

Supervisory Board's Report

for 2023





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Operations of the Supervisory Board and its Committees

Evaluation of Bank's financial statements and motion on profit distribution

Evaluation of the Bank's standing

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Summary

of operations of the Supervisory Board and its committees in 2023 along with information on the composition of the Board and its committees



Legal basis of the functioning of the Supervisory Board at ING Bank Śląski S.A.

Acting pursuant to Article 382 §3.3) of the Commercial Companies and Partnerships Code (CCPC) and the provisions of the Best Practice for GPW Listed Companies, the ING Bank Śląski S.A. Supervisory Board herewith submit to the Ordinary General Meeting the Report of the ING Bank Śląski S.A. Supervisory Board for 2023.

The ING Bank Śląski S.A. Supervisory Board (the "Supervisory Board") operate pursuant to the *Banking Law, the Commercial Companies and Partnerships Code, the ING Bank Śląski S.A. Charter* (the "Bank Charter") and the *ING Bank Śląski S.A. Supervisory Board Bylaw*. Pursuant to §19.5 of the *Bank Charter*, Supervisory Board Members are appointed for the joint term of office which commences as of the appointment date and lasts for the full four consecutive financial years. The current term of office commenced on 29 March 2019. Therefore, the mandates of the Supervisory Board Members of the current term of office expire as of the date of the General Meeting approving the financial statements for 2023.





Composition of the Supervisory Board at ING Bank Śląski S.A.

Division of functions, and changes on the Supervisory Board during the financial year

2023 saw the following changes on the Supervisory Board:

On 26 January 2023, the Bank received from Mr Aris Bogdaneris a letter of resignation from the capacity as Member of the Bank Supervisory Board, effective as of the date of the subsequent Ordinary General Meeting of the Bank ("OGM"). Following the notice received, the agenda of the OGM on 26 April 2023 provided for an item on changes to the Supervisory Board. Furthermore, the agenda included an item on the change of the number of the Supervisory Board Members – from seven to eight.

Pursuant to 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 Remuneration and Nomination Committee (the "Committee") made an individual assessment of the candidates for the Supervisory Board, i.e.: Mr Hans De Munck and Ms Katarzyna Zajdel-Kurowska, and a collective assessment of the Supervisory Board. Upon completing the assessment, the Committee concluded that the competences of the individual members of the Supervisory Board were complementary and allowed for ensuring adequate level of collective performance of supervision duties in respect of all the business areas of the Bank. The relevant recommendation of the Committee was published on the Bank's website before the date of the OGM.

On 26 April 2023, the OGM passed resolutions on a change in the number of the Supervisory Board Members (from seven to eight) and on the appointment of Mr Hans De Munck and Ms Katarzyna Zajdel-Kurowska to the Supervisory Board. Mr Hans De Munck is related to ING Group. Ms Katarzyna Zajdel-Kurowska is an Independent Member of the Supervisory Board within the meaning of the Act on Statutory Auditors, Auditing Firms and Public Oversight of 11 May 2017.

*Pursuant to 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 keeping with the Suitability Assessment Procedure for Members of the Supervisory Board, Members of the Management Board and Audit Committee at ING Bank Śląski S.A., the Committee made an individual assessment of the candidates for the Audit Committee, i.e.: Mr Hans De Munck and Ms Katarzyna Zajdel-Kurowska. Following the assessment, the Committee concluded that each of the aforesaid candidates have the knowledge, skills and experience required to hold the function of a member of the Supervisory Board Audit Committee, provide assurance of proper performance of duties relating to that function and fulfil other requirements as set out in Article 22aa of the *Polish Banking Law Act*. At the same time, Committee stated that the individual competences of the incumbent Members of the Audit Committee;*

i.e. Ms Monika Marcinkowska (the Committee Chair), Ms Dorota Dobija and Mr Michał Szczurek and the aforesaid candidates for Members of the Audit Committee were complementary and that they allowed for ensuring adequate level of collective performance of supervision duties for all the areas falling within the capacity of the Audit Committee. It was further attested that the new Audit Committee would satisfy both the criterion of the collective suitability covering a sufficient number of members having the knowledge of and skills in accounting, as to the audit of the financial statements and as to banking and the criterion of a sufficient number of members being independent, including an independent Chair of the Audit Committee.





Taking account of the above changes and existing suitability assessments of individual Supervisory Board Members, and in view of Mr Aleksander Galos' resignation from his membership in the Risk Committee and Audit Committee, and of Mr Stephen Creese's resignation from his membership in the Audit Committee, on 2 June 2023, the Supervisory Board changed the compositions of the Audit Committee and of the Risk Committee. Effective as of 5 June 2023, the Supervisory Board appointed Mr Hans De Munck and Ms Katarzyna Zajdel-Kurowska to the Audit Committee. The Supervisory Board appointed Ms Katarzyna Zajdel-Kurowska to the Risk Committee as of the same date.

Following the changes made on 5 June 2023, the Supervisory Board Audit Committee have operated in the following composition:

Ms Monika Marcinkowska
Committee Chair (independent member)

Ms Dorota Dobija
Committee Member (independent member)

Mr Hans De Munck
Committee Member

Mr Michał Szczurek
Committee Member

Ms Katarzyna Zajdel-Kurowska
Committee Member (independent member)

Following the changes made on 5 June 2023, the Supervisory Board Risk Committee have operated in the following composition:

Ms Dorota Dobija
Committee Chair (independent member)

Mr Stephen Creese
Committee Member

Ms Małgorzata Kołakowska
Committee Member

Ms Monika Marcinkowska
Committee Member (independent member)

Ms Katarzyna Zajdel-Kurowska
Committee Member (independent member)





The composition of the Remuneration and Nomination Committee remained unchanged. The Committee have operated in the following composition:

Mr Aleksander Galos
Chair (independent member)

Ms Dorota Dobija
Committee Member (independent member)

Ms Małgorzata Kołakowska
Committee Member

Following the by-election to the Supervisory Board during the year, as at 31 December 2023, the Supervisory Board Members were:

Mr Aleksander Galos
Chair (independent member)

Ms Małgorzata Kołakowska
Deputy Chair I

Mr Michał Szczurek
Deputy Chair

Mr Stephen Creese
Member

Ms Dorota Dobija
Member (independent member)

Ms Monika Marcinkowska
Member (independent member)

Mr Hans De Munck
Member

Ms Katarzyna Zajdel-Kurowska
Member (independent member)



Information on compliance

with the *Principles of Corporate Governance for Supervised Institutions and Best Practice for GPW Listed Companies*

The Supervisory Body fulfil their tasks pursuant to a special authorisation granted thereto under the *Bank Charter* and the *Supervisory Board Bylaw* as well as the requirements of the *Principles of Corporate Governance for Supervised Institutions* and the *Best Practice for GPW Listed Companies*, as adopted on 22 July 2021 by way of Supervisory Board Resolution No. 60/XII/2021 on the opinion on the Management Board's decision concerning application of the *Best Practice for GPW Listed Companies 2021* by the Bank and implementation of its principles referring to the Board.

According to the representations filed by the Members of the Supervisory Board, four (4) out of eight (8) Members of the Supervisory Board meet the independence criteria set out in the *Bank Charter*. Those are: Supervisory Board Chair – Mr Aleksander Galos and Board Members – Ms Dorota Dobija, Ms Monika Marcinkowska and Ms Katarzyna Zajdel-Kurowska. That means that the requisite number of Board Members satisfy the requirements arising from the *Best Practice for GPW Listed Companies* in regard to independence. The other four Members, namely: Ms Małgorzata Kołakowska (Board Deputy Chair I), Mr Michał Szczurek (Board Deputy Chair), Mr Stephen Creese and Mr Hans De Munck (Board Members) have ties with ING Bank N.V., the strategic shareholder of the Bank.

As practised by the Bank, every year, all Supervisory Board Members file representations regarding their independence (or lack thereof), considering in particular the independence criteria laid down in the Act of 11 May 2017 on Auditors, Audit Firms and Public Supervision, and also the absence of actual and material relations with any shareholder who holds at least 5% of the total vote in the company. Independent members attest thereby that they have no relationship with the Bank, its shareholders, or employees that could have a significant impact on their ability to make impartial decisions. Furthermore, Members are required to notify the Bank immediately of occurrence of any circumstances impacting their independence. Therefore, the Supervisory Board confirmed that there were neither ties nor circumstances which might compromise the satisfaction of independence criteria by the Board Members.

Professional resumes of all the Supervisory Board Members, including their functions on the Supervisory Board Committees, have been published on the Bank's website: <https://en.ing.pl/company-profile/authorities>. Personal bios of the Supervisory Board Members with their individual competencies have also been given below. Furthermore, on the Bank's website, there are annotations on filing independence statements or statements on ties with ING Bank N.V. There is also the information on compliance with the requirements under Article 22aa of the *Polish Banking Law Act*. Additionally, in keeping with the *Best Practice for GPW Listed Companies*, on the Bank's website one may also find the share of men and women in the Bank Management Board and Supervisory Board. A summary thereof has also been presented below.





Competency Profiles of Supervisory Board Members

Supervisory Board Members have high qualifications. All Members have the relevant experience and knowledge that enable them to exercise oversight of the Bank. Six out of the eight Supervisory Board Members are Polish citizens and native speakers of Polish. As for the other two Members, one of them is British and the other one is Belgian.

Personal bios of Board Members showing their individual competencies have been given below.





Mr Aleksander Galos

*Independent Supervisory Board Member
Chair of the Supervisory Board
Chair of the Remuneration and Nomination Committee*

He graduated from the School of Law and Administration of the Jagiellonian University in Kraków, where he received his master's degree in law. He is a licensed attorney. He completed with diploma post-graduate studies in Management at the Warsaw School of Economics. He studied at the Warsaw School of Economics – post-graduate studies in Accounting (without diploma). He was member of the Supervisory Board of Bank PKO BP S.A. and Bank Zachodni WBK S.A., amongst others. He has been engaged by the Law Firm Kocharński Zięba i Partnerzy Sp. k. He has been Member the ING Bank Śląski S.A. Supervisory Board since April 2014, and Supervisory Board Chair since November 2021 (previously, he was the Secretary to the Supervisory Board).

Ms Małgorzata Kołakowska

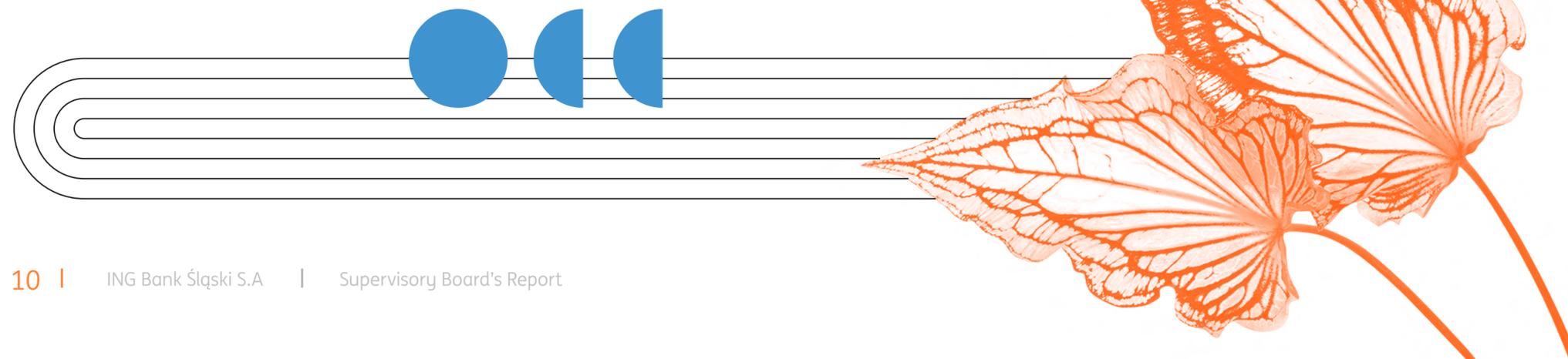
*Deputy Chair I of the Supervisory Board
Remuneration and Nomination Committee Member
Risk Committee Member*

She graduated from the Faculty of International Trade Economics and Organisation at the Main School of Planning and Statistics (at present Warsaw School of Economics) with a master's degree in 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 Network. 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 managing director (Poland and the Baltics) at the European Bank of Reconstruction and Development and the finance director at McDonald's Poland. She has been on the Supervisory Board of ING Bank Śląski S.A. since 2016.

Mr Michał Szczurek

*Deputy Chair of the Supervisory Board
Audit Committee Member*

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 ING Group 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 Powszechnie 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, Country Manager for ING Bank Italia. He has been on the Supervisory Board of ING Bank Śląski S.A. since 2018.





Mr Stephen Creese

*Supervisory Board Member
Risk Committee Member*

He graduated, with a bachelor's (BA) degree, from University of Manchester, Economics and Economic History, Faculty of Arts. He has also passed *Certified Information Systems Security Professional (CISSP)* exams. From 1998 to 2021, he worked for Citigroup Inc., where he acted as an audit manager, Managing Director of Risk and Control in both Operations and Markets sales and trading, then Regional Head of Operational Risk – EMEA countries. Since June 2021, he has been Global Head of Non-Financial Risk (NFR) within ING Group. He has been on the Supervisory Board of ING Bank Śląski S.A. since 2021.

Ms Dorota Dobija

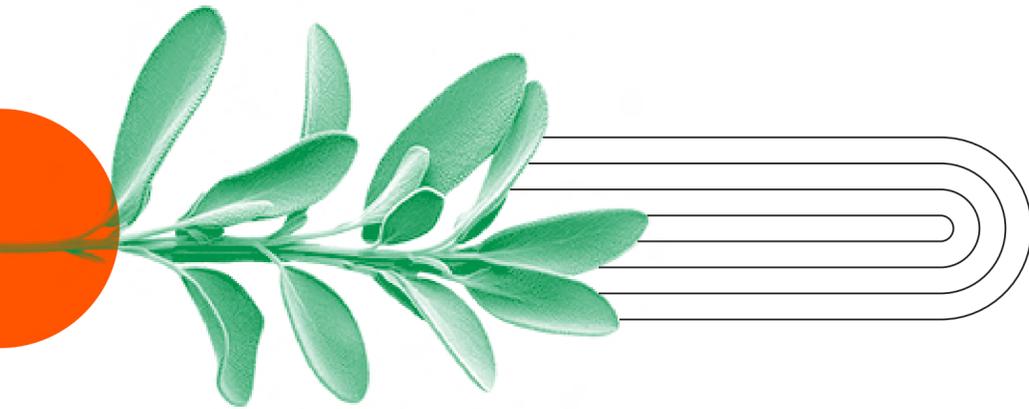
*Independent Supervisory Board Member
Chair of the Risk Committee
Remuneration and Nomination Committee Member
Audit Committee Member*

She received her master's degree in Cybernetics and Computer Science (specialty: Data Processing and Accounting). She got her PhD in economic science (specialty: Accounting) and habilitation degree in economic science (management science). 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, amongst others, 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 has been on the Supervisory Board of ING Bank Śląski S.A. since 2021.

Ms Monika Marcinkowska

*Independent Supervisory Board Member
Chair of the Audit Committee
Risk Committee Member*

She received her 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 is a lecturer and researcher at the University of Lodz. 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 has also been Member of the European Banking Authority's Banking Stakeholder Group, and has acted as coordinator of the Sustainable Finance Working Group since March 2020. She has also worked in the Belgian think-tank called Breugel. She has been on the Supervisory Board of ING Bank Śląski S.A. since 2021.





Mr Hans De Munck

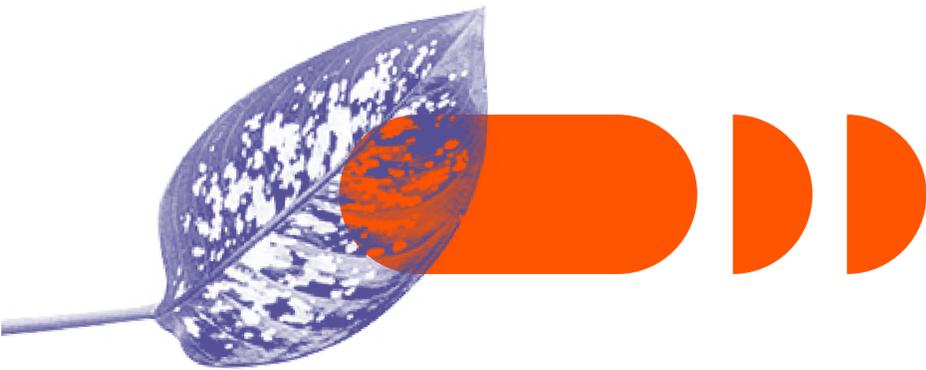
*Supervisory Board Member
Audit Committee Member*

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. He has worked at ING Group since the formative years of his career, where he has held managerial functions in the area of asset and liabilities management, market risk management, integration and risk analyses. He has been the Chief Financial Officer at ING Belgium since 2018. He joined the Supervisory Board of ING Bank Śląski S.A. in 2023.

Ms Katarzyna Zajdel-Kurowska

*Independent Supervisory Board Member
Risk Committee Member
Audit Committee Member*

She graduated, with a master's degree, from the Warsaw University, Faculty of Economic Sciences. She was with Citibank Poland (Citibank Handlowy) for many years; while working there, she held the functions of the Chief Economist and Head of Treasury Research for CEE, among others. She was the Undersecretary of State in the Polish Ministry of Finance, and Alternate Executive Director at the International Monetary Fund. She sat on the Management Board of the National Bank of Poland. She was also Alternate Executive Director and Executive Director at the World Bank Group. Between January 2023 and 7 January 2024, she was the Advisor to the CEO of the Polish Development Fund. She joined the Supervisory Board of ING Bank Śląski S.A. in 2023.





The above details have been summarised in the table below.

Independence criterion and competencies		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, confirmed with the qualifications of the chartered auditor (including confirmation with the qualifications of the statutory auditor)		Has knowledge of and competency in the banking area
		satisfies the criterion	no	qualifications		
				yes	no	
	Aleksander Galos	yes	no		n/a	yes
	Małgorzata Kołakowska	no	yes	competence acquired through professional career and in executive positions in Bank authorities		yes
	Michał Szczurek	no	yes	competence acquired through professional career and in executive positions in Bank authorities		yes
	Stephen Creese	no	yes	competence acquired through professional career and in executive positions in Bank authorities		yes
	Dorota Dobija	yes	yes	Certified Accountant Professor in economic science university degree – specialty: data processing and accounting		yes
	Monika Marcinkowska	yes	yes	Professor in economic science university degree – specialty: accounting		yes
	Hans De Munck	no	yes	competence acquired through professional career and in executive positions in Bank authorities		yes
	Katarzyna Zajdel-Kurowska	yes	yes	competence acquired through professional career		yes

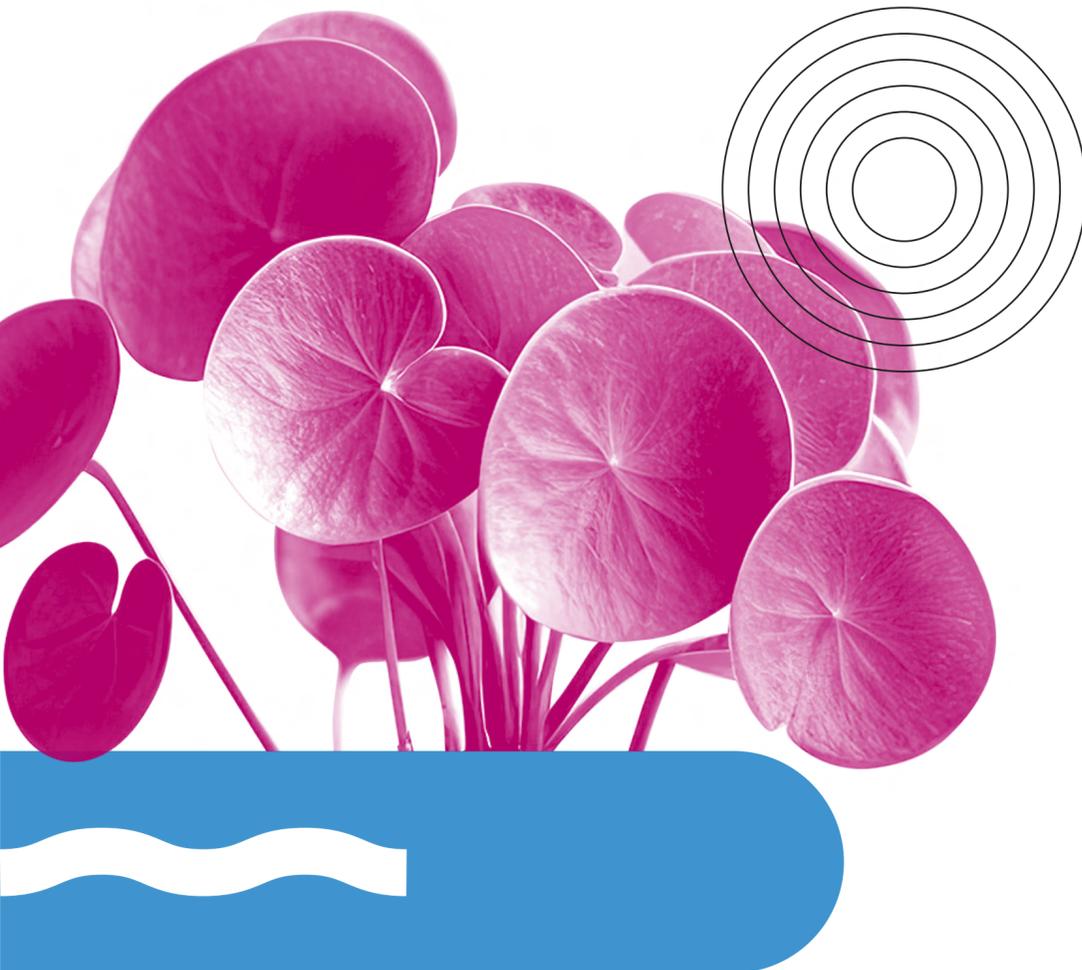
Professional diversity of Supervisory Board Members can be summarised as in the table below:

Number of Supervisory Board Members from legal sector	Number of Supervisory Board Members from financial sector	Number of Supervisory Board Members from higher education sector
1	5	2



Competency Profiles of Management Board Members

Professional resumes of all the Management Board Members have been published on the Bank's website: <https://en.ing.pl/company-profile/authorities>. Education, competences and specialist knowledge demonstrated by individual Management Board Members have been outlined below.



