

# ING Bank Śląski S.A.

General Meeting

Katowice, 26 April 2023



# Summary of strategy accomplishment in 2022

Objective	Implementation in 2022
Increase in client activity and digitization	<ul style="list-style-type: none"> <li>2.1 million primary clients in the retail segment (4.4 million total) and 205,000 primary clients in the corporate segment (533,000 total)</li> <li>NPS results: 25 for retail clients, 42 for entrepreneurs, 42 for SME, 49 for mid-corporates and 81 for strategic clients</li> <li>Moving servicing of entrepreneurs to ING Business</li> </ul>
Operating effectiveness, AI and data management	<ul style="list-style-type: none"> <li>228 meeting points and 55 cash service outlets</li> <li>The number of clients per FTE of the Operations Division – 2,800</li> </ul>
Motivation and commitment, strong teams	<ul style="list-style-type: none"> <li>Employee NPS score is 53 points</li> <li>OHI score of 84 points</li> <li>Percentage of internal recruitments for management positions – 65%</li> <li>Recruitment time – 50 days</li> </ul>
Stability, accessibility, modernness	<ul style="list-style-type: none"> <li>Moje ING availability is 99.98% and ING Business is 99.86%</li> <li>Percentage of applications migrated to the cloud – 6%</li> <li>Control automation – 35%</li> </ul>
Compliance with regulatory requirements	<ul style="list-style-type: none"> <li>Non-financial risk level – 2.2</li> <li>Compliance Risk level – 2.5</li> <li>No delays in the area of implementation of audit recommendations</li> </ul>
Sustainable development	<ul style="list-style-type: none"> <li>Gender pay gap is 4 p.p.</li> <li>Total new funding for RES between 2015 and 2022 is PLN 3.2 billion</li> </ul>



Dynamics of the gross loan portfolio

+7% y/y

+14% y/y

Dynamics of net fees and commissions

Cost-to-income ratio\*

47.2%

48 bps

Cost of risk margin\*\*

Total capital ratio

15.23%

80.4%

Loan-to-deposit ratio

Return on equity\*\*\*

10.2%

\*without bank levy; \*\*without legal risk costs of FX mortgage portfolio; \*\*\*adjusted for MCFH





# Summary of the implementation of the Environmental Declaration in 2022

**PLN 3.2 billion** for RES funding in 2015-2022

**PLN 524 million** for the financing of pro-environmental projects for local authorities in 2019-2022

**PLN 262 million** in investment funds complying with Articles 8 and 9 of the SFDR at the end of 2022

**PLN 242 million** for the support and promotion of electromobility in 2021-2022

**2 editions** Grant Programme implemented during 2022

**-25.7%**

lower carbon footprint in scope I and II relative to the baseline year (2019)\*

**PLN 322 million gross**

balance sheet exposure to "coal\*\*" clients at the end of 2022\*\*\*

**PLN 5.4 million gross**

balance sheet exposure to the fossil fuel mining industry\*\*\*\* at the end of 2022

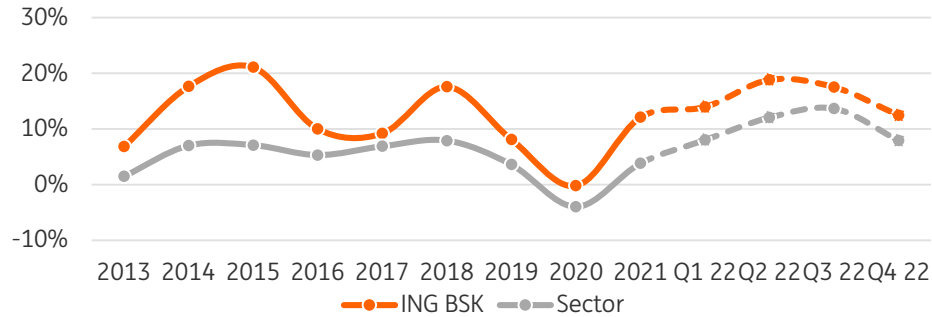
**7.5 thousand books**

"You too can save the world. Eco-tales from Pietruszkowa Wola" handed over to children in 2022

\*in the market-based approach; clients whose business is directly dependent on thermal coal to the extent of more than 5%; \*\*due to the merger that took place in the market in 2022, the exposure to a client classified as a coal client prior to that year is no longer recognised as a coal client due to the fact that this client as a legal entity has ceased to exist and its general successor does not meet the definition of a coal client; \*\*\*\*other than coal

