

Report on remunerations of the Supervisory Board and Management Board Members of ING Bank Śląski S.A. for the years 2019 and 2020

This report was drafted pursuant to the Act of 29 July 2005 on Public Offering and on the Terms of Introducing Financial Instruments into Organized Trading and on Public Companies (as amended) which introduced the duty to prepare annual reports on the remuneration of the Management Board and of the Supervisory Board, and to have that report assessed by the statutory auditor. The structure and the scope of the report derive explicitly from Article 90g(2) of the said Act.

I. INTRODUCTION

- 1) In 2019, the issues related to the remuneration of the Supervisory Board and Management Board Members were regulated in two separate documents:
 - 1) the *ING Bank Śląski S.A. Supervisory Board Members Remuneration Policy*, and
 - 2) the *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.*
- 2) The Act of 16 October 2019 Amending the Act on Public Offering and on the Terms of Introducing Financial Instruments into Organized Trading and on Public Companies and Certain Other Act introduced new requirements regarding the approach to the remuneration policy of supervisory board and management board members. As a consequence, we prepared the *ING Bank Śląski S.A. Supervisory Board and Management Board Members Remuneration Policy* in response to the statutory changes introduced. The Policy was adopted by way of ING Bank Śląski S.A. General Meeting Resolution No. 29 of 2 April 2020. At the same time, the *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.* has remained in effect and it specifies the rules set out in the *Policy* in greater detail.
- 3) As regards the remuneration of other employees, the *ING Bank Śląski S.A. Group Employees Remuneration Policy* has been in effect since 1 January 2017. The document sets out the key assumptions of the remuneration policy applied in order to attract and retain employees by ensuring a salaries level that is competitive on the market, and it defines the remuneration components. Detailed principles arising from the *Policy* are specified in greater detail by:
 - 1) *Variable Remuneration Policy for Identified Staff of ING Bank Śląski S.A.*,
 - 2) *ING Bank Śląski S.A. Employees Remuneration Bylaw* including enclosures thereto:
 - a) *ING Bank Śląski S.A. Employee Evaluation Bylaw (Step Up)*,
 - b) *ING Bank Śląski S.A. Identified Staff Evaluation Bylaw*.



II. TOTAL REMUNERATION OF THE BANK GOVERNING BODIES' MEMBERS

Pursuant to Article 90g Section 2 Item 1 of the Act, we disclose the amount of the total remuneration sub-divided into components referred to in Article 90d Section 3 Item 1, and the proportions of those remuneration components. At the same time, we account for the provisions of Section 5, whereby where the remuneration of the management board and of the supervisory board members includes cash payments or non-monetary benefits awarded to close ones of those persons, the report on remuneration should include information on the value of those benefits.

1. Structure of the Supervisory Board Members' remuneration

Due to the supervisory function of the Supervisory Board, the Supervisory Board members are only awarded **fixed remuneration** that is not conditional on the Bank's performance. The fixed remuneration of the Supervisory Board Members consists of the base remuneration for the membership of the Supervisory Board and a monthly allowance for each additional function held by the Supervisory Board members on the Supervisory Board or its committees, which is set as a percentage of the base salary and which is as follows:

- a. Chairperson of the Supervisory Board – 100%,
- b. Deputy Chairperson of and Secretary to the Supervisory Board and Members who are Chairpersons of the Supervisory Board Committees – 25%,
- c. Members other than Chairpersons of the Supervisory Board Committees – 15%.

2. Structure of the Management Board members' remuneration

The total remuneration is set out in the *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.* It consists of fixed remuneration and variable remuneration, or the annual bonus. Fixed remuneration is composed of:

- a. the **base remuneration** which is determined in conjunction with a benchmark according to a selected job valuation methodology, based on a role description in reference to the knowledge, challenges, issues and responsibilities in a given position, as well as the professional experience.

The terms of remuneration of the Management Board Members are determined upon taking into account the market data, including the median for comparable positions at comparable organisations, and upon accounting for the Bank's operations and its financial situation.

- b. **fringe benefits**, which comprise:
 - life insurance,
 - a mutual fund,
 - medical care,
 - a company car,
 - benefits related to termination of the employment contract,



- in justified cases the Supervisory Board may, upon the Committee's recommendation, decide to cover, temporarily, additional costs related to a long-term foreign contract of a Management Board Member, such as the costs of accommodation or education of the Management Board Member's children.
 - c. **variable remuneration**, i.e. the annual bonus awarded by the Supervisory Board in the amount of up to 100% of base remuneration for a given period, upon accounting for bonus thresholds. The bonus is deferred for four years from the date on which the Supervisory Board determined the variable remuneration (in case of the President of the Management Board, the deferral period is six years). The annual non-deferred and deferred annual bonus is sub-divided into two parts (rounded up to the total number of financial instruments):
 - at least 50% in phantom equity which entitles the holder to receive funds in an amount conditional on the value of the ING Bank Śląski S.A. shares, and
 - the remaining portion is paid out in cash.
3. A breakdown of total remuneration by components is presented in Enclosure 1 herewith.