Management Board Member

Education, competences and expertise

Brunon Bartkiewicz

President of the Management Board,
CEO Division

- Main School of Planning and Statistics in Warsaw (currently Warsaw School of Economics), Foreign Trade Faculty – master's degree
- Graduate School of Business Stanford University, Standard Executive Program

Joanna Erdman

Vice-President of the Management Board,
CRO Division

- Warsaw School of Economics, Finance & Statistics – master's degree
- London Business School, Senior Executive Programme
- Advanced Risk Management Program, Wharton University
- Sustainable Finance, University of Cambridge
- Sustainability and Climate Risk, Global Association of Risk Professionals (GARP)

Marcin Giżycki

Vice-President of the Management Board,
Retail Clients Division

- University of Economics in Katowice, Banking and Finance Faculty – master's degree
- Poznań School of Banking, Banking and Finance Faculty – BA studies
- Graduate School of Business Stanford University, Standard Executive Program

Bożena Graczyk

Vice-President of the Bank Management Board,
CFO Division

- University of Łódź, Foreign Trade Faculty – master's degree
- University of Łódź, the Centre of European Studies
- University of Limburg as part of Tempus Programme
- University of Bristol, the United Kingdom and École Nationale des Ponts et Chaussées, France, Executive MBA in International Business
- Diploma of The Accountants Association of Poland; certified auditor qualifications
- University of Navarra, Spain, Advanced Management Program
- IESE Business School

Ewa Łuniewska

Vice-President of the Bank Management Board,
Business Clients Division

- Warsaw School of Economics
Foreign Trade Faculty – master's degree

Michał H. Mrozek

Vice-President of the Bank Management Board,
Wholesale Banking Division

- Georgetown University School of Foreign Service, Washington, D.C.
International Trade & Finance – Joint degree – Bachelor Cum Laude and Masters Dean Citation

Sławomir Soszyński

Vice-President of the Bank Management Board,
CIO Division

- Nicolaus Copernicus University, Toruń, Theoretical Physics and Information Technology – master's degree,
Kozminski University, Warsaw, MBA

Alicja Żyła

Vice-President of the Bank Management Board,
COO Division

- University of Economics in Katowice, master's degree in Economics,
International Economic Relationships/ European Integration
- Tilburg University of Business Studies,
- ING International Management Development, Programme, Marketing Training for ING Staff, ING Group Amsterdam



Form and manner of oversight

Number and frequency of the Supervisory Board meetings and number of resolutions passed

The Supervisory Board work according to a meetings schedule and an Outline Work Plan. The Board debate analysing the company situation versus the sector and the market, based on the materials submitted by the Company Management Board and those coming from internal functions of the Company as well as those attained from exterior sources, also taking advantage of the works of the Board committees. In particular, the Supervisory Board approve the Company strategy and verify the performance of the Management Board as far as delivery of preset strategic goals is concerned. Further, the Board monitor the results of the Company.

In 2023, meeting agendas included ongoing business matters, submissions made by the Bank Management Board as well as any other material issues that required attention of the Supervisory Board. The Supervisory Board exercised oversight of the Bank's operations primarily during the meetings and took the required decisions in the form of resolutions. During the meetings, the Members of the Supervisory Board are joined by Members of the Bank Management Board as well as the Heads of the Internal Audit Department and the Centre of Expertise – Compliance, and other invited guests who give presentations on specific topics within their competence.

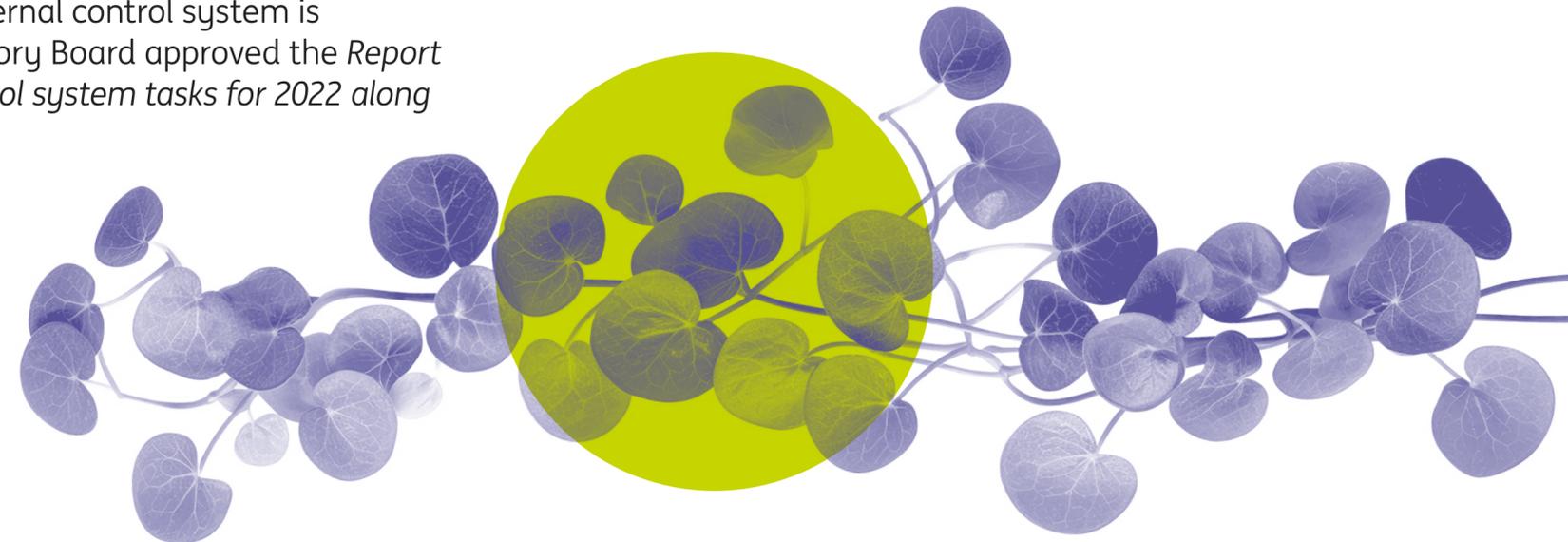
The Supervisory Board attach particular significance to the Bank having an adequate and effective risk management system

and an adequate and effective internal control system. In the course of works, the Supervisory Board monitor performance of both systems across the organisation on an ongoing basis. The Supervisory Board further make periodic assessments of their functioning. In 2023, considering the requirements 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*, the Supervisory Board approved the *Report on the operation of the risk management system in 2022*. Furthermore, considering the information from the report and periodic reports of the CRO Division, the findings made by the external auditor, the findings from regulatory activities of the Polish Financial Supervision Authority and the SREP results, the Supervisory Board made a positive assessment of the adequacy and effectiveness of the risk management system at the Bank in 2022.

As far as performance of the internal control system is concerned, in 2023, the Supervisory Board approved the *Report on fulfilment of the internal control system tasks for 2022 along*

with the List of critical and high recommendations. Furthermore, as required by the aforesaid Regulation and considering the following operational aspects for the internal control system:

- assessment of the internal control system made by the Internal Audit Department,
- update of the Bank Management Board on the manner of performing tasks related to the internal control system described in the report,
- periodic reports of the Centre of Expertise – Compliance,
- findings made by a statutory auditor, and
- findings resulting from supervisory activities performed by authorized institutions,





the Supervisory Board assessed with a positive result the adequacy and effectiveness of the internal control system at the Bank in 2022, including a positive assessment of the adequacy and effectiveness of control functions, the Centre of Expertise – Compliance and the Internal Audit Department. The information on the evaluation of the Bank's standing in 2023, including the assessment of the internal control system, risk management system, compliance and the internal audit function has been presented [below](#).

In 2023, the Members of the Bank Supervisory Board devoted sufficient time to performance of their duties. Between 1 January and 31 December 2023, the Supervisory Board held eight meetings. The Supervisory Board also passed resolution by way of circulation (14 cases). The meetings were held at the following dates: 3 February (so-called *Strategy Day*), 10 March, 17 March, 26 April, 2 June, 23 June, 22 September as well as 1 December, and by way of circulation on: 1 February, 13 February, 16 February, 21 March, 12 April, 19 April, 17 May, 23 May, 18 October, 24 October, 2 November, 15 November, 14 December and 19 December. Meetings were held on site and in hybrid mode. In total, the Supervisory Board adopted 112 resolutions, including 18 passed by way of circulation. All the meetings were quorate and held in line with the procedures so that binding resolutions could be taken; the attendance rate during the meetings was high.

Attendance of the Supervisory Board Members in 2023 has been shown in the table below.

Attendance in 2023

(Meeting attendance / Number of meetings during the term of office)

Aleksander Galos	22/22
Małgorzata Kołakowska	21/22
Michał Szczurek	21/22
Stephen Creese	22/22
Dorota Dobija	22/22
Monika Marcinkowska	22/22
Hans De Munck (Member since the date of appointment by OGM, i.e. 26 April 2023)	11/13
Katarzyna Zajdel-Kurowska (Member since the date of appointment by OGM, i.e. 26 April 2023)	13/13
Board Members holding functions in the reporting period	
Aris Bogdaneris (Board Member until the OGM date, i.e. 26 April 2023)	6/9

In addition to regular meetings, the Members of the Supervisory Board stayed in regular and direct contact with the Bank Management Board and took an active part in all the material matters concerning the Company business. The Chair of the Audit Committee regularly meets with the Bank CFO to discuss the Bank's financial statements prior to their publication as well as with the Chief Audit Executive and Centre of Expertise Lead III – Compliance, to discuss the aspects typical for the internal audit and compliance risk management functions. The Chair of the Risk Committee holds regular meetings with the managers of individual risk areas, and the Chair of the Remuneration and Nomination Committee meets with the management of the HR Expert Centre.

The minutes from the Supervisory Board and Committees meetings offer a detailed recount of activity of the Supervisory Board and Board Committees in 2023; the minutes and the resolutions passed by the Supervisory Board as well as the recommendations, opinions and decisions made by Committees are available at the Company's registered office.

Additionally, Members of the Supervisory Board attended internal training sessions held by the Bank. Those training sessions focused on the new non-financial risk dashboardy (NFRD), WIRON and WIBOR transition. Members of the Supervisory Board also attended cybersecurity and anti-fraud training sessions as well as workshops on the hybrid work model.



Agenda of the Supervisory Board Meetings

In 2023, the Supervisory Board exercised ongoing oversight over the Company operations and kept watch over the Company adherence to the relevant regulations, including: in the area of accounting, finance and reporting of public companies. The works of the Supervisory Board proceeded smoothly, with all Members taking an active part in them.

During the meetings, the Supervisory Board reviewed the matters required under the CCPC as well as the matters relating to the day-to-day operations of the Company.

In the course of works in Q1 last year, the Supervisory Board developed and submitted to the GM *inter alia*: the requisite report on the evaluation of the Bank's standing, including the assessment of the internal control system, risk management, compliance and the internal audit function, and also the Supervisory Board's report on their operations. Furthermore, the Supervisory Board submitted to the OGM the assessment on satisfaction of corporate governance-related disclosure duties by the Bank and assessment of the rationality of the Bank's policy concerning sponsorship and charity initiatives. In 2023, the Supervisory Board reviewed and gave a positive opinion on the draft resolutions of the OGM convened on 26 April 2023.

The topics discussed by the Supervisory Board in 2023 have been detailed below. Those topics were also discussed by the Supervisory Board Committees (within their remit) who gave their recommendations and opinions for the Supervisory Board.

1. Finance, including:

- approval of the *Bank Strategy for 2023–2025* and changes thereto, as well as continuous oversight of the implementation of the approved financial plan,
- approval of the report on the results of review of the Annual Financial Statements of ING Bank Śląski S.A. for 2022 (separate and consolidated), Management Board Report on Operations of ING Bank Śląski S.A. Group in 2022 covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules, Report on non-financial information of ING Bank Śląski S.A. Group for 2022, including non-financial information of ING Bank Śląski S.A.,
- assessment of the Bank Management Board motion regarding distribution of profit earned by the Bank in 2022,
- approval of amendments to the *Capital Management Policy at ING Bank Śląski S.A.*,
- approval of the 2022 ING Bank Śląski S.A. ICAAP Report,
- opinion on the Bank Management Board's declaration on the application by the Bank of the Polish Financial Supervision Authority's recommendation on mitigating the inherent risk of Bank's operations.
- opinion on the Bank Management Board's statement regarding application by ING Bank Śląski S.A. of the Polish Financial Supervision Authority's recommendation on the Pillar 2 Guidance (P2G) capital add-on.
- approval of the updated *Recovery Plan for ING Bank Śląski S.A.*,
- regular update of the Bank Management Board on related-party agreements,
- regular update of the Bank Management Board on the operations of the ING Bank Śląski S.A. Brokerage Office,





- annual update on capital investments as required by the *ING Bank Śląski S.A. Equity Investment and Corporate Governance Policy*,
- annual report on the supervision system in custody operations, and
- annual report on fulfilment by the Bank of the obligations regarding: issuing or sharing financial instruments as well as recommending, offering or otherwise enabling the purchase or subscription of financial instruments and structured deposits by clients of the Retail Customers Division, Wholesale Banking Division and Business Clients Division.

2. Internal audit at the Bank, including:

- noting the reports on the status of the 2022 audit plan delivery and the status and changes in due dates of audit issue closure,
- approval of the Annual Report on delivery of the objectives, mission and strategy including internal control system and risk management system assessment for 2022,
- noting the Report on the results of quality assurance and improvement process within Internal Audit Department function for 2022,
- approval of the Report on the audit of the principles of remunerating the persons holding managerial positions

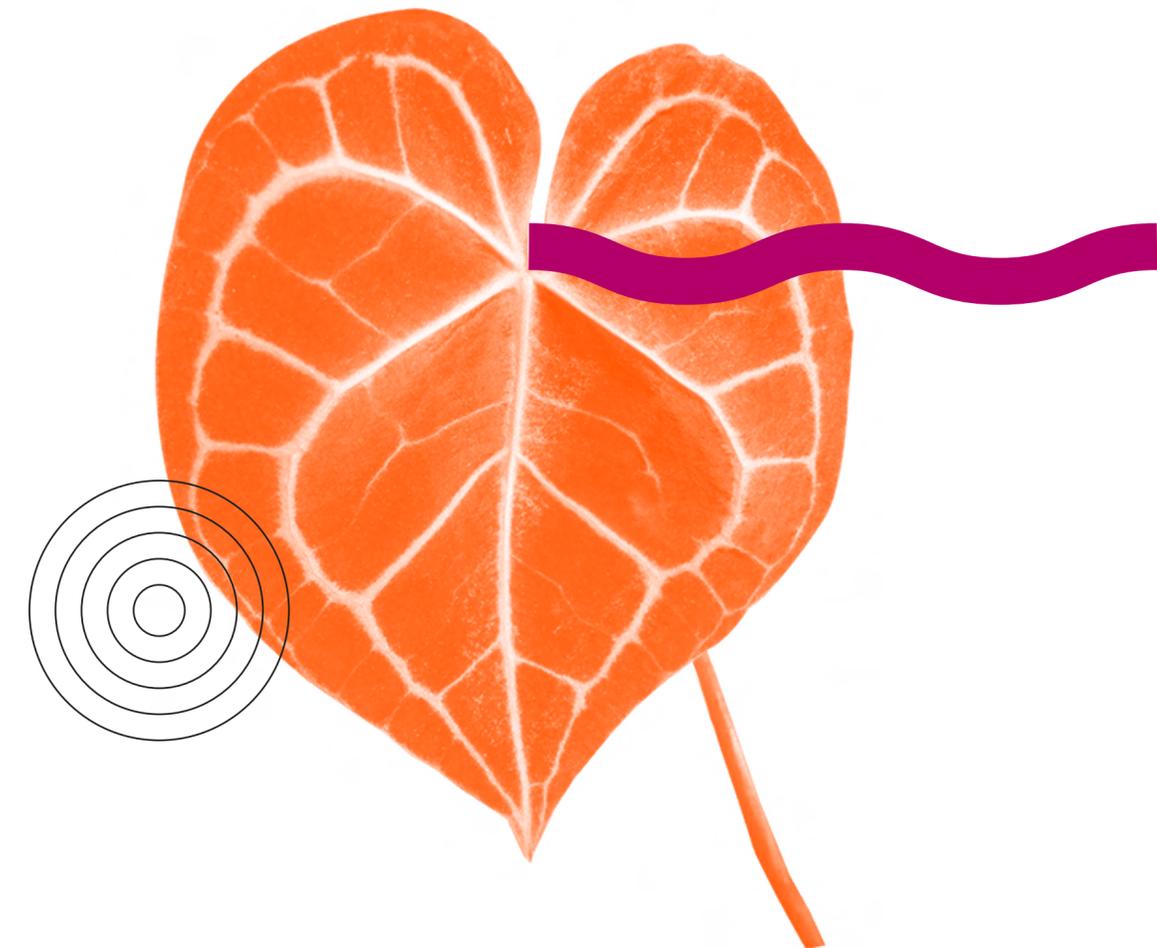
having material impact on the risk profile of (“Identified Staff”) at ING Bank Śląski S.A.,

- approval of the update of the Audit Strategy Memorandum (ASM) including long-term planning for the years 2023-2025 and the 2023 Audit Plan,
- noting the reports on the status of the 2023 audit plan delivery and the status and changes in due dates of audit issue closure,
- approval of the Report on the review of the headcount level and structure, job description and remuneration for the Internal Audit Department,
- approval of the update of the Audit Strategy Memorandum (ASM) including long-term planning for the years 2024-2028 and the 2024 Audit Plan.

3. Compliance at the Bank, including:

- approval of the Annual Plan of Tasks of the Centre of Expertise – Compliance for 2023,
- assessment of the adequacy and effectiveness of the system for anonymous reporting of violations of law, internal regulations and ethical standards in ING Bank Śląski S.A. in 2023,
- assessment of adequacy and effectiveness of corporate governance at ING Bank Śląski S.A. for 2022,

- approval of updated internal compliance regulations,
- approval of the Report on the review of the headcount level and structure, job description and remuneration for the Centre of Expertise – Compliance,
- update on the implementation of the Annual Compliance Plan,
- update on observance of ethical standards.





4. Monitoring the efficiency of the risk management system at the Bank, including non-financial risk and compliance risk, including:

- approval of the high-level RAS parameters for 2023,
 - approval of the *Non-financial Risk Appetite Statement of the Bank for 2023*, and oversight of its implementation,
 - approval of the ING Bank Śląski S.A. ILAAP Review Report for 2022,
 - approval of amendments to the *Policy – Internal Control System at ING Bank Śląski S.A.*,
 - approval of Report on the operation of the risk management system in 2022 as well as final assessment of the risk management system adequacy and effectiveness in 2022,
 - approval of amendments to the *General Principles of Credit, Market, Liquidity and Funding and Operational Risk Management and Mitigation in ING Bank Śląski S.A.*,
 - consent to conclusion of significant agreements by the Bank,
 - approval of amendments to the *ING Bank Śląski S.A. Operational Risk Management Policy*,
- periodic report on credit, market and non-financial risk management at the Bank,
 - regular updates from the compliance risk area at the Bank, including from the personal management, anti-money laundering and terrorism financing and sanction violation areas,
 - periodic update on Bank's activities for FX-indexed mortgage loans.
 - FX-indexed lending portfolio,
 - periodic update on the status of open recommendations at the Bank,





5. Monitoring and supervising the HR and payroll area at the Bank, including:

- periodic suitability assessment for the ING Bank Śląski S.A. Management Board,
- approval of amendments to the *Policy of Disclosing Qualitative and Quantitative Information on Capital Adequacy and Variable Components of Remuneration of ING Bank Śląski S.A.*,
- assessment of the 2022 performance of the Members of the Bank Management Board, as well as determining and updating KPIs for 2023,
- approval of amendments to the *ING Bank Śląski S.A. Group Remuneration Policy*,
- approval of amendments to the *Variable Remuneration Policy of Identified Staff of ING Bank Śląski S.A.*,
- approval of amendments to the *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.*,
- update of the *List of qualitative and quantitative criteria and the additional criteria for qualifying Staff Members to be included in the ING Bank Śląski S.A. List of Identified Staff for 2023*,

- approval of the Internal Audit Department's Report on the audit of the process of remunerating the persons holding managerial positions having material impact on the risk profile of ("Identified Staff") at the Bank,
- approval of the Report regarding the implementation of the pay policy in relation to the internal audit employees and the Chief Audit Executive,
- approval of the Report regarding the implementation of the pay policy in relation to the employees and Lead III of the Centre of Expertise – Compliance,
- approval of the remuneration packages of people holding control functions at the Bank,
- update regarding pay policy at the Bank,
- approval of Succession plans for the Management Board and key function holders at ING Bank Śląski S.A.

6. Implementation of the recommendations issued by the regulators.

7. Bank governance area:

- approval of amendments to the Bylaws of the Supervisory Board and Board Committees,

- approval of amendments to the *ING Bank Śląski S.A. Management Board Bylaw*,
- approval of the amendments to the ING Bank Śląski S.A. Organisational Bylaw and periodic amendments to Enclosure No. 2 therewith – *Segregation of responsibilities of ING Bank Śląski S.A. Management Board Members*,
- approval of the 2024 Outline Work Plan of the Supervisory Board,
- annual Management Board's update on the main changes within the Bank's organisational framework,
- periodic update – list of Bank Management Board Resolutions.