# Market shares

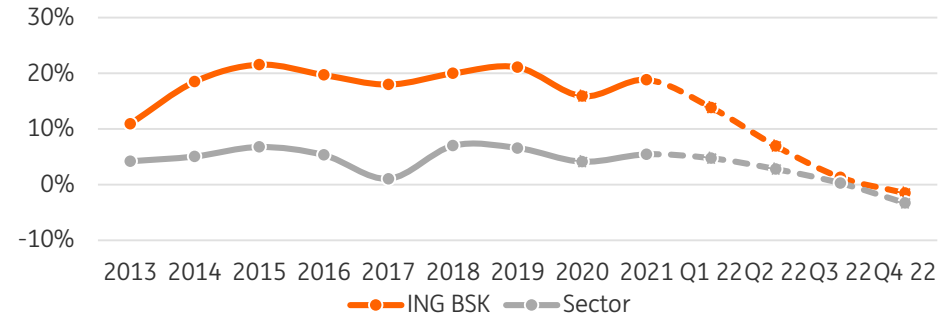
## Corporate loans\* (change y/y)



Market share (%)

7.45 8.19 9.26 9.68 9.89 10.78 11.25 11.69 12.62 12.66 12.88 12.97 13.15

## Individuals' loans\*\* (change y/y)



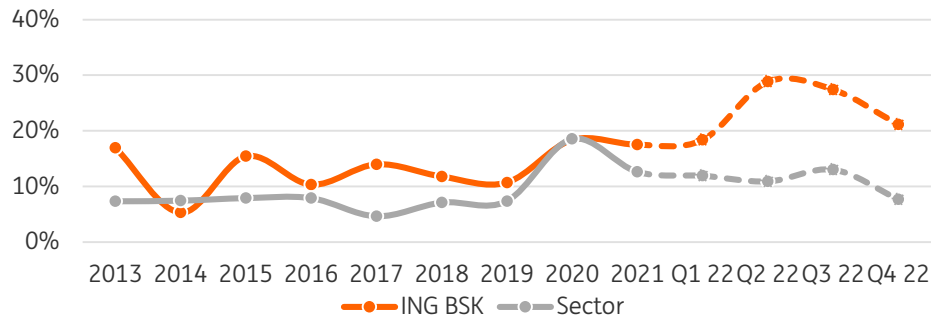
Market share (%)

3.25 3.67 4.18 4.75 5.54 6.21 7.06 7.86 8.86 8.92 8.84 8.78 9.02

Market share excl. FX\*\*\* (%)

4.43 4.92 5.56 6.21 6.86 7.56 8.39 9.29 10.25 10.29 10.20 10.20 10.37

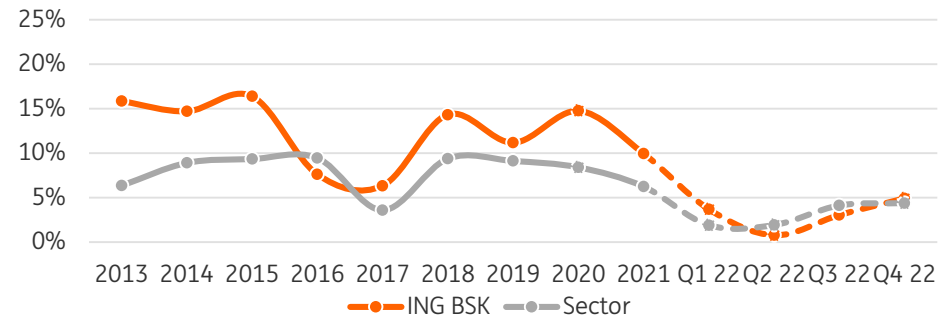
## Corporate deposits\* (change y/y)



Market share (%)

7.46 7.32 7.83 8.00 8.72 9.10 9.38 9.37 9.77 9.99 11.54 11.00 11.00

## Individuals' deposits\*\* (change y/y)



Market share (%)

7.66 8.06 8.58 8.44 8.66 9.05 9.22 9.76 10.10 10.11 9.96 10.00 10.16

Note: Market data – monetary financial institutions data of the National Bank of Poland (Monrep, WEBIS); ING BSK – total standalone data of ING BSK and ING Bank Hipoteczny, as per NBP segmentation (Monrep, WEBIS). \*Including individual entrepreneurs; \*\*Including individual farmers; \*\*\*Excluding FX mortgage loans.