III. COMPLIANCE WITH THE REMUNERATION POLICY

Pursuant to Article 90g Section 2 Item 2 of the Act, we explain how the total remuneration complies with the adopted remuneration policy and how it helps achieve the long-term performance of the company

1. Compliance with the ING Bank Śląski S.A. Group Remuneration Policy
 - 1) The remuneration policy at ING Bank Śląski S.A. Group relies on performance management. It supports the process of attracting, motivating and retaining talented employees, and is conducive to their development, while treating all employees in a fair manner. The remuneration policy:
 - a. supports the implementation of the business strategy, as well as the long-term interests of the Bank and its clients,
 - b. supports the correct and effective risk management in order to maintain and protect a safe capital base of the Bank and it does not encourage taking excessive risks beyond the risk appetite approved by the Supervisory Board of ING Bank Śląski S.A.,
 - c. is gender-neutral which means that it does not create conditions for unjustified privilege of either gender in terms of pay conditions.
 - 2) The Bank identifies social- and environmental risks diagnosed as part of the sustainability strategy. The remuneration policy is aligned with the strategy adopted at the Bank for a given period and it supports corporate social responsibility which is reflected by the goals set for the employees for a given year. At the same time, the Policy does not promote actions that are against sustainable growth.
 - 3) The purpose of the remuneration policy is to ensure that the conflicts of interest relating to remuneration are identified and mitigated properly. The process for awarding variable remuneration involves adequate risk-mitigating actions, that is a multi-level decision-



making process as well as clear and transparent rules of performance assessment; those rules are communicated to all employees.

- 4) ING Bank Śląski S.A. does not provide for any form of remuneration that might be perceived by the employees as an incentive to favour their own interests or the Bank's interests to the detriment of the clients. The principles of remunerating persons who act on the Bank's behalf do not encourage people to take excessive risks of improper product sale.
- 5) The variable remuneration remains at an adequate proportion to the fixed remuneration. Its level vis-à-vis fixed remuneration should be high enough to encourage people to care about the long-term and stable development of the Bank. It is agreed that the fixed remuneration to variable remuneration ratio shall be 1 to 1.
- 6) As regards the fixed remuneration of the Bank Supervisory Board and Management Board Members, a rule was adopted to tie those salaries to the average remuneration of other Bank employees. The monthly fixed remuneration for the individual:
 - a. Supervisory Board members represents no more than 10-fold average base remuneration of an employee of ING Bank Śląski S.A.
 - b. Management Board members represents no more than 40-fold average base remuneration of an employee of ING Bank Śląski S.A.
- 7) The remuneration system is open and transparent, and its rules are communicated to all employees of the Bank.
- 8) In an effort to ensure a competitive level of remuneration, it follows the market median. The Bank reviews the remuneration levels on an annual basis. The analysis focuses on market data – pay reports as well as economic information.
- 9) The Supervisory Board of ING Bank Śląski S.A. approves the Remuneration Policy and oversees compliance therewith, based on the recommendations of the Remuneration and Nomination Committee of the ING Bank Śląski S.A. Supervisory Board. The review results, along with the recommendation of adequate measures in the remuneration area, are presented to the Management Board by the HR units. Based on the review results, Management Board accept the directions and changes, if any, to the remuneration policy for a given calendar year, and presents the Policy to the Remuneration and Nomination Committee for recommendation and to the Supervisory Board for approval.
- 10) Each year, the Supervisory Board draw up a report on the implementation of the remuneration policy. The General Meeting assess, based on the report, whether or not the Policy is conducive to the development and safety of the Bank's operations.
- 11) The Risk Committee verify whether or not the elements of the remuneration system account for the risk, capital and liquidity. A representative of the Risk Committee takes part in the meetings of the Remuneration and Nomination Committee and vice versa.
- 12) The General Meeting assess each year whether or not the Remuneration Policy is conducive to the development and safety of ING Bank Śląski S.A. operations.
- 13) The remuneration policy is subject to an annual independent internal audit.
- 14) The control functions and the CFO Division units take an active part and cooperate during the review of the Bank's remuneration policy with a view to ensuring its alignment with



the strategy and the risk management framework; they also assess the correctness of the capital base and the fulfilment of conditions necessary to activate the bonus pool.

2. Supporting the implementation of the strategy

- 1) The Supervisory Board and Management Board Members Remuneration Policy is aligned with the values and long-term interests of ING Bank Śląski S.A., and – as such – it is conducive to the effective management of the Bank's risks and to the company's stability. Furthermore, the Policy supports sustainable growth of the bank, which is understood as actions taken in areas that are meaningful for the society and for the economy, as well as responsibility for and care of the results of those actions, and which is part and parcel of the business strategy. The means to achieve those goals include the following in particular:
 - a. introducing variable remuneration components for the Management Board members the final amount of which is conditional on the Bank's performance,
 - b. making the payment of the variable remuneration components to the Management Board members dependent on the Bank's fulfillment of certain capital requirements, and
 - c. inclusion of criteria arising from the adopted Sustainable Growth Strategy in the non-financial targets which are set by the Supervisory Board for the Management Board members each year.
- 2) The *Procedure concerning Risk Requirements for Management Board Members Who Are Risk Takers* has been in effect since 2019 to ensure the long-term stability of ING Bank Śląski S.A. and further reinforcement of relations between minimum standards in the risk management area and individual remuneration.

