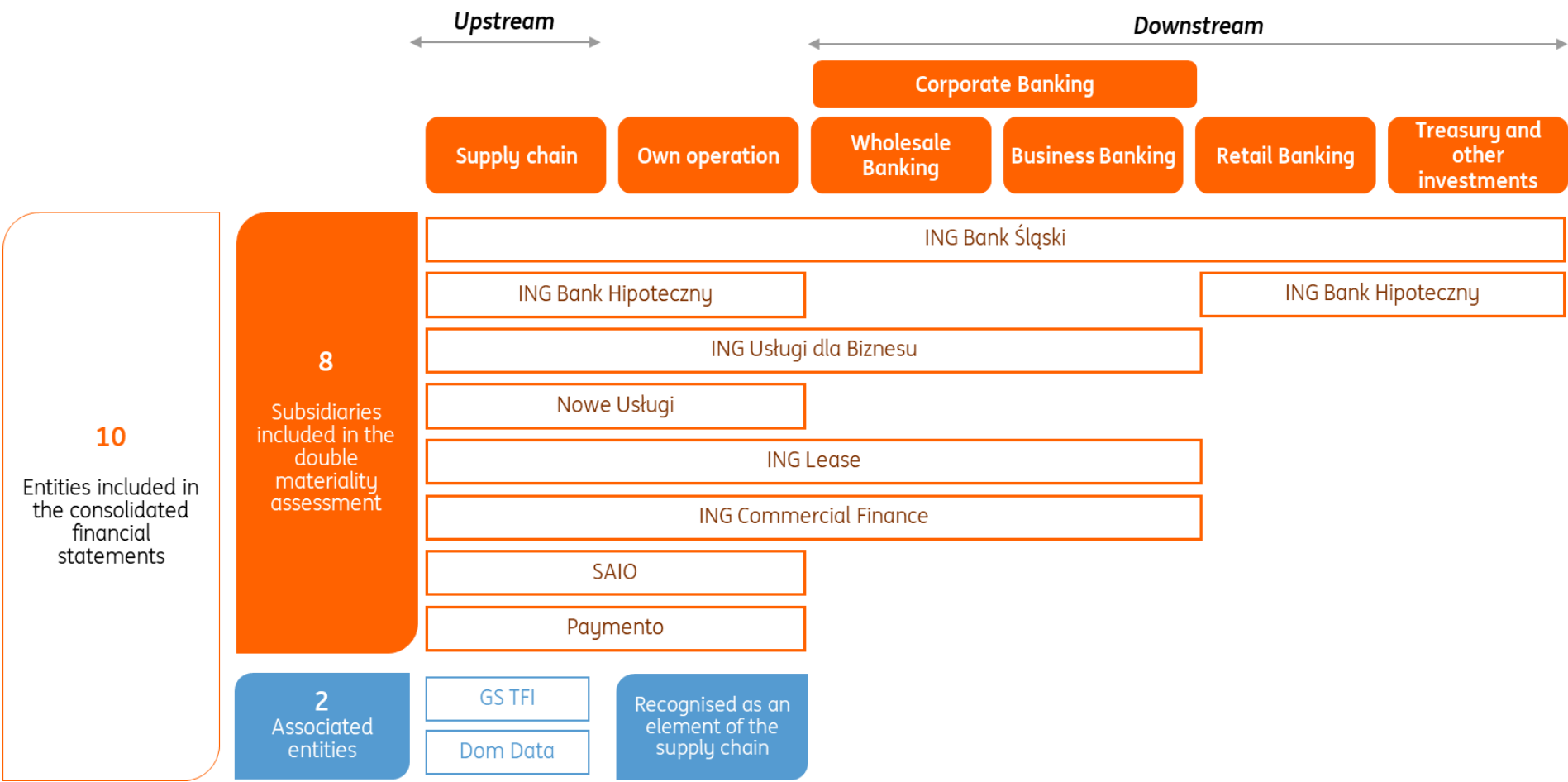
Since the assessment goes beyond the scope of the financial statements' consolidation, we assessed our core business in relation to our own operations and our (in)direct relationships in the upstream and/or downstream value chain. As a result, we identified six segments in our value chain, on which we have performed our materiality assessment. The six segments are depicted on the next page.

As a financial institution, our main business segment impacting sustainability matters is our loan book, through which we finance our clients and the economy. Due to data imitation, the assessment is mostly done at tier 1 direct contractual relationship level ( for example: large corporates that we finance; retail clients whom we serve).

Associates and joint ventures which are not fully consolidated using the full method in the financial statements are treated as the other business relationships, i.e., actors in the value chain (e.g., suppliers, investee companies), and as such are part of our materiality assessment.



ING Bank Śląski Group entities in the value chain



The identification of assets and exposures subject to impacts and risks requires classification of activities according to their characteristics to form a view on how and where sustainability matters can materialise. In particular, the classification of exposures is performed on the basis of characteristics that include but are not limited to maturity of loan or position, counterparty type, type of activity/service/product, geography, industry type or collateral type.

In the table on the next page, we present the identified segments of the value chain, key activities within each segment and main actors for each segment.

Determining the value chain segments

In determining value chain segments and identifying which ones are more likely to be associated with material impacts, opportunities and risks, we used the following three-step approach:

- An analysis of the consolidated balance sheet and the consolidated profit and loss statement to identify core activity, assets and exposure of the bank.
- We map the core business areas mirroring ING's internal organisation to ensure accountability of the value chain owner and management of sustainability goals implementation. The activities as part of the value chain are aggregated based on the similarity of the business activity, from the perspective of similar products, services offered and the similarity of entities within the value chain.
- Activities with low likelihood of material impacts, opportunities and risks within the value chain are excluded.





Our value chain

SBM-1

Actors	Corporate Banking					
	Supply chain	Own operations	Wholesale Banking	Business Banking	Retail Banking	Treasury and other investments
	<ul style="list-style-type: none"><li>• Procurement processes, including the KYS (Know your supplier) process</li><li>• Management of the relationships with the suppliers of goods and services</li></ul>	<ul style="list-style-type: none"><li>• Human resources management</li><li>• Facility management (for example, office buildings, buildings, etc.)</li><li>• IT processes management</li></ul>	<p>Development, marketing and distribution of financial products and services as well as customer service:</p> <ul style="list-style-type: none"><li>• Loans</li><li>• Deposits (including savings accounts)</li><li>• Payment- and cash services</li><li>• Trade finance</li><li>• Trading portfolio (i.e. assets and liabilities held for trading)</li><li>• Financial markets</li></ul> <p>Funds at the National Bank of Poland (NBP) – mandatory reserve</p>	<p>Development, marketing and distribution of financial products and services as well as customer service:</p> <ul style="list-style-type: none"><li>• Loans</li><li>• Deposits (including savings accounts)</li><li>• Payment- and cash services</li><li>• Trade finance</li></ul>	<p>Development, marketing, distribution, including service of customers, products and services:</p> <ul style="list-style-type: none"><li>• Mortgage loans</li><li>• Consumer credits</li><li>• Payment and cash services</li><li>• Deposits (including savings accounts)</li><li>• Brokerage business</li><li>• Insurance</li></ul>	<p>Supporting the development of ING business by ensuring that ING capital, funding and liquidity are adequate.</p> <p>Treasury:</p> <ul style="list-style-type: none"><li>• Investment portfolio</li><li>• Hedging instruments</li><li>• Receivables from banks</li><li>• Funds at the National Bank of Poland (NBP)</li><li>• Liabilities to other banks</li><li>• Debt instruments</li><li>• Equity</li></ul> <p>ING BSK Group investment projects:</p> <ul style="list-style-type: none"><li>• Participating interests</li></ul>
Activities, products and services	<ul style="list-style-type: none"><li>• Suppliers of products and services</li></ul> <p>External consultants, providers of IT services, software and hardware and payment service are the largest group of suppliers in terms of procurement value.</p>	<ul style="list-style-type: none"><li>• Employees</li></ul>	<ul style="list-style-type: none"><li>• Large enterprises, including financial institutions</li></ul>	<ul style="list-style-type: none"><li>• Entrepreneurs</li><li>• Mid and big corporates</li><li>• Local government units</li></ul>	<ul style="list-style-type: none"><li>• Individual clients</li></ul>	<ul style="list-style-type: none"><li>• Enterprises (including financial institutions)</li><li>• Transnational entities</li><li>• Governmental entities</li><li>• Shareholders</li></ul>



## Identification of material sustainability matters

We use the list of sustainability matters presented in ESRS 1 under AR.16 as the starting point. The topics as part of the sustainability matters are assessed from the view of the entire value chain. However, not all topics are equally relevant for all value chain segments.

The level of granularity at which the materiality assessment was conducted was determined based on internal and external data availability. All ESRS topics, except for Social, which is assessed at the sub-sub-topic level, are evaluated at the sub-topic level.

We defined relevant impact drivers with respect to the environment and the society, as well as financial drivers with respect to sustainability matters.

**Impacts** are recognised in a form of drivers causing changes in social or natural environment. To ensure a holistic approach, a diverse range of factors across environmental-, social- and governance dimensions were addressed and, where possible, their forward-looking nature:

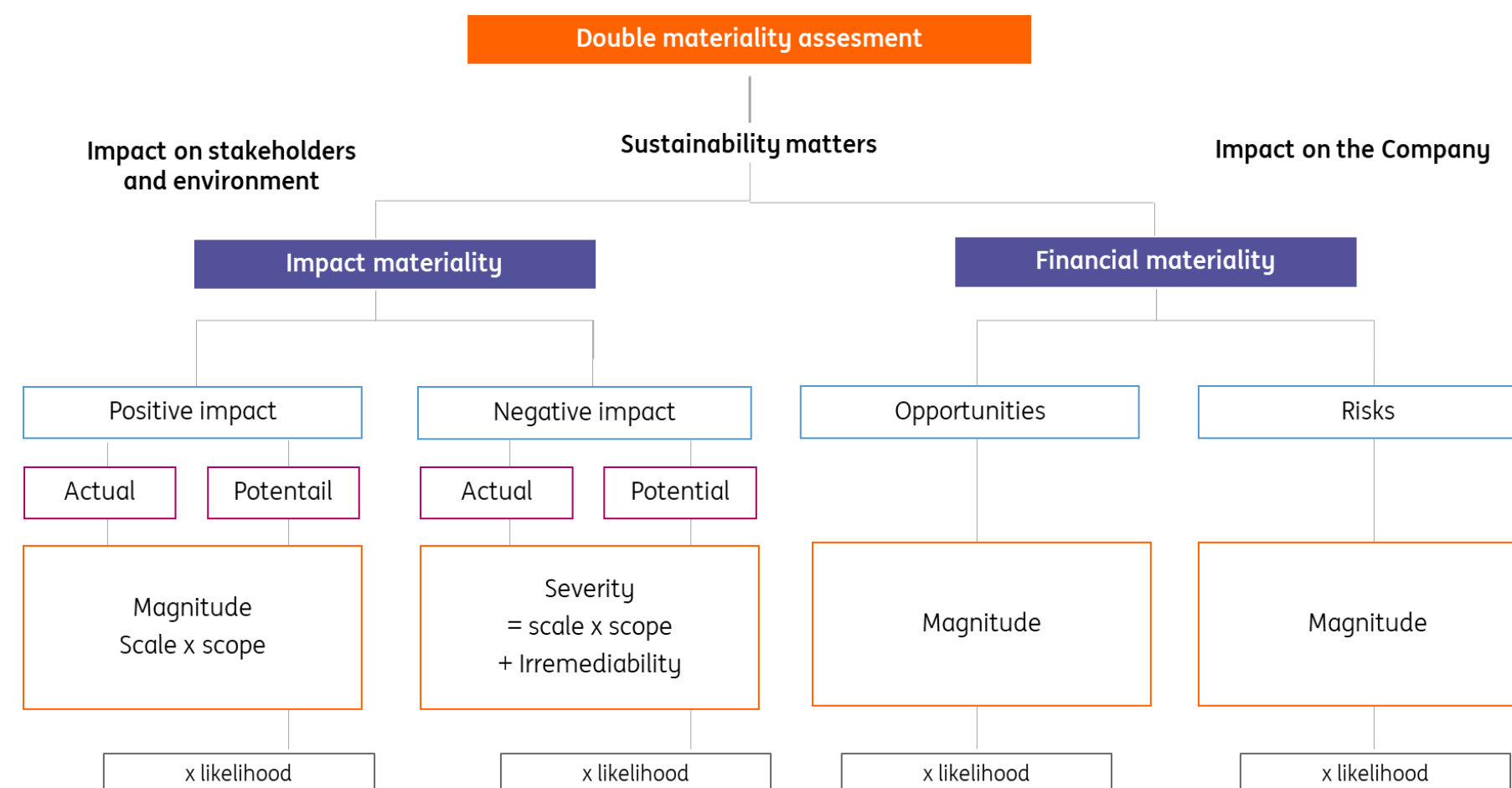
- Environmental impact drivers relate to the natural resources that are used in the economy or by-products of business activity, e.g. emissions related to manufacturing facilities. These drivers stem from changes in quantity or quality of the natural capital that occur as a consequence of the impact drivers.
- Social impact drivers refer to factors that affect the well-being, rights, and social conditions of individuals and communities. Examples include labour practices and working conditions, human rights, and social equity. The social impact drivers highlight changes such as improved or deteriorated living conditions, social inclusion or exclusion, and shifts in community health and safety.
- Governance impact drivers relate to factors that influence the governance structures, practices and ethical standards of an organisation. These drivers include corporate governance practices, transparency, accountability, anti-corruption measures, and compliance with laws and regulations. They affect an organisation's ethical standing, regulatory compliance, and overall governance quality.

**Risks** are identified by drivers that materialise in existing risk categories and distinguish between the various types of ESG risks, such as transition and physical risks in case of environmental matters. We account for a broad spectrum of ESG risk drivers, considering their distinctive characteristics, such as their forward-looking nature or where risks stem from the impact or dependencies on nature and human capital. For more information on how ESG risks are integrated in the overall risk management process, please read our [ESG Risk](#) section.

**Opportunities** are understood as potential environmental, social or governance events or conditions that could materially enhance our business model or ability to achieve strategic goals and create value, and may therefore influence decisions, both internally and externally. The identification of opportunities is driven by publicly disclosed sustainability commitments where the opportunity is currently explicitly pursued.

## Materiality assessment

In the materiality assessment process, we leveraged on renowned external data sources like ENCORE, UNEP FI, Eurostat, PCAF, selected internal risk metrics, internal data, voluntary reports and other disclosures as required under the applicable regulations. We leveraged both quantitative and qualitative approaches to assess the level of the impacts as well as risks and opportunities against predetermined materiality thresholds. Assessment of materiality for negative impacts and risks follows a “gross” approach, meaning without taking mitigating actions. The materiality of sustainability topics is determined for our full value chain, following the approach presented below:





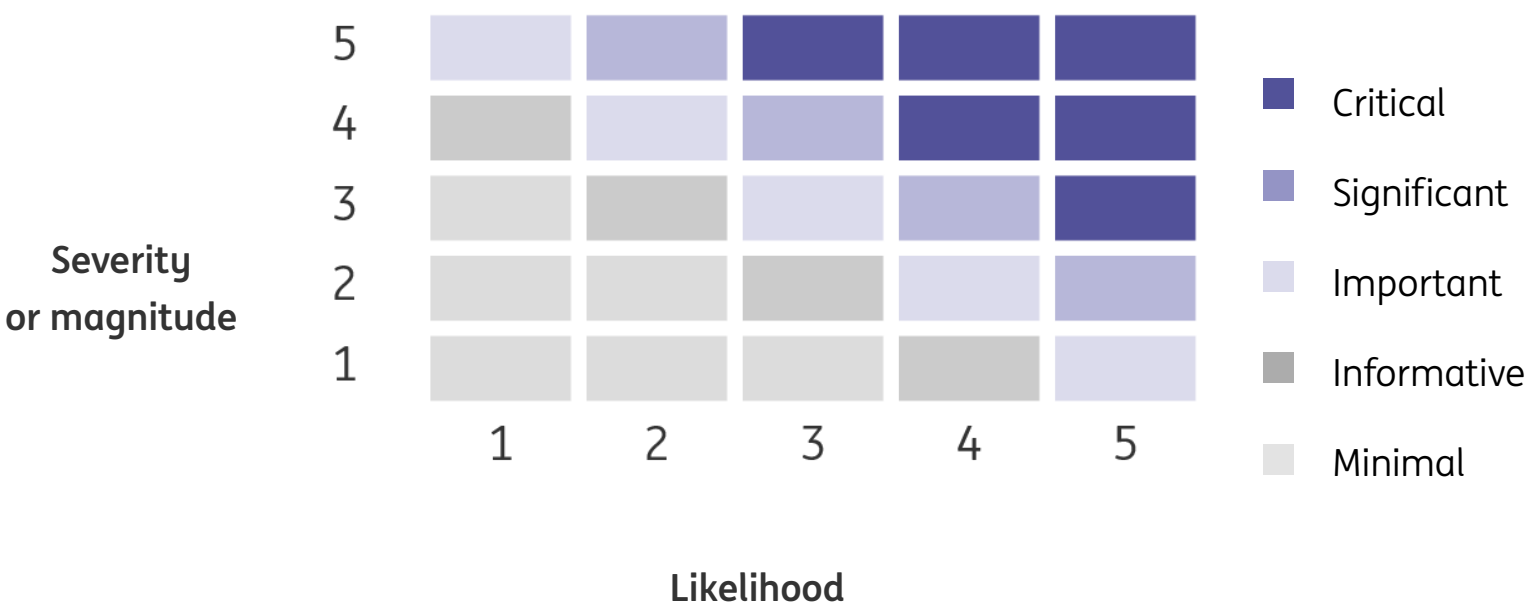
**Impact materiality**, for both actual and potential (positive and negative) impacts, is informed by the severity/ magnitude of the impact and combined with likelihood it results in the potential impact. Severity/magnitude is determined by scale (how grave or beneficial the impact is), scope (how widespread the impact is), and irremediable character (to what extent the negative impacts could be remediated). Likelihood captures the likelihood of materialisation of the underlying impact for all time horizons.

**Financial materiality** is assessed based on a combination of magnitude and likelihood, stemming from impacts, dependencies, or context analyses. An impact may be financially material from inception or become financially material over time as identified through impact materiality. Dependencies on natural-, human-, and social resources are considered based on their influence on ING's ability to continued use or sourcing of resources required for business processes, and also on their quality and pricing. Context analyses include ING's dependencies on business relationships and reputational risks or gains, viewed collectively for financial materiality. Indicators from internal or external data are supplemented by expert judgement from specialists.

For risks, the magnitude reflects the financial and non-financial implications potentially leading to losses or increased costs, such as litigation or compliance costs, and is based on an assessment of impact, dependencies and the outcome of the contextual analysis. The approach to dependencies is similar to the approach for negative impacts. Once the assessment of the dependencies and negative impacts is performed, a view of individual exposures and context analysis is considered. ING assesses the risk materiality in view of the value chains' portfolio, as the maximum across the three dimensions. Where possible, the assessment is enhanced by the use of internal data sources and scenario analyses.

For opportunities, magnitude reflects financial and non-financial implications potentially leading to gains or decreased costs, such as energy costs. This assessment has been performed across the “use of own resources” (extent to which ING uses its resources to pursue a specific opportunity as a result of a certain sustainability matter evolution) and “reliance on relationship” (potential reputational and financial gains from meeting commitments and adapting ESG standards, while attracting investors and clients looking for credible sustainable investment options) dimensions. The likelihood reflects the time horizon as described above.

These assessments result in combined scores ranging from minimal (1 = very low) to critical (5 = very high). Each combined score is assessed using the conversion matrix below, where a sustainability matter is deemed material if it scores as “critical” or “significant”.



Validation of outcome through the stakeholders’ engagement

As part of the fourth key stage of our double materiality assessment, we held dialogue and consultations with our stakeholders. The manner in which we communicate and interact with our key stakeholder groups on a day-to-day basis is presented [here](#).

Under ESRS, stakeholders are split into two main groups – stakeholders affected by the entity (in a positive or negative way) and users of the sustainability statements. Some stakeholders may belong to both of these groups. Hereafter we refer to them collectively as to our stakeholders.

We undertook a number of activities for the purpose of double materiality assessment in order to collect feedback from our internal and external stakeholders in regard to their assessment of our impacts, risks and opportunities in the sustainability area. We also asked them for an assessment of the preliminary results of the double materiality assessment stemming from data-driven analysis and context analysis, by asking them whether or not they agreed with the outcomes or whether or not they are of the view that something was incorrectly identified as material or immaterial. In our work, we also used pre-existing data that extended the analysis of the stakeholders’ feedback and needs.

Engagement of internal stakeholders

We invited all employees of ING Bank Śląski S.A. Group to complete an anonymous online survey. Employees who completed the survey received a brief explanation of the materiality assessment process rules and information on material impacts, risks and opportunities (IROs) identified during the preliminary stage of the assessment. In the



survey addressed to the employees, we mainly focused on IROs for own operations because these are the topics in case of which the employees’ knowledge and experience are of particular importance. Nearly 250 people completed the survey.

In order to dive deeper into and extend the feedback from employees, we also met with the Employee Council and the trade unions’ representatives. The meeting was held and summarised by an external moderator.

Engagement of external stakeholders

In order to ensure proper representation of our value chain, we conducted 17 individual interviews with persons representing individual groups of our key stakeholders – representatives of public institutions and regulatory environment, our clients, non-government organisations, social and environmental organisations, investors and capital market environment, our suppliers and business partners or sectoral organisations. The interviews which were conducted in accordance with the AA1000 standard were moderated and summarised by an external expert. Following the interviews, stakeholders received a summary of the main discussion theses that they could either accept or comment on.

Reflecting stakeholders’ feedback in double materiality assessment outcomes

Stakeholders deemed the preliminary results of the double materiality assessment to be adequate to the operations of ING Bank Śląski Group. Depending on the area represented by a given stakeholder, a more in-depth discussion was held. Some stakeholders pointed to areas which may become more important in the coming years and areas which might be worth analysing in more detail. Stakeholders also shared their opinion on challenges ahead of the financial sector, our ESG initiatives to date and presented their expectations as to future activities. We attach great value to the contributions made as a result of the dialogue with our stakeholders and we will continue it – we consider it to be a highly valuable source of knowledge and inspiration for further activities in the ESG area.

We carefully analysed and summarised the feedback provided by stakeholders in the survey, during the meetings and interviews. We attached special importance to repeated comments and fact-driven substantiation. The conclusions derived from stakeholders’ engagement were imposed on the results of the preliminary assessment. In case of some topics, additional consultations with internal subject-matter experts and an in-depth context data analysis were conducted which resulted in the double materiality assessment outcomes, which were then presented to the Bank Management Board for acceptance.

Validation of outcomes by the Bank Management Board

The final step of our materiality assessment was the approval of its results by the Bank Management Board, followed by their submission to the Supervisory Board. The methodology of the impact, risk and opportunity materiality assessment and the entire process of their identification were presented to the Supervisory Board as part of the *Sustainability Panel*.

Results of our materiality assesment

IRO-2

The table below provides an overview of sustainability issues and the results of our materiality assessment at the ESRS topic level.

Topical ESRS	Sustainability matter	Impact materiality	Financial materiality
ESRS E1	Climate change		
ESRS E2	Pollution		
ESRS E3	Water and marine resources		
ESRS E4	Biodiversity and ecosystems		
ESRS E5	Resource use and circular economy		
ESRS S1	Own workforce		
ESRS S2	Workers in the value chain		
ESRS S3	Affected communities		
ESRS S4	Consumers and end-users		
ESRS G1	Business conduct		

■ Material   ■ Important   ■ Minimal





With regard to the ESRS environmental topics: E2 Pollution, E3 Water and Marine Resources, E5 Resource use and circular economy, and social topics: S2 Workers in the value chain and S3 Affected communities, they did not exceed the materiality threshold in any segment of our value chain.

On the next page, we present the identified material impacts, opportunities and risks in a consolidated way for the ESRS topics and sub-topics for which the materiality threshold was exceeded. In-depth descriptions can be found in the individual topical sections of our Sustainability Statement.

A list of ESRS disclosure requirements covered by the Sustainability Statement can be found [here](#).



SBM-3

Material impacts, opportunities and risks E		Location in value chain			Time horizons				Related element of the value chain
Type	Description	upstream	own operations	downstream	very short	short-term	mid-term	long-term	
E1 Climate change									
Negative impact	Actual negative impact as a result of our material credit exposure towards high-emitting sectors and the financing of non-energy efficient properties (Climate change mitigation).			v	v	v	v	v	Wholesale Banking Business Banking Retail Banking
Risk	Reputational risk in relation to the financing of high-emission sectors or transformation risk due to the implementation of policies and regulations that our clients must comply with, new technologies, market sentiment – those issues may have a negative impact on the credit capacity of the clients and, by extension, on the bank’s performance/losses (Climate change mitigation). The risk relating to a material exposure of the bank in the corporate sector towards sector with a high grade of physical risk (capital-consuming, water-consuming and with a high share of with a high proportion of outdoor physical work) and physical risk relating to the retail mortgage portfolio, mainly due to river flooding risk (Climate change adaptation).			v	v	v	v	v	
Opportunity	Financial- and reputational gain due to activities supporting climate transformation of the clients in all segments (Climate change mitigation).			v			v	v	
E4 Biodiversity and ecosystems									
Negative impact	Actual negative impact as a result of financing sectors that have a significant impact on direct impact drivers of biodiversity loss.			v	v	v	v	v	Business Banking
Risk	A high negative impact might result in a high financial risk, mainly due to reputational risk and the risk of potential impact on the credit capacity of our clients should it be necessary to implemented changes to mitigate the negative impact on biodiversity in their business models.						v	v	



Material impacts, opportunities and risks S and G		Location in value chain			Time horizons				Affected business area
Type	Description	upstream	own operations	downstream	very short	short-term	mid-term	long-term	
S1 Own workforce									
Positive impact	Actual positive impact: as an employer, we offer stable work conditions aimed at long-term cooperation and fair remuneration; the possibility of long-term development planning strengthens the sense of security and satisfaction of employees. ING offers various training programmes to all employees which generate a positive impact for them that goes beyond their work at ING. ING takes efforts to promote diversity, inclusion and belonging, while creating a supportive work environment in which employees can feel comfortable.		v		v	v	v	v	Own operations
Negative impact	Actual negative impact with a limited scope, relating to headcount reduction of approx. 1,450 FTEs between 2024 and 2026 due to the continuation of a long-term strategy of the bank’s organisational structure evolution.		v		v	v			
Negative impact	Potential negative impact: as an employer, ING may cause or contribute to work-related stress and pressure, overtime work or undesirable relation of the assumed- vs actual number of working hours which may have a negative impact on the personal lives of the employees and their families. Potential negative impact if there are insufficient or no actions to promote equal treatment of employees of different genders which may contribute to gender inequality, in terms of remuneration and professional development, limit their development opportunities and have a negative impact on the well-being of discriminated employees. Potential negative impact should ING fail to exercise due diligence with a view to preventing discrimination and mobbing. Any cases of violation or harassment may have a negative impact on the well-being and mental health, lead to anxiety and/or depression persons affected.		v		v	v	v	v	
Risk	The risk arises primarily from the potential materialisation of negative impact which may lead to the reputational damage and financial loss, for example, as a result of litigation or failure to fulfil regulatory duties.		v		v	v	v	v	
S4 Consumers and end users									
Negative impact	Potential negative impact in the case of inadequate protection of personal data of the clients which may expose them to financial losses and stress related to financial crime. Any potential cases of misselling and other cases of not providing an adequate information about our products and services may lead to financial burden that the client did not expect. Failing to care about accessibility of financial products and services involves negative impact relating to financial exclusion, particularly for vulnerable client groups.			v	v	v	v	v	Retail Banking
Risk	The risk arises primarily from the potential materialisation of negative impacts which may lead to the reputational damage and financial loss, for example, as a result of administrative fines, litigation or failure to fulfil regulatory duties or client outflow.			v	v	v	v	v	
G1 Business conduct									
Positive impact	Actual positive impact due to the fact that ING cares about building a corporate culture based on the Orange Code values, which has a positive impact on the well-being of our employees and the bank’s reputation among external stakeholders.		v		v	v	v	v	Own operations
Risk	The risk of reputational damage and financial loss due to breaching ING rules and values, statutory- and executive regulations and other internal policies of ING as a result of incorrect handling of irregularities reported.		v		v	v	v	v	



## Sustainability in our business strategy

### SBM-1

Sustainability matters are permanently inscribed as one of the priorities in our business strategy. Such an approach derives directly from our mission and the values that guide us. We perceive the sustainability area also as an area for building a long-term competitive edge – both for ourselves and for our clients. The information on the implementation of the strategic priorities can be found [here](#).

We include the identified impacts, risks and opportunities in the sustainability area in the strategic ESG goals. The following steps comprised the process of setting and approving the sustainability goals for 2025-2027 which are included in our business strategy:

- A strategic analysis of the ING Bank Śląski Group in terms of ESG:
  - an analysis of key outcomes of 2022-2024 strategic priorities defined in the ESG Programme,
  - an analysis of the implementation of the commitments undertaken in the ESG area in terms of long-term goals,
  - an analysis of the results of an internal ESG awareness survey at ING Bank Śląski Group,
  - an analysis of the educational efforts' outcomes,
  - identification of ESG strategic directions, and
  - deep dives workshops at bank units.
- An external environment analysis:
  - an analysis of the social-, environmental- and economic reality (consumer-, technological- and environmental trends),
  - market benchmark.
- Strategic workshops at the ESG Council.
- An analysis of the double materiality assessment outcomes.

- Defining ESG priorities for 2025-2027, upon accounting for the outcomes of the stages described above as well as the main impacts, risks and opportunities identified in our double materiality assessment.
- Acceptance of the strategic ESG priorities for 2025-2027 by the ESG Council and the Supervisory Board.

We present our goals and key sustainability metrics for 2025-2027 (aka ESG Strategy) on the following page.





## Our ESG goals

SBM-1, SBM-2

Our  
ambition  
in the ESG  
areaStrategic  
areasFactors of  
successOur  
foundations

## We are partners for our clients, employees and society in sustainable development

## Environmental Transformation (E)



1. We support our clients in their **environmental transformation** by:
  - a. financing and offering sustainable products and services
  - b. building awareness and knowledge
  - c. taking actions for biodiversity
2. We manage the loan portfolio - **we strive for net-zero 2050** in accordance with "Roadmap for reducing GHG emissions ING Bank Śląski Group"
3. We continue our **own environmental transformation**:
  - a. in own operations
  - b. shaping a sustainable supply chain

## Equal opportunities and entrepreneurship (S)



4. We strengthen **entrepreneurship and equalise opportunities for clients**, including:
  - a. supporting financial health of our clients
  - b. ensuring security and accessibility
  - c. supporting projects aimed at equalising social opportunities and just transition
5. We create a **work environment** in which we care about:
  - a. personal development and being entrepreneurial
  - b. wellbeing (mental and physical health)
  - c. diversity, equality and inclusion of employees

## 6. We co-create an ecosystem for sustainable development (E and S)



We strengthen the ESG culture in the organisation by building knowledge, awareness and employee engagement

We support innovations and initiatives for the environment and society

We intensify activities in the area of partnerships, joint sectoral initiatives, education and dialogue

## 7. We build a stable and resilient bank based on a strong ESG foundation (G)



We have embedded ESG and sustainability in our business strategy

We operate on the basis of permanent ESG management structures

We manage ESG risk and identify sectors and areas excluded from financing and subject to restrictions

We adapt to the requirements of ESG regulations

We effectively manage ESG data and we care about its quality

We conduct engaging and transparent ESG communication



## SBM-1

Understanding the scale of global environmental challenges, we as a bank perceive our role primarily in supporting clients in their efforts towards sustainability by financing, education and dialogue aimed at joint search for solutions. At the same time, we continue our efforts to reduce emissions as part of our own administration and credit portfolio, in line with “Roadmap for reducing GHG emissions ING Bank Śląski Group” (Parts 1 and 2). We, at ING, see that it is necessary for the transition process to be fair and promote inclusion and equal opportunities. Therefore, we want to support clients and employees in being entrepreneurial, strengthen their competitiveness on the market so that they are a step ahead in life and in business. We understand being entrepreneurial as being resourceful in life and in business, making informed decisions and having healthy finances.

### Key metrics in ESG area for the coming years include:

#### Environmental transformation:

- Granting PLN 5 billion to finance projects related to renewable energy sources in the corporate segment between 2024 and 2030.
- Every other zloty of a mortgage loan granted between 2025 and 2027 will finance real properties with energy demand up to 76 kWh/m<sup>2</sup>/year.
- Sale of ESG investment funds (Articles 8 and 9 of SFDR) between 2025 and 2027 at the level of PLN 1.8 billion, including PLN 600 million in 2025 alone.
- Priorities in terms of reducing negative impact on biodiversity to be set in 2025.
- By the end of 2030, 80% of the clients covered by the intersectoral transformation plan based on exposure will have decarbonisation strategies which are understood as short- and mid-term decarbonisation targets approved by the company's management, along with the identified initiatives that will enable their achievement.
- Reducing the intensity of CO<sub>2</sub> emissions per square meter of office space in own office buildings and rented office buildings, down by 51% from the 2019 levels at the end of 2027 (on a *market-based* basis), and down by 38% from the 2019 levels at the end of 2025 (on a *market-based* basis).

### Equal opportunities and entrepreneurship:

- An increment of 108,000 in clients having a pension product between 2025 and 2027, including an increment of 36,000 in 2025.
- Priorities in the area of fair transition and social impact to be set in 2025.
- Maintaining the unadjusted Gender Pay Gap at 31% between 2025 and 2027, according to the new EBA methodology.

#### Success factors:

- 100% of leaders and 80% of employees of ING Bank Śląski Group have ESG targets as part of their annual targets for 2027 (including 100% of leaders and 60% of employees in 2025, and 100% of leaders and 70% of employees in 2026).
- PLN 2 million per annum for the ING Grant Programme between 2025 and 2027.
- Voluntary activities as part of the main programmes of the ING for Children Foundation – ING volunteers will reach a minimum of 10,000 kids in 2025.

### At the same time, we uphold the strategic directions:

- Continued exiting from the financing of: coal mines, coal-fired power plants, coal-fired thermal power plants, coal-fired heating plants and clients who trade in coal (including coal used by households) and clients who provide services or sell products dedicated to coal mining or coal-fired power generation. Products or services which may also be provided to other sectors are not subject to that provision.
- After 2025, we will not finance clients whose business activity is directly dependent on thermal coal in more than 5%. As a rule, the degree of such dependence is measured by the level of revenues generated from thermal coal. It does not apply to revenue from the sale of products and provision of the so-called general purpose services which may be used in various sectors (e.g. security services or accounting services). In addition, in the case of companies operating in the electricity generation sector, we refer to the installed power generation capacity.
- As part of the process of ESG risk identification, we defined sectors and areas that are excluded from financing and that are subject to restrictions. Those are activities/areas which, in our view, entail among other things a



particularly high risk of negative impact on natural environment and a high risk of negative social impact, such as:

- activities related to negative impact on protected areas,
- activities related to negative impact on forestry (including but not limited to illegal logging or felling of forests of particular natural beauty), and
- activities related to negative impact on animal welfare. We require that animals are provided with adequate living, transport and slaughter conditions, that the five freedoms for animals are respected (freedom from hunger and thirst, freedom from fear and distress, freedom from physical- and thermal discomfort, freedom from pain and injury, and freedom to express normal behaviour),
- activities related to the cultivation, production and trade of tobacco and tobacco products. It does not apply to companies trading in tobacco, tobacco products or e-cigarettes as long as it is not their core business (e.g. FMCG companies, retail distribution of cigarettes, petrol stations, hotels, restaurants and cafes with vending machines) or to value chains (e.g. companies dealing with packaging and transport),
- controversial weapons: production, maintenance or trade in anti-personnel mines, cluster munitions, phosphorus bombs, depleted uranium munitions and nuclear-, chemical- and biological weapons, and
- fur farming and the manufacture of and trade in fur products.

## Sustainability governance

### GOV-1

In this section, we will discuss sustainability governance. Detailed information on the managing bodies and the composition of our Management Board and Supervisory Board, including their roles, responsibilities, expertise and remuneration may be found in the ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles.

### Sustainability governance structure

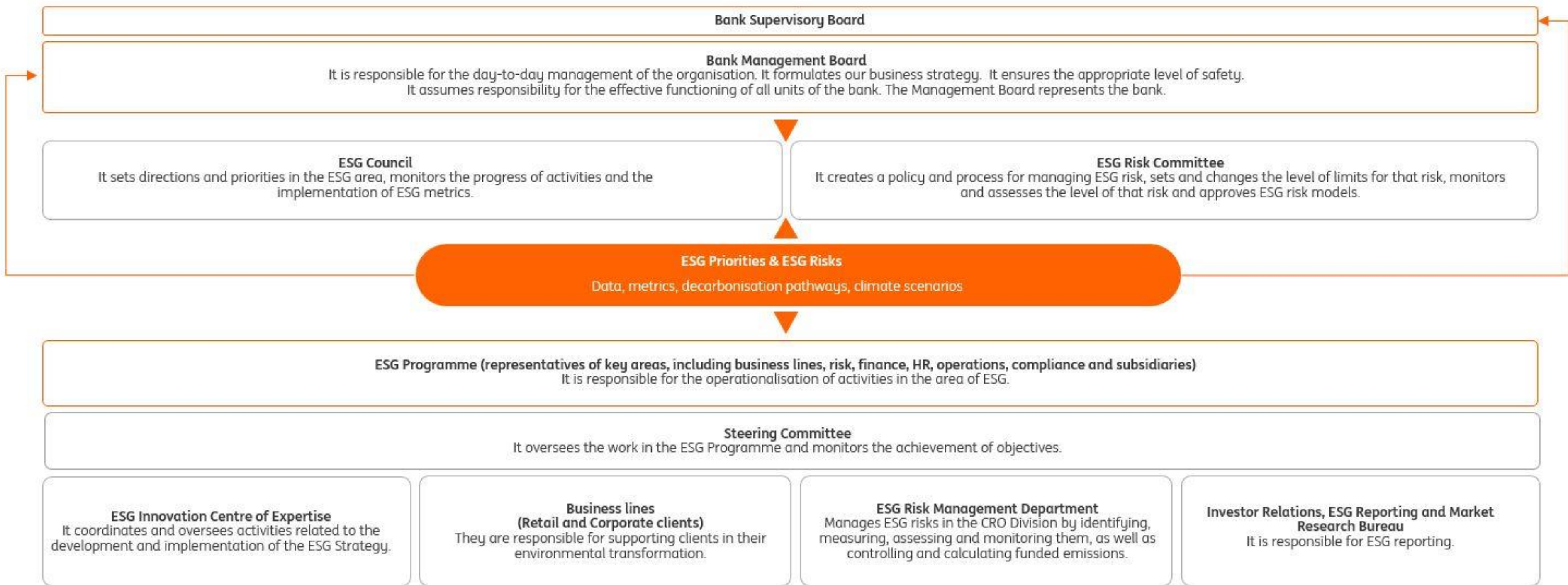
The Bank Management Board, the Supervisory Board and senior management staff are involved in sustainability management at ING Bank Śląski Group. In addition, we established special committees and teams working on further development of that area and implementation of the principles of sustainable development in the entire capital group. The diagram on the next page shows the governance structure of ING Bank Śląski Group in the area of sustainability.





## GOV-1

### Organisation governance structure in the sustainability area







## GOV-1, GOV-2

### Supervisory Board and Management Board of the Bank

The Bank Management Board actively participates in defining strategic sustainability goals tied with the identified material impacts, risks and opportunities. The Management Board supervises the implementation of the goals and periodically monitors them. The Supervisory Board performs important advisory and consultative functions in the area of sustainability.

The Management Board and the Supervisory Board approve the goals of the business strategy, which include the goals in the sustainability area. The process of setting and approving the sustainability goals for 2025-2027 included in our business strategy is described [here](#).

#### Sustainability Panel

From Q4 2024 the Sustainability Panel operates at the Supervisory Board level, which has a consulting and advisory function as part of supervisory activities. The purpose of the Panel meetings is to provide regular updates, inspire and initiate discussion at the Supervisory Board level on various ESG areas, including but not limited to the following:

- ESG strategy – the sustainability goals and priorities, including the monitoring of progress in their implementation.
- ESG matters management.
- Promoting engagement in ESG matters (development of ESG culture in the organisation); embedding ESG in the business strategy and operational activities.
- Sustainability disclosures and reporting and ensuring compliance with the applicable laws.

### ESG Council and ESG Risk Committee

The ESG Council and ESG Risk Committee function in the bank's organisational structure. The committees hold decision-making functions vis-à-vis all the other organisational units of the bank and advisory functions towards the Bank Management Board for matters that require its approval.

The mission of the ESG Council is to create the right ecosystem so that ESG becomes an important, lasting and inherent component of the entire organisation. The Committee oversees the progress and the consistency of ESG and sustainability-related activities and communication across the organisation. The Committee's responsibilities

include but are not limited to the following: approval of the ESG Strategy, as well as activities and measures of strategic goals' implementation, monitoring the progress of activities and goals implementation in terms of ESG Strategy implementation. The President of ING Bank Śląski is the ESG Council Chair. All Management Board Members and leads/directors of areas that have the greatest impact on the implementation of ESG goals are the ESG Council members. The ESG Council meetings are held every two months on average.

The main responsibilities of the ESG Risk Committee include: creating the ESG risk management policy; approving the ESG risk management methodology; approving the tools used for the ESG risk assessment; defining standards for the credit analysis in regard to ESG risk, as well as the course of the ESG risk assessment and monitoring, and also the rules of accounting for ESG risk in collateral valuation. We also write about the ESG Risk Committee [here](#).

All Management Board Members are members of the ESG Council and the ESG Risk Committee.

The most important sustainability matters discussed during the ESG Council and ESG Risk Committee in the reported period included:

#### ESG Council

- a summary of prior years and implementation of ESG goals,
- the approval of strategic ESG goals for 2025 to 2027, and
- continuous monitoring of the strategic goals' implementation.

#### ESG Risk Committee

- monitoring the level of the bank's credit exposures exposed to physical risk and transformation risk, and the utilisation of the RAS limit on the transformation risk for retail mortgage loans,
- approving amendments to the ESG Manual for the Business Banking and Wholesale Banking areas, and
- approving the methodologies of ESG risk assessment and the carbon footprint calculation method.

The bank also has in place the ESG Innovation Centre of Expertise (which coordinates activities relating to the building and implementation of ESG goals and the functioning of the ESG Council) and the ESG Risk Management Department (which manages the ESG risk in the CRO Division through its identification, measurement, assessment, monitoring and control, and the calculation of the issues being financed).



## ESG Programme and ESG Data Model Project

The ESG Programme was established for the execution of new, complex and multi-dimensional tasks. The Programme members include individuals from various units (representatives of key areas, including business lines, risk, finance, HR, operations, compliance and subsidiaries) who are involved in the implementation of strategic ESG priorities.

The Steering Committee of the ESG Programme controls the status of the goals set as part of the individual priorities. The outcomes of the activities taken as part of the ESG Programme are reported to the ESG Council.

In addition, there is also the ESG Data Model Project at the bank tasked with preparing a consistent model of ESG data for the needs of various stakeholders and for the automated ESG reporting processes.

## Investor Relations ESG Reporting and Market Research Bureau

The Investor Relations, ESG Reporting and Market Research Bureau is responsible for the coordination of the process of sustainability disclosures preparation and publication.

## Interdisciplinary cooperation and knowledge sharing

We want that it becomes natural for all employees of our organisation to think and act in a sustainable way. We strengthen the ESG culture at the bank by raising the employees' awareness, knowledge and engagement in that area. In 2024, we encouraged the employees to undertake various development activities – 74% of the Group employees (more than 6,000 people) completed a (non-mandatory) four-module e-learning course on “ESG and Sustainability”. We prepared a programme called “ESG for professionals” addressed to employees who needed specialist knowledge. The programme comprises a series of in-depth workshops and webinars on greenwashing, ESG risk, efficient energy use in buildings or decarbonisation, etc. The ESG experts took advantage of the individual development path, for example, by taking postgraduate course, external courses or taking part in sectoral conferences.

We operate a knowledge portal called [ESG in your company](#) for clients and companies who are looking for practical information on sustainable growth. The topics on which we focused in 2024 included: the carbon footprint calculation, the efficient energy use in companies, electromobility or sustainability reporting.

In January 2024, we established an internal community of ESG Ambassadors gathering people from the sales network and for the main structures of the bank who are passionate about sustainability. The Ambassadors meet on a regular basis to enhance their knowledge and practical skills together. The initiative is aimed at raising ESG

awareness among the advisors, developing their competences and supporting them in their day-to-day work with clients from the mid-sized and mid-corporate companies on the sustainability matters and environmental transformation. The meetings also provide an opportunity for sharing experiences and best practices while supporting the community's engagement in the development of the ESG topics in the organisation.

For years now, the Bank Management Board have been actively promoting the idea of corporate responsibility in and out of the organisation, while underlining a great role of the banking sector in supporting energy transition of Polish companies. The representatives of the bank's governing bodies speak regularly during events and present their opinions in publications on sustainability matters. Each year, representatives and employees of the bank take part in the most important events tackling the sustainability matters, including but not exclusive to the following: the European Economic Congress, the European Financial Congress, the EEC Trends, and the Open Eyes Economy Summit.

The Bank Management Board and the Supervisory Board also enhance their knowledge on ESG matters during training courses organised specially for them by external experts or deep-dive sessions with internal experts, for example, as part of the Sustainability Panel operating at the Supervisory Board.

We organise round tables that foster the exchange of knowledge and experiences in terms of sustainability among individuals from various sectors and organisations. In 2024, we organised nine round tables with business clients on sustainability, climate competitiveness, efficient energy use and how the banking sector may support companies in their transition. We also cooperated with the financial sector and the NGOs while continuing works on the social impact in corporate finance.

As part of the [ING Grant Programme](#), we support innovative projects related to the United Nations Sustainable Development Goals. By the end of 2024, we spent a total of PLN 6 million on supporting ESG Innovation as part of the six editions of the ING Grant Programme implemented between 2022 and 2024.

We cooperate with the non-government organisations and are involved in the projects they implement. We take an active role in the building of the ESG ecosystem and we develop sustainability partnerships. A list of organisations of which we are a member and with which we cooperate on a regular basis is available [here](#).



Incorporation of sustainability matters in remuneration policies

GOV-3

Integrating ESG goals in the individual targets of the employees is a major element of reinforcing the organisational culture on sustainability. In 2024, 100% of leaders and 97% of employees (with a target of 100% of leaders and 50% of employees) had a defined target regarding ESG and sustainability in their tasks. In 2024, most of these targets were educational activities in the area of sustainability. In 2025, we want to focus on targets that translate into the implementation of the strategy as part of the daily tasks and responsibilities of employees. We write about our goals in the area of sustainability for 2025-2027 [here](#).

Accountability for the implementation of ESG targets is also expressed in the annual targets set for the Management Board for a given year and it translates directly into the level of variable remuneration. More information on the Management Board and Supervisory Board Remuneration Policy and on linking the remuneration rules with the ESG goals is found in the Report on observance of principles of corporate governance, in the section on The principles of [the Management Board Members remuneration](#).

Due diligence processes regarding the sustainability matters

In accordance with the UN guidelines on business and human rights and the OECD guidelines for multinational enterprises, due diligence is a process, whereby the organisation identifies actual and potential negative impacts on the environment and the society related to the operations, undertakes preventive or mitigating measures and is accountable for them. Due diligence is a constant practice in response to changes in the context of an entity’s strategy, its business mode, activities, business relationships and operations which may trigger such changes. In the table below, we present elements of the due diligence process which we describe in our Sustainability Statement.

GOV-4

Main elements of due diligence processes	Section in the report
Accounting for due diligence in corporate governance, business strategy and business model	<ul style="list-style-type: none"><li>• Sustainability in our business strategy</li><li>• Sustainability management</li><li>• Risk Culture</li></ul>
Cooperation with stakeholders affected by the entity at all key stages of the due diligence process	<ul style="list-style-type: none"><li>• Relationships with our stakeholders</li><li>• Validation of outcome through the stakeholders’ engagement</li><li>• Own workforce – management of relationships with employees</li><li>• Clients and end users – Involvement in relationships with individual clients</li></ul>
Identification and assessment of adverse impacts	<ul style="list-style-type: none"><li>• Process of material sustainability impact, opportunity and risk assessment</li></ul>
Taking actions to reduce the identified adverse impacts	<p>Climate change:</p> <ul style="list-style-type: none"><li>• Policies of climate change-related impacts and risks management</li><li>• Our transformation plan</li></ul> <p>Biodiversity and ecosystems:</p> <ul style="list-style-type: none"><li>• Our approach to the management of impact on biodiversity</li></ul> <p>Own workforce:</p> <ul style="list-style-type: none"><li>• Channels for reporting breaches and concerns available to employees</li><li>• Working conditions</li><li>• Equal pay</li><li>• Ensuring work environment free from discrimination and mobbing</li></ul> <p>Consumers and end users:</p> <ul style="list-style-type: none"><li>• Channels for reporting concerns and complaints available to individual clients</li><li>• Marketing communication</li><li>• Availability of products and services</li><li>• Security of our clients’ data and privacy protection</li></ul>
Monitoring the effectiveness of those efforts and transmitting relevant information in that regard	<ul style="list-style-type: none"><li>• Climate change – Our transition plan</li><li>• Biodiversity and ecosystems – Our approach to the management of impact on biodiversity</li><li>• Own workforce – We know how our employees evaluate us</li><li>• Clients and end users – Channels for reporting concerns and complaints available to individual clients</li></ul>





## Respecting human rights

### S1-1, S4-1

We know that our activities affect multiple stakeholder groups and we are committed to understanding better the scale of our impact on human rights. We are committed to respecting all human rights which are recognised on the international level and which are applicable to our business, including but not limited to the rules and rights defined in the International Bill of Human Rights and in the core conventions indicated in the Declaration of the International Labour Organisation on Fundamental Principles and Rights at Work. The human rights norms and standards that we follow in our business activity and our relationships with clients, employees, suppliers and other stakeholder groups include but are not limited to regulations set out in Article 18 of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on the establishment of a framework to facilitate sustainable investment (EU Taxonomy), that is:

- the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and
- the UN Guiding Principles on Business and Human Rights.

In December 2023, we published our own [Declaration of the ING Bank Śląski S.A. Group on Respect for Human Rights](#). Before we developed the Declaration, we had collaborated with external experts on human rights. We conducted its annual review in December 2024. In the Declaration, we describe efforts taken to protect human rights at various levels of our value chain.

As regards our employees, those include in particular: the right to equal treatment and to benefit from fair and favourable working conditions, the right to health, the right to work in a safe and hygienic environment, the right to freedom of association, the right to collective bargaining, and freedom from discrimination on grounds of race, skin colour, sex, religion, political opinions, age, nationality or social background.

As for our clients, we are committed to taking care of the availability of our products and services, privacy protection, reliable information and their financial health. Those commitments derive from basic consumer rights, such as the right to reliable information, equal accessibility of products and services, the right to education and the right to report complaints.

The obligations to respect human rights are also included in our core internal regulations which cover our employees and the relationships with our clients: the *Labour Bylaw* and the *Client Centricity Policy* which we described in the section on [Information on social matters](#).

Ensuring compliance with the most important international regulations on human rights is a part of EU Taxonomy assessment on Minimum Safeguards. In 2023 we conducted our first assessment of ING Bank Śląski Group own operations' compliance with the due diligence process guidelines and the requirements of the EU Taxonomy on Minimum Safeguards. In 2024, we repeated and expanded the analysis – you can find more information on that topic in our disclosure on Minimum Safeguards in the section on [EU Taxonomy](#). The results of the analysis conducted in 2024 confirm that the operations of the ING Bank Śląski Group are in conformity with the Minimum Safeguards requirements. No severe incidents involving respect for human rights have been identified.

Analysing the impact on human rights in all value chain segments (from the supply chain through own operations and impact on employees to credit portfolio and potential indirect impact through the financing) is a continuous process. We enhance our knowledge on our suppliers (by surveys addressing ESG matters, among other things); we monitor and analyse the voices and opinions of our employees and of our clients.

We analyse reports sent via the channels for reporting ethical concerns and breaches. We write more on that topic [here](#).

At the international level, ING Group publishes regular reports on its impact on human rights. The links to the reports in English are available [here](#).

## Relationships with our stakeholders

Stakeholder needs are very important in our business. We want to get to know them well and respond accordingly. We are aware that the expectations of our stakeholders vary. In our day-to-day work, we try to respond to those various expectations. We care about professional yet plain communication of our bank, both with the inside and outside world. We focus on constant and open dialogue, also because the opinions of our stakeholders help us account for the ever-changing social and economic conditions in the bank's plans.

Communication with the environment is a key component of our business and a natural consequence of the bank's social activity. We use both highly parameterised tools (satisfaction surveys, audits) in the dialogue with stakeholders, and regular interactions. The survey and individual interviews with the representatives of key stakeholder groups which were conducted in the second half of 2024 were also a part of the materiality assessment. We write more on the materiality assessment [here](#).





## SBM-1, SBM-2

We cooperate with our stakeholders on a regular basis all year round to listen to their voice and understand their needs as best as we can. Topics that are most important to them are included as part of our strategy. The manner in which we recognise the results of the materiality assessment, including our stakeholders' voice, in the strategic goals are described [here](#). At the same time, we speak up and present our point of view on matters of importance in the economic-, social and environmental context.

### Key groups of our stakeholders:

#### Employees

Employees – their knowledge, competence and client-orientation – are of key importance for the efficient operations of our organisation. We want to create a friendly workplace and good conditions for growth.

#### Clients

Clients are among the most important groups of our stakeholders – our organisation would not exist without them. Their opinions and needs are immensely important to us, which is why we collect them on a regular basis, analyse them and strive to implement them as part of our products and services.

#### Investors and the capital market

We care about equal treatment of all capital market participants and we attach great importance to broad access to information and effective communication with them. We adhere to the Best Practice of GPW Listed Companies.

#### Regulatory environment

Compliance with regulations is one of our priorities and the foundation of our functioning.

#### Natural environment

We want to reduce our negative environmental footprint and support environmental transition of our clients. We identify risks and we take a responsible approach to relationships with clients and partners who operate in sectors affecting the environment.

#### Business partners including suppliers

We cooperate with our suppliers in accordance with the principles of business ethics and best market practice. At the same time we vet our suppliers carefully, also in terms of social and environmental risks.

## Society

Engagement in social activity is an essential element of our operations. We engage in social activities on our own, together with our social partners and our corporate foundations: ING for Children Foundation and ING Polish Art Foundation.

## Sectoral environment

We are an active member of sectoral associations and organisations. This allows us to share knowledge, show what is important to us, co-create and take part in many important projects.



SBM-1, SBM-2

Stakeholder group	How do we engage our stakeholders?	Why do we engage our stakeholders?	How do we incorporate the results of stakeholder engagement into our decisions?
Employees	<ul style="list-style-type: none"><li>Regular organisational health assessment (OHI)</li><li>Regular meetings with employee organisations: the Employee Council and the trade unions’ representatives</li><li>Regular anonymous chats with the Management Board members</li><li>Individual interviews as part of the annual performance appraisal</li><li>Established channels for raising ethical concerns and reporting breaches</li></ul>	<ul style="list-style-type: none"><li>Lowering the risk of employee turnover</li><li>Maintaining employee satisfaction at a high level</li><li>Building the organisation based on the Orange Code</li><li>We care about creating a friendly and engaging workplace.</li></ul>	<ul style="list-style-type: none"><li>We strive to lower the gender pay gap.</li><li>We analyse the voice of the employees and we try to respond to their expectations (for example, in terms of development activities).</li></ul>
Clients	<ul style="list-style-type: none"><li>Continuous analysis of client satisfaction; analysing the client voice from various contact channels</li><li>Plain language in product-related communication</li><li>Social media</li><li>Advisory services at the meeting places and as part of online meetings</li><li>Infoline, chat in Moje ING app, form on the website</li><li>Educational initiatives</li></ul>	<ul style="list-style-type: none"><li>Understanding the needs of our clients helps us create an attractive offer that is tailored to their needs.</li><li>Building confidence in ING to support the achievement of business goals.</li></ul>	<ul style="list-style-type: none"><li>We adapt our product offer and way of service to the changing client expectations.</li><li>We strive to ensure that our services are available and accessible to clients, regardless of their needs or capabilities.</li></ul>
Investors and the capital market	<ul style="list-style-type: none"><li>We maintain regular contact with the capital market participants – via the Investor Relations, ESG Reporting and Market Research Bureau and also by organising quarterly conferences with the Bank Management Board while publishing the financial results, amongst others (on a hybrid-stationary and online basis).</li></ul>	<ul style="list-style-type: none"><li>Transparent and high quality reporting, including the sustainability reporting, is one of our priorities.</li></ul>	<ul style="list-style-type: none"><li>Feedback from the users of our sustainability reporting supports us in the preparation of high quality disclosures.</li></ul>
Regulatory environment	<ul style="list-style-type: none"><li>Participation in the work of working groups at the Polish Bank Association (including the DEI Committee Presidium), the National Working Group.</li><li>We respond to inquiries on a regular basis and we are in regular contact with regulatory institutions. We take an active stance on sector-specific regulatory topics.</li></ul>	<ul style="list-style-type: none"><li>Ensuring compliance with the regulations</li><li>Building the organisation’s resilience in terms of adapting to the changing regulatory landscape, also in terms of sustainability.</li></ul>	<ul style="list-style-type: none"><li>Compliance with regulations, including those on sustainability, lies at the foundations of our activities.</li></ul>
Business partners, including suppliers	<ul style="list-style-type: none"><li>We cooperate with our suppliers in accordance with the principles of business ethics and best market practice.</li></ul>	<ul style="list-style-type: none"><li>We vet our suppliers carefully. We also expect adherence to certain social and environmental standards.</li></ul>	<ul style="list-style-type: none"><li>While selecting a business partner, we expect innovative approach and support, knowledge sharing, flexible response to our needs and building a relationship of equal partners. We are happy to share our knowledge and experience, including that on ESG.</li></ul>
Society and natural environment	<ul style="list-style-type: none"><li>We interact with social and environmental organisations on a regular basis, using various tools. We invite them to meetings, enter into partnerships or get involved in joint initiatives. In addition, we make financial- and in-kind donations each year.</li></ul>	<ul style="list-style-type: none"><li>We understand our responsibility for the impact on environmental and social issues. Social and environmental engagement are embedded in our strategy.</li></ul>	<ul style="list-style-type: none"><li>Ongoing dialogue with non-government organisations, social and environmental organisations helps us verify and adapt multiple ESG-related solutions and goals.</li></ul>
Sectoral environment (competitors, sectoral organisations)	<ul style="list-style-type: none"><li>We organise round tables that foster the exchange of ideas.</li><li>We are an active members of sectoral organisations (such as the Polish Bank Association, the Polish Leasing Association or the Polish Factors Association).</li></ul>	<ul style="list-style-type: none"><li>We want to share our experience and expertise with our environment and speak up on important issues.</li></ul>	<ul style="list-style-type: none"><li>We take part in the development of common solutions or positions for the industry.</li><li>The dialogue is a valuable source of information for us and our sectoral environment is an important group of reference.</li></ul>



## Information on governance (G)

Our corporate culture drives the way we do business and impacts all our stakeholders. We are guided by ING Orange Code, which sets our values and behaviours and ensures we work with integrity, transparency, high standards of business ethics, and with a strong focus on regulatory compliance.

In this chapter, we present information on sustainability issues material for ING that relate to the area of corporate governance:

- Corporate culture
- Protection of whistleblowers
- Corruption and bribery

### Business conduct

Business conduct refers to the way we do business. It includes issues such as business ethics and corporate culture, including anti-corruption and anti-bribery, and whistleblowing mechanisms and protection of whistleblowers.

### Identified impacts risks and opportunities

As a result of our materiality assessment process, which we describe [here](#), we have identified the following material impacts, opportunities and risks associated with the sustainability issues covered by ESRS Standard G1 Business Conduct:

#### SBM-3

##### Positive impacts

- **Corporate culture** – the values and attitudes we promote and reinforce with our actions positively influence our employees. In shaping our corporate culture, we strive to behave ethically in the market and in relation to our clients.

##### Risks

- **Corporate culture** – Risk of reputational damage and financial loss arising from violations of ING's values and principles, of laws and regulations and other internal policies.
- **Corruption and bribery** – Risk of financial loss, reputational damage and loss of banking licence in the event of incidents of corruption and bribery committed by ING, our employees or third parties acting on behalf of ING.
- **Protection of whistleblowers** – Risk of reputational damage and financial loss resulting from violations of ING's values and principles, laws and regulations and other internal ING policies as a result of inappropriate handling of reports.

These risks affect our own operations, and we have therefore adopted appropriate policies, internal guidelines and procedures that make up the control system enabling us to identify and assess actual and potential risks in a timely manner. By applying our activities to the risk management process, we can respond to existing and potential risks in the short and medium term. However, the long-term outlook faces considerable uncertainty due to the changing regulatory environment and limited ability to forecast macroeconomic and social developments.

Currently, we do not identify a material impact on ING's financial position, financial performance and cash flow due to violations of our corporate culture, the occurrence of corruption or the lack of protection of whistleblowers.



## Our ethics and compliance policies

G1-1, MDR-P

Key policies relating to material topics:

### Corporate culture

The basic document on corporate culture is the **Regulation- the ING Bank Śląski S.A. Capital Group – Business Ethics Standards for Employees of**. On the other hand, specific principles for different areas of conduct are described in related regulations such as: *Labour By-law; Anti-Discrimination and Anti-Harassment Policy, Personal Data Protection Policy, Conflict of Interest Management Policy, Customer Centricity Policy*.

### Corruption and bribery

The basic document on corruption is **the ING Bank Śląski S.A. Anti-Corruption Policy**. Related documents that are dedicated to related issues: conflicts of interest and financial crime include the *Conflict of Interest Policy; Market Abuse Policy, FEC Policies, Competition Law Compliance Policy*. They are accompanied by manuals, bylaws and procedures.

### Protection of whistleblowers

Our processes for reporting violations of the law, internal regulations and ethical standards are governed by **the ING Bank Śląski S.A. Whistleblower Policy** and accompanying internal regulations: *Procedure for Handling with Whistleblower Reports* and *Procedure for Carrying out Checks for Potential Retaliation against Whistleblowers*.

We describe more about the individual policies in later sections of this chapter.

## Our corporate culture

Our actions have an impact on many stakeholders: clients, employees, shareholders, suppliers and the entire social environment. Each of these stakeholders expects us to act in an ethical manner. At ING, we all have a responsibility to act ethically and in line with our values. We cannot ignore, tolerate or excuse behaviour that is not in line with our principles, as this would negatively affect the trust in our bank from the public and from the employees who take care of its development every day.

Our organisational culture is based on the Orange Code – a statement of who we are, with the overarching principle of “integrity above all”. *Regulation- the ING Bank Śląski S.A. Capital Group – Principles of Business Ethics Standards* combines the ING Global Code of Conduct (referring to the Orange Code and ING’s main policies and guidelines) and

the requirements indicated by the Financial Supervisory Commission, the EBA and the Code of Banking Ethics. The Orange Code indicates general values and behaviours, while individual policies and other ING regulations describe more specific guidelines.

Actions to monitor the commitments included in the Policies are described in the following section.

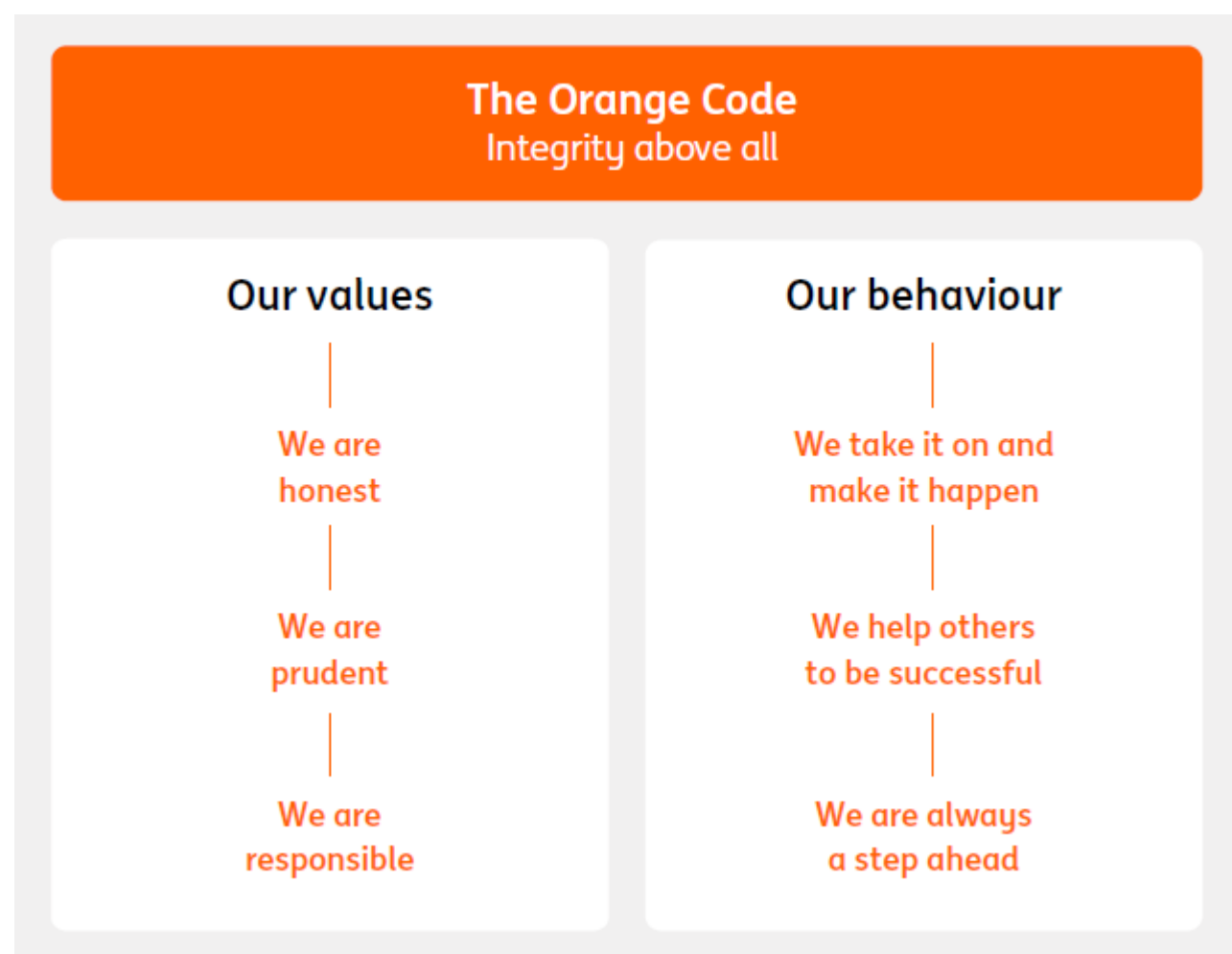
### Orange Code

The Orange Code describes what we can expect from each other. It is a set of standards that we collectively value, that we strive to live up to and invite others to judge us on. It was created within ING Group N.V in 2014 and is an important part of creating a consistent culture across ING.

The Orange Code consists of values and behaviours to support our actions on a daily basis.

ING’s values are our promise to the world. ING’s Orange Behaviours are the commitments we – as colleagues – make to each other and the standards by which our actions can be assessed. They are also an important part of our annual assessment system. In addition, employees are encouraged to share feedback with each other based on the “Stop, Start, Continue” model as a way of expressing appreciation, supporting growth and change, reinforcing behaviours that build effectiveness and helping others succeed.





## Regulation – business ethics standard

*Regulation- the ING Bank Śląski S.A. Capital Group – Principles of Business Ethics Standards* is a document introduced by the Bank Management Board and approved by the Supervisory Board and applies to entities in the ING Bank Śląski Capital Group, i.e. the bank and its subsidiaries and their employees. The document is available on the intranet for all employees. Each year, employees sign-off its acknowledgement and commitment to adhering to it.

The substance of the applicable ethical principles is described in the section of this policy entitled *ING Global Code of Conduct*. Based on the values and behaviours from the Orange Code, we have highlighted 10 principles of behaviour we expect from all employees. These principles are designed to prevent and protect us from making unethical and/or illegal decisions in the course of ING's day-to-day business. The bylaw has been updated and communicated by the President of the Management Board and are effective in the updated version from December 2024. It contains the following main ethical principles:

1. Putting sustainability first – we continuously work on our aspirations with regards to climate change, the environment, human rights and an inclusive society.
2. Client centricity – we protect customer rights and interests.
3. We safeguard fair competition and fair markets (prevent market abuse).
4. We protect ING from being misused to facilitate financial and economic crimes and tax offences.
5. Safe working environment – we contribute to creating and maintaining safe, respectful and inclusive working environment.
6. We speak up and report suspected or actual criminal conduct, unethical conduct or other misconduct by ING or within ING.
7. We protect personal data and use data and technology for the benefit and empowerment of our stakeholders.
8. Beware of what you share – we treat all information with care and communicate responsibly.
9. We identify potential conflicts of interest and take action.
10. We apply zero-tolerance approach to corruption.

The bank's representatives and intermediaries are required to familiarise themselves with the *ING Global Code of Conduct*.

The bank also requires ethical behaviour from its suppliers – this is set out in the ING Bank Śląski S.A. Code of Conduct for Suppliers made available to suppliers on a dedicated website ([link](#)).

## Actions

### MDR-A

We make sure that employees know the ethical principles and apply them in their work. As part of the onboarding process, each new employee is required to read and sign off the acknowledgement of Regulation- the ING Bank Śląski S.A. Capital Group – Principles of Business Ethics Standards and complete e-learning training on ING Global Code of Conduct. All employees undergo regular e-learning training on the applicable ethical principles and sign-off annual acknowledgement of and compliance with these principles. 99% of our employees have completed the ING



Global Code of Conduct training and the same percentage have signed the annual declaration. The remaining 1 per cent are employees who, for example, are absent from work for a long period of time or newly recruited and who have not yet passed their training deadline (as at 31.12.2024).

In addition, new employees complete a series of e-learning courses on specific policies that are an extension of ING Global Code of Conduct (e.g. in the areas of conflict of interest, whistleblowing, anti-corruption, KYC, etc.). When these policies are updated, all employees (or those to whom the specific policy applies) complete training on the policy or refresher training.