# Core business achievements

## Business volumes

<i>PLN million</i>	2018	2019	2020	2021	2022	2022/2021 %change	2022/2021 change	2022/2018 %change	2022/2018 change
Total client deposits	115,908	128,800	149,270	168,459	189,157	+ 12 %	20,698	+ 63 %	73,249
Corporate client deposits	44,957	49,848	58,755	69,030	84,656	+ 23 %	15,627	+ 88 %	39,700
Retail client deposits	70,952	78,952	90,515	99,429	104,501	+ 5 %	5,072	+ 47 %	33,549
Total funds deposited by retail clients	82,665	93,254	106,757	116,736	121,031	+ 4 %	4,296	+ 46 %	38,366
Investment funds and other off-balance sheet products distributed by the Bank	11,714	14,302	16,243	17,307	16,531	- 4 %	-776	+ 41 %	4,817
Total client loans	104,445	118,437	126,099	146,478	156,415	+ 7 %	9,937	+ 50 %	51,970
Loans to corporate banking clients including leasing and factoring	64,604	70,077	70,266	79,992	92,532	+ 16 %	12,540	+ 43 %	27,929
Loans to retail banking clients	39,841	48,360	55,833	66,486	63,882	- 4 %	-2,603	+ 60 %	24,041
Mortgages	33,372	40,772	47,901	57,410	55,156	- 4 %	-2,255	+ 65 %	21,784

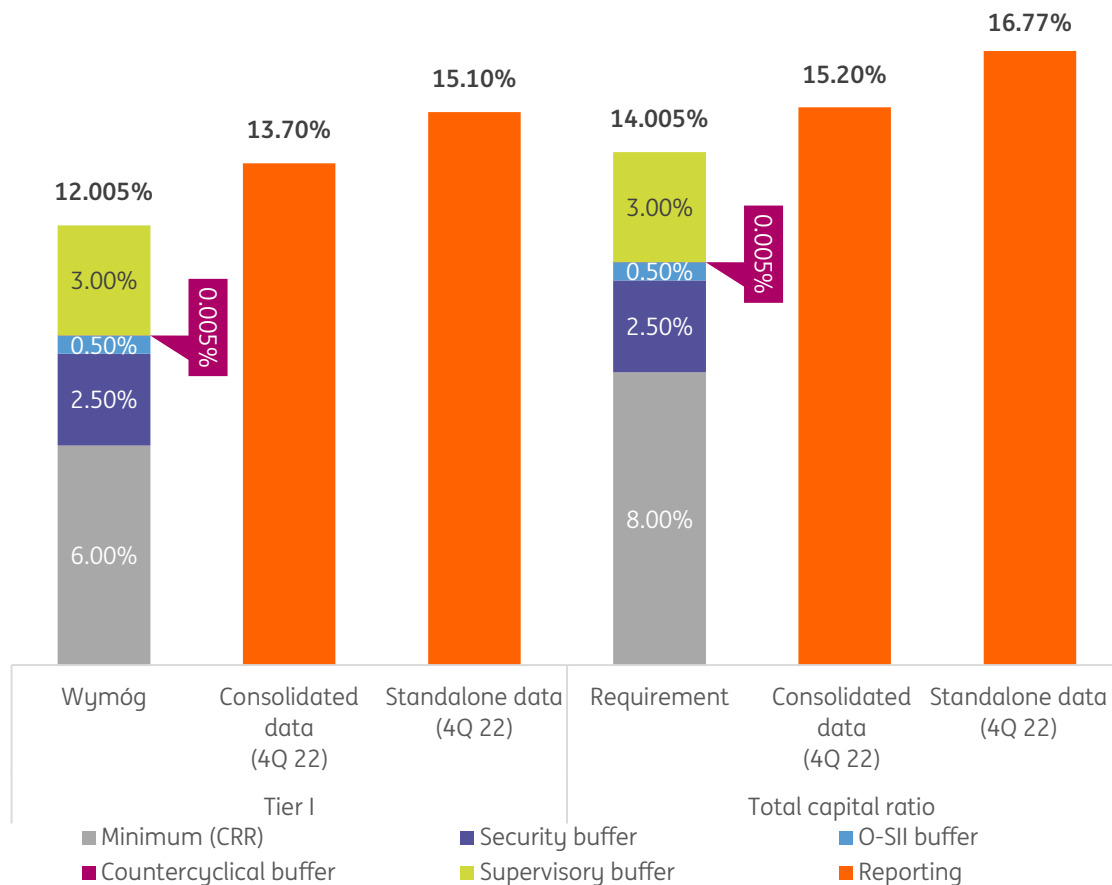
# Financial results of the ING Bank Śląski S.A. Capital Group