The risk requirements apply to Management Board Members who are Risk Takers, notably:

- a. President of the Management Board – CEO Division
- b. Vice-President of the Bank Management Board – Retail Clients Division
- c. Vice-President of the Bank Management Board – Business Clients Division
- d. Vice-President of the Bank Management Board – Wholesale Banking Division
- e. Vice-President of the Management Board – CIO Division
- f. Vice-President of the Management Board – COO Division

The procedure allows the Management Board Member in charge of the risk area to make a decision to apply the variable remuneration adjustment ratio. As required, each Management Board Member who is a Risk Taker receives a written notice specifying the risk requirements for a given calendar year. An assessment of the risk requirement fulfilment is performed upon the end of the year; the result of that assessment may lower the variable remuneration of the employee if the risk requirements are not met.

- 3) Furthermore, the Management Board Members are required not to apply their own hedging strategies or insurance concerning remuneration and liability that would neutralise the measures taken by the Bank as part of implementing the policy of variable remuneration components, save for mandatory insurance arising from special provisions.



IV. PERFORMANCE CRITERIA

Pursuant to Article 90g Section 2 Item 3 of the Act, we provide information on the manner of applying performance criteria

Performance criteria are applied at several levels at ING Bank Śląski S.A.:

1. Performance included in the targets agreed with the employee for a given year

The targets of the Management Board Members may be non-financial (e.g. qualitative ratios, customer satisfaction, process improvements, leadership, engagement or innovations) or financial (e.g. the Bank's performance or performance of a given business line, adjusted for the risk costs as appropriate). The targets of the Management Board Members who hold control functions arise from their functions and are not tied with results obtained in the areas they control. Upon the end of the assessment period, the Supervisory Board will evaluate the performance of the individual Management Board Members. The evaluation of the task performance is the basis for determining the individual level of variable remuneration.

2. Risk requirements set in regard to Management Board Members other than Members holding control functions

The Management Board Member in charge of the risk area sets individual risk requirements for Management Board Members other than those holding control functions. They ensure focusing on the long-term stability of ING Bank Śląski S.A. and further reinforcement of relations between minimum standards in the risk management area and individual remuneration of the Management Board Members whose activities have a material impact on the Bank's risk profile. On the basis of the assessment of risk requirements fulfilment, the Management Board Member in charge of the risk area makes a decision on the risk ratio corresponding to the level of adjustment of variable remuneration for a given Management Board Member.

3. Bank's results that are the basis for the decision to disburse the bonus pool

The annual bonus disbursement is conditional on the Bank's achieving at least 80% of the profit before tax in a given financial year subject to the assessment, as assumed in the plan for that year. The Bank's result taken into consideration accounts for the Bank's risk costs and the costs of liquidity risk in a long-term perspective, adjusted for the costs of free capital.

In addition, pursuant to the *Capital Management Policy at ING Bank Śląski S.A.*, ING Bank Śląski S.A. tests capital to ensure that the entire bonus pool for all employees does not restrain the Bank's ability to maintain an adequate capital base. Should it be the case, a decision may be taken not to disburse the bonus pool.

4. Performance subject to assessment in the long-term perspective

In order to adjust the variable remuneration to the additional risks that were identified or that materialised after the remuneration was awarded, the Bank will defer the variable remuneration of the Management Board Members in accordance with the table below. It is also a rule that at least 50% of the variable remuneration of the President of the Management Board is deferred.



VARIABLE REMUNERATION AMOUNT	DEFERRAL METHOD
up to PLN 40,000	no deferral
from PLN 40,001 to EUR 0.5 million	40% subject to deferral
in excess of EUR 0.5 million*	60% subject to deferral

* equivalent expressed in Polish zlotys according to the average exchange rate of the National Bank of Poland on 15 February of the year in which the variable remuneration is determined (or on the following day on which the exchange rate is announced)

The deferral period is four years from the moment the variable remuneration is determined by the Management Board of ING Bank Śląski S.A. or by the Supervisory Board. Upon the end of the second year of the deferral period, the deferred variable remuneration is awarded each year over a period of three years in three equal parts. The deferral period for the President of the Management Board is six years, and the deferred variable remuneration is divided into five equal parts.

5. Ex-post performance verification

The Supervisory Board may decide to reduce, or not to pay, variable remuneration subject to deferral on the basis of:

- a. verification of performance assessment and/ or
- b. ex-post risk adjustment and capital test.

Verification of performance assessment helps determine whether or not there were any reasons to change the results for the assessment period, given the effects of the work of a given Management Board Member.

Based on the ex-post risk adjustment, the Bank has the right to either reduce or not to pay variable remuneration under the following circumstances:

- a. the occurrence of events that result in the Bank's breach, or threaten the Bank's breach, of the standards set out in Article 142 Section 1 of the Banking Law so that it is necessary to implement the Recovery Plan,
- b. the disbursement of variable remuneration on the basis of data that proved to be false,
- c. if the Management Board Member in question fails to fulfil the relevant standards concerning competence and reputation,
- d. if there is a conflict of interest in relation to the disbursement of a part of variable remuneration in phantom equity of ING Bank Śląski S.A. due to failure to comply with rules concerning the use of inside information and other actions that may influence the price of the ING Bank Śląski S.A. shares in a short-term perspective.

V. CHANGES TO EMPLOYEES' REMUNERATION OVER A COURSE OF 5 YEARS

Pursuant to Article 90g Section 2 Item 4 of the Act, we provide information on the change, on an annual basis, of remuneration, company's results and average remuneration of employees of that company other than members of the management board or of the supervisory board, over at least five most recent financial years, as a total, in a manner that allows comparisons



A breakdown concerning the change of remuneration, the company's results and average remuneration of employees other than members of the management board or of the supervisory board is presented in Enclosure 2 herewith.