Being a member of the Polish Bank Association and our employee one of the members of the Bank Ethics Committee.... We endeavour to take an active part in shaping and promoting ethical principles by, inter alia, participating in surveys and competitions, such as the annual survey of the Bank Ethics Committee, and taking part in competitions organised by Puls Biznesu for an ethical company (we have won the title of Ethical Company every year for many years, and the title of Super Ethical Company from 2020), where we have to demonstrate the bank's regulations and actions that foster ethical behaviour.

### Risk culture

We also shape our organisational culture by building a mature risk culture. It consists of, among other things:

- Building staff knowledge and awareness of current legislation and internal regulations, as well as of risk identification and management – training, workshops and webinars both for all staff and tailored to the nature of the position.
- Tone from the Top – messages, discussions about risks at meetings with employees.
- The Orange Code Decision making – a developed methodology used to make balanced decisions in situations where an ethical dilemma arises (e.g. as part of product or model changes. It is based on four steps in which we take care to balance the rights and interests of the various stakeholders and take possible precautions against possible negative consequences of decisions).
- A defined risk appetite and regular monitoring of its compliance in our bank's various risk areas.
- An appropriate remuneration system for employee as defined, inter alia, in the Remuneration Policy and Staff Appraisal Principles, which sets out an incentive system based not only on financial but also on non-financial criteria.

- By building a risk culture, we want each of our employees, regardless of their position, to be aware of the risks they may face in their work and know how to deal with them.

As part of the Risk Culture Programme, we have organised a competition – Risk Heroes – for the third time in 2024, which rewards employees who have had a special impact in the last year on shaping the risk culture and keeping our bank and our clients safe.

### Monitoring of actions

#### MDR-T

Both ethical actions and risk culture are analysed and evaluated in our bank. We monitor the risk culture as part of ING Group's methodology, which assesses the maturity level of the risk culture. We carry out analyses along four dimensions: risk awareness, risk assessment, escalation and feedback, and leadership. We use a variety of data sources for monitoring, such as annual employee surveys, expert assessment, quantitative indicators. We analyse changes in individual areas on an annual basis.

The Bank Management Board annually assesses employees' compliance with ethical principles within the framework of an adopted methodology based on quantitative and qualitative criteria. The results of the assessment form the basis for analysing whether any corrective action or updating of the rules to the changing situation within the bank and its environment is required.

### Results of the OHI survey on organisational culture

#### MDR-T

Ethical culture is a key element of ING's organisational culture. Once every six months, our employees have the opportunity to share their perspective in the OHI survey, which explores various aspects of organisational health, including questions on ethical culture. This aspect measures the OHI area "Work environment". In this area, our score in the latest 2024 survey was 83% and we are in the top quartile, meaning that we are rated higher than 75% of other organisations.



Percentage of employees who agree with the following statements

ING's culture positively influences the way people behave.	82%
People want to work here because of the culture and working environment.	83%
Leaders act in a manner consistent with ING values	87%
Leaders show concern for staff welfare.	79%
Leaders encourage honesty, transparency and honest, open dialogue	86%
ING responds in a timely manner to employee misconduct and/or inappropriate behaviour	89%

Counteraction of corruption

ING Bank Śląski conducts its business with integrity, prudence and responsibility, with the aim of ensuring compliance with applicable laws, including in the area of anti-corruption. We treat this issue as one of the priority issues in our relations with clients, business partners and public officials.

Policies

G1-1, MDR-P, G1-3

Our bank has a set of anti-corruption regulations that all employees are required to follow. These regulations are owned by the Centre of Expertise – Compliance and the most important of them is the *ING Bank Śląski S.A. Anti-Corruption Policy*, adopted by resolution of the Bank Management Board. This policy sets out the key corruption risks and the responsibilities and control objectives necessary to ensure that these risks are appropriately identified, assessed, managed and monitored. The latest version of the *Anti-Corruption Policy* is effective as of 4 April 2024 and complies with relevant national and international laws, including the US FCPA and the UK Bribery Act.

Violations of the law and the anti-corruption policy may result in legal risks, reputational risks for our bank and ING Group, corporate liability for the bank, and individual liability for employees who contributed to the violation. Senior management may also be held accountable.

The provisions of the policy are clarified by two further regulations: *Policy – Manual on Business Activities Vulnerable to FEC Risks*, also adopted by resolution of the Bank Management Board, and a separate manual on compliance with the aforementioned regulations, implemented by order of the Bank’s President of the Management Board. They cover in their scope the forms of corruption, the obligations of employees and third parties with whom our

bank cooperates; the rules on the acceptance and giving of benefits (both material and immaterial) in the relationship with clients, third parties and persons holding public office, in terms of:

- gifts or entertainment offers,
- cash or cash equivalents (giving or receiving benefits in this form is prohibited),
- funding of travel and accommodation costs,
- the risk of corruption in connection with the recruitment of employees, including in the form of internships or apprenticeships,
- the risk of corruption in connection with the establishment of relationships with the bank’s third parties, in particular through charitable donations, partnerships or sponsorship agreements.

When dealing with third parties, e.g. in connection with the conclusion of sponsorship/social partnership agreements or charitable donations, our bank manages the risk of corruption by carrying out due diligence procedures and ensuring appropriate contractual provisions. ING Bank Śląski S.A.’s Declaration on Anti-Corruption, appended to the policy, may also be used for this purpose. In addition, the policy principles are published on the [bank’s website](#).

The policy provides for the prohibition of political donations, e.g. to political parties or campaigners in connection with running for political office.

Actions

G1-1, G1-3, G1-4, MDF-T

ING has a Key Risk Indicator (KRI) to monitor zero tolerance for corruption by employees or third parties on a monthly basis. Reporting is based on event data recorded in the Risk Navigator tool. KRI is reported at the KYC Committee and the Non-Financial Risk Committee (NFRC).

As part of our bank’s internal control system, elements of the anti-corruption process are subject to:

- on-going verification, in particular of reports entered in the Register of Benefits,
- key control tests (KCT).





Given ING's zero-tolerance approach to corruption, senior management has a particular responsibility to promote a culture in light of which corruption is not and will never be accepted. This materialises the bank's commitment to conduct its business in an honest, prudent and responsible manner.

Events in the area of anti-corruption are dealt with in accordance with *the Non-financial Risk Event Management Manual*, which describes the principles for managing non-financial risk events in the ING Bank Śląski S.A. Group, including the event reporting process. A key role here is played by the operational coordinators of the incident, whose job is to support the unit where the incident occurred in terms of corrective actions and reducing the risk of the incident recurring in the future. The procedure ensures that the team investigating the incident is independent of those involved. In the case of incidents in the area of corruption, these are the Compliance staff. The incident management process is owned by the Operational Risk Management Department. In addition, mitigating actions are recommended in cases of lesser gravity, in the context of the handling of reports concerning the acceptance or giving of benefits.

## Training

### G1-1, G1-3, G1-4

In order for our employees to better recognise the phenomenon of corruption and to be able to counteract it effectively, we continuously raise their awareness of the principles of *the ING Bank Śląski S.A. Anti-Corruption Policy*. We carry out this task, inter alia, through e-learning trainings and regular awareness-raising activities, such as e-mail messages or information posted on the intranet, and we intensify these activities especially during the festive season, which is usually conducive to receiving and giving gifts or other benefits.

Mandatory anti-corruption training is designed to ensure that all employees understand the corruption risks ING faces and the risks they may face and how ING manages these risks. The aim of the training is to enable participants to understand:

- the importance of their role in the fight against corruption;
- the consequences of corruption for organisations and society;
- how we identify, manage and mitigate corruption risks;
- the need to escalate any suspicious behaviour or potential risk of corruption through the appropriate channels.

General anti-corruption training is part of the Financial Crime and Fundamentals e-learning. At ING Bank Śląski, it was implemented in the 1st quarter of 2024. All new employees of our bank are compulsorily enrolled in the training.

The Bank has also implemented an approach whereby it identifies roles with increased exposure to corruption risk (so-called high-risk roles). To this end, it has adopted *a Manual on the Identification of High-Risk Roles in the Context of Anti-Corruption at ING Bank Śląski S.A.* Given the broad scope of the bank's activities and the diverse organisational structure and tasks of its units, it is not possible to enumerate the functions / positions that qualify as high-risk roles. The manual sets out a framework to guide the designation of the pool of employees who should pursue additional specialised training, taking into account in each case the type and degree of risk associated with the function / position. The manual identifies areas or tasks assessed as being at greater risk of corruption and provides a basis for identifying those employees who, due to the nature of their duties, should have a more detailed knowledge of corruption, the risks involved and how to counter it. In 2024, employees in high-risk roles have been enrolled in additional specialised e-learning, which takes approximately one hour to complete. It covers the following topics:

- Anti-corruption regulatory requirements, risks and consequences of a breach for the financial industry.
- Internal governance, risk and control framework for anti-corruption.
- ING's approach to accepting/giving gifts and entertainment offers, including roles and responsibilities for registering them.
- Risks associated with public office holders.
- Corruption risks in the employee selection and recruitment process.
- Corruption risks associated with cooperation with third parties.

Completion of both training courses (both general and for high-risk roles) is monitored.

Members of the Bank Management Board are addressed in both training courses and also receive – like all employees – periodic (twice a year) awareness communication. Members of the Supervisory Board are covered by the Financial Crime and Fundamentals training course.

In 2024, awareness communication was dedicated to issues such as: corruption risks in specific areas of the bank's business (e.g. hiring of employees, organisation of events, etc.) and gifts prohibited under the *Anti-Corruption Policy*.





In addition, separate communication regarding dedicated training was directed to those identified as high-risk roles.

Percentage of anti-corruption and bribery training carried out	Basic training	Additional training for functions at risk
Percentage of employees who completed training	93.8%	84.0%
Number of employees enrolled in training	725	413
Number of employees who completed training	680	347
Frequency of training	Every 2 years	Every 2 years*

\* Frequency of HRR training to be determined.

In 2024, there were no confirmed incidents of corruption and bribery, convictions or fines related to breaches of anti-corruption and anti-bribery laws.

Mechanism of reporting breaches

G1-1

Our processes for reporting violations of the law, internal regulations and ethical standards are governed by:

- ING Bank Śląski S.A. Whistleblower Policy.
- Procedure for Handling with Whistleblower Reports.
- Procedure for Carrying out Checks for Potential Retaliation against Whistleblowers.
- Employees and other persons authorised by law can report suspected violations through established whistleblower channels:
  - electronic whistleblower channel – the Whistle,
  - traditional mail.

The Bank has implemented internal regulations to protect Whistleblowers and other persons designated by law from retaliation to the extent required by regulatory requirements<sup>5</sup>.

Reports can be named or anonymous, in either case we are committed to confidentiality and discretion and to protecting whistleblowers from retaliation.

As a rule, each report is received by the President of the Management Board, who decides on the investigative action and accepts the outcome.

Our internal regulations also regulate how to deal with a report concerning a Management Board member. Such reports are accepted by the Supervisory Board.

Employees can also ask questions and clarify doubts about the applicable conduct rules by contacting the Compliance department at the dedicated email address.

In accordance with our internal regulations, we assign a category to the reports we receive, according to the table below. In 2024, 40 reports qualifying for consideration under the procedure set out in the *ING Bank Śląski S.A. Whistleblower Policy*, concerning, inter alia, discrimination, employee conflicts or violations of the bank’s internal regulations, were submitted. After analysis and explanatory proceedings, irregularities were confirmed in 6 cases and corrective measures were applied:

- irregularities related to excess nominal values for real estate collateral and lack of adequate controls in this area (Collateral for the bank’s loan exposures) – the process was reviewed,
- incorrect KYC data on the bank’s website – the information on the bank’s website has been corrected,
- employee harassing a female employee via MS Teams – a conversation was held with the employee reminding her of the policy,
- opening a file without the client being present in the branch or suggesting that the payment of a promotion for opening an account is conditional on the client visiting a specific advisor – during the course of the investigation it was established that the offender is no longer an employee of the bank,
- irregularities in the CDD quality testing process in 1 LoD – the inspection was performed by the same employee who performed the CDD – the rules for performing inspections were recalled,

<sup>5</sup> Act of 14 June 2024 on the protection of whistleblowers implementing Directive (EU) 2019/1937



- irregularities in the form of inconsistencies in the mortgage process for development agreements that may have misled the client – inconsistencies in the processes will be resolved.

Information on reported breaches is communicated quarterly to the Bank Management Board and the Supervisory Board.

S1-17

Number of reports eligible for consideration under the procedure set out in the ING Bank Śląski S.A. Whistleblower Policy

Entry category	Number of reports in 2024
Discrimination	2
Financial and economic crime, anti-money laundering	1
Fraud/Theft	4
Breach of confidentiality and privacy of client/employee related data	1
Violation of any external laws or regulations or violation of any ING policy	12
Unfair treatment of the client	1
Bullying	1
Sexual harassment	1
Employee conflict	4
Work environment	4
Harassment	4
Pressure at work/unrealistic goals	1
Other undesirable behaviour	4
Total	40

In 2024, there were no fines, penalties or compensation related to notifications in any of the above categories during the reporting period.

The whistleblowing system is subject to a cyclical assessment by the Supervisory Board as to its adequacy and effectiveness. In 2024, the system was assessed as effective.

We ensure that our employees are aware of and trust the established channels for reporting violations. Every new employee receives mandatory training on ING Global Code of Conduct and mandatory recurrent training on Reporting Ethics and Standards Violations (repeated every 3 years). Those involved in the whistleblower clarification process participate in training and meetings on Whistleblowing at the ING Group level. An awareness campaign was conducted in Q3 2024 to remind bank employees of the topics of whistleblowing and whistleblowers and their importance to the organisation and society. A reminder was also given on how to report breaches at the bank.

Notwithstanding the above, the bank has also provided [a channel](#) for all external stakeholders who would like to raise a concern about the conduct of the bank or an entity of its group.



## Information on social matters (S)

Due to the important role they play in the economy and society, financial institutions can have a considerable impact on social issues. We recognise this particularly in relation to our customers and employees. By taking care of our staff and actively working with our clients, we try to create value that goes beyond financial metrics. We recognise this particularly in relation to our customers and employees. By caring for our people and actively engaging with our customers, we aim to create value beyond financial metrics. We believe that financially healthy people contribute to a healthy economy and drive social progress, and that responsible stewardship of human resources contributes to the success of the entire organisation.

In this section, we present information on ING's important sustainability issues that relate to the social area:

S1 Own workforce:

- Working conditions
- Equal treatment and opportunities for all

S4 Consumers and End-users:

- Information-related impacts for consumers and/or end-users
- Social inclusion of consumers and/or end-users

## Own workforce

### SBM-3

By workforce we mean our employees, i.e. those in an employment relationship, as well as non-employees performing tasks for ING under other forms of cooperation, and those employed by Temporary Employment Agencies. People employed under an employment contract account for more than 92% of the company's own workforce.

The ING Bank Śląski Group is a team of more than eight thousand people, experts in finance, but also specialists in other fields, such as IT, modern technologies and many others. 62% of ING employees are women.

On 31 December 2024, the ING Bank Śląski Group employed 8,001 people, compared to December of the previous year, the number of employees decreased by 378 people (i.e. by 4.51%). At the end of December 2024, ING Bank Śląski employed 7,553 people, 353 fewer than in December 2023.

Information on personnel costs is presented in the financial results section [here](#).

### S1-7

The multitude of tasks and projects we carry out also allows us to use other forms of cooperation, such as B2B, Body Leasing or temporary employment contracts, to name just a few. Such solutions are mainly used in operational areas, IT and for external consultants in various fields.

- **B2B** – A sole proprietor, in agreement with the employer, determines the wages for the work performed and the place and time of work. Formula used to fill in missing competences in the organisation or to recruit colleagues for specialised periodic tasks.
- **Civil law contracts** – Forms of cooperation regulated by the Civil Code. The category includes contracts of mandate, contracts for work, and internships. Formula used to fill in missing competences in the organisation or to recruit colleagues for specialised periodic tasks.
- **Body Leasing** – By this form we mean the conclusion of a contract between the contracting party and the service provider. The contract does not concern the provision of employees, but the provision of services by a third party. Used to source competences not available within the organisation.
- **Temporary agency workers** – consists of performing tasks of a periodic nature for a single user-employer for a maximum of 18 months within a consecutive 36-month period. This form is used to fill staffing gaps for tasks



that do not require specialised knowledge. It allows to react dynamically to changes in processes with the fact that it responds to the need for timely employment related in particular to seasonal actions, variability of labour demand.

Our employees in numbers

S1-6

Number of employees (persons)					
	2020	2021	2022	2023	2024
Head Office in Katowice	3,397	3,750	3,612	3,660	3,744
Head Office in Warsaw	825	882	994	1,228	1,254
Branches	3,750	3,547	3,319	3,018	2,555
<b>Total bank</b>	<b>7,972</b>	<b>8,179</b>	<b>7,925</b>	<b>7,906</b>	<b>7,553</b>
ING Lease (Polska) Sp. z o.o.	248	246	237	240	218
ING Commercial Finance Polska S.A.	114	116	114	113	109
ING Bank Hipoteczny S.A.	36	38	36	36	32
Solver Sp. z o.o.	2	-	-	-	-
ING Usługi dla Biznesu Sp. z o.o.	51	43	37	36	33
Nowe Usługi S.A.	3	3	3	3	3
SAIO Spółka Akcyjna	-	-	11	14	22
Paymento Financial S.A.	-	-	-	31	31
<b>Total subsidiaries</b>	<b>454</b>	<b>446</b>	<b>438</b>	<b>473</b>	<b>448</b>
<b>ING Bank Śląski Group</b>	<b>8,426</b>	<b>8,625</b>	<b>8,363</b>	<b>8,379</b>	<b>8,001</b>

Number of employees broken down by gender and full-time equivalent contract of employment					
	2020	2021	2022	2023	2024
<b>Woman</b>	<b>5,543</b>	<b>5,568</b>	<b>5,354</b>	<b>5,274</b>	<b>4,971</b>
Full-time	5,445	5,468	5,275	5,193	4,884
Part-time	98	100	79	81	87
<b>Man</b>	<b>2,883</b>	<b>3,057</b>	<b>3,009</b>	<b>3,105</b>	<b>3,030</b>
Full-time	2,827	3,007	2,965	3,053	2,968
Part-time	56	50	44	52	62
<b>Total</b>	<b>8,426</b>	<b>8,625</b>	<b>8,363</b>	<b>8,379</b>	<b>8,001</b>
Full-time	8,272	8,475	8,240	8,246	7,852
Part-time	154	150	123	133	149

Number of employees broken down by gender and duration of employment contract					
	2020	2021	2022	2023	2024
<b>Woman</b>	<b>5,542</b>	<b>5,568</b>	<b>5,354</b>	<b>5,274</b>	<b>4,971</b>
Indefinite period	5,193	5,161	5,107	5,112	4,830
Fixed term	349	407	247	162	141
<b>Man</b>	<b>2,884</b>	<b>3,057</b>	<b>3,009</b>	<b>3,105</b>	<b>3,030</b>
Indefinite period	2,610	2,796	2,856	2,994	2,926
Fixed term	274	261	153	111	104
<b>Total</b>	<b>8,426</b>	<b>8,625</b>	<b>8,363</b>	<b>8,379</b>	<b>8,001</b>
Indefinite period	7,803	7,957	7,963	8,106	7,756
Fixed term	623	668	400	273	245

Methodological note:

- 1. We provide all data on the number of our employees as at the last day of the reported period in headcount.
- 2. According to the definition of an employee, there are no cases of persons employed on a contract of employment who would not have guaranteed working hours.
- 3. The gender categories “Other” and “Not reported” are not included in the tables, as there were no reports in these categories from employees.





Number of employees who left during the reporting year					
	2020	2021	2022	2023	2024
Women – voluntary leaves	173	245	278	217	220
Women – involuntary leaves	194	219	297	227	257
Men – voluntary leaves	116	234	256	165	131
Men – involuntary leaves	79	71	120	83	121
Total – voluntary leaves	289	479	534	382	351
Total – involuntary leaves	273	290	417	310	378
Total – total leaves	562	769	951	692	729

Employee turnover rate					
	2020	2021	2022	2023	2024
Women – voluntary leaves	3.2%	4.4%	5.1%	4.0%	4.3%
Women – involuntary leaves	3.6%	3.9%	5.5%	4.2%	5.0%
Men – voluntary leaves	4.3%	7.7%	8.5%	5.4%	4.3%
Men – involuntary leaves	2.9%	2.3%	4.0%	2.7%	3.9%
Total – voluntary leaves	3.6%	5.5%	6.3%	4.5%	4.3%
Total – involuntary leaves	3.4%	3.4%	4.9%	3.7%	4.6%

Methodological note: Voluntary leaves take into account leaves at the initiative of the employee, including retirements, involuntary leaves result from contract termination at the initiative of ING and due to the death of the employee. Employee turnover rate excludes turnover between entities within the Group.



S1-9

Number of employees broken down by employment level and age group and gender															
	2020			2021			2022			2023			2024		
	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total	Women	Men	Total
Senior management	59	124	183	62	130	192	65	138	203	64	144	208	71	137	208
Under 30 years	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30-50 years	38	82	120	35	85	120	34	91	125	32	89	121	35	82	117
Over 50 years	21	42	63	27	45	72	31	47	78	32	55	87	36	55	91
Management	285	230	515	291	245	536	293	247	540	298	255	553	274	257	531
Under 30 years		3	3	2	7	9	1	6	7	3	4	7	1	3	4
30-50 years	226	185	411	220	191	411	214	185	399	203	188	391	186	185	371
Over 50 years	59	42	101	69	47	116	78	56	134	92	63	155	87	69	156
Other employees	5,199	2,529	7,728	5,215	2,682	7,897	4,996	2,624	7,620	4,912	2,706	7,618	4,626	2,636	7,262
Under 30 years	687	531	1,218	748	574	1,322	614	480	1,094	569	470	1,039	466	407	873
30-50 years	3,697	1,679	5,376	3,631	1,744	5,375	3,470	1,763	5,233	3,364	1,808	5,172	3,138	1,774	4,912
Over 50 years	815	319	1,134	836	364	1200	912	381	1,293	979	428	1,407	1,022	455	1,477
Total	5,543	2,883	8,426	5,568	3,057	8,625	5,354	3,009	8,363	5,274	3,105	8,379	4,971	3,030	8,001
Under 30 years	687	534	1,221	750	581	1,331	615	486	1,101	572	474	1,046	467	410	877
30-50 years	3,961	1,946	5,907	3,886	2,020	5,906	3,718	2,039	5,757	3,599	2,085	5,684	3,359	2,041	5,400
Over 50 years	895	403	1,298	932	456	1,388	1,021	484	1,505	1,103	546	1,649	1,145	579	1,724

Methodological note:

1. Senior managers are considered to be those employed in positions of grade 19 and above (out of 21 grades) and acting as supervisors for at least one employee.
2. Employees classified below grade 19 and who are supervisors for at least 1 member of staff are considered to be managers.
3. The Bank Management Board is included in Senior Management.



S1-7

Number of other persons working for the organisation at the end of the period				
Form of employment	2021	2022	2023	2024
B2B	150	178	216	276
Civil law contracts	342	446	378	219
Body Leasing	69	139	109	110
Temporary agency workers	69	44	56	45
TOTAL	630	807	759	650

Methodological note: data as at the last day of the reporting period in number of persons.

Identified impacts risks and opportunities

SBM-3

Our employee resources are in the “own business” segment of our value chain. In line with the newly defined requirements of the CSRD, we have identified the following material impacts, risks and opportunities in relation to the sustainability issues covered by the ESRS S1 Own workforce:

Positive impacts

The positive impact we can have on our own workforce depends largely on the provision of stable and attractive employment conditions, the way in which we develop the employees’ skills and supporting career and competence development. We also aim to promote diversity, which allows for new perspectives and builds trust. The material positive impacts we have identified are linked to the following themes and can be detailed as follows:

- **Job security:** As an employer, we offer stable and long-term cooperation-oriented employment conditions and fair remuneration, the possibility to plan your development in the long term strengthens your sense of security and employment satisfaction.
- **Training and skills development:** The wide range of training offered to employees provides them with the opportunity to acquire new competences and knowledge, opening the door to long-term career advancement,

within or outside their career at ING. Continuous skills development allows staff to keep abreast of industry trends and best practice, increasing resilience and adaptability in the face of market changes.

- **Diversity:** Working as part of a diverse team gives employees the opportunity to see new perspectives, experiences and diverse approaches to problem solving. Diversity, inclusion and belonging initiatives encourage learning and development, helping ING employees to broaden their skills and viewpoints, which can enrich their personal and professional lives. Mutual respect and trust among employees from different backgrounds can improve collaboration and communication, creating a supportive working environment where employees feel comfortable putting forward their ideas.

Negative impacts

Negative impacts on our workforce can arise from unrealistic workloads and the perpetuation of gender inequality, including the persistence of pay gaps and a lack of due diligence on measures to prevent violence and harassment. We also identified a short-term negative impact related to the implementation of our business strategy. The identified potential negative impacts are related to the following themes:

- **Work-life balance:** As an employer, ING has the potential to cause or contribute to work-related stress and pressure. This can result, for example, from unrealistic workloads, deadlines and expectations, which in turn can negatively impact on the actual work-life balance practices of employees, who may be reluctant to take family leave, flexible working hours, which in turn can lead to employee dissatisfaction and ill health.
- **Gender equality and equal pay for work of equal value:** lack of action or insufficient action on gender equality can contribute to gender inequalities in pay and career development, which can lead to dissatisfaction and negatively affect the living standards of discriminated workers and limit their development opportunities.
- **Measures to prevent violence and harassment in the workplace:** Violence and harassment can negatively affect a person’s physical well-being and mental health because they violate a person’s dignity and create an intimidating, hostile, degrading, offensive, humiliating or abusive work environment. This can lead to anxiety, constant fear, stress and depression. Violence and harassment usually target vulnerable groups such as ethnic, racial, sexual and other minorities.
- **Job security:** The workforce reduction of approx. 1,450 FTEs between 2024 and 2026 is due to the continuation of the multi-year project to evolve the bank’s organisational structure, including primarily the further optimisation of the number of outlets and the development of digital channels in the retail segment, the



redesign of the organisational structure and processes in the corporate segment and the optimisation and automation of processes in the Bank’s business area support units. These actions may have a negative impact on the group of employees included in the restructuring plan.

## Risks

At the bank, we treat diversity and inclusion objectives as any strategic priority and know how to assess the risks involved in neglecting this area:

- **Gender equality and equal pay for work of equal value:** gender inequalities resulting in a low percentage of female managers and a pay gap, combined with a large workforce, can lead to a risk of turnover and exposure to significant reputational risk due to increasing social and regulatory attention to gender equality in the workplace.
- **Measures to prevent violence and harassment in the workplace:** Risk of legal and regulatory action related to incidents of harassment in the workplace, as well as inappropriate handling of harassment claims. It can also lead to reputational damage and increased employee turnover.
- **Diversity:** A lack of diversity in the workplace can hinder collaboration and the creation of an inclusive environment. This potential risk could expose ING to serious reputational risk.
- **Employment and integration of people with disabilities:** Risk of legal and regulatory action related to accessibility in the workplace. It can also damage our reputation.

## Link to business strategy

### SBM-3

Our employees are our greatest asset. Unlocking our people’s full potential is a key enabler of our strategy. Read more about the importance of our employees to the business model and strategy [here](#).

ESG issues are firmly embedded in our business strategy and sustainability is one of its priorities. Within this priority, in the goals for 2022-2024 we have detailed, inter alia, the following areas on which we are focusing our workforce activities:

- We create a working environment where we take care of well-being of employees (health, energy, activity and finances).

- We support employees in being entrepreneurial.
- We are committed to diversity and inclusion among the bank’s employees.

## Employee relationship management

### S1-2

Employees are our greatest asset. An important element of our actions is to ensure the quality of dialogue with our employees and social partners through a variety of channels. The unit responsible for dialogue with employees is the Centre of Expertise HR, which regularly conducts an employee opinion survey, which allows us to find out the perspective of employees in areas such as ING’s strategy and working conditions, and to learn about employee expectations.

## Channels of communication with employees

Communication with employees takes place through several channels and is both one-way (informative or educational emails, newsletters, news on the intranet) and two-way. The latter are tools for exchanging ideas (posts on the Viva Engage community), collecting opinions (chats, meetings) or managing training and conferences (calendar of events).

Digital communication channels predominate among the tools due to the multiple locations and the hybrid nature of working across multiple units. This is detailed as follows:

- Newsletters – the most popular form of communication next to emails. Several newsletters reach all employees, e.g. Let’s stay in touch (the CEO’s newsletter had 35 editions in 2024), the well-being newsletter (12 editions). Most are targeted at subscribers or selected groups, e.g. the communication package (3 times a week to employees of the Retail Clients Division), the weekly newsletter of the Business Clients Division, the newsletter of the recruitment team (once a month), or the one dedicated to AI topics (5 issues in 2024).
- Intranet – approx. 200 news items are published per month, e.g. in November 2024 almost 50 general banking news items and 150 news items from the 3 business lines. during this time, visits to these pages averaged 1,600 hits and the 3 most popular texts recorded between 13,000 and 19,000 hits.
- Viva Engage – the most popular of the approx. 300 social channels in 2024 are: @Dobrzepoinformowni, @Active ING, @BBblog (the CEO’s blog), @AI Connect, @ActionLicitation, @Just and, run in conjunction with the ING for Children’ Foundation, the @Volunteer ING community. Employee networking communities – @Diverse, @Women ING, @Gen Z, @Rainbow Lions Poland Bank – have also become popular.





- Chats – a tool for asking questions anonymously (7 with Board members and the HR team, 6 thematic). They gather from several hundred to several thousand participants. Chats with the CEO are the most popular (300 questions were asked during the December chat).
- Publications – eBaśka (4 issues of the electronic magazine) and Culture book (7th edition of the album summarising the year at the bank – online and in book form).
- OHI survey – The backbone of our organisation is engaged employees, so we systematically ask them what most affects their work and what they need to achieve full satisfaction. Once every six months, employees are invited to participate in an anonymous organisational health survey – OHI as part of this survey, employees can give their perspective on a number of aspects of the organisation’s performance such as leadership, strategy, work environment, etc. Employees also have the opportunity to add comments in response to open-ended questions: “What are the best aspects of working at ING?” and “what could be improved at ING?”. The results of the survey and comments are thoroughly analysed and improvement measures are planned based on them.

As far as direct communication is concerned, it is worth noting the thriving actions of the employee networks, which this year initiated, inter alia, a joint conference in May (500 participants in Diversity Day) and several informal meetings (so-called coffees) with the bank’s directors and management (heads: HR, Procurement, the Business Client Network and the Vice-Presidents of the Management Board who patronise well-being themes and the ING Women’s Network).

Relations with the social partners

Employee Council

At the bank, we have a policy of actively involving employees and their representatives in a dialogue aimed at making their real impact on labour issues a reality. Since 2006, there has been an Employee Council, which, since 2010, has been elected by the employees in free and direct elections. It is worth noting that the composition of the Employee Council at ING Bank Śląski is broader than that required by the Act on Informing and Consulting Employees. The Employee Council operates on the basis of an agreement with the employer, which provides for a timetable for the Council’s work, contacts with the employer’s representatives and formulates the rules for mutual communication, consultation and solicitation of opinions. Once a quarter, the Employee Council holds a meeting with the CEO to discuss ongoing projects, planned changes and the financial performance of the institution in the context of personnel policy. The Employee Council also holds ad hoc meetings with representatives of the senior management of individual business lines, at which detailed issues of ongoing projects, planned changes in the

Divisions are discussed. during the meetings, representatives of the Employee Council report to the employer on matters referred to the Council directly from employees. These matters relate to ongoing work, proposed changes and improvements.

Company trade union organisation

Independently of the Employee Council, the bank also has a company trade union organisation. The dialogue with the trade union touches on issues related to statutory obligations to consult and agree on both collective labour law and individual employee matters.

Together with the trade union organisation, we have decided not to conclude a collective agreement, while it is a standard of our relationship to agree annually on the principles of the increase shares to be launched and the package of additional benefits for employees leaving the bank as a result of restructuring processes (cash severance). Any negotiations we have with trade union representatives or agreements with the Employee Council are carried out on behalf of all our employees.

An important aspect of the social dialogue is the participation of 3 representatives of the bank in the structures of the European Employee Council of the ING Group. as part of this cooperation, our representatives can present issues related to the functioning of the organisation in Poland to the international forum and exchange experiences with other countries.

The costs related to the activities of trade unions in 2024 amounted to PLN 603.5 thousand and in 2023 to PLN 500.6 thousand.

Percentage of employees who are members of a trade union organisation active in the bank					
	2020	2021	2022	2023	2024
Percentage of employees who are members of a trade union organisation active in the bank	5.6%	5.4%	5.5%	6.0%	6.9%
Percentage of employees represented by the Employee Council and a trade union organisation operating at the Bank	100%	100%	100%	100%	100%



## Whistleblowing channels for reporting breaches and concerns available to employees

The Bank maintains an open and transparent dialogue with its employees through formal channels for raising concerns, needs and potential violations. All employees have access to mechanisms for reporting concerns, in the form of the Whistleblower app and the ability to report irregularities via a dedicated email box or by name to CoE – Compliance, which is the internal organisational unit authorised to receive reports, including the Whistleblower Reporting Officer. These mechanisms allow for the reporting of cases related to discrimination, bullying, workplace safety and other potential violations of employee rights. We ensure that our employees are aware of and trust the established channels for reporting violations. More information on whistleblowing channels and training on applicable ethics rules [here](#).

## Persons of trust

As an employer, ING attaches great importance to fostering the right attitudes in various work situations. One of the needs of the organisation is to systemically support individuals to move through difficult, often conflictual situations that affect their experience at work and their performance. To meet the expectations of employees, a new role for persons of trust has been established in 2024. The role of a person of trust to provide support to employees in situations of conflict at work so that it is possible to ensure that all employees feel that they are treated with dignity and respect, while not tolerating any form of abusive working relationship. The person of trust underwent a series of training courses to certify them for their new role and the role of mediator within the organisation.

## We know how employees rate us

### S1-5, MDR-T

The basis of our organisation are committed employees, so we systematically ask them what influences their work the most and what they need to achieve full satisfaction. Employees are invited to participate in regular and anonymous surveys such as OHI, OHI Pulse (Organisational Health Survey) and thematic surveys on Diversity and Inclusion, Hybrid Working Model, and Risk Culture.

The Organisation Health Index (OHI) Pulse survey measures an organisation’s ability to adapt and innovate for long-term success. The survey focuses on key organisational skills and capabilities related to issues such as leadership, innovation and education. as part of this survey, we also examine how our relationships with clients and the outside world are going. Employees also have the opportunity to add comments in response to open questions. “What are the best aspects of working at ING?” and “what could be improved at ING?”.

The survey and methodology is provided by the renowned McKinsey & Company, which significantly contributes to the reliability of the result. With a sample of almost 700 different organisations worldwide and a total surveyed population of almost 3 million corporate employees, the study provides meaningful references to a general benchmark outside ING.

In 2024, two OHI surveys took place in May and October. Survey attendance is increasing year on year. In the last survey we achieved a record turnout of 84%; compared to the November 2023 survey in which 80% of employees took part.

The questions in the survey allow us to monitor priority indicators such as strategy clarity, role clarity, organisational discipline and client orientation. compared to the benchmark, i.e. other organisations in the FinTech sector, the performance of the ING Bank Śląski Group’s priorities: “clarity of strategy”, “client centricity” and “operational discipline”, and have been consistently since 2023 in the top decile, i.e. that our score is higher than 90% of the surveyed organisations globally; while the score for the priority “clarity of role” remains in the top quartile, i.e. that our score is higher than 75% of the surveyed organisations.

We also examine employee satisfaction, commitment, as well as aspects of their work experience such as work-life balance, workload, relationship with their manager and sense of belonging.

- Commitment to work, i.e. response to the question “work gives me a sense of personal satisfaction” in the November 2024 OHI survey, 79% of respondents agree with this statement, compared to 80% in 2023.
- Commitment to the organisation, defined as the answer to the question “I would most likely recommend ING as a good employer” in the November 2024 OHI survey, 79% of respondents agree with this statement, compared to 84% in 2023.
- We have been measuring the sense of belonging since 2023 with the Inclusion Index, which consists of five questions. In 2023, the index was 82%, and in 2024 we can boast a score of 86%.

In addition, we study the employee Net Promoter Score (eNPS) by asking the question “How likely would you be to recommend to family, colleagues and friends to become an ING client”? The eNPS score is calculated according to the methodology and in the November 2024 OHI survey, as in November 2023, it was – 48.

In addition to answering the questionnaire, our staff also left precise indications of what they need in the form of comments on the open questions. There were almost 7,000 comments in both surveys.



## The opinions of our employees are the foundation of our actions

After each survey, the results and comments are thoroughly analysed and, based on these, plans are made on how to improve our organisation – how to strengthen our strengths and develop areas that need improvement. The survey also helps us not to lose momentum, to have an ongoing dialogue and to respond quickly to employee feedback.

## Working conditions

### Secure employment

At ING, we provide our employees with stable employment conditions. More than 92% of our total workforce is made up of contracted employees, 97% of which are contracts for an indefinite period, the average length of employment is 12.8 years and turnover remains below the sector average. Alternative forms of employment are regulated in the *Bylaw – Alternative Forms of Cooperation at ING Bank Śląski S.A.* and result from periodic demand for support work or one-off activities, variability in demand for work related to process restructuring or project implementation, seasonal/periodic fluctuations in demand for work or the operation of mobile networks and banking representatives. The use of forms of employment other than the employment contract should be limited in time and must not build a long-term relationship with co-workers.

### Policies

#### S1-1, MDR-P

The most important internal documents regarding the shaping of working conditions and remuneration in the ING Bank Śląski S.A. Group include:

- *ING Bank Śląski S.A. Labour By-law*
- *ING Bank Śląski Group Remuneration Policy,*
- *ING Bank Śląski S.A. Employee Remuneration Bylaw,*
- *ING Bank Śląski S.A. Employee Evaluation Bylaw (Step up).*

The above bylaws apply to all employees and are set in close cooperation with the social side, which makes suggestions to the employer in the course of analysing the changes, reflecting the needs of our employees. Taking care of the consistency of regulations across the ING Bank Śląski S.A. Group, once the regulations have been updated at the bank level, the changes are implemented in the regulations in force in the subsidiaries and approved

by the Management Boards of the individual companies. The exception is the *ING Bank Śląski Group Remuneration Policy*, which is a document common to all companies. The policy is enacted by the Bank Supervisory Board and subsequently adopted by the Boards of Group entities. All documents are available to employees on the intranet.

### ING Bank Śląski S.A. Labour By-law

The ING Bank Śląski S.A. Labour By-law establishes the organisation and order of the work process and the related rights and obligations of the employer and employees, including the principles of remote working. At the same time, the Bylaw addresses issues arising from the International Labour Organisation Conventions by setting minimum requirements regarding, for example, working time and annual leave, human and workers’ rights, freedom of association and protection of trade union rights, abolition of discrimination in employment, insurance against accidents at work and occupational diseases, and occupational health and safety. Implementing the guidelines of the International Labour Organisation Convention, ING declares the non-use of forced or compulsory labour in all its forms. At the same time, the bank confirms that it does not employ children or young workers, and that the condition of employment of an employee is that he or she has full legal capacity. Regulatory provisions are reflected in practice. Thus, the bank declares that its personnel policy confirms that the organisation addresses the issues of human trafficking, forced or compulsory labour and child labour in a clearly negative way.

In the Bylaw, we emphasise that ING employees have the right to freedom of association, including the right to form and join trade unions. ING guarantees the established organisations the right to draw up their own statutes and bylaws, freely elect their representatives, appoint their Management Board, activities and set their agenda. At the same time, the employer bears the costs of the entities established under the Trade Union Act and the Act on Informing and Consulting Employees.

### Remuneration regulations

*The ING Bank Śląski Group Remuneration Policy* sets out the key assumptions for shaping the remuneration policy used to attract and retain employees by ensuring market-competitive remuneration levels and defines the remuneration components. Remuneration policy:

- supports the implementation of the business strategy and the short, medium and long-term interests of the Bank and its clients,





- supports sound and effective risk management to maintain and protect the Bank’s secure capital base and does not encourage excessive risk taking beyond the risk appetite approved by the Supervisory Board of ING Bank Śląski S.A.,
- is gender-neutral, which means not creating conditions for undue preference for either gender in terms of employment, career development, promotions and the award and payment of remuneration.
- determines the level of remuneration of the members of the Management Board in relation to the remuneration of other employees,
- identifies the elements that make up the annual review of the remuneration system and the remuneration-related indicators monitored.

The *ING Bank Śląski S.A. Group Remuneration Policy* is a document adopted by the Supervisory Board of ING Bank Śląski S.A. and subsequently implemented in the internal regulations of the group companies. This approach guarantees uniformity across all group entities. It is mandatory that the Policy is reviewed annually and updated as required by changes in the regulatory or market environment.

The regulation that formulates the remuneration principles is the *ING Bank Śląski S.A. Employee Remuneration Bylaw* and its appendices. The Remuneration Bylaw sets out the rules for the remuneration of employees employed by ING and the granting of work-related fringe benefits. The ING Bank Śląski S.A. Employee Evaluation Bylaw (Step Up) is attached to the Bylaw. It sets out the rules for assigning tasks, their evaluation and the rules for awarding bonuses to employees.

For more on remuneration principles, see the chapter [Equal pay](#).

## Social protection

### S1-11

All ING Group employees are covered by social protection as part of their social activities. Employees and their family members who need the most support, e.g. those in difficult life situations, those facing serious illnesses, including oncological diseases, and workers with the lowest incomes, including large families, single parents, children with disabilities and pensioners, can benefit. The additional benefits offered to employees are described on the following pages.

## Benefits offered to employees

Alongside other forms of reward and recognition, we offer employees an extensive catalogue of benefits and perks to enhance the attractiveness of the workplace. The selection of benefits and fringe benefits offered to employees is based on trend analyses and the voices of employees regarding their expectations of fringe benefits. We build our fringe benefit offering around four pillars: Health, Energy, Activity and Finance, which define a holistic approach to the package offered to employees to complement fixed and variable remuneration. The measures taken reflect the specific provisions of the *ING Bank Śląski Group Remuneration Policy* and the work regulations in force in the bank and the capital group companies.

### Health

- Medical care – employees have access to a competitive medical care offer, including a comprehensive package together with dental and reimbursement for both themselves and family members.

To support the health of our employees, we offer a range of preventive measures. The wide range on offer makes it possible to significantly reduce the risk of contracting serious diseases or detecting them too late:

- Preventive health review as part of standard medical care packages, benefiting a total of 1,974 people in 2024.
- The Oncology Prevention Programme is an employee-dedicated, comprehensive screening package to support employees and promote prevention. In 2024 alone, around 400 people underwent preventive screening for breast and gastrointestinal diseases.
- “We Study Genes at ING” – as part of the programme, we offer subsidised genetic testing. This year, in addition to genetic testing to assess the risk of cancer, employees had the option of choosing a second programme – diseases of old age, such as Alzheimer’s disease.
- Other actions supporting prevention include flu and HPV vaccinations, massages, consultations with specialists (nutritionists, back pain prevention).

In addition to health care and prevention actions, we undertake a number of actions and initiatives to raise awareness of taking care of health and healthy habits. In 2024, these included meetings and consultations as part of the “Diet Wednesdays”, “Week for Health” or “Well-being Day” initiatives. In total, some 3,569 participants from network and head office units attended the meetings.





In 2024, we also continued with surprise campaigns for head office and network employees. This year, we undertook for the first time to organise 3 major campaigns for the entire sales network in Poland. It was quite a logistical challenge and required a lot of work on our part. The response to each surprise was very positive and this gave us motivation to plan further surprises.

## Energy

The energy pillar includes benefits to support our employees in taking care of their work-life balance, mental health and adequate regeneration.

- Additional days off – we offer our employees additional days off over and above employment legislation, including additional maternity and paternity leave, an additional day off for the family, a package of additional days off for employees who have a close family member with a recognised disability.
- Sabbatical – the opportunity to enjoy a free extended break.
- Mindgram platform – a platform for psychological support and personal development. In addition to the pre-packaged webinars, it gives employees the opportunity to meet individually with specialists: a psychologist, a psychodietician, a coach or even a financial or legal adviser. Employees have unlimited access to workshops and development sessions and can also invite a loved one to take advantage of this form of support.
- Orange helpline – in the interests of the psychological well-being of employees and those close to them, there is an anonymous helpline staffed by certified psychologists who provide the opportunity to talk about well-being, concerns or problems. All ING employees and those close to them in the same household can benefit from the support.

In addition, an additional helpline for flood victims was set up during the period when such a demand arose.

- Pilot of additional psychologist/psychiatrist visits – this year we launched a pilot of additional psychologist/psychiatrist visits as part of medical care with Luxmed. The pilot was designed to increase the visits that employees have as part of their subscription and to extend them by a further 3 additional visits.
- Energy Days were held throughout the week in October. Employees benefited from various forms of meetings with mental health professionals, including mindfulness sessions or meetings with psychologists and therapists.

## Activity

As part of this pillar, it takes measures to support physical activity for our employees. We organise tournaments, runs and marches, often combined with charity events. Key 2024 initiatives include:

- Active ING – Active-Charity challenge on the sports app and an additional 3 competition challenges, for people who enjoy walking, running and cycling. Our employees raised over PLN 20 thousand for the ING for Children Foundation. More than 500 people attended the event. Nearly 1,700 male and female employees registered on the Active ING platform.
- “Run Warsaw” – We have been taking part in the “Run Warsaw” event since 2013. The Orange Team is made up of employees and their accompanying persons and families. Every year we run and march for the ING for Children Foundation. In 2024 we broke the record for sign-ups. More than 6,000 people took part in the event, and we donated more than PLN 160 thousand to the Foundation. Traditionally, after the run and march we met for a family picnic.
- Active Break – as part of the prevention of spinal conditions, we launched a programme called “Active Break” in October 2020. We recorded 75 exercise videos that can be used as many times as needed at any time. In 2024, staff continued to practice using the recorded videos. Since October 2020, they have practised almost 1,106 hours and played the videos 25,296 times.
- Sports tournaments – We organise sports tournaments every year. In 2024 they took place: Football Tournament, Table Tennis Tournament, Beach Volleyball Tournament. The football tournament was for charity. The winning teams donated cheques of PLN 10,000 to three charities: Amp Football, Hope for the World Cup and the Avalon Foundation
- Mocodajnia – is a place in Katowice at 50 Chorzowska Street, which, depending on your needs, is a meeting room, a creative workshop space or an exercise room. Equipment and activities are tailored to the needs reported by our employees. We pay particular attention to classes aimed at preventing back disorders that result from prolonged sitting while working at a computer, reducing stress levels and muscle tension resulting from the pace of work and the number of tasks we face on a daily basis, acupressure mats help to combat back pain and have a relaxing effect.

In 2024, in response to the needs of our employees, we introduced regular dance classes, Tai-chi, yoga and dance classes for the children of our employees at Mocodajnia. We have also launched yoga classes in Warsaw, at the



Floor Hub in our headquarters at 2 Puławska Street. We have also introduced online classes in Tibetan healing yoga. Lu Jong Yoga is a set of 21 exercises for everyone regardless of age or fitness, combining form, movement and breath.

- Sports budget – the main purpose of the sports budget is to support the sporting passions of our employees, promoting a healthy lifestyle and physical activity. More than 1,500 people have benefited from the sports budget to date.
- Move June – in June we invited you to join the Move June campaign. Yoga classes, a cycling photo competition, bike discounts and much more awaited our colleagues.
- We exercise under the cloud – in July and August, employees were able to exercise with instructors in the open air in various parks in Katowice, Warsaw and Chorzów. The idea behind the meetings was to promote healthy and active outdoor recreation. A new feature was the introduction of slow jogging training, which was very popular and is still being continued.

## Finance

- Cafeteria programme – in operation at the bank since 2017. The cafeteria is available to all employees and the number of points awarded is based on salary level. In 2024, the Cafeteria was decoupled from the Company Social Benefits Fund, making it a more attractive and flexible benefit. Employees can choose from a wide range of products in the online system, such as cinema or theatre tickets, weekend or holiday leisure, they can also make purchases from the available shops and are not limited to leisure, sports and cultural and educational offers only. An important element of the Cafeteria Programme is the possibility of transferring the remaining and unused points at the end of the year to the ING for Children Foundation, which allows for supporting the statutory goals of the Foundation and more effective use of the pool of points that the employee received during the year. The cafeteria offer is constantly being developed, and employees can themselves nominate potential suppliers whose products they would like to see in the system. Employees have access to a mobile app for the cafeteria programme, which further increases the flexibility of using this benefit.
- The Employee Pension Programme (PPE) is a solution thanks to which we enable employees to collectively and voluntarily accumulate additional funds for retirement. The programme is designed for all employees who have been employed for at least three months. All that is required is a declaration of participation. For employees who join the scheme, the bank finances a base contribution of 3.5% of salary, which is invested in selected investment funds. The programme also allows for the systematic investment of additional own funds. Viewing of

the account balance is possible via a web application. When joining the Employee Pension Programme (EPP), ING Bank Śląski S.A. pays contributions to the employee's individual register each month, which build additional capital for future retirement. Due to the favourable principles of the existing EPP programme for employees, the bank had the option of deciding not to launch the Employee Capital Plans programme. From January 2022, the programme is operated exclusively online via a dedicated transaction service. In 2024, 83% of our employees were covered by PPE.

- Group life insurance – employees are offered the opportunity to take out group insurance with two insurance companies. The real benefit is the possibility for employees to take advantage of the employer-sponsored insurance option, which not only includes life insurance but also protects employees against serious illness. Employees are still able to take advantage of other insurance options under the self-funded offer from both Nationale Nederlanden and PZU.
- Periodic campaigns – the aim of our actions is to educate employees on financial matters and promote their financial well-being by passing on useful knowledge. The launch of actions in this area was preceded by a survey of employees' opinions, which confirmed their interest in such actions. Responding to their needs, we focus on areas such as:
  - promoting awareness of future pension saving schemes,
  - support in the field of personal taxes in the form of conferences, chats and brochures prepared by external experts,
  - providing knowledge and support on the market situation in Poland, the psychology of finance or the household budget.
  - financial education for children.

## Our actions in offsetting the negative impact associated with the restructuring plan

### S1-4, MDR-A

In December 2023, the Bank Management Board announced a restructuring plan, under which it plans to reduce its workforce by approx. 1,450 FTEs between 2024 and 2026. We place a high value on how we carry out the necessary changes and minimise the negative impact on our employees resulting from them.



Above all, we have made sure to financially secure the guarantee of an additional severance package for employees whose employment contracts are terminated as a result of restructuring processes. The amount of severance pay depends on the length of service with ING Group and its legal predecessors. The additional severance pay is payable irrespective of the benefits provided for in the Act on Special Rules for Termination of Employment Relations with Employees for Reasons Not Attributable to Employees. The level of additional severance payments was subject to negotiations with the company's trade union organisation and was finally approved in a signed agreement with the social side. The agreement was signed in December 2023 for a further three years.

The process of implementing the restructuring plan is based on close monitoring of contractual arrangements, including voluntary leaves on the initiative of the employees themselves. In the case of voluntary leaves, the HR units each time verify the business needs related to the necessity of filling the vacancy caused by the departure of an employee. Voluntary leaves and close monitoring of redundancies make it possible to achieve the effect of a reduction in the workforce without having to launch a collective redundancy procedure.

#### SBM-3

In connection with the restructuring plan, the bank's Management Board decided to create a restructuring provision for 2024-2026, which increased the bank's operating expenses by PLN 86.1 million in 2023. The level of utilisation of the provision set aside for this purpose is closely monitored in the form of monthly reports presented to the Bank Management Board. The report contains figures showing the level of employment in relation to the level of the restructuring provision set aside for this purpose.

## Work-life balance

At ING, we promote a holistic approach to work-life balance. We take steps to help reduce work-related stress and pressure and implement healthy habits to prevent feelings of exhaustion and burnout. To this end, we are organising a number of actions to support employees through, inter alia, the fringe benefits on offer, as well as implementing real practices to encourage employees to take advantage of additional days off and opportunities for flexible working arrangements.

## Actions

### S1-4, MDR-A

Work-life balance measures undertaken as part of fringe benefits (Energy Pillar) are described earlier in this chapter.

In 2024, we initiated the implementation of ING's global project, "Healthy Habits at Work":

- realistic priorities,
- effective cooperation,
- valuable relationships,
- regular rest and recovery.

We focus on initiatives that support appropriate work organisation and collaboration in teams. We are also building awareness of how important it is for our productivity to take breaks and stay connected with colleagues, especially in a hybrid working environment.

An important element of employee support is also the benefits package resulting from the Company Social Benefits Fund. The companies within the ING Bank Śląski Group have a common social policy which ensures consistency in the approach to the benefits offered. The benefits include a package covering the employee's family members, including Christmas benefit, holiday benefit. Caring for the comfort of employees who find themselves in a difficult life situation, any employee can apply for a fate allowance.

Regulatory aspects and details of the offer are published on the intranet pages and widely communicated in the form of emails addressed directly to employees from members of the Bank's Management Board encouraging the use of the tools available.

### Parents at work

At ING, we take care to adapt our working conditions to meet the needs of our female employees at different stages of their lives. This year, together with the ING Women employee network, we implemented a comprehensive offer to support people before, during and after long-term absences and those in leadership positions. We conducted more than 150 interviews, which allowed us to fully perceive their needs. We want to make sure that, in the event of a return or in preparation for a long absence, all the information needed is just a click away. A dedicated tab in ING Today includes checklists for people before, during and after a long absence and a leader's





guide. Not only do the materials help to better prepare for an absence or return, but they also contain key information about the entire offer available to returnees. We have also introduced a special tab in the HR system that allows you to leave a private email address. This allows us to easily communicate with the absent person and them with us. To date, more than 2,500 people have taken advantage of this option. We know what a challenge it is to seek information, hence we have additionally implemented holiday guides for fathers, mothers and people with disabilities. We have also made sure that our Labour By-law and Hybrid Working By-law look after flexible working, which is a viable solution to the challenges of, for example, young parents who are returning to working life. Other solutions already implemented include a mentoring programme and the abolition of the paperwork for feeding breaks, which now do not have to be registered. Since implementation, almost 30 people per month have been using the offer. We are working to implement further improvements that will make people more comfortable returning to work and minimise the uncertainty that already exists.

In addition, as part of the actions of the ING Women's Employee Network, we invited parents to a series of webinars, which were attended by more than 400 people in total. We spoke to experts on topics close to parents:

- How to understand your teenager during puberty? Do you want to be right or have a relationship?
- Young children's emotions (2-6 years). How to deal with them?
- A recipe for guilt-free parenting
- Playing to one goal – parents and school
- Fair doesn't mean the same – sibling without rivalry
- Tame the dragon – transforming anger in parents and children
- A parent at a crossroads – the most common parenting dilemmas

#### Holidays and additional days off for parents

Parents employed under a contract of employment are legally entitled to various types of leave:

- parental leave,
- paternity leave,
- childcare leave,

- 2 days or 16 hours of care for a child under 14 years of age.

The duration of the aforementioned leaves, the scope of social protection, and the amount of the allowance granted during these leaves are regulated by law.

As part of our efforts to support parents in combining work and parenthood from 1 July 2021, we are offering employees additional benefits over and above the regulatory limits:

- additional maternity leave – any mother raising a child up to 2 years of age can take 10 additional days of maternity leave with pay;
- additional paternity leave – any father raising a child up to 2 years of age can take 5 additional days of paternity leave with pay. The condition is that the basic paternity leave is taken in advance;
- childcare – we have extended the entitlement to 2 days or 16 hours of paid childcare: parents of children up to the age of 18 (in relation to the legal age of children up to 14) can avail of this possibility, regardless of whether the other parent has availed of it.

We draw attention to the protection of the sustainability of employment of people returning from parental leave and the inclusion of employees returning after a long absence. Employees who become parents are provided with full information about their entitlements and privileges.

It is worth noting that every ING employee is entitled to use an additional Family Day Off. Time off can also be taken in hours, and it is up to the employee to decide what form it can be taken.





S1-15

Data on employees entitled to leave for family reasons in 2024			
	Women	Men	Total
Employees entitled to parental leave* (maternity, parental, paternity leave)	1,172	741	1,913
Number of people on parental leave* (maternity, parental, paternity leave)	373	137	510
Percentage of employees who took parental leave	32%	18%	27%
Employees entitled to childcare leave **	2,939	1,659	4,598
Number of persons who have taken childcare leave	2,650	1,431	4,081
Percentage of employees who took childcare leave	90%	86%	89%
Number of persons on parental leave***	140	1	141
Number of people who have taken care leave***	6	4	10

Methodological note:  
\* We consider people with children of the age indicated by the law to be eligible to take parental leave, regardless of previous take-up of the different types of leave with previous employers and the ING Group.  
\*\* Based on internal regulations, those entitled to take childcare leave are employees with at least 1 child under the age of 18.  
\*\*\* Due to the nature of parental and carer leave, we do not have data on the number of employees eligible to take this type of leave. The reported data is limited to the number of employees who have taken leave.

Equal treatment and equal opportunities for all

Our approach to Diversity Inclusion and Belonging

S1-4

At ING we know we are delivering, our strategy if we care and support initiatives related to building a diverse and inclusive workplace. We create solutions that allow us to educate and develop as a good employer and partner for the people who are our clients. Our aim is to be an equal opportunities bank. By creating a diverse and inclusive environment, we aim to make our approach to inclusion and belonging widely known and perceived as part of our organisational culture. We create inclusive habits based on our Orange Code, which is our compass, and our commitment to it is included in our *Labour By-law*. We design solutions using sound materials and research that enable us to build an inclusive workplace. We focus our attention on four pillars:

- We support people in translating good intentions into practical habits,
- We analyse our processes in terms of social inclusion,
- We give people in leadership roles the space to educate and act,
- We treat DIB-related tasks like any strategic priority.

The four pillars of our approach to diversity, inclusion and belonging



We care about gender balance

S1-4, MDR-A, S1-5, MDR-T

In 2023, we implemented ING Group N.V.’s global strategy to equalise the representation of women and men in senior management. The strategy calls for at least 30% of women to be in senior management positions by 2025. By December 2024, we had achieved 34%.

These goals do not represent the ultimate endpoint but are milestones on the way to achieving true gender equality at the top of our organisation, which will ultimately translate into minimising the pay gap.

We are also taking coordinated action to attract, develop and retain female talent.



A Chief Diversity Officer (CDO) position has been established within ING Group N.V., responsible for its implementation globally and at local level HR Director is responsible for the implementation of this strategy in ING Bank Śląski.

The 70% principle

We value diversity and inclusion, but we also recognize that we have a lot of work to do. That is why we introduced the 70% principle. Our aim is that no group should consist of more than 70% people of the same sex, nationality or belonging to the same age group. Of course, we recognise that this may not always be appropriate or possible at all levels. This is why managers have ultimate responsibility for building diverse teams and selecting the appropriate dimensions of diversity to focus on – while taking into account the 70% principle and our global priorities (gender, nationality and age group). We are aware that diversity is more than these global priorities and we will continue our efforts to include everyone, regardless of their cultural background, experience, religion, sexual orientation, perspectives, viewpoints, etc. This is part of our ongoing efforts to create meaningful change.

MDR-M

Gender equality management indicators				
KPIs	Definition	2022	2023	2024
Percentage of women in senior management	Including the Management Board and senior management – percentage of women who hold a position in the hierarchy up to the second level from the CEO among all employees in such positions	31%	31%	34%
Percentage of women in total management	Percentage of women in managerial positions (including management, senior management and lower management) among all employees in such positions	48%	48%	47%
Percentage of women in middle management	Percentage of women who hold a managerial position below the second level from the CEO, among all employees in such positions	54%	54%	52%
Percentage of women in non-managerial positions	Percentage of women in non-managerial positions among all employees in such positions	66%	64%	64%
Percentage of women in total staff	Percentage of women in the organisation, relative to all employees	64%	63%	62%
Percentage of female promotions	Percentage of women who were promoted to a higher position, compared to the number of total promotions that took place in a given year	66%	68%	66%
Percentage of women in IT	Percentage of women in engineering and programming roles, relative to all people employed in such roles	24%	25%	24%
Percentage of new female employees	Percentage of female new hires to total new hires for the year	51%	45%	47%
Percentage of women dismissed	Percentage of women dismissed in relation to total number of employees dismissed in the year	60%*	64%*	65%

Methodological note:

\*Change in the calculation methodology; in previous years the indicator was calculated only for voluntary leaves, currently it is calculated for voluntary and involuntary leaves together.

- 1. Senior managers are considered to be those employed in positions of grade 19 and above (out of 21 grades) and acting as supervisors for at least one employee.
- 2. Employees classified below grade 19 and who are supervisors for at least 1 member of staff are considered to be managers.
- 3. The Bank Management Board is included in Senior Management.



Actions

S1-4, MDR-A

We ensure that all our actions contribute to a better understanding of our Diversity, Inclusion and Belonging strategy and reinforce inclusive habits. We fine-tune the range of actions we offer each year, which are aimed at employees as well as those in leadership positions.

- Workshops and webinars related to promoting a culture of inclusion, including but not limited to inclusive language.
- We support the actions of employee networks.
- We are conducting research to become a more inclusive employer (Inclusion Index).
- We offer programmes for male and female leaders to strengthen their skills in having difficult conversations about giving feedback, minimising unconscious beliefs and inclusive leadership.
- We organise events related to diversity and inclusion culture.
- We provide mentoring, coaching and career counselling.
- We talk about diversity in the forum.
- We have a leadership programme for young women.
- We offer 3 learning pathways related to creating a diverse, inclusive and safe workplace.
- We support people before, during and after long absences, whatever the reason.

We conduct evaluations of our HR processes to minimise unconscious beliefs.

The biggest educational events in the area of diversity, inclusion and belonging in 2024 were:

- Diversity Day was the first edition of a conference in which we celebrated diversity and employee networks in the bank – Rainbow Lions, ING Women, Diverse, Gen Z. The event was attended by more than 200 people stationary in Katowice and almost 400 online.

- Why differences matter is a series of conferences that aim to draw attention to our differences and look for superpowers in them. This year’s seventh edition focused on multigene rationalism and precisely how we can exchange knowledge and experience. more than 200 people attended the conference online and in person.
- ING Women’s Employee Network Conference – at ING we care about and support initiatives related to building a diverse and inclusive workplace. It was in this spirit that we organised the first Women ING employee network conference. The event was initiated by members of a network of individuals focused on empowering women in their career paths and implementing new initiatives in the area of gender equality.

We include neurodiverse people and people with disabilities

In 2024, the global strategy for the inclusion of people with disabilities and neurodiverse people was created, which clearly defines our goal – we want to create a working environment where neurodiverse people, people with disabilities and those indirectly affected by disability can reach their full potential. Our actions will focus on four areas:

- Conscious and supportive leadership
- Talent acquisition and retention
- Availability
- Reporting

We are building an environment where all employees have equal opportunities. as part of the disability benefits package, which supports employees and their families, monthly fixed allowances funded from the Company’s Social Benefits Fund for employees with moderate or severe disabilities and those raising children with a disability certificate, introduced from 2019, are available.

In support of those caring for loved ones with a recognised moderate or severe disability, we offer the possibility to take an additional 2 days off work in the case of caring for a spouse/partner, parents, in-laws or grandparents. in the case of caring for a child with a recognised disability, the employee can take an additional 5 days of care. Taking care of our employees with a certified slight degree of disability, we offer an additional 3 days off, retaining the right to remuneration.





## Building awareness and strengthening inclusive habits

Our main focus is on building inclusive habits among those working in the bank and those in leadership positions. We talk about the many dimensions of diversity such as gender, age, disability or diversity by place of work. We all work for a swap, which is why we ensure awareness and strengthen the commitment of our leaders, support the actions of employee networks and other initiatives organised by the teams.

The bank has four thriving employee networks:

- Diverse dealing with areas related to disability, neurodiversity and cultural diversity with over 600 followers on internal social media,
- Rainbow Lions, who focus their actions around the LGBTQA+ community and have a community following of over 300 people,
- ING Women works to promote gender balance in the bank through actions related to the areas of parenting, confidence building or development. The employee network on internal social media is followed by almost 1,000 people,
- Gen Z is a network that brings together people from generation Z and all those who want to strengthen intergenerational cooperation in the bank. The employee network has almost 600 followers.

Each of our employee networks can count on the support of a board member who acts as a sponsor. Currently, 3 board members patronise 4 employee networks.

We talk about diversity and our impact on building an inclusive culture regularly. In May, the first Diversity Day conference was held to give a broader introduction to employee networks and their action plans for the rest of the year. In June, together with the Rainbow Lions network, we proudly celebrated Pride Month, which included Rainbow Meetings, which resembled a living library in format, and a webinar that introduced us to the history of the LGBTQA+ movement in Poland. We also invited all those interested in the idea of the Equality March to march together in Katowice. This year we also launched our reverse mentoring formula – a total of 21 intergenerational pairs took part in Skills SharING. In October, at the next iteration of the “*Why differences matter?*” conference, we talked about similarities and how generational diversity enriches our working environment. In December, we also celebrated Disability Sensitivity Days. in which we realised Exercises in Blindness in cooperation with the Invisible Exhibition.

We provide our employees with development programmes on a training platform dedicated to diversity and inclusion. Those in the workforce will find a series of webinars and microlearning on various aspects of diversity, inclusive behaviour and language, and identifying unconscious beliefs. this year, we also developed a dedicated webinar and workshop on minimising unconscious beliefs in HR processes, which enabled us to launch a review of HR processes.

## Involvement in external initiatives

As of 2019, we are a signatory to the Diversity Charter. It is a voluntary initiative joined by employers from the following sectors: business, NGOs, public administration, local government and academia. As participants in this endeavour, we are committed to supporting diversity and fostering inclusion in the workplace.

ING Bank Śląski is a member of the Polish Bank Association’s Committee on Diversity & Inclusion, which was inaugurated in October 2022. The Committee’s main objectives include: promoting diversity and gender equality, increasing the representation of women on management boards, supervisory boards and in executive positions, promoting the environment of women in the financial sector based on their competence and experience in business, supporting the implementation of European regulations and standards, and increasing women’s awareness and financial independence. more than 20 banks and financial institutions present on the Polish market participate in the initiative.

Brunon Bartkiewicz, the President of the Bank Management Board, has been a member of the programme council of the Business Women Leaders Foundation since 2021. The foundation supports women in discovering their potential and strengthening their leadership skills. The foundation’s actions focus on promoting female entrepreneurship, developing talents and supporting their aspirations and professional independence.

Bożena Graczyk – Vice-President of the Management Board – is a member of the presidium of the Diversity and Inclusion Committee within the Polish Bank Association. Its main objectives include supporting the various dimensions of diversity, building an environment of equal opportunities, increasing the representation of women on boards, supervisory boards and in leadership positions, promoting the environment of women in the sector, supporting the implementation and European standards and regulations, and increasing women’s financial awareness and independence.

This year also saw the premiere of the report “Diversity Management in Commercial Banks”, which we prepared together with the Polish Bank Association and colleagues from the banking sector. the report offers an analysis of





diversity, inclusion and belonging practices in the banking sector. The survey was conducted in 21 commercial banks. The report can be downloaded [here](#).

S1-12

Employees with disabilities*					
	2020	2021	2022	2023	2024
Women	128	131	147	158	155
Men	43	51	55	57	56
Number (persons)	171	182	202	215	211
Percentage of employees with disabilities	2.0%	2.1%	2.4%	2.6%	2.6%

*\*As defined in the Charter of Rights of Persons with Disabilities (Act of 1.08.1997).*

Diversity management awards

We found ourselves in the line-up for the next edition of the *Diversity&Inclusion Rating*. The *Diversity&Inclusion Rating* is an initiative of the Responsible Business Forum, which was created in cooperation with Deloitte experts. in the latest edition, we were named in a group of companies that scored 80% of the possible points. The initiative brings together stakeholders drawing strength from the various dimensions of diversity, allows for an assessment of a company’s level of maturity in diversity management and inclusive organisational culture and also provides a summary of actions in this area. The questionnaire that was completed by the companies consisted of 4 parts: the rudiments of management, Programmes and actions, commitment building and performance indicators.

Our global submission to the Workplace Pride benchmark received the highest possible level: “Advocate”. This was a great achievement for ING as a whole and a reflection of individual and collective efforts in 24 countries and proof that inclusion is at the heart of our identity.

Equal pay

S1-1, MDR-P

The remuneration system is open and transparent and its principles are communicated to all bank employees. The overarching document setting out the remuneration principles is the *ING Bank Śląski Group Remuneration Policy*. This policy specifies the key assumptions for shaping the remuneration policy used to attract and retain employees by ensuring a market-competitive level of remuneration, and defines the components of remuneration. It is

gender-neutral, which means not creating conditions for undue preference for either gender in terms of employment, career development, promotions and the award and payment of remuneration.

The assumptions of the remuneration package are further clarified in the ING Bank Śląski S.A. Employee Remuneration Bylaw. The principles for bonuses, on the other hand, are set out in the *ING Bank Śląski S.A. Employee Evaluation Bylaw (Step Up)*, which describes the principles for assigning tasks, evaluating employees and awarding bonuses.

The total remuneration is divided into a fixed and a variable part.

Fixed remuneration

An employee’s fixed remuneration consists of the following elements:

- basic salary,
- supplementary benefits granted on the basis of generally applicable laws and the bank’s internal regulations,
- fringe benefits that form part of the bank’s overall policy, i.e.:
  - medical care,
  - occupational pension scheme,
  - life insurance,
  - company cars,
  - remote working / office allowance,
  - benefits granted to employees under the Cafeteria Scheme Regulations.

Variable remuneration

Variable remuneration is all forms of remuneration and other benefits provided in return for performance, and is determined on the basis of an assessment of balanced and risk-adjusted performance taking into account quantitative and qualitative criteria. variable remuneration includes an annual bonus and financial rewards.



Equal pay indicators

MDR-T, S1-4

At the Bank, we monitor the gender pay ratio on an ongoing basis. The analysis of the pay gap is based on a comparison of the average pay of men and women across the Bank. However, the full picture of the gender pay gap is more complex, as it is influenced by many factors, such as the employment structure of women and men in the Bank, as well as the value and type of work they do. Therefore, the analysis of the pay gap is divided into two components:

- the unadjusted pay gap,
- the adjusted pay gap.