PLN million	2018	2019	2020	2021	2022	2021/2022 % change	2022/2021 change	2022/2018 % change	2022/2018 change
Net interest income	3,759.3	4,325.1	4,541.8	4,969.7	5,614.0	+13%	+644.3	+49%	1,854.7
Net fee and commission income	1,304.9	1,340.5	1,528.4	1,844.8	2,094.8	+14%	+250	+61%	789.9
Other revenues	168.2	130.8	160.5	82.4	13.4	-84%	-69.0	-92%	-154.8
<b>Total income</b>	<b>5,232.4</b>	<b>5,796.4</b>	<b>6,230.7</b>	<b>6,896.9</b>	<b>7,722.2</b>	<b>+12%</b>	<b>+825.3</b>	<b>+48%</b>	<b>2,489.8</b>
<b>Total expenses</b>	<b>2,326.8</b>	<b>2,497.4</b>	<b>2,762.5</b>	<b>-2,964.5</b>	<b>-3,642.1</b>	<b>+23%</b>	<b>-677.6</b>	<b>+57%</b>	<b>-1,315.3</b>
<b>Income before risk costs</b>	<b>2,905.6</b>	<b>3,299.0</b>	<b>3,468.2</b>	<b>3,932.4</b>	<b>4,080.1</b>	<b>+4%</b>	<b>+147.7</b>	<b>+40%</b>	<b>1,174.5</b>
Costs of risk including costs of legal risk of FX mortgages	500.9	605.5	1,074.9	-372.4	-1,030.1	+177%	-657.7	+106%	-529.2
Bank levy	373.8	435.7	481.6	-544.7	-646.9	+19%	-102.2	+73%	-273.1
Gross profit	2,030.9	2,257.8	1,911.7	3,015.3	2,403.1	-20%	-612.2	+18%	372.2
Income tax	507.1	599.1	574.1	-707.0	-688.7	-3%	+18.3	+36%	-181.6
<b>Net profit</b>	<b>1,523.8</b>	<b>1,658.7</b>	<b>1,337.6</b>	<b>2,308.3</b>	<b>1,714.4</b>	<b>-26%</b>	<b>-593.9</b>	<b>+13%</b>	<b>190.6</b>
Total capital ratio	15.58%	16.87%	19.52%	16.05%	15.23%	-	-0.82 p.p.	-	-0.35 p.p.
Tier 1 capital ratio	14.74%	14.41%	16.91%	14.41%	13.70%	-	-0.71 p.p.	-	-1.04 p.p.
ROE (%)*	12.5%	11.6%	7.6%	13.6%	17.4%	-	+3.9 p.p.	-	+4.9 p.p.
ROE after adjustment for MCFH (%)*	12.8%	12.8%	9.4%	14.4%	10.2%	-	-4.1 p.p.	-	-2.6 p.p.
Total costs including bank levy / total revenues (%)	51.6%	50.6%	52.1%	50.9%	55.5%	-	+4.7 p.p.	-	+3.9 p.p.

\*ROE = sum of net profit from 4 consecutive quarters/average capital from 5 consecutive quarters

# Proposed distribution of net profit for 2022

## Capital requirement for ING BSK



The Management Board of ING Bank Śląski S.A. proposes to distribute the Bank's net profit for 2022 (PLN 1,714.1 million) as follows:

- To be allocated to the general reserve: PLN 1,200.5 million,
- To be allocated to the dividend reserve, including interim dividends: PLN 513.9 million.

In the opinion of the Management Board, the proposal for the distribution of net profit for 2022 meets the expectations of PFSA, including, above all, the preservation of a safety buffer against the ruling of the CJEU in case C-520/21 and the risk of a deterioration in the quality of the loan portfolio associated with increased inflation, slower economic growth, as well as high debt servicing costs for borrowers.