Assessment of performance of disclosure duties by the Management Board towards the Supervisory Board

The Supervisory Board regularly received from the Bank Management Board the items of information as referred to in Article 380¹ of the CCPC, including extensive reports regarding the current standing of the Bank, its functioning, action plans and progress in the delivery of preset business goals as well as any material developments and circumstances that may have an impact on its functioning and material situation. The reporting packs also covered the Bank Management Board's updates on subsidiaries and related companies.

Taking into account the foregoing, the Supervisory Board assess that the Bank Management Board was discharging properly the duties under Article 380¹ of the CCPC.

Thanks to the elaborate updates and reports relayed by the Bank Management Board, the Supervisory Board did not have to exercise the right to request additional information, documents, reports or clarifications under Article 382 §4 of the CCPC.





Total fee due from the company

for all the examinations commissioned by the Supervisory Board in the course of the accounting year under Article 382¹ of the CCPC

In 2023, the Supervisory Board did not exercise the right to have a certain case connected with company business or property examined or to have certain analyses or opinions developed by a selected advisor (advisor to the supervisory board) at the cost of the company, under Article 382¹ of the CCPC.





Self-Assessment of Adequacy of Internal Regulations concerning Operations of the Supervisory Board

The ING Bank Śląski S.A. Supervisory Board operates on the basis of the following internal regulations in particular:

- *Charter of ING Bank Śląski S.A.,*
- *ING Bank Śląski S.A. Supervisory Board Bylaw,*
- *ING Bank Śląski S.A. Supervisory Board Audit Committee Bylaw,*
- *ING Bank Śląski S.A. Supervisory Board Remuneration and Nomination Committee Bylaw,*
- *ING Bank Śląski S.A. Supervisory Board Risk Committee Bylaw.*

The regulations are available on the ING Bank Śląski S.A.'s website: [Legal documents | ING Bank Śląski](#).

The above-referred regulations are regularly reviewed, at least once a year. During the reviews, they are analysed for the need to make amendments thereto, notably in order to adapt their provisions to the changes in the regulatory landscape of the Bank or facilitate the operations of the Supervisory Board.

Draft amendments to the Bank Charter are submitted by the Management Board to the General Meeting, upon earlier opinion of the Supervisory Board. In 2023, the Charter was amended in that the tasks of the Supervisory Board Chair and Deputy Chairs were clarified, following the amendments to the Commercial Companies and Partnerships Code. The amendment reflected the already existing provisions of the Supervisory Board Bylaw.

The Supervisory Board Bylaw and the bylaws of its committees were also reviewed and updated in 2023. Separate update on amendments to the Supervisory Board Bylaw is presented to the General Meeting in line with recommendation 9 of Polish Financial Supervision Authority Recommendation Z on the internal governance principles at banks.

Having regard to the above, based on the reviews of regulations and considering the amendments made thereto, the Supervisory Board assess that the internal regulations concerning the operation of the Board are adequate and enable proper, efficient and effective operations of the Board.





Self-assessment of the Supervisory Board's Work in 2023

In 2023, the Supervisory Board assisted and advised the Bank Management Board on all the matters pertaining to the Bank and its business. The Supervisory Board monitored the implementation of the Bank's strategy on an ongoing basis.

The Supervisory Board confirm that they exercised regular and ongoing supervision over the Bank's business throughout 2023 in accordance with their powers and the legal requirements concerning joint-stock companies. The Supervisory Board are well prepared to exercise all the statutory and Charter-defined rights and duties and perform their tasks properly, ensuring adequate supervision over the Bank in all material aspects of its operations. All Members of the Supervisory Board exercised their duties with due care, while leveraging on their knowledge and experience in terms of supervising a joint-stock company. Considering the array of areas covered by the Supervisory Board and all the activities performed, the Supervisory Board are convinced that their operations in 2023 can be deemed efficient, effective and in keeping with the best market standards.

Members of the Supervisory Board performed their responsibilities with integrity and in a reliable manner. All meetings were held with a high attendance rate. Supervisory Board Members were able to devote sufficient time to performing their duties. Acting in the company's interest, Supervisory Board Members applied their independent opinions and judgements in their actions. In that manner, the Supervisory Board were able to assess and verify the way of taking and implementing decisions connected with day-to-day management of the Bank in an effective manner.

The cooperation with the Bank Management Board was very good. The Bank Management Board provided the required information in a clear, reliable and exhaustive manner. The Supervisory Board would like to thank the Bank Management Board for developing and delivering thereto the information, documents and reports in the manner ensuring efficient performance of tasks by the Supervisory Board and Board committees. In particular, the Supervisory Board wish

to thank the Bank Management Board for the successful implementation of the Strategy in 2023.

Bearing in mind the foregoing, the Supervisory Board would like to express deep appreciation for the actions taken by the Bank Management Board not only to ensure further development of the Bank, but also for the society and local communities. In particular, the Supervisory Board wish to thank the Bank Management Board and all Bank employees. The Supervisory Board also recognise the engagement of the employees of the two corporate Foundations.

Keeping in mind the Bank's results and overall performance, the Supervisory Board request that the General Meeting acknowledge the fulfilment of duties by the Members of the Bank's bodies in 2023.





Report of the Supervisory Board Committees on Their Operations in 2023

In order to ensure support for the Supervisory Board in exercising their powers, the Supervisory Board established from among their Members three committees: the Audit Committee, the Remuneration and Nomination Committee and the Risk Committee.

The Committees perform consulting and advisory functions by preparing recommendations for the Supervisory Board; the Committee Chairs give reports from the Committee work during the Supervisory Board meetings.

The composition of individual Committees as at 2023 yearend has been given below.

Audit Committee

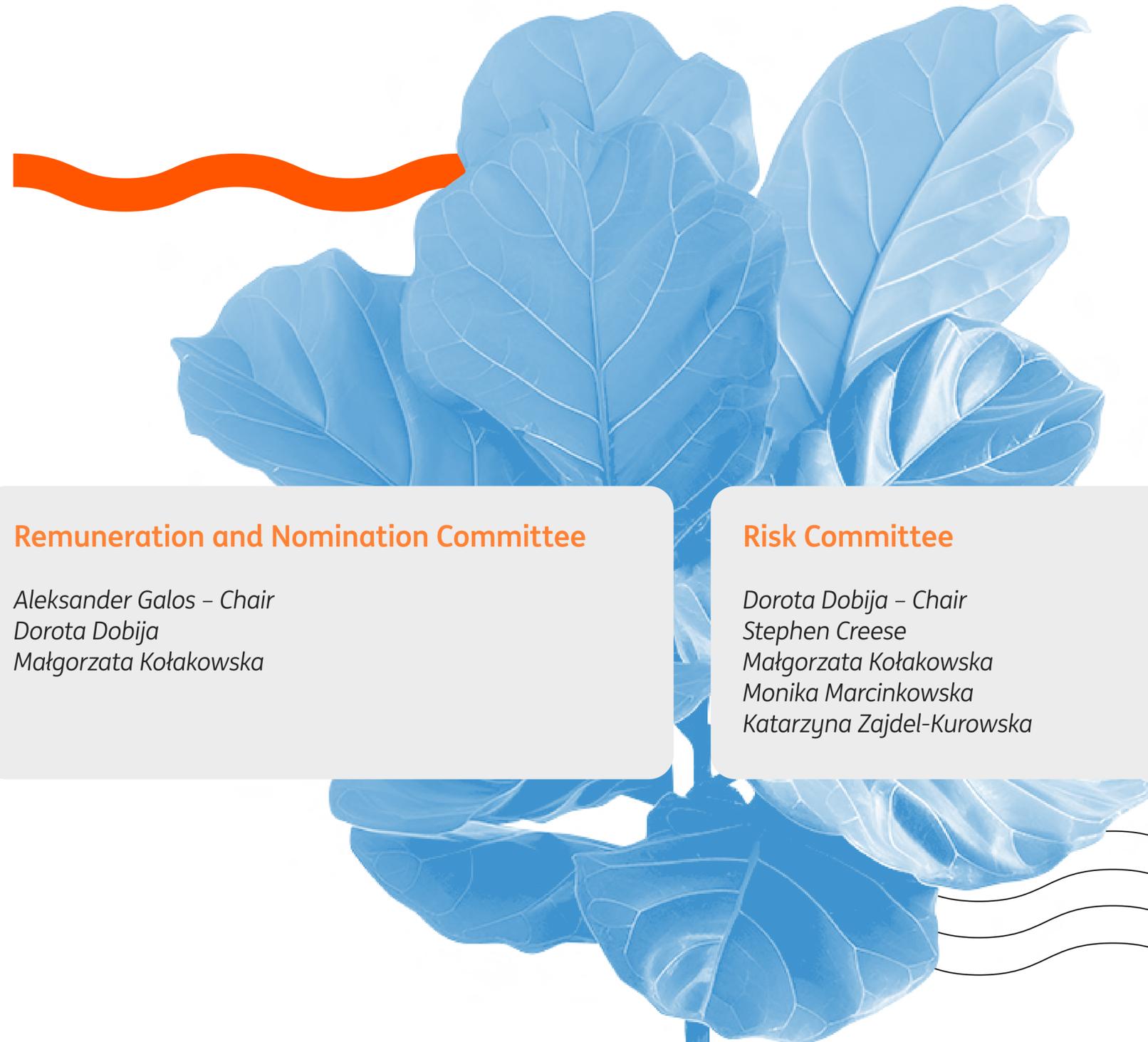
*Monika Marcinkowska – Chair
Dorota Dobija
Hans De Munck
Michał Szczurek
Katarzyna Zajdel-Kurowska*

Remuneration and Nomination Committee

*Aleksander Galos – Chair
Dorota Dobija
Małgorzata Kołakowska*

Risk Committee

*Dorota Dobija – Chair
Stephen Creese
Małgorzata Kołakowska
Monika Marcinkowska
Katarzyna Zajdel-Kurowska*





Audit Committee

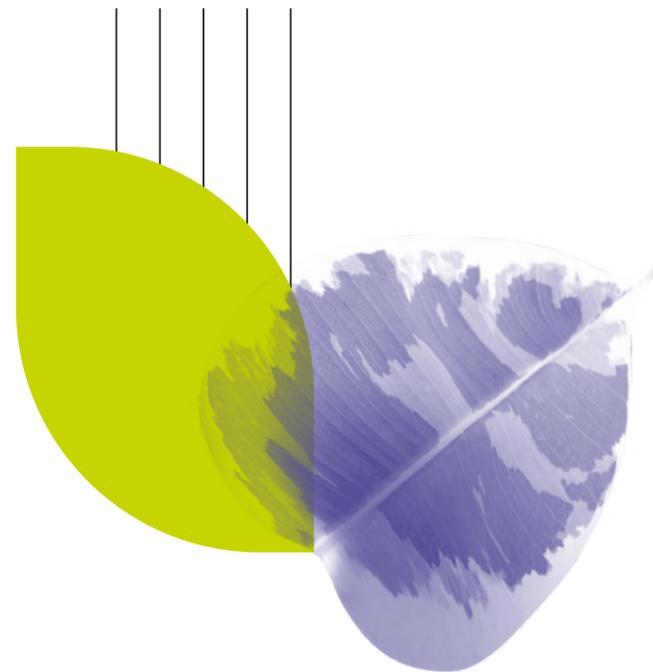
The Audit Committee of the Supervisory Board perform consultation and advisory functions for the Supervisory Board, and also deliver on other tasks under the law, instructions and recommendations of the regulator. The Audit Committee support the Supervisory Board with regard to monitoring the financial reporting, monitoring and supervising the internal- and external audit and the management system at the Bank and its subsidiaries.

Composition of the Audit Committee and changes on the Committee during the financial year

2023 saw the following changes on the Audit Committee:

As stated above, having received the recommendation of the Remuneration and Nomination Committee concerning assessment of candidates for the Members of the Audit Committee, issued under the process discussed hereinabove, on 2 June 2023 the Supervisory Board appointed Ms Katarzyna Zajdel-Kurowska and Mr Hans de Munck as Committee Members. At the same time, Messrs Aleksander Galos and Stephen Creese resigned from their membership of the Committee.

The Remuneration and Nomination Committee attested that the Audit Committee satisfy the criterion of collective suitability covering the sufficient number of members having knowledge of and skills in accounting, financial review and banking, and the criterion of independence of sufficient number of members, including independence of the Chair of the Audit Committee.





Therefore, as at 31 December 2023, the Audit Committee worked in the following composition:

Ms Monika Marcinkowska

Chair (independent member)

Ms Dorota Dobija

Member (independent member)

Mr Hans De Munck

Member

Mr Michał Szczurek

Member

Ms Katarzyna Zajdel-Kurowska

Member (independent member)

As required under the *Statutory Auditors Act* of 11 May 2017, the majority of the Committee members, the Committee Chair included, satisfy the independence criteria. Ms Monika Marcinkowska and Ms Dorota Dobija demonstrate know-how and expertise in accounting or financial auditing, as further substantiated with the professor title. Other Committee members, i.e.: Mr Hans De Munck, Mr Michał Szczurek, and Ms Katarzyna Zajdel-Kurowska acquired the competence through professional career.

Number and frequency of the Audit Committee meetings. Number of recommendations passed and attendance rate at meetings

The Audit Committee supported the Supervisory Board in their tasks primarily during meetings by passing the relevant recommendations and issuing relevant opinions. During the meetings, the Audit Committee members are joined by members of the Bank Management Board, the Heads of the Internal Audit Department and Centre of Expertise – Compliance, the Centre of Expertise Accounting Policy and Financial Reporting – Chief Accountant, the Operational Risk Management Department Director, and also representatives of the auditing firm.

Between 1 January and 31 December 2023, the Audit Committee met seven times. The Committee also issued recommendations by way of circulation (two cases). The meetings were held at the following dates: 9 March, 16 March, 2 June, 22 June, 21 September, 23 October and 30 November, and by way of circulation on: 13 February and 14 December.

In line with the requirements of the *Good practices for public interest entities concerning the rules of establishment, composition and functioning of the Audit Committee* issued by the Polish Financial Supervision Authority Office dated 24 December 2019 and the *Audit Committee Bylaw*, on 9 and 16 March and on 30 November 2023 the Audit Committee also held separate closed meetings with: the CFO and the representatives of the internal auditor and external auditor.

The Audit Committee issued 20 recommendations for the Supervisory Board in total (including 2 by way of circulation) as well as 2 opinions.

All the meetings were quorate and held in line with the procedures so that binding recommendations could be issued; the attendance rate during the meetings was high.

Attendance of the Audit Committee Members in 2023 has been shown in the table below.

Attendance in 2023

(Meeting attendance / Number of meetings during the term of office)

Monika Marcinkowska	9/9
Dorota Dobija	9/9
Hans De Munck (Committee Member since 5 June 2023)	5/5
Michał Szczurek	8/9
Katarzyna Zajdel-Kurowska (Committee Member since 5 June 2023)	5/5
Committee Members holding functions in the reporting period	
Aleksander Galos (Committee Member until 5 June 2023)	4/4
Stephen Creese (Committee Member until 5 June 2023)	4/4



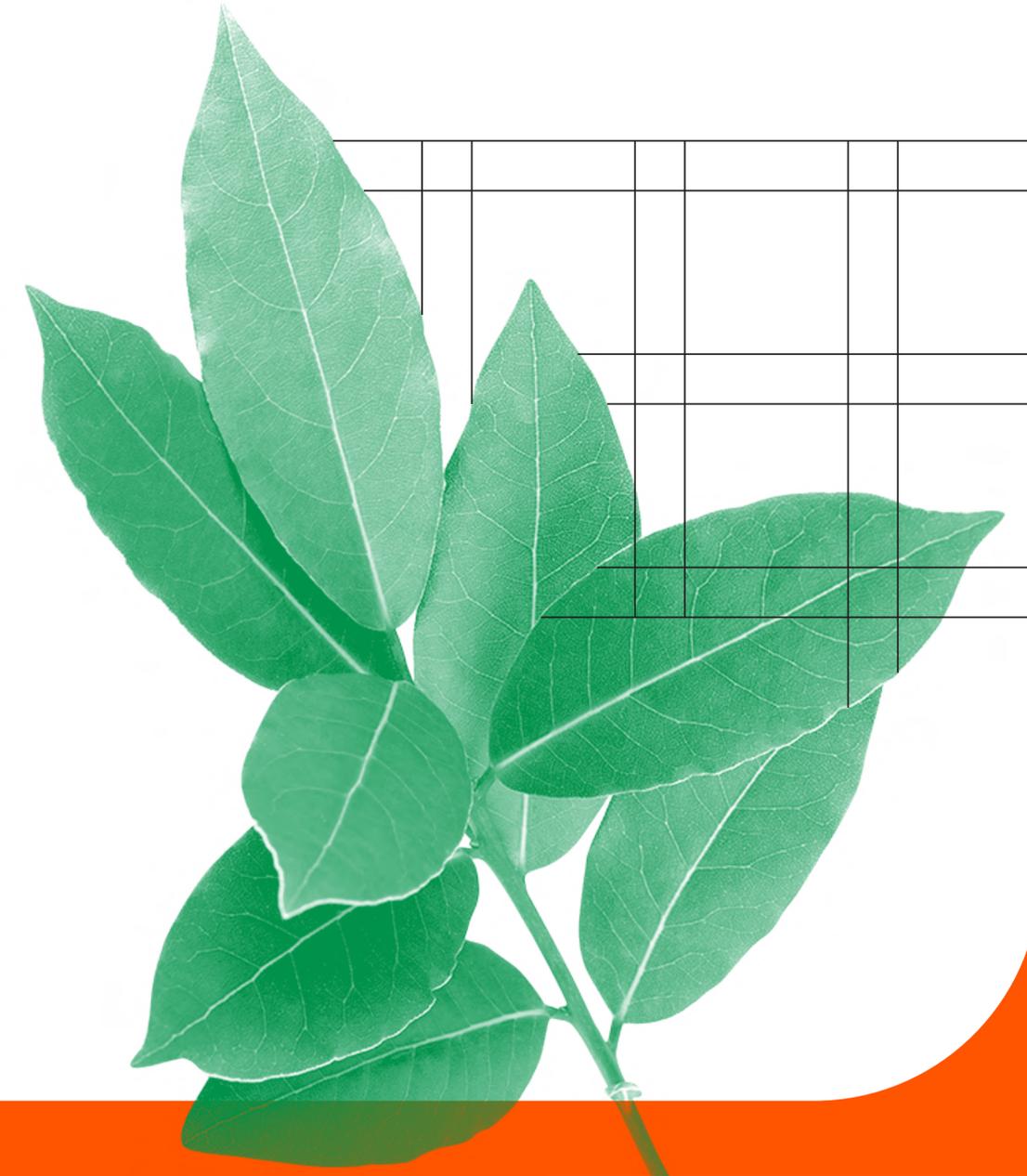
Agenda of the Audit Committee Meetings

In 2023, the Audit Committee focused on the following areas in particular:

- monitoring of the adequacy and effectiveness of the internal control system and risk management system, including compliance risk,
- supervision of the Bank's relationship with the entity auditing the financial statements of the Bank, including analysis of the work performed by the entity authorised to audit the financial statements and audit results as well as Management Letter assumptions,
- assessment of the annual financial statements of ING Bank Śląski S.A. and the ING Bank Śląski S.A. Group,
- analysis of the information and materials provided from time to time by the external auditor and presentations of the external auditor delivered for the Audit Committee Members directly at Committee meetings,
- regular analysis of periodical reports from the Chief Audit Executive on the status of the annual audit plan 2023 delivery and the status and changes in due dates of audit issue closure, and
- monitoring compliance area works.

Other areas of the Audit Committee works in 2023 included but were not limited to:

- monitoring of the Bank's relationship with related entities, including analysis of a periodic update on agreements with related entities,
- supervision of compliance area at the Bank, including development and submission to the Supervisory Board of recommendations on approval of amendments to the Policy – *Principles of Corporate Governance at ING Bank Śląski S.A. Group*,
- regular analysis of periodic quarterly compliance risk reports,
- analysis of a list of critical- and high-risk recommendations, and
- analysis of information on financial and regulatory reporting and control environment for reporting.





Furthermore, throughout 2023, the Audit Committee regularly focused on the topics enlisted 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 Polish Financial Supervision Authority Office, while taking into account their provisions concerning:

- monitoring of the financial reporting process,
- monitoring of effectiveness of internal control systems, internal audit as well as risk management,
- monitoring of financial revision,
- as well as control and monitoring of independence of the statutory auditor and the auditing firm, notably, when the auditing firm provides the public interest entity with non-audit services.

In addition, following the organisational changes at the Bank in 2023, the Audit Committee recommended that the Supervisory Board make a change in the position of the Internal Audit Department Director. The change took place on 1 July 2023.

The Committee Members regularly received reports from audits carried out by the Internal Audit Department. The Audit Committee Members also received status reports from the external auditor. As part of their work, the Audit Committee concluded that both the Internal Audit Department and the external auditor were able to perform their tasks in an independent and impartial manner. Therefore, the Audit Committee confirm that they do not have any reservations about the independent audit process at the Bank.

The Audit Committee – based on the information and documents provided by the Bank Management Board as well as analyses during the sessions – made assessment of risk of the processes and areas under monitoring. The Audit Committee's assessment did not differ from that of the Bank Management Board. No areas were identified for which the activities taken by the Bank Management Board would be inadequate to the situation of the Bank, market requirements or regulatory recommendations. The banking areas of particular focus of the Committee comprised: compliance, anti-fraud, Know Your Customer, model risk, IT and outsourcing.





Remuneration and Nomination Committee

The Remuneration and Nomination Committee support the Supervisory Board with regard to the monitoring and supervision of the HR and payroll area, including, in particular, succession plans, employee-turnover processes, employee satisfaction surveys as well as the remunerating and rewarding policy.

In line with EBA Guidelines on sound remuneration policies under Directive 2013/36/EU, the majority of the Remuneration and Nomination Committee Members, including the Committee Chair, are independent members.