Indicator calculation methodology

- Unadjusted pay gap – ING Bank Śląski S.A. calculates the unadjusted wage gap indicator in accordance with the methodology resulting from the European Banking Authority Guidelines. The calculation is based on the ratio of the difference between the average male and female salary to the average male salary. The analysis includes all persons employed at the Bank as at the end of 2024 on the basis of an employment contract, excluding employees during long-term absences (at least 3 months as at the end of 2024) and those employed in the last 3 months of 2024. Other assumptions used in the calculation include the conversion of salaries into full-time equivalents for part-time employees and the annualisation of salaries of the employees included in the analysis. The variable remuneration included in the calculation represents the remuneration awarded for 2024. The unadjusted pay gap in 2024 was 31%.
- Adjusted pay gap – the main factor influencing the level of the wage gap at ING Bank Śląski S.A. is the employment structure and the value and type of work performed. To date, the adjusted pay gap has been calculated by the Bank for groups of staff working within the same grades. From 2025 onwards (gap for 2024), the Bank determines the level of the adjusted pay gap on the basis of an analysis comparing the average salaries of men and women employed within homogeneous job groups performing the same work or work of the same value, in accordance with the Bank’s remuneration policy, weighted by the employment structure in these groups. Job groups with a female or male representation of less than three employees were excluded from the calculation. The other assumptions used in the calculation are the same as for the unadjusted gap. The adjusted pay gap in 2024 was 3%.

We are taking steps to ensure that the gender pay gap is reduced over time.

S1-16

Unadjusted wage gap indicator for 2024 calculated according to the methodology of the EBA Guidelines	ING Bank Śląski	ING Bank Śląski Group
Ratio of the difference between average male and female pay to average male pay	31%	31%

In addition to the gender pay gap indicator, from 2022 onwards, we continue with an in-depth analysis on equal pay for equal work, which shows the pay mismatch index for the same positions, grades, competences. In this way, we identify individuals who earn statistically more or less for a given profile, also relative to the opposite sex. The results of the analyses are one of the key elements considered by managers when deciding on salary increases.

We have a number of diversity and inclusion initiatives in place to equalise opportunities for women and men and to raise awareness among managers and employees of our bank’s gender non-discrimination policy. One of the Management Board’s annual objectives in recent years has been to ensure that there is an appropriate gender balance in senior management succession plans.

Review of the remuneration package and results

To ensure competitive remuneration levels, we review remuneration levels annually. The subject of the analysis is market data – independent salary reports and economic information. On the basis of the above data, the Management Board decides on the principles for the increase action for the year. The Remuneration and Nomination Committee and the Supervisory Board are informed of the approved principles for increases. The analysis of employee remuneration by gender is combined with a presentation of the gender pay equality index for the last year, together with information on the measures taken to eliminate any inequalities in this respect.

On the basis of benchmarking in 2024, we carried out a pay raise action that covered all employees in April. The increases consisted of an automatic part and a discretionary part decided by the manager. The main thrust of the pay raise action included an increase in the minimum wage to PLN 5,500 gross (full-time). We have also introduced a new basic salary table in which we have increased the minimum salary amounts in all grades.

Differentiation

During the recruitment process, as well as during promotion decisions, candidates’ salaries are consulted with individual HR Business Partners. This practice is intended to counteract unjustified pay gaps. At the same time, the



bank has a simplified management structure with an expert path, the purpose of which is to increase employee development opportunities. This allows for the systematic promotion of employees and an increase in the level of remuneration.

Linking employee remuneration to the minimum wage

We offer our employees stable employment contract using the arm’s length principle. The object of the analyses is to relate the level of remuneration offered to the market and to examine the relationship to the statutory minimum wage level. The salaries of the lowest-level employees – in relation to the minimum wage and in relation to the average in the banking sector, are shown below.

Ratio of pay of lowest-level employees broken down by gender to minimum wage					
	2020	2021	2022	2023	2024
Woman	154%	159%	169%	156%	128%
Man	154%	154%	166%	156%	128%

Comparison of salaries of entry-level employees to the market*					
	2020	2021	2022	2023	2024
Bank / Market	114%	120%	116%	113%	106%

\*Basic salary compared to the banking sector, market benchmark data provided by Korn Ferry Hay Group.

Ratio of Management Board remuneration to employee remuneration

In addition to the area of equal pay between men and women, an important element is not to allow disparities between the remuneration of the Members of the Management Board and the average remuneration of our employees. Therefore, this area is governed by two policies: *the ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy and the ING Bank Śląski Group Remuneration Policy.*

According to the provisions of the regulations cited above, the average gross annual total remuneration of the members of the Management Board does not exceed 40 times the average gross total remuneration of the other employees in an annual period. This relationship is reviewed annually as part of the pay policy review. The average basic salary received by an employee in our bank is PLN 12.8 thousand gross per month in 2024 in comparison to PLN 11.6 thousand in 2023.

Information on the ratio of directors’ remuneration to the average remuneration of employees					
	Limit	2021	2022	2023	2024
Ratio of multiples of average gross basic salary (monthly)	40	13	12	12	11
Ratio of multiples of average gross total remuneration (annual)	40	22	27	22	21

S1-16

Index of total annual remuneration				
	2021	2022	2023	2024
Ratio of annual total remuneration for the highest paid person in the organisation to the median annual total remuneration for all employees (excluding the highest paid person)	41.9	40.6	36.7	36.0
Ratio of the percentage increase in total annual remuneration for the top earner in the organisation to the median percentage increase in total annual remuneration for all employees (excluding the top earner)	0.25	0.79	0.15	0.87





Ensuring a work environment free of discrimination and harassment

S1-1, MDR-P

At ING, we condemn all forms of discrimination, bullying and harassment. We work together to create an inclusive workplace. Our commitment to a working environment free from discrimination on the basis of gender, race, colour, religion, political opinion, national or social origin is included in, inter alia, the *Labour By-law*, our *the ING Bank Śląski S.A. Group Declaration on Respect for Human Rights* [\(link\)](#) and the *ING Global Code of Conduct*, which we describe [here](#).

As an expression of our desire to counter undesirable phenomena in the workplace, such as discrimination and bullying, we are implementing separate regulations in this area:

- *The Policy of Nurturing a Work Environment Free of Discrimination and Bullying,*
- *The Procedure Governing How to Act in the Event of Suspected Adverse Events.*

The above documents were approved by the President of the Management Board and the HR Director is responsible for their implementation and application in the bank.

S1-3, S1-4, MDR-A

All employees starting work at ING complete the mandatory training “Work free of bullying and discrimination”. The training aims, on the one hand, to familiarise new employees with the existence of the organisation’s *Anti-Discrimination and Anti-Harassment Policy* and *the Procedure regulating how to act in the event of a suspicion of undesirable phenomena*, and, on the other hand, to familiarise employees with the recognition of undesirable phenomena such as mobbing, harassment and discrimination and indicate how to act in the event of irregularities and how to report them. We monitor the level of training completion every year – in 2024, 100 per cent of new employees have completed the training programme.

Each of us, anonymously or by name, may report irregularities related to material breaches of labour standards, internal regulations, as well as ethical standards in the bank’s business practices. This can be done through channels such as: *The Whistleblower* , which we describe in more detail [here](#) and email reports to the *Bullying-Discrimination* email box.

Each report to the *bullying-discrimination* email box is dealt with in accordance with *the Procedure Governing How to Act in the Event of Suspected Undesirable Phenomena*. At the end of the investigation, in the case of the

circumstances contained in the notification, the Case Investigation Team provides recommendations for corrective action.

A report sent to the *Mobbing-Discrimination* email box is forwarded to HR representatives. in 2024, one report received under the functioning of the whistleblowing system was categorised as “discrimination”.

S1-17

Number of reports in the Mobbing/Discrimination category		
	Number of reports	Number of confirmed cases
Reports to the Mobbing-Discrimination email box	3	1
“Whistleblower” reports	2	0

Training and skills development

We believe that investing in the competence development of our employees is not only a way to improve the quality of our services, but also a way to build a strong, innovative and resilient organisation. in the fast-changing world of finance, our efforts are focused on providing employees with access to state-of-the-art training programmes, mentoring initiatives and development opportunities in various areas. By doing so, we support them in improving their skills and achieving ambitious career goals, which ultimately translates into value delivered to our clients.

Policies

S1-1, MDR-P

The basic commitment to supporting the professional development and upskilling of our employees is contained in the *Labour By-law*, which we describe [here](#). Employee development at ING is strongly linked to organisational strategy. The area of development is supported by *the Procedure for Raising Professional Qualifications*, *the Procedure for Development Activities* and *the ING Bank Śląski S.A. Employee Evaluation Bylaw (Step Up)*. The documents are available to all interested parties on the internal ING Today intranet. *The Procedure for Raising Professional Qualifications* describes how an ING employee can develop his or her qualifications, including outside the organisation, and the rules on how study subsidies or the granting of days off work works. *The Procedure for Development Activities* informs about the available development offer, which is published in ING Today, on top of that it indicates that we plan development activities primarily based on Individual Development Plans and Learning





Forecasts. The Learning Forecast process shows us the key focus points for development activities for each area of the bank. Lessons from Learning Forecast also support the budget planning process.

## Directions and objectives of our actions in the field of training

[S1-4](#), [MDR-1](#), [S1-5](#), [MDR-T](#)

In 2024, the aim of our development activities was to unlock the full potential of our employees by creating opportunities for continuous learning and growth so that they build the right skills, achieve above-average results and strengthen the mental resilience to support the transition through change. In addition to consistently delivering on our promise of the highest quality client experience and making continuous improvements, sustainability is an important part of our strategy and actions. This direction requires the ongoing equipping of employees with the key knowledge, skills and abilities to deliver increasingly beyond the short-term backlog and individual tasks.

At the same time, our organisational culture is also undergoing material change, where the ability of leaders to manage change and build a sense of belonging through inclusive behaviour and communication is becoming critical. A key success factor in creating an inclusive, diversity-based culture and implementing flexible career paths is the leader and his or her role in having meaningful conversations, modelling behaviour or in supporting in moments of doubt. We are constantly reinforcing awareness of the role of the leader and the challenges they face, providing inspiration, tools and know-how for development.

We have also implemented a new approach to the talent management process, based on talent segmentation and advanced data analysis. We conducted a review and discussion of the talent pool including targets for women's representation. We have equipped leaders with the knowledge and tools to conduct development conversations with talent and plan the next steps in their development. A further phase is ahead to consolidate the implementation of the new approach by improving the quality of the development interviews, complementing the educational offer and supporting the development of identified talent.

Understanding the potential of AI and its impact on business development was also an important area of focus. In August 2024, we conducted the first survey on AI in our bank. In the survey, we verified various aspects such as our experiences, willingness to learn and perceptions of AI. The conclusions of our survey confirm the need to continue training and education activities in this area.

## Metrics

Due to the broad development offer, we measure various aspects of its use, from the hours spent on the MyLearning platform, to the number of Career Counselling or mentoring sessions, to indicators such as the number of people at bank-wide events and their vote in quality surveys. Measuring the effectiveness of an action depends on its form. We also gather the voice of employees in the annual OHI survey as part of a culture of continuous listening. This gives us a broad picture of how the development offer meets the needs of people working at ING. Among other things, we ask whether employees feel they have the right competencies to deliver ING's strategy, whether they are receiving the training and development they need to do their jobs effectively, or the extent to which ING offers clear career paths for all employees. The greatest proof of knowledge and skills is the work, hence the achievement of KPIs in the business areas and the appraisals of working people taking place as part of the Step Up process are just as key indicators. Development activities are not an end in themselves. They are intended to support the bank's strategic objectives, areas or the fulfilment of challenges on the job. Hence, mid-year conversations and annual appraisal are good opportunities for leaders to support those working to plan development activities and include them in Individual Development Plans.

## Actions

### Individual development plans

At ING, we focus on development that addresses employees' natural predispositions and strengths, their talents. All leaders are required to prepare their Individual Development Plan, from which the individual's development path or possible succession plan is derived. The role of the leader is to encourage others to create their own career paths and support them in defining and pursuing them.

We want working people to take responsibility for their careers by defining their development goals in three areas:

1. short-term – within the current position,
2. for the next career step, i.e. potentially new roles, responsibilities and tasks that require updating of skills (upskilling) and
3. long-term – concerning a career in the current workplace or a change of direction (reskilling).

In 2024, 1,555 people have registered their Individual Development Plans with the system. We are committed to ensuring that those working create plans based on their own aspirations, aptitudes and needs based on market



trends and the bank's strategy. Working people can benefit from the support of an in-house career counsellor, who will help, inter alia, with the first steps of career planning, the verification of professional aptitudes or the choice of career direction.

In addition, we encourage working people to develop the skills of the future that allow us to prepare for challenges, whatever those challenges may be.

We have provided all working people with a map of the nine essential skills broken down into 3 areas: cognitive, social and technological. On this basis, we have prepared a levelling test and pathways to support the development of specific skill areas.

#### 10-20-70 method

Once development goals have been identified, we encourage working people to plan a path to reach them. At ING, we propose a selection of development activities according to the 10-20-70 effective learning method:

10% of an employee's knowledge and experience is gained through formal learning, such as courses, workshops and literature. In this respect, at ING we offer, inter alia, practical workshops, internal and external webinars and access to digital platforms and tools:

- My Learning, where you can find a lot of material, educational programmes in Polish and English. In 2024, 8054 employees used the platform.
- Udemy Business, a platform of courses prepared by international experts in various business fields. 1,678 employees have taken courses on the platform.
- eTutor, a language learning application: we provide courses in English, German, Spanish, Italian and Polish for employees and foreigners. 3,272 employees benefited from language development in the app.
- Legimi, i.e. access to more than 250,000 ebooks and audiobooks to broaden business and interest-related knowledge. In 2024, 4,095 people used the app. Employees have already used more than 10 million pages of ebooks and audiobooks.
- Get Abstract – is a platform with abbreviations of more than 27,000 books and business articles that can be assimilated in a variety of formulas under 15 minutes. Dozens of employees have used the platform.

Employee gain 20% of knowledge and experience from feedback from a supervisor, colleagues and working with another person e.g. a mentor, career advisor, coach or subject matter expert.

At ING, we believe that feedback is a key part of development. In the My Learning Programme, we have developed an educational programme to help people working at ING learn about giving, giving and working with feedback. Everyone is encouraged to give each other feedback relating to effective task completion and behaviours that support the building of long-term relationships. To reinforce the flow of information, we can use the prepared Feedback app.

Female and male employees of the bank are encouraged to take advantage of development activities such as coaching, mentoring and career guidance.

- We offer coaching to individuals who know how to act but, for some reason, do not apply their knowledge and need to work on their barriers. In 2024, 15 people benefited from individual sessions with a certified internal or external coach.
- Mentoring is one-to-one meetings with mentors who have more experience in a particular field. At ING, we offer several mentoring opportunities aimed at leaders and professionals. Classical mentoring, in which people with more experience share, inspire and support in finding the best solutions. Mentoring Skills Sharing is an intergenerational exchange of knowledge, experience between leaders Gen Zers. Specialist mentoring. Tech mentoring, aimed at those interested in technology topics, or mentoring within the NextGen PM, 30under30 development programmes. In 2024, we completed more than 120 formal processes, benefiting more than 150 people.
- Career counselling is an increasingly popular solution for all those who want to consciously create their career path and, at the same time, derive joy and satisfaction from it. The task of the certified in-house counsellor/mentor is to support working people, inter alia, in making career decisions based on individual preferences, motivation, in designing individual career paths or in exploring career opportunities at ING. In 2024, 128 people benefited from career counselling.

70% of knowledge and experience is gained by working people through practice on the job, acting, experimenting, performing their professional duties and taking on challenges.

We encourage employees to learn by taking on new tasks, looking for new opportunities to experience. We give our male and female employees the opportunity to take part in internships that will allow them to test themselves in new roles, tasks and areas, thus developing their skills as well as reviewing their career direction.



- A developmental internship #Be Right Back in Another Unit, which lasts up to a maximum of three months. During the internship, the employee tests himself in new tasks and surroundings. It pursues predetermined goals while learning new knowledge, acquiring new skills and verifying its professional aptitude.
- An #On a Mission internship is a short stay with another team to gain new knowledge and skills. The dimension of the engagement is agreed individually – between the trainee and the leaders of the two teams. This internship can be carried out in different cycles: days/hours.

In addition, educational programmes to support the reinforcement of essential business skills are being implemented across business lines.

#### Educational initiatives and programmes implemented in 2024

- “Rosnę, bo chcę” (eng. “I grow because I want to”) – a conference where we talk about learning and development. this year was its fifth edition, and the theme was future skills in the cognitive, social and technological areas. the event was attended by more than 900 participants online and offline, and the future skills test was completed more than 2,000 times.
- Tech Learning Day – the aim of the conference was to inspire and encourage employees to take on new challenges in technology education. We created a space for networking, discussion and knowledge exchange. The event benefited 120 employees stationary and 230 remotely.
- Transformation & Change Day – the fourth edition of the programme and change management event produced by our Expert Centre for Transformation and Change. The slogan for this year’s meeting is “Transformation – let’s navigate the future together!”. Employees were able to listen to a series of lectures linked to the practical aspects of change management, strategic programme portfolios or the tool ecosystem.
- ESG Fundamentals – is the core element of the bank’s ESG education programme. It is designed to strengthen the understanding of what ESG is, why it is important to us and to build a sense of shared responsibility. More than 50% of employees have already completed the ESG and sustainability e-learning course.
- ESG Professional – is a series of more than 20 webinars, trainings and workshops to go deeper into ESG topics, e.g. how we can support our clients in their environmental transformation or how to build awareness of ESG for our clients. More than 800 employees have already benefited from the materials.
- NextGen PM – a programme in which employees are introduced to ING’s methodology for leading complex change and strengthen their transformational skills in carefully designed workshops. Participants have the

opportunity to learn about programme management methods, standards and policies, and have had the chance to develop their soft skills such as public speaking and relationship building. The NextGen PM Foundation programme has graduated 13 participants, the Practitioner edition has eight participants.

- 30under30 – a development initiative that supports future female banking leaders in achieving their career goals and gaining market advantage. the first edition of the programme was attended by 38 female employees from the Business Banking area; the second edition, which runs until April 2025, is attended by 20 female employees from the CRO, CFO, CIO divisions.

#### Educational activities for employees in the technology area

- Virtual Academy for IT Support (WAWIT) – a series of specially designed online training courses that provide a compendium of knowledge about tools and applications. the series covers good practices in remote working, cyber security and effective use of ING work tools such as Outlook, Snow, Viva Engage, Microsoft Teams and Stream, WILCO, MFA-NETIQ and M. Authenticator. The events were attended by 2,642 participants.
- Power of Data Conference – at the seventh edition of the conference, we presented the latest developments in artificial intelligence and data analytics. Participants had the opportunity to learn about the practical applications of generative AI and how to effectively create and use prompts. More than 100 participants signed up for the event stationary and nearly 370 online, demonstrating the huge interest in artificial intelligence and data analytics within our organisation.
- AI Trek is a development programme in which we develop knowledge about artificial intelligence and encourage employees to come up with ideas for its use in the bank. Together, we are looking for solutions to make banking with us even more convenient and the work of our experts easier. During the final, the top six teams of this year’s programme presented their ideas.
- CodING Academy – during a programme lasting several months, participants acquire and develop coding skills in the Python language. We ran 2 editions in W2024 with 300 participants and 6 mentors.
- AI Academy – a course aimed at those interested in expanding their competence in artificial intelligence. The course arms employees with the practical knowledge of working with a range of off-the-shelf tools and models, which are used in modelling or analysing textual and image data, among other things. The “Introduction to AI” course was attended by 498 employees and the advanced edition by 67 participants.





- Cloud Academy – the use of cloud technologies is an essential part of the bank's IT strategy. as a result, we are building specialist, task-specific competences among different classes of audience. The cloud is not only a technological aspect, but also issues related to security, IT risk and applicable laws and regulations.

#### Leadership training

High leadership competencies of those in leadership roles are key to the well-being and effectiveness of teams and individuals working at ING. The quality of leadership and equipping those in leadership roles with the right skills is a key priority for us. We target development activities to both those managing teams formally and those managing informally or preparing for a leadership role. The development path we publish in ING Today is a signpost in the Individual Development Plan. Leaders can take advantage of the local and global development offer available. in 2024, we have targeted this group with activities such as:

- Leadership Fundamentals workshops and ING Leadership Experience – leadership programmes for experienced and new people in leadership roles, which have been attended by 513 people since 2021, or 69% of ING's leadership cadre in Poland (in 2024 – 93 people). These are interactive sessions led by certified facilitators and experienced coaches. Knowledge is presented through theoretical classes and practice, which includes example situations.
- Leadership with impact ING Academy – supports building readiness for the future, which is one of the strategic goals we pursue at the bank. In 2024, we invited 25 people to the first edition of the programme. We are creating a space to develop key skills, an opportunity to work with feedback and build cross-area visibility.
- COO Leadership Academy – the aim of the academy was to standardise and improve knowledge in the areas of process management, data analysis, production management, organising teamwork using Agile methodologies and employee development and dealing with difficult conversations. More than 60 operational leaders benefited from the knowledge imparted through webinars and workshops. The class was held in 3 modules – Leadership Organisation, Employee Development and Process Excellence Masterclass.
- Workshop on inclusive leadership – *this is a* workshop for top management led by the director of the HR bank. We have covered 92 people with this measure to date.
- Virtual Reality (VR) simulation – practical exercise of inclusive conversations for leaders. Since July 2024, we have conducted 180 simulations, attended by 80 leaders. 95% found the simulation engaging and 87% said they could use the knowledge and experience from the simulation in their work.

- AI competencies for leaders – 300 people took part in a series of training sessions on GenAI, delivered by Google Cloud. On top of this, 110 people joined our bank's AI Master Class programme, which are inspirational sessions for our bank's leaders, where we showcased the possibilities of using AI.
- Public speaking – this is a new programme handed over at the end of the year. It is an example of how we tailor the local offer to meet the needs reported by the leaders in their Individual Development Plans. The programme supports leaders to prepare for, for example, taking part in a debate, live or online public speaking.
- Managing poor performance – another response to expand local development offerings based on the voice from business. in 2024, we began piloting the programme, inviting leaders to test a new process in which knowledge and skills can be developed through VR simulations, a content webinar on the poor performance management process and a practical workshop on how to talk about difficult performance.
- Mentoring, coaching and career counselling programmes – we also target leaders if this need is included in the Individual Development Plan. in mentoring, we connect mentor-mentee pairs primarily within the organisation. this year, we also established a partnership with the Business Women Leaders Foundation, which gave us the opportunity to connect mentees with a mentor from outside ING. in the case of coaching, both sessions with an internal and external coach are on offer. in career counselling, we support leaders in designing individual career paths or in exploring career opportunities at ING, among other things. in 2024, 76 leaders benefited from this form of development.
- Change management programme – these are materials to help you through a complex change, such as a change of structure, appointment or closure of units. They support decision-makers on both the formal and process layers, but also show them how to take care of the human aspect, emotions or adaptations to change.
- Leadership POWER Conference. Efficiency in practice – attended by 543 people. We talked about how to act effectively and how we can collectively create a future where efficiency becomes the foundation for innovation and progress. following the conference, we organised a series of webinars attended by a total of 160 executives. Each webinar was about specific business experiences in performance enhancement activities, building teams' commitment to change, task management, designing new unit design and working with objectives according to the OKR (Objectives and Key Results) methodology.





Development at ING in figures

MDR-M

Quantitative information on development activities					
	2020	2021	2022	2023	2024
Number of development activities per employee	22.0	25.0	24.0	40.0	37.0
Number of hours of development activities per employee	57.6	29.0	32.2	36.0	32.0
Percentage of employees who participated in at least one development activity	99%	98%	99%	98%	98%

S1-13

Summary 2024	
Development budget per person (PLN)*	
Women	PLN 2,618.96
Men	PLN 1,969.34
Total	PLN 2,374.36
Average number of hours of development activities per employee	
Women	33
Men	31
Total	32
Average number of hours of development activities per employee – grade level	
Senior management (including the Management Board)	24
Managerial staff	33
Other employees	32

Methodological note:

- \*Total Reward data – Total Reward is all the expenses an employer incurs on an employee in the area of development activities.
1. Senior management is defined as employees holding positions at grade 19 or higher (out of 21 grades) and who are also supervisors for at least 1 employee.
  2. Employees classified below grade 19 and who are supervisors for at least 1 member of staff are considered to be managers.
  3. The Bank Management Board is included in Senior Management.

Annual employee appraisal

Annual employee appraisals are the basic tool that supports employees in their development. It is a special kind of meeting between an employee and his or her manager. During these conversations, we create development plans for the coming year, set new priorities and settle tasks. We also talk about aspirations and challenges. Feedback and its reciprocity are important here – so that it can be heard by both the employee and the superior.

Employee evaluation intuitively combines the evaluation of work results with an increased role of the so-called soft, i.e. non-financial, categories. It also influences our strong organisational culture.

The assessment model – Step Up – combines values, supports commitment and ensures partnership. Step Up is a philosophy of dialogue with employees and an approach to motivating at the same time. We focus on continuous dialogue and ongoing feedback – not only during formal meetings.

The Step Up model involves setting annual targets in two independent categories: Job Performance and Orange Behaviour.

- Job performance – objectives relate to the achievement of standard job requirements and are linked to the job description and the employee’s day-to-day responsibilities; they can take the form of financial and non-financial, individual, team and bank-wide objectives.
- Orange Behaviours – a set of behaviours derived from the Orange Code, using which employees successfully achieve the goals set in the Work Performance dimension.

All objectives set for the year should be in line with the bank’s strategy. as part of the annual interview, each employee evaluates himself or herself (self-assessment) and is assessed by his or her manager (manager’s assessment) in all categories. Both the employee’s self-assessment and the manager’s assessment take place on a 5-point descriptive scale: Constantly exceeds expectations, Often exceeds expectations, As expected, Partially meets expectations and Does not meet expectations. On the basis of the descriptive assessment, bonus points will automatically be calculated for the category. The final assessment of the employee is determined by the supervisor and discussed with the employee during the interview.



S1-13

Percentage of employees who took part in the Step Up* annual appraisal process					
	2020	2021	2022	2023	2024
Women	92%	94%	94%	95%	96%
Senior management	100%	100%	100%	100%	99%
Management	99%	100%	99%	97%	98%
Other employees	92%	93%	93%	95%	95%
Men	99%	99%	99%	100%	97%
Senior management	100%	100%	100%	99%	99%
Management	100%	100%	100%	99%	99%
Other employees	99%	99%	99%	100%	96%
Total	94%	96%	96%	97%	96%

Methodological note:

\*Only long-term absentees were not involved in the Step Up process.

1. Senior managers are considered to be those employed in positions of grade 19 and above (out of 21 grades) and acting as supervisors for at least one employee.
2. Employees classified below grade 19 and who are supervisors for at least 1 member of staff are considered to be managers.
3. The Bank Management Board is included in Senior Management.

Consumers and End-users

Our clients

We are a universal bank that serves both retail clients and businesses. We define our clients as corporate clients and individual clients.

At the end of December 2024, the number of clients was 5.1 million (up by 127,000 y/y) and was divided into the following business segments:

- 4.57 million individual clients (up by 113,500 y/y), of which 2.28 million are primary clients for whom we are the bank of first choice,
- 572,000 corporate clients (up by 13,500 y/y).

In this chapter, in line with the results of the double materiality assessment and the analysis of the ESRS definition of “Consumer and End-user”, we focus on information relating to material sustainability issues linked to our individual clients served within ING Bank Śląski’s retail banking segment (hereafter the “clients”).

Our mission is to support and inspire people to be one step ahead in life and business. We are one of the largest banks in Poland providing services and products to individual clients. Our clients are a very diverse group, broadly representative of society in terms of age or place of residence, among other things. Most of our clients are Polish citizens, but we also have clients from other countries.

We want to inspire and help clients to make sound life decisions and support their financial health. We fulfil this mission through our bank and the implemented procedures, but above all, through our dedicated employees who are attentive to the diverse needs of our clients.

Identified impacts opportunities and risks

SBM-3

As a result of our double materiality assessment, we have identified material topics relating to the impacts, opportunities and risks associated with our individual clients, covered by the ESRS S4 Consumers and End-users. The identified impacts are related to the nature of our business, the services we provide and the products we offer. They are neither widespread nor systemic, and occurrences are incidental. We describe how we identified material impacts, risks and opportunities [here](#).



The impacts and risks identified are seen as material in the short term and are expected to remain so in the medium to long term.

## Negative impacts

The identified potential negative impacts that our actions may cause in relation to individual clients are related to privacy, responsible client information about products and services, and accessibility and social inclusion. Providing misleading information, discrimination and irresponsible marketing can hinder clients' ability to make informed decisions and potentially cause financial hardship. In addition, failure to ensure the privacy and security of personal data can result in identity theft, financial losses and a decrease in client trust. Taken together, these issues potentially damage client welfare, our reputation and expose us to financial and regulatory risk:

- **Access to quality information**, responsible marketing practices: the potential negative effects associated with “unfair client treatment”, consisting of mis-selling, e.g. misleading, unclear or unfair information on a financial product. Providing incomplete information or making unilateral changes to product terms and conditions can lead to uninformed decisions by clients and potentially lead to financial difficulties.
- **Accessibility of products and services, non-discrimination**: the potential negative impact on clients relates to a lack of access to financial products and/or services, where the way in which products and services are offered is not well suited to the client's capabilities or where there are instances of discrimination e.g. on the basis of age or origin.
- **Data privacy and security**: as a bank, we obtain personal data from our clients in order to offer them relevant products and services. We are also obliged to maintain banking secrecy regarding our clients. Ensuring the privacy and security of personal data and access to it for the bank's clients and employees is central to our business. Violation of the confidentiality or accessibility of personal data of bank clients and disclosure or use of information covered by bank secrecy without a legal basis and/or the bank's failure to comply with the obligations set out in bank secrecy regulations may result in financial loss for clients due to extortion of credit against client data, loss of control over one's own data (identity theft), limited ability to exercise rights, discrimination, emotional distress, inability to access accumulated funds, inability to make payments for purchased services or goods and loss of confidentiality of information protected by bank secrecy.

The negative impacts identified can be particularly acute for clients in vulnerable situations. The client is in a vulnerable situation where, due to his or her personal circumstances, he or she is particularly vulnerable to harm or exclusion, especially if ING would not have acted with due diligence.

Clients in vulnerable situations may include older clients, clients experiencing (permanent or temporary) sensory, physical, cognitive disabilities or chronic illnesses, and clients with reading difficulties.

## Risks

Risks are associated with a failure to adhere to standards of fairness, accessibility and data protection. Providing misleading information, irresponsible marketing and non-discrimination violations can result in client distrust, legal challenges and financial losses. In addition, non-compliance with data privacy regulations risks the disclosure of sensitive client information, leading to regulatory sanctions, litigation and reputational damage. Together, these risks threaten client confidence, operational integrity and can result in financial and reputational costs, potentially leading to regulatory sanctions and litigation:

- **Unfair client treatment risk**: unfair client treatment risk refers to the potential harm or negative impact on clients that arises as a result of unfair practices and is linked to the themes “responsible marketing practices”, “access to quality information” and “product and service accessibility and non-discrimination”. The sale of products that are not in line with clients' interests, a lack of transparency on costs or risks or unfair marketing practices, including greenwashing, can result in reputational damage, administrative proceedings and financial costs.
- **Privacy and data security**: privacy risks arise from our reliance on data required to conduct our business. Breaches of the confidentiality of a bank's clients' personal data and the disclosure or use of information covered by bank secrecy without a legal basis and/or the bank's failure to comply with the obligations set out in bank secrecy regulations may result in reduced client confidence for the bank, loss of revenue, as well as financial losses due to litigation and regulatory sanctions, demands for claims, redress in favour of clients, increased client complaints, reports of suspected criminal offences through the disclosure of bank secrecy by the bank or its employees.

There is no current (material) financial impact on the financial position, performance and cash flows of the bank or its subsidiaries resulting from the identified risks.

## Link to business strategy

SBM-3, S4-4

In line with our mission, we want to support and inspire people to be one step ahead in life and business. We focus on technological development and supporting clients in their daily operations. We listen to our clients' needs,





enhancing our accessibility and flexibility. We are committed to using plain language and understandable banking. Our clients and their changing needs are at the heart of our business model.

The focus on client needs and the quality of our services is evident in the priorities of our business strategy – which are, inter alia, client activity and digitalisation, as well as system stability, accessibility and modernness. We write more about our strategy [here](#).

We support entrepreneurship and help manage finances. We want to be a bank that provides its clients with practical solutions that they need and enjoy using, and to which they have safe and equal access. We want people to be able to achieve their goals with our support. Access to quality information and social inclusion are important to strengthen the financial health of clients and to strive for full accessibility of products and services. Through extensive financial education activities aimed at our clients, we want to strengthen their ability to make responsible financial decisions with an understanding of their consequences.

Within the goals for 2022-2024 we have detailed, inter alia, the following areas on which we are focusing our actions concerning our individual clients:

- We support clients in managing their finances and teach them entrepreneurship,
- We facilitate access to banking for groups at risk of exclusion,
- We care about the safety of our clients.

In the ESG goals set for 2025-2027, we focus our actions relating to our individual clients on strengthening entrepreneurship and levelling the playing field for clients. These are consistent with the identified material areas of our potential impacts, opportunities and risks:

- we support the financial health of our clients,
- we ensure safety and accessibility,
- we support projects focused on social equalisation and a just transition.

We also continue to support clients in their environmental transformation through:

- financing and the offer of sustainability-related products and services (e.g. a loan for an energy-efficient home),
- building awareness and knowledge.

We provide a more detailed overview of how we implement our goals and integrate them into daily interactions with our individual clients in the following sections of this chapter. We write about how we incorporate the identified impacts, risks and opportunities into our strategic objectives [here](#).

## Engaging with individual clients

S4-2, S4-4

Our clients are one of our most important stakeholder groups. According to the *ING Bank Śląski S.A. Organisational Bylaw* (which defines the rules of operation and areas of responsibility), the Retail Clients Division, supervised by a Member of the Management Board, is responsible for the Retail Clients segment. The COO – Retail Client Operations Division has units responsible for operational support, including the process of handling complaints and enquiries. Clients are a key resource for us – their feedback helps us see both strengths and areas for improvement.

We learn about what is important to our clients from the ongoing analysis of their needs, coming to us through all channels of client contact with the bank. We analyse in detail the findings of our research with clients. Understanding how people use our products, services or applications helps us to design solutions that fit in with the needs of specific client groups. We write more about designing products and services with the best possible user experience in mind [here](#). We write about our work on accessibility of products and services [here](#).

The primary channel of communication with our clients is the Internet, with a strongly growing role for mobile banking. Far-reaching digitalisation requires not only changes in how we function as a company, but also responsibility for our clients, their data and their security. We therefore strive to support our clients and employees and offer them solutions that are secure, intuitive and user-friendly. We write more about technological transformation [here](#).

The Moje ING mobile app is the main channel for our clients to interact with the bank. It is already used by more than 2.9 million clients. We care about the performance and reliability of our systems. Moje ING's accessibility as at 2024 yearend was 99.94% (99.95% the year before). For children aged 6 and over, we have made the Moje ING app available in an age-appropriate version with a limited range of functions. We write more about Moje ING [here](#). Remote contact for our clients is supported by a 24/7 helpline, a modern chat, contact forms and social media.

We also serve our clients through a network of meeting places. These are places where our clients can ask for advice and have a chat. As at 2024 yearend, we had 175 meeting places and 55 cash points. We are consistently in the process of modernising our bank outlets, which involves changing equipment and décor and introducing new





functional solutions. As at 2024 yearend, the bank also had 56 ING Express outlets located in major shopping centres across Poland. More about our service in meeting places [here](#).

We actively cooperate with social organisations and NGOs. The dialogue we have with them is an important source of knowledge about our clients' needs, especially those who may be at risk of exclusion, for example due to health or age. We write about our partnerships and cooperation with our environment [here](#).

We have presented information on the channels, forms and frequency of communication in the chapter [Relationship with Our Stakeholders](#).

One of the ways we assess the effectiveness and quality of our client relationships is by measuring the Net Promoter Score (NPS). The NPS indicates whether clients would recommend ING to others. By analysing the NPS, we can assess the effectiveness of our actions, including those described in the following section, and client satisfaction with our services. In 2024, we have seen an increase in NPS among retail clients. The annual average value reached 31 points, compared to 29 points in 2023. This result allowed us to maintain our position as the leader in the statements and maintain a 17-point lead over the market average and an eight-point lead over the next bank. The data comes from the independently syndicated NPS relational benchmark survey (Bermuda project), conducted by research agency Minds & Roses. The survey was conducted using the CATI method and covers a representative group of Polish bank clients aged 15 and over. More information on the NPS can be found [here](#).

### Channels for reporting concerns and complaints available to individual clients

One of the key elements of client communication is complaints management. Our *Client Centricity Policy* sets out the minimum requirements for complaints procedures, including the need to be transparent in the complaints process and to keep clients informed about the progress of ING's complaints handling. All complaints must be evaluated regularly and root cause analyses must be carried out to reduce the risk of harm to the client.

A complaint is defined as any expression of dissatisfaction by a client with an activity, product or service offered by ING Bank Śląski S.A., addressed to the bank in any form, in which the client expects a remedy, a refund or other form of compensation.

To ensure the highest quality of service, we have identified units responsible for handling each type of complaint. We make sure that the staff in these units are specialised and we have clear responsibilities. We act on the basis of the law and our internal regulations, including *the Complaints Management Policy at ING Bank Śląski S.A.* and prepared procedures.

We also provide [a whistleblowing channel](#) for all external stakeholders who would like to raise a concern about the conduct of the bank or an entity of its group.

### Complaints process

We accept complaints from anyone, including those outside our client base. We provide a variety of intake channels – in online and mobile banking (self-registration form, chat), by phone, in writing and at meeting places. The channel for receiving complaints established by a third party is the e-Delivery channel, which stems from the *Electronic Delivery Act of 18 November 2020* and is operated by Poczta Polska. The other channels are provided by us as a bank and refer to the provisions of the *Act of 5 August 2015 on the Handling of Complaints by Financial Market Entities, the Financial Ombudsman and the Financial Education Fund*.

Clients are informed about the possibility of filing a complaint via our websites (in the contact section and/or on specific product pages, in frequently asked questions and in the search engine when searching for “complaints”) and via the Terms and Conditions, which are provided to the client together with the individual products. In addition, the call centre/branch/chat agent can provide further information on the complaints processes when a client contacts ING and would like to make a complaint.

We recognise that a situation where a client decides to make a complaint is not comfortable for them, so we ensure that the process is simple, intuitive and tailored to the needs of clients.

For more than a year now, we have been providing clients with a Moje ING claim form. In addition to the claim, the client himself or herself can also register a disposition or upload additional documents to his or her claim. We are constantly developing our system by extending the form's functionalities and improving its operation. The complex but intuitive categorisation of request topics, 24/7 access and fast system operation, significantly speeds up the process of registering a request and forwarding it to the relevant analyst. The client can check the status of his or her application at any time in Moje ING. With this solution, access to this information is constant and independent of the accessibility of specialists on the chat, helpline or meeting place.

Complaints provide us with information to improve the way we operate and improve client relations.

We monitor client satisfaction with the complaints process. We analyse every stage – from the moment the client approaches us with a problem to the moment they receive a response from us. The elements of this complex process are an important carrier of information, and detailed analyses provide us with clues on how to improve it and make it work ever more efficiently.



We also look at the reasons for the complaints made – this is a valuable source of information for us about the level of our service and the products we offer to clients.

Our aim is to handle claims as quickly as possible – we handled many of them (64.5% in 2024) within 48h of reporting, and we reduced the average claim handling time (calculated in calendar days) from 6.7 days in 2023 to less than 6 days in 2024.

In the complaints that we handle positively, we do so in accordance with our clients’ expectations. We refund their account, provide them with additional explanations, correct data or optimise processes to avoid similar situations in the future.

## Client Centricity Policy

S4-1, MDR-P

In 2024, we implemented the Bank’s *Client Centricity Policy* (hereinafter the “CCP Policy”). The policy applies to all business divisions of ING Bank Śląski S.A. and the scope of protection is tailored to the specific client segment. The Centre of Expertise – Compliance is the owner of the document. The policy and any updates are approved by the Bank Management Board.

The CCP Policy covers in its scope the material impacts and risks identified in relation to ESRS topics:

- Access to quality information,
- Responsible marketing practices,
- Accessibility of products and services,
- Non-discrimination.

The CCP Policy helps to prevent the risk of unfair treatment of the client. It is based on the Golden Rules of Customer Service, which have been expanded to create requirements that are designed to help protect (potential) clients and prevent negative impacts resulting from, inter alia, mis-selling. We implement the provisions of the policy by offering products and services that are suitable for clients throughout the lifecycle of the relationship with them, at a fair price that takes into account market realities, costs and risks. We ensure this by implementing and monitoring appropriate controls and processes, such as incorporating all elements of client focus (including social inclusion and prevention of greenwashing) into the development of new and changes to existing products. The CCP Policy requires that all information provided to the client about products and services is communicated in a clear

and not misleading manner and that services are delivered by staff who are professionals with appropriate knowledge and experience. In all these actions, we consider ESG risks and the impact on our products and services.

The CCP Policy is closely linked to several other ING policies, in particular the *Policy – Standard for the Implementation, Modification, Review and Liquidation of Products for Bank Clients (PARP)*. The PARP Policy sets out the requirements for the approval and review of financial products, while the CCP Policy sets out the standards for client orientation to be adhered to when developing, offering, recommending and/or selling financial products, as well as ING’s further interaction with clients. When developing products, we aim to add value for clients and ensure that the information provided is reliable and we strive for our products and services to be understandable and accessible to all clients (including those with lower levels of digital literacy or disabilities). In line with the CCP Policy, we want to create and sell products that contribute to the interests and objectives of clients and society.

The requirements of the CCP Policy are further developed in the *Supplementary Manuals: Greenwashing Prevention Manual, Markets and Investor Protection Manual, Insurance Distribution Manual, Greenwashing Risk Management Manual*.

## Marketing communication

S4-1, MDR-P, S4-4, MDR-A

In line with the CCP Policy, our priority in communicating with clients is to ensure that the message is fully transparent and accurate. Information provided to the client about products and services should be clear and not misleading. All marketing materials must comply with the rules contained in the *Marketing Materials Review Manual*:

1. The message in our advertising materials must be tailored to the target audience, their competence and financial knowledge.
2. The content provided shall be accurate, not questionable or misleading.
3. Where possible, materials should refer recipients to a website or other place where they can read full and comprehensive information about the product or service.
4. Our marketing activities must comply with the law and good morals. In particular, with the acts:
  - on combating unfair competition,
  - on counteracting unfair market practices,



- on the protection of personal data,
- on competition and consumer protection,
- on consumer credit,
- Banking law,
- Regulation on the procedure and conditions for the conduct of investment firms, banks referred to in Article 70(2) of the Act on Trading in Financial Instruments and custodian banks,
- Act on Mortgage Credit and Supervision of Mortgage Credit Intermediaries and Agents, and
- The PFSA’s rules on advertising of banking services.

In addition, our actions are guided by the guidelines and recommendations contained in:

- the Code of Ethics for Advertising prepared by the Association of Marketing Communication SAR,
- The Polish Bank Association’s 2015 Good Practice Standards for Consumer Credit Advertising,
- An introduction to the greenwashing issue of the Polish Bank Association 2024,
- Greenwashing Monitoring and Supervision – Final Report EBA/REP/2024/09” of 04.06.2024 – EBA’s recommendations,
- Children Rights’ Charter in Business (an initiative of the Responsible Business Forum),
- Internal regulations, including against greenwashing.

All advertising content prepared by ING is subject to review by participants in the process, including the Legal Department and the Centre of Expertise Compliance.

Plain language

We widely promote the idea of using plain language and share our knowledge and experiences. 2024 marks the tenth anniversary of simplifying communication at ING. Complicated terminology and intricate content can be a barrier for many people. As part of the “Po prostu” project [“Simply”], the plain language standard at ING, we have set ourselves the goal of making the language of banking more accessible to all clients.

Over the decade of the project:

- We have learned to write our messages more simply. We went from a small project to a bank-wide standard.
- We have introduced an innovative tool for automatically checking the readability of texts – “Prostomat” – so that our employees can write more simply.
- We have already organised 6 editions of the conference, where a wide range of experts talk about plain language from different perspectives. The last edition took place in November 2024 at our Katowice headquarters.

Our clients recognise our efforts. In 2024, we were once again number 1 in the Kantar brand survey, in the financial industry – a question about plain language.

Counteracting greenwashing

We define greenwashing as the intentional or unintentional provision of false, incomplete, deficient or inaccurate information that may mislead clients and other stakeholders about the level of sustainability (in terms of E, S and G matters) of the products and services provided, the operation, the strategy and the stated objectives of the organisation. This is part of the generally accepted principle that information must be “fair, clear, not misleading and accessible”. This principle is not limited to written information. It also applies to the use of visuals that may present too one-sided a picture. Greenwashing is not only about environmental aspects. All the issues covered by an organisation’s ESG commitments: environmental, social and corporate governance are potentially vulnerable to allegations of greenwashing. Timely and systematic identification of greenwashing risks is an important measure to reduce reputational, litigation and financial risks. This is why it is so important to understand what risks may arise from greenwashing.

Products and counteracting greenwashing

In the area of countering greenwashing during the design and implementation of new products, the *Client Centricity Policy* is put into practice through the following manuals, guidelines, and procedures:

- *Manual – guidelines for preventing greenwashing* – on the pitfalls of greenwashing that must be taken into account when designing new products,
- *Greenwashing risk management manual* – on control processes and the processing of greenwashing complaints,





- Sustainability (ESG) product and exposure qualification manual – transparent classification of financial products and instruments based on market standards, Taxonomy (deposits and loans) and SFDR (financial instruments),
- ESG (sustainability) qualification procedure for credit products.

The new product development process takes into account specific guidelines for ESG-related products. Each newly designed product in this category is subject to classification based on *the ESG (sustainability) qualification manual for products and transactions*, which defines the following asset categories (e.g. credits, loans):

- Tier 1 – aligned with the EU Taxonomy,
- Tier 2 – sustainable/social/green depending on the subject of the financing,
- Tier 3 – supporting ESG.

In the case of liabilities (accounts, bonds), the qualification depends on the asset being financed. In the case of financial instruments (investment funds), the basis for the Classification is the provisions of Articles 8 and 9 of the SFDR.

Based on the outcome of the Classification, an anti-greenwashing analysis is carried out, the principles of which are set out in the Manual – Guidelines for the prevention of greenwashing. Recommendations for product communication are already made at the stage of this analysis, which significantly mitigates the risk of unfair treatment of the client in the context of greenwashing.

### Communication and counteracting greenwashing

We are aware that the prevention of greenwashing should start long before the communication is developed. In the previous paragraphs, we have described a number of regulations that protect us from communicating activities whose subject matter may bear the hallmarks of greenwashing. At the same time, we know that even products and initiatives that comply with the EU Taxonomy and other ESG regulations can be written about in redundant ways. At ING, we place importance on transparent and data-driven communication of ESG-related initiatives. The principles of such communication are detailed in the following documents:

- *Manual – guidelines to prevent greenwashing*,
- *Assessment of ESG Communications* (hereafter: OK\_ESG) – a practical guide, based on examples from the 2020-2024 message analysis.

### Statement on transparency

The OK\_ESG material also describes the obligations relating to the Transparency Statement that we apply to communications about our sustainability-related actions, in particular climate action. We want clients and stakeholders to be aware that transforming the economy is a long and complex process. The transparency statement speaks to the broader context of our actions, not just the selected initiative we are communicating at the time. We are committed to ensuring that the recipient has the full picture and does not gain a misconception about the level of sustainability of our actions based on a single message. We place them, for example, under environmental posts on the bank's social media channels. The content of the Transparency Statement is as follows:

*Society is moving towards a low-carbon economy. Our clients do it, we also do it at ING. We finance many sustainable actions, but still more of those that are not. Check how we are doing – go to [esg.ing.pl](https://esg.ing.pl)*

### Anti-Greenwashing Team

Within the CoE ESG Innovation unit, there is an Anti-Greenwashing Team, whose role is to provide expert support to the business units, collaborate with CoE Compliance on the development and implementation of regulations and training activities.

### Anti-greenwashing audit 2024

In 2024, we conducted an internal audit of all communications from the beginning of 2020. Verification took place as follows:

- As a first step, each communication was reviewed by three members of the Anti-Greenwashing Team;
- Recommendations were then made to CoE Compliance;
- In the final step, the necessary changes were made;
- A detailed report was drawn up on the basis of the audit.

### Assessment of greenwashing in products

In 2024, an analysis of products and services was carried out to address greenwashing risks. The expert units CoE ESG Innovation, CoE Compliance and business line representatives were involved in the assessment process. No high-risk products or services have been identified.





### Training activities 2024

Since 2023, we have provided employees with a webinar on greenwashing as part of the “ESG for professionals” programme, which 806 people have completed as of 31 December 2024. In addition, the topic of greenwashing is part of the core educational programme “ESG and sustainability”, which 74% of ING Bank Śląski Group employees have completed. In addition, a series of training sessions for key units involved in product and communication processes took place in 2024, involving more than 350 people.

### Metrics

#### MDR-M

In the area of counteracting greenwashing, the targets set relate to the implementation of the requirements of the CCP Policy, according to which all information (including marketing materials) about ING’s financial products that we provide to (potential) clients must be reliable, clear and not misleading. Constant monitoring is being carried out to reduce or eliminate greenwashing practices. We use the following metrics to measure the effectiveness of these activities:

- % of higher-risk products per client segment;
- number of risks registered in relation to greenwashing;
- number of greenwashing incidents;
- number of complaints containing a greenwashing component.

No material events have been identified in 2024 that could generate an increased level of greenwashing risk.

## Accessibility of products and services

#### S4-4, MDR-A

We want to be a bank that is accessible to everyone. We are successively introducing improvements and solutions to ensure equal access to our products and services for all clients, regardless of their living situation, economic status, health status or individual needs. No measurable targets have been set in this area, but we are taking a number of actions as a result of the targets we have set, and we are striving to meet regulatory requirements through continuous monitoring of regulations and trends.

### We strive to ensure that products and services are accessible to all client groups

We educate, support and sensitise our staff to client groups at risk of exclusion, including people with disabilities and special needs. The day-to-day work of professionals is supported by a handbook for serving people with disabilities. It is a valuable resource with practical tips on how to serve clients with different types of disabilities, including: mobility, vision, hearing or clients with other disabilities.

Since 2015, we have continued to maintain the “MIGAM” [“I know sign language”] sign language interpreter access service in all our outlets and on the bank’s helpline. It allows deaf people to easily and quickly access the bank’s services via their mobile phones We are gradually equipping our outlets with induction loops.

We implement solutions in line with international digital accessibility standards. We are adapting the Moje ING mobile app, the Moje ING online banking system and the bank’s website (www.ing.pl) to be used by visually impaired people in accordance with Web Content Accessibility Guidelines 2.1 (WCAG 2.1). We are also cooperating with the “Visible Foundation” in this area. In January 2025, we joined the Business Accessibility Forum.

We support the remote contact of our clients through a helpline that operates 24/7, modern chat, contact forms and social media.

We also focus our actions on the management of equipment, taking care of its accessibility, security, functionality, adaptation to current requirements and client needs.

Bearing in mind the accessibility requirements for products and services (*European Accessibility Act directive*), we aim to make ATM / deposit machines suitable for use by people with special needs. We are increasing the number of devices with the ING logo equipped with audio systems – a voice guide function that supports visually impaired people in completing transactions. Once the headphones have been inserted, the voice system guides the client step-by-step through all stages of the transaction through appropriate messages. We also ensure that



ATMs/deposit machines with the ING logo are comprehensively labelled with stickers with messages in Braille. Where possible, we also adapt the height of the equipment to accommodate wheelchair users.

Solutions available at our outlets (as at 2024 yearend)	Meeting places	Customer service points	ING Expresses
Number of outlets	175	55	56
Sign language service	175	55	-
Access without architectural barriers	171	55	56
Induction loop (equipping of outlets still in progress)	93	50	-

Solutions available at ATMs/deposit machines with the ING logo at the end of 2024	
Wheelchair access (no architectural barriers, adapted height of device)	138*
Sound system – possibility to use a voice guide by connecting headphones	520

\* criterion determined on the basis of consultation with the Integration Foundation (an ATM is adjusted if its highest control is up to a height of maximum 120 cm).

We have supplemented the search engine for our outlets and ATMs/deposit machines available on our website in January 2025 with additional filters, which allow to check which facilities for the disabled we have at each outlet.

We are actively involved in developing a sectoral approach to meeting the requirements of the new regulations introduced by the *Act on Ensuring that Businesses Meet the Accessibility Requirements for Certain Products and Services*. We are also working on additional guidelines and guidance for venue specialists in dealing with clients with special needs.

Accessibility of knowledge and financial education

S4-4, MDR-A

An important activity to support the accessibility and financial health of clients is financial education, which we have been addressing to a wide audience for many years. The implementation of these actions flows from the need to share the expertise we have as a financial institution. We feel a responsibility to strengthen the financial health of our clients and target a wide range of educational content, designed for a diverse audience. Financial education

activities are also one of the main areas of activity of one of our corporate foundations, the ING for Children Foundation. We write more about the Foundation [here](#).

We believe that financial health needs to be taken care of, and the best way to do this is to expand your knowledge in the area of finance. Below we describe a selection of educational activities.

Support and accessibility of knowledge for our clients

We support our clients by educating and assisting them in using the Moje ING app, offering banking products and services as well as a range of non-banking facilities such as a trusted profile, the ability to pay for parking, purchase a public transport ticket, etc. Education starts as soon as the relationship is established. We provide clients with tutorials (on screens in banking outlets, YouTube), educational pushes in the Moje ING app. Ongoing support in the use of our application is provided by a Virtual Assistant, with whose help the client can obtain information on this functionality at a convenient time and place. In addition, clients can count on the assistance of specialists at meeting places for setting up the application, making their first transactions and purchasing banking products. An important aspect of the conversations we have with our clients is information about safety rules. We help clients take care of their security by providing them with a service such as behavioural verification and CyberRescue.

In addition, the bank offers the opportunity to make an appointment with an expert to clients interested in specialised products (investments, mortgages), but also to clients with specific support needs (e.g. the mature or clients with disabilities). Our clients can benefit from both face-to-face and remote meetings, giving them the flexibility and comfort to choose the most convenient form of contact.

Our specialists at the venues use *the Customer Service Model*. It is a set of standards that support the client service professional to provide a high and repeatable quality of service. The standards make optimal use of the meeting time with the client and tailor solutions according to the individual needs of each client.

Promoting financial security attitudes and solutions for the future

We continue to work towards the ESG objective of promoting solutions that look after the financial health of our clients. We focused on responsibly offering IKE and IKZE pension products based on long-term investing. In 2024, we targeted clients with two special offers to promote pension products.



## Accessibility of knowledge and education of clients on investing

The Centre of Expertise – Investment and Pension Products is on a mission to provide our clients with access to knowledge – not only about savings and investment offerings, but also about the current market environment and the functioning of the financial market.

- We have prepared two online meetings with clients of all segments in mind: in January, “2024 the year of further growth? Opportunities and risks in financial markets” and in July “Investment forecasts for the second half of the year”. Experts from the bank and our investment fund company partners shared their market knowledge in the area of investments.
- We are continuing the [Cyclical Investment Newsletter](#) for the bank’s clients. Experts from the Investment Competence Centre prepare monthly market commentaries for clients in the form of an e-Bulletin, available on [ing.pl](#). Clients find summaries of key market information and an assessment of the prospects for future directions.

In 2024, we continued our development activities for investment professionals in meeting places and for Private Banking advisers. All Private Banking advisers are EFPA-certified and we currently have close to 100 professionals at meeting places with the European Investment Practitioner EFPA EIP certification. We want to provide the highest standards of service and up-to-date investment knowledge.

## Educational activity aimed at children and teenagers in the ING City on the Roblox platform

ING City is an educational game that ING Bank Śląski created for 7-17 year olds on the Roblox platform. At ING City, children learn good financial habits – saving and spending money wisely – through play. They can earn points by completing specific tasks, such as cleaning up rubbish, walking dogs, washing windows, washing cars or serving food in a restaurant. In the game, players also learn about online safety – what to do and what not to do in the virtual world – including: creating strong passwords, recognising unsafe sites, not sharing and keeping passwords safe.

ING Bank Śląski is aware of the dangers children can face on the Internet, which is why the game ING City, on the Roblox gaming platform, is free of charge. Its aim is to stimulate interest in the topic of cyber security in young people in their natural environment and to support parents in educating them about it. By the end of 2024, the game had engaged more than one million players, reaching more than 2.6 million visits in the process. Players have completed more than 300,000 Cyber Security Academy lessons and more than 150,000 online safety quizzes.

## Security of our clients’ data and protection of privacy

### Policies

#### S4-1, MDR-P

We are committed to ensuring that the rights to privacy and protection of personal data, as set out in the Charter of Fundamental Rights of the European Union, the European Convention on Human Rights, the Data Protection Regulation (GDPR) and the case law of the European Court of Justice, are taken into account when processing personal data.

We have regulated this area in our *Personal Data Protection Policy*, which reflects the requirements under the law and sets out the bank’s obligations in this respect. The Data Protection Executive at board level and the Data Protection Officer are responsible for ensuring compliance and implementation of the provisions of the policy within ING Group.

The principles relating to the processing of personal data included in the policy include:

- its confidentiality, data minimisation and processing for a specific purpose,
- transparency and information requirements for natural persons with regard to the processing and their rights,
- ensuring that the storage of personal data is limited,
- carrying out a data protection impact assessment of the effects of the processing on the rights and freedoms of natural persons,
- carrying out an impact assessment of data transfers outside the European Economic Area to countries not providing adequate protection.

The requirements of the Policy set the standards for the protection of personal data that bank employees follow to ensure compliance with the law and to meet the expectations of clients, suppliers, business partners and employees.

Bank secrecy also protects client privacy and is a pillar of trust in the client’s relationship with the bank, and the bank’s secrecy is designed to protect clients from unauthorised access to their financial data and to prevent fraud and financial abuse.





The bank shall endeavour to ensure that the protection of bank secrecy as set out in the Banking Law is taken into account in all processes, whether carried out by the Bank or by third parties acting on behalf of the bank.

In 2024, the bank introduced a *Bank Secrecy Policy*, which organises the bank's requirements in terms of rules on the protection of bank-secret information. One document identifies responsibilities to mitigate the risk of disclosure of bank secrecy by, inter alia, raising employee awareness, protecting bank secrecy information from loss and unauthorised disclosure, properly identifying, classifying and safeguarding such information, and ensuring that bank secrecy information is used/disclosed when there is a proper basis for doing so.

We make all internal Policies and Procedures available to our employees in an internal document database. We have prepared basic information in this regard for our clients on our website: [Personal data protection | ING Bank Śląski](#).

## Actions

### S4-4, MDR-A

We are constantly working on solutions to protect clients and their finances from security breaches. We secure the IT environment, classify the data collected in specific applications and determine the relevance of this data. Depending on the level of data materiality, technical and organisational security measures are implemented, as well as appropriate contractual provisions with suppliers.

The actions we take on an ongoing basis are aimed at mitigating the privacy risks of the individuals whose data we process on the one hand, and improving the services we provide on the other.

Potential material data protection impacts are identified and addressed in relevant risk assessments:

- data protection impact assessment – carried out in relation to the processing activities and allowing them to be analysed in depth in accordance with the applicable data protection rules and principles,
- legitimate interest assessment (so-called “balancing test”) – carried out to assess whether the bank can rely on a legitimate interest as a legal basis for certain personal data processing activities,
- data transfer impact assessment – carried out when personal data are transferred to a country outside the European Economic Area.

All the aforementioned assessments lead to the identification of risks to the natural person and the introduction of measures to mitigate these risks, which are implemented directly in the business process or IT resource. This

enables the continuous identification, management and mitigation of relevant data protection risks, as these assessments are an integral part of defining new business processes or making changes to existing ones. In addition, data protection issues are assessed and documented as part of *the Policy for the Implementation, Modification, Review and Disposal of Products for Bank Clients*.

The Data Protection Officer shall be involved at every stage of the identification and assessment of the risk of violation of the rights and freedoms of the persons whose data the bank processes.

In addition, we analyse all client submissions in order to improve our products, processes, policies, procedures and communications and to involve relevant risk parties and internal stakeholders.

Within the Polish Bank Association, we are working with other banks to develop consistent solutions related to personal data protection.

Key actions undertaken during the reporting year included:

- analysing and ensuring the independence of the position of Data Protection Officer, in line with the direction set by the Regulator,
- considering the area of data protection when implementing the requirements of DORA,
- analysing and supporting anti-fraud solutions, taking into account respect for the right to privacy,
- updating information on how and for what purposes personal data are processed as required by law.

The bank has also started actions related to the consideration of personal data protection in the implementation of *Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 on the establishment of harmonised rules on artificial intelligence*, which will be implemented in the future.

## Data security and privacy education

We take care to inform clients transparently and completely about how their personal data is processed. In 2024, we updated the bank's client information clauses. We want clients to understand how the bank processes their data, what rights they have and how they can exercise those rights. In doing so, we protect clients from the threat of losing control of their data.

At the same time, we continue to carry out awareness-raising actions targeted at employees. Cyber security is an important part of a bank's operations, as well as building a competitive advantage based on knowledge and





modern technology. Social engineering, malware, ransomware, phishing are just some of the threats we need to be aware of. ING has security systems in place, but the actions of cyber criminals are becoming increasingly sophisticated, so all employees must remain vigilant. We write more about cyber security [here](#).

In 2024, we conducted the following awareness-raising campaigns targeting employees:

- e-learning courses related to cyber security. Topics covered included how to protect yourself and your organisation from threats, e.g. how to recognise suspicious emails, text messages and websites, the latest deepfake threats in cybercrime and methods of manipulation,
- Cyber Security Month, during which ING experts and invited guests held a series of workshops and lectures,
- a dedicated internal “Join the Safe” community for employees, addressing security topics, describing examples of fraud and presenting new technological solutions.

Raising client awareness and teaching them about safe online behaviour is also an important activity. To 2024 this end, we have produced a range of educational materials available at:

- [www.ing.pl](#) under the Security tab,
- on the login screen and in e-banking,
- on social media.

In addition, when a new type of fraud is identified, we inform clients by sending them a so-called push. A dedicated group of specialists analyses fraud cases and decides whether security measures are necessary, informing clients of the new threat.

Furthermore, a security tool called CyberRescue has been made available for the bank’s 2024 clients. One of the functionalities of this tool is a special helpline where advice can be sought on, inter alia, the situation:

- when someone intercepts a client’s email inbox or social network account,
- when a client receives an email with a suspicious link or attachment.

The bank has also developed products and solutions for underage clients, such as the ING City educational game on the Roblox platform. We write more about it [here](#).

## Cases of client privacy breaches and personal data leaks

### S4-4, MDR-A

In the event of data protection breaches, the bank shall take the necessary containment and mitigation measures as soon as possible after identifying such an event. An appropriate analysis of the likelihood of the risk of a breach of the data subject’s rights and freedoms is carried out and, if necessary, the bank reports the breach to the supervisory authorities in accordance with regulatory requirements.

If required, the bank shall also inform the data subjects indicating the possible consequences of the personal data breach and a description of the measures applied or proposed to remedy the breach and minimise its possible negative effects.

The bank carries out an analysis of the process in which the breach occurred and implements additional security measures to prevent similar events in the future.

## Data protection breach statistics

In 2024 (as at 31 December 2024), 186 data protection breaches were identified, of which 75 breaches required notification to the Data Protection Authority. In the required cases – where violations of the rights and freedoms of natural persons were assessed at a high level – the affected persons were informed about the incidents, indicating the potential negative consequences of the violation and possible actions to minimise the negative consequences of the incidents.

The breaches that occurred were due, inter alia, to the loss of documentation by the postal or courier service operator and mistakes made by employees in the course of their duties (e.g. an email sent to the wrong addressee, an attachment with third-party details was mistakenly added in a message to a client, paper documents were mistakenly issued).

Where the client’s complaint is justified, the bank shall take action to grant the client’s request. In 2024, the bank found no substantiated complaints from clients regarding breaches of privacy.

In terms of the decisions taken by the Data Protection Authority, in 2024 the bank disagreed with two decisions and challenged them before the Provincial Administrative Court.

There are currently 3 cases pending before the Provincial Administrative Court and 4 cases pending before the Supreme Administrative Court (two cases at the request of the bank and two at the request of the Office for Personal Data Protection).



Metrics

S4-5, MDR-T, MDR-M

No measurable targets have been set in the area of data security and privacy protection, but there is ongoing monitoring of the effectiveness of actions. Monitoring of the effectiveness of data protection activities is carried out using performance indicators and risk indicators.

The effectiveness of the implementation of actions is measured by:

- timeliness of data protection impact assessments – as at 31 December 2024, the rate was 97% (2 out of 61 require completion),
- the number of data processors on behalf of the bank that have been audited in the last three years – as at 31 December 2024, there was no entity that had not been audited,
- completeness of the implementation of the so-called “balancing tests” when basing the processing of personal data on the controller’s legitimate interest – as of 31 December 2024, all necessary balancing tests have been implemented.

Risk indicators in the area of personal data have been established for the following elements:

- timeliness of data subjects’ rights requests – as at 31 December 2024. 100% of requests were completed within the regulatory deadline,
- percentage of data protection breaches timely reported to the Data Protection Authority – as at 31 December 2024, all breaches for which the analysis indicated a need to notify the Authority were timely reported,
- the number of entities processing personal data on behalf of a bank outside the European Economic Area to which data was transferred without the required impact assessment for the transfer of that data – as at 31 December 2024 – was 0,
- percentage of employees trained in the area of data protection – 98.9% as at 31 December 2024.

The above indicators are monitored at a monthly frequency to allow for trend analysis.

The indicators established and the way in which they are monitored were not consulted with third parties or the bank’s clients, as it takes into account all overarching principles related to the protection of personal data that derive from the law. In setting the indicators, the bank was guided by the overarching objectives of internal policies

that take into account the key interests of clients, suppliers, business partners and employees in the area of data protection and their right to privacy.

In addition to the measures described, the bank tests and evaluates the controls defined in the area of data protection once a year.



## Information on environmental matters (E)

We want to be one of the leaders in accelerating the transition to a low-carbon economy and help halt the loss of biodiversity because it matters to our organisation, our customers, society and the environment.

In this chapter, we present information on the sustainability issues that are important to ING and that relate to the environmental area:

E1 Climate Change:

- Climate change adaptation
- Climate change mitigation

E4 Biodiversity and ecosystems:

- Direct impact drivers of biodiversity loss

## Climate Change

Climate change is one of the biggest challenges facing society. The financial sector has a significant role to play in combating climate change and supporting the transition to a net zero carbon economy. We take this role seriously and want to be one of the leaders in sustainable finance.

### Identified impacts risks and opportunities

#### SBM-3

As a financial institution, our greatest impact on climate change is through the financing of our clients. With regard to impacts, risks and opportunities in relation to sustainability issues covered by the ESRS E1 Climate Change, we have identified the following as material to our operations:

- Climate change mitigation – in relation to our Wholesale Banking, Business Banking and Retail business segments;
- Climate change adaptation – in relation to the Business Banking and Retail Client segments.

### Climate change mitigation

Climate change mitigation refers to the process of reducing greenhouse gas (GHG) emissions and keeping the increase in global average temperature to 1.5°C above pre-industrial levels, in line with the goals of the Paris Agreement.

From the perspective of the ESRS sub-topics, we consider the issue of climate change mitigation in the category of transformation (transition) risk.

### Negative impact

The negative impact on climate change in our value chain is mainly due to the financing of carbon-intensive sectors. Emissions from these sectors may contribute to higher average temperatures and potentially to more frequent and intense extreme weather events over the long term.

We differentiate our approach to identifying negative impact in our loan portfolio in terms of the sector of client activity and the type of entities within a given sector in our value chain (e.g. companies, government entities, natural persons):



- lending within the Wholesale Banking and Business Banking areas – the negative impact is due to the financing of business activities or products of companies operating in carbon-intensive sectors,
- real estate lending – we consider the properties with low energy efficiency as having a material negative impact in the short- to medium-term. In the long-term time horizon, we assume that a material negative impact will be associated with the properties deviating from the net zero carbon target.

## Risks

Climate change mitigation actions can create transition risks, leading to financial challenges for our clients and potential losses for our bank from client defaults and collateral impairment. In addition, losses may result from a failure to act in accordance with applicable laws and regulations, internal standards, risk appetite and public expectations of our bank’s services and activities. Failure to adequately mitigate transition risks can lead to reputational damage to the bank, legal sanctions or financial loss.

- For Wholesale Banking and Business Banking clients, transition and mitigation of negative impacts may require investment in new technology, modernisation and other measures, which will lead to an additional financial burden. Some sectors will have to make significant changes to existing business models, which increases the uncertainty of transition success.
- In the case of exposures secured by real estate, the risk transmission channel can be, for example, the volatility of energy prices or the impact of the implementation of the Energy Performance of Buildings Directive (EPBD<sup>6</sup>) and the associated renovation costs on clients’ revenues and their ability to maintain their financial liquidity.

## Opportunities

We identify opportunities in relation to climate change mitigation in line with our publicly disclosed voluntary commitments to: supporting clients to reduce emissions to achieve the global goal of net zero emissions by 2050, financing new technologies and supporting clients to fulfil their role in the transition.

These commitments express our ambition of the transition towards a sustainable economy. Leveraging our organisation’s market position and relying on public climate targets, gives us tangible mitigation opportunities in the retail mortgage area, and the Wholesale Banking and Business Banking areas.

## Climate change adaptation

We define climate change adaptation as the process of adjusting to actual and anticipated climate change and its impacts. We link this issue to physical risk because it involves implementing mechanisms and strategies to manage the effects of physical climate-related events and reduce their negative financial impact.

## Risks

Physical hazards can arise from acute events caused by phenomena such as storms and floods, as well as from progressive (chronic), long-term changes such as rising temperatures. They increase the likelihood of defaults and non-performing loans and can cause negative financial consequences, among other things:

- for loans secured by real estate – the frequency and intensity of extreme events that affect clients’ real estate can lead to asset impairment allowances, devaluation of assets and a potential reduction in the availability of insurance for assets in high-risk locations. The loss of borrowers’ ability to service loan repayments or access to financing for real estate renovation – due to the difficult financial situation caused by natural disasters – could potentially add to the bank’s losses.
- for loans granted to Business Banking clients:
  - for companies – increased operating costs, reduced revenue due to a drop in demand, impact on raw material availability, damage to production facilities, damage to infrastructure, work stoppages, higher insurance costs – can result in unexpected costs and significant losses. Consequently, this can lead to a reduction in income and profits for borrowers, affecting their ability to repay loans. Loss of revenue and higher insurance premiums can increase the risk of client insolvency.
  - for governmental entities, the revenue implications of physical risk events may result primarily from reduced tax revenue and increased expenditure. Lower tax revenues can result from the loss of value of companies, reduced household income and an overall reduction in production. Higher government spending is likely to be

<sup>6</sup> Directive (EU) 2024/1275 of the European Parliament and of the Council of 24 April 2024 on the energy performance of buildings; published in the Official Journal of the European Commission on 08.05.2024 and in force from 28.05.2024. .





used to address and partially offset negative economic impacts and to cover the costs of climate change adaptation. As a result, government entities, including sub-national ones, may also face higher borrowing costs or related to limited access to debt markets.