VI. REMUNERATION FROM GROUP MEMBERS

Pursuant to Article 90g Section 2 Item 5 of the Act, we present the level of remuneration from members of the same group of companies within the meaning of the Accounting Act of 29 December 1994 (Journal of Laws of 2019, Items 351, 1495, 1571, 1655 and 1680 and Journal of Laws of 2020, Item 568).

As a rule, the Management Board Members who also hold other functions in the subsidiaries of the ING Bank Śląski S.A. Group perform their tasks in those companies without remuneration. The following subsidiaries are members of the ING Bank Śląski S.A. Group:

- ING Investment Holding (Poland) S.A.
- ING Commercial Finance Polska S.A.
- ING Lease (Polska) Sp. z o.o.
- ING Usługi dla Biznesu S.A.
- Nowe Usługi S.A.
- Solver Sp. z o.o.
- ING Bank Hipoteczny S.A.

and corporate foundations:

- ING for Children Foundation, and
- ING Polish Art Foundation.

Likewise, members of the Supervisory Board who also hold other functions in ING Bank N.V. perform their tasks on the Supervisory Board without payment. Members of the Supervisory Board waive their right to remuneration in writing.

VII. AWARD OF REMUNERATION IN INSTRUMENTS

Pursuant to Article 90g Section 2 Item 6 of the Act, we present the number of financial instruments awarded or offered, as well as the main terms and conditions of exercising the rights to those instruments, including the exercise price and date, and changes thereto

1. Terms and conditions of awarding a part of variable remuneration in financial instruments

The annual bonus of a Management Board Member is sub-divided into two parts (rounded up to the integer number of a financial instruments), and at least 50% is awarded in phantom equity which entitles the holder to receive funds in an amount conditional on the value of the ING Bank Śląski S.A. shares. The number of phantom shares is determined in accordance with the following formula:



$$n = z/c$$

where:

- n means the number of phantom shares; if the number of shares so determined is not an integer number, it is rounded up to the nearest integer number
- z means the annual bonus base value of a Management Board Member (deferred and/or non-deferred) to be disbursed in phantom shares
- c means the median price of the Bank's shares using the closing rate at the Warsaw Stock Exchange from the period started on 10 January and ended on 20 February in the year following the Assessment Period

however, in the case of:

- the non-deferred part – the calculation is unconditional,
- the deferred part – the calculation is preliminary and it represents the maximum number of phantom shares to which a given Management Board Member might be entitled. The number of shares awarded may be reduced if the annual bonus base value is lowered in accordance with the rules of ex ante risk adjustment and assessment verification, upon accounting for ex post risk.

2. Terms and conditions of disbursement of a part of variable remuneration in financial instruments

- 1) The final number of phantom shares, which is disbursed as the annual deferred bonus to which a given Management Board Member may be entitled for a given year, will be calculated upon the end of each subsequent calendar year in a given Assessment Verification Period (deferral period). For the purpose of that calculation, the price of the Bank's shares is adopted at the same level as for the preliminary calculation (parameter "c" in the formula above).
- 2) The Bank Management Board Members receive information on the number of phantom shares awarded as part of their deferred and non-deferred bonus not later than by 30 April of the following year.
- 3) The Bank disburses funds in an amount being the product of the number of phantom shares and the price of the Bank's shares. The following formula is applied to that effect:

$$w = l * c$$

where:

- w means the monies due to a Management Board Member
- l means the number of phantom shares for which the Holding Period expired
- c means the median price of the Bank's shares using the closing rate at the Warsaw Stock Exchange from the period started on 10 January and ended on 20 February in the disbursement year

- 4) The holding period applies to a bonus awarded in phantom shares. The period is one year from the phantom equity receipt date. The funds are paid to the Management Board Members not later than by 30 April of the following calendar year. If the exercise date of rights arising from the ING Bank Śląski S.A. phantom shares falls during the closed



period, the exercise will take place on the first business day following the end of that period.

- 5) Based on the ex post assessment verification, a new annual bonus base value may be determined; however, it may not be higher than the value determined after the assessment period. The value of the bonus already awarded during a given bonus award period is deducted from the new base value. The amount resulting from that calculation is split into equal parts, the number of which corresponds to the number of calendar years during the deferral period for which no deferred annual bonus was paid during a given bonus award period (i.e. the current year and the consecutive deferral years). The lower bonus base value applies to the current year and to the consecutive years of the deferral period.
 - 6) A Management Board Member who does not have the right to acquire the deferred Annual Bonus will not acquire the right to that part of the bonus until the end of a given deferral period.
3. Enclosure 3 herewith presents the number of awarded or offered financial instruments.