Composition of the Remuneration and Nomination Committee and changes on the Committee during the financial year

The composition of the Remuneration and Nomination Committee did not change between 1 January and 31 December 2023. The Committee composition is the following:

Mr Aleksander Galos
Chair (independent member)

Ms Dorota Dobija
Member (independent member)

Ms Małgorzata Kołakowska
Member

Number and frequency of the Remuneration and Nomination Committee meetings. Number of recommendations passed and attendance rate at meetings

The Remuneration and Nomination Committee supported the Supervisory Board in their tasks primarily during meetings by passing the relevant recommendations and issuing relevant opinions. In keeping with the authorisation, the Remuneration

and Nomination Committee also made decisions in the course of their work. The CEO, the Centre of Expertise Lead III – Bank Executive Director for HR and the Area Lead II – Performance & Reward attend the Remuneration and Nomination Committee meetings on a regular basis.

Between 1 January to 31 December 2023, the Remuneration and Nomination Committee held nine meetings. The Remuneration and Nomination Committee also issued recommendations by way of circulation (two cases). The meetings of the Remuneration and Nomination Committee were held at the following dates: 10 March, 17 March, 12 April, 26 April, 2 June, 23 June, 21 September as well as 30 November and 1 December, and meetings by way of circulation were held on: 21 March and 23 May.

The Committee issued 52 recommendations in total (including 2 by way of circulation), 6 opinions and 3 decisions.

Attendance of the Remuneration and Nomination Committee Members in 2023 has been shown in the table below.

Attendance in 2023 (Meeting attendance / Number of meetings)	
Aleksander Galos	11/11
Dorota Dobija	11/11
Małgorzata Kołakowska	10/11



Agenda of the Remuneration and Nomination Committee Meetings

In 2023, the Committee focused on the following areas in particular:

- active supervision of the process of suitability assessment for the Members of the Supervisory Board, Bank Management Board and key function holders at the Bank,
 - » periodic annual suitability assessment of the Bank Supervisory Board and Management Board,
 - » suitability assessment of candidates for Members of the Supervisory Board,
 - » suitability assessment of candidates for members of the Audit Committee,
 - » suitability assessment of the Audit Committee,
 - » suitability assessment of a Supervisory Board Member following a change in engagement,
- monitoring of adequacy and effectiveness of the Bank's policy in the HR area, including development and submission to the Supervisory Board of recommendations on changes to the *List of qualitative and quantitative criteria and the additional criteria for qualifying Staff Members to be included in the ING Bank Śląski S.A. List of Identified Staff for 2023*,
- succession review for the positions of the Management Board Members,
- monitoring of adequacy and effectiveness of the Bank's policy in the payroll area, including development and submission to the Supervisory Board of recommendations on the following documents:
 - » *Variable Remuneration Policy of Identified Staff of ING Bank Śląski S.A.*,
 - » *ING Bank Śląski S.A. Group Remuneration Policy*, and
 - » *Executive Remuneration Bylaw for Members of the Management Board of ING Bank Śląski S.A.*,
- analysis of the pay policy/practice assumptions in 2023 and 2024, including determination of the level of the adjusting multiplier applicable to the 2022 and 2023 annual bonus for Bank employees,
- assessment of the 2022 performance of the Members of the Bank Management Board, as well as determining and updating KPIs for 2023,
- development and submission to the Supervisory Board of recommendations on the Report regarding the implementation of the pay policy in relation to the internal audit employees and the Chief Audit Executive,
- development and submission to the Supervisory Board of recommendations on the Report regarding the implementation of the pay policy in relation to the employees and Lead III of the Centre of Expertise – Compliance,
- analysis of proposals of remuneration packages of people holding control functions at the Bank, submitted by the Management Board.

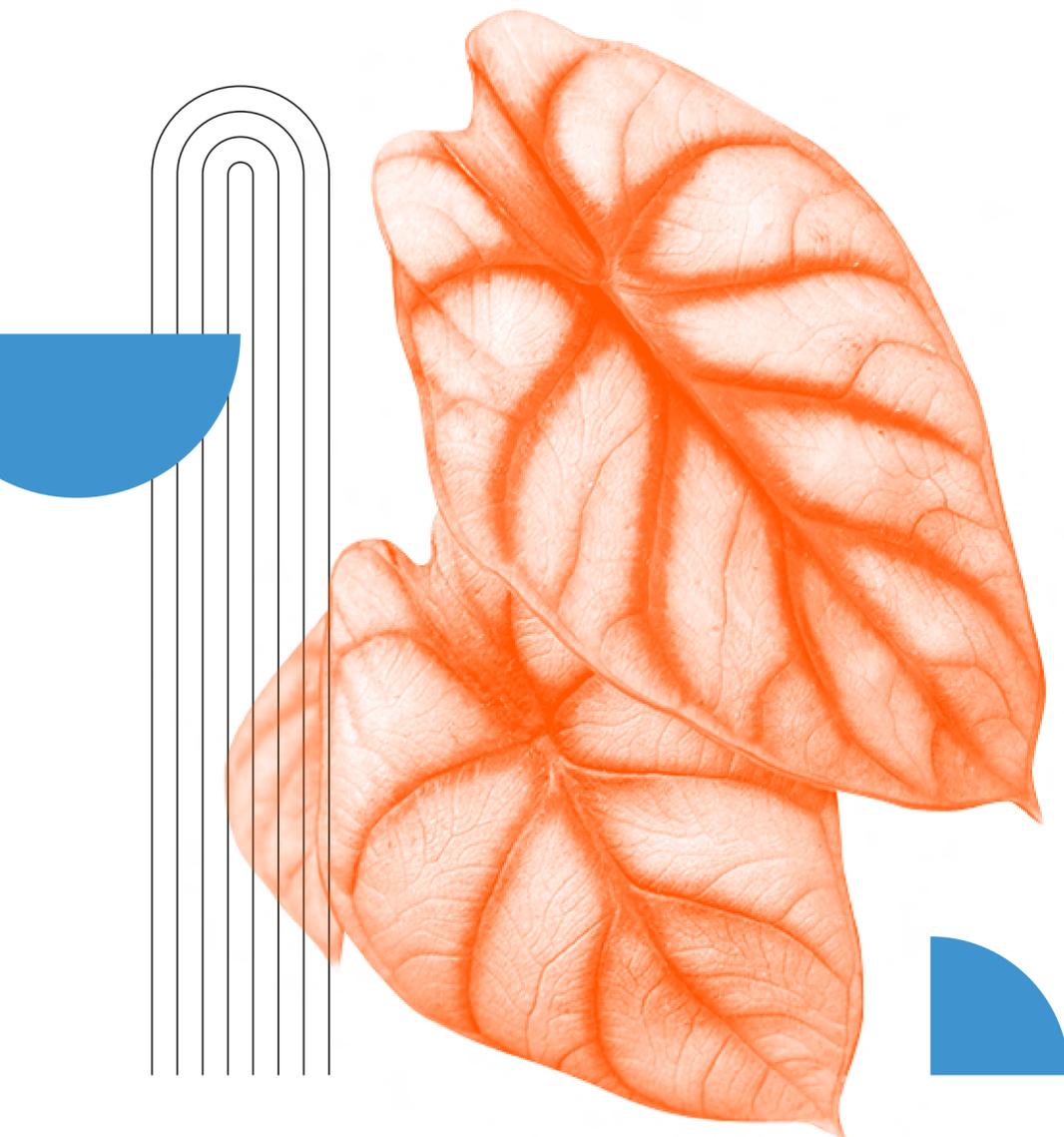
Other areas of the Remuneration and Nomination Committee works in 2023 included but were not limited to:

- analysis of the implementation of the diversity policy for the Management Board and Supervisory Board by the Bank in 2022,
- submission to the Supervisory Board of a recommendation on amendments to the *Diversity Policy for ING Bank Śląski S.A. Management Board and Supervisory Board Members*,
- Remuneration report for the ING Bank Śląski S.A. Supervisory Board and Management Board Members for 2022,
- analysis of the results of the organisation health survey (OHI Pulse survey), made among the ING Bank Śląski S.A. staff as well as post-OHI survey priorities and measures,
- report from the audit of the remuneration process for Identified Staff in ING Bank Śląski S.A., and
- update on the incentive programme for Identified Staff of ING Bank Śląski S.A.



Risk Committee

The Risk Committee is tasked with supporting the Supervisory Board in the oversight of the risk management strategy implementation across the Bank.



Composition of the Risk Committee and changes on the Committee during the financial year

2023 saw the following changes on the Risk Committee:

As stated above, on 2 June 2023, the Supervisory Board appointed Ms Katarzyna Zajdel-Kurowska as the Risk Committee Member, effective as of 5 June. At the same time, Mr Aleksander Galos resigned from his membership in the Risk Committee. Therefore, as at 31 December 2023, the Risk Committee worked in the following composition:

Ms Dorota Dobija
Chair (independent member)

Mr Stephen Creese
Member

Ms Małgorzata Kołakowska
Member

Ms Monika Marcinkowska
Member (independent member)

Ms Katarzyna Zajdel-Kurowska
Member (independent member)

Number and frequency of the Risk Committee meetings. Number of recommendations passed and attendance rate at meetings

The Risk Committee supported the Supervisory Board in their tasks primarily during meetings by passing the relevant recommendations. During the meetings, the Members of the Risk Committee are joined by Members of the Bank Management Board, and also the Market Risk Management Department Director, Operational Risk Management Department Director, Model Validation Department Director, as well as the Heads of the Internal Audit Department and the Centre of Expertise – Compliance, and also representatives of the auditing firm.

Between 1 January and 31 December 2023, the Risk Committee held five meetings. The Risk Committee also issued recommendations by way of circulation (twelve cases). The meetings of the Risk Committee were held at the following dates: 9 January, 2 June, 22 June, 22 September and 30 November, by way of circulation on: 16 February, 17 March, 21 March, 19 April, 10 May, 17 May, 2 August, 18 October, 30 October, 2 November, 15 November and 19 December.

The Risk Committee issued 32 recommendations in total (including 10 by way of circulation) as well as 3 decisions (all by way of circulation). All the meetings were quorate and held in line with the procedures so that binding recommendations could be issued; the attendance rate during the meetings was high.



Attendance of the Risk Committee Members in 2023 has been shown in the table below.

Attendance in 2023

(Meeting attendance / Number of meetings during the term of office)

Dorota Dobija	17/17
Stephen Creese	17/17
Małgorzata Kołakowska	17/17
Monika Marcinkowska	17/17
Katarzyna Zajdel-Kurowska (Committee Member since 5 June 2023)	9/9
Committee Members holding functions in the reporting period	
Aleksander Galos (Committee Member until 5 June 2023)	8/8

Agenda of the Risk Committee Meetings

As part of the risk monitoring process at the Bank, the Risk Report was a regular item on the Risk Committee agenda in 2023. The Report is structured into the reports from the credit risk, market risk, operational (non-financial) risk and model risk areas. The update on the risk implications connected with the war in Ukraine as well as from the area of credit holiday instruments and CHF-mortgage loans formed a material element of the discussed report.

In 2023, the Risk Committee also focused inter alia on the following areas:

- development and submission to the Supervisory Board of recommendations on the following documents:
 - » Risk Management Strategy for the years 2023–2025,
 - » Capital Management Policy at ING Bank Śląski S.A.,
 - » Policy of Disclosing Qualitative and Quantitative Information on Capital Adequacy and Variable Components of Remuneration of ING Bank Śląski S.A.,
 - » ING Bank Śląski S.A. Operational Risk Management Policy,
- development and submission to the Supervisory Board of recommendations on High Level Risk Appetite Statement Limits for the retail and corporate credit risk areas and the Non-Financial Risk Appetite Statement,

- development and submission to the Supervisory Board of recommendations regarding the types of agreements made by the Bank that, in the Committee's view, should be classified as having a material impact on the financial and legal standing of the Bank,
- analysis of the 2022 ING Bank Śląski S.A. ICAAP Report, and
- analysis of the ING Bank Śląski S.A. ILAAP Review Report for 2022.





To fulfil the requirement arising from *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* as well as from *Recommendation M concerning operational risk management at banks and Recommendation Z concerning internal governance principles at banks*, in 2023 the Risk Committee also focused on the process of development and quarterly disclosure by the Bank of interim qualitative and quantitative information on capital adequacy which is disclosed on a quarterly basis for the Bank Group.

The Supervisory Board highly assess the performance of the Committees: the Audit Committee, the Remuneration and Nomination Committee and the Risk Committee. The activities pursued by individual Committees over the year (regular and ad-hoc works), including in-depth analyses made by the Committees for the matters discussed as well as the recommendations and opinions submitted to the Supervisory Board are of added value. They certainly enabled the Supervisory Board to perform their statutory tasks competently and efficiently.

The Chair of the Supervisory Board would specially like to thank the Supervisory Board Members for their engagement and availability during the year, and also for their unwavering readiness to review urgent matters by way of circulation between regular sessions. Given the volatile market- and economic conditions, the Chair of the Board wishes in particular to thank the Bank Management Board for positive cooperation, flexible approach and for their engagement in the performance of their tasks and delivery of the adopted Strategy of the Bank.





Operations of the Supervisory Board and its Committees

Evaluation of Bank's financial statements and motion on profit distribution

Evaluation of the Bank's standing

Assessment of application of Principles of Corporate Governance

Assessment of expenditure on charitable and sponsorship initiatives

Implementation of the diversity policy



Results

of the evaluation of the financial statements and the Management Board's reports on the operations of the Bank and its Group in 2023, as well as the Management Board's motion regarding profit distribution





Assessment of the annual financial statements of ING Bank Śląski S.A. for 2023

Pursuant to Article 382 §3.1) and §31.1) of the Commercial Companies and Partnerships Code of 15 September 2000 and having reviewed the annual 2023 financial statements of ING Bank Śląski S.A. and also the report of the independent statutory auditor from the audit of the separate financial statements for the financial year ended 31 December 2023, drawn up by Mazars Audyt Spółka z ograniczoną odpowiedzialnością, the ING Bank Śląski S.A. Supervisory Board:

1. state that the 2023 financial statements of ING Bank Śląski SA. as presented by the Bank Management Board were developed correctly in all material aspects and present fairly and clearly the property and financial standing of the Company as at 31 December 2023 as well as the financial result and cash flows for the accounting period from 1 January to 31 December 2023, in line with relevant and applicable regulations on financial statements, and comply with the ledgers, documents and the state of affairs, and

2. having regard to the above, resolve to recommend that the General Meeting approve the 2023 annual financial statements of ING Bank Śląski S.A.





Assessment of:

- **the Annual Consolidated Financial Statements of the ING Bank Śląski S.A. Group for 2023,**
- **the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2023 covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules,**
- **the Report on non-financial information of ING Bank Śląski S.A. Group for 2023, including non-financial information of ING Bank Śląski S.A.**

Pursuant to Article 382 §3.1) and §31.1) of the Commercial Companies and Partnerships Code of 15 September 2000 and in conjunction with Article 63c. of the Accounting Act of 29 September 1994, and having reviewed the 2023 annual consolidated financial statements of ING Bank Śląski S.A. Group and the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2023 covering the Report on Operations of ING Bank Śląski S.A. including the Management Board statement on the application of corporate governance rules, as well as the Report on non-financial information of ING Bank Śląski S.A. Group for 2023, including non-financial information of ING Bank Śląski S.A., and also the report

of the independent statutory auditor from the audit of the consolidated financial statements for the financial year ended 31 December 2023, drawn up by Mazars Audyt Spółka z ograniczoną odpowiedzialnością, the ING Bank Śląski S.A. Supervisory Board:

1. state that the 2023 consolidated financial statements of ING Bank Śląski SA. Group were developed correctly in all material aspects and present fairly and clearly the property and financial standing of the Group as at 31 December 2023 as well as the financial result and cash flows for the accounting period from 1 January to 31 December 2023, in line with relevant and applicable regulations on financial statements and comply with the ledgers, documents and the state of affairs,
2. state that the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2023 covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules, provides for significant information about the property and financial standing of ING Bank Śląski S.A. and its Group as at 31 December 2023,

including the assessment of performance, indication of risk factors and description of threats, and that it was developed in line with effective regulations on reports on operations and that it complies with the ledgers, documents and the state of affairs,

3. state that the Report on non-financial information of ING Bank Śląski S.A. Group for 2023, including non-financial information of ING Bank Śląski S.A., satisfies the disclosure requirements for non-financial information as per the applicable law, and
4. having regard to the above, resolve to recommend that the General Meeting approve the annual consolidated financial statements of ING Bank Śląski S.A. Group and the Management Board Report on Operations of ING Bank Śląski S.A. Group in 2023, covering the Report on Operations of ING Bank Śląski S.A., including the Management Board statement on the application of corporate governance rules, as well as the Report on non-financial information of ING Bank Śląski S.A. Group for 2023, including non-financial information of ING Bank Śląski S.A.





Assessment of the Management Board motion regarding distribution of profit earned by the Bank in 2023 and undivided profit from previous years

Pursuant to Article 382 §3.2) and §31.1) of the Commercial Companies and Partnerships Code of 15 September 2000, having reviewed the Management Board motion regarding distribution of profit earned by the Bank in 2023 and undivided profit from previous years, the ING Bank Śląski S.A. Supervisory Board do not raise any objections thereto and resolve to recommend that the General Meeting pass a resolution as per the Management Board motion.





Evaluation

of the Bank's standing on a consolidated basis, including the assessment of adequacy and effectiveness of the internal control system, risk management system, compliance and the internal audit function



The economic growth in Poland in 2023 decelerated to approximately 0.2%, mainly as a consequence of high inflation which translated into a decline of the real purchasing power of households and shrunk households' consumption by around 0.1%. We saw falling consumption mainly in the first half of the year. In view of the double-digit pay growth, disinflation translated into a reconstruction of real wages and a slight consumption rebound in the second half of the year. Investments accelerated to around 8%, chiefly due to outlays in large companies. The falling domestic demand was accompanied by a strong decline in imports. As a result, despite the poor situation in the exports markets and falling exports, the trade balance improved and brought a positive contribution of around 4pp to the GDP growth. By contrast, reduced inventory weighed heavily on the GDP growth (negative contribution of approx. 5pp).

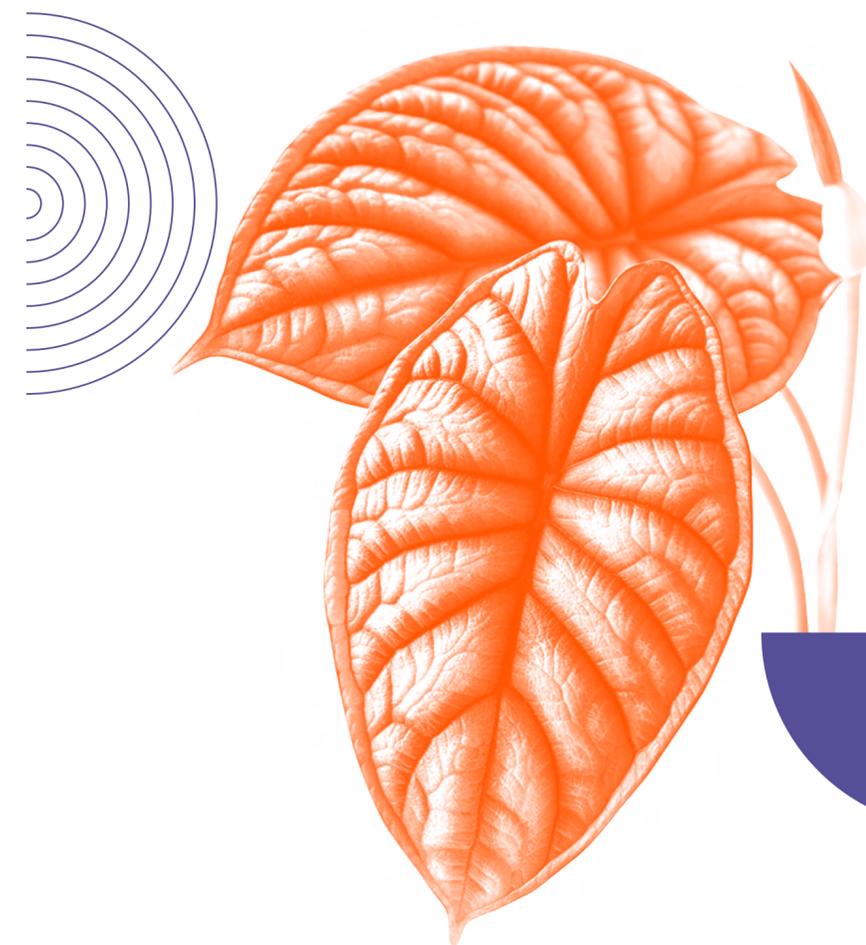
Previous year saw the fade of the earlier energy shock which translated into fast disinflation. In February 2023, consumer prices grew by 18.4% y/y, only to slow down to 6.2% y/y in December. The average annual CPI growth was 11.4%. With weaker internal demand, companies had less room for raising their prices. Labour costs also became a challenge, and the pressure in terms of raw materials and stock was visibly lower than a year earlier.

The fast inflation decrease prompted the National Bank of Poland to ease its monetary policy. In September 2023, the reference rate was cut by 75bp; in October, it was cut by another 25bp only to finish off the year at 5.75bp. In view of the uncertain

inflation outlook, the central bank has now gone into the wait-and-see mode. On a short-term basis, that is as at the end of Q1 2024, inflation may be hovering around the inflation target (2.5%, +/- 1pp). However, with the abolishment of the zero VAT rate on food as of end of March 2024, and of the Anti-Inflation Energy Shield mid year (the energy and gas prices were frozen at the 2022 levels), we are likely to see inflation spike visibly in the second year-half. The expansive fiscal policy which caused the central- and local government agencies' sector's deficit exceed 5% of the GDP last year is another factor driving inflation.