## Policies to manage climate change impacts and risks

### E1-2

The management of climate related impacts, risks and opportunities is embedded in many of our internal regulations. We have implemented the policy, manuals, guidelines and methodologies in the area of ESG risk management that support us in managing these risks. Our strategic objectives and ambitions for managing impacts and risks related to climate change mitigation (transition risk) and climate change adaptation (physical risk) are implemented within the framework of the overall *ESG Risk Management Policy* and the regulations detailing it.

#### ESG risk management policy

The *ESG Risk Management Policy* (ESG Policy) is a comprehensive policy that aims to set out how we manage ESG risk within the services we provide, at portfolio and sub-portfolio level and at individual client and transaction level. The policy applies to the Retail, Business Banking and Wholesale Banking client areas – in terms of the credit and non-credit products and services offered.

In addition, the ESG Policy:

- sets out how the ESG risk management process fits into the existing framework for managing credit, market, liquidity and financing and non-financial risks,
- indicates how ESG risk information from the risk management process is reported and used as a basis for decision-making at all organisational levels of the bank.

The scope of the ESG Policy includes, inter alia, key definitions related to ESG risks, identification of the nature and specificity of ESG risks, identification of ESG risk drivers and transmission channels and impact on traditional risks.

The document also defines the ESG risk management structure, indicating the roles of the different bodies and organisational units of the bank. It describes how ESG risks, including physical and transition, are managed:

- at the portfolio level: the process of identifying, assessing, monitoring and reporting ESG risks, key measures and targets and ESG risk appetite, methods, standards, tools and data for managing ESG risks within credit risk,
- at the client and transaction level: within the KYC (Know Your Customer) process and the credit process.

The document also describes how ESG risks are managed within market risk, liquidity and financing risk, operational risk and compliance risk. It also identifies control objectives for ESG risk management.

In establishing the ESG Policy rules, we are guided, inter alia, by the EBA (European Banking Authority) Guidelines EBA/GL/2020/06<sup>7</sup> of 29 May 2020 on loan origination and credit monitoring, which, as of 30 June 2021, requires banks, inter alia, to take into account in the lending process an assessment of the exposure of their clients' activities to ESG factors. We also include provisions in the standards we are introducing for ESG risk management:

- *European Central Bank Guidance on Climate and Environmental Risks – Supervisory expectations regarding risk management and disclosures*<sup>8</sup>, November 2020 – indicating expectations addressed to banks under the direct supervision of the ECB.
- *European Banking Supervision Report on the management and supervision of ESG risks for credit institutions and investment firms*<sup>9</sup>, EBA/REP 2021/18, July 2021.
- and gradually, as far as possible, also the requirements of the EBA/GL/2025/01 *Guideline* of 8 January 2025 on the management of ESG risks<sup>10</sup>.

The legislative process for the *ESG Policy* is carried out in accordance with the *ING Bank Śląski S.A. Legislative Manual*. An ongoing element of this process is, inter alia, the opinion of the document, together with the acceptance of specific organisational units of the bank. The minimum range of units is predefined depending on the rank of the legal act and of the approval authority. The selection of the optional opinion units takes into account their role and relevance in the ESG processes, including the new or changed tasks assigned, the role in preparing and carrying out

<sup>7</sup> [Guidelines on loan origination and monitoring | European Banking Authority](#)

<sup>8</sup> *ECB Guide on climate-related and environmental risks – Supervisory expectations relating to risk management and disclosure*, <https://www.bankingsupervision.europa.eu/ecb/pub/pdf/ssm.202011finalguideonclimate-relatedandenvironmentalrisks~58213f6564.en.pdf>

<sup>9</sup> *EBA Report on management and supervision on ESG risk for credit institutions and investment firms*, <https://www.eba.europa.eu/publications-and-media/press-releases/eba-publishes-its-report-management-and-supervision-esg-risks>

<sup>10</sup> *EBA Guidelines on the management of environmental, social and governance (ESG) risks*, <https://www.eba.europa.eu/publications-and-media/press-releases/eba-publishes-its-final-guidelines-management-esg-risks>



adaptation activities. Thus, it is ensured that the interests of key stakeholders are taken into account when setting policy.

The highest level of our organisation, responsible for the implementation of the *ESG Policy*, is the Bank Management Board, which also approves its reviews and updates. Once approved, the *ESG Policy* is published in the internal regulatory filing system. The Bank Management Board Bureau periodically informs all business units of the regulations introduced. In addition, the regulations are made available to internal stakeholders on the bank’s intranet pages. *The ESG Policy* is reviewed at least once a year.

*The ESG Policy* is complemented by specific documents addressing, inter alia, physical and transition risk issues, such as manuals and methodologies and guidelines, approved at the ESG Risk Committee level or other decision-making levels in line with the bank’s legislative manual. The legislative process for these documents also involves an opinion on the document along with obtaining the approval of specific organisational units of the bank, depending on the rank of the legislation and the approving authority.

### Regulations directly related to the assessment of impacts risks and opportunities

We have described the process and how to assess the double materiality of impacts, risks and opportunities in the documents:

- *Methodology for Assessing Materiality of Impacts, Risks and Opportunities* – defines the flow and elements of the double materiality assessment process and comprehensively describes our approach. It includes definitions of the basic concepts underpinning the DMA process, identifies the value chain context in which the assessment is conducted, defines the timeframe considered for conducting the assessment and explains the concept of stakeholder engagement in the context of double materiality. It also describes the different stages of the DMA and the adopted methods for materiality assessment – for negative impacts, positive impacts, risks and opportunities respectively.
- *List of Impacts, Risks and Opportunities in ESG Area* – includes a description of negative and positive impact drivers and ESG risks and opportunities, linked to transmission channels for traditional banking risks.

### Portfolio ESG risk management

Our portfolio approach to climate change risk management is indicated by the following internal documents:

- Sectoral Methodology for Assessing Climate and Environmental Risks for Business Banking and Wholesale Banking Portfolios – describes an approach for in-depth assessment of transition and physical and biodiversity risks.
- Methodology – Materiality assessment of Climate and Environmental Risks for the Retail Banking Portfolio – identifies climate and environmental risks relevant to Retail Banking clients and the approach to materiality assessment of transition and physical risks in this area.
- The Methodology for Establishing KRIs (Key Risk Indicators) for Physical Risk for Loans Granted in the MTG Segment and Loans Secured on Real Estate in the SME&MC Segment – sets out our approach to establishing key risk indicators for the Retail Banking mortgage portfolio and the Business Banking portfolio.
- Methodology for Incorporating Transition and Physical Risk Assessments into the Value of Real Estate Collateral – indicates the approach to addressing these risks in our processes.
- Set of methodologies Calculation of the Bank’s carbon footprint under categories 13 and 15 of Scope 3 – includes an approach to counting emissions from the following asset classes of the Bank: general purpose finance, investment project finance, income-generating real estate, mortgage loans – residential real estate, lease finance (operating and finance), government debt.
- Materiality assessment of climate-related and environmental Risks within the Market Risk.
- Materiality Assessment of Climate-related and Environmental Risks within Liquidity Risk.
- Assessing the Materiality of Climate and Environmental Risks in Operational Risk Area.
- Methodology for Assessing the Materiality of Climate and Environmental Risks for Compliance Risk.

### Wholesale Banking

The document detailing ESG risk management for our largest clients is the *ESG Manual for Wholesale Banking Clients (ESG Risk Assessment)*. The document sets out the principles for assessing and monitoring ESG risks as part of the KYC and credit process and the roles and responsibilities of the different lines of defence. The principles and standards described support the determination of whether ESG risks associated with a client and/or transaction are acceptable to us and/or how these risks can be mitigated and monitored during the course of a business relationship with a client. The manual outlines the various stages of risk identification, assessment, management,



mitigation and monitoring. These ESG risk assessment requirements and steps vary by client and product type, but present a compatible approach to risk management, based on similar data sources and scoring methods.

The manual also identifies actions whose controversial nature and impact make them incompatible with ING's values. The manual also sets out our approach to protecting human rights and promoting sustainable development. It sets out specific policies on, for example: protected areas, energy, metals and mining, forestry and agricultural commodities, fisheries and animal welfare. The document also sets out the requirement to apply the Equator Principles to the financing of major investment projects.

#### ESG risk assessment tool

For Wholesale Banking, we have developed a new approach to ESG risk assessment that takes into account environmental, social and governance risk factors, negative impacts and dependencies. The approach is used in the exposure granting and exposure review process. The approach was progressively implemented in 2024 and improvements will continue in 2025. Depending on the outcome of the ESG risk assessment, mitigating actions may be required.

- For all clients and transactions, a materiality check is performed to determine whether, based on the business model, the company is likely to have a material negative impact and/or dependence on ESG factors. The assessment is mainly based on the typical negative impacts and dependencies of the given sector. Where material ESG factors are identified, an initial assessment is provided for the entity/transaction in terms of ESG factor impact and reputational risk.
- This is followed by a qualitative assessment identifying potential mitigating factors to reduce the negative impact or financial risk of the transaction. In addition, the transaction is checked against the minimum standards for the sector and the list of restricted activities and companies.
- If high risks are identified, due diligence is carried out and a recommendation is obtained from ESG experts as to additional conditions for the bank to provide financing.

#### **Business Banking**

*ESG Manual for Business Banking Clients* (ESG Manual) – sets out the framework for our risk tolerance in relation to environmental and social issues. In it, we have identified the sectors and areas excluded from financing and restricted. These are activities/areas which – in our opinion – are associated with, inter alia, a particularly high risk of negative environmental impacts. The environmental and social risk assessment covers the client and the transaction. At the client level, we assess whether the business is conducted according to environmental principles and is not covered by exclusion policy. At the transaction level, we assess whether it complies with the requirements of the detailed policies.

*The ESG Manual* also includes specific (detailed) policies for clients in the Business Banking area to whom credit products are offered. They set minimum sector standards aimed at minimising negative sector impacts and risks. Specific policies include: animal welfare, forestry and plantations, tobacco industry, industrial processing, chemical industry and use of chemicals, defence and arms industry, coal mining, coal power and related activities, other mining and power, petrochemicals and metal production.

The identification, measurement/assessment and monitoring of transition and physical risks in relation to a single client of the Business Banking area, including the scope of assessment in the credit application and the possibility of rating appeal<sup>11</sup>, are regulated in the following internal regulations:

- *Corporate Client Lending Manual* – indicating in particular the scope of client/transaction analysis required as part of the credit application.
- *Sector-specific guidance* – indicating key ESG risks, examples of mitigating factors, scope of assessment.
- *Transition and Flood Risk Assessment Guidelines* – indicates the approach to assessing the risks in question at client level.

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<sup>11</sup> Rating appeal – is the possibility that a Business Banking and Wholesale Banking client's rating may be downgraded from the risk class proposed by the rating model when material environmental/climate risks are identified





## Retail Banking

The most important documents detailing ESG risk management for retail clients are:

- *Retail Loan Collateral Manual* – includes provisions on the inclusion of transition and physical risk in the value of the real estate.
- *Manual – Regulations for Mortgage Products* – includes a description of additional process steps and fields related to the consideration of transition and physical risk in the value of residential real estate accepted/ to be accepted as collateral from clients in the Poland MTG rating system and accepted from clients in the Poland SBF rating system.

## Guidelines for sustainable financing

Our main documents on sustainable financing are:

- *ESG (sustainability) qualification manual for products and transactions* – includes qualification criteria established based on regulatory requirements (e.g. EU Taxonomy, under Pillar 3 disclosures) and market standards. The different categories are characterised by the materiality of the impact on ESG aspects, in particular on EU environmental objectives and the degree of compliance of credit products and transactions with the EU Taxonomy or other recognised non-regulatory standards.
- *Procedure for ESG (sustainability) Qualification of Credit Products* – defines the necessary steps to be taken to classify a product in terms of ESG (sustainability), the organizational units involved, the documents created as a part of this process and the rules for recording the resulting documents.
- In Wholesale Banking Area, we have introduced *Sustainable Financing Guidelines*, which provide a framework that defines the types of sustainable financing we engage in and describes the solutions we offer. Depending on sectors and clients, we tailor our offering to each client's individual sustainability needs and ambitions. This translates into various solutions that support the development of sustainable business. The guidelines will be updated in relation to the solutions offered and changes occurring in regulatory requirements.

## ESG policy implementation actions

### E1-3

Our actions taken and planned towards the sectors and clients included in the transition plan, i.e.: towards the residential and commercial real estate sector, the power generation sector (including thermal coal activities) and towards clients within the scope of the cross-sector transition plan – are described in the section [Our transition plan](#). This section also indicates in detail our actions related to the cyclical estimation of emissions from loan portfolios.

## Key actions related to the implementation of the ESG Policy

Below we present the other key actions related to the implementation of the *ESG Policy*, addressing climate change issues:

- In 2024, we conducted an analysis of the resilience of our business model and strategy in relation to climate change based on NGFS scenarios<sup>12</sup>. The analysis carried out (stress test) illustrates the level of risk costs under different NGFS scenarios, with a focus on identifying deviations from the baseline scenario.
- We take transition and physical risk into account in the rating process through the possibility of a deterioration of the Business Banking and Wholesale Banking client rating relative to the risk class proposed by the rating model when material environmental/climate risk is identified.

## With regard to transition risk:

- Based on our internal methodology for sectoral assessment of climate and environmental risks, we have identified the sectors most exposed to transition risks and require that:
  - in manual processes, each credit decision package: addressed this risk and indicated risk mitigation measures; additionally, for clients in a weaker financial and economic situation, we require each credit decision package to include an in-depth assessment of transition risk in line with dedicated guidelines (e.g. emission-related issues and transition plans)
  - in semi-automatic and automatic processes: transition risk is one of the factors influencing the overall assessment of the sector and thus affects the value of credit limits offered.

<sup>12</sup> Network for Greening the Financial System





- We built and validated a scoring model for transition risk in Business Banking. Ultimately, the model will be used at the stage of establishing a credit relationship with clients and as part of ongoing monitoring process. We expect the model to be as accurate as possible in identifying clients who are particularly at risk of transition, allowing for an appropriate gradation of risk. In 2025, we will work on the use of the model in the credit process.
- We have launched a number of initiatives to collect data on emissions from our Business Banking and Wholesale Banking customers.
- In 2024, we have started to include transition risk in the value of real estate collateral in the portfolio of the retail mortgage exposures and in the vast majority of the portfolio of corporate Business Banking exposures - to cover the risk of a reduction in the market value of the real estate due to its low energy efficiency.
- We periodically review the portfolio of retail mortgage loans for the energy efficiency of the real estate accepted as collateral and monitor the proportion of real estate with a high transition risk.
- We collect information on the energy efficiency of the collateral real estate (for existing and new loans).
- In the area of Retail Banking, we promote products designed to finance energy-efficient real estate and designed to finance energy efficiency improvements in real estate.
- We apply the financing criteria for income-generating real estate in Business Banking, under which we do not finance real estate with low energy efficiency.

#### **Risk appetite statement (RAS)**

- For the retail mortgage portfolio for the new sale, we cyclically set a maximum share of new financing allocated the properties with lowest energy efficiency.
- Within the sectoral risk appetite limits for the Business Banking client portfolio, we include transition risk. We apply a proportional reduction in the credit risk limit, the amount of which depends on the ratings given to individual sectors in the process of the transition risk materiality assessment or depends on the average GHG emission intensity for each sector.

#### **With regard to physical risks:**

- In 2024, we started to include river flood risk in the value of real estate collateral in the retail mortgage exposure portfolio and the vast majority of the Business Banking portfolio.

- Flood insurance is mandatory in the retail mortgage exposure portfolio, regardless of the location of the real estate.
- In 2024, we have for the first time established key risk indicators (KRIs) for physical risk for mortgage loans granted in Retail Banking and for loans secured by real estate in Business Banking, which translates into a better understanding, monitoring and control of physical risk in the above segments.
- In the Business Banking portfolio, we examine the risk of river flooding for the real estate accepted as collateral and, in the manual path, also for the real estate in which the client operates. Where risks are identified, we are required to obtain flood insurance or (where such insurance cannot be obtained): for collateral, we require a derogation credit decision and for the real estate in which the client operates, we require the identification of material risk mitigating factors as part of the credit decision.
- We are developing our tools for accurately assessing physical risk with new data sources and working on the precision of the results obtained.

#### **Additionally, in the area of liquidity risk:**

- We conducted a Climate Liquidity Stress Test in 2024 with a horizon to 2050 to assess the impact of climate risk on liquidity risk. The results of the Climate Liquidity Stress Test showed that there was no material impact of climate risk on liquidity risk. The Climate Stress Liquidity Test will be conducted periodically.
- We periodically carry out an analysis of the impact on the bank's liquidity of client deposits with high climate risk (last carried out in 2023). The results of the analysis do not make it clear that client volumes with high climate risk represent a homogeneous volume of deposits that can be treated separately due to the expected costs of climate risk.
- In 2024, we have included a climate factor in the stress scenario as part of the Stress Liquidity Test programme.
- We carried out an assessment of the materiality of ESG risks within liquidity risk.



## Financial implications and resilience of the business model

### SBM-3

In terms of the risks identified, we have taken the following approach to determining the current financial impact:

- With regard to physical risk – we base the current financial impact on the actual events that took place during the reporting year. The value of the provision made for the potential effects of flooding as at the end of 2024 amounted to PLN 7 million and covered the areas of Retail Clients (including the mortgage loan portfolio and the consumer loan portfolio) and Business Banking.
- With regard to transition risk – we have made an adjustment to the indications of the IFRS model for the measurement of credit risk, recognising the costs associated with transition risk in the short term. At the end of 2024, this adjustment amounted to PLN 30 million and related to the corporate segment, i.e. the Wholesale Banking and Business Banking areas.

With regard to the anticipated financial impact, we rely on Pillar 3 disclosures. Template 5 is used to provide information on the consolidated level of physical risk-sensitive exposures and Template 2 provides information on our real estate portfolio and the energy efficiency of the associated collateral – both templates are included [here](#).

We are continuously developing the process of integrating the issue of potential financial impact arising from environmental/climate risks into the credit risk management process, including addressing requirements arising from the ever-changing environment.

## Resilience analysis

### NGFS scenarios

We analysed the resilience of our business model and strategy in relation to climate change using scenarios developed by NGFS. NGFS scenarios are continually updated to incorporate the latest data and changes in climate policy to ensure compliance with the most up-to-date scientific knowledge. They support the identification of the scale and costs associated with different future scenarios and contribute to ensuring greater awareness and stability of the financial sector. The appropriateness of NGFS scenarios is confirmed by their widespread use by central banks, supervisory authorities and financial institutions, among others.

We conducted the climate stress test in 2024, with several time horizons: short (up to 3 years), medium (up to 2030) and long (up to 2050). The scope of the stress test covered the entire loan portfolio, with the exception of derivatives. The stress test did not include the own operations and the supply chain.

The NGFS scenarios take into account two main types of climate risks:

- the transition risks associated with the transition of the economy to a low-carbon economy, and
- physical risks arising from the direct effects of climate change, such as floods, droughts and heat waves,

and translate the effects of climate risks into changes in macroeconomic parameters.

As part of the stress test, we used the following NGFS scenarios:

- *Net Zero 2050* : which aims to limit global warming to 1.5°C through stringent climate policies and innovations leading to net zero CO<sub>2</sub> emissions around 2050. It assumes, inter alia, rapid technological change and a reduction in energy consumption through improved energy efficiency. In terms of macroeconomic trends, the scenario indicates, the possibility of a slowdown in economic growth in the coming years relative to the NGFS baseline assumptions due to transition costs and, in the longer term, the possibility of an acceleration due to investments in sustainable technologies.
- *Current Policies*: assuming only currently implemented climate policies are retained, which will lead to high physical risk. Among other things, it is characterised by slow technological change and a high assumed increase in global warming (around 3°C).
- *Fragmented World*: assuming delayed and divergent climate policy ambitions around the world, leading to an increased risk of transition in some countries and a high risk of physical everywhere, due to the overall ineffectiveness of the transition. Elements characteristic of this scenario include the relatively high level of assumed global warming increase (above 2°C) and the slow and piecemeal change in technology.

For our resilience analysis, we selected the most extreme scenarios in terms of assumptions about the magnitude of physical risk and transition risk: of the seven available NGFS scenarios, *Current Policies* assumes the highest level of physical risk, while *Fragmented World* assumes the highest level of transition risk. We based the NGFS scenarios on the so-called *phase IV*), made available in 2023.

### Results of the resilience analysis

The resilience analysis carried out indicates the level of risk costs under the different NGFS scenarios, identifying deviations from the baseline scenario. Relationships between risk costs, revenue and credit volumes were also assessed. Although the adverse scenarios indicate a slight increase (deterioration) in the indicators analysed compared to the baseline, the results of the analysis demonstrate the overall resilience of our bank's business



model and strategy to climate risks, with a recommendation to continue to take climate and environmental issues (transition risk, physical risk) into account at the stage of borrower risk assessment, sector analyses or valuation of real estate collateral.

We understand that regulatory pressure due to high environmental impact is already being felt in several economic sectors (e.g. automotive). There may be additional regulations in the future, the effects of which are not yet known.

The assessment of transition risks in the medium and long term for the mortgage portfolio is still dependent on the transposition of the EPBD into local law, which is expected to take place in May 2026.

With regard to physical risk-sensitive exposures, ING proactively manages and monitors the identified risks.

#### Link to strategic planning

Although the results of the double materiality analysis indicate the potential materiality of certain sustainability themes in terms of materiality of impact and risk, the resilience of the bank's business model to transition and physical risk, as demonstrated by the climate stress test conducted over the short to 2027), medium (to 2030) and long (to 2050) time horizons, indicates that at this point in time it is not required to recognise these risks in the financial planning process. We closely observe and monitor our resilience by taking the following actions on a cyclical basis, i.e. at least once a year, among others:

- conducting a double materiality analysis,
- carrying out in-depth analyses of the materiality of transition risk and physical risk in relation to loan portfolios in the different areas – Wholesale Banking, Business Banking, Retail Banking,
- conducting stress tests including ESG risk in credit risk.

If the need to integrate ESG risks into the financial planning process is identified, we will do so.

## Transition risks

### IRO-1

Transition risk refers to the financial loss to an organisation that may result – directly or indirectly – from the adaptation process towards a low-carbon and more environmentally sustainable economy. This may be due to the

relatively sudden adoption of climate and environmental policies, technological advances or changes in market sentiment and preferences.

Transition risk for the lending institution mainly arises from the inability of borrowers/invested entities to meet a net zero emissions climate scenario, which assumes a temperature increase of 1.5°C with no or limited overruns.

#### Assets and business activities that are incompatible with or need significant efforts to be compatible with a transition

There is a group of sectors with a high impact on GHG emissions that will have to incur significant capital expenditure to decarbonise, as well as likely additional indirect costs from decarbonising their suppliers. Transition risks may also be associated with a possible decrease in demand for carbon-intensive products and technologies offered by some of our clients.

We estimate that the short-term perspective, i.e. a three-year period, is too short to observe borrower defaults due solely to the lack of transition. Also, in the long term, classifying all exposure to carbon-intensive sectors as potentially stranded assets<sup>13</sup> is too conservative. In contrast, the approach to assessing the transition risk of individual clients/exposures is still relatively underdeveloped due to the challenges of long-term financial planning and the collection of transition plans.

Transition risk also refers to the need to improve the energy efficiency of the real estate we finance. Due to, inter alia, regulatory uncertainty, estimates of the size of exposures related to real estate that fail to meet minimum energy efficiency thresholds are also subject to uncertainty.

<sup>13</sup> *Stranded assets* that are at risk of being impaired due to the transition to a low-carbon economy, e.g. real estate that does not meet climate transition requirements, assets related to fossil fuel energy production





## Assessment of exposure to transition risk

In line with the expectations of the European banking supervisor EBA<sup>14</sup>, the aim of prudential plans is not to stigmatise sectors of the economy and exit or withdraw investment from carbon-intensive sectors, but to reflect on the required technological, business and behavioural changes of financial institutions and to prepare structured transition plans, including consideration of engaging and, if necessary, supporting their clients. The fact that the borrower belongs to a high-carbon sector or to a sector with a shrinking market due to the energy transition does not automatically mean that the client will inevitably default on its obligations to the bank. Adherence to regulatory expectations for structured transition planning and the use of good risk management practices can lead to an effective transition.

We assess our exposure to transition risk on a portfolio basis based on in-depth analyses in accordance with the internally developed *Sector Methodology for Assessing Climate and Environmental Risks for Business Banking and Wholesale Banking portfolios*. We based our assessment of individual sectors on a combination of data from reputable external sources such as ENCORE, UNEP FI, Eurostat, PCAF and selected internal risk measures. We assigned each sector a score according to the internal of 1-5 (corresponding to risk levels: 1 – minimal, 2 – informational, 3 – significant, 4 – material, 5 – critical). Separately for the Wholesale Banking and Business Banking segments, we have identified our exposure in each risk level according to the scale above. In the longer term, we rely on the results of the stress tests described in the section [Resilience analysis](#) in assessing exposure to transition risk.

We realise that only by pricing transition risk in a *bottom-up* approach (i.e. starting from the client/exposure level) in perspective will it be possible to more accurately estimate and better manage this risk.

Another channel for the transmission of transition risks is the need to improve the energy efficiency of the real estate. The EPBD is not expected to be translated into the national laws of EU Member States until May 2026. Currently, regulatory uncertainty persists, making it impossible to establish a direct link between a real estate's primary energy demand and the level of transition risk. Also, the future rate of renovation depends heavily on the regulatory incentive, including the establishment of a network of facilitators, and how low-income households will be protected from unaffordable expenses.

<sup>14</sup> [EBA Consultation Paper: Draft Guidelines on the Management of ESG Risks \(EBA/CP/2024/02](#), par 15)

For the Retail Banking mortgage portfolio, we implemented a portfolio approach to identify a portfolio of high transition risk, which we associate with the inability of clients with exposure secured by high-carbon real estate to upgrade. For the time being, we use this approach for risk monitoring and internal analysis and continue to develop it.

## Identification of climate-related hazards

For a summary of the quantitative approach to transition risk, we refer to Template 2 – showing the gross carrying amount of loans secured by real estate and real estate collateral taken over, broken down by the energy efficiency of the collateral associated with real estate financing based on the disclosures on a Pillar 3 requirements basis presented [here](#).

## Disclosure on EU benchmarks aligned with the Paris Agreement

ING Bank Śląski S.A. as a financial institution and the other entities in the ING Bank Śląski S.A. Capital Group do not meet the criteria in Article 12(1)(d) to (g) of the Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020<sup>15</sup>. In addition, the bank is not aware that it has been excluded from any EU benchmark in accordance with Article 12(2) of the Regulation. Consequently, the bank and its subsidiaries are not excluded from the EU benchmarks adapted to the requirements of the Paris Agreement.

## Impact, risk and opportunity management (IRO)

We continuously identify, assess and manage climate and environmental impacts, risks and opportunities as an integral part of managing traditional risks. We present our approach to assessing environmental/climate risk at the portfolio and client/credit exposure levels in the section [ESG risk as an enabler of core risk categories](#).

The results of the double materiality assessment guide the focus of our strategic actions and the preparation of in-depth analyse. They are part of our risk management process and business operations.

<sup>15</sup> [Commission Delegated Regulation \(EU\) 2020/1818 of 17 July 2020 supplementing Regulation \(EU\) 2016/1011 of the European Parliament and of the Council with regard to minimum standards for EU climate transition benchmarks and EU benchmarks adapted to the Paris Agreement](#), <https://eur-lex.europa.eu/legal-content/PL/TXT/?uri=CELEX%3A32020R1818Z> PAB



## Physical risk

### Process for identifying climate-related physical risks

#### IRO-1

As part of the physical risk analyses we carry out, we use an internal tool that indicates the level of risk for a specific location, in relation to physical risks and three time horizons. We analyse physical risks from the following hazards:

- acute (river flooding, coastal flooding, tsunamis, fires, tropical cyclones, earthquakes, heat waves),
- long-term (mean sea level rise, water scarcity).

We use the following time horizons:

- short: up to 4 years,
- medium: over 4 years to 10 years,
- long: over 10 years.

We examine physical risk for the location indicated with postcode and city accuracy. This is a more granular approach than that required under ESRS E1-AR.11.c, i.e. based on the classification of territorial units for statistical purposes – on a NUTS basis<sup>16</sup>. We are working on a solution to indicate the level of risk for an exact address.

#### IPCC scenario – RCP 8.5

For the risk analysis, we use the risk levels in RCP scenario 8.5 (high emissions) within the scenarios set by the IPCC (*Intergovernmental Panel on Climate Change*). The RCP 8.5 scenario assumes a continuation of current emission trends and limited mitigation efforts: emissions increase throughout the century, causing significant global warming and a potential temperature increase of 4°C or more above pre-industrial levels. This is a scenario often referred to as the highest-issue scenario (conservative scenario).

#### Inputs

The inputs for the physical risk analysis in Template 5 of Regulation 2022/2453 of 30 November 2022 with regard to the disclosure of environmental, social policy and corporate governance risks<sup>17</sup> for exposures secured by real estate

are the postal codes and city names from the addresses of the real estate collateral and the period to maturity of the exposure (related to the time horizon over which we determine the level of risk for a given hazard).

The inputs to the physical risk analysis in Template 5 for corporate exposures not secured by real estate are the postal codes and city names from the business addresses, the period to maturity of the exposure, as well as NACE codes and data on the sensitivity of specific activities, indicated by NACE codes, to specific risks:

- data from Eurostat on the capital intensity of individual activities (related to hazards such as river flooding, coastal flooding, rise in mean sea level, tsunamis, fires, tropical cyclones, earthquakes),
- data from ENCORE on the vulnerability of certain activities to water scarcity,
- data on the employment intensity of individual activities, which translates into their vulnerability to heat waves.

#### Risk mitigation

In relation to physical risk exposures, we take a proactive approach to managing and monitoring identified risks. In 2024, we took another important step towards improving the physical risk assessment of unsecured exposure of Wholesale Banking clients – we started collecting the business location addresses of these clients. We collected data for the vast majority of this portfolio, measured by the gross carrying amount of exposures. We already had the addresses of the business locations for medium and large companies in the Business Banking area.

Our analysis shows that the only risk whose impact could be material to our real estate defences is the risk of river flooding. Taking this into account:

- in 2024, we started to include river flood risk in the value of real estate collateral for mortgage loans in Retail Banking and the vast majority of the Business Banking portfolio.
- in the portfolio of retail mortgage exposures, we mandatorily require flood insurance, regardless of the location of the real estate.
- in the area of Business Banking, we mandatorily require real estate flood insurance if we identify a risk of river flooding. Also, in the case of a real estate where the client operates in a risk-identified situation, we require

<sup>16</sup> NUTS – a common classification of territorial units for statistics established by the EU to facilitate the collection, compilation and dissemination of harmonised regional statistics

<sup>17</sup> Commission Implementing Regulation (EU) 2022/2453 of 30 November 2022 amending the implementing technical standards set out in Implementing Regulation (EU) 2021/637 as regards the disclosure of information on environmental, social and governance risks



confirmation of a flood insurance policy or the identification of significant mitigants (risk mitigation factors) as part of the credit decision.

We are developing the tools used to accurately assess physical risk with new data sources and working to increase the precision of the results obtained.

In 2024, we set key risk indicators (KRIs) for physical risk for retail mortgage lending and for real estate-backed lending in Business Banking for the first time.

### Assessment of exposure to physical risks

In terms of physical risk disclosure, we are taking the opportunity to phase in the information requirements. We have based the scope of the information on the reporting requirements for Pillar 3 disclosures, in accordance with Template 5 of Regulation 2022/2453.

In order to be consistent with the ESRS, the information provided should be complemented by a presentation of climate-related hazards in the short-, medium- and long-term time horizons in which the physical risks materialise, as well as location information. However, ensuring such consistency is not feasible due to the challenges of alignment between Pillar 3 disclosure requirements and ESRS disclosure requirements, which can be summarised as follows:

- time horizons: Template 5 under Pillar 3 uses the residual maturity of the loan in different maturity bands, which is not in line with the ESRS E1-9 requirement to disclose the monetary amount and percentage of assets with material physical risk in the short-, medium- and long-term. Although we have the ability to quantify physical risk over different time horizons, we will take the opportunity to implement the E1-9 requirement on a best efforts basis, using the Template 5 under Pillar 3 disclosures, without further modification.
- Location: ESRS E1-9 requires disclosure of the location of material assets with material physical risk. In contrast, the requirements of Template 5 under Pillar 3 focus on the location of the business and collateral, including the geographical region (e.g. country of residence) or administrative region in which the counterparty's business or collateral is located. This means focusing on different types of risk: ESRS E1-9 emphasises stranded asset risk as a financial loss, while Template 5 under Pillar 3 focuses on the risk of operational disruption and destruction of collateral that may affect the borrower's ability to repay the loan.

These differences highlight the challenges of aligning the reporting requirements of Pillar 3 under Template 5 with those of ESRS E1-9. Therefore, no direct interpretation can be derived from equation 5 to meet the requirements of

ESRS 66 (a) and (c). We anticipate that the ESRS sectoral standards will provide further transparency and provide guidance on the quantification of projected financial impacts.

To provide a summary of the quantitative approach to physical risk we therefore refer to:

- Template 5 – showing exposures at consolidated level sensitive to physical risk, broken down by maturity,
- Template 2 Banking portfolio – Indicators of potential physical risk associated with climate change: exposures subject to physical risk, presented [here](#).

### Transmission of ESG transition risks to other banking risks

We treat transition and physical risks with the same attention as the financial and non-financial risks defined so far. We aim to manage these risks effectively by identifying, assessing, evaluating, measuring, monitoring and taking action to reduce the negative climate and environmental impacts of our loan portfolios (including the actions described in Our transition plan) and the impact of transition and physical risk factors on the bank.

As we view ESG risks not as a separate risk, but as a set of factors that can amplify the severity and/or increase the likelihood of traditional risks being realised, the management of these risks is integrated into existing policies, processes and procedures for traditional risks. Aiming to manage ESG risks in a holistic manner, we are integrating them into the existing risk management framework as the available methods and tools develop.

We performed a comprehensive analysis of the impact of ESG risks on classic banking risks and identified channels of transmission. We documented the results of the analysis in an internal document *List of ESG Impacts, Risks and Opportunities*. We assessed the materiality of climate and environmental risks within other banking risks: credit, market, liquidity, operational, compliance.

We present more details about the ESG risk management actions we have taken in the above areas in the section [ESG risk as an enabler of the underlying risk categories](#).





Our transition plan

**E1-1**

Our ambition is to be a bank that responds to the challenges of today’s world, which is why we take an active role in climate change mitigation efforts. As a financial institution, we are able and willing to take active steps to transform the economy to a less carbon-intensive one, primarily by supporting our clients in reducing their emissions. We are actively working to reduce emissions in the area of our own economy. At the same time, we see our role as a bank primarily in promoting and undertaking energy transition initiatives and other projects with clients to reduce energy consumption and switch to renewable energy sources. We want to support our clients in achieving success while supporting environmentally sustainable investments that benefit them and build their competitive advantage in the market, as well as ensuring alignment with regulations in this area.

ING Group N.V.’s accession to the Net Zero Banking Alliance (NZBA) in 2021 underpins its strategic direction to drive ING Group N.V.’s portfolio to net zero emissions by 2050 . By signing the NZBA, ING Group N.V. has committed to setting net zero emission targets for 2030 and 2050 for priority sectors. Priority sectors include agriculture, aluminium, cement, coal, commercial and residential real estate, iron and steel, oil and gas, power and transport. The targets set should be aligned with the transition pathways under the 1.5°C scenario, in line with credible, science-based climate scenarios. ING Bank Śląski Group, as part of the ING N.V. Group, which is a member of the NZBA, also joins in the objectives it promotes.

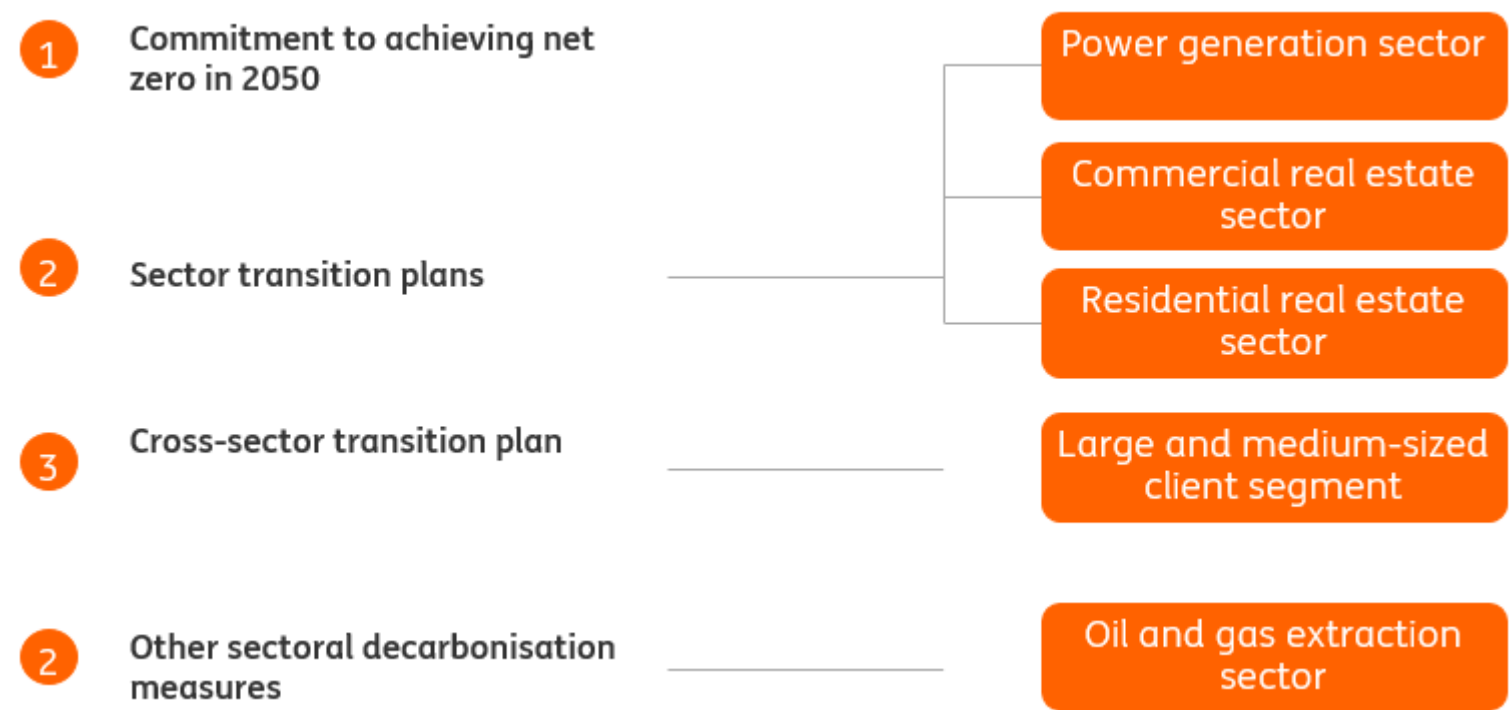
Our approach to transition plans

Based on a double materiality assessment, we have concluded that the material impact, risks and opportunities in mitigation arise from the financed activities of our corporate and retail clients. Although ING’s own operations are an important topic for us, our biggest impact on the environment and climate is through the financing we provide. Our transition plan therefore focuses on how we drive transition in our financial operations, with priority given first to the residential, commercial real estate, power generation sectors and a group of clients covered by a cross-sector transition plan based on engagement understood as a dialogue with clients to support their transition.

Analysis of the impact of sectors on the economy and guidance from initiatives such as the NZBA and SBTi (*Science Based Targets Initiative*) indicate that residential and commercial real estate and the energy generation sector play a key role in decarbonisation. Buildings are responsible for a large proportion of emissions and retrofitting them is essential to meet climate targets.

While our exposure to the power generation sector is not large – thanks to the consistent reduction of carbon-intensive assets since 2017 – its role in transforming the economy by shaping the energy mix remains crucial. This is why we are focusing on financing renewable energy sources to maximise our impact on reducing emissions.

ING BSK’s Roadmap for Reducing GHG Emissions



Scope and progress of our transition plans

Summary of our transition plans vs. financed CO<sub>2</sub> emissions

The first climate change risk mitigation measures for our loan portfolio consisted of an approach based on a gradual reduction of exposure to high-carbon sectors such as coal mining, coal-fired power generation and oil and gas extraction, for example.

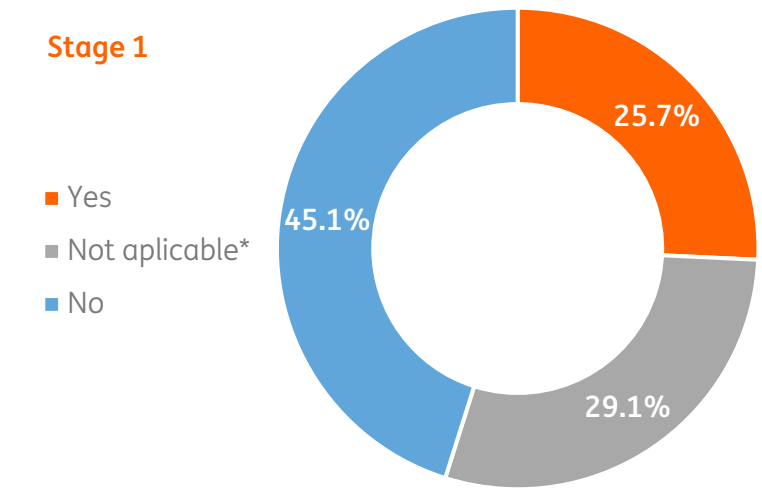
In Part One of “[ING BSK’s Roadmap for Reducing GHG Emissions](#)”, published in 2023, we expanded on this approach. We have taken concrete action by extending it to more sectors (as part of the so-called Stage 1). As at the end of 2024, this stage comprises 25.7% of the assets responsible for 6.9% of the financed category 13 and 15 emissions (Scope 1 and 2).



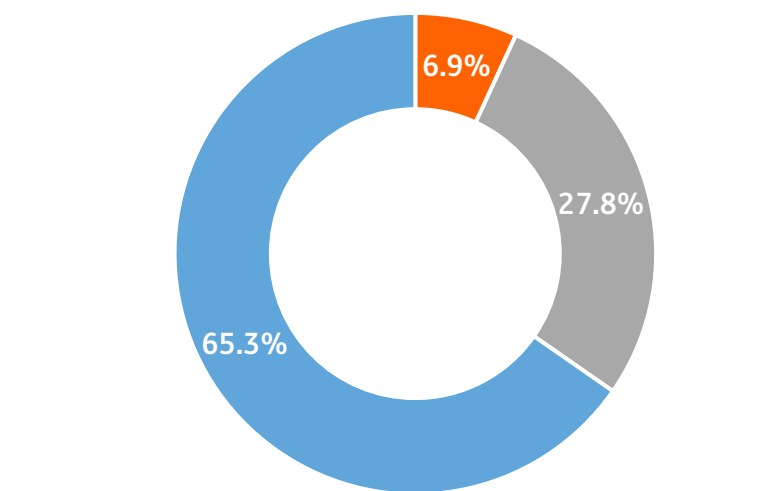
The cross-sector transition plan (known as Stage 2) is a continuation of our work. We are expanding this to include a further almost 1.8% of assets in the transition plans, accounting for 15.7% of emissions.

Decarbonisation activities will exclude 29.1% of assets responsible for 27.8% of financed category 13 and 15 emissions (Scope 1 and 2). This is primarily the bank's investment portfolio, consisting mainly of government bonds on which – according to current guidelines – no decarbonisation targets are set.

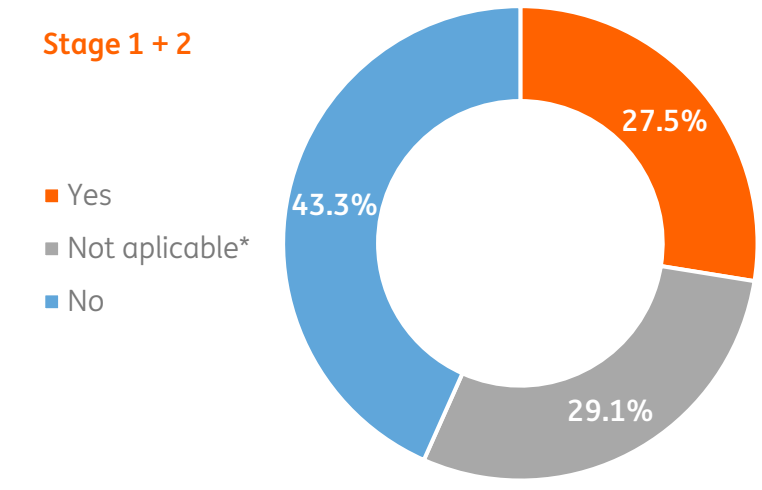
Portfolio coverage by local decarbonisation targets and priorities – % of total assets (2024)



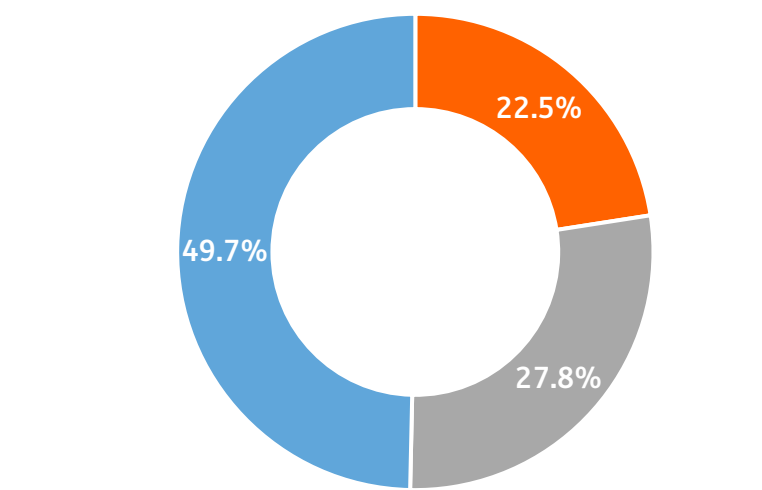
Portfolio coverage by local decarbonisation targets and priorities – % of emissions (scope 1 and 2) (2024)



Portfolio coverage by local decarbonisation targets and priorities – % of total assets (2024)



Portfolio coverage by local decarbonisation targets and priorities – % of emissions (scope 1 and 2) (2024)



\* Excluded from decarbonisation measures are assets on which decarbonisation targets are not set under current guidelines, primarily the bank's investment portfolio.



Review of objectives within transition plans

E1-4

Below is a summary of the key figures for the transition plans. Depending on the target chosen by the bank, different scopes of emissions are taken into account, ranging from direct emissions (scope 1), resulting from companies’ activities (in the energy generation sector), to indirect emissions related to energy consumption (additionally scope 2), to emissions generated along the entire value chain (cross-sector transition plan and oil and gas extraction sector; including scope 3).

In order to effectively measure the achievement of decarbonisation targets, we use different metrics tailored to the characteristics of a particular sector or transition plan. They are not limited to the intensity of emissions. They have

been selected to reflect as accurately as possible the progress made in reducing emissions and the alignment of the portfolio with the chosen decarbonisation strategy. Baseline, current and target values make it possible to assess the dynamics of change and the effectiveness of the measures implemented.

The extent of coverage of financed emissions by a given transition plan makes it possible to determine how much of the loan portfolio is covered by emission reduction targets and priorities. In addition, the gross carrying amounts and their share of total assets indicate the importance of each sector in the financing structure. The summary also takes into account the share of each emission scope (scopes 1, 2 and 3) in the financed emissions, allowing a comprehensive assessment of the environmental impact of the sector.

Branch of industry	Methodology for calculating the emission intensity of the portfolio	Scope of emissions covered by the plan	Greenhouse gases included	Scenario	Base year	Target year	Measure	Baseline value	Present value	Target value	Intensity of financed scope emissions 1 & 2 (tonnes CO <sub>2</sub> e/PLN million)	Coverage of financed emissions with the plan	Gross carrying amount (PLN million)	Share			
									2024					in total assets	in financed emissions		
															scope 1 & 2	scope 3	scope 1, 2 & 3
Power generation	PCAF	1	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O	N/A	2022	2030	Value of financing granted (PLN million)	N/A	537	PLN 5 billion of financing provided for RES between 2024 and 2030 in the corporate segment	19.5	100%	1,475	0.6%	0.3%	0.0%	0.1%
Oil & Gas extraction	PCAF	1, 2 & 3	CO <sub>2</sub> , CH <sub>4</sub>	N/A	2019	2040	Gross carrying amount (PLN million)	9.3	0.4	7.5	188.3	100%	0.4	0.0%	0.0%	0.0%	0.0%
Residential real estate	PCAF, CRREM	1 & 2	CO <sub>2</sub> , HFC, PFC	CRREM	2022	2050	kg CO <sub>2</sub> /m <sup>2</sup>	57.5	52.0	not defined	9.8	93%	57,560	22.1%	5.7%	N/A	0.6%
Commercial real estate	PCAF, CRREM	1 & 2	CO <sub>2</sub> , HFC, PFC	CRREM	2022	2050	kg CO <sub>2</sub> /m <sup>2</sup>	78.4	64.1	not defined	11.3	97%	7,998	3.1%	0.9%	1.4%	1.3%
Cross-sectoral plan	PCAF	1, 2 & 3	CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFC, FHC, PFC, SF <sub>6</sub>	N/A	2023	2030	% of clients covered by the plan classified at least in Category D	1.7	1.7	80	331.7	100%	4,693	1.8%	15.7%	6.0%	7.0%





## Our transition plan in a sectoral approach

### Scenario selection and target setting

In order to adjust the loan portfolio to net zero carbon, it is important to use climate scenarios as benchmarks. These benchmarks are intended to help set intermediate and final targets for individual sectors on the way to achieving the Paris Agreement. The scenarios used should be based on the latest scientific information from recognised institutions such as the *International Energy Agency* (IEA) or *CRREM (Carbon Risk Real Estate Monitor)*, where available.

When assessing the alignment of our loan portfolio with scientifically determined sector pathways, we do not use offsets and do not plan to use them in the future in order to achieve the objectives of the sector approach.

Our objectives and approach to aligning them may change due to regulation, data availability and quality, pathway availability, methodology updates, changes (or lack thereof) in public policy and government action, and other factors affecting our clients, the sectors (in which they operate) or society as a whole.

A different approach to that based on scenarios is used for the power generation and oil and gas extraction sectors. For the first of these sectors, in order to mitigate transition risks, we have adopted an approach based on excluding financing for thermal coal activities and continuing to provide financing for renewables. In the upstream oil and gas sector, we have made a commitment to reduce our financing to the industry.

### Sector selection criteria

We based our decisions on the selection of sectors on several criteria, which we analyse together:

- 1) priority of the sector in line with commitments to the NZBA,
- 2) the results of the analysis of areas of higher transition risk and significant share of the bank's group assets – identifying sectors for potential expansion beyond NZBA priorities,
- 3) assessing the availability of NZE2050 scenarios developed by the IEA or other recognised institutions.

We are constantly developing methodology and data quality, recognising that not all sectors are equally advanced.

## Residential and commercial real estate sector and power generation

In November 2023, we published the document “[ING BSK's Roadmap for Reducing GHG Emissions](#)“, in which we committed to take specific actions to reduce the emissions of our loan portfolio. On the basis of our analysis, we decided to develop carbon intensity reduction plans for residential and commercial properties and those related to energy generation as a first step. Our choice was dictated by the following factors:

- selection of priority sectors according to the guidelines of NZBA (Net Zero Banking Alliance), which accounted for a significant proportion of our portfolio and funded emissions,
- a significant share of emissions from buildings and energy generation (73.2%<sup>18</sup> according to 2021 data) in global GHG emissions,
- the existence of generally accepted, applied transition pathways that are already being implemented by many companies in these sectors,
- the availability of data to estimate the emissions of these sectors and to chart an emissions intensity reduction pathway aligned with the Paris Agreement goals and leading to climate neutrality by 2050. As a next step, it will be necessary to obtain data from clients on the actual emission reductions they have achieved in order to compare them with the decarbonisation pathway assumptions,
- the role of the energy sector in the economy as a primary producer and supplier of energy, and commercial and residential property as a significant consumer of energy, places this sector at the forefront as essential to reducing the economy's emissions.

### Setting paths and targets

For the residential and commercial real estate sector, we have set as a benchmark emission reduction pathways aligned with the Paris Agreement and leading to limiting the increase in average temperature to 1.5°C. For the power generation sector, our actions relate to continuing our policy of phasing out the financing of coal and lignite-based generation<sup>19</sup> and setting targets for financing renewables.

2022 has been adopted as the base year for the sector transition plans under the so-called Stage 1 (power generation, commercial real estate and residential real estate sectors). This was the first year for which we had

<sup>18</sup> Source: <https://ourworldindata.org/emissions-by-sector#energy-electricity-heat-and-transport-73-2>

<sup>19</sup> Details of the exclusions are contained in the bank's internal manual – *Environmental, Social and Corporate Governance Risks*



satisfactory data for the three selected sectors. At the same time, we have not identified any external factors that would disturb the volume of energy consumption and the associated GHG emissions.

In addition, following the decarbonisation pathways for the commercial and residential real estate sectors and the creation of support plans aimed at reducing emissions, we plan to set interim targets for both sectors. We are taking action internally to come up with targets that will be considered ambitious yet achievable. While we see the need to take action now, we recognise that the energy transition is a matter of action for many stakeholders, whom we as a bank seek to activate towards the common goal of net zero carbon emissions in 2050. In addition, we are operating under a limited data availability that is necessary to set long-term goals. These two reasons mean that setting targets for which we as a bank will take responsibility requires time and adequate resources.

For the decarbonisation of the residential sector, electricity and heat grids are crucial. Although the grids are included in the current methodologies and scenarios, these are factors that ING has no direct influence over in its mortgage portfolio. In addition, due to the individual nature of clients and long-term financial commitments, banks have limited ability to directly influence owners' decisions regarding energy upgrades to their real estate. We therefore plan to develop an approach that reflects our contribution and actions to support the transition of the sector. Once a realistic scenario has been developed, it will be possible to move from ambition to specific future goals.

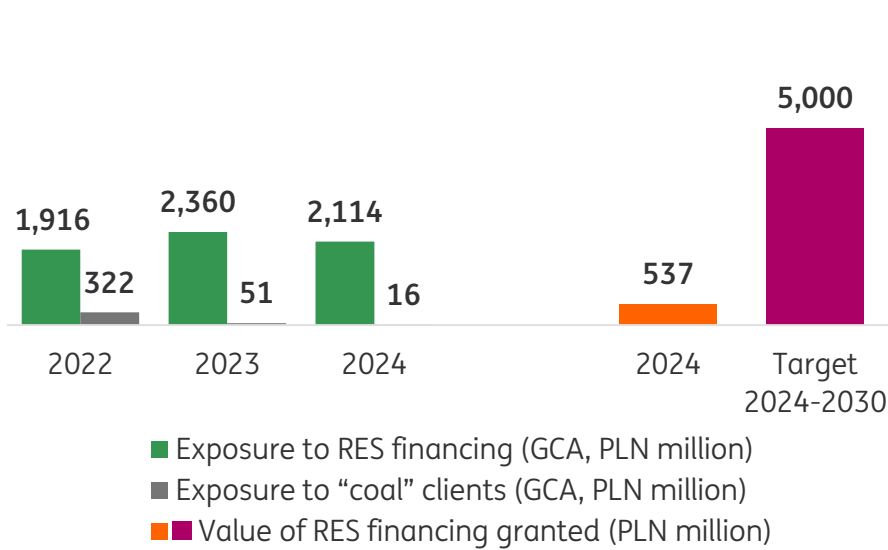
In the case of the commercial real estate sector, we have not yet set an interim target due to ongoing efforts to improve the quality of the bank's data and estimates regarding the energy demand of financed buildings. Only the right quality input data will allow us to determine effective emission control mechanisms in this sector.

Power generation

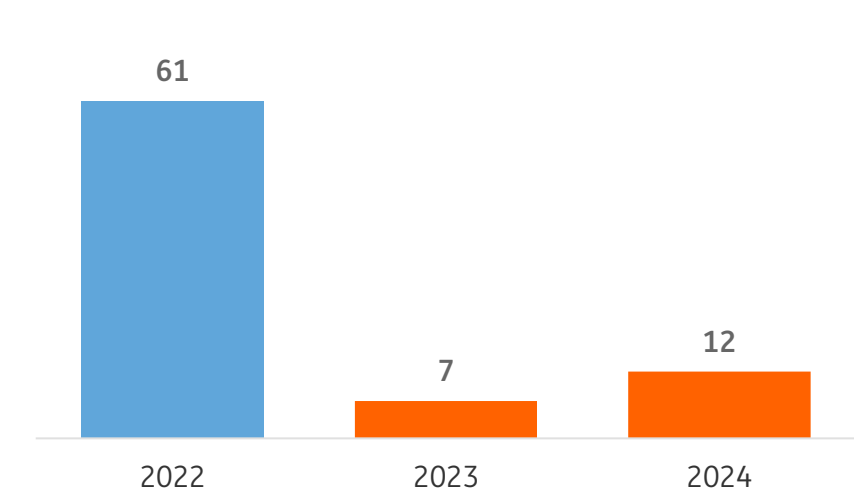
For the power generation sector, we focus on direct GHG emissions from power generation (Scope 1), which account for the vast majority of the sector's climate impacts. We are tracking the fuel mix of the power generation business, aiming to maximise the share of renewable energy sources,

We have committed to provide 5 billion PLN of financing in the corporate segment between 2024 and 2030 for renewable energy projects.

Implementation status of RES financing commitment



Financed emissions of the power generation sector (scope 1) (thousand tonnes CO<sub>2</sub>e)



In 2024, our emissions associated with this sector (for Scope 1) amount to 12,000 tonnes CO<sub>2</sub>e, down 80.2% from 2022 (base year) as a consequence of the successive shift away from financing activities directly dependent on thermal coal. As at 2024 yearend, our on-balance-sheet exposure to clients whose business is directly dependent on thermal coal to the extent of more than 5% amounted to PLN 16 million gross, a decrease of 67.4% y/y. In terms of financing related to renewables, in 2024 we granted it for PLN 537 million meeting 11% of our target of PLN 5 billion between 2024 and 2030. Our balance sheet exposure related to renewables at the end of 2024 was PLN 2,114 million, down 10.4% y/y due to repayments.

Scope of objectives and indicators covered

- For the power generation sector, we adopt reporting boundaries that include the financing of clients whose core business is power generation, and for the purpose of accounting for the renewable financing target, we take into account the financing of RES by the corporate segment.
- When measuring the exposure target, we do not require data from an external provider, as the indicator is the value of current liabilities in our financial system.



## Identified sectoral challenges and future development

- The transition of the power generation sector requires systemic changes that allow a gradual shift away from fossil fuels and the development of infrastructure to support renewable energy sources. We see the following challenges that need to be addressed to enable faster decarbonisation of the sector:
  - maximising the use of renewable energy – permitting schedules, available grid infrastructure and incentive schemes set up to stimulate investment are key.
  - the development of energy storage technologies, such as batteries and hydrogen using hydrogen infrastructure, are also key and, where necessary, require financial support.
- CO<sub>2</sub> infrastructure and electricity grids – permitting and construction of carbon capture and storage (CCS) infrastructure at existing waste and biomass combustion plants is required to generate negative emissions. The expansion, reinforcement and modernisation of electricity grids is necessary to prepare for increased electricity demand, greater variability due to the rapid development of renewable energy sources and extreme weather conditions, such as the use of batteries to support the grid.

## Our actions

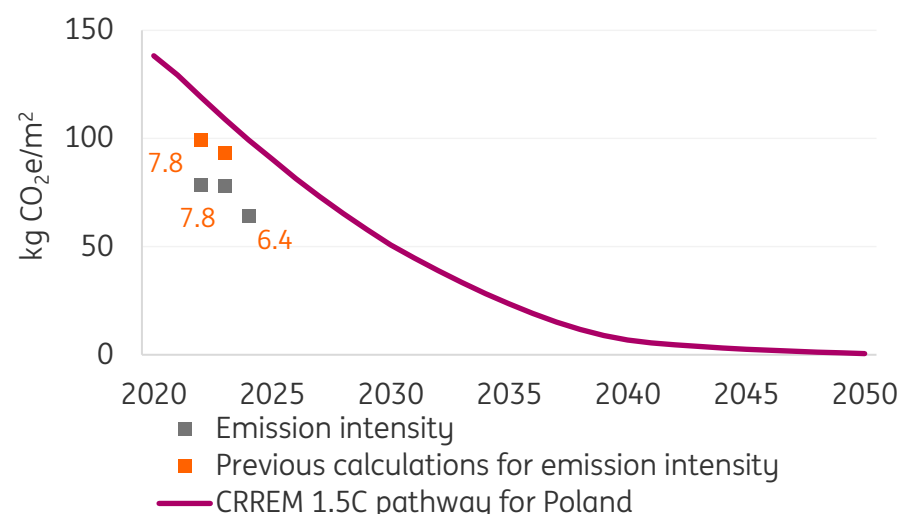
In response to these challenges, we are consistently adapting our financing strategy, supporting projects that reduce greenhouse gas emissions and accelerate the energy transition, and sustaining existing commitments:

- we continue to finance renewable energy projects such as wind farms and photovoltaic installations;
- we are moving away from financing coal mines, coal-fired power plants, coal-fired thermal power plants, coal-fired district heating plants and from financing clients who trade in coal (including coal used by households), as well as clients who provide services or sell products dedicated to coal mining or coal-fired power generation. Services or products that may also be provided to other sectors are not subject to this provision. After 2025, we will not finance clients whose business is directly dependent on thermal coal to the extent of over 5%<sup>20</sup>. Financing to these clients can be provided under a formula of targeted financing for assets not related to coal mining or coal-fired power generation, and if the structure of the financing allows this to be documented.

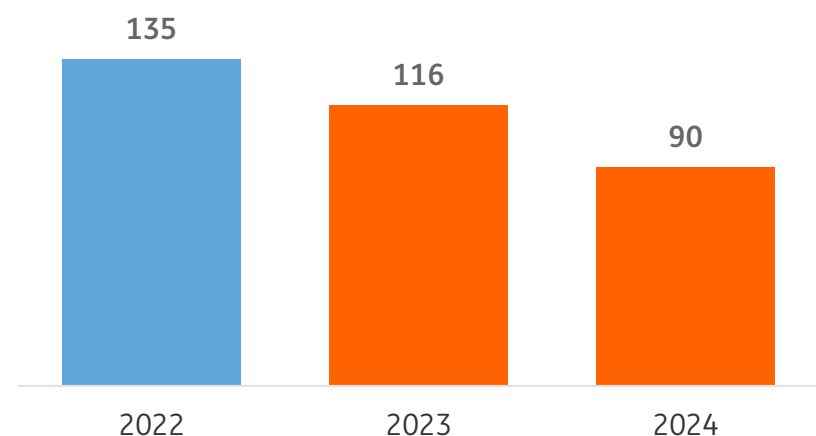
## Commercial real estate

The International Energy Agency has estimated that the operation of buildings is globally responsible for 30% of energy consumption and 26% of energy-related emissions. Commercial and public buildings are more energy-intensive than residential real estate. Therefore, the decarbonisation of the commercial real estate sector plays an important role in the transition process. That is why we have established a transition plan for the sector.

### Emission intensity per m<sup>2</sup> of commercial real estate portfolio against a CRREM 1.5°C path for Poland



### Financed emissions of the commercial real estate portfolio (scope 1 and 2) (thousand tonnes CO<sub>2</sub>e)



<sup>20</sup> The degree of dependence of this activity is measured, in principle, by the amount of revenue generated from thermal coal (either from direct sales of thermal coal or services/products dedicated to its extraction). It does not apply to revenue from the sale of products and the provision of so-called general-purpose

services, which can be used in various sectors (e.g. security services or accountancy services). In addition, in the case of companies in the electricity generation sector, we refer to installed generation capacity





Commercial real estate summary					
	2022	2023	2024	Change vs	
				2022	2024
Gross carrying amount of total portfolio (PLN million)	9,483	8,463	8,243	-13.1%	-2.6%
Gross carrying amount of the portfolio covered by the transition plan (PLN million)	9,479	8,458	7,998	-15.6%	-5.4%
share in total	100%	100%	97%		
Financed emissions included in the plan (scope 1 & 2, tonnes CO <sub>2</sub> e)	134,754	115,862	90,300	-33.0%	-22.1%
per 1 PLN million of exposure	14.2	13.7	11.3	-20.6%	-17.6%
Emission intensity (kg CO <sub>2</sub> e/m <sup>2</sup> )	78.4	77.9	64.1	-18.2%	-17.7%

The emissions estimate (for Scopes 1 and 2) for the commercial income-generating real estate portfolio in 2024 is down 22.1% from 2023 to 90,000 tonnes CO<sub>2</sub>e and down 33.0% from our 2022 base year. At the same time, the loan balance, measured by gross carrying amount, fell by 5.4% compared to 2023 and by 15.6% compared to 2022.

At the end of 2024, the emissions intensity per surface area of financed real estate was 64.1 kg CO<sub>2</sub>e/m<sup>2</sup> compared to 77.9 kg CO<sub>2</sub>e/m<sup>2</sup> in 2023 and 78.4 kg CO<sub>2</sub>e/m<sup>2</sup> in 2022. The reduction in emissions intensity compared to the previous year is mainly due to increasing coverage of data from energy performance certificates to 81% in 2024 from 79% in 2023 and 74% in 2022.

Scope of indicators covered

In terms of commercial real estate, the calculation of financed emissions includes the bank’s entire income-generating real estate portfolio (excluding the ING Lease portfolio). In order to carry them out, we use, inter alia, the data contained in the energy performance certificates in our possession, the information provided by the PCAF, as well as our own calculations. In contrast, the emission intensity calculations include that part of the portfolio for which we have sufficient data on the key parameters of the financed real estate (88% of the total portfolio by gross carrying amount).

Scenario and pathway

We compare the CO<sub>2</sub>e emission intensity (in kg CO<sub>2</sub>e/m<sup>2</sup>) with the 1.5-step emission pathway (version 2.02 of January 2023), developed by CRREM in collaboration with SBTi. The portfolio path is weighted based on the carrying values by real estate type present in our loan portfolio in the base year.

Data providers data quality and limitations

When calculating the emissions for income-generating properties, we primarily rely on information from available energy performance certificates regarding energy demand and CO<sub>2</sub> emissions. For the remaining part of the portfolio, the level of energy consumption is estimated based on the property’s floor area, using emission data provided by PCAF for each property type. Similar to residential properties, an increasing share of properties with energy performance certificates is expected in the portfolio, which will ultimately improve data quality.

As part of the recalculations for 2024, we have updated the calculation of the CO<sub>2</sub>e/m<sup>2</sup> emission intensity factor, taking into account the LTV weighting factor. This change has also been included in the retrospective calculations for 2022-2023.

Identified sectoral challenges and future developments

- The real estate sector plays a key role in the transition of the economy, both in terms of its carbon footprint and its potential to reduce its carbon footprint. Despite growing environmental awareness and progressive regulatory changes, the challenges of improving energy efficiency and implementing innovative technologies remain significant. Sustainability requirements in the real estate sector under current legislation are still limited and often voluntary. However, national building standards regulations are already starting to introduce elements of energy efficiency and the circular economy. In the European Union, the implementation of the new EPBD IV directive has a material impact on the real estate sector, particularly in the context of retrofitting buildings with low energy efficiency. The directive introduces obligations that will contribute to the transition of the sector in the coming years and increases transparency in the market. The sector is still struggling with the challenges of implementing measures leading to emission reductions, such as building insulation, installation of heat pumps, development of district heating or smart meters. The lack of consistent regulations and incentives, such as subsidies or standards, makes it difficult to effectively mitigate transitional risks and accelerate decarbonisation.
- Standards and regulations for measurement and disclosure – measurement of CO<sub>2</sub> emissions is a prerequisite for emissions management. Measuring and disclosing the CO<sub>2</sub> emissions of buildings is necessary to manage the carbon footprint of the portfolio more effectively. The limited availability of quality data makes it difficult for



financial institutions to assess the true carbon footprint of their assets and effectively implement decarbonisation strategies.

Our actions

In response to the transitional challenges of the real estate sector, we are proactively adapting our financing strategy, focusing on supporting low-intensity investments and promoting initiatives that increase the energy efficiency of buildings. Our actions include:

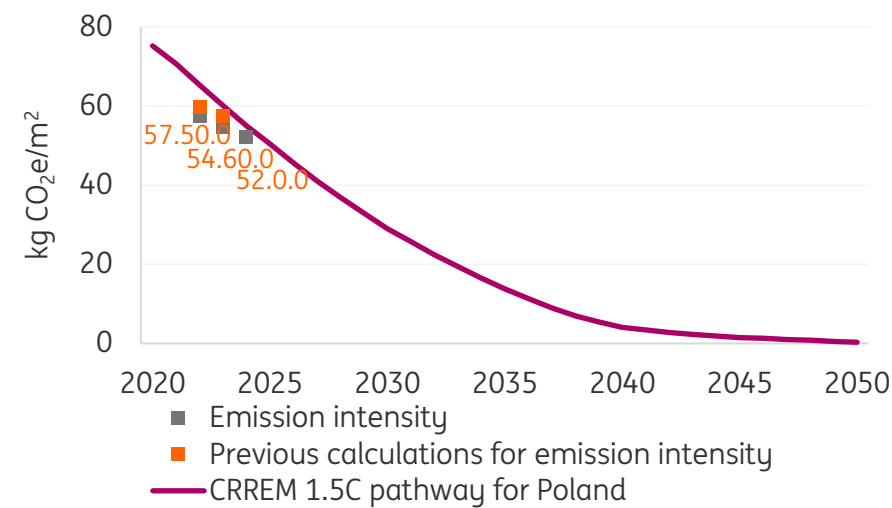
- monitoring the development of national policy in the area of commercial real estate and grid emissions reduction, including the level of alignment with EU requirements;
- monitoring of EU and government subsidy programmes for the modernisation of commercial real estate, including a plan to inform clients about the possibilities of obtaining public funds when providing financing for the investments covered;
- continuing to obtain energy performance certificates for every property financed by the bank, including a plan to require that certificates also be obtained for renovation loans (this is not currently an obligation under Polish law);
- an increase in the number of low-issue-intensity transactions and a decrease in the number of high-issue-intensity financed transactions;
- working with real estate sector organisations to take coordinated action to reduce emissions;
- roundtables with company clients on climate competitiveness (based, inter alia, on the Climate Strategies Poland Foundation’s report, “Reporting alone will not protect the climate”). “Reporting alone will not protect the climate. Decarbonising your business – Climate Competitiveness 2.0”, of which the Bank is a partner), carbon emissions and how to reduce them, and how the banking sector can support businesses in 2024;
- webinars for clients with the participation of subject matter experts – e.g. [meeting on the BGK green loan with subsidy](#) in cooperation with the Energy Conservation Foundation or the webinar “[Facts and myths about energy-efficient buildings](#)”, whose subject matter partner was the Academy of Healthy Construction;
- analysing the tools available on the market and implementing solutions to support our customers in planning measures to improve the energy efficiency of their properties.