VIII. RETURN OF VARIABLE REMUNERATION COMPONENTS

Pursuant to Article 90g Section 2 Item 7 of the Act, we provide information on the use of the possibility to demand the return of the variable remuneration components

1. The remuneration policy does not envisage a mechanism for the return of the variable remuneration components. In accordance with the effective regulations, there is a mechanism in place so that the deferred bonus is not paid out at all or it is paid out at a lower amount.
2. The Bank uses to that effect advanced measurement methods to estimate the capital base. It also applies the stress-testing policy which ensures an adequate risk management and a proper assessment of current and future capital requirements. The information on that measurement is communicated to the Committee and to the Supervisory Board by the Finance Division of ING Bank Śląski S.A.
3. Upon the end of each calendar year during the deferral period, the Supervisory Board verifies, based on the Committee's recommendation, the assessment of target completion during the assessment period. Such a verification is conducted by 30 April. The Supervisory Board may decide to reduce, or not to pay, the annual bonus during a given bonus award period if:
 - 1) there are circumstances justifying an adjustment (as described in Section IV item 5 hereof)
 - 2) the Management Board Member fails to submit a written statement to confirm that s/he does not apply hedging strategies or insurance
 - 3) there are other material circumstances that would make the annual bonus payment unacceptable under the principles of common sense and fairness.

IX. EXCEPTIONS

Pursuant to Article 90g Section 2 Item 8 of the Act, we provide information concerning exceptions to the procedure for implementing the remuneration policy and exceptions applied in accordance



with Article 90f, including an explanation of the premises and the mode, and indication of elements to which exceptions were applied.

During the period covered by this report, there were no deviations from the remuneration policy or implementation procedure.



Enclosure 1

Management Board

Remuneration due and awarded to the members of the Management Board of ING Bank Śląski S.A.

Name	Period	Base salary	Other benefits ¹	Fixed remuneration	Variable remuneration - upfront cash	2019		Variable remuneration - deferred cash	Variable remuneration - deferred phantom shares		Variable remuneration awarded for 2019 ³	Variable - fixed ratio
						Variable remuneration - upfront phantom shares			value	number		
						value	number					
Brunon Bartkiewicz Chairman of the Supervisory Board of ING Bank Hipoteczny S.A.	01.01.2019 - 31.12.2019	2 514 000	436 772	2 950 772	503 885	504 078	2 474	503 885	504 078	2 474	2 015 926	68%
Michał Bolesławski Chairman of the Supervisory Board of ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o.	01.01.2019 - 31.12.2019	1 348 800	227 620	1 576 420	358 624	358 804	1 761	239 083	238 999	1 173	1 195 509	76%
Joanna Erdman Member of the Supervisory Board of ING Bank Hipoteczny S.A., ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o.	01.01.2019 - 31.12.2019	1 348 800	232 087	1 580 887	323 706	323 759	1 589	215 804	215 771	1 059	1 079 040	68%
Patrick Roesink^{2, 4} Member of the Supervisory Board of ING Bank Hipoteczny S.A. (till 31.03.2020)	01.01.2019 - 31.12.2019	1 179 066	652 076	1 831 142	119 849	120 009	589	79 900	79 870	392	399 628	22%
Marcin Giżycki Vice-chairman of the Supervisory Board of ING Bank Hipoteczny S.A.	01.01.2019 - 31.12.2019	1 218 660	213 714	1 432 374	324 011	324 166	1 591	216 008	215 975	1 060	1 080 160	75%
Bożena Graczyk Member of the Supervisory Board of ING Bank Hipoteczny S.A., ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o. Member of the Audit Committee and Risk Committee of the supervisory Board of ING Bank Hipoteczny S.A.	01.01.2019 - 31.12.2019	1 320 000	210 166	1 530 166	343 264	343 523	1 686	228 843	228 811	1 123	1 144 440	75%
Lorenzo Tassan-Bassut⁴ Member of the Supervisory Board of ING Bank Hipoteczny S.A.(01.04.2020 - 31.12.2020)	01.01.2019 - 31.12.2019	1 016 769	452 000	1 468 769	163 509	163 611	803	109 006	109 006	535	545 133	37%
Sławomir Soszyński	01.10.2019 - 31.12.2019	270 000	74 314	344 314	64 685	64 996	319	43 124	43 195	212	216 000	63%
Michał Mrozek	-	-	-	-	-	-	-	-	-	-	-	0%
Total		10 216 095	2 498 749	12 714 844	2 201 534	2 202 945	10 812	1 635 651	1 635 705	8 028	7 675 836	

¹ Other benefits include: life insurance, investment fund (15% of the monthly base salary net of the Management Member that is not on the international assignment), medical care or insurance (incl. family members), benefits pursuant to an international assignment contract (incl. usage of company car for private purposes, benefits for family members such as schooling) and other benefits granted by the Supervisory Board of the Bank

² Variable remuneration for 2019 granted in EUR, FX rate EUR 1 = PLN 4,2502, variable remuneration for 2020 granted in EUR, FX rate EUR 1 - PLN 4,4836

³ Variable remuneration is set by the Supervisory Board based on the assessment of individual goals execution that include 3 categories of equal weight:

- **Job** (e.g. Financial performance of the Bank, Financial performance of the Business Line, Risk and Compliance, Operational Excellence, Client and its satisfaction, Delivery of the strategic projects, Motivation and engagement of employees)
- **Orange Code** (individually defined goals in the following categories of behaviours:) You take it on and make it happen, You help others to be successful, You are always a step ahead)
- **Stretch Assignment** (defined individually goals beyond job expectations the effect of which is e.g. a new quality for the client)