In 2023, the banking sector was a very strong performer – the sector's net profit grew approximately 160% y/y reaching nearly PLN 28 billion; ROE nearly doubled and totalled 12%. All that was mainly courtesy of high interest rates – higher net interest income of banks mitigated the high risk costs of the FX mortgage portfolio, and courtesy of lower regulatory burden – no credit holiday (its estimated negative impact on revenue is PLN 12.8 billion in Q3 2022 alone), the payments to System Ochrony Banków Komercyjnych S.A. (PLN 3.5 billion) or the Borrower Financial Assistance Fund (PLN 1.4 billion). Under the prevailing market conditions, banks took efforts to make their deposit offer more attractive, which induced clients to invest their funds into term deposits. On the other hand, the higher interest rates added to a lower demand for lending, particularly for corporate loans – their sale was down by 3% y/y. Sale of mortgages saw a 21% increase y/y, largely thanks to the government programmes – Bezpieczny kredyt 2% [Safe Loan at 2%]. Consumer activity in terms of consumer loans was also invigorated – consumer loan sales went up by 22% y/y.

In 2023, banks intensified efforts to enable their clients who hold FX mortgages to reach a bank settlement agreement, whether in line with the proposal of the PFSA Chairman or based on their own mediation models. Even so, 2023 was yet another year with a record balance of credit provisions for related legal risk.





Despite the ramifications of the factors affecting the Polish economy and the banking sector in 2023, the ING Bank Śląski S.A. Group **generated net profit of PLN 4,440.9 million, up by 159% from 2022. The higher net profit of the ING Bank Śląski Group resulted primarily from:**

- the high net interest income – no additional regulatory levies which were the case in 2022 in relation to the credit holidays (-PLN 1,644.9 million), and
- the payment to System Ochrony Banków Komercyjnych S.A. (-PLN 470.7 million).

Total income of the Bank grew PLN 2,955 million y/y (+38%), whereas the bank's total costs (including the banking tax) rose by PLN 55 million (+1%) and the balance sheet total went up by 13% y/y. As a consequence, the Bank's costs (including banking tax) to income ratio went down by 14.9p.p. and stood at 40.7%. The Bank's risk costs, including the legal costs of the FX mortgages declined by PLN 417 million (-40%) y/y, which was largely related to the changes in macroeconomic assumptions in the bank's risk calculation models. The costs of legal risk alone went down by PLN 228 million y/y. The decline of the risk costs was followed by a change in the accumulated margin of risk costs which finished off at 0.39% at the end of 2023 vis-à-vis 0.68% as at the end of 2022. The coverage ratio of Stage 3 loans and other receivables and POCI improved by 2.3pp y/y and stood at 60.9%.

The Supervisory Board exercise oversight over the Bank's operations, keep watch over the bank's adherence to the relevant regulations in the area of accounting, finance and reporting of public companies. The powers of the Supervisory Board also include supervision of the individual risk management processes at ING Bank Śląski S.A. with the support of the Risk Committee and Audit Committee. Based on the recommendations of the aforesaid Committees, the Supervisory Board accept and approve the business risk management strategy of the Bank, the key principles of the risk management policy and the related risk appetite level, among other things. Further, the Supervisory Board monitor the utilisation of internal limits vis-à-vis the current strategy of the Bank.

The Risk Committee support the Supervisory Board in monitoring the risk management process, including the management of operational (non-financial) risk, liquidity risk, credit risk and market risk. Further, the Risk Committee supervise the risk management process as well as the assessment of internal capital, capital adequacy, and of the risk of capital-related models and other models. The Committee voice opinions about the end-to-end readiness of the Bank to assume risk on ongoing- and long-term bases. Furthermore, the Committee approve, on a periodic basis, the interim quantitative- and qualitative information on the capital adequacy of the Bank Group which the Bank discloses on a quarterly basis. The Risk Committee Chair who is also an independent member of the Supervisory Board holds regular meetings with individuals in charge of the individual risk areas, including the Chief Audit Executive and Centre of Expertise Lead III – Compliance. During the meetings, they discuss major aspects of ongoing operations of the Bank.



Monitoring of the financial reporting process is among the tasks of the Audit Committee. In that context, the Audit Committee periodically analyse the Bank financial statements and the results of their audit. Further, the Chair of the Audit Committee – who is also an independent member of the Board – holds periodic meetings with the Chief Financial Officer supervising the CFO Division in which the Chair is updated on the interim financial results of the Bank prior to their publication. The Chair of the Audit Committee also meets regularly with the Chief Audit Executive and Centre of Expertise Lead III – Compliance, to discuss the aspects typical for the internal audit and compliance risk management functions. The Audit Committee are also actively involved in the process of selecting the entity authorised to audit financial statements of the company, and analyse the performance of works by that entity, safeguarding its independence and effectiveness. Furthermore, the Audit Committee monitor the adequacy and effectiveness of internal control and internal audit systems, and also assess the effectiveness of measures used to mitigate risks, including compliance risk, and the said risk management quality. Following the organisational changes at the Bank in 2023, the Audit Committee recommended that the Supervisory Board make a change in the position of the Internal Audit Department Director. The change took place as of 1 July 2023.

There was also established the Remuneration and Nomination Committee within the Supervisory Board, which monitor inter alia the situation of the labour market in the context of salaries, the employee turnover process, the Management Board succession plans and also staff satisfaction survey results. The Committee regularly monitor the remuneration system of the Bank, the payroll and bonus policy included. The Remuneration and Nomination Committee Chair who is also an independent member of the Supervisory Board holds regular meetings with key function holders in the HR area. In 2023, following the resignation of Mr Aris Bogdaneris from his function as a Supervisory Board Member and in view of the agenda of the General Meeting on 26 April 2023 which provided for the change in the number of Supervisory Board members from seven to eight, the Committee completed an individual assessment of two candidates to hold the office of the Supervisory Board Members, that is Mr Hans De Munck and Ms Katarzyna Zajdel-Kurowska, and a collective assessment of the Supervisory Board. Furthermore, the Committee, together with a third party, conducted a collective suitability assessment of the Audit Committee, including the process of the individual assessment of candidates for the Audit Committee, and gave the relevant recommendations to the Supervisory Board. The Committee also made a periodic suitability assessment of the individual Management Board Members, along with a periodic collective suitability assessment of that body.



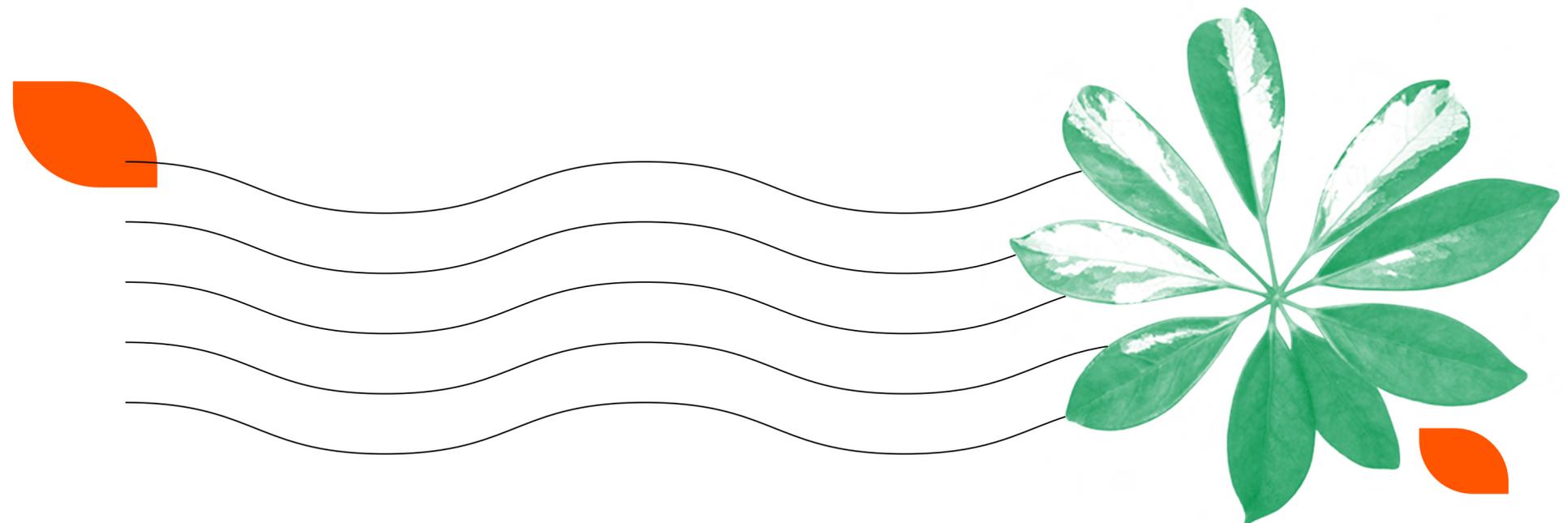
The Supervisory Board assess the risk management system at ING Bank Śląski S.A. Group to be adequate and efficient. It covers all material risks. The Bank applies instruments and techniques adequate for specific risks to identify, measure, manage and report the same. The Bank reached the main goals of the risk management system in 2023 and ensured the independence of risk management organisational units and the adequate human resources necessary for the effective performance of their tasks. **In 2023, ING Bank Śląski S.A. satisfied all the requirements of sound business operations and capital adequacy, and in particular:**

- it pursued prudent lending policy. The lending processes and procedures applied by the Bank were compliant with the regulatory requirements and best practices on the market. In 2023, the Bank took account of the economic situation in its credit policy and applied more restrictive procedures towards sectors generating higher risk. The Bank's credit portfolio was diversified with a significant share of high-quality loans extended to business entities. Within the Bank Group, Stage 3-credit receivables represented 2.7% of the total gross exposure (measured at amortised cost), which is significantly less than the average for the entire banking sector (5.0% as at the end of 2023);
- it had systems and procedures in place in the area of market risk management (i.a. relating to interest rate or currency) that meet the highest market standards.

Throughout 2023, individual market risk categories were managed actively so that their levels were within the limits effective at the Bank. The Bank's balance sheet structure was balanced from the currency perspective; its distinctive feature is the low share of FX receivables in the total mortgage receivables, among other things;

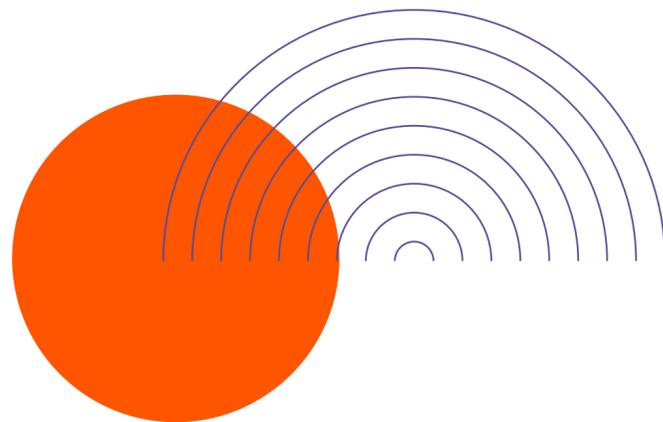
- it maintained an adequate liquidity level. In 2023, neither the regulatory limits nor the internal liquidity limits were exceeded, and the sound liquidity position of the Bank is attributable to the stable household deposits base which is one of the largest among Polish banks;
- it effectively managed the operational risk, including model risk, while fulfilling market standards in that regard;
- it had an adequate level of own funds which allowed it to fulfil the regulatory requirements. In December 2023, the total capital ratio of the ING Bank Śląski S.A. Group was 16.73%, while the Tier 1 ratio stood at 15.32%;

- within its organisational structure, the Bank had clearly defined responsibilities and accountability for the development and implementation of ESG risk management mechanisms; it also developed and implemented new methods and tools in that regard. The Bank had in place mechanisms to mitigate the ESG risk as part of the KYC process and developed the approach to the RAS limits that account therefor. The Bank also has in place mechanisms that allow it to manage the ESG risk as part of the standard lending processes for retail- and corporate clients, and also as part of the operational risk management process, including reputational risk management. The Bank developed an approach to the collation of data needed to manage ESG risk, and has gradually implemented it.





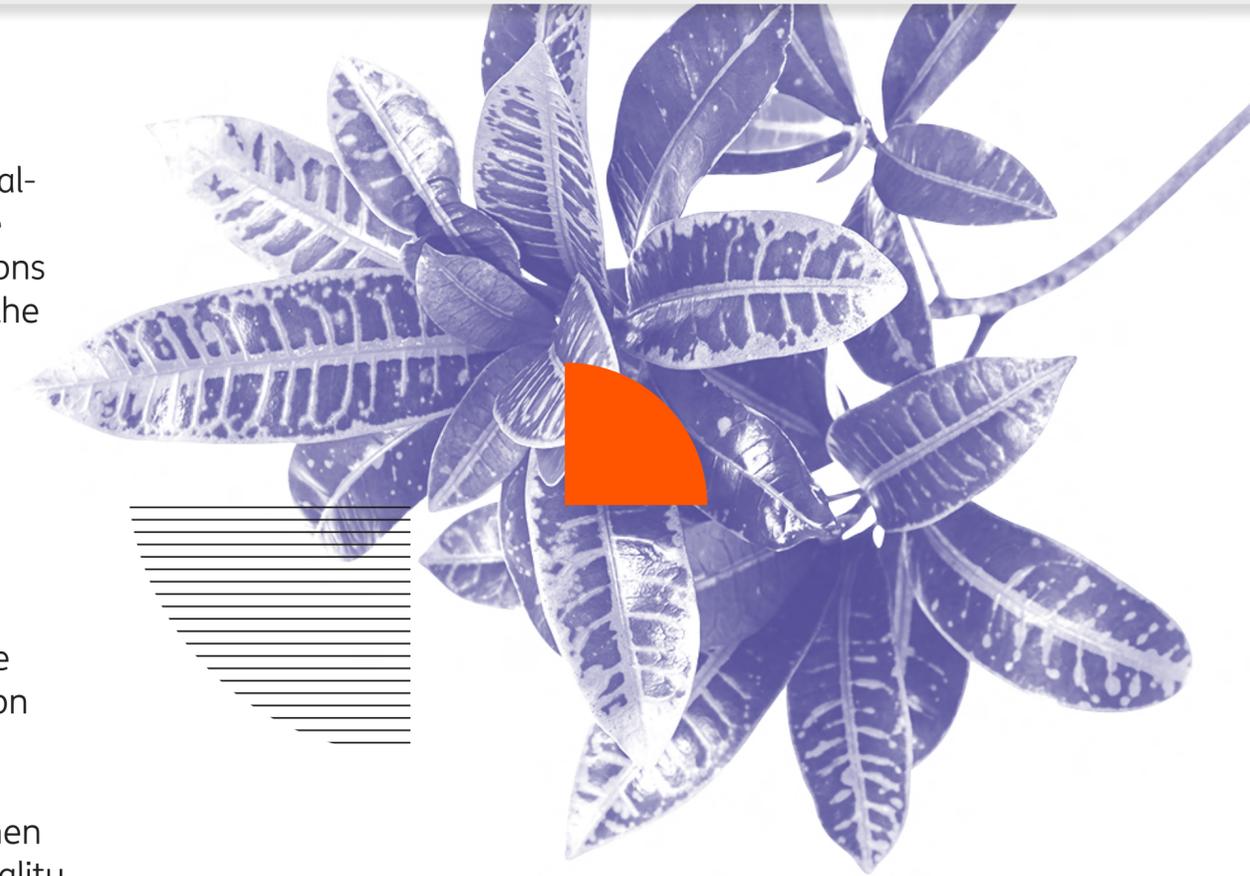
The internal control system of the Bank is sufficiently adequate and effective to secure the Bank from unexpected developments in terms of funding granted, non-financial risk, market risk, liquidity risk or capital adequacy. The system covers all organisational units of the Bank and all three lines of defence. To ensure compliance with the law, supervisory requirements, internal regulations and market standards, firm corrective measures were planned and taken for weaknesses identified. The Bank has an official reporting path for the scale and nature of the identified irregularities as well as the status of corrective and disciplinary measures taken. Corrective and disciplinary measures are performed in a timely and efficient manner. The independence of the Internal Audit Department and the Centre of Expertise – Compliance has been ensured as well as sufficient human resources needed to carry out the tasks of those units.



Given the moderate economic growth as well as geopolitical- and regulatory uncertainty, the Supervisory Board is of the opinion that the Bank should continue to focus on the actions to maintain an adequate capital level as well as to ensure the availability and competitiveness of products and customer experience, such as:

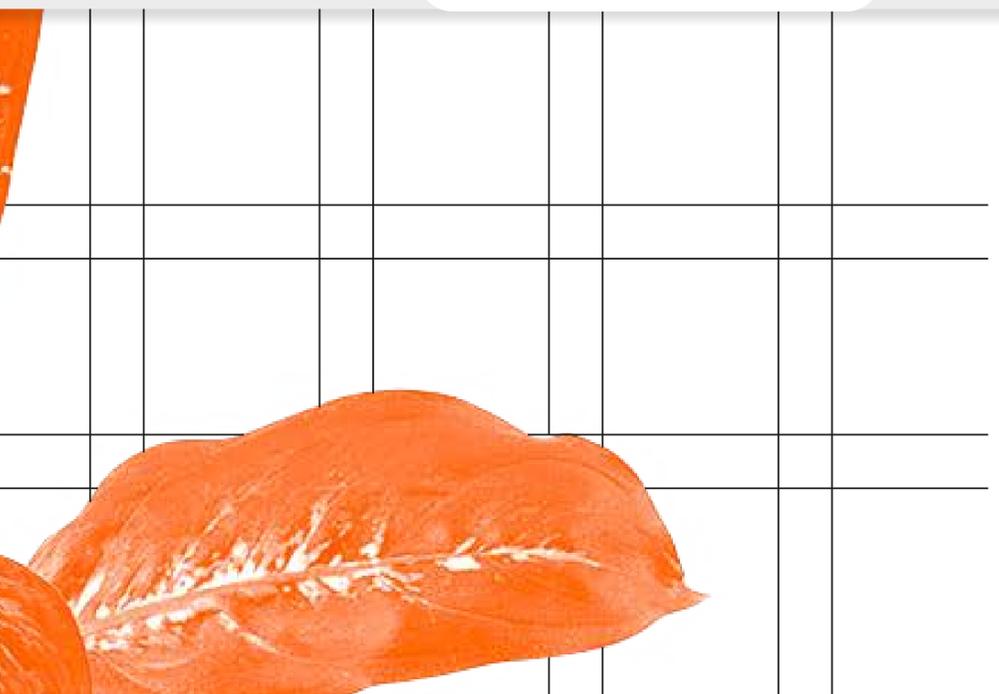
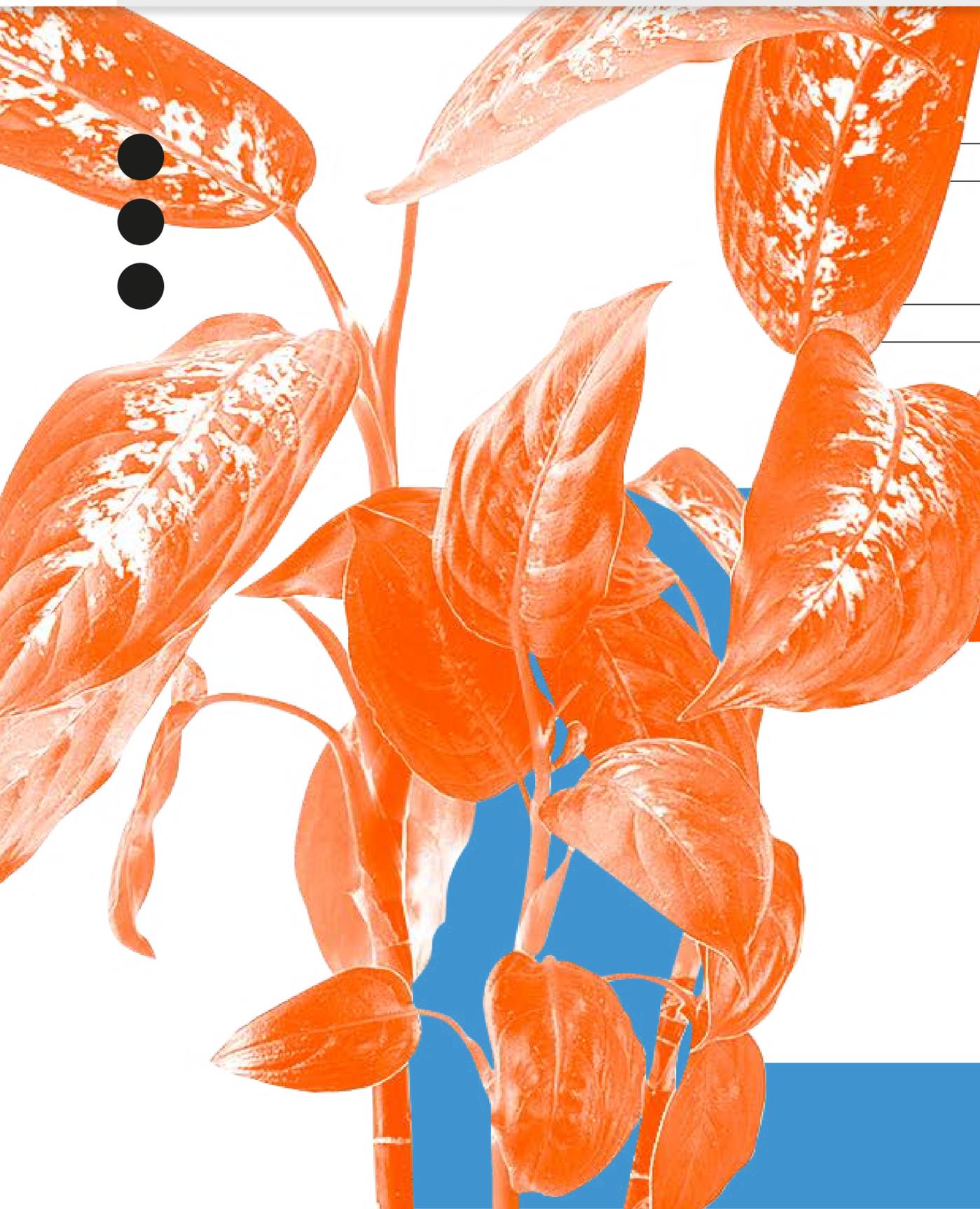
- adequate capital management in order to ensure safe lending growth as well as fulfilment of all present and future regulatory requirements,
- further development of the product offer, including the offer of sustainable products, and electronic distribution channels,
- increasing lending capabilities, while being prudent when assessing clients' risk which will foster keeping high quality of the portfolio and boost net interest income;
- maintenance of adequate stable deposits to ensure the liquidity needed to expand lending;
- an improvement of cost effectiveness while maintaining high-quality of processes by optimum use of resources and taking advantage of benefits from the increased scale of operations.