We will benchmark each real estate financing transaction against the CRREM pathway to complement the risk analysis with an assessment of when an asset may become an “orphan asset”, i.e. a real estate at risk of loss of value due to failure to meet climate transition requirements.

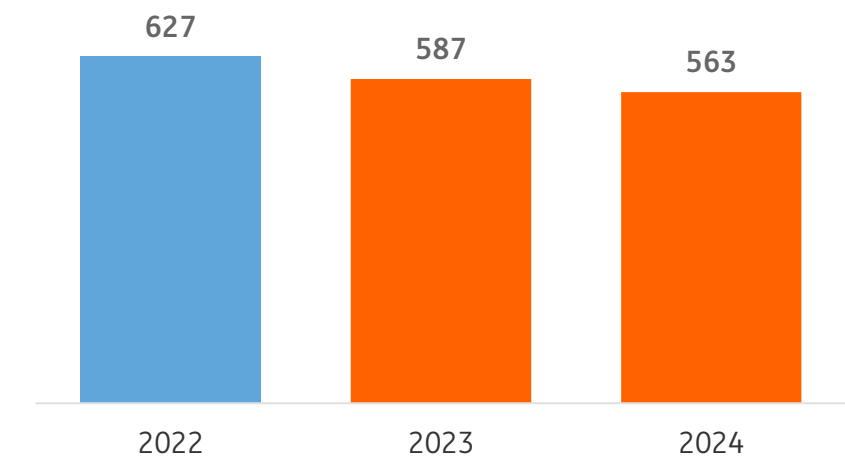
Residential real estate

The retail mortgage portfolio accounts for 5.7% of the emissions we fund (scope 1 and 2) and represents 22.1% of our assets as at the end of 2024. Given its materiality in terms of our overall portfolio, we have established a transition plan for this sector.

Emission intensity per m² of residential real estate portfolio against CRREM 1.5°C paths for Poland



Financed emissions of the residential real estate portfolio covered by the plan (scope 1 and 2) (thousand tonnes CO<sub>2</sub>e)





Residential real estate summary

	2022	2023	2024	Change vs	
				2022	2024
Gross carrying amount of total portfolio (PLN million)	55,299	55,964	61,590	11.4%	10.1%
Gross carrying amount of the portfolio covered by the transition plan (PLN million)	51,438	52,856	57,560	11.9%	8.9%
share in total	93%	94%	93%		
Financed emissions included in the plan (scope 1 & 2, tonnes CO <sub>2</sub> e)	627,104	586,906	562,779	-10.3%	-4.1%
per 1 PLN million of exposure	12.2	11.1	9.8	-19.8%	-11.9%
Emission intensity (kg CO <sub>2</sub> e/m <sup>2</sup> )	57.5	54.6	52.0	-9.6%	-4.8%

In 2024, estimated CO<sub>2</sub>e emissions (for Scope 1 and Scope 2) for the retail mortgage-backed loan portfolio amounted to 563,000 tonnes CO<sub>2</sub>e, a decrease of 4.1% from the previous year and 10.3% from the base year (2022), despite an increase in loan balances measured by gross carrying amount of 8.9% and 11.9%, respectively.

At the end of 2024, the emissions intensity per surface area of financed real estate was 52.0 kg CO<sub>2</sub>e/m<sup>2</sup> against 54.6 kg CO<sub>2</sub>e/m<sup>2</sup> the year before and against 57.5 kg CO<sub>2</sub>e/m<sup>2</sup> in the base year (2022). The y/y reduction in emissions intensity is mainly due to:

- a higher proportion of newer buildings in the portfolio. The share of the newest real estate with the lowest energy consumption (built after 2020) at the end of 2024 by total financed area was 28%, with the share at the end of 2023 at 22%;
- a 1.8% y/y decrease in the household emissions factor in 2024, mainly as a result of a reduction in the electricity emissions factor. The factor reports the CO<sub>2</sub> equivalent emissions generated from the consumption of one kWh of energy.
- an increase in coverage of actual data from energy performance certificates to 21% in 2024 from 11% in 2022 and 16% in 2023.

Scenario and pathway

We compare the CO<sub>2</sub>e emission intensity (in kg CO<sub>2</sub>e/m<sup>2</sup>) with the GHG CRREM 1.5-step emission pathway (version 2.02 of January 2023), developed by CRREM in collaboration with SBTi. The portfolio path is weighted based on the carrying values by real estate type present in our loan portfolio in the base year.

The level of emissions for residential real estate at the end of 2030, resulting from the CRREM pathway, assumes a 52% reduction in the carbon intensity of Poland’s economy compared to the 2015 state. In contrast, the current Polish Energy Policy until 2040 (PEP2040) assumes a 14% reduction in emissions over the same period. We therefore regard the CRREM path as an ambitious benchmark, the achievement of which also depends on action on the part of the state authorities. As a bank, we will make every effort to reduce emissions from our loan portfolio within the scope of our influence.

Scope of indicators covered

According to the PCAF methodology, real estate under construction is excluded from the calculation of financed emissions. At the same time, residential real estate remaining under construction is included in the sectoral decarbonisation plan. Subsequently, credits for which data from energy performance certificates are not available and an estimation of emissions intensity based on the year of construction is not possible due to data availability are excluded from the calculation of emissions intensity. An additional approach is used to calculate the financed emissions, allowing these credits to be included in the calculation. The calculations of financed emissions and emission intensities overlap to the remaining extent.

Data providers data quality and limitations

In order to calculate the financed emissions associated with residential real estate, we first use the emissions intensity data in the available energy performance certificates and the floor area of the buildings from the land registers or notarial real estate deeds. For real estate for which we do not have data from energy performance certificates, we use an emissions calculation based on the energy demand of the real estate in relation to the year of construction and real estate type (as calculated by an external consultancy agency) and the floor area of the building. Aggregating the calculated emission intensities to the portfolio level, we also apply a weighting factor for the loan-to-value ratio (LTV at origination) in our calculations and include the floor area of the real estate in the calculations, in accordance with PCAF and SBTi guidelines.





Due to the obligation to have an energy performance certificate at the time of selling or renting a property, we expect to increase the share of the portfolio of properties with certificates and, consequently, to increase the quality of the data.

Due to the change in methodology in 2024 to include the LTV weighting factor and floor area information, we have recalculated the emissions intensity for 2021 – 2023 compared to the data presented in the 2023 Annual Management Report. As part of the 2024 calculation, we have updated the methodology for determining the weighting factor and also updated the coefficients used to estimate the emissions intensity of the real estate. The changes made have also been incorporated into the emissions intensity data for 2021 – 2023.

### Identified sectoral challenges and future developments

The challenges of improving energy efficiency and implementing innovative technologies largely overlap with those of the commercial real estate sector, which we write about [here](#). However, the following challenges provide a slightly different character:

- national energy mix: Achieving net-zero interim targets is highly dependent on the national energy mix of the country in which the real estate are located and requires governments and institutions to accelerate the installation of new renewable electricity capacity and move away from fossil fuels.
- consumer behaviour: Governments and financial institutions have an important role to play in driving changes in consumer behaviour by urging, encouraging and supporting homeowners to consider sustainability when building or renovating their homes.

### Our actions

As with commercial real estate, the residential real estate sector also needs to work towards supporting low-emission investments and promoting initiatives that increase the energy efficiency of buildings. Our actions further include:

- ongoing monitoring of national policy developments in the area of residential real estate and grid emission reduction, including the level of alignment with EU requirements;
- ongoing monitoring of EU and government subsidy programmes for real estate upgrades, including the provision of a freely [accessible viewer on the ING website](#). It is run by the National Climate Change Centre, which is part of the structures of the Institute of Environmental Protection – National Research Institute. The search engine includes both national and local programmes offering grants and support for businesses;

- reducing the number of transactions financed with high emission intensity and increasing the number of transactions with low emission intensity by providing loans for energy-efficient buildings and renewable energy sources, including:
  - Mortgage loan for an energy-efficient home, Loan for Better, Mortgage loan for energy-efficient real estate upgrades for residential clients;
- working with organisations in the real estate sector to coordinate activities to reduce emissions and to build awareness and knowledge, promote available financial support programmes, grants for thermo-modernisation, including, for example, the Energy Conservation Foundation and Globenergia;
- regular publications by experts on energy efficiency and thermo-modernisation – e.g. a series of videos on [“The most common questions about an energy-efficient home”](#) in cooperation with Globenergia or a series of [articles on energy efficiency topics in](#) the company in cooperation with the Energy Conservation Foundation;
- dedicated education activities for employees and clients in the area of decarbonisation, energy efficiency or energy-saving solutions;
- we carried out a survey entitled [“Poles attitudes to thermo-modernisation”](#) o check their attitudes to thermo-modernisation and their knowledge of the Energy Performance of Buildings Directive (EPBD);
- continuing to obtain energy performance certificates for financed real estate;
- carrying out an assessment of the physical and transition risks associated with the loan portfolio and test the resilience of this portfolio to climate change;
- an analysis of the tools available on the market to support our clients in planning measures to improve the energy efficiency of their real estate.

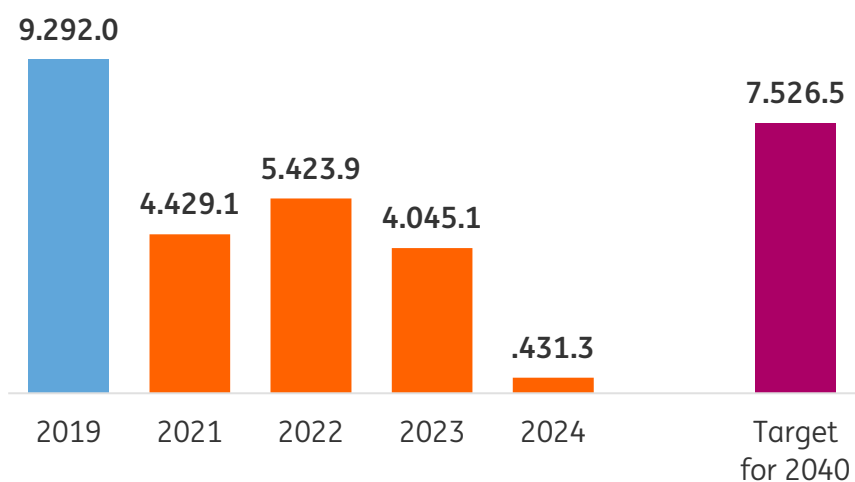
### Additional sectoral mitigating actions

#### Oil and gas extraction

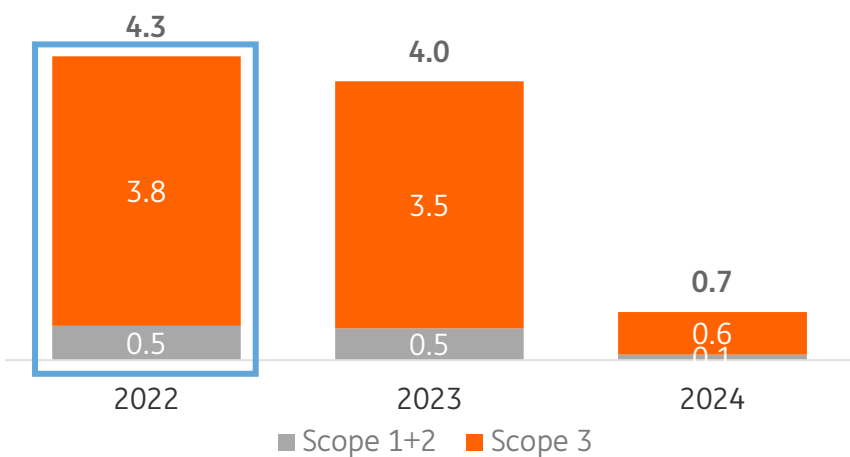
The use of fossil fuels is harmful to the environment. Such fuels include gas. It is a transitional fuel for the Polish economy, thanks to which the energy transition of local businesses towards renewable energy sources can take place in an adaptive and well-planned manner. We want to help our clients effectively implement transitional change, while not compromising on our environmental goals.



### Status of the commitment to reduce exposure to upstream oil and gas financing (PLN million)



### Funded emissions (Scope 1, 2 and 3) (thousand tonnes CO<sub>2</sub>e)



In 2024, our emissions associated with the upstream oil and gas sector (Scope 1, 2 and 3) amounted to 0.7 thousand tonnes of CO<sub>2</sub>e down by 82.8% from 2023.

At the end of 2024, our on-balance-sheet exposure to *Upstream Oil & Gas* corporate segment clients was 0.4 million, down 95.4%.

#### Scope covered by reported targets and indicators

- With regard to the *Upstream Oil & Gas* sector, we adopt reporting boundaries that include the financing of clients whose core activities include the following areas: oil production, oil and gas drilling, natural gas production, activities supporting oil and gas operations.
- When measuring the exposure target, we do not require data from an external provider, as the indicator is the value of current liabilities in our financial system.

#### Our actions

As a financial institution, we recognise the key role of the upstream oil and gas sector in the energy transition and the challenges of its decarbonisation. Therefore, one of ING's targets is a commitment that by 2040 we will reduce the share of our financing to the fossil fuel industry (this does not include coal, which we do not finance) by 19% with respect to 2019.

In addition, we do not finance oil sands projects and related infrastructure.

### Cross-sectoral decarbonisation plan

In contrast to the sectoral approach measures described [here](#), which focus on selected sectors, the next phase of our transition plan involves engaging in dialogue with Business Banking clients across a range of industries with high CO<sub>2</sub> emissions. This approach aims not only to set emission reduction targets, but also to support clients in achieving them through long-term dialogue, partnership and the provision of the necessary tools and knowledge.

We have detailed our approach to the cross-sector transition plan in the document "[ING BSK's Roadmap for Reducing GHG Emissions. Part 2](#)" published in December 2024.

#### Objective of the cross-sector transition plan

While sector transition plans measure progress in selected sectors for which there are scientifically determined decarbonisation pathways, the cross-sector transition plan initiative involves engaging in dialogue with clients from a variety of industries with high CO<sub>2</sub> emissions. This approach will help us:

- strengthen the strategic dialogue with clients to help them accelerate their transition through financial solutions.
- identify and manage the long-term transition risks associated with our clients.
- determine how the client adapts its transition strategy and business model to a 1.5°C/net-zero carbon pathway.
- determine whether clients with high transition risk are taking proactive steps towards transition, which is also an expectation of the European Central Bank.

A key priority of the cross-sector transition plan is to encourage a select group of clients covered by the plan to develop and implement decarbonisation strategies. To this end, we collect information on our clients' decarbonisation plans and assess them to classify them into the appropriate categories on a scale from A (most advanced) to F (least advanced).

A survey of a selected group of clients was carried out in 2024, the results of which indicated a varying level of progress in the area of decarbonisation, with a predominance of clients in the early stages of action. The majority of clients were classified in the lower categories, highlighting the need for greater awareness and support in developing decarbonisation strategies. We recognise this challenge and remain committed to helping clients develop their decarbonisation initiatives.



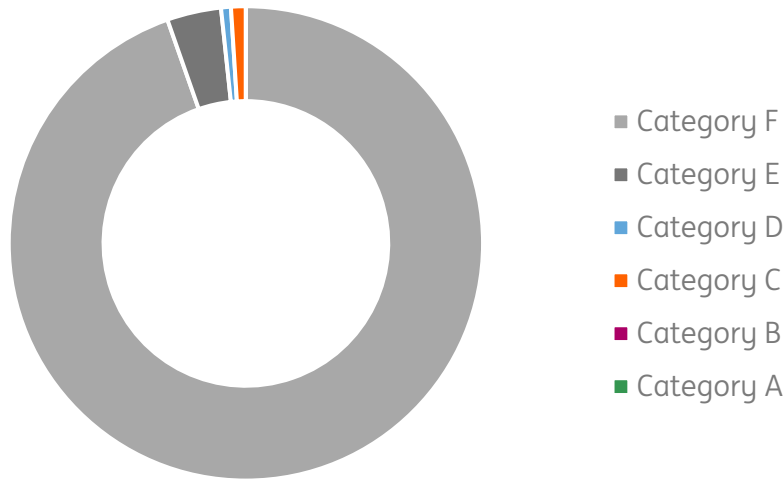
We used the result of the survey to set a baseline for the cross-sector transition plan. The value at the end of 2024 was 1.7%, which is understood as the share of clients covered by the transition plan who are classified in Category D or above. They also allowed us to set a target level for 2030.

Because of the need to monitor progress towards the goal set, we plan to collect information on our clients' transition plans annually.

The survey collects, inter alia, the following range of information:

- the value of emissions in scopes 1, 2 and 3;
- information on decarbonisation priorities and targets, as well as adopted decarbonisation strategies;
- whether the company has investment plans in place to support the adopted decarbonisation targets;
- whether the company is or will be subject to sustainability reporting obligations.

Structure of clients covered by the cross-sector transition plan (baseline)



Categories of clients covered by the cross-sector transition plan

Category	Definition
Category A	companies that have achieved net-zero
Category B	companies count at least Scope 1 and 2 emissions and have at least short- and medium-term decarbonisation targets approved by the company’s management with identified initiatives to achieve them, and: <ul style="list-style-type: none"><li>• decarbonisation targets, are consistent with the decarbonisation pathway (sectoral or SME); or</li><li>• the company has declared itself climate neutral; or</li><li>• has joined the SBTi</li></ul> and meet the milestones set – we are able to observe the implementation and progress of the strategy for a minimum of three years,
Category C	companies count at least Scope 1 and 2 emissions and have at least short- and medium-term decarbonisation targets approved by the company’s management with identified initiatives to achieve them, and: <ul style="list-style-type: none"><li>• decarbonisation targets, are consistent with the decarbonisation pathway (sectoral or SME); or</li><li>• the company has declared itself climate neutral; or</li><li>• has joined the SBTi</li></ul>
Category D	companies count emissions at least in scopes 1 and 2 and: <ul style="list-style-type: none"><li>• have at least short- and medium-term decarbonisation targets approved by the company’s management with identified initiatives to achieve them</li></ul>
Category E	companies count emissions at least in terms of 1 and 2
Category F	companies did not respond or did not initiate decarbonisation measures, we consider the counting of Scope 1 and 2 emissions as the start of such measures





Scope of objectives and indicators covered

The range of assets includes a select group of clients representing 1.8% of the bank’s assets and responsible for 15.7% of financed emissions as estimated at the end of 2024.

Scenario and pathway

The plan does not include measurable, scientifically based targets for reducing GHG emissions under Scopes 1, 2 and 3. As expected of financial institutions, banks should support the transition of their loan portfolios by working with clients to develop plans that are consistent with scientifically determined pathways of descent, such as the Paris Agreement targets or the 1.5°C scenario. However, for this client group, we considered that the current stage of transition and the availability of data in the large and medium-sized segment are insufficient to require clients to fully comply with these standards.

The bank’s dedicated plan has been developed as an initiative to support Business Banking clients in understanding the challenges of decarbonisation and preparing for more advanced action in the future. It represents phase I of our collaboration with clients in this segment, focusing on raising their awareness and gathering the data necessary to develop more precise emission reduction strategies.

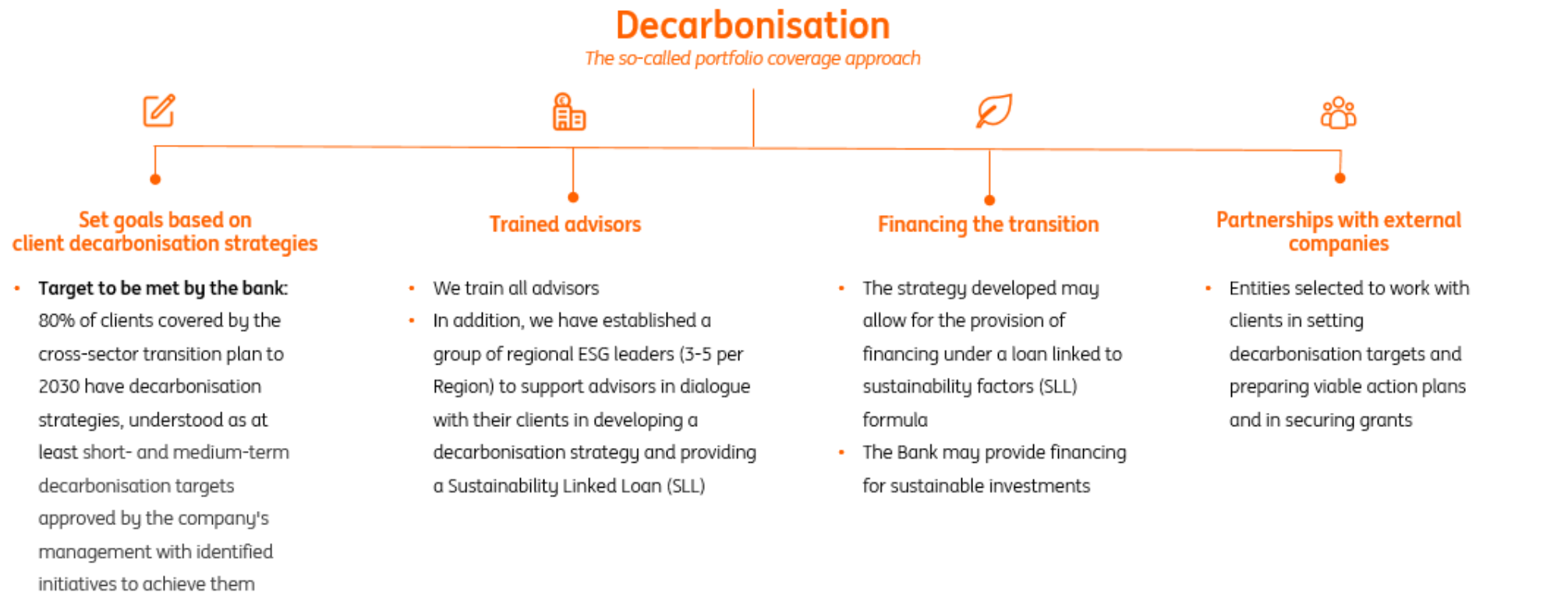
We recognised that the premature introduction of stringent requirements could limit clients’ ability to successfully implement transition activities. Our focus in this phase is therefore to support them in building the foundations for future, more comprehensive plans aligned with science-based emission reduction pathways.

Basic assumptions of the cross-sector transition plan

We have based our decarbonisation efforts on a comprehensive transition plan aimed at reducing GHG emissions through active dialogue with a select group of clients in the large and medium-sized business segment, whose operations have high levels of emissions and account for a significant proportion of our portfolio’s emissions. This initiative focuses on supporting these clients to develop and implement decarbonisation strategies.

The goal is for 80% of these clients to have decarbonisation strategies by 2030, understood as at least short- and medium-term goals approved by the company’s management, together with initiatives to support the strategy’s objectives (the so-called *portfolio coverage metric*). In order to achieve this goal, we intensively train our advisors so that they can provide relevant support and knowledge in the field of sustainability.

Key points of the portfolio transition plan

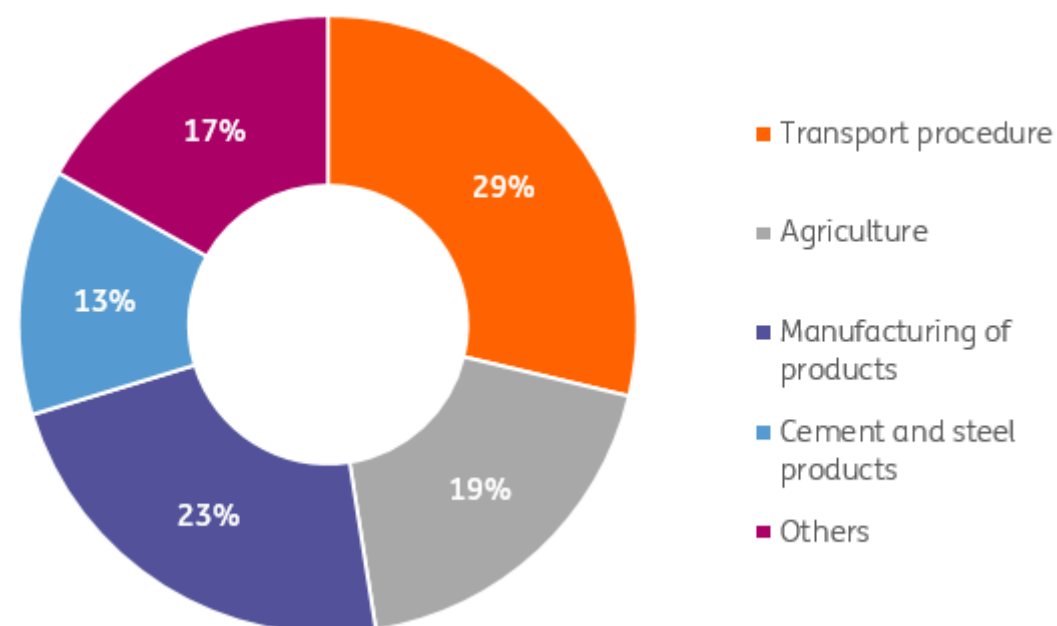


As part of this initiative, we have also established partnerships with external companies that specialise in developing decarbonisation strategies. We want these companies to support our clients in developing ambitious yet realistic emission reduction plans, tailored to their specific operations. A key element of these strategies are KPIs(*Key Performance Indicators*), which must be ambitious and measurable to ensure their effectiveness.

Once developed, they can be used as the basis for *Sustainability Linked Loans* (SLL). As a bank, we plan to set a level of ambition for SLL financing each year for the group of clients included in the Business Banking transition plan described. The ambition for 2025 is PLN 80 million of such financing.



## Sectoral division of client groups covered by the decarbonisation plan by exposure value



The approach based on so-called portfolio coverage targets represents our commitment to taking long-term action around dialogue and engagement with the client. Commitment means a long-term relationship that needs to be built before we as a bank can see results in terms of the strategies clients have created. This initiative requires intensive, direct contact with clients, which is crucial to fully understand their specific needs and to support them in developing and implementing their decarbonisation strategies. This type of advanced collaboration requires significant resources and a strong commitment. This is why we decided to focus our activities primarily on a smaller group of clients from the large and medium-sized business segment in the Business Banking area. This allows for the delivery of more personalised support, which is essential to achieve ambitious climate goals.

## Management of the transition plan

### Management oversight of the transition plan

In our bank, an effective governance structure and clearly assigned responsibilities play a key role in the management of transition plans. We have adopted a collaborative approach between business units and central centres of competence, enabling the effective implementation of sustainable development goals, including decarbonisation.

### Setting objectives and action plans

The Centre of Expertise (CoE) ESG Innovation is responsible for setting strategic objectives and detailed action plans for the climate transition of our bank's loan portfolio. Together with the relevant business lines, this unit develops objectives and identifies key initiatives that form the basis of transition activities. Leveraging expertise, CoE ESG

Innovation and the corresponding units in the business lines described in the following subsection *Our resources related to transition plans* support sustainability at the bank, taking into account market best practice and regulatory requirements.

### Implementation and enforcement

Responsibility for the implementation and execution of the set targets rests with the business lines. They are the ones who, using the framework and objectives set, implement specific actions in their operational activities. Business lines also provide monitoring of task progress and ongoing reporting of results.

### Operational support

Business lines can count on the support of CoE ESG Innovation and other units of the bank, depending on the nature of their activities. For example, the Risk, Compliance or IT department supports in ensuring regulatory compliance, implementing technology solutions or analysing sustainability risks.

### Central coordination and ESG Programme

Actions related to the implementation of sustainability plans are coordinated through the ESG Programme, a central initiative that integrates the efforts of all the bank's units in the ESG area. This programme involves overseeing the implementation of the sustainable development strategy, with decarbonisation as one of the key priorities. By coordinating centrally, the ESG Programme enables consistency and efficiency in the implementation of Bank-wide activities.

### Supervision by the Bank Management Board

The Bank Management Board plays a key role in overseeing the implementation of the transition plans. Regular reporting to the Management Board, taking place six times a year at ESG Council meetings, ensures that activities are in line with the strategic objectives set and allows adjustments to be made if necessary. The ESG Council is also the body that approves transition plans. We write more about the governance structure for sustainability issues [here](#).



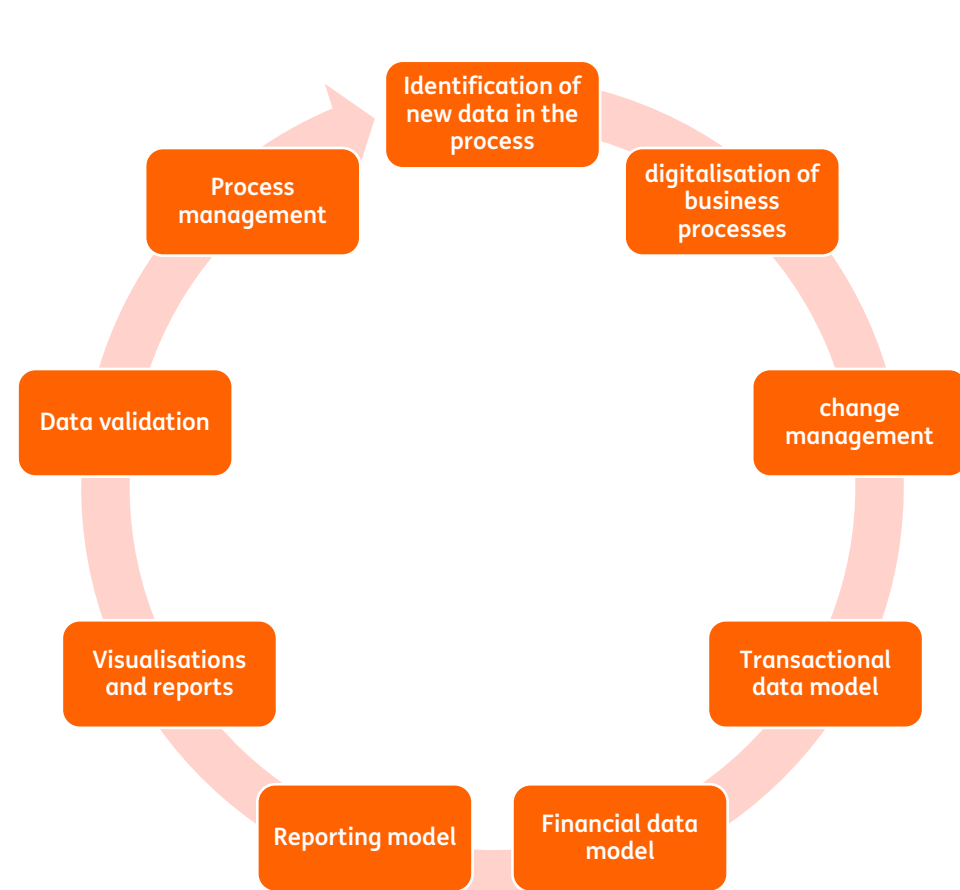
## Our resources related to transition plans

### Our financial resources: an internal planning process

As a bank, we support the transition of our clients through financing – this is how we implement our own transition plan. ING uses an internal planning process to integrate climate issues into its business strategy. We do this by setting boundaries through *Risk Appetite Statements*, setting specific sustainability targets through KPIs and implementing these measures across the organisation. This allows us to stimulate the development of assets that are in line with our sustainability strategy and reduce financing for those that are not within our climate risk tolerance.

The assumptions made do not require significant expenditure and operational expenditure in terms of both current and planned activities to implement the transition plan.

### Our technological capabilities



Our key challenge in building ESG processes is to manage the data we need to understand and navigate the dynamic sustainability environment, and to effectively support our clients in accelerating the implementation of a sustainable approach to their business. We are constantly working to develop our technology, database and control solutions to increase the flexibility and efficiency of our operations.

We base our work on a strategy that clearly defines 9 fundamental pillars of ESG data management.

This approach enables us to effectively address current and future data requirements, as well as guaranteeing the security of implementation of process changes.

The data flow concept involves an analytical layer of Data Marts, where we integrate all analytical data in

one place, which is then transformed into financial values in ESG cross sections. Financial data is mapped in the reporting layer to the required publications according to external regulations. Each stage of the data flow is meticulously validated for completeness, compliance, consistency and timeliness. A wide cross-section of data enables analysis of macro trends and any long-term statistics.

### Pillars of ESG data management

The adopted ESG data management strategy also addresses, inter alia, the management of the reporting process, taking into account the responsibilities in terms of operational work and the reporting schedule and required approvals.

### The competence of our team

Continuous learning and upskilling in the field of sustainability is essential if we are to meet our environmental goals of striving for climate neutrality and actively supporting clients in their environmental transition. In support of these needs, we have implemented and systematically developed a comprehensive ESG education programme to equip employees with the knowledge and skills necessary to build their commitment to sustainability.

We have developed a comprehensive, 4-module training course on “ESG and sustainability” for all employees. By the end of 2024, more than 74% of ING Group employees had completed this e-learning (2024 target 50%). In addition, we organised *Sustainability Week* in March 2024, whose event theme was “ESG as part of building competitive advantage”.

At the same time, for employees who need specialised knowledge in a specific area of ESG, we have developed the “ESG for professionals” programme. A series of more than 20 webinars, workshops and training sessions will cover a wide range of ESG issues. In addition, more than 20 ING Group employees have benefited from an individual development path in the ESG area, through participation in postgraduate studies, specialised courses and training.

Our ambition is to differentiate ourselves in the market with knowledge and actions to support clients in their sustainable transition. That is why we have set up an ESG Centre in the Wholesale Banking area, through which we comprehensively support clients and area employees in actions related to ESG topics. In addition, in the area of Business Banking, we have established a group of ESG Ambassadors in the Regions. Its aim is to create competitive advantages and business opportunities based on ESG. Also in the retail area, a community of ESG Promoters has been established, where employees learn, inter alia, how to talk to clients about energy efficiency.





## Our stakeholders: partnerships and collaborations

We believe that actions we take have a transitional impact on our clients and the economy. The right scale can be achieved by acting with others, which is why we rely on valuable collaborations and partners to support us and our clients in the transition towards sustainability. We jointly develop our product offering, educate (Responsible Business Forum, UN Global Compact Poland, UNEP/GRID-Warsaw), participate in public debate (Polish Bank Association) and acquire expertise in selected sectors (Energy Conservation Foundation).

Many challenges are common to the sector, so we also share knowledge with other financial institutions and their organisations. An example of this approach is the cooperation established with the *Sustainable Investment Forum Poland*, where we are part of a working group dealing with the topic of decarbonisation of properties.

In December, ING Bank Śląski signed a framework agreement with the Export Credit Insurance Corporation through which the Export Credit Insurance Corporation will guarantee the repayment of loans granted by our bank for investment projects that are related to the energy transition. The guarantees cover up to 80% of the value of the loan granted and allow companies to extend their financing to projects related to, inter alia, renewable energy sources and energy efficiency improvements.

### Disclosure of information related to decarbonisation levers

The levers of decarbonisation can be considered both as actions concerning the financial sector as a whole and those that are within our bank's control. Quantitative data on these decarbonisation levers are not yet sufficiently available as most of the bank's clients are not subject to CSRD requirements.

For the elements supporting decarbonisation that remain within our control, key elements of our portfolio transition include our approach to working with clients in assessing their transition plans, established financing targets (e.g. renewable energy financing targets), and exclusions and restrictions on financing for clients whose activities do not align with transition targets.

As we continue to gather information from our clients and clients, we expect more data to be available in the future to refine our transition plan. This will enable us to identify and quantify the impact of decarbonisation mechanisms on our future targets.

## Supplementary information

### Wholesale Banking initiative not covered by transition plan

Within the area of Wholesale Banking, we collect data from these clients as part of *Client Transition Plans* (CTPs, concerning, inter alia, scope-specific emissions, reduction plans, as well as taxonomic disclosures, for example). In 2024, we started to use CTP assessments in our dialogue with clients to better understand their plans and enrich our data with qualitative information. These data-driven discussions on client engagement are supported by training for Wholesale Banking staff to track progress and provide support to clients in their sustainable transition.

By assessing CTP disclosures and engaging more strategically with our clients, we will have more robust evidence of our clients' progress.

### Difference in the use of absolute values of financed emissions versus emission intensity

The sector methodologies chosen for the residential and commercial real estate portfolios are based on indicators and pathways based on emissions intensity values. For the upstream oil and gas sector, we are guided by our financial commitment. In the chapter on sector transition plans, we present the financed emission factors (based on the relevant emission range for the sector) alongside the emission intensity factors.

Calculating the absolute value of emissions financed related to the emissions intensity targets we are aiming to set would require a number of assumptions to be taken into account, such as the projected GHG emissions of the counterparties, the goodwill of the counterparty, changes in the client and asset mix of the bank's corporate segment, and the overall size and composition of the balance sheet.

With these assumptions described above remaining fully stable, funded emissions would change in line with changes in emissions intensity. However, it should be stressed that this is a hypothetical situation. For this reason, we are focusing our transition plan for the commercial and residential real estate sector on managing the emissions intensity of our contractors, rather than the absolute volume of GHG emissions.



GHG emissions

E1-6

Approach to measuring GHG emissions

At the end of 2024, we have measured our total CO<sub>2</sub>e emissions in all 3 scopes, although we only consider as relevant the financed emissions related to our direct lending and investment activities. These include category 13 and 15 GHG emissions in Scope 3. For the remaining emissions, we report by continuing with current practice.

We calculate our total emissions in accordance with [The Greenhouse Gas Protocol Corporate Accounting and Reporting Standard](#), and financed emissions (category 15 of scope 3) in accordance [with the Global GHG Accounting and Reporting Standard for the Financial Industry](#), developed by the *Partnership for Carbon Accounting Financials* (PCAF).

When estimating financed emissions, we use both financed and emissions intensity factors in a complementary manner. Analysis of these emissions enables us to identify key problem areas (*hotspots*) in our individual loan portfolios. For these areas, we select the most appropriate methodology and indicator tailored to the activity in the sector in question.

Emission data and financial data are the basis for these calculations. We obtain emissions data from Eurostat, PCAF, CDP, BIK and directly from building energy efficiency certificates (income-generating real estate and mortgage loans), among others. Financial data, on the other hand, comes from internal databases. Emissions financed for selected parts of our portfolios are calculated using sectoral emission factors, which we use when data reported directly by clients is missing. As a rule, the indicators used are updated on an annual basis (including, in particular, sectoral emission factors). For the CDP data used to estimate scope 3 client emissions, the values are not updated, with such an update occurring if more recent data becomes available.

Nominal GHG emissions

The table below shows the aggregated data for 2019-2024 in terms of CO<sub>2</sub>e emissions for our bank group, i.e. the calculation includes the bank and its subsidiaries (so-called operational control). For our Scope 1 and Scope 2 emissions (own-economy emissions), we have adopted 2019 as the base year. We present Scope 2 and Scope 3 in both *market-based* and *location-based* terms. We present Scope 3 financed emissions data from 2021 onwards.

CO <sub>2</sub> e emissions								
tonnes of CO <sub>2</sub> e							Change 2024 vs	
	2019	2020	2021	2022	2023	2024	2019	2023
Scope 1	5,219	3,427	3,223	3,788	3,795	3,932	-24.6%	3.6%
Scope 2 – <i>market-based</i>	6,536	5,693	6,229	5,018	4,431	3,494	-46.5%	-21.1%
Scope 2 – <i>location-based</i>	28,176	23,571	22,560	21,691	19,444	15,379	-45.4%	-20.9%
Scope 3 – <i>market-based</i> **	6,530*	4,807*	11,441,185	11,126,173	10,623,103	9,934,323	-***	-6.5%
Scope 3 – <i>location-based</i> **	6,530*	4,807*	11,441,185	11,130,206	10,626,735	9,937,665	-***	-6.5%
Total – <i>market-based</i>	18,285*	13,927*	11,450,637	11,134,979	10,631,329	9,941,749	-***	-6.5%
Total – <i>location-based</i>	39,924*	31,805*	11,466,968	11,155,686	10,649,974	9,956,977	-***	-6.5%
Total 1-2 – <i>market-based</i>	11,755	9,120	9,452	8,806	8,226	7,426	-36.8%	-9.7%
Total 1-2 – <i>location-based</i>	33,394	26,998	25,783	25,479	23,239	19,311	-42.2%	-16.9%

*\*Do not include estimates of Scope 3 emissions for Category 13 and 15, which the Bank calculates from 2021; \*\* Data include financed Scope 1 and 2 emissions for Categories 13 and 15; \*\*\*Data not comparable due to different scope of calculation.*

Our emissions for 2024 amounted to 9,957 thousand tonnes of CO<sub>2</sub>e on a market-based basis and 9,942 thousand tonnes of CO<sub>2</sub>e on a location-based basis. This figure is 6.5% lower than a year earlier and is due to the lower emission intensity of our assets (so-called funded emissions in scope 1 and 2).

Compared to 2019, our emissions for Scope 1-2 totals decreased by 36.8% on a *market-based basis* and 42.2% on a *location-based* basis, mainly due to lower emissions related to thermal and electricity consumption. The sum of all three scopes is not comparable with respect to 2019 due to the fact that we only count financial emissions (for categories 13 and 15 of scope 3) from 2021 onwards. In 2024, it represents more than 99.9% of our total emissions.

In 2024, ING Bank Śląski was responsible for 90% of Scope 1, 97% of Scope 2 and 78% of Scope 3 emissions. The bank subsidiary that contributed the most to the group’s emissions was ING Lease, with shares of 6%, 2% and 18% to scopes 1, 2 and 3 respectively.



CO<sub>2</sub>e emissions for 2024 by group company

tonnes of CO <sub>2</sub> e	Group	Bank	ING Lease	ING Commercial Finance	ING Bank Hipoteczny	Other companies
Scope 1	3,932	3,554	246	115	8	9
Scope 2 – market-based	3,494	3,398	55	27	7	7
Scope 2 – location-based	15,379	14,956	243	119	32	29
Scope 3 – market-based*	9,934,323	7,768,033	1,758,577	358,951	48,755	7
Scope 3 – location-based*	9,937,665	7,771,284	1,758,629	358,976	48,762	14
Total – market-based*	9,941,749	7,774,985	1,758,878	359,092	48,771	23
Total – location-based*	9,956,977	7,789,794	1,759,119	359,210	48,803	52
Total 1-2 – market-based	7,426	6,952	302	142	16	16
Total 1-2 – location-based	19,311	18,510	489	233	41	38

\* Data includes financed Scope 1 and 2 emissions for categories 13 and 15.

In addition, for Business Banking, Wholesale Banking and Treasury and other investments, we estimated financed Scope 3 emissions.

In 2024, they amounted to 91.4 million tonnes of CO<sub>2</sub>e, decreasing by 18.5% y/y. The Treasury and other investments area is responsible for 56.9% of these emissions, the Business Banking area 24.9% and the Wholesale Banking area 18.3%.

Due to the major simplifications in the way these emissions are calculated and the impossibility of avoiding double counting – and thus possible large deviations from the actual values, while at the same time having a very large impact on the total estimates of financed emission intensity – we do not include these emissions in the summaries. We assume that in the future it will be possible to make a better estimate of the total financed Scope 3 emissions as a result of the greater precision of the available statistical data and the greater availability of actual client data.

Scope 1 emission

Our Scope 1 emissions in 2024 were 3.6% higher y/y mainly due to higher refrigerant emissions. The burning of petrol by the bank’s car fleet and its subsidiaries is responsible for 78% of emissions in this category.

The dynamics of Scope 1 emissions in 2024 compared to 2019 was -24.6%. The main factor behind the decrease in emissions in this figure is the decrease in emissions from diesel (car fleet), which is due to the change in the

structure of our car fleet and the shift away from diesel-powered cars (in part this effect was consumed by the increase in emissions from petrol fuel).

CO<sub>2</sub>e emissions from scope 1

tonnes of CO <sub>2</sub> e							Change 2024 vs	
	2019	2020	2021	2022	2023	2024	2019	2023
Natural gas	595	592	528	482	444	390	-34.3%	-12.0%
Fuel oil	67	29	33	44	53	30	-55.5%	-43.6%
Coal	3	3	3	0	0	0	-100.0%	-
Petrol fuel	1,753	1,691	2,099	2,599	3,059	3,083	75.9%	0.8%
Diesel – car fleet	2,121	835	417	284	30	7	-99.7%	-75.6%
Diesel – generators	47	63	66	56	40	31	-35.0%	-22.8%
Refrigerants	633	214	76	323	170	392	-38.1%	130.3%
Total	5,219	3,427	3,223	3,788	3,795	3,932	-24.6%	3.6%

Included in our emissions are direct CO<sub>2</sub> emissions from biogenic combustion associated with the use of fuel (petrol and diesel) in our bank’s vehicle fleet, in generator sets and fuel oil used for heating purposes. The value of these emissions was 185.0 tonnes of CO<sub>2</sub> in 2024.

Scope 2 emission

Scope 2 emissions on a market-based basis fell by 21.1% in 2024 relative to 2023. . This is primarily the result of lower consumption of district heating and cooling. In 2024, all of the electricity we consumed (based in part on estimates) was covered by certificates (83.5%), guarantees of origin (14.7%) or came from photovoltaic panels installed on our own real estate (1.8%) – hence the value of market-based electricity emissions is zero.

The reduction in Scope 2 emissions in 2024 relative to the base year was 46.5%. This change is driven by lower emissions from purchased district heating which is a result of the reduction in the number and area of our sites over the years.

Location-based Scope 2 emissions are down 20.9% y/y in 2024 and 45.4% relative to 2019. The main driver of the decline is electricity emissions, although district heating also contributes to this positive trend. To the greatest extent, this is due to the reduction in the amount of office space used, but our many measures to reduce energy consumption are also having an effect.





CO <sub>2</sub> e emissions from scope 2								
tonnes of CO <sub>2</sub> e							Change 2024 vs	
	2019	2020	2021	2022	2023	2024	2019	2023
Scope 2 – market based								
Electric energy	672	127	595	0	0	0	-100.0%	-
Cooling	829	765	432	691	622	204	-75.4%	-67.1%
District heating	5,035	4,801	5,202	4,327	3,809	3,290	-34.7%	-13.6%
Total	6,536	5,693	6,229	5,018	4,431	3,494	-46.5%	-21.1%
Scope 2 – location based								
Electric energy	22,312	18,006	16,926	16,613	14,897	11,525	-48.3%	-22.6%
Cooling	829	765	432	751	737	564	-32.0%	-23.5%
District heating	5,035	4,801	5,202	4,327	3,809	3,290	-34.7%	-13.6%
Total	28,176	23,571	22,560	21,691	19,444	15,379	-45.4%	-20.9%

Scope 3 emission

Our Scope 3 emissions, both *market-based* and *location-based* , decreased by 6.5% y/y, due to lower Category 15 – Investment emission.

Please note that we do not calculate emissions for categories:

- 4 – Upstream transport and distribution,
- 8 – Upstream leased assets,
- 9 – Downstream transport and distribution,
- 10 – Processing of products sold,
- 11 – Product use phase,
- 12 – Post-consumer waste management phase,
- 14 – Franchises,

as such activities are not within the scope of our bank’s group activities. On the other hand, we do not report emissions from the category:

- 2 – Capital goods,
- 7 – Employee commuting,

as these are not material sources of emissions for a credit institution. Finally, we report on the categories:

- 1 – Products and services purchased (reported in part),
- 3 – Energy and fuels not included in scope 1 and 2,
- 5 – Waste generated in connection with the operation of the company,
- 6 – Business travel,

even though they are not material to our business – continuing our existing disclosure practice. We consider only category 13 (Downstream Leased Assets) and 15 (Investments) as material sources of Scope 3 emissions. This is a consequence of the results of our double materiality assessment, where, for the Climate theme, materiality applies only to the *downstream* of our value chain, effectively our loan portfolios.

Financed CO <sub>2</sub> e emissions (categories 13 and 15) by value chain element			
	Funded emissions CO <sub>2</sub> e (tonnes)	Carrying amount gross (PLN million)	Emission intensity (Tonnes CO <sub>2</sub> e per 1 PLN million of exposure)
Retail banking	562,779	57,560	9.8
Business Banking	5,402,259	58,670	92.1
Wholesale Banking	1,205,127	68,312	17.6
Treasury and other investments	2,762,302	59,134	46.7
Total	9,932,467	243,677	40.8

\* Data includes financed Scope 1 and 2 emissions.



CO<sub>2</sub>e emissions from scope 3

tonnes of CO <sub>2</sub> e							Change 2024 vs	
	2019	2020	2021	2022	2023	2024	2019	2023
Category 1	217	160	131	87	55	49	-77.5%	-10.7%
Paper	190	134	122	81	47	42	-77.7%	-9.5%
Water supply	28	26	9	6	8	7	-76.2%	-17.7%
Category 3 – market-based WTT emissions	5,617	4,413	6,127	1,720	1,647	1,465	-73.9%	-11.1%
Category 3 – WTT emissions – location-based	5,617	4,413	6,127	5,754	5,279	4,807	-14.4%	-8.9%
Category 5	143	128	91	72	67	28	-80.7%	-59.1%
water treatment	57	53	17	11	9	8	-86.0%	-12.3%
Municipal waste	75	74	74	60	58	19	-73.9%	-66.5%
Recycled waste	11	0	0	0	0	0	-99.3%	-47.9%
Category 6	553	106	41	170	257	315	-43.1%	22.4%
Rail journeys	197	31	13	64	110	151	-23.3%	37.1%
Air travels	200	28	3	52	93	113	-43.7%	21.2%
Taxi trips	7	8	7	14	14	14	85.7%	-0.4%
Travels in private cars	149	39	19	40	41	38	-74.6%	-7.0%
Category 13*	-	-	-	1,615,988	1,675,707	1,740,409	-	3.9%
Category 15*	-	-	11,434,796	9,508,135	8,945,369	8,192,059	-	-8.4%
Total – market-based*	6,530	4,807	11,441,185	11,126,173	10,623,103	9,934,323	=	-6.5%
Total – location-based*	6,530	4,807	11,441,185	11,130,206	10,626,735	9,937,665	=	-6.5%

\* Data includes financed Scope 1 and 2 emissions for categories 13 and 15.

Scope 3\* CO<sub>2</sub>e emissions for 2024 by group company

tonnes of CO <sub>2</sub> e	Group	Bank	ING Lease	ING Commercial Finance	ING Bank Hipoteczny	Other companies
Categories 1, 3, 5 and 6 – market based	1,856	1,797	33	14	4	7
Categories 1, 3, 5 and 6 – location based	5,198	5,047	86	40	11	14
Category 13*	1,740,409	0	1,740,409	0	0	0
Category 15*	8,192,059	7,766,236	18,135	358,937	48,751	0
Total – market-based*	9,934,323	7,768,033	1,758,577	358,951	48,755	7
Total – location-based*	9,937,665	7,771,284	1,758,629	358,976	48,762	14

\* Data includes financed Scope 1 and 2 emissions for categories 13 and 15.

Our financed emissions (scope 1 and 2) decreased by 6.5% y/y to 9,932 million tonnes CO<sub>2</sub>e. The Business Banking area is responsible for 54.4% and the Treasury and other investments area for 27.8%. The Wholesale Banking area accounts for 12.1% and Retail Banking (mortgage loans) for 5.7%. We have counted these emissions for PLN 243.7 billion of our assets, which account for 93.6% of our total assets.

Total emission intensity factors

In the table below, we present our emission intensity factors per key data (revenue, total assets and number of FTEs). We emphasise that the correct approach to analysing emissions intensity for Scopes 1 and 2 is to convert emissions into FTEs. When we analyse the emissions intensity covering categories 13 and 15 of scope 3 (emissions related to our assets, i.e. primarily receivables from our clients), the indicator that better reflects the nature of the sector in which we operate is the one per revenue or asset.

We would like to point out that we count our asset-related emissions from 2021 onwards, and it is this element that is behind the jump in performance indicators between 2020 and 2021 and makes it difficult to compare the latest results with 2019, which is our base year for Scope 1 and 2 emissions.



Performance indicators related to CO <sub>2</sub> e emissions						
kg of CO <sub>2</sub> e	2019**	2020**	2021	2022	2023	2024
Emissions per PLN 1 million of revenue*						
Scope 1	900	550	467	491	355	349
Scope 2 – <i>market-based</i>	1,128	913	903	650	415	310
Scope 2 – <i>location-based</i>	4,861	3,782	3,271	2,809	1,821	1,364
Scope 3 – <i>market-based</i>	1,127	771	1,658,864	1,440,841	994,859	880,780
Scope 3 – <i>location-based</i>	1,127	771	1,658,864	1,441,363	995,199	881,077
Total – <b>market-based</b>	<b>3,154</b>	<b>2,235</b>	<b>1,660,234</b>	<b>1,441,981</b>	<b>995,629</b>	<b>881,439</b>
Total – <b>location-based</b>	<b>6,888</b>	<b>5,103</b>	<b>1,662,602</b>	<b>1,444,663</b>	<b>997,375</b>	<b>882,789</b>
Emissions per PLN 1 million of assets** (average per year)						
Scope 1	35	19	16	18	16	16
Scope 2 – <i>market-based</i>	43	32	32	24	19	14
Scope 2 – <i>location-based</i>	187	134	115	103	84	61
Scope 3 – <i>market-based</i>	43	27	58,320	52,761	46,153	39,355
Scope 3 – <i>location-based</i>	43	27	58,320	52,780	46,169	39,368
Total – <b>market-based</b>	<b>121</b>	<b>79</b>	<b>58,368</b>	<b>52,803</b>	<b>46,189</b>	<b>39,385</b>
Total – <b>location-based</b>	<b>265</b>	<b>180</b>	<b>58,451</b>	<b>52,901</b>	<b>46,270</b>	<b>39,445</b>
Emissions per FTE (annual average)						
Scope 1	655	424	377	450	453	482
Scope 2 – <i>market-based</i>	821	705	728	596	528	428
Scope 2 – <i>location-based</i>	3,539	2,918	2,637	2,578	2,319	1,885
Scope 3 – <i>market-based</i>	820	595	1,337,271	1,322,593	1,266,874	1,217,432
Scope 3 – <i>location-based</i>	820	595	1,337,271	1,323,072	1,267,307	1,217,842
Total – <b>market-based</b>	<b>2,297</b>	<b>1,724</b>	<b>1,338,375</b>	<b>1,323,640</b>	<b>1,267,855</b>	<b>1,218,342</b>
Total – <b>location-based</b>	<b>5,015</b>	<b>3,938</b>	<b>1,340,284</b>	<b>1,326,101</b>	<b>1,270,079</b>	<b>1,220,208</b>

\*Including share of profits of associates; \*\*Data for 2019-2020 are not comparable with data for 2021-2023 in Scope 3 and Total due to different scope of calculation - Data for 2021-2024 include financed Scope 1 and 2 emissions for categories 13 and 15.

Disclosures of frozen GHG emissions

As the majority of our emissions come from financing activities, there is a potential risk associated with frozen GHG emissions arising from our client portfolio and the collateral we hold. Due to the shorter and average maturity of loans in the corporate portfolio, the problem of frozen emissions does not arise, as we have the final option to stop working with clients who do not meet the decarbonisation targets. In the case of long-term mortgages, the issue of frozen GHG emissions may arise. That is why we actively work with our clients to upgrade their homes and offer renovation loans to encourage them to do so. Our mortgage advisers are trained to talk to clients about possible renovations that can reduce the scale of this challenge.

Updated calculations for 2021-2023

Due to further development of our methodology for estimating financed Scope 3 emissions, we have decided to recalculate emissions for 2021-2023. It is this category of updated calculations that is responsible for the entire revision of the data previously presented. While our emissions for 2021 decreased by 0.8% compared to those reported earlier, emissions for 2022 and 2023 increased by 8.3% and 9.6%, respectively, primarily due to the separation of an additional category 13 (applicable for 2022-203) and the modification of the calculation for retail mortgage loans (applicable for 2021-2023).





Quantitative information on CO <sub>2</sub> e emissions update for 2021-202			
tonnes of CO <sub>2</sub> e	2021	2022	2023
Data before recalculation			
Scope 1	3,223	3,788	3,795
Scope 2 – market-based	6,229	5,018	4,431
Scope 2 – location-based	22,560	21,691	19,444
Scope 3 – <i>market-based</i>	11,535,983	10,269,857	9,694,062
Scope 3 – <i>location-based</i>	11,535,983	10,273,890	9,697,694
categories 1, 3, 5 and 6	6,389	6,083	5,658
category 15	11,529,594	10,267,807	9,692,036
Total – market-based	11,545,435	10,278,663	9,702,289
Total – location-based	11,561,766	10,299,370	9,720,933
Data after recalculation			
Scope 1	3,223	3,788	3,795
Scope 2 – market-based	6,229	5,018	4,431
Scope 2 – location-based	22,560	21,691	19,444
Scope 3 – <i>market-based</i>	11,441,185	11,126,173	10,623,103
Scope 3 – <i>location-based</i>	11,441,185	11,130,206	10,626,735
categories 1, 3, 5 and 6	6,389	6,083	5,658
category 13	0	1,615,988	1,675,707
category 15	11,434,796	9,508,135	8,945,369
Total – market-based	11,450,637	11,134,979	10,631,329
Total – location-based	11,466,968	11,155,686	10,649,974
Dynamics of change			
Scope 1	0.0%	0.0%	0.0%
Scope 2 – market-based	0.0%	0.0%	0.0%
Scope 2 – location-based	0.0%	0.0%	0.0%
Scope 3 – <i>market-based</i>	-0.8%	8.3%	9.6%
Scope 3 – <i>location-based</i>	-0.8%	8.3%	9.6%
categories 1, 3, 5 and 6	0.0%	0.0%	0.0%
category 13 + 15	-0.8%	8.3%	9.6%
Total – market-based	-0.8%	8.3%	9.6%
Total – location-based	-0.8%	8.3%	9.6%

Retail mortgages

The changes for the emission calculation for retail mortgage loans mainly concerned a change in the basis for the attribution factor calculation. The reason for the change was to improve the compatibility of the calculation methodologies with the PCAF methodology, which takes the value of the real estate at the time of the loan as the basis for the attribution factor. Subsequently, we have updated the approach to calculating emissions in the simultaneous absence of data from the energy certificate and good quality data on the year of construction of the real estate. For these cases, we set fixed thresholds for estimated primary energy consumption, which made the calculation independent of the average portfolio emissions and enabled the proposed approach to be used in analyses with a similar context. We have also made slight changes to improve the quality of the calculations. We have clarified the scope of the calculation and the criteria for using data from energy performance certificates.

Leases

The key change for leases and lease loan relates to the breakdown of ING Lease emissions into emissions financed under Category 13 (lease) of Scope 3 and emissions financed under Category 15 (loan) of Scope 3. The vast majority of ING Lease’s financed emissions (approx. 99%) are from lease-financed assets and therefore had to be moved to Category 13 reporting. As the leasing company owns the asset when financing it as a lease, it is responsible for 100% of its Scope 1 and 2 emissions of that asset, hence the LTV factor is not used in the Category 13 calculation. Up to now, the entire portfolio has been reported in category 15 of scope 3, which now includes only financed emissions from lease-financed assets, where the LTV ratio is applied. The change is driven by the need to ensure that the approach to counting the carbon footprint is compatible with the GHG Protocol.



## Biodiversity and ecosystems

Biodiversity is the variety of and interaction between all living organisms which work together in ecosystems. Biodiversity is important not only for the balance of the ecosystems themselves, but also because of the ecosystem services that are essential for the proper functioning of the economy and society.

As a financial institution, we can have an impact on biodiversity through the appropriate management of the risk of biodiversity loss in the area of credit risk, the credit policies adopted, education and client engagement as well as involvement in biodiversity-related initiatives.

### Identified impacts risks and opportunities

#### SBM-3, IRO-1

As part of our double materiality assessment, we analysed the topic of biodiversity and ecosystems (ESRS E4) in relation to impacts, risks and opportunities (IROs), for each segment of our value chain and for our own operations.

The analysis showed that the issue of direct impact drivers of biodiversity loss is only material for the Business Banking area from a negative impact perspective and from a risk perspective in the medium- to long-term.

We define material IROs as follows:

- **Negative impacts:** we have an impact through financing of sectors that may contribute to biodiversity loss through: changes in land use (e.g. deforestation, urbanisation, habitat encroachment), changes in freshwater use and sea use, direct exploitation of organisms (e.g. hunting and overfishing), pollution of air, pollution of water and pollution of soil, climate change or the spread of invasive alien species.
- **Risk:** The materialisation of risk can result from the high severity of a negative impact. It can result – depending on the sector – in the demise of natural resources (e.g. water, minerals, fossil fuels, timber), disrupt clients’ operations, leading to financial losses. Financial losses can also result from reputational damage and litigation risks.

Our own operations do not have locations in or near biodiversity-sensitive areas, so our operational activities related to these locations do not adversely affect ecologically significant areas, do not lead to the deterioration of habitats nor to the disturbance of species.

As part of the double materiality assessment process, for our own operations, we did not identify the direct impact of biodiversity and ecosystem loss on affected communities, and therefore additional consultation was not carried out in this regard.

#### IRO assessment criteria applied

In the process of assessing material impacts, opportunities and risks for biodiversity and ecosystems, we specifically use a quantitative approach. In order to identify and understand the IROs within our value chain, we conducted our first portfolio assessments using a dataset sourced from external reputable sources whose credibility is supported by academic research or business standards, such as, but not limited to: ENCORE<sup>21</sup>, PCAF<sup>22</sup>, UNEP-FI<sup>23</sup>.

The materiality of the issue of direct impact drivers of biodiversity loss to the Business Banking portfolio is due to the significant share of sectors in the portfolio with a high impact on direct drivers of biodiversity loss, including: manufacturing, wholesale and retail trade, transport and storage, construction, real estate.

The result of the assessment is also partly a consequence of the conservative approach used, for example: the final sector score is the maximum of the scores coming from the different data bases, and for the assessment of the sub-topic “Direct impact drivers of biodiversity loss”, we use, inter alia, the sector’s emissivity indicators, that due to the assessment of the factor of pollution of air.

We have provided more information on the process of identifying and assessing impacts, risks and opportunities (IROs), including for biodiversity, [here](#).

We have not identified negative impacts and risks in the area of direct impact drivers of biodiversity loss that could translate into systemic risks, as defined by the ESRS.

Due to the diversity of our loan portfolio, the factors causing a direct impact on biodiversity loss can vary. For example, sectors that contribute materially to pollution of soil or of water can have a negative impact on

<sup>21</sup> *Exploring Natural Capital Opportunities, Risk and Exposure* – a tool developed through a collaboration between Global Canopy, UNEP FI and UNEP-WCMC (UN Environment Programme World Conservation Monitoring Centre), provides, among other things, information on impact factors and ecosystem service dependency factors

<sup>22</sup> *Partnership for Carbon Accounting Financials* – a global partnership of financial institutions working together to develop and implement a harmonised approach to the assessment and disclosure of greenhouse gas emissions

<sup>23</sup> *United Nations Environment Programme Finance Initiative* to promote sustainable finance and responsible investment practices for banks, insurers and investors



biodiversity. Projects in sectors related to the extraction of natural resources, such as mining and the oil and gas sector, for example, can negatively affect the functioning of ecosystems and thus contribute to biodiversity loss. Projects in sectors such as agriculture or construction can lead to land use change, including deforestation. The use of artificial fertilisers in agriculture can alter soil productivity and cause freshwater acidification. Emissions can affect climate change, which is one of the five main direct impact drivers of biodiversity loss.

The above changes can also adversely affect local communities, e.g. pollution from industrial activities can damage health and lead to a reduced quality of life. In addition, biodiversity provides many local ecosystem services that are essential for human health and productivity, such as water supply, water filtration, air filtration and protection against the transmission of pathogens from animals to humans. Local soil quality can directly affect the food security of the population.

The negative impact of direct drivers impact of biodiversity loss can have different time horizons. A spill of hazardous substances can immediately harm the environment, while emissions of pollution to soil, water and air can lead to the disruption of ecosystems over decades.

As we impact biodiversity primarily through our financial activities, we want to steer our loan portfolio to help contain negative impacts, starting with the sectors with the biggest impact..

We take our approach to biodiversity into account when deciding which clients we finance and which we exclude from financing (e.g. our approach to deforestation), and this is reflected in the regulations: ESG Policy and ESG Manual for Business Banking Clients, further discussed [here](#).

An important limitation is the lack of access to data in the Business Banking client area that allows for a comprehensive analysis from the client/credit exposure level to the portfolio level (*bottom-up*), based on our clients' business assumptions/plans to reduce their impact and biodiversity risk. As access to this data expands, we will develop the approach.

We comply with existing legislation and reduce the most harmful practices in relation to biodiversity, including having provisions in the ESG Manual or specific policies for, inter alia, the financing of coal mining and energy and related activities, forestry and plantations, fisheries, logging, clearing of forests of special natural value, use of

deforested land, industrial processing in relation to ship dismantling, and the chemical industry and use of chemicals.

In our current Business Banking portfolio, we do not see a material impact on our financial position due to the loss of biodiversity over a time horizon of the next three years.

In the medium to long-term, we depend on the commitment and ability of our clients to understand the possible effects of biodiversity loss on their business.

We also expect increasing regulatory pressure from the implementation of the Kunming-Montreal Global Biodiversity Framework (GBF)<sup>24</sup>, as well as initiatives within the EU, including the EU Biodiversity Strategy 2030 – bringing nature back into the mainstream, including reducing pollution, plastic and water production and use, and increased focus on other aspects of biodiversity conservation.

We are seeing market developments in scenario-based quantification methods for biodiversity and approaches to integrating biodiversity into stress testing and modelling.

At this stage, however, we are unable to provide a quantitative or qualitative analysis of resilience, information on financial impacts and more detailed time horizons.

We are at the stage of planning our actions for 2025 and beyond. As a first step in assessing the potential financial impact, we conducted an in-depth analysis for the Business Banking area based on the approach developed by the ESG Risk Management Department. As a result of the analysis, we identified 7 sectors that are particularly sensitive to the risk of direct drivers of biodiversity loss and the exposure to these sectors, which represents 15% of our total Business Banking exposure. Our approach in this regard is described in the Methodology “Sectoral assessment of climate and environmental risks for Wholesale Banking and Business Banking portfolios”. We plan to develop the approach as we acquire data that will allow us to carry out *bottom-up* analysis and increasingly manage the risk of biodiversity loss.

Also, as the scope of entities covered by the sustainability reporting obligation expands, we plan to source this data and prepare our systems to accommodate it.

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<sup>24</sup> [Kunming-Montreal Global Biodiversity Framework](#)



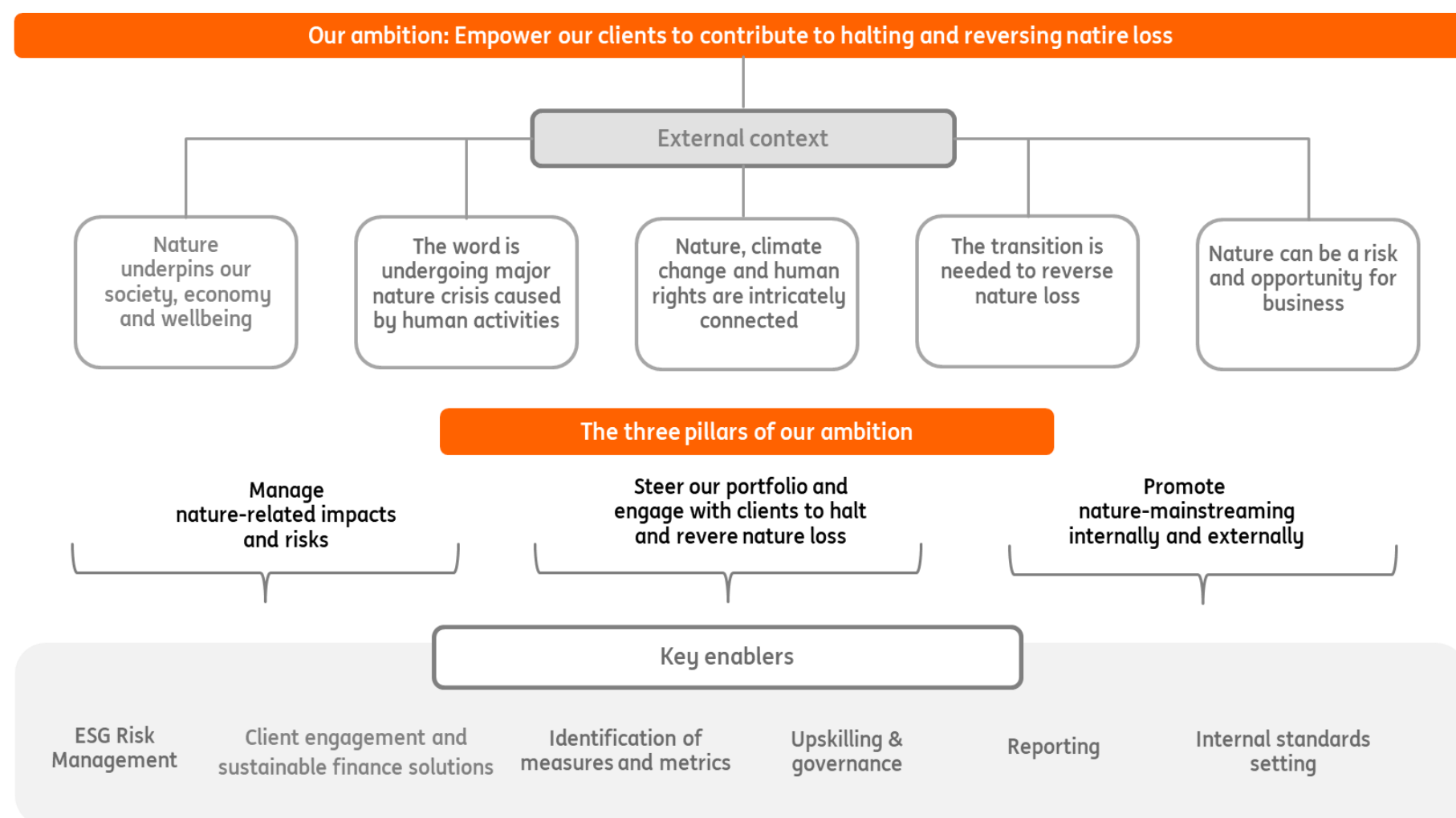


## Our approach to managing impacts on biodiversity

E4-1, E4-3, MDR-A, E4-4

At this stage, we have not set measurable quantitative targets/indicators in relation to managing biodiversity loss. We identify qualitative targets in our 2025 -2027 strategy, which we write about [here](#).