⁴ International assignment

Enclosure 1

Management Board

Remuneration due and awarded to the members of the Management Board

Name	2020												
	Period	Base salary	Other benefits ¹	Fixed remuneration	Variable remuneration - upfront cash	Variable remuneration - upfront phantom shares		Variable remuneration - deferred cash	Variable remuneration - deferred phantom shares		Variable remuneration awarded for 2020 ³	Variable - fixed ratio	Total variable remuneration - deferred cash as at 31.12.2020
						value	number		value	number			
Brunon Bartkiewicz Chairman of the Supervisory Board of ING Bank Hipoteczny S.A.	01.01.2020 - 31.12.2020	2 514 000	444 675	2 958 675	402 196,25	402 369,80	2 338	402 196,25	402 197,70	2 337	1 608 960	54%	1 455 929
Michał Bolesławski Chairman of the Supervisory Board of ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o.	01.01.2020 - 31.12.2020	1 348 800	260 266	1 609 066	280 655,93	280 695,10	1 631	187 103,95	187 072,70	1 087	935 528	58%	738 007
Joanna Erdman Member of the Supervisory Board of ING Bank Hipoteczny S.A., ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o.	01.01.2020 - 31.12.2020	1 348 800	234 694	1 583 494	258 963,12	259 010,50	1 505	172 642,08	172 616,30	1 003	863 232	55%	675 364
Patrick Roesink ^{2,4} Member of the Supervisory Board of ING Bank Hipoteczny S.A. (till 31.03.2020)	01.01.2020 - 31.03.2020	297 151	426 023	723 174	25 899,16	25 987,08	151	17 266,07	17 209,85	100	86 362	12%	234 192
Marcin Giżycki Vice-chairman of the Supervisory Board of ING Bank Hipoteczny S.A.	01.01.2020 - 31.12.2020	1 308 450	246 639	1 555 089	292 924,37	293 086,30	1 703	195 282,91	195 333,50	1 135	976 627	63%	659 486
Bożena Graczyk Member of the Supervisory Board of ING Bank Hipoteczny S.A., ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o., Member of the Audit Committee and Risk Committee of the supervisory Board of ING Bank Hipoteczny S.A.	01.01.2020 - 31.12.2020	1 320 000	242 952	1 562 952	274 659,60	274 671,60	1 596	183 106,40	183 114,40	1 064	915 552	59%	661 213
Lorenzo Tassan-Bassut ^{2,4} Member of the Supervisory Board of ING Bank Hipoteczny S.A. (01.04.2020 - 31.12.2020)	01.01.2020 - 31.12.2020	1 226 427	442 151	1 668 578	92 654,85	92 761,90	539	61 769,93	61 956,00	360	309 143	19%	176 762
Sławomir Soszyński	01.01.2020 - 31.12.2020	1 080 000	192 909	1 272 909	207 270,66	207 380,50	1 205	138 180,44	138 368,40	804	691 200	54%	181 304
Michał Mrozek	01.07.2020 - 31.12.2020	600 000	106 124	706 124	115 161,84	115 307,00	670	76 774,56	76 756,60	446	384 000,00	54%	76 775
Total		11 043 628	2 596 436	13 640 063	1 950 386	1 951 270	11 338	1 434 323	1 434 625	8 336	6 770 604		4 859 031

¹ Other benefits include: life insurance, investment fund (15% of the monthly base salary net of the Management Member that is not on the international assignment), medical care or insurance (incl. family members), benefits pursuant to an international assignment contract (incl. usage of company car for private purposes, benefits for family members such as schooling) and other benefits granted by the Supervisory Board of the Bank

² Variable remuneration for 2019 granted in EUR, FX rate EUR 1 = PLN 4,2502, variable remuneration for 2020 granted in EUR, FX rate EUR 1 - PLN 4,4836

³ Variable remuneration is set by the Supervisory Board based on the assessment of individual goals execution that include 3 categories of equal weight:

- **Job** (e.g. Financial performance of the Bank, Financial performance of the Business Line, Risk and Compliance, Operational Excellence, Client and its satisfaction, Delivery of the strategic projects, Motivation and engagement of employees)

- **Orange Code** (individually defined goals in the following categories of behaviours:) You take it on and make it happen, You help others to be successful, You are always a step ahead)

- **Stretch Assignment** (defined individually goals beyond job expectations the effect of which is e.g. a new quality for the client)

⁴ International assignment

Enclosure 1

Supervisory Board

Remuneration due to members of the Supervisory Board of ING Bank Śląski S.A.

Name	2019			2020		
	Period	Fixed Remuneration	other benefits included ⁵	Period	Fixed Remuneration	other benefits included ⁵
Aleksander Galos <i>Independent member</i>	01.01.2019 - 31.12.2019	264 322,38	7 282,38	01.01.2020 - 31.12.2020	263 837,83	2 477,83
Aleksander Kutela <i>Independent member</i>	01.01.2019 - 31.12.2019	227 433,84	6 093,84	01.01.2020 - 31.12.2020	233 365,96	8 305,96
Antoni Reczek <i>Independent member</i>	01.01.2019 - 31.12.2019	348 255,76	5 535,76	01.01.2020 - 31.12.2020	354 877,37	6 397,37
Małgorzata Koiakowska <i>Member having ties with ING Group</i>	01.01.2019 - 31.12.2019	-	-	01.01.2020 - 31.12.2020	-	-
Michał Szczurek <i>Member having ties with ING Group</i>	01.01.2019 - 31.12.2019	-	-	01.01.2020 - 31.12.2020	-	-
Ad Kas (as of 02.04.2020) <i>Member having ties with ING Group</i>	01.01.2019 - 31.12.2019	-	-	01.01.2020 - 31.04.2020	-	-
Norman Tambach (till 02.04.2020) <i>Member having ties with ING Group</i>	01.01.2019 - 31.12.2019	-	-	01.01.2020 - 31.04.2020	-	-
Susan Poot (as of 01.05.2020) <i>Member having ties with ING Group</i>	01.01.2019 - 31.12.2019	-	-	01.05.2020 - 31.12.2020	-	-
Remco Nieland (as of 01.05.2020) <i>Member having ties with ING Group</i>	01.01.2019 - 31.12.2019	-	-	01.05.2020 - 31.12.2020	-	-
Total		840 011,98	18 911,98		852 081,16	17 181,16