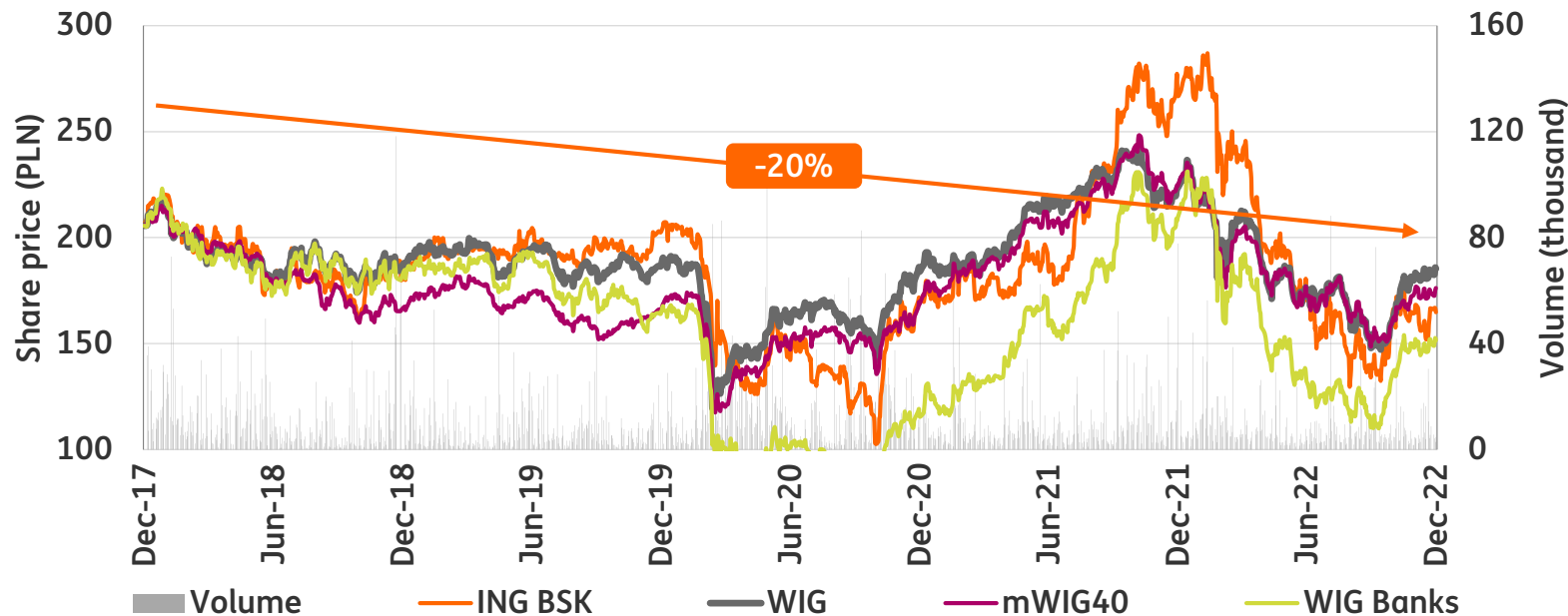
# ING Bank Śląski S.A. shares

**Price of ING BSK shares:**  
**PLN 164.8** (30 December 2022)

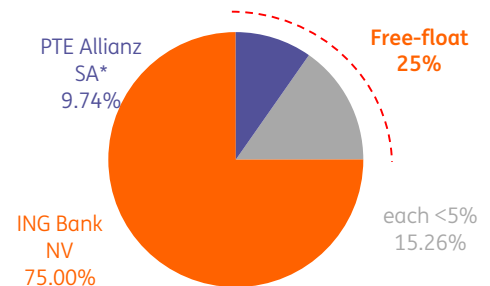
Capitalisation: **PLN 21.4 billion** (EUR 4.6 billion)  
 Free-float: **PLN 5.4 billion** (EUR 1.1 billion)

**ISIN:** PLBSK0000017  
**Bloomberg:** ING PW  
**Reuters:** INGP.WA

ING BSK shares in relation to WSE indices made comparable



Shareholding structure



\*As reported in current report 1/2023.

Market ratios (Q4 2022)

P/E 12.5x P/BV 2.3x

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.



# Contact to the Investor Relations Bureau

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## Calendar for 2023

Date	Event
02 February 2023	Report for Q4 2022 (preliminary data)
17 March 2023	Annual report for 2022
<b>26 April 2023</b>	<b>Annual General Meeting</b>
11 May 2023	Report for Q1 2023
03 August 2023	Report for Q2 2023
02 November 2023	Report for Q3 2023

# Investor Information

ING Bank Śląski S.A. prepares the financial statements under the International Accounting Standards (IAS) adopted by the European Union (IFRS-EU).

The financial information presented in this document has been prepared based on the same accounting principles as applied in the ING Bank Śląski S.A. Annual Report. All figures in this document are unaudited. Minor differences in figures are possible.

Certain statements contained herein are not historical facts; some of them in particular are forecasts and future expectations that are based on current views and assumptions of the Bank Management Board and that involve known and unknown risks and uncertainties. Actual results, performance or events may differ materially from data contained or implied in such statements due to the following: (1) changes in general economic conditions, (2) changes in performance of financial markets, (3) changes in the availability of, and costs associated with, sources of liquidity such as interbank funding, as well as conditions in the credit markets generally, including changes in borrower and counterparty creditworthiness, (4) changes affecting interest rate levels, (5) changes affecting FX rates, (6) changes in general competitive factors, (7) changes in laws and regulations, (8) changes in the policies of governments and/or regulatory authorities, and (9) conclusions with regard to acquisition accounting assumptions and methodologies. ING Bank Śląski S.A. assumes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information or for any other reason.

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