We have indicated our ambitions for our approach to biodiversity and ecosystems in the *ESG Policy*. The main ambition is to empower our clients to contribute to halting biodiversity loss and to support the objectives of the Kunming-Montreal Global Biodiversity Framework (GBF) and the EU Biodiversity Strategy. We will develop a transformation plan to be implemented over the next few years. We plan to approach the topic of biodiversity as a whole, which will also include our material sub-theme: Direct impact drivers of biodiversity loss.



We have identified three objectives that we will pursue in order to contribute to halting the loss of biodiversity: managing nature-related risks and impacts, steering our portfolio and engage with clients, promoting biodiversity internally and externally– including through trainings, educational events, the webinars and awareness-raising publications dedicated to our employees and clients, and by promoting biodiversity-related volunteering.

We are currently working on a strategy that will include our approach to biodiversity and ecosystems and qualitative targets in this area.

### Managing risks and impacts

We look at the sectors within our Business Banking portfolio where we can expect the greatest threats to biodiversity and likely the greatest risks, also from the perspective of their financial situation, which may enhance or diminish the possibility of transformation accordingly. This information is the starting point for establishing rules for managing the risks associated with clients operating in these sectors.

### Steer our portfolio and engage with clients

At the client/transaction level, we manage biodiversity impacts and risks by applying the exemptions and restrictions indicated in the *ESG Policy* and *ESG Manual*, in which we have included, inter alia, rules not to finance projects that may directly negatively impact certain high-value ecosystems and certain economic activities incompatible with our approach to biodiversity.

In Wholesale Banking, we implemented a new ESG risk assessment tool in 2024, which includes a biodiversity risk assessment and is a part of the credit process. If a material impact or dependency in the area of biodiversity is identified in the sectoral approach – a more in-depth assessment is required which may require the client to present mitigation actions to reduce the negative impact/risk.

In the area of Business Banking, we do not have sophisticated solutions and tools to assess the impact/risk of biodiversity at the client level. We will work on solutions similar to those implemented in the Wholesale Banking area, while defining the scope and preparing for the collection of relevant data.

We are building biodiversity knowledge within the organisation. In 2024, we conducted staff training on biodiversity with an expert from UNEP FI / GRID-Warsaw<sup>25</sup>, attended by 440 employees. The video of the meeting was viewed by

<sup>25</sup> UNEP/GRID-Warsaw – a centre affiliated to the United Nations Environment Programme, which carries out the UNEP mission in Poland



a further 200 people. We plan to further develop our collaboration with external stakeholders in order to expand our knowledge and develop ever better standards and methodologies.

## Policies

### E4-2, MDR-P

Our ESG risk policy is set by the main regulations: *The ESG Policy* and the *ESG Manual* for Business Banking clients, which is underpinned by an exclusion policy. We consider our approach to financing activities and projects that have a negative impact on protected areas and our approach to deforestation, as indicated in the *ESG Manual*, to be important. Both documents are described [here](#).

In relation to biodiversity and ecosystem, the *ESG Policy* explains the nature of biodiversity and the risks of biodiversity loss: our risk is lower if we finance fewer transactions that materially affect biodiversity loss. We limit the relevant risk also by supporting our clients in reducing their impact on biodiversity and ecosystems by implementing minimum requirements and encouraging improved standards of negative impact/biodiversity risk management. *The ESG Policy* contains a number of requirements/restrictions on providing financing to avoid material negative impacts on biodiversity, including:

- actions and projects that may have a significant negative impact on various high-value natural areas, including Ramsar Wetland areas, UNESCO World Heritage Sites, or areas designated for protection by the International Union for the Conservation of Nature (IUCN),
- actions related to the harvesting of timber from illegal logging, clearing or burning of equatorial forests, clearing of forests of special natural interest, use of the aforementioned deforested land – if less than 5 years have passed since the deforestation and a direct link between the client and the original deforestation can be demonstrated.

*The ESG manual* indicates the sectors and areas excluded from financing and restricted. At the client level, we assess whether the business is conducted according to environmental principles and is not covered by exclusion policies. The *ESG Manual* includes specific policies for the financing of: forestry, manufacturing, chemicals and the use of chemicals, coal mining, coal power and related activities, other mining and power, petrochemicals and metal production.

Examples of reductions in the most harmful practices in sectors with a high risk of affecting direct drivers of biodiversity loss are principles:

- not to finance activities related to harmful or illegal tree felling,
- not to finance operations located in the protected areas identified in the *ESG Manual*.

The requirements of the *ESG Manual* also support the traceability of biodiversity-related products, components and raw materials. For example, in the standard credit process (the so-called *Normal Track*), we require all clients in the Business Banking segment, i.e. those operating in sectors related to the production and wholesale of timber products and building materials, to confirm that the timber they source for further use or processing comes from the State Forests or from another supplier with the relevant FSC (*Forest Stewardship Council* – certification of the origin of timber from sustainable sources) or PEFC (*Programme for the Endorsement of Forest Certification*) certificates or with other documents certifying sustainable forest management.

As we are a financial institution, we do not have a policy on land use change, freshwater and marine change, direct exploitation, invasive alien species in relation to the sites where we conduct our own operations. However, we plan to encourage our clients to have such policies in place. Please see our approach to deforestation described above.

*The ESG Risk Policy* addresses both environmental and social risks. However, for the time being, our approach to assessing impacts and dependencies on biodiversity and ecosystem, as used in the assessment of Business Banking clients, does not directly address the requirement to examine the social consequences of impacts related to biodiversity and ecosystems.

We have described the legislative process of the *ESG Policy* and *ESG Manual* [here](#).

## Actions

### Our actions on deforestation and ecosystem conversion

#### E4-3

Deforestation and other forms of ecosystem alteration are one of the main direct drivers of biodiversity loss. Although the Bank does not fall within the scope of the EU *Deforestation Regulation* (EUDR), we have implemented a specific policy for forestry and plantations in the *ESG Manual*, which includes verification of timber origin with relevant clients. The forestry and plantation specific policy covers clients who grow, harvest, process, genetically modify plantation crops or trade in timber or products derived from plantation crops. We recognise that currently not all our Business Banking clients fully identify the origin of products in their supply chains. We plan to encourage their involvement in such verification.



## Our planned actions and objectives

E4-3; E4-4; MDR-T

As we have not yet implemented for Business Banking a comprehensive approach to assessing biodiversity risk at client level, our aim is to systematise the inclusion of this issue in the assessment criteria starting with the largest clients, drawing on our experience in Wholesale Banking. We plan to identify and start collecting data to help us manage the topic of biodiversity. We plan to build relevant internal competencies, through training of employees and senior management. Structured approach to biodiversity is part of our 2025 -2027 strategy, which we write about [here](#).

For the time being, we are not planning any measurable biodiversity compensations. We are in the early stages of planning actions for steering our loan portfolio. However in 2024 we donated PLN 2 million to the “Błota Rakutowskie” project, implemented by the WWF Poland Foundation and local partner ALAUDA Nature Society. The project is based on the EU Taxonomy and technical screening criteria for the biodiversity goal and aims to protect and restore the habitats of wading birds. Detailed information on the project can be found [here](#). We recognise that this kind of action is the next step in the mitigation hierarchy and as a bank we should first focus on our portfolio. Therefore, we do not see our involvement in this project as a compensatory action, but as an inspiration to our clients. Our involvement in the project was communicated at numerous events and conferences where our Wholesale Banking and Business Banking clients were present.

## Taxonomy disclosures

### What is Taxonomy?

Taxonomy is the common name of a legal act of the European Union – Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment – that establishes harmonised pan-European principles for sustainable investment. The legislation is designed to increase the level of environmental protection by diverting capital from environmentally damaging investments to greener alternatives.

The taxonomy does not define which activities are “good” and which are “bad”, but only describes in detail investments that are environmentally sustainable. It is intended as a tool to support investors and entrepreneurs to make informed investment decisions towards measures that will contribute to achieving climate neutrality in the European Union by 2050.

The taxonomy does not prohibit investment in activities that do not meet its criteria, but gives additional preference to environmentally sustainable solutions. The implementation of regulations defining what investments are environmentally sustainable will also make it possible to identify pseudo-environmental activities – concerning the unjustified claim by some entities that their activities are environmentally friendly, when there are no grounds for this – this phenomenon is called greenwashing.

On 30 December 2021, the EU Commission Delegated Regulation (2021/2178) to Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (later updated in March 2022 and June 2023) entered into force. It imposes an obligation on a number of European entities, including the banking sector and consequently ING Bank Śląski, to report both quantitative and qualitative information on environmentally sustainable business activities. This occurred for the first time in 2022 for 2021. The quantitative reporting of financial institutions in 2022, as in 2023, was transitional. Starting with the 2023 reporting, the taxonomy disclosures have reached their target shape for the banking portfolio of credit institutions.

### Our business strategy and the Taxonomy

In our business strategy, one of ESG’s priorities is to support clients in their environmental transformation. The direction of this transformation is set by the environmental objectives of the EU Taxonomy:





1. climate change mitigation,
2. climate change adaptation,
3. sustainable use and protection of water and marine resources,
4. the transition to a circular economy,
5. pollution prevention and control,
6. protecting and restoring biodiversity and ecosystems.

In developing our sustainable finance product offering, we focus on the objectives of the EU Taxonomy, which are material to our clients' business model. We tailor the financing terms to the client's stage of transformation, making them contingent on achieving the objectives of the ESG strategy or supporting the financing of the assets necessary to implement the strategy. At the same time, we subject ESG factors to detailed analysis as part of the lending process to ensure their sustainability. Read more about our way of working, our priorities and our sustainability goals [here](#).

In 2023, our action on the first two environmental targets was reinforced with the publication of the document “ING BSK’s Roadmap for Reducing GHG Emissions”, which sets out the bank’s decarbonisation ambitions. In the following months, we have consistently met these targets with a focus on reducing our own emissions, including through the purchase of 100% renewable energy, facility upgrades and fleet measures. At the same time, we aimed to reduce emissions in our loan portfolio by, among other things, financing renewable energy projects. In December 2024, we published the second part of the document (we write about it in more detail [here](#)) which further reinforces our scope 3 emission reduction targets in categories 13 and 15. A key element of it is a cross-sector transformation plan to support high-emission Business Banking clients to develop and implement effective decarbonisation strategies to significantly reduce greenhouse gas emissions.

## Minimum Safeguards

Minimum Safeguards is one of the criteria of the EU Taxonomy-Regulation 2020/852 on establishment a framework to facilitate sustainable investments-that allows determining whether an activity is environmentally sustainable. As defined, it is a set of procedures used by a company to ensure compliance with:

- the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct (OECD Guidelines, 2023 edition), and

- the UN Guiding Principles on Business and Human Rights (UN Guidelines), including the principles and rights set out in the eight core conventions identified in the ILO Declaration on Fundamental Principles and Rights at Work and the principles and rights set out in the International Bill of Human Rights.

The criterion of compliance with Minimum Safeguards applies to the entire activity of the company concerned.

In 2023, we conducted for the first time a self-assessment of ING Bank Śląski S.A. Group’s compliance with the guidelines of the due diligence process and the requirements of the EU Taxonomy on Minimum Safeguards. The results of this analysis confirmed that the compliance criteria 2023 Minimum Safeguards were met in 2023. The scope and conduct of the analysis is presented in the Management Board Report on Operations of the ING Bank Śląski S.A. Group 2023, available [here](#).

In 2024, we renewed and expanded the analysis – the verification was conducted in a self-assessment format by completing a comprehensive questionnaire and analysing regulations and internal processes. This process has additionally involved the Group's largest subsidiaries in an in-depth manner: ING Bank Hipoteczny, ING Commercial Finance and ING Lease Polska. The scope and outcome of the analysis was consulted internally with the Legal department and CoE- Compliance, and reviewed with external legal support. A summary of the results of the analysis confirmed the lack of gaps for Minimum Safeguards. Future areas for improvement with regard to the best business practices were identified, including ongoing improvement of the due diligence process, as well as continued education activities for stakeholders.

For the other ING Bank Śląski Group subsidiaries, we conducted the self-assessment based on the “Guide for Financial Institutions – Minimum Safeguards” developed by the Minimum Safeguards Working Group of the Sustainable Investment Forum Poland (POLSIF). No gaps were identified in the summary of the analysis. At the same time, it is worth noting that all ING Bank Śląski Group companies verified the fulfilment of the Minimum Safeguards also for the year 2023 – the measures identified at that stage were implemented to maintain consistency in the operation of the due diligence process at the level of all Group entities (an example is the process of handling the external reporting channel).

The 2024 analysis included several key verification steps:

- 1) The operation of due diligence procedures and processes as referred to in the OECD Guidelines and the UN Guidelines.



- 2) Fulfilment of the principles and rights indicated in the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work.
- 3) Confirmation of no judicially found violations without implemented corrective actions in the following business areas: information disclosure, human rights, employment and employee relations, environment, anti-corruption, consumer interests, science, technology and innovation, competition, and taxation.
- 4) Confirmation that there have been no recommendations from the OECD National Focal Point on their activities in relation to the OECD Guidelines in the last 12 months, as well as no enquiries from the *Business and Human Rights Resource Centre*.

The results of the 2024 analysis confirm that ING Bank Śląski Group's operations are conducted in accordance with the requirements of the Minimum Safeguards.

In December 2023, we published the ING Bank Śląski Group Declaration on Respect for Human Rights, which we write about [here](#). This document was developed in cooperation with external experts in the field of human rights in the business context. In December 2024, we conducted a cyclical annual review of the Declaration within the ING Bank Śląski Group and updated it with information on, among other things, newly introduced internal regulations (e.g. Client Centricity Policy).

If a breach or risk of a human rights violation is identified, stakeholders (internal and external) can contact us through the whistleblowing channels. External stakeholders of the entire ING Bank Śląski Group can report irregularities via an external [reporting channel](#) also available in English. In relation to internal stakeholders, the handling and response to reports is carried out within the framework of the internal *ING Bank Śląski S.A.*

*Whistleblower Policy* and the *Anti-Discrimination and Anti-Harassment Policy*, the *Procedure Governing How to Act in the Event of Suspected Undesirable Phenomena*, and the *Procedure for Handling Objections to the Bank's Conduct*. More information on the whistleblowing mechanism can be found [here](#) and our environmental, community and corporate governance policies are available on the [website](#).

We believe that ensuring compliance with the requirements of the Minimum Safeguards is an ongoing process that requires continuous action and monitoring, which will be based on best market practice and expert opinion. In order to best understand the expectations of our stakeholders, we maintain an active dialogue with them (e.g. through regular dialogue sessions or round tables), as well as by engaging in various partnerships with social organisations and NGOs. We regularly survey the opinions and evaluations of internal stakeholders, i.e. employees, among

others, through the regularly conducted Organisational Health Interview (OHI) survey. The interests of workers and their rights are represented by the workers' organisations – the workers' council and the trade unions.

In 2024, ING representatives co-ordinated the work of the Minimum Safeguards Working Group of the Sustainable Investment Forum Poland (POLSIF). The group brings together individuals working in the largest financial institutions in Poland, and aims to develop a transparent way of interpreting the Minimum Safeguards and the expectations in terms of the assessment of their own and companies' activities in the process of financing. The approach developed, as practice evolves and new guidelines are published, may be subject to change in the future.

### Our reporting obligations

Our quantitative reporting for ING Bank Śląski Group for 2023 has, for the first time, taken a definitive form for the first two environmental objectives: climate change mitigation (CCM) and climate change adaptation (CCA), indicating both the value of exposures eligible for (CCM) and the value of Taxonomy-eligible exposures (CCA) , and Taxonomy-aligned exposures. The 2024 disclosures additionally include information on exposures eligible for the other four environmental objectives of the Taxonomy. This means that this year the eligible value covers all six objectives. It should be noted that although the obligation to report compliance only applied to the first two objectives, some entities voluntarily disclosed data also in the context of the other four environmental objectives of the Taxonomy.

In the next reporting year, banks will be required to report both eligibility and alignment with the Taxonomy for all six environmental objectives. In addition, key performance indicators on fee and commission income and the trading book will have to be disclosed by credit institutions from 2026 onwards.

From exposures to economic sectors described in the Taxonomy, those that qualify as Taxonomy-eligible will be further identified as Taxonomy-aligned. In order for an asset to be considered "green", i.e. Taxonomy-aligned, it must holistically meet the technical eligibility criteria for significant contribution and the "do no serious harm" principle. In addition, in the case of exposures to entities other than households, they should also ensure that their activities are carried out in accordance with "Minimum Safeguards".

To fulfil all these reporting obligations, we relied on the following in preparing the disclosures:

- data and information made public by our corporate clients in their non-financial reports for 2022 and 2023; we obtained most of this data through the ESG database developed and made available by BIK [Credit Information Bureau];



- actual data from energy performance certificates for buildings obtained from the Central Register of Energy Performance of Buildings;
- data related to the characteristics of the object of financing obtained in the course of the lending process for exposures to households and to corporate clients that have a “*known use of proceeds*” formula, i.e. the purpose for which the funds are to be used is known.

Our disclosures as a credit institution are based on prudential consolidation. They are prepared in several ways:

- total financial assets as at 2023 yearend and as at 2024 yearend by type of client and financial instrument,
- credit financial guarantees granted to entities obliged to report non-financially as at 2023 yearend and as at 2024 yearend,
- exposures to non-financial corporations required to report non-financially as at 2023 yearend and as at 2024 yearend, broken down by the sectors in which these entities operate,
- financial assets granted during 2023 and 2024 by type of client and financial instrument as at yearend.

In addition, each of these snapshots is presented in two approaches, based on revenue (KPI turnover) and based on capital expenditure (capex KPIs).

If we do not have publicly available or accurate key performance indicators of the bank’s counterparties, we use the latest available data disclosed by them in previous years. However, when we do not have such data either, we treat the exposure as non-eligible. We then assign a value of “zero” in the numerator of the relevant indicator, which means that we do not carry out any further analysis in this respect.

It is worth noting that the taxonomy reporting framework is still not a closed catalogue, and the current rules leave a lot of room for interpretation, and market practice will systematically evolve.

## Mandatory taxonomy disclosures

### Financing of financial and non-financial entities

With regard to our corporate segment exposures, in a first step we identified those clients that are directly or indirectly through the parent shareholder subject to the obligation to publish non-financial information under Directive 2013/34/EU, as only these clients determine what proportion of their revenues (turnover), costs (operating

expenses) and capital expenditures (capex) are related to the activities described in the Taxonomy (both Taxonomy-eligible and Taxonomy-aligned).

In a further step, we split the on-balance-sheet debt exposures to these identified clients into those under a targeted funding formula (“*known use of proceeds*”) and those under a general funding formula (“*unknown use of proceeds*”).

For exposures under the general financing formula, it recognised the gross carrying value multiplied by the relevant KPI (key indicator) reported by the respective client or its parent company in the 2022 and 2023 report as Taxonomy-eligible activity and Taxonomy-aligned activity.

We would like to point out that in the 2023 corporate taxonomy disclosures, the breakdown of KPIs against Taxonomy-eligible and Taxonomy-aligned exposures against individual environmental targets was not always applied (there was no such breakdown in the 2022 disclosures). Where this breakdown was not applied we recognised eligibility for individual objectives based on the value for compliance (for a value to be Taxonomy-aligned it must first be Taxonomy-eligible). Therefore, in our quantitative disclosures, we may be faced with a situation where the sum of the eligible value for individual or compatible environmental objectives is less than the total eligible value for all environmental objectives.

Due to our cautious and conservative approach in recognising exposures to non-financial companies granted under the special purpose financing formula, we have not recognised Taxonomy-aligned assets from this, pending the formation of market practice in terms of documentation.

### Household financing

With regard to our exposures to households, we analysed a portfolio of mortgage-backed loans and a portfolio of cash loans that were taken out to buy a car or to renovate a building/apartment.

#### Retail loans secured by residential real estates

For mortgage loans, in assessing their eligibility, based on the data at our disposal, we selected only those loans whose purpose was the purchase of real estate and the exercise of ownership of that real estate (activity 7.7 “Acquisition and ownership of buildings” indicated in appendix I to the updated Delegated Regulation 2021/2139) and those loans whose purpose was the construction of a house (activity 7.1 “Construction of new buildings” indicated in appendix I to the updated Delegated Regulation 2021/2139).





For loans eligible for activity 7.7, in the next step we assessed which loans make a significant contribution to climate change mitigation on the basis of primary energy (EP) demand based on data from building energy performance certificates. For loans granted for residential properties built by the end of 2020, we have assumed a threshold of the 15% most efficient buildings in the country based on [estimation of the Ministry of Economic Development and Technology](#) from December 2024, i.e. for single-family houses 83.91 kWh/m2 when reported for 2024 (76.59 kWh/m2 for earlier years) and for multi-family buildings 81.86 kWh/m2 when reported for 2024 (76.59 kWh/m2 for earlier years). For loans granted for residential real estate built after 2020, we have assumed the level of the building standard for nearly zero-emission buildings adjusted downwards by 10%, i.e. 63 kWh/m2 for single-family houses and 58.5 kWh/m2 for multi-family buildings.

For loans contributing significantly to climate change mitigation for activity 7.7, the next step of the analysis was to verify the principle of no serious damage according to the technical eligibility criteria for this activity, i.e. to check whether the financed property is vulnerable to physical risk (sudden or chronic) based on the address of the real estate. Only those exposures whose collateral was real estate not sensitive to high physical risk were considered to be in line with the Taxonomy.

Retail cash loans

In the case of cash loans for the purchase of a car (activity 6.5 indicated in appendix I to the updated Delegated Regulation 2021/2139) or the renovation of a dwelling activity 7.3, 7.5 or 7.6 indicated in appendix I to the updated Delegated Regulation 2021/2139), their eligibility is assessed on the basis of the proof provided to us by the customer (e.g. an invoice confirming the purchase), which amounts to at least 70% of the amount of the financing granted (and only this part is recognised as Taxonomy-eligible). Due to our cautious and conservative approach in selecting financial assets as Taxonomy-aligned, we have not recognised “green” exposures from this, pending the formation of market practice in terms of documentation.

Financing of local authorities

As our business model is not based on financing public housing and the financing we provide to local authorities is not in the form of specialised lending, we have not taxonomically verified our exposure to local authorities.

GAR ratio (Green Asset Ratio)

As a result of the revision, as at 2024 yearend we have recognised PLN 61.5 billion of Taxonomy-eligible assets by KPI turnover and PLN 63.5 billion by KPI capex, up by 25.3% and 27.6% y/y respectively. From this pool, as

environmentally sustainable, we have extracted PLN 4.4 billion of assets by KPI turnover and PLN 5.2 billion by KPI capex, which translates into 242.0% and 287.8% y/y growth respectively. These increases are responsible for:

- in terms of retail mortgages:
  - a greater portfolio coverage with energy efficiency certificates,
  - an increase the EP indicator threshold for the 15% most efficient buildings in the country built by the end of 2020,
  - better energy performance of new mortgage loan sales in 2024;
- in terms of companies:
  - expanding the list of clients with non-financial reporting obligations by including succession of status from the ultimate parent (relative to succession of status from the direct consolidating entity in 2023),
  - including compliance indicators for financial companies for the first time (first reported in 2024 for 2023).

Our GAR (Green Asset Ratio) ratio as at 2024 yearend was 2.11% by KPI turnover and 2.52% by KPI capex.

Summary of the GAR ratio by state						
PLN million	2023		2024		Change y/y	
	KPI turnover	KPI capex	KPI turnover	KPI capex	KPI turnover	KPI capex
<b>Taxonomy-eligible assets, including</b>	<b>49,035</b>	<b>49,764</b>	<b>61,465</b>	<b>63,496</b>	<b>25.3%</b>	<b>27.6%</b>
retail mortgage loans	41,918	41,918	45,144	45,144	7.7%	7.7%
towards non-financial enterprises	703	1,535	4,114	5,860	485.1%	281.7%
towards financial enterprises	6,415	6,311	12,207	12,492	90.3%	97.9%
<b>Environmentally sustainable assets, including:</b>	<b>1,282</b>	<b>1,348</b>	<b>4,385</b>	<b>5,227</b>	<b>242.0%</b>	<b>287.8%</b>
retail mortgage loans	1,103	1,103	2,088	2,088	89.3%	89.3%
towards non-financial enterprises	179	244	530	1,131	195.9%	363.6%
towards financial enterprises	0	1	1,767	2,008	-	-
<b>GAR ration (Green Asset Ratio)</b>	<b>0.66%</b>	<b>0.69%</b>	<b>2.11%</b>	<b>2.52%</b>	<b>+1.45 p.p.</b>	<b>+1.83 p.p.</b>



More than 97% of our environmentally sustainable assets are in the climate change mitigation target, where retail mortgage loans are the dominant item.

Summary of the GAR ratio by target

Objectives*	percentage of Taxonomy-eligible assets				GAR ratio (Green Asset Ratio)			
	2023		2024		2023		2024	
	KPI turnover	KPI capex	KPI turnover	KPI capex	KPI turnover	KPI capex	KPI turnover	KPI capex
CCM	21.70%	21.71%	29.13%	30.07%	0.66%	0.67%	2.04%	2.44%
CCA	0.00%	0.01%	0.12%	0.11%	0.00%	0.01%	0.05%	0.03%
WTR	-	-	0.01%	0.02%	-	-	0.01%	0.01%
CE	-	-	0.19%	0.17%	-	-	0.00%	0.00%
PPC	-	-	0.00%	0.00%	-	-	0.00%	0.00%
BIO	-	-	0.00%	0.00%	-	-	0.00%	0.00%
Total	25.27%	25.65%	29.64%	30.62%	0.66%	0.69%	2.11%	2.52%

\*CCM – Climate Change Mitigation; CCA – Climate Change Adaptation; WTR – Water and Marine Resources; CE – Circular Economy; PPC – Pollution Prevention and Control; BIO – Biodiversity and Ecosystems;

Due to the refinement of the methodology, the 2023 data has been adjusted to ensure comparability to the 2024 data

The quantitative information required of credit institutions by appendix VI of the updated Regulation 2021/2178 can be found [here](#). We deviate from the publication of Formula 5 in respect of condition and flow and Formula 1-5 for off-balance sheet exposures, as in these cases our gross carrying value associated with natural gas and nuclear power is immaterial.

We are aware of the challenges associated with the availability and quality of data to assess environmentally sustainable operations. Access to data and possible further EU regulatory adjustments in this area will have an impact on our business strategy and lending decisions, including the setting of quantitative targets.

As at the date of the report, the bank did not have quantitative targets in the form of GAR ratios and/or BTAR (Banking Book Taxonomy Alignment Ratio) ratios, as to future investment in environmentally sustainable activities.

Financing related to nuclear energy and natural gas

Among the identified entities required to report non-financially, we selected clients that disclosed in their 2022 and 2023 reports that they have activities that qualify as those related to nuclear energy and natural gas then among these clients we identified companies whose activities are Taxonomy-aligned.

Model 1: Nuclear energy and natural gas activities in relation to state and flow

Nuclear energy activities		2023		2024	
		KPI turnover	KPI capex	KPI turnover	KPI capex
1	The company conducts, finances or has exposure to the research, development, demonstration and deployment of innovative power generation facilities that produce energy through nuclear processes with minimal fuel cycle waste.	NO	NO	YES	YES
2	The company constructs, finances or has exposure to the construction and safe operation of new nuclear facilities for the generation of electricity or process heat, including for district heating or industrial processes such as hydrogen production, as well as their safety upgrades using the best available technology.	NO	NO	YES	YES
3	The company safely operates, finances or has exposure to existing nuclear facilities generating electricity or process heat, including for district heating or industrial processes such as hydrogen production from nuclear energy.	NO	NO	YES	YES
Natural gas activities					
4	The company constructs or operates facilities for the generation of electricity using gaseous fossil fuels, finances this activity or has exposure to it.	YES	YES	YES	YES
5	The company builds, modernises and operates combined heat/cooling and electricity facilities using gaseous fossil fuels, finances this activity or has exposure to it.	YES	YES	YES	YES
6	The company constructs, modernises and operates heat/cooling generation facilities using gaseous fossil fuels, finances or has exposure to these activities.	YES	YES	YES	YES



Other quantitative information required by appendix XII of the updated Regulation 2021/2178, can be found [here](#).

Commercial portfolio

ING Bank Śląski’s trading portfolio at year-end 2024 was in line with its product mandate and consisted of interest rate derivatives, FX derivatives, FX spot and Polish and Czech government bonds. The portfolio of IRS transactions hedging loans that were granted to finance investments related to sustainable support. The characteristics of the portfolio did not deviate significantly from the average risk exposure during the year.





## Taxonomy figures

The tables below present exposures at gross carrying amount in the banking book of the ING Bank Śląski S.A. Group, in line with prudential consolidation, as of 31 December 2023 and 31 December 2024.

### Summary

#### 2024 year

Summary of key performance indicators under Article 8 the EUT (PLN million)								
Main KPI	Total environmentally sustainable assets based on turnover KPI	Total environmentally sustainable assets based on capex KPI	based on turnover KPI	based on capex KPI	% coverage in total assets	% of assets excluded from the numerator of the GAR over total assets**	% of assets excluded from the denominator of the GAR over total assets***	
Green asset ratio GAR stock	4,385	5,227	2.11%	2.52%	78.45%	39.35%	21.55%	
Additional KPI	Total environmentally sustainable assets based on turnover KPI	Total environmentally sustainable assets based on capex KPI	based on turnover KPI	based on capex KPI	% coverage in total assets	% of assets excluded from the numerator of the GAR over total assets**	% of assets excluded from the denominator of the GAR over total assets***	
Green asset ratio (GAR) flow	938	1,386	1.84%	2.72%	84.94%	48.22%	15.06%	
Trading book*								
Financial guarantees	1	1	36.99%	44.49%				
Assets under management	0	0	0.00%	0.00%				
Fees and commissions income*								

\* Not reported for 2024 (not mandatory); \*\* Article 7(2) and (3) and Section 1.1.2 of appendix V of the act delegated to Article 8 of the EUT; \*\*\* Article 7(1) and Section 1.2.4 of appendix V of the act delegated to Article 8 of the EUT

#### 2023 year

Summary of key performance indicators under Article 8 the EUT (PLN million)							
Main KPI	Total environmentally sustainable assets based on turnover KPI	Total environmentally sustainable assets based on capex KPI	based on turnover KPI	based on capex KPI	% coverage in total assets	% of assets excluded from the numerator of the GAR over total assets**	% of assets excluded from the denominator of the GAR over total assets***
Green asset ratio GAR stock	1,282	1,348	0.66%	0.69%	77.95%	44.32%	22.05%
Additional KPI	Total environmentally sustainable assets based on turnover KPI	Total environmentally sustainable assets based on capex KPI	based on turnover KPI	based on capex KPI	% coverage in total assets	% of assets excluded from the numerator of the GAR over total assets**	% of assets excluded from the denominator of the GAR over total assets***
Green asset ratio (GAR) flow	157	187	0.30%	0.36%	81.52%	42.25%	18.48%
Trading book*							
Financial guarantees	1	4	4.69%	34.88%			
Assets under management	0	0	0.00%	0.00%			
Fees and commissions income*							

\* Not reported for 2023 (not mandatory); \*\* Article 7(2) and (3) and Section 1.1.2 of appendix V of the act delegated to Article 8 of the EUT; \*\*\* Article 7(1) and Section 1.2.4 of appendix V of the act delegated to Article 8 of the EUT



Turnover KPI

2024 year

1.Assets for the calculation of GAR - turnover KPI (PLN million, 1/2)

	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which enabling		Of which KUoP	Of which enabling		Of which KUoP	Of which enabling		Of which KUoP	Of which enabling		Of which KUoP	Of which enabling		Of which KUoP	Of which enabling		Of which KUoP	Of which transitional	Of which enabling						
GAR - Covered assets in both numerator and denominator	103,372	60,421	4,240	2,088	23	564	249	106	0	105	20	19	0	19	394	0	0	0	1	0	0	0	2	0	0	0	61,465	4,385	2,088	23	688	
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	103,372	60,421	4,240	2,088	23	564	249	106	0	105	20	19	0	19	394	0	0	0	1	0	0	0	2	0	0	0	61,465	4,385	2,088	23	688
2	Financial undertakings	31,703	11,891	1,746	0	10	223	4	2	0	1	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	12,207	1,767	0	10	223	
3	Credit institutions	20,798	9,044	1,431	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,044	1,431	0	1	0		
4	Loans and advances	20,798	9,044	1,431	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,044	1,431	0	1	0		
5	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7	Other financial corporations	10,906	2,847	315	0	9	223	4	2	0	1	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	3,163	336	0	9	223	
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	of which management companies	439	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11	0	0	0	0	0	
13	Loans and advances	439	6	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	11	0	0	0	0	0	
14	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	Non-financial undertakings	11,389	3,386	406	0	13	342	245	104	0	104	20	19	0	19	391	0	0	0	1	0	0	0	2	0	0	0	4,114	530	0	13	465
21	Loans and advances	11,319	3,334	380	0	13	318	245	104	0	104	20	19	0	19	391	0	0	0	1	0	0	0	2	0	0	0	4,061	504	0	13	442
22	Debt securities, including KUoP	70	52	26	0	0	24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52	26	0	0	24		
23	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	Households	60,280	45,144	2,088	2,088	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45,144	2,088	2,088	0	0		
25	of which loans collateralised by residential immovable property	60,279	45,144	2,088	2,088	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45,144	2,088	2,088	0	0		
26	of which building renovation loans	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0		
27	of which motor vehicle loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	



1.Assets for the calculation of GAR – turnover KPI (PLN million, 2/2)

		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
			Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling		
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	104,024																														
33	Non-financial undertakings not subject to NFRD disclosure obligations	60,965																														
34	SMEs and NFCs (other than SMEs)	60,903																														
35	Loans and advances	60,636																														
36	of which loans collateralised by commercial immovable property	27,354																														
37	of which building renovation loans	0																														
38	Debt securities	0																														
39	Equity instruments	267																														
40	Non-EU country counterparties	62																														
41	Loans and advances	62																														
42	Debt securities	0																														
43	Equity instruments	0																														
44	Derivatives	61																														
45	On demand interbank loans	157																														
46	Cash and cash-related assets	774																														
47	Other categories of assets (e.g. goodwill, commodities etc.)	42,067																														
48	Total GAR assets	207,396																														
49	Assets not covered for GAR calculation	56,966																														
50	Central governments and Supranational issuers	47,466																														
51	Central banks' exposure	7,396																														
52	Trading book	2,104																														
53	Total Assets	264,362																														
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
54	Financial guarantees	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	





2023 year

1.Assets for the calculation of GAR - turnover KPI (PLN million, 1/2)																															
	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)							
			Of which KVoP	Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP	Of which transitional	Of which enabling			
GAR - Covered assets in both numerator and denominator	83,702	42,096	1,278	1,103	12	155	3	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49,035	1,282	1,103	12	158
1 Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	83,702	42,096	1,278	1,103	12	155	3	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49,035	1,282	1,103	12	158	
2 Financial undertakings	21,293	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	0	6,415	0	0	0	0	
3 Credit institutions	19,366	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,257	0	0	0	0	0	
4 Loans and advances	19,366	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,257	0	0	0	0	0	
5 Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6 Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7 Other financial corporations	1,927	0	0	0	0	0	0	0	0	0	0	0	0	0	3	0	0	0	0	0	0	0	0	0	157	0	0	0	0	0	0
8 of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9 Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10 Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
11 Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
12 of which management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13 Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14 Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15 Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16 of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17 Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18 Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19 Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20 Non-financial undertakings	7,033	178	175	0	12	155	3	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	703	179	0	12	158		
21 Loans and advances	6,963	176	173	0	12	155	3	3	0	3	0	0	0	0	0	0	0	0	0	0	0	0	0	700	177	0	12	158			
22 Debt securities, including KVoP	70	2	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	2	0	0	0	0	0	0
23 Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Households	55,375	41,918	1,103	1,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,918	1,103	1,103	0	0			
25 of which loans collateralised by residential immovable property	55,374	41,917	1,103	1,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,917	1,103	1,103	0	0			
26 of which building renovation loans	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0
27 of which motor vehicle loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
28 Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29 Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
30 Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
31 Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



1.Assets for the calculation of GAR – turnover KPI (PLN million, 2/2)

		Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
			Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
			Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	110,324																														
33	Non-financial undertakings not subject to NFRD disclosure obligations	61,671																														
34	SMEs and NFCs (other than SMEs)	61,585																														
35	Loans and advances	61,375																														
36	of which loans collateralised by commercial immovable property	26,841																														
37	of which building renovation loans	0																														
38	Debt securities	0																														
39	Equity instruments	210																														
40	Non-EU country counterparties	86																														
41	Loans and advances	86																														
42	Debt securities	0																														
43	Equity instruments	0																														
44	Derivatives	208																														
45	On demand interbank loans	219																														
46	Cash and cash-related assets	782																														
47	Other categories of assets (e.g. goodwill, commodities etc.)	47,443																														
48	Total GAR assets	194,026																														
49	Assets not covered for GAR calculation	54,890																														
50	Central governments and Supranational issuers	42,224																														
51	Central banks' exposure	10,266																														
52	Trading book	2,400																														
53	Total Assets	248,916																														
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	11	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	
54	Financial guarantees	11	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0		
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	



2024 year

2.GAR sector information – Non-financial corporates (Subject to NFRD) – turnover KPI (PLN million, 1/2)

Breakdown by sector – NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Gross carrying amount													
		Total	Of which env. Sustainable (CCM)	Total	Of which env. Sustainable (CCA)	Total	Of which env. Sustainable (WTR)	Total	Of which env. Sustainable (CE)	Total	Of which env. Sustainable (PPC)	Total	Of which env. Sustainable (BIO)	Total	Of which env. Sustainable (CCM+CCA+WTR+CE+PPC+BIO)
1	C.17.11 – Manufacture of pulp	94	5	94	0	94	0	94	0	94	0	94	0	94	5
2	C.17.22 – Manufacture of household and sanitary goods and of toilet requisites	2	0	2	0	2	0	2	0	2	0	2	0	2	0
3	C.20.14 – Manufacture of other organic basic chemicals	44	1	44	0	44	0	44	0	44	0	44	0	44	1
4	C.20.15 – Manufacture of fertilisers and nitrogen compounds	1,259	2	1,259	0	1,259	0	1,259	0	1,259	0	1,259	0	1,259	2
5	C.21.10 – Manufacture of basic pharmaceutical products	10	0	10	0	10	0	10	0	10	0	10	0	10	0
6	C.22.21 – Manufacture of plastic plates, sheets, tubes and profiles	2	0	2	0	2	0	2	0	2	0	2	0	2	0
7	C.22.22 – Manufacture of plastic packing goods	70	0	70	0	70	0	70	0	70	0	70	0	70	0
8	C.22.29 – Manufacture of other plastic products	88	0	88	0	88	0	88	0	88	0	88	0	88	0
9	C.23.11 – Manufacture of flat glass	44	7	44	0	44	0	44	0	44	0	44	0	44	7
10	C.23.13 – Manufacture of hollow glass	22	4	22	0	22	0	22	0	22	0	22	0	22	4
11	C.23.51 – Manufacture of cement	19	0	19	0	19	0	19	0	19	0	19	0	19	0
12	C.23.61 – Manufacture of concrete products for construction purposes	16	0	16	0	16	0	16	0	16	0	16	0	16	0
13	C.23.63 – Manufacture of ready-mixed concrete	4	0	4	0	4	0	4	0	4	0	4	0	4	0
14	C.23.91 – Production of abrasive products	6	1	6	0	6	0	6	0	6	0	6	0	6	1
15	C.24.10 – Manufacture of basic iron and steel and of ferro-alloys	5	0	5	0	5	0	5	0	5	0	5	0	5	0
16	C.24.42 – Aluminium production	199	2	199	0	199	0	199	0	199	0	199	0	199	2
17	C.25.12 – Manufacture of doors and windows of metal	70	17	70	0	70	0	70	0	70	0	70	0	70	17
18	C.25.29 – Manufacture of other tanks, reservoirs and containers of metal	2	0	2	0	2	0	2	0	2	0	2	0	2	0
19	C.25.50 – Forging, pressing, stamping and roll-forming of metal; powder metallurgy	60	0	60	0	60	0	60	0	60	0	60	0	60	0
20	C.25.61 – Treatment and coating of metals	47	0	47	0	47	0	47	0	47	0	47	0	47	0
21	C.25.99 – Manufacture of other fabricated metal products n.e.c.	45	0	45	0	45	0	45	0	45	0	45	0	45	0
22	C.26.51 – Manufacture of instruments and appliances for measuring, testing and navigation	70	39	70	0	70	17	70	0	70	0	70	0	70	57
23	C.27.12 – Manufacture of electricity distribution and control apparatus	11	0	11	0	11	0	11	0	11	0	11	0	11	0
24	C.27.31 – Manufacture of fibre optic cables	11	0	11	0	11	0	11	0	11	0	11	0	11	0
25	C.28.29 – Manufacture of other general-purpose machinery n.e.c.	5	0	5	0	5	0	5	0	5	0	5	0	5	0
26	C.28.92 – Manufacture of machinery for mining, quarrying and construction	1	0	1	0	1	0	1	0	1	0	1	0	1	0
27	C.29.10 – Manufacture of motor vehicles	3	0	3	0	3	0	3	0	3	0	3	0	3	0
28	C.30.20 – Manufacture of railway locomotives and rolling stock	4	0	4	0	4	0	4	0	4	0	4	0	4	0
29	C.30.99 – Manufacture of other transport equipment n.e.c.	1	0	1	0	1	0	1	0	1	0	1	0	1	0
30	D.35.11 – Production of electricity	67	0	67	0	67	0	67	0	67	0	67	0	67	0
31	F.41.20 – Construction of residential and non-residential buildings	25	2	25	0	25	0	25	0	25	0	25	0	25	2
32	F.42.13 – Construction of bridges and tunnels	3	0	3	0	3	0	3	0	3	0	3	0	3	0
33	F.42.99 – Construction of other civil engineering projects n.e.c.	75	5	75	0	75	0	75	0	75	0	75	0	75	5





2. GAR sector information - Non-financial corporates (Subject to NFRD) - turnover KPI (PLN million, 2/2)

Breakdown by sector – NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Gross carrying amount													
		Total	Of which env. Sustainable (CCM)	Total	Of which env. Sustainable (CCA)	Total	Of which env. Sustainable (WTR)	Total	Of which env. Sustainable (CE)	Total	Of which env. Sustainable (PPC)	Total	Of which env. Sustainable (BIO)	Total	Of which env. Sustainable (CCM+CCA+WTR+CE+PPC+BIO)
34	F.43.22 - Plumbing, heat and air-conditioning installation	1	0	1	0	1	0	1	0	1	0	1	0	1	0
35	G.46.19 - Agents involved in the sale of a variety of goods	4	0	4	0	4	0	4	0	4	0	4	0	4	0
36	G.46.21 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	57	0	57	0	57	0	57	0	57	0	57	0	57	0
37	G 46.31 - Wholesale of fruit and vegetables	8	0	8	0	8	0	8	0	8	0	8	0	8	0
38	G.46.46 - Wholesale of pharmaceutical goods	23	0	23	0	23	0	23	0	23	0	23	0	23	0
39	G.46.49 - Wholesale of other household goods	9	0	9	0	9	0	9	0	9	0	9	0	9	0
40	G.46.52 - Wholesale of electronic and telecommunications equipment and parts	78	0	78	0	78	0	78	0	78	0	78	0	78	0
41	G.46.69 - Wholesale of other machinery and equipment	1	0	1	0	1	0	1	0	1	0	1	0	1	0
42	G.46.72 - Wholesale of metals and metal ores	10	0	10	0	10	0	10	0	10	0	10	0	10	0
43	G.47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	923	0	923	0	923	0	923	0	923	0	923	0	923	0
44	G.47.19 - Other retail sale in non-specialised stores	1	0	1	0	1	0	1	0	1	0	1	0	1	0
45	G.47.71 - Retail sale of clothing in specialised stores	8	0	8	0	8	0	8	0	8	0	8	0	8	0
46	H.49.20 - Freight rail transport	206	0	206	0	206	0	206	0	206	0	206	0	206	0
47	H.49.39 - Other passenger land transport n.e.c.	36	0	36	0	36	0	36	0	36	0	36	0	36	0
48	H.49.41 - Freight transport by road	80	0	80	0	80	0	80	0	80	0	80	0	80	0
49	H.52.21 - Service activities incidental to land transportation	12	0	12	0	12	0	12	0	12	0	12	0	12	0
50	H.52.23 - Service activities incidental to air transportation	1	0	1	0	1	0	1	0	1	0	1	0	1	0
51	H.52.29 - Other transportation support activities	1	0	1	0	1	0	1	0	1	0	1	0	1	0
52	H.53.20 - Other postal and courier activities	78	25	78	0	78	0	78	0	78	0	78	0	78	25
53	J.61.10 - Wired telecommunications activities	607	0	607	0	607	0	607	0	607	0	607	0	607	0
54	J.61.20 - Wireless telecommunications activities	576	21	576	75	576	1	576	0	576	0	576	0	576	97
55	J.61.90 - Other telecommunications activities	214	7	214	28	214	0	214	0	214	0	214	0	214	35
56	J.62.01 - Computer programming activities	6	2	6	0	6	1	6	0	6	0	6	0	6	3
57	J.62.09 - Other information technology and computer service activities	78	0	78	2	78	0	78	0	78	0	78	0	78	2
58	J.63.11 - Data processing, hosting and related activities	1	0	1	0	1	0	1	0	1	0	1	0	1	0
59	L.68.20 - Renting and operating of own or leased real estate	1,233	0	1,233	0	1,233	0	1,233	0	1,233	0	1,233	0	1,233	0
60	M.71.12 - Engineering activities and related technical consultancy	1	0	1	0	1	0	1	0	1	0	1	0	1	0
61	M.71.20 - Technical testing and analysis	1	0	1	0	1	0	1	0	1	0	1	0	1	0
62	N.77.11 - Renting and leasing of cars and light motor vehicles	1,580	162	1,580	0	1,580	0	1,580	0	1,580	0	1,580	0	1,580	162
63	N.77.32 - Renting and leasing of construction and civil engineering machinery and equipment	4	0	4	0	4	0	4	0	4	0	4	0	4	0
64	N.77.39 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	40	0	40	0	40	0	40	0	40	0	40	0	40	0
65	S.95.22 - Repair of household appliances and home and garden equipment	1	0	1	0	1	0	1	0	1	0	1	0	1	0
66	G.46.46 - Wholesale of pharmaceutical goods	23	0	23	0	23	0	23	0	23	0	23	0	23	0

The table above presents only taxonomy relevant sectors according to NACE codes, where the gross carrying amount has non-zero values after rounding to the nearest million PLN.



2023 year

2.GAR sector information - Non-financial corporates (Subject to NFRD) - turnover KPI (PLN million)															
Breakdown by sector – NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Total	Of which env. Sustainable (CCM)	Total	Of which env. Sustainable (CCA)	Total	Of which env. Sustainable (WTR)	Total	Of which env. Sustainable (CE)	Total	Of which env. Sustainable (PPC)	Total	Of which env. Sustainable (BIO)	Total	Of which env. Sustainable (CCM+CCA+WTR+CE+PPC+BIO)
Gross carrying amount															
1	C.16.10 - Sawmilling and planning of wood	1	0	1	0	0	0	0	0	0	0	0	0	1	0
2	C.17.11 – Manufacture of pulp	48	3	48	0	0	0	0	0	0	0	0	0	48	3
3	C.17.22 – Manufacture of household and sanitary goods and of toilet requisites	1	0	1	0	0	0	0	0	0	0	0	0	1	0
4	C.20.14 – Manufacture of other organic basic chemicals	72	1	72	0	0	0	0	0	0	0	0	0	72	1
5	C.20.15 – Manufacture of fertilisers and nitrogen compounds	885	0	885	0	0	0	0	0	0	0	0	0	885	0
6	C.21.10 – Manufacture of basic pharmaceutical products	6	0	6	0	0	0	0	0	0	0	0	0	6	0
7	C.22.11 - Manufacture of rubber tyres and tubes; retreating and rebuilding of rubber tyres	1	0	1	0	0	0	0	0	0	0	0	0	1	0
8	C.22.22 – Manufacture of plastic packing goods	28	0	28	0	0	0	0	0	0	0	0	0	28	0
9	C.22.29 – Manufacture of other plastic products	93	0	93	0	0	0	0	0	0	0	0	0	93	0
10	C.24.10 – Manufacture of basic iron and steel and of ferro-alloys	1	0	1	0	0	0	0	0	0	0	0	0	1	0
11	C.24.42 – Aluminium production	73	13	73	0	0	0	0	0	0	0	0	0	73	13
12	C.25.12 – Manufacture of doors and windows of metal	79	22	79	0	0	0	0	0	0	0	0	0	79	22
13	C.25.29 – Manufacture of other tanks, reservoirs and containers of metal	3	0	3	0	0	0	0	0	0	0	0	0	3	0
14	C.25.50 – Forging, pressing, stamping and roll-forming of metal; powder metallurgy	45	0	45	0	0	0	0	0	0	0	0	0	45	0
15	C.25.61 – Treatment and coating of metals	14	0	14	0	0	0	0	0	0	0	0	0	14	0
16	C.25.71 - Manufacture of cutlery	12	0	12	0	0	0	0	0	0	0	0	0	12	0
17	C.25.99 – Manufacture of other fabricated metal products n.e.c.	15	0	15	0	0	0	0	0	0	0	0	0	15	0
18	C.26.51 – Manufacture of instruments and appliances for measuring, testing and navigation	116	43	116	0	0	0	0	0	0	0	0	0	116	43
19	C.27.12 – Manufacture of electricity distribution and control apparatus	16	0	16	0	0	0	0	0	0	0	0	0	16	0
20	C.27.90 - Manufacture of other electrical equipment	500	0	500	0	0	0	0	0	0	0	0	0	500	0
21	C.28.92 – Manufacture of machinery for mining, quarrying and construction	23	0	23	0	0	0	0	0	0	0	0	0	23	0
22	C.30.20 – Manufacture of railway locomotives and rolling stock	73	64	73	0	0	0	0	0	0	0	0	0	73	64
23	D.35.11 – Production of electricity	93	1	93	0	0	0	0	0	0	0	0	0	93	1
24	F.41.20 – Construction of residential and non-residential buildings	34	4	34	2	0	0	0	0	0	0	0	0	34	6
25	F.42.13 – Construction of bridges and tunnels	3	0	3	0	0	0	0	0	0	0	0	0	3	0
26	F.42.99 – Construction of other civil engineering projects n.e.c.	60	2	60	1	0	0	0	0	0	0	0	0	60	2
27	F.43.22 - Plumbing, heat and air-conditioning installation	6	1	6	1	0	0	0	0	0	0	0	0	6	1
28	G.46.19 - Agents involved in the sale of a variety of goods	5	0	5	0	0	0	0	0	0	0	0	0	5	0
29	G.46.46 - Wholesale of pharmaceutical goods	60	0	60	0	0	0	0	0	0	0	0	0	60	0
30	G.46.49 - Wholesale of other household goods	46	0	46	0	0	0	0	0	0	0	0	0	46	0
31	G.47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	551	0	551	0	0	0	0	0	0	0	0	0	551	0
32	H.49.20 - Freight rail transport	231	0	231	0	0	0	0	0	0	0	0	0	231	0
33	H.49.41 - Freight transport by road	48	0	48	0	0	0	0	0	0	0	0	0	48	0
34	J.61.10 - Wired telecommunications activities	596	0	596	0	0	0	0	0	0	0	0	0	596	0
35	J.61.20 - Wireless telecommunications activities	596	8	596	0	0	0	0	0	0	0	0	0	596	8
36	J.61.90 - Other telecommunications activities	220	3	220	0	0	0	0	0	0	0	0	0	220	3
37	J.62.01 - Computer programming activities	11	3	11	0	0	0	0	0	0	0	0	0	11	3
38	J.62.09 - Other information technology and computer service activities	81	0	81	0	0	0	0	0	0	0	0	0	81	0
39	L.68.20 - Renting and operating of own or leased real estate	139	0	139	0	0	0	0	0	0	0	0	0	139	0
40	M.71.12 - Engineering activities and related technical consultancy	1	0	1	0	0	0	0	0	0	0	0	0	1	0
41	M.71.20 - Technical testing and analysis	1	0	1	0	0	0	0	0	0	0	0	0	1	0
42	N.77.11 - Renting and leasing of cars and light motor vehicles	36	0	36	0	0	0	0	0	0	0	0	0	36	0
43	N.77.40 - Leasing of intellectual property and similar products, except copyrighted works	15	0	15	0	0	0	0	0	0	0	0	0	15	0

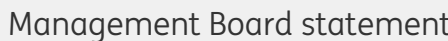
The table above presents only taxonomy relevant sectors according to NACE codes, where the gross carrying amount has non-zero values after rounding to the nearest million PLN.



2024 year

3. GAR KPI stock – turnover KPI																																				
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of covered assets in total assets				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)												
			Of which KUoP	Of which transitional	Of which enabling	Of which KUoP		Of which enabling	Of which KUoP	Of which enabling		Of which KUoP	Of which enabling	Of which KUoP		Of which enabling	Of which KUoP	Of which enabling		Of which KUoP	Of which enabling	Of which KUoP		Of which enabling												
	GAR - Covered assets in both numerator and denominator	58.45%	4.10%	2.02%	0.02%	0.55%	0.24%	0.10%	0.00%	0.10%	0.02%	0.02%	0.00%	0.02%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	59.46%	4.24%	2.02%	0.02%	0.67%	39.10%	
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	58.45%	4.10%	2.02%	0.02%	0.55%	0.24%	0.10%	0.00%	0.10%	0.02%	0.02%	0.00%	0.02%	0.38%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	59.46%	4.24%	2.02%	0.02%	0.67%	39.10%	
2	Financial undertakings	37.51%	5.51%	0.00%	0.03%	0.70%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	38.50%	5.57%	0.00%	0.03%	0.70%	11.99%	
3	Credit institutions	43.49%	6.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.00%	0.00%	7.87%	
4	Loans and advances	43.49%	6.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.00%	0.00%	7.87%	
5	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
7	Other financial corporations	26.11%	2.89%	0.00%	0.08%	2.04%	0.03%	0.02%	0.00%	0.01%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	29.00%	3.08%	0.00%	0.08%	2.05%	4.13%		
8	of which investment firms	31.67%	0.53%	0.00%	16.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	31.67%	0.53%	0.00%	16.00%	0.12%	0.00%		
9	Loans and advances	31.67%	0.53%	0.00%	16.00%	0.12%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	31.67%	0.53%	0.00%	16.00%	0.12%	0.00%		
10	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
11	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
12	of which management companies	1.37%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.40%	0.02%	0.00%	0.00%	0.00%	0.17%		
13	Loans and advances	1.37%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	2.40%	0.02%	0.00%	0.00%	0.00%	0.17%		
14	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
16	of which insurance undertakings	0.00%	10.95%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.95%	10.95%	0.00%	0.01%	0.00%	0.00%		
17	Loans and advances	0.00%	10.95%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.95%	10.95%	0.00%	0.01%	0.00%	0.00%		
18	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
20	Non-financial undertakings	29.73%	3.56%	0.00%	0.11%	3.00%	2.15%	0.92%	0.00%	0.92%	0.17%	0.17%	0.00%	0.17%	3.43%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	36.12%	4.65%	0.00%	0.11%	4.08%	4.31%		
21	Loans and advances	29.45%	3.36%	0.00%	0.11%	2.81%	2.16%	0.92%	0.00%	0.92%	0.17%	0.17%	0.00%	0.17%	3.45%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	35.88%	4.45%	0.00%	0.11%	3.90%	4.28%		
22	Debt securities, including KUoP	75.07%	37.45%	0.00%	0.00%	33.81%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	75.07%	37.45%	0.00%	0.00%	33.81%	0.03%		
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
24	Households	74.89%	3.46%	3.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	74.89%	3.46%	3.46%	0.00%	0.00%	22.80%		
25	of which loans collateralised by residential immovable property	74.89%	3.46%	3.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	74.89%	3.46%	3.46%	0.00%	0.00%	22.80%		
26	of which building renovation loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
27	of which motor vehicle loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
28	Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
32	Total GAR assets	29.13%	2.04%	1.01%	0.01%	0.27%	0.12%	0.05%	0.00%	0.05%	0.01%	0.01%	0.00%	0.01%	0.19%	0.00%	0.00%	0.0																		



[illegible]



2024 year

4. GAR KPI flow - turnover KPI																																	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of covered assets in total assets	
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which transitionalOf which enabling					Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which transitionalOf which enabling										
GAR - Covered assets in both numerator and denominator		41.46%	4.22%	2.31%	0.06%	1.13%	0.14%	0.01%	0.00%	0.01%	0.01%	0.01%	0.00%	0.01%	0.44%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.37%	4.26%	2.31%	0.06%	1.15%	36.71%	
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	41.46%	4.22%	2.31%	0.06%	1.13%	0.14%	0.01%	0.00%	0.01%	0.01%	0.01%	0.00%	0.01%	0.44%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.37%	4.26%	2.31%	0.06%	1.15%	36.71%	
2	Financial undertakings	40.73%	5.31%	0.00%	0.07%	2.54%	0.03%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.05%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	40.95%	5.42%	0.00%	0.07%	2.55%	8.95%	
3	Credit institutions	43.49%	6.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.00%	0.00%	3.12%	
4	Loans and advances	43.49%	6.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.00%	0.00%	3.12%	
5	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
7	Other financial corporations	39.25%	4.47%	0.00%	0.11%	3.91%	0.04%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	39.58%	4.64%	0.00%	0.11%	3.91%	5.83%	
8	of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
10	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
11	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
12	of which management companies	1.03%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.48%	0.01%	0.00%	0.00%	0.00%	0.33%	
13	Loans and advances	1.03%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.48%	0.01%	0.00%	0.00%	0.00%	0.33%	
14	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
16	of which insurance undertakings	0.00%	4.16%	0.00%	0.82%	0.18%	0.00%	0.02%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.18%	4.18%	0.00%	0.82%	0.19%	0.00%	
17	Loans and advances	0.00%	4.16%	0.00%	0.82%	0.18%	0.00%	0.02%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.18%	4.18%	0.00%	0.82%	0.19%	0.00%	
18	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
20	Non-financial undertakings	22.38%	3.04%	0.00%	0.21%	2.54%	0.68%	0.04%	0.00%	0.04%	0.04%	0.04%	0.00%	0.04%	2.10%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	26.61%	3.11%	0.00%	0.21%	2.62%	7.39%	
21	Loans and advances	22.38%	3.04%	0.00%	0.21%	2.54%	0.68%	0.04%	0.00%	0.04%	0.04%	0.04%	0.00%	0.04%	2.10%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	26.61%	3.11%	0.00%	0.21%	2.62%	7.39%	
22	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
24	Households	48.70%	4.17%	4.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.70%	4.17%	4.17%	0.00%	0.00%	20.38%	
25	of which loans collateralised by residential immovable property	48.70%	4.17%	4.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.70%	4.17%	4.17%	0.00%	0.00%	20.38%	
26	of which building renovation loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
27	of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
28	Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
32	Total GAR assets	17.92%	1.82%	1.00%	0.03%	0.49%	0.06%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.19%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.31%	1.84%	1.00%	0.03%	0.50%	84.94%	



2023 year

4. GAR KPI flow - turnover KPI																																		
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of covered assets in total assets		
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)										
			Of which KUoP	Of which transitional	Of which enabling	Of which KUoP		Of which transitional	Of which enabling	Of which KUoP		Of which transitional	Of which enabling	Of which KUoP		Of which transitional	Of which enabling	Of which KUoP		Of which transitional	Of which enabling	Of which KUoP		Of which transitional	Of which enabling									
GAR - Covered assets in both numerator and denominator	12.06%	0.61%	0.44%	0.01%	0.16%	0.01%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.24%	0.62%	0.44%	0.01%	0.17%	39.27%
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	12.06%	0.61%	0.44%	0.01%	0.16%	0.01%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.24%	0.62%	0.44%	0.01%	0.17%	39.27%	
2	Financial undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	31.74%	0.00%	0.00%	0.00%	0.00%	23.29%	
3	Credit institutions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.26%	0.00%	0.00%	0.00%	0.00%	22.54%	
4	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.26%	0.00%	0.00%	0.00%	0.00%	22.54%	
5	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
7	Other financial corporations	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	16.40%	0.00%	0.00%	0.00%	0.00%	0.75%	
8	of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
10	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
11	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
12	of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
13	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
14	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
16	of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.11%	0.00%	0.00%	0.00%	0.00%	0.00%		
17	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	18.11%	0.00%	0.00%	0.00%	0.00%	0.00%		
18	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
20	Non-financial undertakings	1.22%	1.20%	0.00%	0.08%	1.09%	0.07%	0.07%	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.34%	1.27%	0.00%	0.08%	1.16%	5.79%		
21	Loans and advances	1.22%	1.20%	0.00%	0.08%	1.09%	0.07%	0.07%	0.00%	0.07%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	10.34%	1.27%	0.00%	0.08%	1.16%	5.79%		
22	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
24	Households	45.82%	1.68%	1.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	45.82%	1.68%	1.68%	0.00%	0.00%	10.18%		
25	of which loans collateralised by residential immovable property	45.82%	1.68%	1.68%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	45.82%	1.68%	1.68%	0.00%	0.00%	10.18%		
26	of which building renovation loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
27	of which motor vehicle loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
28	Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
32	Total GAR assets	5.81%	0.30%	0.21%	0.01%	0.08%	0.01%	0.01%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	15.53%	0.30%	0.21%	0.01%	0.08%	81.52%		





2024 year

5. KPI off-balance sheet exposures – turnover KPI

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
				Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	59.35%	36.99%	0.00%	0.70%	29.84%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	59.35%	36.99%	0.00%	0.70%	29.84%		
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	

2023 year

5. KPI off-balance sheet exposures – turnover KPI

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
				Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling				
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	4.69%	4.69%	0.00%	3.31%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	7.61%	4.69%	0.00%	0.00%	3.31%			
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			

We are departing from the publication of data in relation to the key performance indicator on financial guarantees in relation to flow due to the fact that we have not provided financial guarantees in 2023 or 2024 to any client that we have identified as having non-financial reporting obligations.