⁵ reimbursement of ZUS contributions due to exceeding the annual basis for retirement and disability contributions based on the decision of the Social Insurance Institution

Enclosure 2

Changes in the salaries of employees over the period of 5 years													
Bank performance and Remuneration Data	2014	2015		2016		2017		2018		2019		2020	
	amount	change	amount	change	amount	change	amount	change	amount	change	amount	change	
Gross profit (in mln PLN) - solo ING Bank Śląski S.A.	1 336	1 396	4%	1 578	13%	1 859	18%	2 010	8%	2 217	10%	1 883	-15%
Gross profit (in mln PLN) - total Grupa kapitałowa ING Banku Śląskiego S.A.	1 347	1 390	3%	1 645	18%	1 882	14%	2 031	8%	2 258	11%	1 912	-15%
Gross profit (in mln PLN) - solo ING Bank Śląski S.A.	1 068	1 140	7%	1 209	6%	1 403	16%	1 524	9%	1 659	9%	1 338	-19%
Gross profit (in mln PLN) - total Grupa kapitałowa ING Banku Śląskiego S.A.	1 041	1 127	8%	1 253	11%	1 403	12%	1 524	9%	1 659	9%	1 338	-19%
CI/ - solo ING Bank Śląski S.A.	53,5%	55,8%	4%	48,6%	-13%	44,2%	-9%	43,6%	-1%	42,4%	-3%	44,0%	4%
CI/ - total Grupa kapitałowa ING Banku Śląskiego S.A.	54,4%	57,1%	5%	48,5%	-15%	44,8%	-8%	44,5%	-1%	43,1%	-3%	44,3%	3%
ROE - solo ING Bank Śląski S.A.	11,7%	11,4%	-3%	11,5%	1%	12,6%	10%	12,4%	-2%	11,7%	-6%	7,7%	-34%
ROE - total Grupa kapitałowa ING Banku Śląskiego S.A.	11,1%	11,0%	-1%	11,7%	6%	12,7%	9%	12,5%	-2%	11,6%	-7%	7,6%	-34%
Average annual monthly base salary of employees of ING Bank Śląski S.A. who are not members of the management board or the supervisory board	6 179	6 353	3%	6 685	5%	6 990	5%	7 565	8%	7 882	4%	8 409	7%
Average monthly base and variable remuneration granted for a given year to the Management Board members of ING Bank Śląski S.A. for the period of performing the function / without additional benefits/													
Kotakowska Małgorzata (till 31.03.2016)	289 088	297 615	3%	275 415	-7,5%	-	-	-	-	-	-	-	-
Barkiewicz Brunon (as of 19.04.2016)	-	-	-	392 700	-	353 296	-10%	277 803	-21%	377 494	36%	343 580	-9%
Bolesławski Michał (till 31.12.2020)	200 790	202 560	1%	208 894	3%	188 460	-10%	187 135	-1%	212 026	13%	190 361	-10%
Boda Mirosław (till 31.05.2017)	195 533	194 079	-1%	189 520	-2%	172 051	-9%	-	-	-	-	-	-
Kesler Justyna (till 31.12.2018)	189 759	188 493	-1%	191 520	2%	174 717	-9%	159 708	-9%	-	-	-	-
Erdman Joanna (as of 01.04.2013)	166 840	179 540	8%	176 558	-2%	181 276	3%	181 700	0%	202 320	11%	184 336	-9%
Swan Oscar (till 30.06.2015)	184 920	180 144	-3%	-	-	-	-	-	-	-	-	-	-
Julia Vilar Ignacio (till 30.04.2016)	181 132	199 363	10%	194 361	-3%	-	-	-	-	-	-	-	-
Giżycki Marcin (as of 01.08.2016) ¹	-	-	-	197 860	-	150 461	-24%	149 372	-1%	191 568	28%	190 423	-1%
Roesink Patrick (as of 01.07.2015 till 31.03.2020)	-	141 323	-	132 605	-6%	125 587	-5%	117 888	-6%	131 558	12%	127 838	-3%
Graczyk Bożena (as of 01.06.2017)	-	-	-	-	-	185 613	-	184 498	-1%	205 370	11%	186 296	-9%
Tossan-Bassut Lorenzo (as of 01.01.2019)	-	-	-	-	-	-	-	-	-	130 159	-	127 964	-2%
Soszyński Sławomir (as of 01.09.2019)	-	-	-	-	-	-	-	-	-	162 000	-	147 600	-9%
Mrozek Michał (as of 01.07.2020)	-	-	-	-	-	-	-	-	-	-	-	164 000	-
Average monthly remuneration of Supervisory Board members ING Bank Śląski S.A. for the period of performing the function ²													
Mirosław Kośmider (till 10.04.2014) <i>Independent member</i>	13 000	-	-	-	-	-	-	-	-	-	-	-	-
Wojciech Popiołek (till 10.04.2014) <i>Independent member</i>	11 000	-	-	-	-	-	-	-	-	-	-	-	-
Anna Fornalczyk (till 10.04.2014) <i>Independent member</i>	17 500	-	-	-	-	-	-	-	-	-	-	-	-
Antoni Reczek (as of 10.04.2014) <i>Independent member</i>	20 000	22 600	13%	24 719	9%	26 555	7%	27 120	2%	28 560	5%	29 040	2%
Aleksander Galos (as of 10.04.2014) <i>Independent member</i>	12 500	14 100	13%	14 119	0%	16 385	16%	19 610	20%	21 420	9%	21 780	2%
Aleksander Kutela (as of 10.04.2014) <i>Independent member</i>	10 000	13 867	39%	14 119	2%	14 523	3%	17 077	18%	18 445	8%	18 755	2%
Nicolaas Cornelius Jue (till 31.03.2015) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Diederik van Wassenae (as of 31.03.2015 till 31.03.2016) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Brunon Barkiewicz (till 04.03.2016) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Roland Boekhout (till 15.03.2017) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Christopher Steane (as of 31.03.2016 till 05.04.2018) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Małgorzata Kotakowska (as of 01.04.2016) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Michał Szczurek (as of 05.04.2018) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Ad Kas (till 02.04.2020) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Norman Tambach (till 02.04.2020) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Susan Poot (as of 01.05.2020) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-
Remco Nieland (as of 01.05.2020) <i>Member having ties with ING Group</i>	-	-	-	-	-	-	-	-	-	-	-	-	-