According to the Supervisory Board, the strategy pursued by the Bank over the recent years to increase the scale of its



operations proved to be successful, which is reflected in the achieved financial and commercial results. Consequently, the Bank intends to uphold its strategy in 2024 while maintaining an adequate level of capital.

In view of the ongoing conflict between Russia and Ukraine, 2024 will certainly be marked by further uncertainty. On the other hand, it should also be a year of economic revival during which ING Bank Śląski and the entire banking sector will have a very important role to play, notably as an economic stabiliser in Poland.



Assessment

of the Bank's application of the principles of corporate governance and of the Bank's compliance with disclosure duties as to their application, as laid down in the WSE Rules and regulations on current and interim information provided by securities issuers



Assessment of Bank's compliance

with disclosure duties as to application of principles of corporate governance, as laid down in the Exchange Rules and regulations on current and interim information made by securities issuers

The assessment of the Bank's application of the principles of corporate governance and of the Bank's compliance with disclosure duties as to their application is performed pursuant to Principle 2.11.4. of the Best Practice for GPW Listed Companies 2021 (hereinafter the "Best Practice 2021") that was introduced by way of GPW Supervisory Board Resolution No. 13/1834/2021 of 29 March 2021 and came into force as of 1 July 2021.

The Best Practice 2021 was adopted by the ING Bank Śląski S.A. Management Board on 20 July 2021 and by the Supervisory Board on 22 July 2021 in the scope as defined in current report no. 1/2021 (EBI) published by the Bank on 30 July 2021, and also by the Extraordinary General Meeting of the Bank on 29 November 2021 insofar as it refers to the General Meeting and the shareholders. Since 29 November 2021, following the change in the composition of the Supervisory Board and its Committees, the Bank has been also fully applying Principle 2.9; with the development of the rules for reporting on the gender pay gap ratio, the Bank has been applying Principle 1.4.2 since 11 March 2022. The Bank published the updates on the status of Best Practice 2021 application as part of the relevant EBI reports.

In January 2024, the Bank reviewed how the corporate governance principles arising from Best Practice 2021 were applied in 2023; it was concluded that they had been applied within the above scope.

As far as the principles of corporate governance arising from the Best Practice 2021 are concerned, and in addition to the current report of 30 July 2021 filed in accordance with the *comply or explain* principle, the Bank also makes representations, in the form and within the timeframes required by law, on the application of the principles adopted and on the scope of their applicability and relevant procedure. By analogy to previous years, a corresponding representation is an element of the Report on the Bank operations in 2023.

Irrespective of the principles arising from the Best Practice 2021, the Bank has applied the *Principles of Corporate Governance for Supervised Institutions* published by the Polish Financial Supervision Authority. On 30 December 2014, the Bank Management Board presented a *Report on Observance of "Principles of Corporate Governance for Supervised Institutions" at ING Bank Śląski S.A.* The report is published on the Bank's website, along with an update on the scope of the *Principles* application. The information on the application of the *Principles of Corporate Governance for Supervised Institutions* is also

an element of the Report on the Bank Operations in 2023, and is subject to an assessment by the Supervisory Board which is presented to the General Meeting hereinafter in this annual report of the Supervisory Board.





At the same time, it should be stressed that the Bank abides by the principles of corporate governance in its operations, in particular by ensuring proper access to the Bank's information to shareholders, investors, the media and all stakeholders.

The Bank uses the General Meetings to keep an open line of communication with shareholders by:

1. responding and providing explanations to shareholders' inquiries during the General Meeting by the members of the Bank's governing bodies,
2. broadcasting the General Meeting session via the Internet, and
3. enabling the media representatives to attend the General Meeting's sessions.

Since 2020, the Bank has held the General Meetings by means of electronic communication, i.e. through transmission of the General Meeting debates in real time, two-way real time communication enabling the shareholders to make statements during the debates of the General Meeting as well as to exercise their voting right in person or by a proxy.

Furthermore, the Bank publishes the information required by the principles of corporate governance adopted by it on the website: <https://en.ing.pl>.

The Bank also uses the following channels to communicate with the stakeholders:

-  face-to-face, individual or group meetings with investors and analysts,
-  investor conferences,
-  press releases,
-  press conferences,
-  information on the media,
-  thematic conferences and seminars, and
-  webinars.

Thanks to being digitally advanced, the Bank could communicate with stakeholders in a smooth and safe manner. In 2023, ING Bank Śląski S.A. communicated with stakeholders via remote tools, enabling them to participate in all major events and undertakings.

As part of the assessment, the Supervisory Board have concluded that the documents and information regarding the application of the corporate governance principles which are published by the Bank and posted, among other things, on a separate section of the website, are true, correct and

consistent. Furthermore, the Supervisory Board have evaluated the explanations published by the company in regard to the application of the corporate governance principles, and confirmed that the comments regarding the scope of the principles application are exhaustive, and that they contain sufficient subject-related information concerning the application of the corporate governance principles.

Consequently, the Supervisory Board have assessed that the Bank has applied the corporate governance principles, and has properly fulfilled its disclosure duties as to their application, as laid down in the Exchange Rules and the regulations on current and interim disclosures made by securities issuers.





Assessment of application by ING Bank Śląski S.A. of Principles of Corporate Governance for Supervised Institutions in 2023

By Resolution No. 218/2014 of 22 July 2014 (PFSA Official Journal No. 17), the Polish Financial Supervision Authority adopted the Principles of Corporate Governance for Supervised Institutions (hereinafter referred to as: the "CG Principles").

The CG Principles were adopted by ING Bank Śląski S.A. (the "Bank") in the scope as laid down in the Management Board Report of 30 December 2014, published on the Bank's website at: <https://en.ing.pl/company-profile/corporate-governance>.

Beforehand, on 28 November 2014, the draft Management Board Report received positive advice of the Supervisory Board who also on the same day accepted the CG Principles applicable to the Supervisory Board operation and its Members.

Following the amendments to the Bank Charter made by way of Resolution No. 26 of the Ordinary General Meeting of the Bank of 31 March 2015, the Bank has applied all the rules set out in the CG Principles. Since 2020, the Bank has held the General Meetings by means of electronic communication, i.e. through transmission of the General Meeting debates in real time, two-way real time communication enabling the shareholders

to make statements during the debates of the General Meeting as well as to exercise their voting right in person or by a proxy. Therefore, since that time the Bank has also fully applied the principle arising from § 8.4 of the CG Principles.

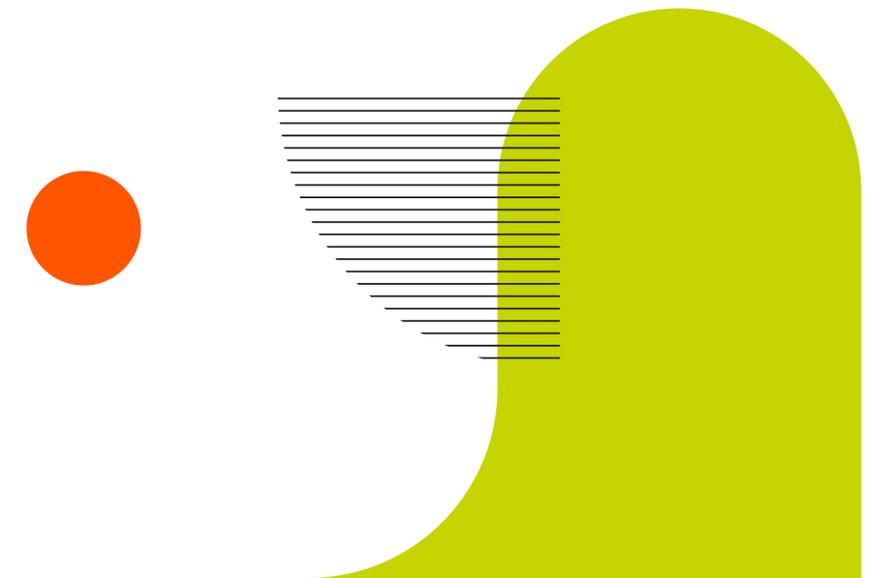
Concurrently, with its Resolution No. 25 of 31 March 2015, the Ordinary General Meeting accepted the Bank Management Board Report of 30 December 2014 and declared readiness to apply the CG Principles in the part regarding shareholders and relations of the Bank as a supervised institution with its shareholders, on the terms and conditions set out in that Resolution. The Resolution is available on the Bank's website at: <https://en.ing.pl>.

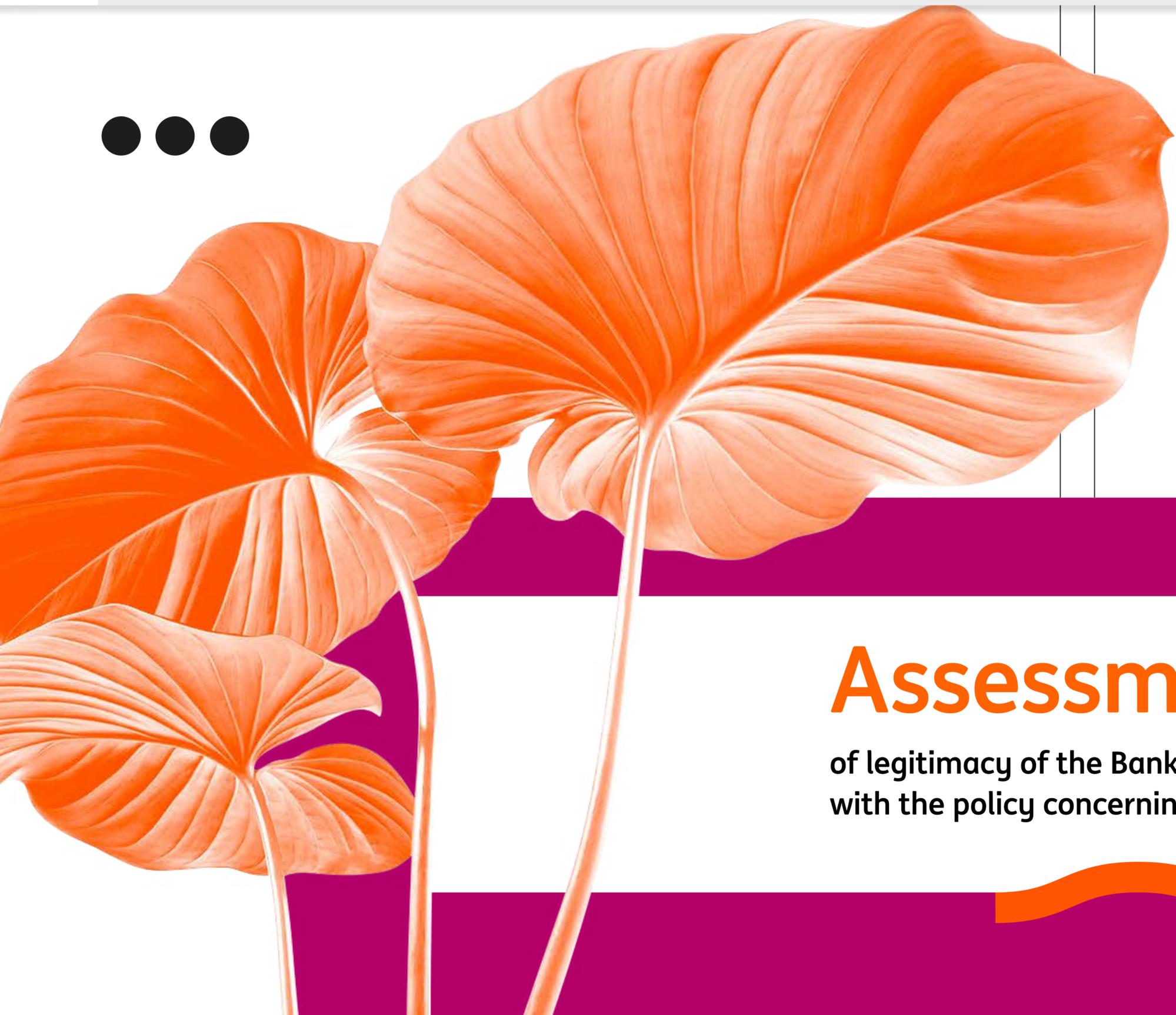
The Supervisory Board have assessed that the actions taken resulted in adherence to the CG Principles being assured both in terms of compliance of in-house regulations therewith and their application by the Bank in the daily routine. Further, at the beginning of 2024, the Bank verified compliance with the CG Principles. During the verification exercise, validity of application of CG Principles as far as adopted by the Bank was confirmed with no instances of breach thereof in 2023 found.

The Bank governing bodies apply the CG Principles, particularly those referring to their affairs and mutual relations.

The CG Principles are also followed by Bank employees and are mirrored in the day-to-day business of the Bank. The foregoing applies to the CG Principles concerning internal relations, the Bank's organisation and key systems and functions, and also the CG Principles relating to external relations with shareholders, Bank clients and other entities concerned.

Hence, the Supervisory Board have assessed that in 2023 the Bank was applying the Principles of Corporate Governance for Supervised Institutions in a proper manner.





Assessment

of legitimacy of the Bank's expenditure borne in connection with the policy concerning charitable and sponsorship initiatives



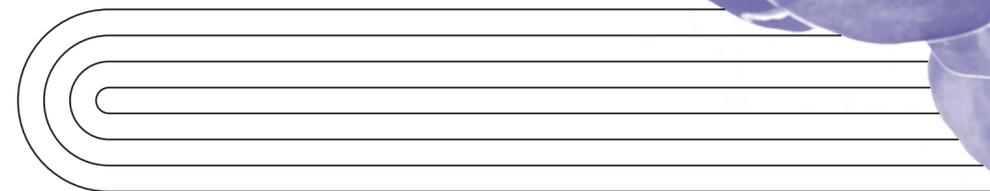
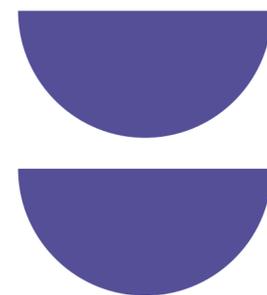
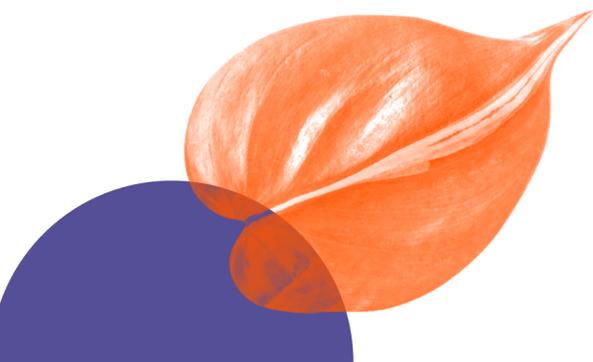


Charity and community activities

On the basis of information received from the Bank's Management Board, the Supervisory Board conclude that ING Bank Śląski S.A.'s charitable- and social activities in 2023 focused on:

1. continuing assistance to Ukraine,
2. humanitarian aid – earthquake in Turkey and Syria,
3. climate education, financial education, entrepreneurship development, modern technology, and sustainable development,
4. support and education of children and young people, and
5. promotion of and education in Polish modern art.

The Bank carried out those activities on its own, in cooperation with community partners and with the support of two corporate foundations – the ING for Children Foundation and the ING Polish Arts Foundation. The activities were implemented as part of ING Bank Śląski S.A.'s ESG Strategy for 2022-2024. In 2023, due to the earthquake and the need for immediate assistance to those affected, ING Bank Śląski S.A. took immediate relief measures and continued to help Ukraine.





Continued assistance to Ukraine

Since the first days of the war, ING Bank Śląski and the ING for Children Foundation have been involved in various activities for Ukraine. The Bank and the Foundation supported charities and provided support to refugees in Poland.

SPLIT UA Residency

ING Bank Śląski supported the SPLIT UA Residency programme addressed to young people from Ukraine (18- to 30-year-olds) who are currently residing in Poland and are interested in creating social innovation prototypes related to the reconstruction of their homeland.

Participants – with the support of mentors – worked on topics based on the Ukraine Reconstruction Plans. The programme was delivered both online and at weekend meetings in the form of workshops, lectures and meetings with experts from various fields including: science, culture, art, engineering, design, economics and law. On the ING Bank Śląski side, 11 experts from ING Bank Śląski were involved in the programme, including Brunon Bartkiewicz, President of the Management Board and Maja Chabińska-Rossakowska, HR Director of the Bank.

ING staff engagement

ING Bank Śląski employees continued their commitment to helping their colleagues in Ukraine. A fundraiser among staff, at the end of April 2023, raised PLN 40,000. ING Bank Śląski subsidised the purchase of 80 packages with solar power banks, mats, electric pots and sweets, which were sent to ING Ukraine employees.

As part of Action-Auction, a charitable initiative by employees, auctions of donated items were held for six weeks. The event attracted 1,000 visitors and more than PLN 7,000 was collected from 60 auctions, which went to the GAJUSZ Foundation from Łódź to support the treatment and rehabilitation of children from 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 – occasional benefits for Easter and Christmas, Santa Claus for children and holidays for Ukrainian families.

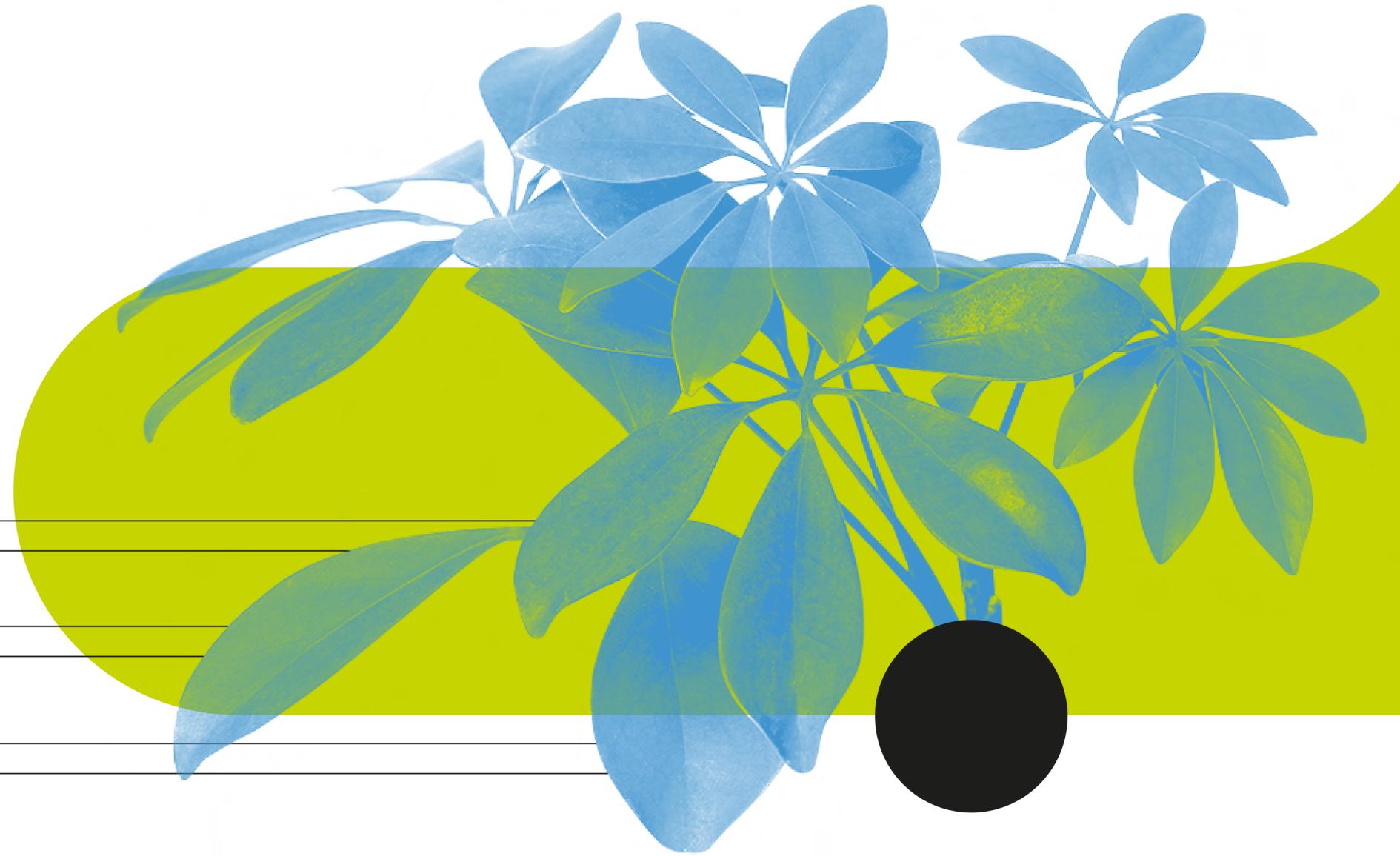




Humanitarian aid

Earthquake in Turkey and Syria

ING Bank Śląski, together with the ING for Children Foundation and ING Hubs Poland, organised a fundraiser to help those affected by the earthquake on the Turkish-Syrian border. In addition, the bank launched a temporary offer of free transfers to Turkey. PLN 667,300 was collected. The money went to UNICEF Poland, an organisation that helped provide safe shelter, food and medical care to families with children in devastated areas. ING Bank Śląski and ING Hubs Poland decided to donate an additional PLN 250,000 each to UNICEF Poland. The bank also purchased 14 large-scale specialised tents at a cost of PLN 1 million, which went to Hatay province which was one of the most affected provinces by the earthquake.