Capex KPI

2024 year

1.Assets for the calculation of GAR – capex KPI (PLN capex, 1/2)

	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
				Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling					
GAR - Covered assets in both numerator and denominator		103,372	62,373	5,059	2,088	364	1,108	235	69	0	20	32	31	0	31	360	0	0	0	4	0	0	0	3	0	0	0	63,496	5,227	2,088	364	1,159
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	103,372	62,373	5,059	2,088	364	1,108	235	69	0	20	32	31	0	31	360	0	0	0	4	0	0	0	3	0	0	0	63,496	5,227	2,088	364	1,159
2	Financial undertakings	31,703	12,174	2,003	0	257	428	7	5	0	2	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	12,492	2,008	0	257	430	
3	Credit institutions	20,798	9,045	1,432	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,045	1,432	0	2	0	
4	Loans and advances	20,798	9,045	1,432	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9,045	1,432	0	2	0	
5	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7	Other financial corporations	10,906	3,130	571	0	256	427	7	5	0	2	0	0	0	0	10	0	0	0	0	0	0	0	0	0	0	3,447	577	0	256	430	
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	of which management companies	439	170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	175	0	0	0	0	
13	Loans and advances	439	170	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	175	0	0	0	0	
14	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18	Debt securities, including KUoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	Non-financial undertakings	11,389	5,054	968	0	106	681	229	64	0	18	32	31	0	31	350	0	0	0	4	0	0	0	3	0	0	0	5,860	1,131	0	106	729
21	Loans and advances	11,319	5,003	926	0	106	641	229	64	0	18	32	31	0	31	350	0	0	0	4	0	0	0	3	0	0	0	5,808	1,089	0	106	689
22	Debt securities, including KUoP	70	52	42	0	0	40	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	52	42	0	0	40	
23	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	Households	60,280	45,144	2,088	2,088	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45,144	2,088	2,088	0	0	
25	of which loans collateralised by residential immovable property	60,279	45,144	2,088	2,088	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	45,144	2,088	2,088	0	0	
26	of which building renovation loans	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	
27	of which motor vehicle loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	



1.Assets for the calculation of GAR – capex KPI (PLN million, 2/2)

	Total gross carrying amount	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
		Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	104,024																													
33	Non-financial undertakings not subject to NFRD disclosure obligations	60,965																													
34	SMEs and NFCs (other than SMEs)	60,903																													
35	Loans and advances	60,636																													
36	of which loans collateralised by commercial immovable property	27,354																													
37	of which building renovation loans	0																													
38	Debt securities	0																													
39	Equity instruments	267																													
40	Non-EU country counterparties	62																													
41	Loans and advances	62																													
42	Debt securities	0																													
43	Equity instruments	0																													
44	Derivatives	61																													
45	On demand interbank loans	157																													
46	Cash and cash-related assets	774																													
47	Other categories of assets (e.g. goodwill, commodities etc.)	42,067																													
48	Total GAR assets	207,396																													
49	Assets not covered for GAR calculation	56,966																													
50	Central governments and Supranational issuers	47,466																													
51	Central banks' exposure	7,396																													
52	Trading book	2,104																													
53	Total Assets	264,362																													
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0
54	Financial guarantees	2	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0





2023 year

1.Assets for the calculation of GAR - capex KPI (PLN capex, 1/2)																																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Total gross carrying amount	Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)								
				Of which KVoP	Of which transitional	Of which enabling		Of which KVoP	Of which enabling	Of which KVoP		Of which enabling	Of which KVoP	Of which enabling		Of which KVoP	Of which enabling	Of which KVoP		Of which enabling	Of which KVoP	Of which enabling		Of which KVoP	Of which enabling	Of which KVoP	Of which enabling	Of which KVoP	Of which transitional	Of which enabling		
GAR - Covered assets in both numerator and denominator		83,702	42,125	1,304	1,103	14	124	22	22	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49,764	1,348	1,103	14	128
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	83,702	42,125	1,304	1,103	14	124	22	22	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	49,764	1,348	1,103	14	128	
2	Financial undertakings	21,293	0	0	0	0	0	1	1	0	0	3	0	0	0	3	0	0	0	3	0	0	0	3	0	0	0	6,311	1	0	0	0
3	Credit institutions	19,366	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,251	0	0	0	0	
4	Loans and advances	19,366	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	6,251	0	0	0	0	
5	Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7	Other financial corporations	1,927	0	0	0	0	0	1	1	0	0	3	0	0	0	3	0	0	0	3	0	0	0	3	0	0	0	60	1	0	0	0
8	of which investment firms	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
10	Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12	of which management companies	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14	Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16	of which insurance undertakings	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17	Loans and advances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18	Debt securities, including KVoP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	Non-financial undertakings	7,033	208	201	0	14	124	21	21	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,535	244	0	14	128		
21	Loans and advances	6,963	207	200	0	14	124	21	21	0	4	0	0	0	0	0	0	0	0	0	0	0	0	0	1,534	243	0	14	128			
22	Debt securities, including KVoP	70	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	0	0	
23	Equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	Households	55,375	41,918	1,103	1,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,918	1,103	1,103	0	0	0	0	0
25	of which loans collateralised by residential immovable property	55,374	41,917	1,103	1,103	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	41,917	1,103	1,103	0	0	0	0	0
26	of which building renovation loans	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	
27	of which motor vehicle loans	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	Local governments financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29	Housing financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	Other local government financing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	Collateral obtained by taking possession: residential and commercial immovable properties	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	



1.Assets for the calculation of GAR – capex KPI (PLN million, 2/2)

		Total gross carrying amount	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)						
			Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)						
			Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)						
			Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling		Of which KUoP	Of which transitional	Of which enabling				
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	110,324																															
33	Non-financial undertakings not subject to NFRD disclosure obligations	61,671																															
34	SMEs and NFCs (other than SMEs)	61,585																															
35	Loans and advances	61,375																															
36	of which loans collateralised by commercial immovable property	26,841																															
37	of which building renovation loans	0																															
38	Debt securities	0																															
39	Equity instruments	210																															
40	Non-EU country counterparties	86																															
41	Loans and advances	86																															
42	Debt securities	0																															
43	Equity instruments	0																															
44	Derivatives	208																															
45	On demand interbank loans	219																															
46	Cash and cash-related assets	782																															
47	Other categories of assets (e.g. goodwill, commodities etc.)	47,443																															
48	Total GAR assets	194,026																															
49	Assets not covered for GAR calculation	54,890																															
50	Central governments and Supranational issuers	42,224																															
51	Central banks' exposure	10,266																															
52	Trading book	2,400																															
53	Total Assets	248,916																															
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	11	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
54	Financial guarantees	11	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
55	Assets under management	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
56	Of which debt securities	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
57	Of which equity instruments	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



2024 year

2.GAR sector information – Non-financial corporates (Subject to NFRD) – capex KPI (PLN million, 1/2)															
Breakdown by sector – NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Gross carrying amount													
		Total	Of which env. Sustainable (CCM)	Total	Of which env. Sustainable (CCA)	Total	Of which env. Sustainable (WTR)	Total	Of which env. Sustainable (CE)	Total	Of which env. Sustainable (PPC)	Total	Of which env. Sustainable (BIO)	Total	Of which env. Sustainable (CCM+CCA+WTR+CE+PPC+BIO )
1	C.17.11 – Manufacture of pulp	94	5	94	0	94	0	94	0	94	0	94	0	94	5
2	C.17.22 – Manufacture of household and sanitary goods and of toilet requisites	2	0	2	0	2	0	2	0	2	0	2	0	2	0
3	C.20.14 – Manufacture of other organic basic chemicals	44	7	44	0	44	0	44	0	44	0	44	0	44	8
4	C.20.15 – Manufacture of fertilisers and nitrogen compounds	1,259	9	1,259	2	1,259	0	1,259	0	1,259	0	1,259	0	1,259	12
5	C.21.10 – Manufacture of basic pharmaceutical products	10	0	10	0	10	0	10	0	10	0	10	0	10	0
6	C.22.21 – Manufacture of plastic plates, sheets, tubes and profiles	2	0	2	0	2	0	2	0	2	0	2	0	2	0
7	C.22.22 – Manufacture of plastic packing goods	70	0	70	0	70	0	70	0	70	0	70	0	70	0
8	C.22.29 – Manufacture of other plastic products	88	7	88	0	88	0	88	0	88	0	88	0	88	7
9	C.23.11 – Manufacture of flat glass	44	9	44	0	44	0	44	0	44	0	44	0	44	9
10	C.23.13 – Manufacture of hollow glass	22	5	22	0	22	0	22	0	22	0	22	0	22	5
11	C.23.51 – Manufacture of cement	19	3	19	0	19	0	19	0	19	0	19	0	19	3
12	C.23.61 – Manufacture of concrete products for construction purposes	16	0	16	0	16	0	16	0	16	0	16	0	16	0
13	C.23.63 – Manufacture of ready-mixed concrete	4	1	4	0	4	0	4	0	4	0	4	0	4	1
14	C.23.91 – Production of abrasive products	6	1	6	0	6	0	6	0	6	0	6	0	6	1
15	C.24.10 – Manufacture of basic iron and steel and of ferro-alloys	5	0	5	0	5	0	5	0	5	0	5	0	5	0
16	C.24.42 – Aluminium production	199	6	199	0	199	0	199	0	199	0	199	0	199	6
17	C.25.12 – Manufacture of doors and windows of metal	70	12	70	0	70	0	70	0	70	0	70	0	70	12
18	C.25.29 – Manufacture of other tanks, reservoirs and containers of metal	2	0	2	0	2	0	2	0	2	0	2	0	2	0
19	C.25.50 – Forging, pressing, stamping and roll-forming of metal; powder metallurgy	60	0	60	0	60	0	60	0	60	0	60	0	60	0
20	C.25.61 – Treatment and coating of metals	47	0	47	0	47	0	47	0	47	0	47	0	47	0
21	C.25.99 – Manufacture of other fabricated metal products n.e.c.	45	0	45	0	45	0	45	0	45	0	45	0	45	0
22	C.26.51 – Manufacture of instruments and appliances for measuring, testing and navigation	70	27	70	0	70	28	70	0	70	0	70	0	70	54
23	C.27.12 – Manufacture of electricity distribution and control apparatus	11	0	11	0	11	0	11	0	11	0	11	0	11	0
24	C.27.31 – Manufacture of fibre optic cables	11	0	11	0	11	0	11	0	11	0	11	0	11	0
25	C.28.29 – Manufacture of other general-purpose machinery n.e.c.	5	0	5	0	5	0	5	0	5	0	5	0	5	0
26	C.28.92 – Manufacture of machinery for mining, quarrying and construction	1	0	1	0	1	0	1	0	1	0	1	0	1	0
27	C.29.10 – Manufacture of motor vehicles	3	1	3	0	3	0	3	0	3	0	3	0	3	1
28	C.30.20 – Manufacture of railway locomotives and rolling stock	4	0	4	0	4	0	4	0	4	0	4	0	4	0
29	C.30.99 – Manufacture of other transport equipment n.e.c.	1	0	1	0	1	0	1	0	1	0	1	0	1	0
30	D.35.11 – Production of electricity	67	3	67	0	67	0	67	0	67	0	67	0	67	3
31	F.41.20 – Construction of residential and non-residential buildings	25	0	25	0	25	0	25	0	25	0	25	0	25	0
32	F.42.13 – Construction of bridges and tunnels	3	0	3	0	3	0	3	0	3	0	3	0	3	0
33	F.42.99 – Construction of other civil engineering projects n.e.c.	75	2	75	0	75	0	75	0	75	0	75	0	75	2



2. GAR sector information - Non-financial corporates (Subject to NFRD) - capex KPI (PLN million, 2/2)

Breakdown by sector – NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Gross carrying amount													
		Total	Of which env. Sustainable (CCM)	Total	Of which env. Sustainable (CCA)	Total	Of which env. Sustainable (WTR)	Total	Of which env. Sustainable (CE)	Total	Of which env. Sustainable (PPC)	Total	Of which env. Sustainable (BIO)	Total	Of which env. Sustainable (CCM+CCA+WTR+CE+PPC+BIO)
34	F.43.22 - Plumbing, heat and air-conditioning installation	1	0	1	0	1	0	1	0	1	0	1	0	1	0
35	G.46.19 - Agents involved in the sale of a variety of goods	4	0	4	0	4	0	4	0	4	0	4	0	4	0
36	G.46.21 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	57	0	57	0	57	0	57	0	57	0	57	0	57	0
37	G.46.31 - Wholesale of fruit and vegetables	8	0	8	0	8	0	8	0	8	0	8	0	8	0
38	G.46.46 - Wholesale of pharmaceutical goods	23	0	23	0	23	0	23	0	23	0	23	0	23	0
39	G.46.49 - Wholesale of other household goods	9	0	9	0	9	0	9	0	9	0	9	0	9	0
40	G.46.52 - Wholesale of electronic and telecommunications equipment and parts	78	2	78	0	78	0	78	0	78	0	78	0	78	2
41	G.46.69 - Wholesale of other machinery and equipment	1	0	1	0	1	0	1	0	1	0	1	0	1	0
42	G.46.72 - Wholesale of metals and metal ores	10	0	10	0	10	0	10	0	10	0	10	0	10	0
43	G.47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	923	18	923	0	923	0	923	0	923	0	923	0	923	18
44	G.47.19 - Other retail sale in non-specialised stores	1	0	1	0	1	0	1	0	1	0	1	0	1	0
45	G.47.71 - Retail sale of clothing in specialised stores	8	0	8	0	8	0	8	0	8	0	8	0	8	0
46	H.49.20 - Freight rail transport	206	0	206	0	206	0	206	0	206	0	206	0	206	0
47	H.49.39 - Other passenger land transport n.e.c.	36	0	36	0	36	0	36	0	36	0	36	0	36	0
48	H.49.41 - Freight transport by road	80	0	80	0	80	0	80	0	80	0	80	0	80	0
49	H.52.21 - Service activities incidental to land transportation	12	0	12	0	12	0	12	0	12	0	12	0	12	0
50	H.52.23 - Service activities incidental to air transportation	1	0	1	0	1	0	1	0	1	0	1	0	1	0
51	H.52.29 - Other transportation support activities	1	0	1	0	1	0	1	0	1	0	1	0	1	0
52	H.53.20 - Other postal and courier activities	78	32	78	0	78	0	78	0	78	0	78	0	78	32
53	J.61.10 - Wired telecommunications activities	607	0	607	0	607	0	607	0	607	0	607	0	607	0
54	J.61.20 - Wireless telecommunications activities	576	77	576	8	576	2	576	0	576	0	576	0	576	87
55	J.61.90 - Other telecommunications activities	214	28	214	3	214	0	214	0	214	0	214	0	214	31
56	J.62.01 - Computer programming activities	6	2	6	0	6	2	6	0	6	0	6	0	6	3
57	J.62.09 - Other information technology and computer service activities	78	0	78	480	78	0	78	0	78	0	78	0	78	48
58	J.63.11 - Data processing, hosting and related activities	1	0	1	0	1	0	1	0	1	0	1	0	1	0
59	L.68.20 - Renting and operating of own or leased real estate	1,233	0	1,233	0	1,233	0	1,233	0	1,233	0	1,233	0	1,233	0
60	M.71.12 - Engineering activities and related technical consultancy	1	0	1	0	1	0	1	0	1	0	1	0	1	0
61	M.71.20 - Technical testing and analysis	1	0	1	0	1	0	1	0	1	0	1	0	1	0
62	N.77.11 - Renting and leasing of cars and light motor vehicles	1,580	413	1,580	0	1,580	0	1,580	0	1,580	0	1,580	0	1,580	413
63	N.77.32 - Renting and leasing of construction and civil engineering machinery and equipment	4	0	4	0	4	0	4	0	4	0	4	0	4	0
64	N.77.39 - Renting and leasing of other machinery, equipment and tangible goods n.e.c.	40	0	40	0	40	0	40	0	40	0	40	0	40	0
65	S.95.22 - Repair of household appliances and home and garden equipment	1	0	1	0	1	0	1	0	1	0	1	0	1	0
66	G.46.46 - Wholesale of pharmaceutical goods	1	0	1	0	1	0	1	0	1	0	1	0	1	0

The table above presents only taxonomy relevant sectors according to NACE codes, where the gross carrying amount has non-zero values after rounding to the nearest million PLN.





2023 year

2.GAR sector information - Non-financial corporates (Subject to NFRD) - capex KPI (PLN million)

Breakdown by sector – NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		Water and marine resources (WTR)		Circular economy (CE)		Pollution (PPC)		Biodiversity and Ecosystems (BIO)		TOTAL (CCM + CCA + WTR + CE + PPC + BIO)	
		Gross carrying amount													
		Total	Of which env. Sustainable (CCM)	Total	Of which env. Sustainable (CCA)	Total	Of which env. Sustainable (WTR)	Total	Of which env. Sustainable (CE)	Total	Of which env. Sustainable (PPC)	Total	Of which env. Sustainable (BIO)	Total	Of which env. Sustainable (CCM+CCA+WTR+CE+PPC+BIO)
1	C.16.10 - Sawmilling and planning of wood	1	0	1	0	0	0	0	0	0	0	0	0	1	0
2	C.17.11 – Manufacture of pulp	48	3	48	0	0	0	0	0	0	0	0	0	48	3
3	C.17.22 – Manufacture of household and sanitary goods and of toilet requisites	1	0	1	0	0	0	0	0	0	0	0	0	1	0
4	C.20.14 – Manufacture of other organic basic chemicals	72	4	72	0	0	0	0	0	0	0	0	0	72	4
5	C.20.15 – Manufacture of fertilisers and nitrogen compounds	885	9	885	17	0	0	0	0	0	0	0	0	885	26
6	C.21.10 – Manufacture of basic pharmaceutical products	6	0	6	0	0	0	0	0	0	0	0	0	6	0
7	C.22.11 - Manufacture of rubber tyres and tubes; retreading and rebuilding of rubber tyres	1	0	1	0	0	0	0	0	0	0	0	0	1	0
8	C.22.22 – Manufacture of plastic packing goods	28	3	28	0	0	0	0	0	0	0	0	0	28	3
9	C.22.29 – Manufacture of other plastic products	93	0	93	0	0	0	0	0	0	0	0	0	93	0
10	C.24.10 – Manufacture of basic iron and steel and of ferro-alloys	1	0	1	0	0	0	0	0	0	0	0	0	1	0
11	C.24.42 – Aluminium production	73	9	73	0	0	0	0	0	0	0	0	0	73	9
12	C.25.12 – Manufacture of doors and windows of metal	79	15	79	0	0	0	0	0	0	0	0	0	79	15
13	C.25.29 – Manufacture of other tanks, reservoirs and containers of metal	3	0	3	0	0	0	0	0	0	0	0	0	3	0
14	C.25.50 – Forging, pressing, stamping and roll-forming of metal; powder metallurgy	45	0	45	0	0	0	0	0	0	0	0	0	45	0
15	C.25.61 – Treatment and coating of metals	14	0	14	0	0	0	0	0	0	0	0	0	14	0
16	C.25.71 - Manufacture of cutlery	12	0	12	0	0	0	0	0	0	0	0	0	12	0
17	C.25.99 – Manufacture of other fabricated metal products n.e.c.	15	0	15	0	0	0	0	0	0	0	0	0	15	0
18	C.26.51 – Manufacture of instruments and appliances for measuring, testing and navigation	116	42	116	0	0	0	0	0	0	0	0	0	116	42
19	C.27.12 – Manufacture of electricity distribution and control apparatus	16	1	16	0	0	0	0	0	0	0	0	0	16	1
20	C.27.90 - Manufacture of other electrical equipment	500	0	500	0	0	0	0	0	0	0	0	0	500	0
21	C.28.92 – Manufacture of machinery for mining, quarrying and construction	23	0	23	0	0	0	0	0	0	0	0	0	23	0
22	C.30.20 – Manufacture of railway locomotives and rolling stock	73	50	73	4	0	0	0	0	0	0	0	0	73	53
23	D.35.11 – Production of electricity	93	4	93	0	0	0	0	0	0	0	0	0	93	4
24	F.41.20 – Construction of residential and non-residential buildings	34	0	34	0	0	0	0	0	0	0	0	0	34	0
25	F.42.13 – Construction of bridges and tunnels	3	0	3	0	0	0	0	0	0	0	0	0	3	0
26	F.42.99 – Construction of other civil engineering projects n.e.c.	60	0	60	0	0	0	0	0	0	0	0	0	60	0
27	F.43.22 - Plumbing, heat and air-conditioning installation	6	1	6	1	0	0	0	0	0	0	0	0	6	1
28	G.46.19 - Agents involved in the sale of a variety of goods	5	0	5	0	0	0	0	0	0	0	0	0	5	0
29	G.46.46 - Wholesale of pharmaceutical goods	60	0	60	0	0	0	0	0	0	0	0	0	60	0
30	G.46.49 - Wholesale of other household goods	46	0	46	0	0	0	0	0	0	0	0	0	46	0
31	G.47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	551	0	551	0	0	0	0	0	0	0	0	0	551	0
32	H.49.20 - Freight rail transport	231	0	231	0	0	0	0	0	0	0	0	0	231	0
33	H.49.41 - Freight transport by road	48	0	48	0	0	0	0	0	0	0	0	0	48	0
34	J.61.10 - Wired telecommunications activities	596	0	596	0	0	0	0	0	0	0	0	0	596	0
35	J.61.20 - Wireless telecommunications activities	596	6	596	0	0	0	0	0	0	0	0	0	596	6
36	J.61.90 - Other telecommunications activities	220	2	220	0	0	0	0	0	0	0	0	0	220	2
37	J.62.01 - Computer programming activities	11	3	11	0	0	0	0	0	0	0	0	0	11	3
38	J.62.09 - Other information technology and computer service activities	81	0	81	0	0	0	0	0	0	0	0	0	81	0
39	L.68.20 - Renting and operating of own or leased real estate	139	0	139	0	0	0	0	0	0	0	0	0	139	0
40	M.71.12 - Engineering activities and related technical consultancy	1	0	1	0	0	0	0	0	0	0	0	0	1	0
41	M.71.20 - Technical testing and analysis	1	0	1	0	0	0	0	0	0	0	0	0	1	0
42	N.77.11 - Renting and leasing of cars and light motor vehicles	36	0	36	0	0	0	0	0	0	0	0	0	36	0
43	N.77.40 - Leasing of intellectual property and similar products, except copyrighted works	15	0	15	0	0	0	0	0	0	0	0	0	15	0

The table above presents only taxonomy relevant sectors according to NACE codes, where the gross carrying amount has non-zero values after rounding to the nearest million PLN.



2024 year

3. GAR KPI stock – capex KPI																																		
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of covered assets in total assets		
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which transitionalOf which enabling					Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which enabling				Of which towards taxonomy relevant sectors (Taxonomy-eligible)  Of which environmentally sustainable (Taxonomy-aligned)  Of which KUoPOf which transitionalOf which enabling											
GAR - Covered assets in both numerator and denominator		60.34%	4.89%	2.02%	0.35%	1.07%	0.23%	0.07%	0.00%	0.02%	0.03%	0.03%	0.00%	0.03%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	61.42%	5.06%	2.02%	0.35%	1.12%	39.10%
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	60.34%	4.89%	2.02%	0.35%	1.07%	0.23%	0.07%	0.00%	0.02%	0.03%	0.03%	0.00%	0.03%	0.35%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	61.42%	5.06%	2.02%	0.35%	1.12%	39.10%	
2	Financial undertakings	38.40%	6.32%	0.00%	0.81%	1.35%	0.02%	0.02%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	39.40%	6.33%	0.00%	0.81%	1.36%	11.99%	
3	Credit institutions	43.49%	6.88%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.01%	0.00%	7.87%	
4	Loans and advances	43.49%	6.88%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.01%	0.00%	7.87%	
5	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
7	Other financial corporations	28.70%	5.24%	0.00%	2.34%	3.92%	0.06%	0.04%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.09%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	31.61%	5.29%	0.00%	2.34%	3.94%	4.13%	
8	of which investment firms	32.04%	0.75%	0.00%	0.27%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.04%	0.76%	0.00%	0.27%	0.08%	0.00%	
9	Loans and advances	32.04%	0.75%	0.00%	0.27%	0.08%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.04%	0.76%	0.00%	0.27%	0.08%	0.00%	
10	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
11	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
12	of which management companies	38.80%	0.03%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	39.84%	0.03%	0.00%	0.00%	0.02%	0.17%	
13	Loans and advances	38.80%	0.03%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	39.84%	0.03%	0.00%	0.00%	0.02%	0.17%	
14	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
16	of which insurance undertakings	0.00%	1.03%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.03%	1.03%	0.00%	1.00%	0.00%	0.00%	
17	Loans and advances	0.00%	1.03%	0.00%	1.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.03%	1.03%	0.00%	1.00%	0.00%	0.00%	
18	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
20	Non-financial undertakings	44.38%	8.50%	0.00%	0.93%	5.98%	2.01%	0.56%	0.00%	0.15%	0.28%	0.27%	0.00%	0.27%	3.07%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	51.45%	9.93%	0.00%	0.93%	6.40%	4.31%		
21	Loans and advances	44.20%	8.18%	0.00%	0.94%	5.66%	2.02%	0.56%	0.00%	0.16%	0.28%	0.27%	0.00%	0.27%	3.09%	0.00%	0.00%	0.00%	0.03%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	51.31%	9.62%	0.00%	0.94%	6.09%	4.28%		
22	Debt securities, including KUoP	73.98%	60.65%	0.00%	0.00%	57.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	73.98%	60.65%	0.00%	0.00%	57.17%	0.03%		
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
24	Households	74.89%	3.46%	3.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	74.89%	3.46%	3.46%	0.00%	0.00%	22.80%		
25	of which loans collateralised by residential immovable property	74.89%	3.46%	3.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	74.89%	3.46%	3.46%	0.00%	0.00%	22.80%		
26	of which building renovation loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
27	of which motor vehicle loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
28	Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
32	Total GAR assets	30.07%	2.44%	1.01%	0.18%	0.53%	0.11%	0.03%	0.00%	0.01%	0.02%	0.01%	0.00%	0.01%	0.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	30.62%	2.52%	1.01%	0.18%	0.56%	78.45%		



2023 year

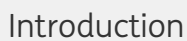
3. GAR KPI stock – capex KPI																																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of covered assets in total assets
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)								
			Of which KVoP	Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP		Of which transitional	Of which enabling	Of which KVoP	Of which transitional	Of which enabling	Of which KVoP	Of which transitional	Of which enabling	
GAR - Covered assets in both numerator and denominator		50.33%	1.56%	1.32%	0.02%	0.15%	0.03%	0.03%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	59.45%	1.61%	1.32%	0.02%	0.15%	33.63%
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	50.33%	1.56%	1.32%	0.02%	0.15%	0.03%	0.03%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	59.45%	1.61%	1.32%	0.02%	0.15%	33.63%
2	Financial undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.01%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	29.64%	0.01%	0.00%	0.00%	0.00%	8.55%
3	Credit institutions	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.28%	0.00%	0.00%	0.00%	0.00%	7.78%
4	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	32.28%	0.00%	0.00%	0.00%	0.00%	7.78%
5	Debt securities, including KVoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
7	Other financial corporations	0.01%	0.01%	0.00%	0.00%	0.00%	0.07%	0.07%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	3.11%	0.08%	0.00%	0.00%	0.01%	0.77%
8	of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
10	Debt securities, including KVoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
11	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
12	of which management companies	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
13	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
14	Debt securities, including KVoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
16	of which insurance undertakings	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.80%	0.00%	0.00%	0.00%	0.00%	0.00%
17	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	17.80%	0.00%	0.00%	0.00%	0.00%	0.00%
18	Debt securities, including KVoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
20	Non-financial undertakings	2.95%	2.86%	0.00%	0.19%	1.76%	0.30%	0.30%	0.00%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	21.83%	3.47%	0.00%	0.19%	1.82%	2.83%
21	Loans and advances	2.97%	2.88%	0.00%	0.19%	1.78%	0.30%	0.30%	0.00%	0.06%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	22.04%	3.49%	0.00%	0.19%	1.83%	2.80%
22	Debt securities, including KVoP	0.90%	0.90%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.90%	0.90%	0.00%	0.00%	0.00%	0.03%
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%	0.00%
24	Households	75.70%	1.99%	1.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	75.70%	1.99%	1.99%	0.00%	0.00%	22.25%
25	of which loans collateralised by residential immovable property	75.70%	1.99%	1.99%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	75.70%	1.99%	1.99%	0.00%	0.00%	22.25%
26	of which building renovation loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%
27	of which motor vehicle loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%
28	Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
32	Total GAR assets	50.33%	1.56%	1.32%	0.02%	0.15%	0.03%	0.03%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%											



2024 year

4. GAR KPI flow - capex KPI																																	
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					Proportion of covered assets in total assets	
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)			Of which towards taxonomy relevant sectors (Taxonomy-eligible)	Of which environmentally sustainable (Taxonomy-aligned)					
			Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling			
	GAR - Covered assets in both numerator and denominator	45.87%	5.73%	2.31%	1.23%	2.24%	0.43%	0.24%	0.00%	0.03%	0.01%	0.01%	0.00%	0.01%	0.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	47.29%	6.29%	2.31%	1.23%	2.28%	36.71%
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	45.87%	5.73%	2.31%	1.23%	2.24%	0.43%	0.24%	0.00%	0.03%	0.01%	0.01%	0.00%	0.01%	0.34%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	47.29%	6.29%	2.31%	1.23%	2.28%	36.71%
2	Financial undertakings	42.03%	7.54%	0.00%	3.85%	4.17%	0.07%	0.04%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	42.21%	7.59%	0.00%	3.85%	4.18%	8.95%
3	Credit institutions	43.49%	6.88%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.01%	0.00%	3.12%
4	Loans and advances	43.49%	6.88%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	43.49%	6.88%	0.00%	0.01%	0.00%	3.12%
5	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
6	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
7	Other financial corporations	41.25%	7.90%	0.00%	5.90%	6.41%	0.10%	0.07%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.02%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	41.52%	7.96%	0.00%	5.90%	6.42%	5.83%	
8	of which investment firms	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
9	Loans and advances	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
10	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
11	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
12	of which management companies	20.40%	0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	20.86%	0.02%	0.00%	0.00%	0.01%	0.33%	
13	Loans and advances	20.40%	0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	20.86%	0.02%	0.00%	0.00%	0.01%	0.33%	
14	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
15	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
16	of which insurance undertakings	0.00%	5.40%	0.00%	0.82%	0.18%	0.00%	0.08%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.48%	5.48%	0.00%	0.82%	0.19%	0.00%	
17	Loans and advances	0.00%	5.40%	0.00%	0.82%	0.18%	0.00%	0.08%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	5.48%	5.48%	0.00%	0.82%	0.19%	0.00%	
18	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
19	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
20	Non-financial undertakings	42.68%	7.82%	0.00%	1.46%	6.07%	2.06%	1.15%	0.00%	0.14%	0.06%	0.06%	0.00%	0.06%	1.66%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	49.55%	10.58%	0.00%	1.46%	6.26%	7.39%	
21	Loans and advances	42.68%	7.82%	0.00%	1.46%	6.07%	2.06%	1.15%	0.00%	0.14%	0.06%	0.06%	0.00%	0.06%	1.66%	0.00%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	49.55%	10.58%	0.00%	1.46%	6.26%	7.39%	
22	Debt securities, including KUoP	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
23	Equity instruments	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%		0.00%	0.00%	0.00%		0.00%	0.00%	0.00%	
24	Households	48.70%	4.17%	4.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.70%	4.17%	4.17%	0.00%	0.00%	20.38%	
25	of which loans collateralised by residential immovable property	48.70%	4.17%	4.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	48.70%	4.17%	4.17%	0.00%	0.00%	20.38%	
26	of which building renovation loans	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	70.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
27	of which motor vehicle loans	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
28	Local governments financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
29	Housing financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
30	Other local government financing	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
32	Total GAR assets	19.83%	2.48%	1.00%	0.53%	0.97%	0.19%	0.10%	0.00%	0.01%	0.01%	0.00%	0.00%	0.00%	0.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	20.44%	2.72%	1.00%	0.53%	0.99%	84.94%	





#### 4. GAR KPI flow - capex KPI

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2024 year

5. KPI off-balance sheet exposures – capex KPI																															
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)				
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				
			Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling	
1	Financial guarantees (FinGuar KPI)	54.34%	44.49%	0.00%	5.86%	8.56%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	54.34%	44.49%	0.00%	5.86%	8.56%
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

2023 year

5. KPI off-balance sheet exposures – capex KPI																																
		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				Water and marine resources (WTR)				Circular economy (CE)				Pollution (PPC)				Biodiversity and Ecosystems (BIO)				TOTAL (CCM + CCA + WTR + CE + PPC + BIO)					
		Of which towards taxonomy relevant sectors (Taxonomy-eligible)					Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)				Of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		Of which environmentally sustainable (Taxonomy-aligned)					Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)				Of which environmentally sustainable (Taxonomy-aligned)					
				Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which enabling			Of which KUoP	Of which transitional	Of which enabling			Of which KUoP	Of which transitional	Of which enabling
1	Financial guarantees (FinGuar KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	10.42%	10.42%	0.00%	3.57%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	62.43%	34.88%	0.00%	0.00%	3.57%		
2	Assets under management (AuM KPI)	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

We are departing from the publication of data in relation to the key performance indicator on financial guarantees in relation to flow due to the fact that we have not provided financial guarantees in 2023 or 2024 to any client that we have identified as having non-financial reporting obligations.



Nuclear energy and fossil gas

in relation to stock

Template 2. Taxonomy-aligned economic activities (denominator) in relation to stock (PLN million)																									
Row	Economic activities	2023												2024											
		Turnover KPI						Capex KPI						Turnover KPI						Capex KPI					
		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCA*		CCM*	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	8	0.00%	8	0.00%	0	0.00%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	6	0.00%	6	0.00%	0	0.00%	57	0.03%	57	0.03%	0	0.00%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	5	0.00%	5	0.00%	0	0.00%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	1,282	0.66%	1,278	0.66%	3	0.00%	1,348	0.69%	1,304	0.67%	22	0.01%	4,377	2.11%	4,233	2.04%	106	0.05%	5,156	2.49%	4,987	2.40%	69	0.03%
8	Total applicable KPI	194,026	100.00%	194,026	100.00%	194,026	100.00%	194,026	100.00%	194,026	100.00%	194,026	100.00%	207,396	100.00%	207,396	100.00%	207,396	100.00%	207,396	100.00%	207,396	100.00%	207,396	100.00%



Template 3. Taxonomy-aligned economic activities (numerator) ) in relation to stock (PLN million)																											
Row		Economic activities		2023												2024											
				Turnover KPI						Capex KPI						Turnover KPI						Capex KPI					
				Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCA*		CCM*	
				Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1		Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2		Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	8	0.15%	8	0.16%	0	0.00%
3		Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	6	0.14%	6	0.15%	0	0.00%	57	1.10%	57	1.14%	0	0.00%
4		Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5		Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.03%	1	0.03%	0	0.02%	1	0.02%	1	0.02%	0	0.00%
6		Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI		0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	5	0.10%	5	0.10%	0	0.00%
7		Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI		1,282	100.00%	1,278	100.00%	3	100.00%	1,348	100.00%	1,304	100.00%	22	100.00%	4,377	99.83%	4,233	99.82%	106	99.98%	5,156	98.63%	4,987	98.58%	69	100.00%
8		Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI		1,282	100.00%	1,278	100.00%	3	100.00%	1,348	100.00%	1,304	100.00%	22	100.00%	4,385	100.00%	4,240	100.00%	106	100.00%	5,227	100.00%	5,059	100.00%	69	100.00%





Template 4. Taxonomy-eligible but not taxonomy-aligned economic activities ) in relation to stock (PLN million)																							
Row	Economic activities	2023												2024									
		Turnover KPI						Capex KPI						Turnover KPI						Capex KPI			
		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCA*	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.00%	1	0.00%	0	0.00%	3	0.00%	3	0.00%	0.00%	0.00%	6	0.00%	6	0.00%	0	0.00%	23	0.01%	23	0.01%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	0.00%	1	0.00%	0	0.00%	4	0.00%	4	0.00%	0.00%	0.00%	12	0.01%	12	0.01%	0	0.00%	49	0.02%	49	0.02%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0.00%	0.00%	1	0.00%	1	0.00%	0	0.00%	2	0.00%	2	0.00%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	47,750	24.61%	40,815	21.04%	0	0.00%	48,409	24.95%	40,815	21.04%	0.00%	0.00%	57,062	27.51%	56,163	27.08%	142	0.07%	58,194	28.06%	57,240	27.60%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	47,753	24.61%	40,818	21.04%	0	0.00%	48,416	24.95%	40,822	21.04%	0	0.00%	57,080	27.52%	56,181	27.09%	142	0.07%	58,269	28.10%	57,314	27.64%



Template 5. Taxonomy non-eligible economic activities ) in relation to stock (PLN million)									
Row	Economic activities	2023				2024			
		Turnover KPI		Capex KPI		Turnover KPI		Capex KPI	
		Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	144,991	74.73%	144,262	74.35%	145,931	70.36%	143,900	69.38%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	144,991	74.73%	144,262	74.35%	145,931	70.36%	143,900	69.38%



in relation to flow

Template 2. Taxonomy-aligned economic activities (denominator) in relation to flow (PLN million)

Row	Economic activities	2023												2024											
		Turnover KPI						Capex KPI						Turnover KPI						Capex KPI					
		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCA*		CCM*	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%	6	0.01%	6	0.01%	0	0.00%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	157	0.30%	154	0.30%	3	0.01%	187	0.36%	167	0.32%	15	0.03%	937	1.84%	928	1.82%	3	0.01%	1,378	2.71%	1,254	2.46%	53	0.10%
8	Total applicable KPI	52,058	100.00%	52,058	100.00%	52,058	100.00%	52,058	100.00%	52,058	100.00%	52,058	100.00%	50,946	100.00%	50,946	100.00%	50,946	100.00%	50,946	100.00%	50,946	100.00%	50,946	100.00%



Template 3. Taxonomy-aligned economic activities (numerator) in relation to flow (PLN million)

Row	Economic activities	2023												2024											
		Turnover KPI						Capex KPI						Turnover KPI						Capex KPI					
		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCA*		CCM*	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.06%	1	0.06%	0	0.00%
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.10%	1	0.10%	0	0.00%	6	0.41%	6	0.46%	0	0.00%
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.05%	0	0.05%	0	0.03%	0	0.02%	0	0.03%	0	0.00%
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.03%	0	0.04%	0	0.00%
7	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI	157	100.00%	154	100.00%	3	100.00%	187	100.00%	167	100.00%	15	100.00%	937	99.85%	928	99.84%	3	99.97%	1,378	99.47%	1,254	99.42%	53	100.00%
8	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI	157	100.00%	154	100.00%	3	100.00%	187	100.00%	167	100.00%	15	100.00%	938	100.00%	929	100.00%	3	100.00%	1,386	100.00%	1,261	100.00%	53	100.00%





Template 4. Taxonomy-eligible but not taxonomy-aligned economic activities in relation to flow (PLN million)

Row	Economic activities	2023												2024											
		Turnover KPI						Capex KPI						Turnover KPI						Capex KPI					
		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCM*		CCA*		Total		CCA*		CCM*	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	13	0.02%	13	0.02%	0	0.00%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	2	0.00%	2	0.00%	0	0.00%	6	0.01%	6	0.01%	0	0.00%	14	0.03%	14	0.03%	0	0.00%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	0	0.00%	1	0.00%	1	0.00%	0	0.00%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	7,927	15.23%	2,870	5.51%	0	0.00%	8,211	15.77%	2,870	5.51%	0	0.00%	8,384	16.46%	8,194	16.08%	29	0.06%	9,000	17.67%	8,811	17.29%	41	0.08%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	7,928	15.23%	2,871	5.51%	0	0.00%	8,214	15.78%	2,873	5.52%	0	0.00%	8,391	16.47%	8,201	16.10%	29	0.06%	9,028	17.72%	8,839	17.35%	41	0.08%



Template 5. Taxonomy non-eligible economic activities in relation to flow (PLN million)

Row	Economic activities	2023				2024			
		Turnover KPI		Capex KPI		Turnover KPI		Capex KPI	
		Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
2	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
3	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
4	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
5	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
6	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0	0.00%	0	0.00%	0	0.00%	0	0.00%
7	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	43,974	84.47%	43,657	83.86%	41,617	81.69%	40,532	79.56%
8	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI	43,974	84.47%	43,657	83.86%	41,617	81.69%	40,532	79.56%

We are departing from the publication of data in relation to the key performance indicator for 2023 and 2024 on financial guarantees for nuclear energy and natural gas in relation to both stock and flow due to the fact that we have not provided financial guarantees to any client that we have disclosed key performance indicators in relation to nuclear power and natural gas.



# Attachments

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# Our integrated report

We are pleased to present the Management Board Report on Operations of the ING Bank Śląski S.A. Group in 2024, which serves as our integrated report. We issued our first integrated report for 2016 (in 2017). We believe that this format allows our stakeholders to receive a comprehensive set of information about our activities in one document and at the same time.

This report meets the formal requirements of the Regulation of the Minister of Finance of 19 February 2009 on current and periodic information provided by issuers of securities and on the conditions under which information required by legal regulations of a third country may be recognised as equivalent.

In 2024, for the first time, a Statement appears in the Report, addressing the requirements of the Corporate Sustainability Reporting Directive (CSRD), when implemented into Polish law, and the European Sustainability Reporting Standards (ESRS). .

This report presents the activities of the ING Bank Śląski S.A. Group from 1 January 2024 to 31 December 2024 unless a different period is indicated in the text. Both financial and non-financial data relate to the ING Bank Śląski S.A. Group. (and selected financial data of ING Bank Śląski S.A.). We write about significant changes in the structure of the ING Bank Śląski Group during the reported period [here](#).

The report covers the activities of the ING Bank Śląski S.A. Group and the effects of these activities. In the report we have included relevant information on the strategy, management, performance and prospects of our bank. We presented it taking into account the economic, social and environmental context. We also present our understanding of business responsibility and the impact we have on the environment – now and in the future. We believe that our integrated report explains how the non-financial aspects of our business affect our ability to create and sustain value (limiting their erosion wherever possible) in the short, medium and long term.

We issue the report on an annual basis. The previous report for 2023 was published in March 2024.

The report was independently externally validated for:

- compliance of qualitative and quantitative disclosures under the Corporate Sustainability Reporting Directive and the European Sustainability Reporting Standards,

- compliance of qualitative and quantitative disclosures under Regulation 2021/2178 together with delegated acts (taxonomic disclosure) with the requirements of Regulation 2021/2178,
- compliance of qualitative and quantitative disclosures under Regulation 2019/2088 and Delegated Regulation 2022/1288 in relation to the PAI Core Indicators (SFDR disclosure) with the requirements of these Regulations.

The attestation service was performed by Forvis Mazars Audyt Spółka z ograniczoną odpowiedzialnością. The attestation service report has been published on ESPI as part of the annual report package and is available on the [investor relations website](#).

## Who was involved in the drafting of the report

Work on the report was coordinated by a team comprising representatives from the areas of sustainable development and ESG, investor relations and financial reporting. However, the report is the result of the engagement of our entire organisation.

These included primarily:

- employees at all levels who participated in the preparatory work and prepared the data for the report, as well as participating in the audit process,
- representatives of our key stakeholder groups who took part in the materiality study.

The contribution of all the people and institutions allowed us to prepare the Management Board Report on Operations of the ING Bank Śląski S.A. Group in 2024.

Please direct any questions relating to this report to:

Contact details	
First name and surname	Iza Rokicka
Position	Director of the Investors Relations, ESG Reporting and Market Research Bureau
Division	CFO Division
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# The Disclosure Requirements complied with in our sustainability statements

## IRO-2

ESRS	Name	Place in the report	Remarks
ESRS 2	General disclosures		
BP-1	General basis for the preparation of sustainability statements	General disclosures: Preparation of Sustainability Statement	
BP-2	Disclosure in relation to special circumstances	General disclosures: Preparation of Sustainability Statement	
GOV-1	The role of administrative, management and supervisory bodies	General disclosures: Sustainability governance	
GOV-2	Information provided to and sustainability matters addressed by the undertaking’s administrative, management and supervisory bodies	General disclosures: Sustainability governance	
GOV-3	Integration of sustainability-related performance in incentive schemes	ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles	Incorporation by reference
GOV-4	Statement on due diligence	General disclosures: Due diligence processes regarding the sustainability matters	
GOV-5	Risk management and internal controls over sustainability reporting	General disclosures: Preparation of Sustainability Statement: Internal control and management of the report preparation process	
SBM-1	Strategy, business model and value chain	ING Bank Śląski: The scale of our activity ING Bank Śląski: Business segments ING Bank Śląski: Business model and value creation General disclosures: Our value chain	Incorporation by reference
SBM-2	Interests and views of stakeholders	General disclosures: Validation of outcome through the stakeholders’ engagement General disclosures: Relationships with our stakeholders	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	General disclosures: Sustainability in our business strategy	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures: The assessment of sustainability impacts, risks and opportunities	
IRO-2	Disclosure requirements in ESRS covered by the undertaking’s sustainability statement	The Disclosure Requirements complied with in its sustainability statements	
ESRS E1	Climate change		
GOV-3	Integration of sustainability-related performance in incentive schemes	ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles	Incorporation by reference
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	General disclosures: The assessment of sustainability impacts, risks and opportunities General disclosures: Sustainability in our business strategy Climate change: Financial implications and resilience of the business model	



IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures: The assessment of sustainability impacts, risks and opportunities Climate change: Transition risks	
E1-1	Transition plan for climate change mitigation	Climate change: Our transition plan	
E1-2	Policies related to climate change mitigation and adaptation	Climate change: Policies to manage climate change impacts and risks	
E1-3	Actions and resources in relation to climate change policy	Climate change: ESG policy implementation actions	
E1-4	Targets related to climate change mitigation and adaptation	Climate change: Review of objectives within transition plans	
E1-5	Energy consumption and mix	Not reported	Based on the results of the materiality assessment, the topic is not material for own operations
E1-6	Gross Scopes 1, 2, 3 and Total GHG emissions	Climate change: GHG emissions	Based on the results of the materiality assessment, the topic is not material for own operations (GHG emissions Scope 1 and 2)
E1-7	GHG removals and GHG mitigation projects financed through carbon credits	Not reported	ING does not have carbon credits
E1-8	Internal carbon pricing	Not reported	ING does not apply internal carbon pricing
E1-9	Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	Climate change: Assessment of exposure to physical risks	A transition period has been applied in line with ESRS 1, the approach taken is explained in the indicated section
ESRS E4	<b>Biodiversity and ecosystems</b>		
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business model	Biodiversity and ecosystems: Identified impacts, risks and opportunities	
IRO-1	Description of the processes to identify and assess material biodiversity and ecosystem-related impacts, risks and opportunities	Biodiversity and ecosystems: Identified impacts, risks and opportunities	
E4-1	Transition plan and consideration of biodiversity and ecosystems in strategy and business model	Biodiversity and ecosystems: Our approach to managing impacts on biodiversity	
E4-2	Policies related to biodiversity and ecosystems	Biodiversity and ecosystems: Policies	
E4-3	Actions and resources related to biodiversity and ecosystems	Biodiversity and ecosystems: Actions: Our actions on deforestation and ecosystem conversion Biodiversity and ecosystems: Actions: Our planned actions and objectives	
E4-4	Targets related to biodiversity and ecosystems	Biodiversity and ecosystems: Our approach to managing impacts on biodiversity Biodiversity and ecosystems: : Actions: Our planned actions and objectives	Measurable, results-oriented and timely targets have not been established
E4-5	Impact metrics related to biodiversity and ecosystems change	Not reported	Based on the results of the materiality assessment, the topic is not material for own operations
E4-6	Anticipated financial effects from biodiversity and ecosystem-related risks and opportunities	Not reported	A transition period has been applied in line with ESRS 1



ESRS S1 Own workforce			
SBM-2	Interests and opinions of stakeholders	General disclosures: Validation of outcome through the stakeholders’ engagement General disclosures: Relationships with our stakeholders	
SBM-3	Significant impacts, risks and opportunities and their interrelation with the strategy and the business model	General disclosures: Sustainability in our business strategy Own workforce: Identified impacts, risks and opportunities	
S1-1	Policies related to own resources	Own workforce: Secure employment - Policies Own workforce: Equal pay - Policies Own workforce: Training and skills development - Policies	
S1-2	Processes for engaging with own workers and workers’ representatives about impacts	Own workforce: Employee relationship management.	
S1-3	Processes to remediate negative impacts and channels for own workers to raise concerns	Own workforce: Whistleblowing channels for reporting breaches and concerns available to employees	
S1-4	Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	Own workforce: Secure employment Own workforce: Work-life balance Own workforce: Equal treatment and opportunities for all Own workforce: Training and skills development Own workforce: Ensuring a work environment free of discrimination and harassment	
S1-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Own workforce: Identified impacts, risks and opportunities: Link to business strategy Own workforce: Our approach to Diversity, Inclusion and Belonging	
S1-6	Characteristics of the undertaking’s employees	Own workforce: Our employees in numbers	
S1-7	Characteristics of non-employee workers in the undertaking’s own workforce	Own workforce: Our employees in numbers	
S1-8	Collective bargaining coverage and social dialogue	Not reported	Based on the results of the materiality assessment, the topic is not material. ING has a trade union and an employee council. Relations with the social partners are part of the dialogue with employees, which we describe <a href="#">here</a>
S1-9	Diversity measures	Own workforce: Our employees in numbers	
S1-10	Adequate wages	Not reported	Based on the results of the materiality assessment, the topic is not material. The remuneration principles and indicators in this respect are described in the chapter Equal pay
S1-11	Social protection	Own workforce: Secure employment	
S1-12	People with disabilities	Own workforce: Our approach to Diversity, Inclusion and Belonging	
S1-13	Training and skills development metrics	Own workforce: Development at ING in figures	
S1-14	Health and safety metrics		
S1-15	Work-life balance measures	Own workforce: Parents at work	
S1-16	Compensation metrics (pay gap and total compensation)	Own workforce: Equal pay	



S1-17	Incidents, complaints and severe human rights impacts	Own workforce: Ensuring a work environment free of discrimination and harassment General disclosures : Human rights	
ESRS S4	Consumers and end-users	Consumers and end-users:	
SBM-2	Interests and views of stakeholders	General disclosures: Validation of outcome through the stakeholders’ engagement General disclosures: Relationships with our stakeholders	
SBM-3	Material impacts, risks and opportunities and their interaction with strategy and business mode	Consumers and end-users: Identified impacts, opportunities and risks General disclosures: The assessment of sustainability impacts, risks and opportunities	
S4-1	Policies related to consumers and end-users	Consumers and end-users: Client Centricity Policy Consumers and end-users: Engaging with individual clients Consumers and end-users: Marketing communication Consumers and end-users: Accessibility of products and services Consumers and end-users: Security of our clients’ data and protection of privacy	
S4-2	Processes for engaging with consumers and end-users about impacts	Consumers and end-users: Engaging with individual clients	
S4-3	Processes to remediate negative impacts and channels for consumers and end-users to raise concerns	Consumers and end-users: Channels for reporting concerns and complaints available to individual clients	
S4-4	Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end- users, and effectiveness of those actions	Consumers and end-users: Engaging with individual clients Consumers and end-users: Marketing communication Consumers and end-users: Accessibility of products and services Consumers and end-users: Security of our clients’ data and protection of privacy	
S4-5	Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	Not reported	Measurable, result-oriented and timely targets have not been established. Our ESG targets take into account identified significant impacts, opportunities and risks in the area of customers and end-users, as we write about <a href="#">here</a>
ESRS G1	Business Conduct		
GOV-1	The role of the administrative, supervisory and management bodies	General disclosures: Sustainability governance	
IRO-1	Description of the processes to identify and assess material impacts, risks and opportunities	General disclosures: The assessment of sustainability impacts, risks and opportunities	
G1-1	Corporate culture and business conduct policies and corporate culture	Business conduct: Our ethics and compliance policies Business conduct: Mechanism of reporting breaches	
G1-2	Management of relationships with suppliers	Not reported	Based on the results of the materiality assessment, the topic is not material
G1-3	Prevention and detection of corruption and bribery	Business conduct: Counteraction of corruption	
G1-4	Confirmed incidents of corruption or bribery	Business conduct: Counteraction of corruption	
G1-5	Political influence and lobbying activities	not reported	Based on the results of the materiality assessment, the topic is not material. ING Bank Śląski does not finance political activities and does not carry out lobbying activities
G1-6	Payment practices	not reported	Based on the results of the materiality assessment, the topic is not material





# List of datapoints in cross-cutting and topical standards that derive from other EU legislation

Disclosure requirement and related datapoint	Reference to the SFDR	Pillar 3 reference	Benchmark Regulation reference	European Climate Law reference	Sustainability Statement
ESRS 2 GOV-1 Board's gender diversity paragraph 21 (d)	Indicator number 13, Table #1 of Annex 1		Commission Delegated Regulation (EU) 2020/1816, Annex II		ING Bank Śląski S.A. Management Board statement on the application of corporate governance principles: Diversity policy for supervisory and management bodies
ESRS 2 GOV-1 Percentage of board members who are independent paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Statement of compliance with corporate governance principles: Composition of the Supervisory Board Composition of the Management Board
ESRS 2 GOV-4 Statement on due diligence paragraph 30	Indicator number 10, Table #3 of Annex 1				Sustainability due diligence processes
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities paragraph 40 (d) i	Indicators number 4, Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9, Table #2 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to controversial weapons paragraph 40 (d) iii	Indicator number 14, Table #1 of Annex 1		Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1) Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-1 Transition plan to reach climate neutrality by 2050 paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Climate change: Our transition plan
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book-Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Climate change: Our transition plan
ESRS E1-4 GHG emission reduction targets paragraph 34	Indicator number 4, Table #2 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Climate change: Our transition plan



ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors) paragraph 38	Indicator number 5, Table #1 and Indicator n. 5 Table #2 of Annex 1				Not material
ESRS E1-5 Energy consumption and mix paragraph 37	Indicator number 5, Table #1 of Annex 1				Not material
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors paragraphs 40 to 43	Indicator number 6, Table #1 of Annex 1				Not material
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions paragraph 44	Indicators number 1, and 2 Table #1 of Annex 1	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Climate change: GHG emissions
ESRS E1-6 Gross GHG emissions intensity paragraphs 53 to 55	Indicators number 3, Table #1 of Annex 1	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Climate change: GHG emissions
ESRS E1-7 GHG removals and carbon credits paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not material
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk paragraph 66 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraphs 46 and 47; Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk.			Not reported, transition period applied
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes paragraph 67 (c).		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2:Banking book -Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral			Not reported, transition period applied
ESRS E1-9 Degree of exposure of the portfolio to climate- related opportunities paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not reported, transition period applied
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8, Table #1 of Annex 1 Indicator number 2, Table #2 of Annex 1 Indicator number 1, Table #2 of Annex 1				Not material



Indicator number 3, Table #2 of Annex 1

ESRS E3-1 Water and marine resources paragraph 9	Indicator number 7, Table #2 of Annex 1	Not material
ESRS E3-1 Dedicated policy paragraph 13	Indicator number 8, Table 2 of Annex 1	Not material
ESRS E3-1 Sustainable oceans and seas paragraph 14	Indicator number 12, Table #2 of Annex 1	Not material
ESRS E3-4 Total water recycled and reused paragraph 28 (c)	Indicator number 6.2, Table #2 of Annex 1	Not material
ESRS E3-4 Total water consumption in m3 per net revenue on own operations paragraph 29	Indicator number 6.1, Table #2 of Annex 1	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (a) i	Indicator number 7, Table #1 of Annex 1	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (b)	Indicator number 10, Table #2 of Annex 1	Not material
ESRS 2- IRO 1 - E4 paragraph 16 (c)	Indicator number 14, Table #2 of Annex 1	Not material
ESRS E4-2 Sustainable land / agriculture practices or policies paragraph 24 (b)	Indicator number 11, Table #2 of Annex 1	Biodiversity and ecosystems: Policies
ESRS E4-2 Sustainable oceans / seas practices or policies paragraph 24 (c)	Indicator number 12, Table #2 of Annex 1	Biodiversity and ecosystems: Policies
ESRS E4-2 Policies to address deforestation paragraph 24 (d)	Indicator number 15, Table #2 of Annex 1	Biodiversity and ecosystems: Policies
ESRS E5-5 Non-recycled waste paragraph 37 (d)	Indicator number 13, Table #2 of Annex 1	Not material
ESRS E5-5 Hazardous waste and radioactive waste paragraph 39	Indicator number 9. Table #1 of Annex 1	Not material
ESRS 2- SBM3 - S1 Risk of incidents of forced labour paragraph 14 (f)	Indicator number 13 Table #3 of Annex I	General disclosures: Human rights Own workforce: Working conditions - Policies
ESRS 2- SBM3 - S1 Risk of incidents of child labour paragraph 14 (g)	Indicator number 12 Table #3 of Annex I	General disclosures: Human rights Own workforce: Working conditions - Policies
ESRS S1-1 Human rights policy commitments paragraph 20	Indicator number 9, Table #3 and Indicator number 11 Table #1 of Annex I	General disclosures: Human rights Own workforce: Working conditions - Policies
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International		Delegated Regulation (EU) 2020/1816, Annex II  General disclosures: Human rights Own workforce: Working conditions - Policies



Labor Organisation Conventions 1 to 8, paragraph 21				
ESRS S1-1 processes and measures for preventing trafficking in human beings paragraph 22	Indicator number 11 Table #3 of Annex I			General disclosures: Human rights Own resources: Working conditions - Policies
ESRS S1-1 workplace accident prevention policy or management system paragraph 23	Indicator number 1 Table #3 of Annex I			Not material
ESRS S1-3 grievance/complaints handling mechanisms paragraph 32 (c)	Indicator number 5 Table #3 of Annex I			Own workforce: Whistleblowing channels for reporting breaches and concerns available to employees Business conduct: Mechanism of reporting breaches
ESRS S1-14 Number of fatalities and number and rate of work- related accidents paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness paragraph 88 (e)	Indicator number 3 Table #3 of Annex I			Not material
ESRS S1-16 Unadjusted gender pay gap paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II	Own resources: Equal treatment and equal opportunities for all - Equal pay
ESRS S1-16 Excessive CEO pay ratio paragraph 97 (b)	Indicator number 8 Table #3 of Annex I			Own resources: Equal treatment and equal opportunities for all - Equal pay
ESRS S1-17 Incidents of discrimination paragraph 103 (a)	Indicator number 7 Table #3 of Annex I			Own employee resources: Ensuring a work environment free of discrimination and harassment
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD paragraph 104 (a)	Indicator number 10, Table #1 and Indicator n. 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818 Art 12 (1)	General disclosures: Human rights
ESRS 2- SBM3 – S2 Significant risk of child labour or forced labour in the value chain paragraph 11 (b)	Indicators number 12, and n. 13 Table #3 of Annex I			Not material
ESRS S2-1 Human rights policy commitments paragraph 17	Indicator number 9, Table #3 and Indicator n. 11 Table #1 of Annex 1			Not material
ESRS S2-1 Policies related to value chain workers paragraph 18	Indicator number 11, and n. 4 Table #3 of Annex 1			Not material
ESRS S2-1Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines paragraph 19	Indicator number 10, Table #1 of Annex 1		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material





ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organisation Conventions 1 to 8, paragraph 19		Delegated Regulation (EU) 2020/1816, Annex II	Not material
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain paragraph 36	Indicator number 14, Table #3 of Annex 1		Not material
ESRS S3-1 Human rights policy commitments paragraph 16	Indicator number 9, Table #3 of Annex 1 and Indicator number 11 Table #1 of Annex 1		Not material
ESRS S3-1 non-respect of UNGPs on Business and Human Rights, ILO principles or and OECD guidelines paragraph 17	Indicator number 10, Table #1 Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	Not material
ESRS S3-4 Human rights issues and incidents paragraph 36	Indicator number 14, Table #3 of Annex 1		Not material
ESRS S4-1 Policies related to consumers and end-users paragraph 16	Indicator number 9, Table #3 and Indicator number 11, Table #1 of Annex 1		General disclosures: Human rights Consumers and end-users: Customer centricity policy
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines paragraph 17	Indicator number 10, Table #1 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Art 12 (1)	General disclosures: Human rights Consumers and end-users: Client orientation policy
ESRS S4-4 Human rights issues and incidents paragraph 35	Indicator number 14, Table #3 of Annex 1		General disclosures: Human rights Consumers and end-users: Client orientation policy
ESRS G1-1 United Nations Convention against Corruption paragraph 10 (b)	Indicator number 15, Table #3 of Annex 1		Business conduct: Counteraction of corruption
ESRS G1-1 Protection of whistle- blowers paragraph 10 (d)	Indicator number 6, Table #3 of Annex 1		Business conduct: Mechanism of reporting breaches
ESRS G1-4 Fines for violation of anti- corruption and anti-bribery laws paragraph 24 (a)	Indicator number 17, Table #3 of Annex 1	Delegated Regulation (EU) 2020/1816, Annex II)	Business conduct: Counteraction of corruption
ESRS G1-4 Standards of anti- corruption and anti- bribery paragraph 24 (b)	Indicator number 16, Table #3 of Annex 1		Business conduct: Counteraction of corruption



# ESG risk figures

The tables below present exposures at gross carrying amount in the banking book of the ING Bank Śląski S.A. Group, in line with prudential consolidation, as at 31 December 2024. We don't take collateral on real estate through possession, which is why there is no such information in the tables.

Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity (PLN million; 1/2)

Sector	Gross carrying amount					Accumulated impairment			Greenhouse gas (GHG) financed emissions			Maturity – gross carrying amount (years)				
		of which exposures excluded from EU Paris- aligned Benchmarks in accordance with points (d) to (g) of Art. 12(1) and Art.12(2) of Climate Benchmark Standards Regulation	of which environmentally sustainable (CCM)	of which stage 2	of which stage 3*		of which stage 2	of which stage 3*	scope I, II, III (in tons of CO <sub>2</sub> equivalent)	of which scope III	gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5	> 5 <= 10	> 10 <= 20	> 20	Average weighted maturity
Exposures towards sectors that highly contribute to climate change**	61,981	913	146	9,633	4,257	2,023	222	1,738	24,748,717	19,694,37	4.0%	51,018	10,109	775	80	2.9
A - Agriculture, forestry and fishing	1,664	0	0	338	62	53	9	42	4,693,273	4,230,697	0.0%	1,199	462	3	0	3.5
B - Mining and quarrying	927	0	6	38	9	10	0	9	697,173	594,017	67.5%	905	23	0	0	1.1
B.05 - Mining of coal and lignite	7	0	0	0	0	0	0	0	13,358	6,953	0.0%	7	0	0	0	0.9
B.06 - Extraction of crude petroleum and natural gas	0	0	0	0	0	0	0	0	0	0	0.0%	0	0	0	0	0.0
B.07 - Mining of metal ores	626	0	6	0	0	0	0	0	44	0	100.0%	626	0	0	0	0.3
B.08 - Other mining and quarrying	286	0	0	38	9	10	0	9	624,157	532,244	0.0%	264	23	0	0	2.9
B.09 - Mining support service activities	8	0	0	0	0	0	0	0	59,614	54,820	0.0%	8	0	0	0	1.1
C - Manufacturing	22,267	345	107	4,006	2,186	884	116	745	9,620,652	8,034,855	6.2%	18,437	3,817	0	14	2.7
C.10 - Manufacture of food products	3,126	0	0	354	174	129	8	117	1,315,219	1,112,997	0.0%	2,477	647	0	3	2.8
C.11 - Manufacture of beverages	478	0	0	92	6	5	1	3	183,815	148,321	0.0%	436	43	0	0	2.0
C.12 - Manufacture of tobacco products	0	0	0	0	0	0	0	0	0	0	0.0%	0	0	0	0	0.0
C.13 - Manufacture of textiles	171	0	0	62	11	9	2	7	47,615	39,849	0.0%	141	30	0	0	2.6
C.14 - Manufacture of wearing apparel	0	0	0	0	0	0	0	0	71	38	0.0%	0	0	0	0	0.9
C.15 - Manufacture of leather and related products	28	0	0	10	0	1	0	0	6,223	5,098	0.0%	22	6	0	0	3.1
C.16 - Manufacture of wood and of products of wood and cork, except furniture; manufacture of articles of straw and plaiting materials	1,347	0	0	400	85	76	16	59	168,747	90,488	0.0%	1,178	169	0	0	2.7
C.17 - Manufacture of pulp, paper and paperboard	1,061	0	5	316	22	18	2	15	177,513	92,345	0.0%	724	337	0	0	3.4
C.18 - Printing and service activities related to printing	537	0	0	77	15	19	11	8	93,010	77,306	0.0%	324	213	0	0	4.0
C.19 - Manufacture of coke oven products	308	296	5	0	0	0	0	0	186,379	165,676	0.0%	308	0	0	0	0.1
C.20 - Production of chemicals	2,297	48	3	112	1,314	339	1	337	669,529	491,491	46.6%	2,209	87	0	1	1.5
C.21 - Manufacture of pharmaceutical preparations	348	0	0	73	0	1	1	0	34,073	29,272	0.0%	323	24	0	0	3.3
C.22 - Manufacture of rubber products	2,901	0	0	721	83	65	29	33	885,224	731,415	3.4%	2,320	580	0	1	3.0
C.23 - Manufacture of other non-metallic mineral products	1,012	0	12	183	84	30	1	28	1,039,459	736,845	0.0%	900	112	0	1	2.7
C.24 - Manufacture of basic metals	681	0	2	88	56	18	1	17	667,998	572,527	25.5%	434	246	0	1	3.6
C.25 - Manufacture of fabricated metal products, except machinery and equipment	3,144	0	17	464	124	61	8	49	728,761	622,190	0.0%	2,415	728	0	2	3.0
C.26 - Manufacture of computer, electronic and optical products	410	0	39	187	4	6	2	4	186,888	183,701	2.6%	354	56	0	0	2.4
C.27 - Manufacture of electrical equipment	441	0	0	145	31	16	3	13	456,618	448,335	2.4%	391	49	0	1	2.3



Template 1: Banking book- Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity (PLN million; 2/2)

Sector	Gross carrying amount					Accumulated impairment			Greenhouse gas (GHG) financed emissions			Maturity – gross carrying amount (years)				Average weighted maturity
	of which exposures towards companies excluded from EU Paris-aligned Benchmarks in accordance with points (d) to (g) of Art. 12(1) and Art.12(2) of Climate Benchmark Standards Regulation	of which environmentally sustainable (CCM)	of which stage 2	of which stage 3*		of which stage 2	of which stage 3*		scope I, II, III (in tons of CO <sub>2</sub> equivalent)	of which scope III	gross carrying amount percentage of the portfolio derived from company-specific reporting	<= 5	> 5 <= 10	> 10 <= 20	> 20	
C.28 - Manufacture of machinery and equipment n.e.c.	767	0	0	212	97	22	5	16	748,479	730,373	0.0%	624	143	0	1	2.8
C.29 - Manufacture of motor vehicles, trailers and semi-trailers	316	0	0	37	6	4	1	3	433,969	423,583	0.0%	265	51	0	0	2.3
C.30 - Manufacture of other transport equipment	169	0	0	91	2	3	2	1	148,563	144,882	0.0%	125	45	0	0	3.0
C.31 - Manufacture of furniture	603	0	0	203	29	38	22	16	103,134	85,732	0.0%	470	133	0	1	2.9
C.32 - Other manufacturing	2,105	0	24	175	43	22	3	19	1,335,129	1,098,903	0.5%	1,987	116	0	2	2.7
C.33 - Repair and installation of machinery and equipment	18	0	0	3	2	2	0	1	4,237	3,489	0.0%	12	5	0	0	3.4
D - Electricity, gas, steam and air conditioning supply	2,246	5	0	251	103	103	8	92	206,557	101,799	0.0%	659	773	767	47	8.9
D35.1 - Electric power generation, transmission and distribution	1,879	2	0	250	3	12	8	2	91,005	45,140	0.0%	308	773	751	47	10.1
D35.11 - Production of electricity	1,760	2	0	250	1	10	8	1	56,395	28,215	0.0%	194	769	751	47	10.5
D35.2 - Manufacture of gas; distribution of gaseous fuels through mains	85	3	0	0	85	82	0	82	32,511	15,937	0.0%	85	0	0	0	0.1
D35.3 - Steam and air conditioning supply	282	0	0	0	16	8	0	8	83,040	40,722	0.0%	266	0	16	0	3.8
E - Water supply; sewerage, waste management and remediation activities	813	0	0	43	42	26	1	25	644,338	545,258	0.0%	610	202	0	0	3.5
F - Construction	2,953	0	7	540	293	201	13	183	419,542	356,938	0.4%	2,729	221	0	3	2.1
F.41 - Construction of buildings	857	0	2	176	108	81	4	76	124,745	110,438	1.2%	817	38	0	1	1.9
F.42 - Civil engineering	936	0	5	109	69	38	2	34	121,603	99,819	0.1%	880	55	0	0	1.8
F.43 - Specialised construction activities	1,161	0	0	255	117	82	7	73	173,193	146,681	0.0%	1,032	127	0	2	2.5
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	15,534	560	1	1,962	643	420	38	363	3,115,034	2,655,362	3.0%	13,404	2,111	6	12	2.2
H - Transportation and storage	5,445	3	25	1,048	420	121	21	95	2,734,010	766,624	0.0%	4,377	1,065	0	3	3.1
H.49 - Land transport and transport via pipelines	4,235	3	0	779	374	99	17	78	2,592,132	726,752	0.0%	3,392	842	0	2	3.2
H.50 - Water transport	8	0	0	0	0	0	0	0	687	218	0.0%	8	0	0	0	1.2
H.51 - Air transport	15	0	0	0	0	0	0	0	2,648	862	0.0%	14	0	0	0	1.1
H.52 - Warehousing and support activities for transportation	1,017	0	0	201	40	19	3	15	113,729	34,067	0.0%	795	221	0	0	3.1
H.53 - Postal and courier activities	170	0	25	68	5	3	0	2	24,815	4,726	0.0%	168	2	0	0	2.1
I - Accommodation and food service activities	818	0	0	93	24	21	5	15	549,220	481,208	0.0%	517	301	0	0	4.7
L - Real estate activities	9,313	0	0	1,315	475	185	12	170	2,068,917	1,927,617	0.0%	8,180	1,133	0	0	2.8
Exposures towards sectors other than those that highly contribute to climate change**	10,373	1	260	1,209	360	293	34	245	2,000,518	1,692,048	2.1%	8,924	1,157	205	87	2.9
K - Financial and insurance activities	292	0	0	0	0	0	0	0	37,530	36,955	0.0%	168	0	123	1	5.4
Exposures to other sectors (NACE codes J, M - U)	10,081	1	260	1,209	360	293	34	245	1,962,988	1,655,093	2.1%	8,756	1,157	82	86	2.8
Total	72,354	913	406	10,842	4,617	2,316	255	1,984	26,749,235	21,386,423	3.7%	59,942	11,265	980	166	2.9

\*Stage 3 - non-performing exposures; \*\*In accordance with Commission Delegated Regulation (EU) 2020/1818 supplementing Regulation (EU) 2016/1011 as regards minimum standards for EU climate transition benchmarks and EU benchmarks adapted to the Paris Agreement – Recital 6: sectors listed in Sections A-H and L of appendix I to Regulation (EC) No 1893/2006.



In the table above, we provide a summary of the gross carrying amount of credit exposures to non-financial companies operating in sectors that highly contribute to climate change.

We have also listed exposures to entities excluded from the EU Paris Aligned Benchmarks (PABs) in accordance with Article 12(1)(d) to (g) and Article 12(2) of Commission Delegated Regulation (EU) 2020/1818 of 17 July 2020 supplementing Regulation (EU) 2016/1011 of the European Parliament and of the Council as regards minimum standards for EU Climate Transformation Benchmarks and EU Paris Aligned Benchmarks. The bank group’s exposure to entities excluded from the PAB as at 2024 yearend is PLN 913 million.

In the case of Article 12(1), we made our choice of exposure based on:

- an internal list of clients whose activities are related to thermal coal or energy production; and

- the selection by codes of the Polish Classification of Activities for activities related to the exploration, extraction, distribution or refining of oil or gas fuels.

With regard to Article 12(2), we have not made such verification due to lack of data.

In the table above, we have also included financed greenhouse gas emissions (categories 13 and 15), which we estimated based on the GHG Protocol guidelines and the PCAF standard, using a variety of internal and external databases. Emissions for individual asset classes were calculated based on both real data provided by clients and data from energy performance certificates, as well as using a range of indicators that enable emission level estimation. The data in the table is consistent with the data presented [here](#) in terms of the exposures included.

Template 2: Banking book - Climate change transition risk: Loans collateralised by immovable property - Energy efficiency of the collateral (PLN million)

	Gross carrying amount															
		Level of energy efficiency (EP score in kWh/m² of collateral)						Level of energy efficiency (EPC label of collateral)							Without EPC label of collateral	
		0 <= 100	> 100 <= 200	> 200 <= 300	> 300 <= 400	> 400 <= 500	> 500	A	B	C	D	E	F	G	of which level of energy efficiency estimated (EP score in kWh/m² of collateral)	
Total EU area	92,158	40,256	34,458	7,739	2,203	228	154	-	-	-	-	-	-	-	69,088	89.7%
Of which Loans collateralised by commercial immovable property	29,858	1,516	17,593	3,287	469	171	80	-	-	-	-	-	-	-	21,780	69.0%
Of which Loans collateralised by residential immovable property	62,300	38,740	16,866	4,452	1,734	56	74	-	-	-	-	-	-	-	47,308	99.2%
Of which Collateral obtained by taking possession: residential and commercial immovable properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Of which Level of energy efficiency (EP score in kWh/m² of collateral) estimated	61,968	28,053	26,320	5,968	1,627	0	0	-	-	-	-	-	-	-	61,968	100.0%





The table above shows the value of loans secured by commercial and residential real estate, together with information on the energy efficiency level of the collateral as measured by energy consumption in kWh/m².

We have prepared the disclosure for commercial real estate based on the information we had from the energy performance certificates of the buildings or, in the absence thereof, on calculations based on available statistics (we used statistics for real estate located in Poland that were made publicly available by the PCAF (*Partnership for Carbon Accounting Financials*)).

In the case of disclosures for residential real estate, we have prepared the disclosures based on the information we have from the energy performance certificates of the buildings or, in the absence thereof, on our own methodology based on the year of construction of the real estate and the corresponding technical and building regulations. This means that for real estate for which we have estimated energy efficiency, we do not take into account any thermo-modernizations that may have occurred after the year of construction, as we do not have this information.

The level of energy efficiency certificate coverage for the portfolio secured by residential and commercial real estate increased y/y from 15.8% as at 2023 yearend to 25.0% as at 2024 yearend, primarily due to a significant increase in information in the Central Register of Energy Performance Certificates. We are constantly working on the quality and completeness of the data in our systems so that in 2024 we were able to carry out an estimate of the energy efficiency level for a larger proportion of the portfolio than last year, reflecting an increase in the level of the portfolio covered by the estimate from 76.9% as at 2023 yearend to 89.7% as at 2024 yearend.

We do not publish information by energy efficiency class of buildings, as there are no such legal regulations in Poland.

In the column with the total gross carrying amount, we report the sum of loans secured by real estate, including those that are not subject to an energy efficiency assessment (e.g. land). This approach ensures that we are compliant with the table showing physical risk sensitive exposures (Template 5).



Template 5: Banking book - Climate change physical risk: Exposures subject to physical risk (PLN million)

Portfolio	Total (gross carrying amount)	Exposures sensitive to impact from climate change physical events												
		Breakdown by maturity bucket (years)					Gross carrying amount					Accumulated impairment		
							of which exposures sensitive to impact only from chronic climate change events	of which exposures sensitive to impact only from acute climate change events	of which exposures sensitive to impact both from chronic and acute climate change events	of which stage 2	of which stage 3*			
		<= 5	> 5 <= 10	> 10 <= 20	> 20	Average weighted maturity						of which stage 2	of which stage 3*	
A - Agriculture, forestry and fishing	1,664	6	0	0	0	0.00	1	0	5	0	0	0	0	0
B - Mining and quarrying	927	127	0	0	0	0.00	0	0	127	2	0	0	0	0
C - Manufacturing	22,267	855	67	0	7	0.00	374	7	548	121	162	48	2	44
D - Electricity, gas, steam and air conditioning supply	2,246	110	169	363	24	0.00	0	3	664	90	18	20	2	18
E - Water supply; sewerage, waste management and remediation activities	813	7	0	0	0	0.00	0	0	7	0	0	0	0	0
F - Construction	2,953	34	5	0	2	0.00	0	4	36	1	0	0	0	0
G - Wholesale and retail trade; repair of motor vehicles and motorcycles	15,534	257	36	0	1	0.00	29	14	250	0	3	3	0	2
H - Transportation and storage	5,445	67	45	0	0	0.00	0	2	109	12	29	1	0	1
L - Real estate activities	9,313	0	0	0	0	0.00	0	0	0	0	0	0	0	0
Loans collateralised by residential immovable property	62,300	1	9	68	162	0.00	39	201	0	21	3	1	0	1
Loans collateralised by commercial immovable property	29,858	46	24	1	2	0.00	0	73	0	3	0	0	0	0
Reposessed collaterals	0	0	0	0	0	0.0	0	0	0	0	0	0	0	0
Other relevant sectors	11,191	153	15	4	0	0.00	1.2	6.2	164.9	13	1.2	1	0	1

\* Stage 3 - non-performing exposures



In the table above, we present exposures sensitive to the impact of both long-term and abrupt climate change-related risk. These are presented by:

- sectors of economic activity, and
- the type of real estate that constitutes the collateral.

Total gross carrying amount in sectoral rows represents the entire exposure of the ING Bank Śląski S.A. Group to non-financial companies operating in the specified sectors. The remaining columns in the sectoral rows present sensitive exposures excluding loans collateralised by real estate, as this is presented in corresponding rows. We have not included in the table any consideration of the fact that the real estate is insured against physical risk, but nevertheless indicate that for retail mortgage loans there is a flood insurance policy is required (for policy renewals and for new sales).

To assess a physical risk, we use an internal tool the Physical Risk Tool. The risk for exposures collateralised by real estate is identified based on the address of the property serving as collateral. Physical risk-sensitive exposure on the

portfolio collateralised by real estate amounted to PLN 313 million as at 2024 yearend. The main physical threat to which our collateral portfolio is sensitive is river and coastal flooding.