¹ including remuneration due to function in the Management Board of ING Securities S.A.² without reimbursement of ZUS contributions for exceeding the annual base for retirement and disability contributions based on the decision of the Social Insurance Institution

Note: There is a presentation discrepancy in relation to the individualized data presented in the Annual Report, namely this statement takes into account the variable remuneration awarded for a given financial year without any other benefits, while the Annual Report includes:

- in the part concerning remuneration due for a given year - the amount of a provision for variable remuneration for the Bank's Management Board for a given year,
- in the part concerning remuneration paid in a given year - variable remuneration paid in a given financial year for previous years.

The Annual Report also includes data on the value of other benefits.

Enclosure 3

Name, last name	2019					2020				
	No. of phantom shares - 01.01.2019 (deferred shares)	No. of phantom shares granted in a given year (in line with the calculation presented in item VII.1 of the report) for 2018		No. of phantom shares vested based on the assessment verification and ex post risk adjustment - for previous years, i.e. 2015-2016	No. of phantom shares that will vest in the following years	No. of phantom shares - 01.01.2020 (deferred shares)	No. Of phantom shares granted in a given year (in line with the calculation presented in item VII.1 of the report) for 2019		No. of phantom shares vested based on the assessment verification and ex post risk adjustment - for previous years, i.e. 2016-2017	No. of phantom shares that will vest in the following years
		upfront	deferred				upfront	deferred		
Brunon Bartkiewicz <i>Chair of the Supervisory Board of ING Bank Hipoteczny S.A.</i>	3 427	1 071	1 070	717	3 780	3 780	2 474	2 474	1 115	5 139
Michał Bolesławski <i>Chair of the Supervisory Board of ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o.</i>	2 551	1 428	952	1 176	2 327	2 327	1 761	1 173	777	2 723
Joanna Erdman <i>Member of the Supervisory Board of ING Bank Hipoteczny S.A., ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o.</i>	2 160	1 319	879	976	2 063	2 063	1 589	1 059	635	2 487
Patrick Roesink¹ <i>Member of the Supervisory Board of ING Bank Hipoteczny S.A. (until 31.03.2020)</i>	1 155	493	329	476	1 008	1 008	589	392	390	1 010
Marcin Giżycki <i>Deputy Chair of the Supervisory Board of ING Bank Hipoteczny S.A.</i>	1 301	1 097	731	363	1 669	1 669	1 591	1 060	438	2 291
Bożena Graczyk <i>Member of the Supervisory Board of ING Bank Hipoteczny S.A., ING Commercial Finance S.A. and ING Lease (Polska) Sp. z o.o., Member of the Audit and Risk Committee of the Supervisory Board of ING Bank Hipoteczny S.A.</i>	489	1 401	934	-	1 423	1 423	1 686	1 123	163	2 383
Lorenzo Tassan-Bassut¹ <i>Member of the Supervisory Board of ING Bank Hipoteczny S.A. (01.04.2020 - 31.12.2020)</i>	-	-	-	-	-	-	803	535	-	535
Sławomir Soszyński	-	-	-	-	-	-	319	212	-	212
Michał Mrozek	-	-	-	-	-	-	-	-	-	-
Total	11 083	6 809	4 895	3 708	12 270	12 270	10 812	8 028	3 518	16 780

¹ incl. phantom shares granted for performance of function in the Management Board of ING Securities S.A.