Working with partners

for climate education, financial education, entrepreneurial development, modern technology, and sustainable development

Ocalimy Świat, or We Save the World – an eco-programme for primary school pupils

We Save the World is an educational programme aimed at primary school pupils at all levels, which combines the expansion of children's and young people's environmental knowledge with the shaping of their character and pro-social attitudes and the enhancement of their digital competences. The programme is part of ING Bank Śląski's work on climate education for children in schools. The We Save the World Programme is organised by the "ABCXXI – Cała Polska Czyta Dzieciom" 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 of Poland assumed Honorary Patronage of the Programme. The first edition of the programme, which ended in June 2023, involved more than 34,000 students from 416 schools in 307 locations across the country. 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.

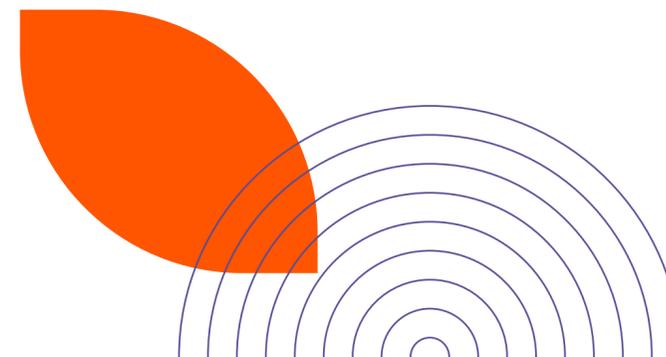
In a follow-up on the first edition, up to 70% of participants confirmed that they had become more interested in the topic of ecology and had become more attentive to environmental problems in their surroundings. Meanwhile, almost 50% of participants learned new digital tools.

The inauguration of the second edition of the We Save the World Programme took place in October 2023.

Twenty-eight short stories, written by Polish authors for children and young people, were created for the We Save the World Programme. The stories have been published in three age-appropriate volumes for young audiences: "Oddech smoka" (for ages 7 and up), "Latający talerz" (for ages 10 and up) and "Sieci widmo" (for ages 13 and up). The package of project materials for participating establishments also included the book *Ty też możesz uratować świat. Ekoopowieści z Pietruszkowej Woli* ["You too can save the world. Eco-tales from Pietruszkowa Wola"] by Justyna Bednarek, published by ING Bank Śląski and the ING for Children Foundation.

Warsaw Institute of Banking – Banking and Security in Cyberspace (BwC)

As part of the industry's financial education programme Bakcył and the Cybersecurity programme for primary and secondary school students, lessons on finance and cyber-security were taught by volunteers – employees of participating banks. Through its participation in the programme, ING Bank Śląski contributes to increasing financial literacy among young people and awareness of cyber threats. As part of the Cybersecurity project, lessons were held in secondary schools. 12,600 students took part. Around 2,500 students attended the lectures. In addition, around 2,900 students took part in the Cyber Genius competition, where questions were set by, among others, cyber security experts from ING Bank Śląski. In H1 2023, more than 218,500 people (including seniors, participants in the Financial Education and Entrepreneurship Congress and academics) were directly reached by the BwC Project. In addition, as part of the collaboration, a banking expert conducted a nationwide online cyber-security lesson with ING Bank Śląski for 1,400 students and teachers from nearly 70 schools across Poland.





Bankers for Education (BdE) Programme and Analytical and Research Programme with the Warsaw Institute of Banking

The Bankers for Education programme is a joint educational initiative of banks and banking infrastructure companies in cooperation with public institutions, local governments, NGOs and the media, which has been ongoing since 2016. It is a response to long-standing societal- and development challenges on issues of economic education, cyber security and entrepreneurship. It is carried out on the initiative of the Polish Bank Association by the Warsaw Banking Institute – one of the leading NGOs in Poland in the field of broadly understood financial and cyber security education. The BdE programme comprises more than a dozen projects, varying in terms of audience groups, forms and frequency of implementation. In total, more than 800 actors participate – from public institutions, JST, banks and other financial sector institutions, to universities and schools, to NGOs and the media.

ING Bank Śląski supported the Analytical and Research Programme, which carries out research to create, develop and organise knowledge in the areas of:

- cyber security, e-banking and e-payments, and new technologies in a broad sense of the term,
- opportunities for the development of the banking sector and financial markets, the stability of banks and new business models related to electronic services.

The Analytical and Research Programme of the Warsaw Institute of Banking places great emphasis on developing collaborations with academia and experts, seeking synergies in the authors' research interests and the needs of the banking sector.

ING Group's global grant fund – ING Community Investment Global Fund (CI Fund)

The ING Group'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 2023, ING Bank Śląski provided community partners with funds for the implementation of five projects totalling PLN 2,372,369 from the Community Investment Fund.

ABC of Economics – CI Fund

ING Bank Śląski, together with the Czepczyński Family Foundation and the ING for Children Foundation, implemented a financial- and economic education project for the youngest – ABC Economics. The project's purpose is to introduce children to the world of finance and develop sound financial habits. The programme uses educational kits for participants. The programme involves ING Volunteers who delivered a minimum of one financial education lesson at a location of their choice. Thanks to the commitment of the volunteers, the facility received a package of educational materials that will also be used by teachers and taught to other student groups. As a result, 80 ING volunteers went to 90 schools with the ABC Economy project, carrying out meetings for 2,300 children.





Zwolnieni z Teorii [Exempt from Theory] – Already Job Ready – CI Fund

In H1 2023, the Exempt from Theory Foundation implemented the Already Job Ready project with a Community Investment grant from ING Group. Its aim was to support young people (15-24) to acquire competences to facilitate their entry into the labour market, through a community project.

In addition, participants who carry out the project develop the competences of the future, i.e. the ability to cooperate, creativity, critical thinking- and communication skills.

An important part of the programme is learning how to write a CV and include soft competences, describe experiences from the community project, as well as acquiring self-presentation skills through an e-learning course on the Exempt From Theory project platform.

The programme, which ran for eight months, involved 740 secondary schools and 884 teachers, with 6,200 young people completing their own community projects. As part of the programme, 3,300 students met potential employers, including ING, and 5,500 students and teachers confirmed that they felt better prepared for their job search.

In the follow-up survey, 89% of participants confirmed that they had improved at least one of the four competences of the future and 51% confirmed that running the social project had better prepared them for the labour market.

Fundacja Rozwoju Społeczeństwa Wiedzy Think! [Think!Foundation] – Financial Health Programme – Get Ready for Future – CI Fund

ING Bank Śląski continued the Financial Health project, implemented from March to August 2023 by the Think!Foundation. This was the culmination of a project initiated in February 2021. The aim of the Financial Health project is to build knowledge and good habits related to taking care of personal finances and to discover one's potential related to personal development. The project is addressed to adults (18+), working or at risk of losing their jobs, declining income, not working, who have found themselves in a vulnerable situation as a result of the pandemic crisis. As part of the project, the educational portal [ZdrowieFinansowe.pl](https://zdrowiefinansowe.pl), which is a repository of materials on finance.

As part of the project, quantitative surveys were prepared on the basis of which educational materials and guides were produced in the project (including the series "Zadbaj o siebie i bliskich" [Take care of yourself and your loved ones]).

Exempt from Theory – Social Projects Olympics

In 2023, 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 ProjectsOlympics in Poland, secondary school students organised their own social projects, responding to community-, cultural-, technological- or environmental needs.

ING Bank Śląski provided expert material in the form of videos on topics such as teamwork, communication, as well as support from mentors. The 57 youth teams benefited from the support of 50 expert mentors from the bank and foundation in the implementation of their projects. The mentors, employees from different areas of the bank, shared their knowledge and experience with the young people and supported the participants in their community projects throughout the programme.

A total of 495 people took part in the A Step Ahead challenge, reaching almost 4 million beneficiaries.

The final gala, in April 2023, was attended by 3,500 students and teachers, including representatives from both the bank and the foundation. Among the completed projects in the A Step Ahead challenge, there were as many as 10 finalists – the Silver Wolf awards went to nine projects and the Golden Wolf to one project.

ING CoderDojo

ING CoderDojo continued to offer online classes for children and young people in 2023. ING mentors led meetings in advanced groups that focused on programming puzzle games on a cloud platform using a database, as well as programming in Python in the Kivy framework using the KivyMD extension.



Lesław Paga Foundation

In 2023, ING Bank Śląski was a partner of the 18th edition of the Capital Market Leaders Academy. It is an intensive development- and education programme dedicated to talented university students and graduates up to the age of 27. The programme covers issues related to the financial market. During the programme, participants analysed the largest transactions, solved current problems of companies and practised problem solving using case studies. During meetings and workshops, experts from ING shared their knowledge of the importance of the banking sector for the economy as a whole and its impact on the capital market with programme participants.

The bank is also a strategic partner of the ESG Women Leaders Academy programme, which follows on from five editions of the Women Leaders Academy. The aim of the programme is to support women responsible for implementing, promoting and reporting ESG solutions in their organisations. ESG experts led a workshop on the synergies between innovative product and service design and ESG and AI. Another element of the programme was a mentoring leadership workshop with Joanna Erdman, the Bank's Executive Vice President responsible for sustainability and ESG. The workshop was attended by 18 female participants.

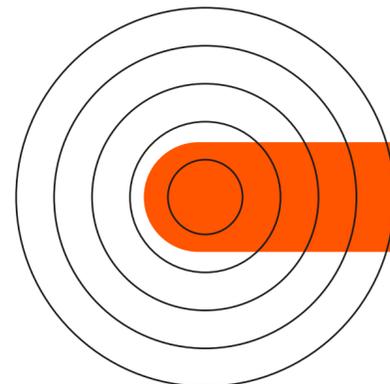
Responsible Business Forum

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 A Step Ahead – 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 (UNGCC)

As part of its continued cooperation with the UN Global Compact Network Poland in 2023, ING Bank Śląski was a partner to the Business & Human Rights programme, which aims at implementing the UN Guiding Principles on Business and Human Rights and their practical application in ethical programmes and corporate 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).





Other initiatives

ING Charity Football Tournament

On 17 June 2023, the ING Charity Football Tournament took place at the MORIS pitches in Chorzów. Twenty-nine teams from ING and 249 male and female players took part. Teams made up of employees of the bank and our group companies from all over the country competed. There were 228 goals scored in the sporting competition. The aim of the tournament, in addition to supporting a healthy lifestyle, was to support charities that are involved in the sporting activation of people with disabilities.

In 2023, donations of support (PLN 10,000 each) for activation activities for children and adults with disabilities were made to: Zero Załamki Foundation to support sports for people with disabilities, the Nadzieja Foundation to organise an international football tournament for wards of children's homes (Mundial) and the Amp Futbol Poland Association to support a women's football team.

Charitable donations

In 2023, ING Bank Śląski made charitable donations of a financial and in-kind nature. The bank made 22 financial charitable donations. Donations were made on the basis of the ING Bank Śląski's Donations Policy. The policy sets out, among other things, the areas of the bank's involvement in charitable activities.

The bank's chosen areas for social investment are:

1. activities for children and young people, including leisure activities for children and young people, as well as support for social and subsistence needs,
2. science, education and upbringing – especially in the area of financial and climate education,
3. health protection and prevention,
4. environmental protection, combating climate change, and
5. financial support in special circumstances, where an employee and/or his family members suffered damage.

The Donations Policy sets out the roles of the Donations Committee, the Bank's 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's management board or the bank management board.

In 2023, ING Bank Śląski made charitable donations from its own funds totalling PLN 851,458.

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

1. for the ING for Children Foundation in the amount of PLN 4.08 million,
2. for the ING Polish Arts Foundation in the amount of PLN 1.44 million.

Objectives that the bank supported through donations, in selected areas of community investment in 2023:

1. assistance to children and their families affected by the earthquake in Turkey and Syria – PLN 250,000,
2. support and assistance to Ukraine – PLN 50,000,
3. activities for children and young people, including holidays for children and young people – PLN 50,000,
4. science, education and upbringing – especially in the area of financial- and climate education – the bank made 4 donations totalling PLN 235,458,
5. health protection and prevention – the bank made 10 donations totalling PLN 266,000,

In total, ING Bank Śląski donated PLN 6.37 million to social- and charitable activities (the amount of charitable donations and donations to corporate foundations).



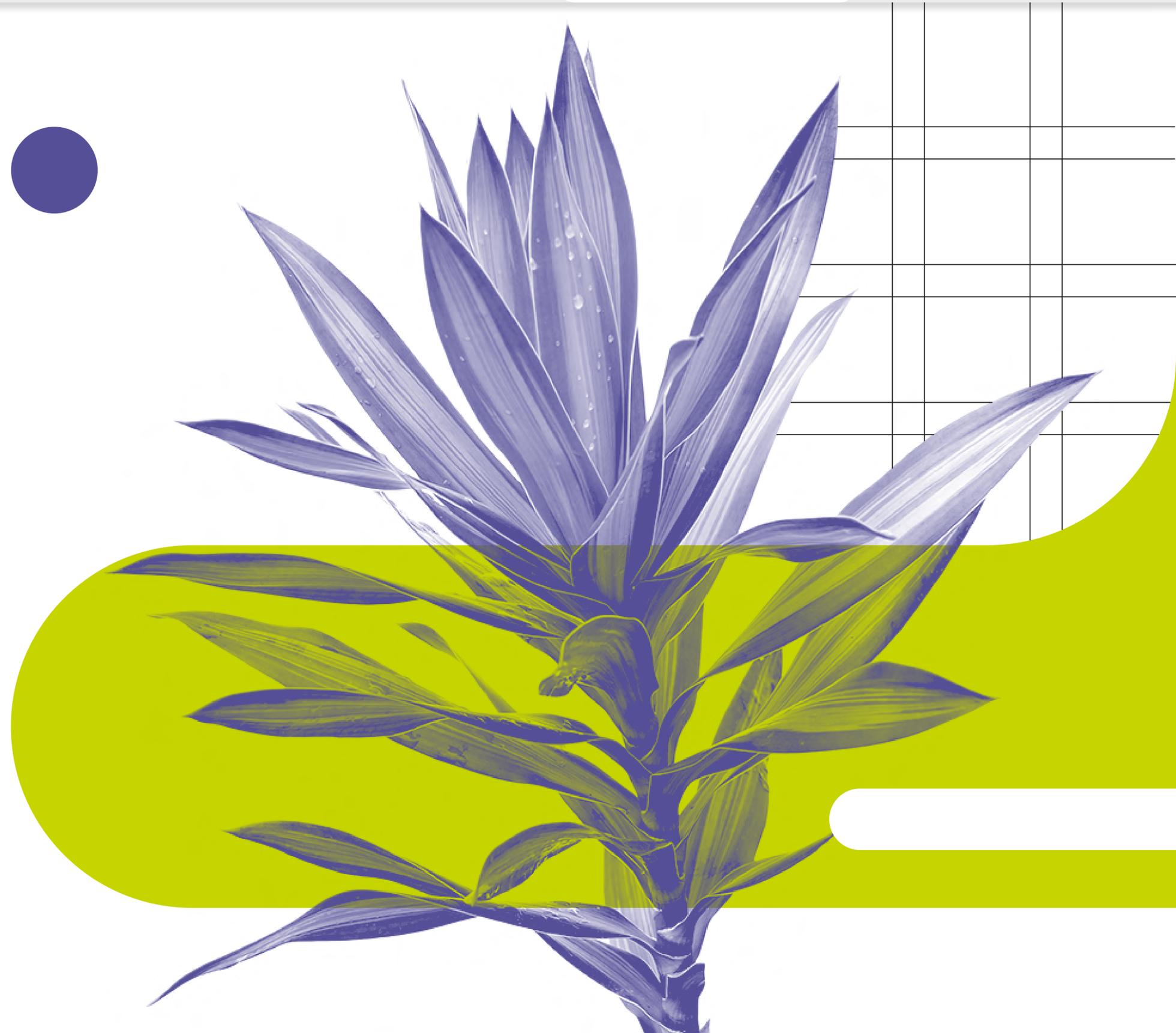
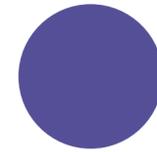
Among the activities supporting science, schooling, education and upbringing – particularly in the area of financial- and climate education – were donations to: The Exempt from Theory Foundation, the Warsaw Institute of Banking for the Bakcyl and Cybersecurity Programme, the Analytical and Research Programme and the Bankers for Education Programme.

In the area of healthcare, donations were received by foundations that have carried out socially valuable activities for the improvement of health for many years, such as the Professor Zbigniew Religa Foundation of Cardiac Surgery Development in Zabrze and the Polish Foundation of Gastroenterology and the National Institute of Oncology.

ING Bank Śląski continued to support regional- and local charities, including the Home Hospice for Children Foundation in Opole and the Wrocław Hospice for Children Foundation.

In 2023, the Bank also made in-kind donations in the form of decommissioned IT equipment (in good working order) and office furniture (around 400 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 184,000.

The bank donated 35 desktop computers, 319 monitors, 248 laptops and 12 printers. 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.





Fundacja ING Dzieciom

The ING for Children Foundation is one of the oldest corporate foundations in Poland. It pursues its mission – Helping children to be one step ahead – in three areas: supporting development, nurturing health and levelling the playing field. Each of these includes a number of original programmes (e.g. Bibliotherapy, Orange Power, Good Idea or My Environment) and those implemented in partnership with local- and national organisations (e.g. Exempt from Theory Olympics, ABC of Economics). The Foundation develops the ING Volunteer Programme, involving ING employees in various environmental- and educational projects for the benefit of local communities. It helps socially- and economically disadvantaged children, supports physical activity for children with disabilities, or helps children affected by the war in Ukraine.

In 2023, the Foundation carried out its activities in accordance with the ING for Children Foundation Strategy for 2023-2025, adopted and approved by the Management Board and the Council of the ING for Children Foundation. The Foundation, as a public benefit organisation, carries out its tasks in accordance with the Act on Public Benefit Activity and Volunteerism and within the scope set out in the Charter of the ING for Children Foundation.

In 2023, funding for the Foundation's activities came from:

- donation from the founder (ING Bank Śląski) in the amount of PLN 4.08 million (the funds were allocated to the Foundation's current activities, including the implementation of programmes for children and young people),
- donations from subsidiaries (ING Lease Polska and ING Commercial Finance) totalling PLN 86 thousand (the funds were used to implement programmes for children and young people),
- donations from ING employees and customers and contributions to a charity fundraiser for earthquake victims in Turkey and Syria amounting to PLN 667.3 thousand (funds were donated to UNICEF Poland),
- from donations by ING employees and customers towards aid activities for Polish children in the amount of PLN 213.4 thousand (the funds were used to implement programmes for children and young people),

- proceeds from funds obtained from 1.5% of tax for public benefit organisations in the amount of PLN 93.6 thousand (funds to be transferred in 2024),
- payroll programme (monthly donation from ING employees deducted from wages) of PLN 10.3 thousand (the funds were used for implementing programmes for children and young people),
- from the support of the local government authorities in Cieszyn – remuneration for the stay of children from Ukraine in the centre in the amount of PLN 544,000 (the funds were allocated to help and care for children from Zaporizhia, wards of the Foundation in the centre in Wisła).

The ING for Children Foundation's total cash income for 2023 was PLN 5.8 million.





Aid to children from Ukraine

The ING for Children Foundation continued its aid activities for refugee children from Ukraine. All the time, a group of children from the orphanage in Zaporizhia remains under the care of the Foundation and the staff of the centre in Wisła.

In 2023, the children continued their education in educational establishments in Wisła. They had the support of a psychologist, legal assistance, medical assistance and the support of ING volunteers. Children celebrate holidays, birthdays and enjoyed summer holiday activities. In May, they took part in an art workshop with the ING Polish Arts Foundation. In December, they were invited to music classes at the National Polish Radio Symphony Orchestra in Katowice (NOSPR), which resulted in a joint concert with musicians from the NOSPR and the Royal Stockholm Philharmonic Orchestra Academy at the Wisła Municipal Public Library. The children are visited by ING volunteers who provide them with sports activities, excursions and other outdoor activities.

The Foundation also continued to donate the Ukrainian edition of the book "Lucjan the Lion One of Its Kind". In 2023, the book was given, among others, to children participating in a workshop at the ING Bank Śląski head office in Katowice.

The book "Lucjan the Lion One of Its Kind"

In 2023, the ING for Children Foundation was a partner of the Intergenerational Children's Literature Festival Fathers and Children [Międzypokoleniowy Festiwal Literatury Dziecięcej Ojciec i Działki] in Katowice. For three days, children and their carers participated in numerous activities, workshops and meetings with authors. There was a fairy-tale therapy workshop based on the book and a meeting with the author Roksana Jędrzejewska-Wróbel. The culmination of the festival was a musical performance of "Przyjaciel, którego nie było" [The Friend Who Wasn't There] staged at the headquarters of the National Polish Radio Symphony Orchestra in Katowice.

The book "Ty też możesz uratować świat. Ekoopowieści z Pietruszkowej Woli" [You too can save the world. Eco-tales from Pietruszkowa Wola]

In 2023, the ING for Children Foundation donated more than 3,500 hard copies of the book to public libraries and primary schools. In addition, through a competition for kindergartens in the Silesia Province and a nationwide competition for primary schools, it reached around 16,000 of those establishments with the book in the electronic form. Based on the book, the Foundation prepared a free multimedia scenario pack for teachers to conduct climate education for primary school grades 1-3.





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 Regulations and the work regulations of the other Group companies. Every employee who takes advantage of that opportunity records their volunteering time in an internal system. Employees who volunteer for the ING for Children Foundation are covered by insurance.