For unsecured exposures, the identification of physical risk sensitivities in Business Banking is performed according to the address of the place of business (taking into account the sensitivity of the sector to the physical risk in question), while for unsecured exposures in Wholesale Banking we use a sectoral approach (taking into account the sensitivity of the sector to the physical risk in question and taking into account the estimated financial impact). Physical risk-sensitive exposure on the portfolio unsecured by real estate to non-financial companies amounted to PLN 2,354 million as at 2024 yearend.

For the purpose of identifying exposures to the 20 most carbon-intensive companies in the world, we relied on a compilation published by CDP, i.e. the CDP Carbon Majors Report 2017. As at 2024 yearend, just like as at 2023 yearend – we had no direct exposure to any of these 20 companies or any exposure under loan agreements to their related entities.



# PAI indicators according to SFDR

SFDR\* (Sustainable Finance Disclosure Regulation) indicators of ING Bank Śląski Group as an investee

Table 1 – Statement on the main adverse effects of investment decisions on sustainability factors

Indicator of adverse effects on sustainability factors			Unit of measure	2023	2024
Climate and other environmental indicators					
Greenhouse gas emissions	1	Greenhouse gas emissions	Scope 1 greenhouse gas emissions	3 795 [tonnes CO <sub>2</sub> e]	3 932 [tonnes CO <sub>2</sub> e]
			Scope 2 greenhouse gas emissions	4,431 – market-based / 19,444 – location-based [tonnes of CO <sub>2</sub> e]	3 494 – market-based / 15 379 - location-based [tonnes CO <sub>2</sub> e]
			Scope 3 greenhouse gas emissions	10 623 103 – market-based / 10 626 735 - location-based [tonnes CO <sub>2</sub> e]	9 934 323 – market-based / 9 937 665 - location-based [tonnes CO <sub>2</sub> e]
			Total greenhouse gas emissions	10 631 329 – marked-based / 10 649 974 - location-based [tonnes CO <sub>2</sub> e]	9 941 749 – marked-based / 9 956 977 - location-based [tonnes CO <sub>2</sub> e]
	2	Carbon footprint	Total greenhouse gas emissions	10 631 329 – marked-based / 10 649 974 - location-based [tonnes CO <sub>2</sub> e]	9 941 749 – marked-based / 9 956 977 - location-based [tonnes CO <sub>2</sub> e]
	3	Greenhouse gas intensity	Co <sub>2</sub> e emissions from Scope 1-3 per PLN 1 million of the revenue of the ING Bank Śląski Group	995 629 – marked-based / 997 375 – location-based [tonnes CO <sub>2</sub> e]	881 439 – marked-based / 882 789 – location-based [tonnes CO <sub>2</sub> e]
	4	Exposure from fossil fuel companies		The ING Bank Śląski Group is not active in the fossil fuel sector.	
	5	Share of energy consumed and produced from non-renewable sources	Share of non-renewable energy sources consumed and produced in relation to renewable energy resources, expressed as a percentage of total energy resources	3.93% (for 96.07% of the remaining energy, the bank holds certificates of origin).	1.66% (for 98.34% of the remaining energy, the bank holds guarantees of origin or green certificates).
	6	Energy intensity per sector with significant climate impact	Energy consumption expressed in GWh	The ING Bank Śląski Group is not active in sectors with a significant climate impact.	
Biodiversity	7	Activities adversely affecting biodiversity sensitive areas	Companies with facilities operating in or near biodiversity-sensitive areas where their activities have an adverse impact on such areas	The ING Bank Śląski Group does not operate in or near biodiversity-sensitive areas.	





Water	8	Emissions to water	Tonnes of emissions to water – indicator expressed as a weighted average	The ING Bank Śląski Group does not generate emissions of priority substances as defined in Article 2(30) of Directive 2000/60/EC of the European Parliament and of the Council (6) and direct emissions of nitrates, phosphates and pesticides.	
Waste	9	Hazardous waste and radioactive waste indicator	Tonnes of hazardous waste and radioactive waste – indicator expressed as weighted average	0.944 tonnes.	No hazardous or radioactive waste generated in 2024.
Indicators on social and labour issues, human rights issues and anti-corruption and anti-bribery issues					
Social and labour issues	10	Breaches of the Global Compact and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Companies		The ING Bank Śląski Group monitors compliance with the Global Compact and the OECD Guidelines for Multinational Companies. <a href="#">A description of the activities carried out is available in the section on minimum guarantees of the EU Taxonomy.</a>	
				In 2023, there was one final judgment in the labour law area for unlawful termination of employment – lack of consultation with trade unions. Remedial actions have been taken in this case and additional controls have been implemented to ensure that this type of incident does not occur in the future.	In 2024, there was one final judgment in the area of labour law for unequal treatment in employment – concerning grading tables. The corrective action was implemented even before the legal conclusion of the proceedings.  In the area of taxation, there is a final judgment on the audit of STIR reports (from 2020). The deficiencies identified during the audit took place in 2018, i.e. the initial period of implementation of the STIR responsibilities, the causes of these deficiencies had already been addressed before the audit itself, as confirmed by the results of the audit and internal control.
	11	Lack of processes and controls to oversee compliance with the Global Compact and the OECD Guidelines for Multinational Companies		The ING Bank Śląski Group conducted an analysis of the OECD Guidelines for Multinational Companies and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organisation. The result of the analysis was to confirm the processes and ensure that the guidelines were followed in the internal regulations. In addition, ING Bank Śląski formally joined the United Nations Global Compact (UN Global Compact) in 2023 – the UN Secretary-General’s largest global initiative for sustainable business leaders.	ING Bank Śląski Group 2024 conducted an in-depth analysis of the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight core conventions identified in the Declaration of the International Labour Organisation. <a href="#">The result of the analysis was to confirm the processes and ensure that the guidelines were followed in the internal regulations.</a>
	12	Average unadjusted gender pay gap		32% – the ratio of the difference between the average salary of men and women to the average	<a href="#">31% – the ratio of the difference between the average salary of men and women to the average</a>



				salary of men according to the EBA methodology (unadjusted ratio).	<a href="#">salary of men according to the EBA methodology (unadjusted ratio).</a>
	13	Gender diversity of board members – average ratio of women to men on company boards, expressed as a percentage of all board members		50% in ING Bank Śląski.	50% in ING Bank Śląski.
	14	Exposure to controversial weapons (anti-personnel mines, cluster munitions, chemical weapons and biological weapons)		The ING Bank Śląski Group does not finance entities involved in the production or sale of controversial weapons.	
Indicators applicable to investments in government bonds and bonds issued at supranational level					
Environmental issues	15	Greenhouse gas intensity for countries with bonds invested in	Not Applicable.		
Social issues	16	Number of countries with bonds invested in and affected by social violations	Not Applicable.		
Indicators applicable to real estate investments					
Fossil fuels	17	Fossil fuel exposure in relation to real estate	Not Applicable.		
Energy efficiency	18	Exposure from energy inefficient real estates	Not Applicable.		

\* Regulation (EU) 2019/2088 of the European Parliament and of the Council of 27 November 2019 on disclosure of information related to sustainable development in the financial services sector.

Table 2 – Additional climate and other environmental indicators

Adverse effect on sustainability	Adverse effect on sustainability factors (qualitative or quantitative data)		Unit of measure	2023	2024
Climate and other environmental indicators					
Securities	1	Inorganic pollutant emissions	Tonnes of inorganic pollutant equivalent per million euros invested rate expressed as a weighted average	Due to the specific nature of its business, the ING Bank Śląski Capital Group does not measure the emission of inorganic pollutants.	
	2	Air pollutant emissions	Tonnes of air pollutant equivalent for every EUR 1 million invested, rate expressed as a weighted average	Due to the specific nature of its operations, the ING Bank Śląski Capital Group does not measure air pollution emissions.	
	3	Emissions of ozone-depleting substances	Tonnes of ozone-depleting substance equivalent per EUR 1 million invested, rate expressed as weighted average	Due to the specific nature of its business, the ING Bank Śląski Capital Group does not measure emissions of substances that deplete the ozone layer.	
	4	Lack of implementation of carbon reduction initiatives	Failure to implement carbon reduction initiatives to comply with the Paris Agreement targets	Read about initiatives to reduce financed emissions <a href="#">here</a> .	
Energy performance	5	Breakdown of energy consumption by type of non-renewable energy sources	Share of energy from non-renewable sources, by individual non-renewable energy source	Range 1: 24% gasoline fuel	Range 1: 26% gasoline fuel



				5% natural gas Range 2: 22% district heating 2% chill	5% natural gas Range 2: 21% district heating 1% chill
Water, waste and materials – emissions	6	Water reuse and recycling	Average volume of water used (in cubic metres) per EUR 1 million of revenue	No data available.	Water consumption in 2024- 43,170.28 m³.  0.2% of the water was recycled (grey water in Ruda Śląska + rainwater at the bank's head office at Sokolska street in Katowice).
			Weighted average percentage of water recycled and reused		
	7	Lack of a water management policy	Lack of a water management policy	The ING Bank Śląski Group does not have a policy regarding water management.	
	8	Exposure from areas of significant water scarcity	Having facilities located in areas of significant water scarcity and lack of a water management policy	We have no such facilities.	
	9	Production of chemicals	Carrying out activities covered by Chapter 20.2 of Annex I to Regulation (EC) No 1893/2006	Not applicable.	
	10	Land degradation, desertification, soil sealing	Carrying out activities that lead to land degradation, desertification or soil sealing	Not applicable.	
	11	Lack of sustainable agricultural practices/practices for sustainable land management	Lack of sustainable agricultural practices or strategies/practices or strategies for sustainable land management	Not applicable.	
	12	Failure to apply sustainable practices to the seas and oceans	Lack of application of sustainable practices or strategies in the field of seas and oceans	Not applicable.	
	13	Rate of non-recycled waste	Tonnes of non-recycled waste per €1 million invested, rate expressed as a weighted average	We have no information on what proportion of municipal waste is sent for recycling.	
	14	Natural species and protected areas	Impact on endangered species	ING Bank Śląski Group does not carry out own operations that affect endangered species included in the Red List of Threatened Species published by the International Union for Conservation of Nature (IUCN). The ING Bank Śląski Group does not have a policy of protection of biodiversity.	
Failure to have a biodiversity conservation policy covering operational sites owned, leased or managed in or adjacent to a protected area or an area of high biodiversity outside protected areas					
15	Deforestation	Failure to have a deforestation prevention policy	ING Bank Śląski Group does not have a policy to prevent deforestation.		
Green securities	16	Share of securities not issued under Union legislation on environmentally sustainable bonds	Participation in investments of securities not issued under the Union legislation on environmentally sustainable bonds	There are no such papers.	
Indicators applicable to investments in government bonds and bonds issued at supranational level					
Green securities	17	Share of bonds not issued under Union legislation on environmentally sustainable bonds	Not Applicable.		



Indicators applicable to real estate investments					
Greenhouse gas emissions	18	Greenhouse gas emissions	Scope 1 greenhouse gas emissions generated by real estate	706 [tonnes CO <sub>2</sub> e]	843 [tonnes CO <sub>2</sub> e]
			Scope 2 greenhouse gas emissions generated by real estate	4 431 – <i>market-based</i> / 19 444 – <i>location-based</i> [tonnes CO <sub>2</sub> e]	3 494 – <i>market-based</i> / 15 379 – <i>location-based</i> [tonnes CO <sub>2</sub> e]
			Scope 3 greenhouse gas emissions generated by real estate	75 – <i>market-based</i> / <i>location-based</i> [tonnes CO <sub>2</sub> e]	34 – <i>market-based</i> / <i>location-based</i> [tonnes CO <sub>2</sub> e]
			Total greenhouse gas emissions generated by real estate	5 213 – <i>marked-based</i> / 20 226 – <i>location-based</i> [tonnes CO <sub>2</sub> e]	4 371 – <i>marked-based</i> / 16 256 – <i>location-based</i> [tonnes CO <sub>2</sub> e]
Energy Consumption	19	Energy intensity	Energy consumption expressed in GWh for owned real estate per square metre	0,000195 GWh/m <sup>2</sup> (indicator calculated based on the CREEM path for office space)	0,000180 GWh/m <sup>2</sup> (indicator calculated based on the CREEM path for office space)
Waste	20	Waste generation from operations	Share of real estate not equipped with waste sorting facilities and not covered by a waste recovery or recycling contract	Due to the specific nature of its business, the ING Bank Śląski Capital Group does not conduct such measurements.	
Resource consumption	21	Raw material consumption for new buildings or major renovations	Share of building materials (excluding recycled or recovered materials or materials of biological origin) in relation to the total weight of building materials used in new buildings and major renovations	Due to the specific nature of its business, the ING Bank Śląski Capital Group does not conduct such measurements.	
Biodiversity	22	Share of artificial land	Share of non-vegetated area (areas with no ground vegetation or vegetation on roofs, terraces and walls) in relation to the total area occupied by all real estate	Due to the specific nature of its business, the ING Bank Śląski Capital Group does not conduct such measurements.	

Table 3 – Additional indicators on social and labour issues, human rights issues and anti-corruption and bribery issues

Adverse effect on sustainability	Adverse effect on sustainability factors (qualitative or quantitative data)		Unit of measure	2023	2024
Indicators on social and labour issues, human rights issues and anti-corruption and anti-bribery issues					
Social and labour issues	1	Investments in companies that do not have an occupational accident prevention policy	Lack of an occupational accident prevention policy	The employer's obligations in the field of health and safety, including ensuring safe working conditions, organising health and safety training and preventing risks, as well as the employee's obligations to comply with health and safety regulations, are included in the Work Bylaw.	
	2	Accident rate	Accident rate expressed as a weighted average	No data available.	Accident rate calculated as total number of people injured in accidents/employment × 1000: 1.34.
	3	Number of days lost due to injuries, accidents, fatalities or illnesses	Number of working days lost due to injuries, accidents, fatalities or illnesses, expressed as a weighted average	No data available.	209 business days.





	4	No supplier code of conduct	Lack of a supplier code of conduct (in the context of hazardous working conditions, precarious employment, child labour and forced labour)	The ING Bank Śląski Group has a <a href="#">Code of Conduct for ING Bank Śląski S.A. suppliers.</a> , which sets out, inter alia, the respect for human rights, labour rights, the prohibition of forced labour and child labour and much more.	
	5	Lack of a mechanism for dealing with complaints on labour issues	Lack of a mechanism for dealing with complaints on labour issues	The ING Bank Śląski Capital Group has mechanisms for handling complaints regarding employee matters.	
	6	Insufficient protection for whistleblowers	Lack of a whistleblower protection policy	In the ING Bank Śląski Capital Group, whistleblower protection mechanisms are in place as part of the breach reporting policy.	
	7	Cases of discrimination	Number of cases of discrimination, expressed as a weighted average	0 (number of confirmed cases).	<a href="#">1 (number of confirmed cases).</a>
			Number of cases of discrimination leading to sanctions, expressed as a weighted average		
Human rights	8	Excessive remuneration of the chief executive officer	Average ratio of the annual total remuneration of the top earner to the median annual total remuneration of all employees (excluding that top earner)	<a href="#">36.7</a>	<a href="#">36.0</a>
	9	No policy on respect for human rights	No policy on respect for human rights	The ING Bank Śląski Group has a Declaration: <a href="#">ING Bank Śląski S.A. Group Declaration on Respect for Human Rights</a> . The declaration was adopted in December 2023, its annual review was conducted in December 2024.	
	10	No due diligence process	Lack of due diligence to identify, mitigate and eliminate adverse human rights impacts	Based on the conclusions of the analysis of the international human rights guidelines carried out in 2023 and extended in 2024 (see section 11 under Social and labour issues), the operation of processes and the assurance of compliance with the guidelines in internal regulations was confirmed. We are monitoring and successively deepening our due diligence procedures at all levels of the value chain.	
	11	Lack of procedures and measures to prevent trafficking in human beings	Lack of a policy to prevent human trafficking	In accordance with <a href="#">ING Bank Śląski S.A. Group Declaration on Respect for Human Rights</a> , ING advocates the elimination of all forms of forced labour and child labour, both in its operations and in its value chain.	
	12	Activities and suppliers at significant risk of incidents of child labour	Activities and suppliers at significant risk of incidents of child labour	According to <a href="#">Supplier Code</a> , the bank's suppliers are prohibited by law from employing children under the age of 16. The bank's suppliers, in accordance with International Labour Organisation conventions, may only employ children in circumstances that fully protect them from possible exploitation, moral and physical danger, long-term health exposure and in cases that do not constitute an obstacle to education.	
	13	Activities and suppliers at significant risk of incidents of forced labour	Activities and suppliers at significant risk of incidents of forced labour	In accordance with the Code <a href="#">For Suppliers of ING Bank Śląski</a> , the bank's suppliers must not in any way benefit from or tolerate forced labour, corporal punishment or other prohibited disciplinary practices. The bank's suppliers do not have the right to force or pressure the work.	
	14	Number of identified cases of serious human rights issues and incidents	Number of cases of serious human rights issues and incidents, expressed as a weighted average	No such cases - verification of proceedings and final judgments, as well as the lack of notifications to the OECD NCP, as an element of the assessment of the Minimum Guarantees of the EU Taxonomy in own operations, described in the Management	No such cases - verification of proceedings and final judgments, as well as the lack of notifications to the OECD NCP, as an element of the assessment



				Board's Report on the activities of the ING Bank Śląski S.A. Capital Group in 2023.	of the Minimum Guarantees of the EU Taxonomy in own activities.
Tackling corruption and bribery	15	Lack of an anti-corruption and bribery policy	Lack of an anti-corruption and bribery policy in line with the United Nations Convention against Corruption	Throughout the reporting period, the bank had an anti-corruption policy in place: until March 2024 it was the “Anti-Bribery and Corruption Policy” and from April 2024. “ING Bank Śląski S.A.’s anti-corruption policy”	
	16	Cases of insufficient action being taken for breaches of anti-corruption and bribery standards	Failure to take sufficient action in the event of breaches of anti-corruption and bribery procedures and standards	No such cases.	No such cases.
	17	Number of convictions and an amount of fines for violations of anti-corruption and anti-bribery laws	Number of convictions and an amount of fines for violations of anti-corruption and anti-bribery laws	No such cases.	No such cases.
Indicators applicable to investments in government bonds and bonds issued at supranational level					
Social issues	18	Average income inequality score	Distribution of income and income inequality among participants in a given economy	Not applicable.	
	19	Average freedom of expression scores	Score that measures the degree of freedom of action of political and civil society organisations	Not applicable.	
Human rights	20	Average human rights performance	Average human rights performance of the country in which the bond was invested	Not applicable.	
Governance	21	Average corruption score	A measure of the perceived level of corruption in the public sector	Not applicable.	
	22	Tax jurisdictions reluctant to cooperate	Investments in jurisdictions on the EU list of non-cooperative jurisdictions for tax purposes	Not applicable.	
	23	Average political stability score	A measure of the likelihood of the current regime being overthrown by force	Not applicable.	
	24	Average rule of law score	Score measured in terms of levels of corruption, lack of respect for fundamental rights and deficiencies in the civil and criminal justice system	Not applicable.	



# Settlement of the 2021 Environmental Declaration

## What is this document

In the Environmental Declaration announced in 2017, we committed to a number of ESG targets relating to our business activity and our own operations. In 2021, we maintained our course by updating some of the provisions of the Declaration and set new targets for the following years. This material provides an settlement of these obligations. We are committed to transparently accounting for all the provisions of the Declaration – below is a tabular summary of the objectives with the status of implementation as at 2024 yearend, together with commentary. We have revised three of the fifty-one commitments we have made in relation to developing our level of knowledge on sustainability.

### Language of the Environmental Declaration

From the perspective of our level of knowledge today, we realise that some of the terms used in the Environmental Declaration are redundant or generic. We are currently striving to be as precise as possible in our ESG statements and all declarations must be supported by evidence. For the sake of transparency, we have retained the original language of the Environmental Declaration in the “Commitment” column, along with the redundant eco-narrative, which we do not currently use. The comments in the far-right column are already written in a current, precise language without excessive eco-jargon.

## Tabular overview of commitments – 2021 Environmental Declaration

Commitment	Implementation status	Comment
In its original wording from the Environmental Declaration	Situation as at 31 December 2024 or at the time of implementation	Comment on the status of implementation as at 31 December 2024 or as of the target date
Strategic commitments		
By the end of 2025, we will gradually reduce (until full repayment) the existing credit exposures granted to individual coal-fired power plants	In progress By the end of 2025	The entire credit commitment to coal-fired power plants has been repaid.
After 2025, we will not fund clients whose business is directly dependent on thermal coal to a degree greater than 5%	In progress By the end of 2025	As at 2024 yearend, our on-balance-sheet exposure to clients whose business is directly dependent on thermal coal to the extent of more than 5% amounted to PLN 16 million gross, a decrease of 67% y/y.
In line with the exclusion policy, for the sake of the environment, we also do not fund:  - activities associated with negative impacts on protected areas,  - activities associated with negative impacts on animal welfare,  - activities associated with the cultivation and production of tobacco products, oil palm, production and trade of palm oil,	Ongoing commitment	In line with our environmental and social risk policy, we do not finance the tobacco industry or other industries that negatively affect protected areas, forestry or animal welfare.



- activities associated with negative impacts on forestry (e.g. illegal logging or clearing of forests of special natural value).		
Business area – transformation support		
Financing of Renewable Energy Sources (RES) and pro-environmental projects – by the end of 2023 we will have allocated PLN 4.5 billion in the corporate area for this purpose	Fulfilled  By the end of 2023	Between 2015 and 2023, we provided funding of PLN 13.2 billion to finance renewable energy and environmental projects.
Support for Local Government Units in investing in pro-environmental projects (project: “Green municipality/authority”) – we are allocating PLN 500 million for this purpose until the end of 2023	Fulfilled  By the end of 2023	By the end of 2023, we have earmarked PLN 524 million to support Local Government Units in investing in pro-environmental projects.
Continuing to support and promote electromobility, including working with partners to build charging stations and promote driving in electric vehicles. ING Lease Polska to finance PLN 300 million of electric/hybrid vehicles by the end of 2023	Fulfilled  By the end of 2023	Between 2021 and 2023, we have provided PLN 337 million to support and promote electromobility in the form of leasing.
In the residential segment, we will implement an offer to finance prosumer energy projects	Fulfilled  The term is not defined	Retail clients can take advantage of the “Loan for Better” offer, which can be used for energy-efficient solutions such as property upgrades or renewable energy sources, home energy storage units for own consumption, the purchase of a bicycle, scooter or electric car. In addition, we offer retail clients a mortgage loan for energy-efficient homes with documented low energy consumption (Energy Efficient Home Loan).
We will set up a grant fund for start-ups and young Polish scientists for projects in the area of sustainable development, amounting to PLN 2 million per year	Fulfilled  Continuing commitment	By the end of 2024, we have committed a total of PLN 6 million to support ESG innovation through the six editions of the ING Grant Programme, which ran from 2022 to 2024.
We are developing a brand strategy in the area of sponsorship, towards supporting companies, organisations and initiatives that are a source of change and progress in the area of ecology – eco-innovators. By supporting and promoting their attitude, we want to inspire both companies and individual clients to break the mould and become more involved in an area that directly affects us all	Ongoing commitment	In 2024, continuing with our strategy – we engaged with young people, with ESG , including social responsibility and cyber security, as well as with entrepreneurs, owners and executives of medium and large companies. In our bank, the area of sponsorship is regulated by the “ING Bank Śląski S.A. Sponsorship Policy”, while the area of partnerships is regulated by the “Policy for Entering into Partnership Agreements with Social Organisations in ING Bank Śląski S.A.”. Both policies set out, among other things, the rules for the selection of bids, verification and cooperation with bidders and partners. In 2024, we have earmarked PLN 6.3 million for all sponsorships and partnerships, including PLN 2.0 million for ESG-related activities.
We will include ING Bank Śląski’s housing loans in TERRA, ING Group’s global initiative to, among other things, adopt long-term decarbonisation targets for its lending in line with the Paris Agreement	Fulfilled  The term is not defined	In 2021, we included housing loans in the TERRA initiative.
By 2040, we will reduce the share of our financing to the fossil fuel industry (we do not include coal, which we do not finance) by 19% with respect to 2019. The use of fossil fuels is harmful to the environment. Such fuels include gas. It is a transitional fuel for the Polish economy, thanks to which the energy transition of local businesses towards renewable energy sources can take place in an adaptive and well-planned manner. We want to help our clients effectively	In progress  By the end of 2040	In 2021, we committed to reduce the share of our funding to the fossil fuel industry by 19% by 2040 with respect to 2019. We know that the use of fossil fuels is harmful to the environment. Such fuels include gas. It is a transitional fuel for the Polish economy, thanks to which the energy transition of local businesses towards renewable energy sources can take place in a gradual and well-planned manner. We want to help our clients effectively implement transformational change, while not compromising on environmental goals.





implement transformational change, while not compromising on environmental goals.		As at 2024 yearend, our on-balance-sheet exposure to Upstream Oil & Gas corporate segment clients was 0.4 million, down by 82.8%.  In 2024, our emissions associated with the upstream oil and gas sector (Scope 1, 2 and 3) amounted to 0.7 thousand tonnes of Co2e, down by 84.2% from 2023.
Business area – transformation support – follow up from the 2017 Declaration		
In the area of retail lending, we strongly support our clients in being eco-friendly. In the area of cash loans, our clients can benefit from loans for environmental purposes. These loans are more favourably priced than other financial products offered by the bank – for example, in the case of the EKO loan, we reimburse the commission to clients who have confirmed that they have earmarked the money for a green purpose	Fulfilled  The term is not defined	The ECO Loan has been replaced by the “Loan for Better”, which can be used for such things as photovoltaic installations, the purchase of a bicycle or a scooter. If the conditions of the promotion are met, the client can receive a cash bonus of between PLN 500 and PLN 2,000, depending on the subject of the financing.
We are increasing the proportion of “green” homes in the new mortgage portfolio – the EKO offer is more affordable than the regular offer. In this way, we want to support the construction of single-family houses with low usable energy requirements for heating and ventilation (up to 40kWh/m2/year)	Fulfilled  The term is not defined	According to the current offer, the Energy Efficient Home Mortgage has better pricing conditions than other loan products offered to residential clients. All the paperwork for a mortgage loan can be done without leaving home, e.g. in the form of a video call with a specialist. On the other hand, the client can sign the loan agreement at a bank outlet or app.
Environmental protection and the responsible use of natural resources are becoming increasingly important to investors. We already offer products that are based on these criteria, such as the NN (L) Global Responsible Investing fund, in which up to 25% of investments are placed in “green” industries – e.g. water management, energy transition, closed loop economies. Together with our partners, we will be developing a range of products that tie in with eco themes	Fulfilled  The term is not defined	We act as intermediaries in the sale of investment products based on ESG criteria. These are investment funds that comply with Articles 8 (funds promoting sustainable development) and 9 (impact funds) of the SFDR. As at 2024 yearend, we have recorded both an increase in the value of assets of funds complying with Articles 8 and 9 of the SFDR compared to last year, as well as expanded our offering to include more funds promoting sustainable development (complying with Article 8 of the SFDR). As at 2024 yearend, our clients have accumulated PLN 6.3 billion in assets in these funds.  <b>Comment on the content of the commitment:</b>  The NN (L) Global Responsible Investment fund mentioned in the commitment has now changed its name to Goldman Sachs Global Responsible Investment.
We are successfully developing client service and sales in electronic banking. In this way, we reduce emissions related to means of communication and consumption of consumables	Fulfilled  The term is not defined	The commitment has been fulfilled. From the perspective of our knowledge today, we know that we should not write about this kind of optimisation in the context of ESG. These are activities that we would have carried out anyway given the costs and expectations of our clients.
Emission reduction – own economy		
We are committed to achieving climate neutrality by 2030 (no more greenhouse gas emissions than are removed from the atmosphere by natural or technological processes through our projects)	In progress  By the end of 2030  Revision of end 2024 target	In the 2021 Environmental Declaration, we committed to achieving Scope 1 and 2 climate neutrality under the GHG Protocol by 2030. It should be borne in mind that, at that time, companies, including financial institutions, for the vast majority had not yet calculated Scope 3 emissions. Today we realise that the declaration should cover all three scopes. Furthermore, today we are aware that only residual emissions can be the subject of offsets, which also has a material impact on the feasibility of the commitment in question.  In view of these developments, and in the interests of full transparency to our stakeholders, we have decided to revise our commitment to climate neutrality in the area of our own operations. We are therefore formally withdrawing from the declaration of achieving climate neutrality by 2030 as it was originally defined. However, we want to emphasise that this does not mean giving up our climate ambitions. On the contrary, we are committed to



		<p>developing a new strategy that is in line with the current understanding of climate neutrality, incorporating measures to reduce emissions and increase energy efficiency. The Strategy will include the following commitments:</p> <ul style="list-style-type: none"><li>Reducing the intensity of CO2 emissions per square meter of office space in own office buildings and rented office buildings, down by 51% from the 2019 levels at the end of 2027 (on a market-based basis), and down by 38% from the 2019 levels at the end of 2025 (on a market-based basis).</li><li>A 68% reduction in absolute emissions from owned and leased building floor space at the end of 2027 compared to the 2019 baseline, including a 56% reduction at the end of 2025 compared to the 2019 baseline.</li></ul> <p>The plan can be modified as more innovative solutions or changes in the use of space occur.</p>
To achieve this:		
We will audit the energy efficiency and greenhouse gas emissions of all our own buildings	<p>Partially fulfilled</p> <p>The term is not defined</p>	We carried out energy efficiency audits for the following own buildings: at 34 Sokolska Street in Katowice, at 50 Chorzowska Street in Katowice, at 2 Zwierzyniecka Street in Opole, at 13 Kościuszki Street in Nowy Sącz. For the remaining five own real estate properties, we do not currently plan to carry out an energy efficiency audit.
Our cars will be exclusively hybrid or plug-in by 2023. We will also gradually increase the fleet of electric cars, with the aim of achieving a reduction in CO <sub>2</sub> emissions in 2030 resulting from the use of cars of at least 36% (compared to 2019)	<p>Fulfilled</p> <p>By the end of 2023</p>	At the end of 2023, 97% of the vehicles in our fleet will be hybrid and electric cars. As at 2024 yearend, 99.5% of our fleet will be hybrid and electric. There are still 5 petrol-powered cars in the fleet – cars in Family status (caused by the lack of a hybrid family model on the market), for which the leases end in 2027.
We will implement eco-friendly technical and investment solutions, including, inter alia, exploring the possibility of installing heat pumps around one’s own buildings to support the heating system	<p>In progress</p> <p>The term is not defined</p>	We are installing heat pumps in the building at 34 Sokolska Street in Katowice. We currently heat the 2nd floor of a low-rise building this way. Heat pump installations are underway on further floors in both the low and high parts of this building. Ultimately, we will dispense with district heating throughout the building (according to our decarbonisation plan, the work for the entire building is due to be completed by the end of 2028).
<p>We will use innovative window glazing that can:</p> <p>– generate electricity,</p> <p>– regulate the room climate by saving heat energy and the amount of light and solar heat entering the room,</p> <p>– heat rooms – glazing emits heat radiation from the sun which can replace central heating</p>	<p>Fulfilled</p> <p>The term is not defined</p>	In 2024, we replaced the roof glazing of the atrium of the building at 34 Sokolska Street in Katowice with photovoltaic glazing. The new skylight will increase the amount of electricity produced by the existing photovoltaic installation. The use of 3-pane inserts in the new skylight (in place of the existing skylight with 2-pane inserts) also improves its insulation performance and therefore reduces heat loss from the atrium.
We will use state-of-the-art air conditioning and ventilation technology. We will replace the air-handling units in our buildings at Sokolska 34 Street and at 50 Chorzowska Street in Katowice with air-handling units with heat recovery of 65%	<p>Fulfilled</p> <p>The term is not defined</p>	In 2024, we completed the replacement of air handling units with heat recovery units in the buildings at 50 Chorzowska Street and at 34 Sokolska Street in Katowice and thus reduced heat consumption by 65% for these two buildings of our Katowice headquarters.
We will reduce the number of business trips by 30% (compared to 2019), moving to remote meetings	<p>Fulfilled</p> <p>By the end of 2023</p>	In 2023, the number of kilometres travelled on business trips was 52.8% lower than in 2019.



CO2 offsets arising from our operational activities		
Purchase of 100% energy exclusively from renewable sources	Fulfilled	In 2024:
	Continuing commitment	83.5% of our electricity was purchased under a framework agreement, under which the supplier was obliged to sell electricity produced entirely at the renewable energy facility.
		4.7% of the electricity was covered by guarantees of origin purchased directly by the landlords of the bank’s leased space.
		10.0 % of the electricity was covered by guarantees of origin, which the bank bought.
		1.8% – electricity was produced from photovoltaic panels installed on the company’s own properties.
The use of certificates and guarantees of origin confirms that the amount of energy we consume has been produced from specific renewable sources. At the same time, we are aware that it is not possible to transmit energy from these sources directly to the bank via the national power grids.		
By 2030, ensuring the maintenance or establishment of forested areas across 100 hectares throughout Poland.	Not fulfilled	From today’s knowledge perspective, we recognize that only residual emissions can be compensated. We have abandoned this objective as described in the declaration.
	By the end of 2030	At the same time, we see the sense and need for charitable conservation work. Therefore, in 2024 we paid two donations of PLN 2 million to the WWF Poland Foundation for the “Błota Rakutowskie” project and a donation of PLN 250,000 to the UNEP/Grid Warsaw Centre for the “Upper Biebrza Wetland Systems” project.
Signing an agreement with electricity suppliers to guarantee employees discounts on renewable energy purchases	Not fulfilled	After in-depth analysis, it became clear that we did not have the capacity to implement this measure.
	The term is not defined	
The establishment of flower meadows in cities where we have bank outlets	Not fulfilled	We realised the project of a flower meadow in front of our building at 34 Sokolska Street in Katowice.
	The term is not defined	From the perspective of our state of knowledge today, we are aware that such activities have little environmental impact, are not proportionate to our activities and should not be communicated in an ESG context. We will not continue with this type of action.
Creating CO2-absorbing murals on the buildings of the Katowice Head Office	Fulfilled	The mural was created on our building at 34 Sokolska Street in Katowice. Nevertheless, we are aware that it absorbs minimal amounts of CO <sub>2</sub> . We will not continue with this type of action.
	The term is not defined	
Circular economy (CE)		
We donate office furniture and other office equipment to foundations and schools as in-kind donations	Ongoing commitment	W 2024 year we made in-kind donations of decommissioned IT equipment (in good working order) and office furniture (approx. 250 pieces) mostly to schools, kindergartens, care facilities and charitable organisations. The value of IT equipment donated to foundations, associations and care facilities amounted to PLN 127 thousand. We also donated 20 desktop computers, 53 monitors, 325 laptops, 1 TV and 1 projector. Donations in kind were made on the basis of the <i>Procedure for the Resale / Donation / Deprocessing of Fixed Assets at ING Bank Śląski S.A.</i>



Office furniture (which is no longer used) is 100% recycled to companies with which the bank has agreements	Ongoing commitment	We resell the office furniture to our employees or donate it to schools and foundations. We pass on the remaining office furniture for further recycling to service providers.
When refurbishing our branches, we use 100% recycled materials (carpets, lamps, plasterwork, upholstery of seats), e.g. PET bottles, fishing nets, Greenguard certified with Gold and above	Ongoing commitment	We use recycled materials (carpets, lamps, armchair upholstery) as part of our ongoing refurbishments, but we cannot guarantee that this is the case 100% of the time due to the availability of such products on the market, and that all materials have this particular type of certification.
We have phased out plastic bottles from our head offices and all meeting venues in 2019 and plastic packaging in restaurants at our Katowice headquarters	Fulfilled  By the end of 2019	Commitment fulfilled.
We have optimised cash processes that require the printing of paper documents. With the introduction of Signature Pads, we have reduced paper and toner consumption	Fulfilled  The term is not defined	The commitment has been fulfilled. From the perspective of our knowledge today, we know that we should not write about this kind of optimisation in the context of ESG. These are activities that we would have carried out anyway given the costs and expectations of our clients.
We aim to fully digitise processes, thereby reducing the need to provide paper documents. We are reducing the production of paper documents in favour of electronic versions	Ongoing commitment	The commitment has been fulfilled. From the perspective of our knowledge today, we know that we should not write about this kind of optimisation in the context of ESG. These are activities that we would have carried out anyway given the costs and expectations of our clients.
Educational activities		
Together with the ING for Children Foundation, we have published a book entitled. “You too can save the world. Eco-tales from Petrushka Wola”. It touches on many important environmental topics, including smog, global warming, the problem of plastic and consumerism. It is designed for children because we believe that they can already make environmentally conscious decisions and that the good habits developed will stay with them forever. We printed our book on paper made from cellulose derived from trees growing in sustainably logged areas. The inks used in the printing contain no harmful substances and are derived from renewable raw materials. To reach as many children as possible, we will donate 25,000 books free of charge by 2023. They will go to all primary schools and public libraries along with lesson plans. The book will also go to children in our Orange ING Community. We will also donate it to the children participating in the Smiling Holidays at our ING for Children Foundation in Wisła	Fulfilled  By the end of 2023	<p>As part of our educational activities together with the ING for Children Foundation, we have donated 10,100 copies of the children’s book “You too can save the world. Eco-tales from Petrushka Wola”, published by our bank. Our target from the Environmental Declaration was 25,000 units by the end of 2023. However, due to the rising costs of printing and distributing books, we had to change the implementation of this objective – we created an attractive online educational package (an electronic version of the book and an audio book). We reached more than 14,000 people with the book in electronic form (100%) of primary schools in Poland. We have included pdf and multimedia scenarios in such a package for schools. The entire package including the book, audiobook and English version of the book is available on the Foundation’s website.</p> <p>In 2024, the ING for Children Foundation, together with the Children’s Time Foundation, completed a competition to promote climate literacy for primary schools (<a href="https://tytezmozeszuratowacswiat.pl/">https://tytezmozeszuratowacswiat.pl/</a>). Ten winners were selected. The highest ranked school was visited by Justyna Bednarek – author of the book “You too can save the world. Eco-tales from Petrushka Wola”. All podium places received PLN 5,000 to implement a school project to support children’s environmental education according to their own ideas. Information about the competition reached 13,000 schools. 1,209 groups and 11,221 children took part.</p>
We will work together in community partnerships for environmental education. Between 2021 and 2023, together with partners, we will implement a climate change education programme involving several hundred primary schools	Fulfilled  By the end of 2023	Fulfilled, as intended. Between 2021 and 2023, together with external partners, we delivered a climate change education programme to several hundred primary schools. More than 34,000 students from 416 schools in 307 locations across the country took part in the first edition of the “We Save the World” programme, which ended in 2023. W 2024-2025, we continue to work together as part of the “We Will Save the World” programme (2nd and 3rd editions).





In marketing communications, we will continue to inspire and encourage Poles to be pro-environmental and change their habits	Ongoing commitment	We emphasise the importance of environmental protection in our marketing communications, educational campaigns for our employees, publications and participation in public debate. In 2024, we ran a campaign to promote a mortgage, including a loan for an energy-efficient home. We promoted 2 editions of the Grant Programme, which sought innovative ideas to solve environmental problems. Our experts have spoken in debates on the state of the environment and needed action at the European Economic Congress (EEC), European Financial Congress (EFC), and Open Eyes Economy Summit (OEE). Thanks to this we are perceived by Poles as a bank that supports pro-environmental attitudes – we have retained our second position in the brand survey conducted by Kantar and even significantly reduced the gap to the leader.
We will continue to actively participate in the public debate on sustainability issues (including issuing regular GreenING Monitor reports and other industry reports in cooperation with partners)	Ongoing commitment	Every year, the bank’s representatives and employees participate in key events on the topic of sustainability, such as, among others: European Economic Congress, European Financial Congress, EEC Trends, Open Eyes Economy Summit, GreenPact.
Building employee awareness and involvement		
At the ING for Children Foundation, in addition to the existing Good Idea volunteering programme, we will set up a special “My Environment” eco-fund worth PLN 300,000 per year for voluntary eco-initiatives. This will enable us to implement eco-projects for the benefit of local communities. The fund will be boosted by, among other things, the proceeds from the furniture bought back by our employees	Ongoing commitment	<p>We have implemented three editions of the “My Environment” volunteer programme:</p> <ul style="list-style-type: none"><li>1st edition 2021-2022: 33 projects were implemented for a total of PLN 392,287, commitment. 286 ING volunteers took part in the projects.</li><li>2nd edition 2023: The jury awarded financing of PLN 384,819 to 48 projects. 450 ING volunteers took part in the projects.</li><li>3rd edition 2024: The jury awarded financing totalling PLN 307,650 to 40 projects. A total of 453 ING volunteers took part in ongoing projects.</li></ul> <p>In February 2025, we announced the fourth edition of the programme.</p>
We are proactive, promoting pro-environmental behaviour and healthy lifestyles among employees (organising webinars, competitions, awareness-raising activities)	Ongoing commitment	<p>In 2024, we promoted ESG values to employees in the following events:</p> <ul style="list-style-type: none"><li>&gt;6,000 people during the “Run Warsaw” and “I’m Marching and Cheering” events in 2024.</li><li>Responsible fashion without secrets – in November 2024, we invited employees to a series of webinars on responsible fashion, during which we discussed fast fashion, minimalism and vintage, among other topics, with experts. At the same time, we organised a clothes swap in Katowice and Warsaw. And all to learn and understand how to dress more consciously.</li><li>Electromobility Day – this event for employees was not only an overview of modern electric vehicle solutions, but also an opportunity to exchange ideas and inspiration. Participants had the opportunity to listen to inspiring speeches and talk to experts. The event culminated in the presentation of electric and hydrogen car models. Everyone was able to see the latest technological gems and see that electromobility has ceased to be the domain of a narrow audience and has become widely available.</li></ul>
We will maintain a dialogue with external and internal stakeholders on various aspects of the environment and the fight against the climate crisis in order to best respond to their needs and proposals for action (in the format of, among other things, a “round table”, which we initiated in 2019)	Ongoing commitment	In 2024, we delivered a series of Business Banking Roundtables in 9 cities across Poland. Together – with more than 150 companies, experts and partners – we discussed the challenges and opportunities of transformation and sustainability.
Monitoring, management, reporting		
It is important to continuously monitor our activities and create a long-term strategy, which is why we are setting up a Sustainability Council at ING, where we will periodically discuss and summarise not only the tasks related to this	Ongoing commitment	In 2022, the Management Board of ING Bank Śląski established two committees in the organisational structure of the bank: ESG Council and ESG Risk Committee. These committees have decision-making functions vis-à-vis all organisational units of the Bank and advisory functions vis-à-vis the Bank Management Board for matters requiring its approval.



Environmental Declaration, but also other activities within the ING Bank Śląski Sustainability Strategy		<p>In 2022, the Centre of Expertise ESG Innovation (coordinating activities related to the building and implementation of ESG goals and the functioning of the ESG Council) and the ESG Risk Team within the Risk Regulation Department have also been established at the bank. In 2024, the ESG Risk Team together with the Sector and Portfolio Analysis Team and formed the ESG Risk Management Department.</p> <p>To achieve our ESG objectives, we have adopted two ways of working. The ESG Transformation Programme has been set up to carry out new, complex, multi-faceted tasks. In contrast, the relatively homogeneous topics that we have been pursuing for a long time and where we have already reached an appropriate level of maturity have been carried out in interdisciplinary teams – e.g. in guilds, which take care of the continuity of the work and its synergy.</p>
We are committed to being transparent about our activities. For this reason, environmental topics have occupied an important place in our reporting process for many years. Thus, we are committed to continuing to monitor indicators related to our environmental impact and to report them regularly to internal and external stakeholders in accordance with the best practices	Ongoing commitment	We regularly monitor and report on the effects of sustainability measures. Internally, this is done at Committee level – ESG Council and ESG Risk. We report on the implementation of the ESG strategic objectives and key activities in this area in the bank's external reporting (quarterly performance presentations and the Management Report).

Society is moving towards a low-carbon economy. Our clients do it, we also do it at ING. We fund many sustainable activities, but still more of those that are not. Check how we are doing – go to [esg.ing.pl](https://esg.ing.pl).



# Fuel consumption in the organization

Fuel consumption by source								
kWh							Change 2024 vs:	
	2019	2020	2021	2022	2023	2024	2019	2023
Natural gas	3,281,392	3,268,420	2,913,799	2,660,371	2,448,796	2,154,372	-34.3%	-12.0%
Fuel oil	254,904	109,969	125,206	166,935	201,292	113,467	-55.5%	-43.6%
Coal	10,386	9,939	10,045	0	0	0	-100%	-
Petrol fuel	7,001,446	6,754,521	8,385,374	10,381,752	12,221,174	12,315,037	75.9%	0.8%
Diesel – car fleet	7,924,293	3,119,900	1,557,702	1 062 482	111 175	27 115	-99.7%	-75.6%
Diesel – power generators	176,984	234,346	247,507	210,814	148,868	114,986	-35.0%	-22.8%
TOTAL Scope 1	18,649,406	13,497,095	13,239,632	14,482,354	15,131,304	14,724,977	-21.0%	-2.7%
Electric energy	32,916,393	27,657,936	26,036,931	25,082,811	23,195,147	20,974,275	-36.3%	-9.6%
Cooling	1,223,365	1,172,761	662,812	1,128,154	1,133,127	1,007,839	-17.6%	-11.1%
District heating	14,597,698	14,268,466	15,470,384	12,563,273	11,422,389	9,888,219	-32.3%	-13.4%
TOTAL Scope 2	48,737,456	43,099,163	42,170,127	38,774,238	35,750,663	31,870,332	-34.6%	-10.9%
TOTAL Scope (1-2)	67,386,862	56,596,258	55,409,759	53,256,592	50,881,967	46,595,310	-30.9%	-8.4%

Business travels								
							Change 2024 vs:	
km	2019	2020	2021	2022	2023	2024	2019	2023
Business travels by company cars	26,164,962	19,089,186	19,481,296	22,427,544	24,276,413	24,240,130	-7.4%	-0.1%
Air travels	2,222,780	314,885	24,220	612,498	1,074,585	1,304,802	-41.3%	21.4%

The electricity we produce (photovoltaic panels)								
							Change 2024 vs:	
kWh	2019	2020	2021	2022	2023	2024	2019	2023
Electric energy	3,870	43,280	78,137	138,366	304,755	385,388	9858.3%	26.5%
% of electricity consumed	0.01%	0.16%	0.30%	0.55%	1.30%	1.80%	-	-



# Legal changes

## Changes in the banking sector regulations

Name	Effective date	Description
<a href="#">Act of 7 July 2023 amending certain laws to mitigate certain effects of identity theft</a>	22 July/17 November 2023/1 June 2024	The solutions provided by the law allow the data subject to reserve and withdraw the reservation of the Polish National Identification Number free of charge. The law requires banks to verify that the Polish National Identification Number is reserved, inter alia, before entering into or amending certain agreements.
<a href="#">Recommendation J on rules on collection and processing of real estate market data by banks</a>	31 December 2023 / 31 March 2024	The new Recommendation J replaced the 2012 document. Recommendation J is a set of good practices for the collection and processing by banks of real estate market data contained in internal and external databases to support the risk management process of mortgage-backed credit exposures.
<a href="#">Commission Delegated Regulation (EU) 2023/2772 of 31 July 2023 supplementing Directive 2013/34/EU of the European Parliament and of the Council with regard to sustainability reporting standards and</a> <a href="#">Act of 6 December 2024 amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Supervision and certain other acts</a>	01 January 2024 / 01 January 2025	The law is related to the implementation of the (EU) Directive 2022/2464 (CSRD). The provisions of the Act relate to the imposition of new sustainability reporting obligations, the attestation of such reports by auditors, and the obligations of audit committees in this regard. For large entities (such as a bank), reporting under the new rules for the first time will occur for 2024 (report published in 2025). Regulation 2023/2772 sets out the European Sustainability Reporting Standards (ESRS) that apply to the new reporting.
<a href="#">Act of 14 April 2023 amending the act on tax on goods and services and certain other acts</a>	1 January 2024	<p>The Act introduced into the Polish legal system Council Directive (EU) 2020/284 of 18 February 2020, amending Directive 2006/112/EC regarding the introduction of certain requirements for payment service providers (OJ EU L 62 of 02.03.2020, p. 7) – the so-called CESOP reporting, a central electronic system for payment information.</p> <p>National banks, branches of foreign banks, credit institutions, payment institutions and Cooperative Savings and Credit Unions were obliged to keep, store and send to the head of the National Revenue Administration records of cross-border payments if a payment service provider makes more than 25 payments to the same payee in a quarter. Reporting takes place on a quarterly basis in .xml format.</p> <p>A payment is considered to be cross-border when the payer in question is located in the territory of one Member State of the European Union and the payee is located in the territory of another Member State or in the territory of a third country.</p>
<a href="#">Act of 26 May 2023 amending the Act on Value Added Tax and certain other Acts and the Act of 16 August 2023 amending certain Acts in connection with ensuring the development of the financial market and the protection of investors in that market</a>	1 January 2024	<p>In addition to the changes to VAT as part of the SLIM VAT 3 package, the Act introduced several key changes to CIT and PIT relating to, among other things:</p> <ul style="list-style-type: none"><li>• changes to the way tax is accounted for on income from investment funds earned by individuals,</li><li>• the ability to offset income and losses from investments in equity funds with income and losses from other equity investments,</li><li>• extending the wording of the subject matter exemption for equity funds,</li><li>• extending the concept of income earned by a non-resident on Polish territory,</li><li>• determining the tax treatment of income from the issuer’s redemption of bonds on which periodic benefits are due,</li></ul>





		<ul style="list-style-type: none"><li>the obligation for brokerage firms or investment firms maintaining securities accounts to charge a flat rate tax on interest or discount on bonds.</li></ul>
<a href="#">Regulation (EU) 2024/886 of the European Parliament and of the Council of 13 March 2024 amending Regulations (EU) No 260/2012 and (EU) 2021/1230 and Directives 98/26/EC and (EU) 2015/2366 as regards immediate transfer orders in euro</a>	8 April 2024 subject to transitional provisions	Regulation (EU) No. 260/2012 of the European Parliament and of the Council provides the basis for the Single Euro Payments Area (SEPA). The amendment to the Regulation provides for the definition of specific requirements applicable to immediate transfer orders in euro, in addition to the general requirements applicable to all transfer orders. The Regulation also contains provisions on verification of the recipient of transfer orders, screening for restrictive measures and reporting obligations.
<a href="#">Act of 12 April 2024 amending the Act on support for borrowers who have taken out housing loans and are in financial difficulty and the Act on community financing for economic undertakings and assistance to borrowers</a>	15 May 2024	The Act temporarily extends the protective arrangements in the form of credit holidays (possibility to suspend mortgage loan repayments for two months from 1 June 2024 until 31 August 2024 and for two months from 1 September 2024 until 31 December 2024). It also aims to increase the use of the Borrower Support Fund.
<a href="#">Recommendation U on good bancassurance practices</a>	1 July 2024	The new Recommendation U replaced an earlier version that had been in force since 2014. The aim of Recommendation U is to improve the standards of bancassurance business and to set the conditions for the stable development of the bancassurance market.
<a href="#">Act of 9 May 2024 amending the Act amending the Value Added Tax Act and certain other acts</a>	1 July 2024	The aim of the law is to extend the date of entry into force of the provisions concerning the obligation for VAT taxpayers to issue structured invoices using the National e-Invoice System (KSeF) until 1 February 2026.
<a href="#">Act of 23 May 2024 amending the Act on exchange of tax information with other states and certain other acts</a>	1 July 2024	<p>The primary purpose of the Act is to implement the provisions of Council Directive (EU) 2021/514 of 22 March 2021 amending Directive 2011/16/EU on administrative cooperation in the field of taxation of Laws of EU L 104 of 25.03.2021, p. 1), hereinafter: DAC7. The amendments introduced under DAC7 extend the existing provisions of Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC of Laws of EU L 64, 11.03.2011, p. 1, as amended) imposing new reporting requirements on digital platform operators.</p> <p>By virtue of the amendment, Article 30 of the law on the exchange of tax information with other countries was repealed and replaced by Article 6b, which imposes an obligation to inform each individual to whom the information relates that the information will be collected, processed and transmitted in accordance with this law.</p> <p>At the same time, this Act has introduced an additional obligation for facilitators and promoters with regard to the protection of individuals' personal data.</p>
<a href="#">Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 amending Regulation (EU) No 575/2013 as regards requirements for credit risk, credit valuation adjustment risk, operational risk, market risk and the minimum capital threshold</a>	9 July 2024 / 1 January 2025	The CRR3 Regulation was published in a package with the CRD VI Directive (European Parliament and Council Directive (EU) 2024/1619). The new rules implement elements of the Basel III regulatory reforms into EU law. They concern, inter alia, the minimum capital threshold, the areas of credit, market and operational risk, as well as ESG risk.
<a href="#">Recommendation on the Long-term Funding Ratio</a>	18 July 2024	The aim of the introduction of the WFD Recommendation is to reduce the risks associated with the current structure of mortgage finance and to change this structure by increasing the share of long-term debt instruments in banks' liabilities relative to the value of mortgage loans granted.



[Law of 14 June 2024 on the protection of whistleblowers](#)

25 September / 25 December 2024

The law aims to implement Directive 2019/1937 of the European Parliament and of the Council (EU) on the protection of whistleblowers. The provisions of the Act regulate the conditions under which whistleblowers who report or disclose information about violations of the law to the public are protected, as well as the means of such protection. They refer to the rules for establishing an internal whistleblowing and follow-up procedure, as well as the rules for reporting whistleblowing to a public authority.

[Recommendation G on interest rate risk management in banks](#)

31 December 2024

The new Recommendation G (replacing the 2002 document) is a set of good practices expected by the PFSA for managing interest rate risk in banks and keeping the risk-sensitive volatility of the financial result and measures of economic value within limits that do not threaten bank security. The recommendation takes into account the current landscape of products that generate interest rate risk and techniques for managing this risk.

[Act of 6 November 2024 on compensatory taxation of component units of international and national groups](#)

1 January 2025

The Act implements into the Polish legal order the provisions of Council Directive (EU) 2022/2523 of 14 December 2022 on ensuring the global minimum level of taxation of multinational enterprise groups and large domestic groups in the European Union (Journal of Laws of EU L 328 of 22.12.2022, p. 1), also referred to as a top-up tax.

The new rules will apply to constituent entities of a multinational group or a national group if, in at least two of the four tax years immediately preceding the tax year, they have achieved group revenue (as shown in the group's consolidated accounts) of at least €750 million.

Equalisation tax is a new type of taxation that aims to ensure that the income of the constituent units of international and domestic groups is taxed at least at a minimum rate of 15% in each jurisdiction in which they operate. This is in response to the challenges of tax optimisation and shifting profits to low-tax jurisdictions. This law provides for the introduction of 3 main types of compensatory taxes:

- Global Income Inclusion Rule (IIR), a tax levied on the ultimate parent company in a group, which will be liable to pay the relevant compensation tax if its low-taxed subsidiaries in other jurisdictions do not achieve the minimum effective tax rate.
- Qualified Domestic Minimum Top-up Tax (QDMTT), unlike IIR, the right to collect this tax stays in the state where the low-taxed component units of the group are located. This tax is designed to ensure that income generated in Poland is taxed at a minimum level, even if the parent company is located in another country.
- Undertaxed Payments Rule (UTPR), a tax imposed on group entities located in a jurisdiction when the parent company operates in a country that has not implemented the IIR rules. In such cases, Polish entities will be required to pay a top-up tax.

The introduction of the regulation made it necessary for Polish companies that are part of international capital groups to adapt to the new regulations.

In the event that the effective tax rate calculated according to the standards of these regulations is less than 15%, companies will be required to pay a national or global top-up tax.

Global tax calculations will be based on specific provisions introduced by the Act. Due to differences in the tax systems of countries obliged to implement the global tax principles, tax calculations for the purposes of compensatory taxation will, in principle, be based on data resulting from the accounts (with appropriate adjustments).

[Act of 19 November 2024 amending the Act on Agricultural Tax, the Act on Local Taxes and Fees and the Act on Stamp Duty](#)

1 January 2025

The amendment envisages changes to, inter alia, the real estate tax enforced by the implementation of the Constitutional Court's judgment of 4 July 2023, ref. SK 14/21.

The changes in this respect include the introduction of new legal definitions of the terms building, structure, construction work, permanent connection to the ground, and the residential part of a residential building, as well as the introduction of Annex 4 to the Act, which contains categories of objects that are constructions.



		The Act also contains a transitional provision, according to which taxpayers for whom a real estate tax liability arises ex lege in 2025 may submit real estate tax declarations for 2025 by 31 March 2025 if they meet the conditions set out in the Act.
<a href="#">Regulation of the Minister of Finance of 16 August 2024 on additional data to be added to the accounts to be submitted under the Corporate Income Tax Act</a>	1 January 2025	From 1 January 2025, the largest CIT taxpayers will be obliged to keep their accounts exclusively in electronic form and to send the JPK_KR_PD and JPK_ST structure (collectively as “ <b>JPK-CIT</b> ”) to the tax authorities on an annual basis. JPK, or the Single Control File, is an electronic document containing a collection of taxpayers’ data that contains information on the economic operations of a specific period of the fiscal year. Its purpose is to facilitate the monitoring, analysis and detection of tax irregularities. JPK-CIT is a new way to send ledger data in an xml data schema. With JPK CIT files, their structure will be based on the JPK_KR structure adapted to the specifics of corporate income taxpayers.
<a href="#">Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022 on operational digital resilience in the financial sector and amending Regulations (EC) No 1060/2009, (EU) No 648/2012, (EU) No 600/2014, (EU) No 909/2014 and (EU) 2016/1011</a>	17 January 2025	A new regulation (known as DORA) sets out requirements for financial entities in relation to the management of risks associated with the use of information and communication technologies (ICTs), including the reporting of serious ICT-related incidents and the testing of operational digital resilience. DORA also contains provisions on agreements entered into by financial entities with external ICT service providers and rules on the establishment and operation of a framework for the supervision of key external ICT service providers providing services to financial entities.
<a href="#">Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 on laying down harmonised rules on artificial intelligence (Artificial Intelligence Act)</a>	02 February 2025 / 02 August 2026	The new regulations set out the obligations of providers and users of AI-based systems. The extent of the requirements depends on the level of risk represented by the system in question. Among others, systems for credit assessment, as well as employee recruitment and management, were classified as high-risk systems. The regulation also identifies prohibited AI practices.
<a href="#">Act of 26 April 2024 on ensuring that economic operators meet the accessibility requirements of certain products and services</a>	28 June 2025	The Act sets out the accessibility requirements for products and services and the related obligations of economic operators. The provisions of the Act apply, inter alia, to products such as payment terminals, ATMs and deposit machines, as well as services such as retail banking. The requirements of the Act relate in particular to the provision of information in a specific, accessible form, websites and mobile apps. With regard to retail banking, in particular, the perceptibility, functionality, comprehensibility and compatibility of consumer identification methods, electronic signatures, security and payment services are to be ensured.





## Dictionary

**Add-on** – Imposed on the capital requirements in keeping with Regulation No. 575/2013 (CRR).

**Agile** – It is a new way of working at selected bank units, adopted from the IT sector. It enables fast response to changing client and market needs.

**AIRB** Advanced Internal Rating-Based – is an advanced internal rating method used to measure credit risk.

**ALCO / ALCO Committee** Asset-Liabilities Committee.

**Bank levy** – a popular name of the tax on certain financial institutions. a tax of 0.0366% per month (0.44% per annum) is levied on the value of assets at the end of the month after previous deductions.

**BGF** – Bank Guarantee Fund – a deposit guarantee and resolution scheme. BGF guarantee covers deposits being the equivalent of up to EUR 100,000. .

**BGK** – Bank Gospodarstwa Krajowego – a state-owned development bank. The main task of BGK is to support economic development of Poland and improve the quality of life for Poles.

**BIK** – Credit Information Bureau – an institution that processes information on the timeliness of repayment of financial obligations of natural and legal persons.

**BRRD** Bank Recovery and Resolution Directive – Directive of the European Parliament and of the Council on the recovery and resolution of credit institutions and investment firms.

**Capital conservation buffer** – An element of macroeconomic supervision of the banking sector. Buffer imposed on all banks; it must consist of the highest quality capital (Tier 1) and amounts to a maximum of 2.5% of the

capital requirement. In 2016-2017, it was 1.25%; in 2018, it went up to 1.875%; and in 2019 has increased to 2.5%.

**Carbon footprint** – The total set of greenhouse gas emissions caused directly or indirectly by an individual, organisation, event or product.

**Compliance** – Ensuring observance of laws, norms and standards, and recommendations.

**Corporate segment** – Simply: natural persons running their own business, clients of mid and big companies segments and strategic clients.

**Cost share ratio (C/I)** Cost to Income ratio – Ratio calculated as the ratio of operating expenses (excluding bank levy) to income, including net profit of associates consolidated by the equity method.

**Costs of risk** – Pursuant to IAS 39: the balance of provisions made and released under impairment of assets, credit facilities and cash loans granted to clients, first and foremost. Under IFRS 9: the balance of the allowance for expected losses and the provision for legal risk of foreign currency mortgage loans.

**Coverage of the loan portfolio in stage 3 with write-offs - NPL coverage ratio.** Ratio of impairment allowances on loans and other receivables granted to clients to impaired loans and other receivables granted to clients. Under IFRS 9, it is the ratio of the write-downs of receivables in stage 3 and POCI to the value of these receivables.

**CPI** – Consumer Price Index that measures changes in the price level of consumer goods and services. The most popular global inflation/deflation index.

**Credit rating** – Evaluation of the ability of a legal entity drawing a loan to repay the debt in full that is to repay interest and principal on the

contractual terms and conditions. The entity can be both a company and a state, for example.

**Credit Value Adjustment (CVA)** – The credit value adjustment resulting from the difference between the risk-free value of the portfolio and the real value of the portfolio, which includes the possibility of counterparty default.

**CRR** – Regulation (EU) No 575/2013 of the European Parliament and of the Council.

**CSR** – Corporate Social Responsibility.

**DORA** - *Digital Operational Resilience Act*, Regulation on the digital operational resilience of the financial sector, which defines a new European framework for effective and comprehensive management of digital risks in financial markets.

**EBA** – European Banking Authority.

**ESG** – Enviromental, Social, Governance – an acronym for environmental, social and corporate governance factors respectively.

**ESR** Environmental and Social Risk.

**Factoring** – Purchase by the factor of not past-due receivables of companies (clients) due thereto from business partners (offtakers) under delivery of goods and services.

**Funding cost** – interest cost/ average interest liabilities for 5 subsequent quarters.

**GDP** – Gross Domestic Product – Aggregated market value of goods and services produced by national and foreign factors in a given country and in a given period.





**Guarantee** – a bank guarantee is a written commitment of the bank to pay the amount given there to the beneficiary on the terms and conditions stated therein. The agreement is, however, of securing nature only. It is not a tool to settle commercial agreements.

**IAS** – International Accounting Standards; gradually superseded by the IFRS, i.e. International Financial Reporting Standards.

**ICAAP** – Internal Capital Adequacy Assessment Process – this is a model for estimating internal capital.

**IFRS** – International Financial Reporting Standards and their interpretations approved by the International Accounting Standards Board.

**ILAAP** – Internal Liquidity Adequacy Assessment Process – this is a model for estimating liquidity resources.

**Integrated thinking** – An organisation’s active consideration of the relationships between its various operational and functional units and capitals – the resources and relationships that the organisation uses or influences in its business activities. Integrated thinking leads to integrated decision-making and actions that take into account the creation, preservation or erosion of value in the short, medium and long term for the organisation, capitals and the external environment.

**Interest assets** – Assets earning interest income for the bank; loans granted to clients form their major portion.

**Interest margin ratio** – Annual net interest result / average interest assets for 5 consecutive quarters.

**International Integrated Reporting Council (IIRC)** – International Committee for Integrated Reporting.

**LCR** Liquidity Coverage Ratio. Computed as a ratio of very liquid assets to short-term liabilities. It is introduced in stages. The minimum value is: 60% in 2014 and 2015, 70% in 2016, 80% in 2017 and 100% starting from 2018.

**Leasing** – The agreement, whereunder the owner of an assets item (lessor) provides the user (lessee) with the right to use the assets item for a defined period in exchange for payment or a series of payments.

**Loans and other receivables from clients (gross/net)** – unless otherwise indicated, includes all receivables from clients regardless of the valuation model adopted.

**Loans/Deposits (L/D) ratio** – Loans and other receivables granted to clients net of liabilities to clients.

**Minimum Requirement for own funds and Eligible Liabilities (MREL)** – minimum level of own funds and liabilities subject to write down or conversion. The institution transposed into Polish law under the Act on the Bank Guarantee Fund, Deposit Guarantee Scheme and Resolution of 10 June 2016.

**Monetary Policy Council (MPC)** – a body of the National Bank of Poland (NBP). Its tasks include but are not limited to determining the NBP interest rates.

**Mystery Shopper** – One of the methods used to score the client service satisfaction where service quality is assessed during client sales and service points visits.

**NBP** – National Bank of Poland – a central bank which acts as the issue bank, the bank of banks and the central state-owned bank.

**Non-performing loans (NPL)** – in simple terms, these are ‘bad’ loans; this means that clients fail to repay their loans on time or are very likely not to

do so in the future. Pursuant to IFRS 9 the term covers receivables reflected in Stage 3 and POCI (purchased or originated credit impairment) assets.

**NPS** Net Promoter Score – a method for assessing client loyalty. Client database is split into three categories: promoters, neutral clients and detractors. NPS ratio is the difference between the share of promoters and detractors in the entire client database.

**NSFR** Net Stable Funding Ratio. It is computed as the ratio of available stable funding to require stable funding. In accordance with the Regulation of the European Parliament and of the Council (EU) No 876/2019, the minimum level of the ratio is 100% and is valid from the end of June 2021.

**OHI** Organisational Health Index – a survey of organisational health.

**Other Systemically Important Institution Buffer** – is part of the macro-prudential supervision of the banking sector. The buffer is imposed on banks of systemic importance on both the standalone and consolidated bases. The buffer takes values from 0% to 2% of the capital requirement.

**Own funds** – Funds comprising Tier 1 capital (comprising, inter alia, share capital, supplementary capital, reserves, retained earnings) and Tier 2 capital (comprising, inter alia – with the approval of the relevant supervision authority – subordinated liabilities).

**PACE** – An organised process boosting innovations across ING Group. It fosters a fast market launch of new products and services, developed by small and independent scrums.

**PD** Probability of Default – a measure of the likelihood of default.

**PFSA** – Polish Financial Supervision Authority – supervises the banking sector as well as the capital, insurance and pension markets, payment institutions and payment services offices, electronic money institutions and the sector of credit unions.



**RAS** Risk Appetite Statement – a document that sets out the maximum amount of risk the group is prepared to accept against a given type of risk.

**Retail segment** – Simply: natural persons and natural persons running business.

**Return on Assets (ROA)** Return On Assets – annual net profit / average assets for 5 consecutive quarters.

**Return on Equity (ROE) – adjusted for MCFH** – Return on equity adjusted for MCHF excluding the revaluation reserve for the cash-flow hedging instruments – net profit/ average equity for 5 subsequent quarters (excluding the revaluation reserve for the cash-flow hedging instruments).

**Return on Equity (ROE)** Return On Equity – annual net profit / average capital value over 5 consecutive quarters.

**Risk cost margin ratio** – Net loan loss provisions (pursuant to IFRS 9: allowances for expected credit losses and provisions for legal risk of foreign currency mortgage loans) to the average value of the gross loan portfolio for 5 consecutive quarters.

**Share of loans in stage 3 and POCI** – Non-Performing Loans Ratio – simplified, this is the share of “bad” loans in the total gross loan portfolio. Under IFRS 9, this is the share of Stage 3 and POCI receivables in the total gross receivables portfolio.

**SREP** – Supervisory Review and Evaluation – One of the supervisory tools of the Polish Financial Supervision Authority. The aim of the BION process is to identify the size and nature of the risk to which the bank is exposed, to assess the quality of the risk management process, to assess the level of capital covering the risk arising from the bank’s operations and bank management.

**SWIFT** Society for Worldwide Interbank Financial Telecommunication. SWIFT participates in international transactions between financial institutions.

**Tier 1** – Top-quality capital, computed in line with Basel III regulations.

**Tier 1 capital ratio** – Ratio of Tier 1 capital to assets and off-balance sheet liabilities including risk weights; ratio calculated in accordance with Basel III regulations.

**Total capital ratio (TCR)** – Calculated as the ratio of own funds to assets and off-balance sheet liabilities including risk weights; a ratio calculated in accordance with Basel III regulations.

**United Nations Environment Program Finance Initiative** – a global partnership between the United Nations and over 200 representatives of the world financial sector. The partnership seeks to promote sustainable funding.

**United Nations Global Compact** – The largest global initiative gathering business striving after sustainable growth.

**Value at Risk (VaR)** – this indicator measures the potential loss that is expected not to be exceeded given a certain level of probability.

**WCAG** – International guidelines on making Web content more accessible. These guidelines read how to make content accessible to everyone, regardless of one’s ability, age, equipment or software.

**WIBOR** Warsaw Interbank Offered Rate – It is a reference interest rate of loans on the Polish interbank market.

**WIRON 1M Compound Rate** – a benchmark index that is determined in accordance with the WIRON Compound Index Family Regulations. The index is administered by WSE Benchmark SA, based in Warsaw. For more

on the current value and how the WIRON index is developed, see the administrator’s website: <https://gpwbenchmark.pl/>



# Management Board statement

## Truthfulness and reliability of the reports presented

To the best knowledge of the Management Board of the Bank, the financial data for 2024 and the comparable data presented in the Annual Financial Statements of ING Bank Śląski S.A. and the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Capital Group have been prepared in accordance with the applicable accounting principles and reflect in a true, fair and clear manner the asset and financial position of the Bank and the Bank Capital Group and the financial result achieved by the Bank and the Bank Capital Group. The Management Report contained herein gives a true picture of the development, achievements and situation (including a description of the main risks and threats) of the Bank and the Bank Group in 2024.

In the opinion of the Management Board, this Management Report on ING Bank Śląski Group 2024 has been prepared in accordance with the Integrated Reporting Guidelines (*The International<IR>Framework*).



SIGNATURES OF MEMBERS OF THE MANAGEMENT BOARD OF ING BANK ŚLĄSKI S.A.

2025-03-05	Brunon Bartkiewicz President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Joanna Erdman Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Marcin Giżycki Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Bożena Graczyk Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Ewa Łuniewska Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Michał H. Mrożek Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Sławomir Soszyński Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature
2025-03-05	Alicja Żyła Vice-President of the Bank Management Board	The original Polish document is signed with a qualified electronic signature