Since 2006, the ING Group employees have participated in the Good Idea voluntary competition. In the first half of the year, projects were implemented as part of the 17th edition of the Good Idea competition, the results of which were decided in autumn 2022. As part of that edition, ING volunteers completed 40 projects, totalling PLN 192,759. The projects, which benefited local communities, schools and NGOs, involved 2.4 thousand children. Projects included sports, art, renovation and construction or educational projects. Half of these included elements of financial education. A total of 305 ING volunteers were involved in the implementation of the activities.

In June 2023, the "Good Idea" fund was announced for the first time. That change allowed ING volunteers to obtain financial- and content support more quickly and implement a community project with a beneficiary of their choice. The Foundation awarded funding to 57 ideas totalling PLN 295,215. A total of 3,657 children took part in the completed projects. 305 ING volunteers were involved.

In spring 2023, the grants as part of the second edition of the "My Environment" programme were awarded, where ING volunteers could win a grant for environmental activities with a community partner of their choice. Funding and content-related support was awarded to 48 projects, which were implemented across the country. Together with their beneficiaries, ING volunteers engaged the youngest children in landscaping or conducted environmental education activities. Projects totalling PLN 385,819 involved 452 volunteers who reached more than 3,000 children with their activities. The call for applications for the third edition of the My Environment programme was announced in November 2023. The competition will be resolved in Q1 2024.

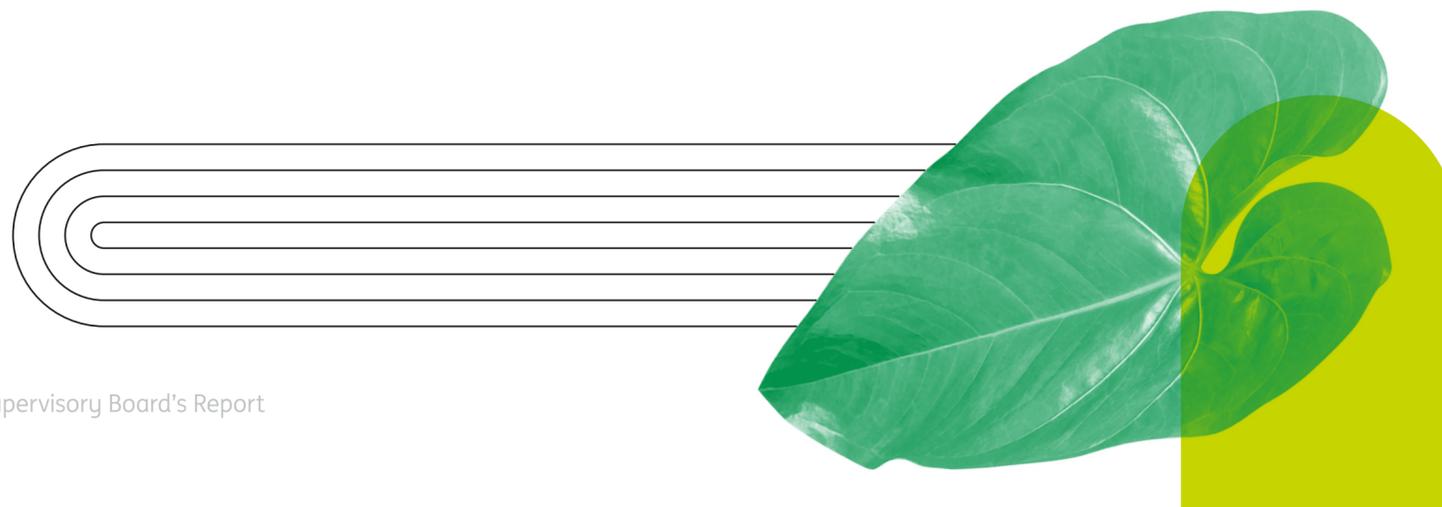
ING volunteers were also present at Orange Power events (sports events for children with disabilities), which were implemented in 10 locations in Poland. 54 ING volunteers helped organise sporting events, but above all accompanied children and young people in their sporting endeavours.

ING volunteers were again involved in the "Pianissimo" concert series organised by the National Polish Radio Symphony Orchestra in Katowice. Those were sensory concerts with a unique idea – to enable people with high sensory sensitivity to participate in musical events. The "Pianissimo" concerts were supported by 18 ING volunteers.

A total of 77 volunteers were involved in delivering events such as: Children's Day at the head offices in Katowice and Warsaw, the Ojce i Dziaatki Festival in Katowice, the ING Table Tennis Tournament and the ING Football Tournament.

In total, ING Bank Śląski employees devoted 7,805 hours in working time to volunteering within the statutory 8 hours to which each employee is entitled.

In 2023, the ING for Children Foundation organised 9 volunteer trainings attended by 344 ING employees. Training courses covered financial education, environmental education and effective community project writing.





Orange Power

Orange Power is a programme that the Foundation implements thanks to the funds "run and marched" by ING employees in the Run Warsaw mass run and the accompanying event I March – I Support. ING employees "ran" for PLN 104,600 in 2022, which in 2023 went towards sports activities for children with disabilities. This year's edition brought together more than 1,000 children from 10 establishments in Poland around sporting events. They were: Tośka i Przyjaciele Foundation – Gliwice, Sprawne Wspinanie Foundation - Kraków, Słoneczni Association - Płock, Association for the Integration of Handicapped Children and Youth "Wszyscy Razem" [Stowarzyszenie na Rzecz Integracji z Dziećmi i Młodzieżą Niepełnosprawną „Wszyscy Razem”] - Zamość, Bieszczady Association for Disabled Children and Youth "Promyk Nadziei" [Bieszczadzkie Stowarzyszenie na Rzecz Dzieci i Młodzieży Niepełnosprawnej "Promyk Nadziei"] - Ustrzyki Dolne, RONIN Sports Club - Tychy, Special Schools Complex No. 14 - Gorzów Wielkopolski, General Education Complex No. 5 with Integration and Special Classes - Sosnowiec, FAR Śląsk - Bieruń and Special School and Educational Centre - Dąbrowa Górnicza.

Oncology fundraisers for children

The Foundation continued its children's oncology fundraising programme among ING employees. Twenty-four fundraisers were published, raising PLN 46,166 among ING employees. The Foundation contributed PLN 10,000 to each fundraiser, bringing the grand total to PLN 286,163.61 in 2023.

The Children Rights' Charter in Business

In September 2023, the ING for Children Foundation with ING Bank Śląski signed the Children Rights' Charter in Business. It was an initiative of the Responsible Business Forum in cooperation with companies and social organisations.

Declaration of social organisations for the climate

ING for Children Foundation, as a member of the Polish Donors Forum, participated in the work on the Declaration of Social Organisations for Climate, which it signed together with other Forum members in December 2023. The full declaration can be found at: <https://klimat.forumdarzczyncow.pl/deklaracja/>.



Other internal initiatives involving ING employees

This is the third time that ING employees have taken part in a memorial in honour of a deceased colleague. The funds from the campaign, amounting to PLN 10,000, were donated to the GAJUSZ Foundation in Łódź for a programme that supports therapy for children following oncological treatment.

As part of the Orange Backpack campaign, ING employees helped to complete 232 school starter kits for children in eight locations in Poland. A fundraiser was also launched to purchase additional school supplies.

In September and October 2023, another ING internal Action-Auction for Ukrainian children took place. Of the 60 auctions, PLN 7,300 was raised. The funds went to the GAJUSZ Foundation from Łódź, to support the treatment and rehabilitation of children from Ukraine.

At the end of November 2023, the Foundation, together with the bank, organised an internal Christmas campaign among ING employees – Letter to Santa Claus. The dreams of 294 children from 12 institutions and homes in Poland and 2 families from Ukraine came true. In addition, employees were able to donate money to the Foundation's account for the purchase of additional Christmas gifts – the fundraiser amounted to PLN 3,700. The funds were used to purchase missing gifts for the children.



The ING Polish Arts Foundation was established to support Polish male and female artists and to present the most current phenomena in art. The foundation builds a collection of contemporary art and carries out 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. 23 objects by three female and three male artists were added to the collection in the past year. The Foundation in 2023 implemented its projects in accordance with the action plan adopted and approved by the Management Board and the Foundation Council. The Foundation's 2023 activities were funded by ING Bank Śląski and ING Hubs, in line with ING Group's global arts patronage programme, which plays an important role in creating the organisation's culture.

Collection

The collection of the Foundation includes works created after 1990 by living Polish artists. The collection currently comprises almost 290 works – 90 paintings, 74 photographs, 42 works on paper, 51 objects (sculptures, ceramics, textiles, etc.), 13 videos and 16 installations. The collection includes works by 46 female- and 76 male artists. The collection of the Foundation remains one of the few corporate collections in Poland. In 2023, the collection included photographs by Anna Orłowska, a painting by Veronika Hapchenko, sculptures by Daniel Rycharski, an object (fabric) created as a result of a collaboration between Marta Niedbal and Paweł Olszczyński, and a video by Cezary Bodzianowski.

Galeria 1 Piętro [Gallery on the 1st Floor]

From May 2023, 120 works from the Foundation's collection are presented permanently in the newly opened space of Galeria 1 Piętro in the Plac Unii building at 2 Puławska Street in Warsaw. The exhibition was located on the first floor of the shopping centre and became the first permanent presentation in the capital city of the most interesting phenomena in Polish art after the 1990s, with public access. 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 open to guests. The space features works by classics such as Jarosław Modzelewski and Zbigniew Libera, as well as those by artists of the young and the youngest generations – Karolina Jabłońska, Cezary Poniatowski and Agata Ingarden – while video works from the

collection are presented at the entrance on a several-metre-high screen, accessible to all visitors to the building.

The new space, designed by the MIXD studio and based on works from the Foundation's collection, has already won accolades and awards, including the first place in the Office category at the Art in Architecture Festival, as well as numerous press articles ("AD Architectural Digest", "Vogue" and others).

Other works from the collection are located in the founders' office spaces, in Warsaw and Katowice, as well as the offices of ING Lease, ING Commercial Finance and the ING Hubs.

The Foundation also shows its collection online. Images of works from the collection are made available on the Foundation's website under a Creative Commons 3.0 (Attribution, Non-commercial Use, No Derivative Works) licence, allowing them to be downloaded in high resolution.

Exhibitions and events

In 2023, the Foundation continued its activities in the one-work gallery Podgląd [Preview], launched last year and located in the shop window of the bank's headquarters at Puławska 2 in Warsaw. Thanks to its location, access to the work presented is available to all passers-by, 24 hours a day. In 2023, the gallery had 5 editions, during which works from the Foundation's collection were presented, as well as the "Jabłko, gruszka, kolumna i klepsydra" [Apple, pear, column and hourglass] project specially realised for the Podgląd space by Martyna Kielesińska and curator Maja Demska.



To coincide with the opening of Galeria 1 Piętro, the Foundation also initiated a series of meetings open to the public around the Foundation's activities, including those in support of artists.

As part of the programme of sharing and loaning works from the Foundation's collection, works have been exhibited at the following exhibitions and events: Göteborgs Konsthall, Suno Menge Dzas/I have a Dream; PGS Sopot, Granice sztuki. 30 Years of the POLITYKA Passports; Museum of Literature, Żelazny kapitał ducha; Nowy złoty, Ceremoniał; Forum för levande historia Stockholm, Małgorzata Mirga-Tas; Brücke-Museum, Małgorzata Mirga-Tas; Częstochowa City Art Gallery, Sacrum Art Triennale Ja-Ty/Ja-Ono; Künstlerhaus Wien, SYSTEMRELEVANT; Galeria -1, Mamy prawo!

Publications

In 2023, the Foundation released the publication "Zbieram nową sztukę" ["I collect new art"]. Based on interviews with 10 Polish collectors, that lavishly illustrated publication introduces that little-known community, along with its motivations and collecting strategies, from philanthropy to investment. The key of the selection of interviewees and interviewees and the almost 100 reproductions of works in their collections makes it possible to reconstruct the art history of the last 20 years. The book is aimed at people who would like to find out what and how others collect, learn about their stories and collections. It also aims to show that collecting does not have to be exclusive and that interacting with artists and artists is a privilege and a pleasure, and to encourage people to get involved in shaping the art scene.

Artysta-Zawodowiec [Artist – Professional]

The Artist-Professional project, aimed at students and budding artists, was held for the seventh time in 2023. The aim of the project is to prepare for the difficult 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. They tell, among other things, how to properly present yourself to curators and gallery owners, how and where to organize the first exhibitions, where to insure and how to take care of your rights. The 2023 edition included 8 lectures in Polish and 250 portfolio consultations. All lectures were interpreted into Polish Sign Language (PJM) and were recorded with translation. The recordings from that edition, as from previous editions, along with additional supplementary material, go into the Knowledge Base on the Foundation's [website](#).

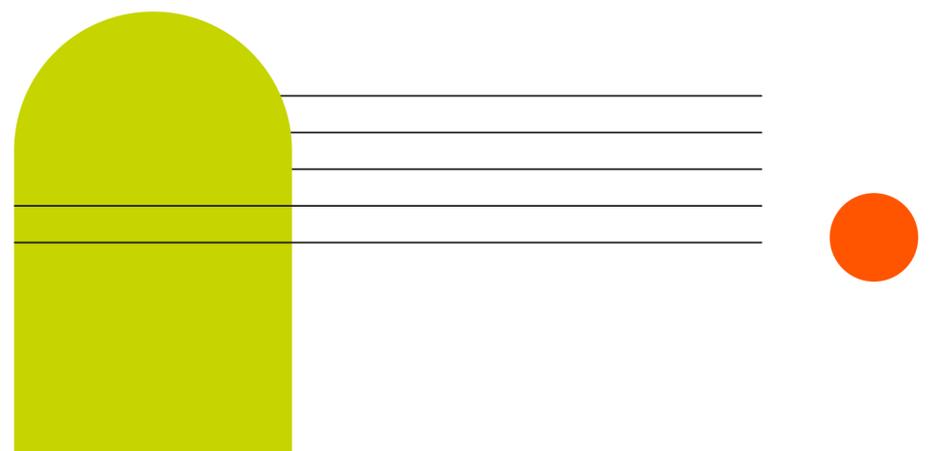
In 2020, the Artist-Professional project, due to constraints caused by the pandemic, moved online and continued in that form in 2022 and 2023.

Educational offer for bank employees

Traditionally, the Foundation started the year with a series of online meetings with ING employees. The third edition of the "Lunch Course on Art" looked at the value of ESG. During eight meetings, Foundation staff and invited lecturers presented how artists and the art world respond to issues that engage public attention. Works from the Foundation's collection were used as a pretext for a broader discussion on the significant challenges of the contemporary world.

To coincide with the opening of Galeria 1 Piętro, the Foundation prepared special guided tours and meetings around works from the collection presented in the new spaces. As every year, there were also joint walks and exhibition visits as part of Warsaw Gallery Weekend 2023. In addition, the Foundation communicates its activities to the bank's employees via a newsletter and the "Lew salonowy" channel on the intranet.

Information on the activities of the ING for Children Foundation and the ING Polish Arts Foundation is available in the *Management Board Report on the Operations of ING Bank Śląski S.A. Group 2023*, which includes the *Report on the Operations of ING Bank Śląski S.A.* In addition, the ING for Children Foundation and the ING Polish Arts Foundation publish all information on their websites. Information on current events is posted on the two Foundations' open Facebook profiles, the bank's intranet and Baśka magazine. They are also published in the form of press releases.





Sponsorship activities

In 2023, ING Bank Śląski S.A., continuing its strategy, engaged in activities targeting young people, in ESG-related activities (including social responsibility and cyber security), as well as in activities targeting entrepreneurs, owners and executives of medium- and large-sized companies. The area of sponsorship is governed by the *ING Bank Śląski 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.*

Highlights of 2023 in which the Bank was involved:

European Economic Congress and EEC Trends

ING Bank Śląski S.A., 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 20 January 2023 in Warsaw. The agenda of the event included key issues for the Polish economy concerning phenomena that will shape the economic and socio-economic reality in the near future.

The 15th edition of the congress took place on 24-26 April 2023 at the International Congress Centre in Katowice. Experts from ING participated in discussions about trends and challenges in the global economy. Topics included the environmental- and climate impact of the economy, the green transformation of energy and industry, war in Europe, as well as the impact of pandemics and the raw materials crisis.

European Financial Congress

ING Bank Śląski S.A. was one of the sponsors of the European Financial Congress (EFC). Discussions among representatives from the financial sector and market regulators covered the topics of war, geopolitical crisis, technological advances, opportunities and challenges of artificial intelligence, inflation uncertainty and regulations. The Congress provides a platform for the exchange of views on issues relevant to the banking sector. 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 S.A. participated in panels during the Congress.

Open Eyes Economy Summit

ING Bank Śląski S.A. has supported the Open Eyes Economy Summit since its inception. The summit took place on 21 and 22 November 2023, at the ICE Congress Centre in Krakow and on a special streaming platform live.oees.pl. The hybrid form of that congress has become a permanent fixture among participants. During the eighth edition of the international congress on the economics of value, experts from different backgrounds, industries and companies, including ING, shared their knowledge and experience.

“Social energy” was the lead theme of the event in 2023. Participants also discussed the economics of values and business, with values underpinning business actions and consumer choices, and social energy generators in business. During the event in its zone, ING generated social energy in the form of a painting with Jan Kowal, an artist and graduate of the Professional Artist programme.



Forbes Diamonds

In 2023, ING Bank Śląski S.A. became a Strategic Partner of the “Forbes Diamonds” ranking for the second time. Forbes Monthly Diamonds 2023 is an annual ranking in which the editors of Forbes Poland award the most dynamically developing Polish companies in the respective regions that have achieved the highest average annual growth in value. As many as 11,819 companies with a positive credit rating, high current liquidity and no overdue payments to their counterparties qualified for the 2023 anniversary edition of the ranking. Award-winning companies were divided into three categories according to sales revenue: small companies with revenue between PLN 5 and 50 million, medium-sized companies with revenue between PLN 50 and 250 million and large companies with sales revenue above PLN 250 million.

The ranking provides a starting point for a substantive discussion about the condition of Polish companies, the conditions in which they operate and the sources of their success. It also lays the perfect groundwork for meetings with local business leaders, which are organised every year as an aftermath of the publication of the ranking. Since March 2023, 12 regional galas have been held for the winners of the Forbes Monthly Diamonds 2023 ranking. The scenario of the events each time included both a valuable content part combined with the awarding of diplomas and statuettes, and a networking part.

Silesian Science Festival

Once again, ING Bank Śląski S.A. became a Partner of the 7th edition of the Silesian Science Festival, organised by Silesian universities. The 2023 edition of the festival, under the motto “Science will give us the future”, took place from 9-11 December 2023 at the International Congress Centre and Spodek in Katowice. The 7. edition of the festival was as many as three days of inspiring meetings, during which, among other things, ING experts gave lectures and popular science workshops.

The main theme of the event was linked to the seventeen UN Sustainable Development Goals. Participants were able to see scientific demonstrations at more than 200 stands, as well as take part in a variety of events, workshops and lectures in Polish and English.

Through its sponsorship activities, the Bank has built an image of a bank that addresses challenging, uncomfortable ESG topics. It created and maintained good relationships with business clients, thus meeting the strategic objectives of sponsorship. All sponsorship activities were communicated to the media in a clear and transparent manner.

In 2023, ING Bank Śląski S.A. spent almost PLN 4 million gross on all sponsorship and partnership activities in the social area. ING Bank Śląski S.A.'s sponsorship activities in 2023 were conducted in a planned and well-thought-out manner, and the expenditure incurred by the Bank for that purpose is fully justified.

ING Bank Śląski S.A. conducted social-, charitable- and sponsorship activities in priority areas, in line with ING Bank Śląski S.A.'s ESG Strategy for 2022-2024.

The Bank also pursued a transparent communication policy for its charitable activities, with information on current activities and annual summaries published in the Annual Report and the ING Bank Śląski S.A. Integrated Report. The various tools used in communication served to convey information in an accessible form to both internal- and external stakeholders.

The Bank has in place the ING Bank Śląski S.A.'s Donations Policy applicable to all charitable financial donations. The Expert Centre – Compliance and the Donations Committee are involved in the donation process. In contrast, the *Procedure for the Resale/Donation/Deprocessing of Assets of ING Bank Śląski S.A.* regulates the area of donations in kind. Those regulations ensure a process-oriented approach to donations and the effective use of donations in charitable and social activities.

In 2023, ING Bank Śląski S.A. was once again awarded the Golden Leaf for its sustainable development activities. Ten good practices from the Bank's responsible business areas were included in the Responsible Business Forum's report. The “Responsible Business in Poland 2022. Good practices” report is the largest CSR review in Poland.



Summary of the assessment

The above information makes it possible to conclude that ING Bank Śląski S.A.'s policy on charitable- and social activities was conducted in a rational manner, taking into account social needs and humanitarian aid resulting from unforeseen situations, and the expenditure incurred by the Bank for that purpose is assessed by the Board as reasonable and rational.

The Company has a transparent and effective information policy, publishing information on social-, charitable- and sponsorship activities in the annual report of the Management Board. Thus, the company has fulfilled the recommendation 1.5. of the Best Practice for GPW Listed Companies.





Update

on the implementation status of the diversity policy for the Bank Management Board and Supervisory Board



Guideline 2.11.6 of the 2021 Best Practice for GPW Listed Companies is the basis for presenting information on the implementation of the diversity policy with regard to the Management Board and Supervisory Board of ING Bank Śląski S.A. in 2023.

The Diversity Policy for ING Bank Śląski S.A. Management Board and Supervisory Board Members has been in place at ING Bank Śląski S.A. since September 2018. Following the positive recommendation of the Remuneration and Nomination Committee of the Supervisory Board of ING Bank Śląski S.A., the Policy was implemented by the Bank Supervisory Board Resolution No. 60/X/2018 of 20 September 2018. The Policy was updated twice, by way of:

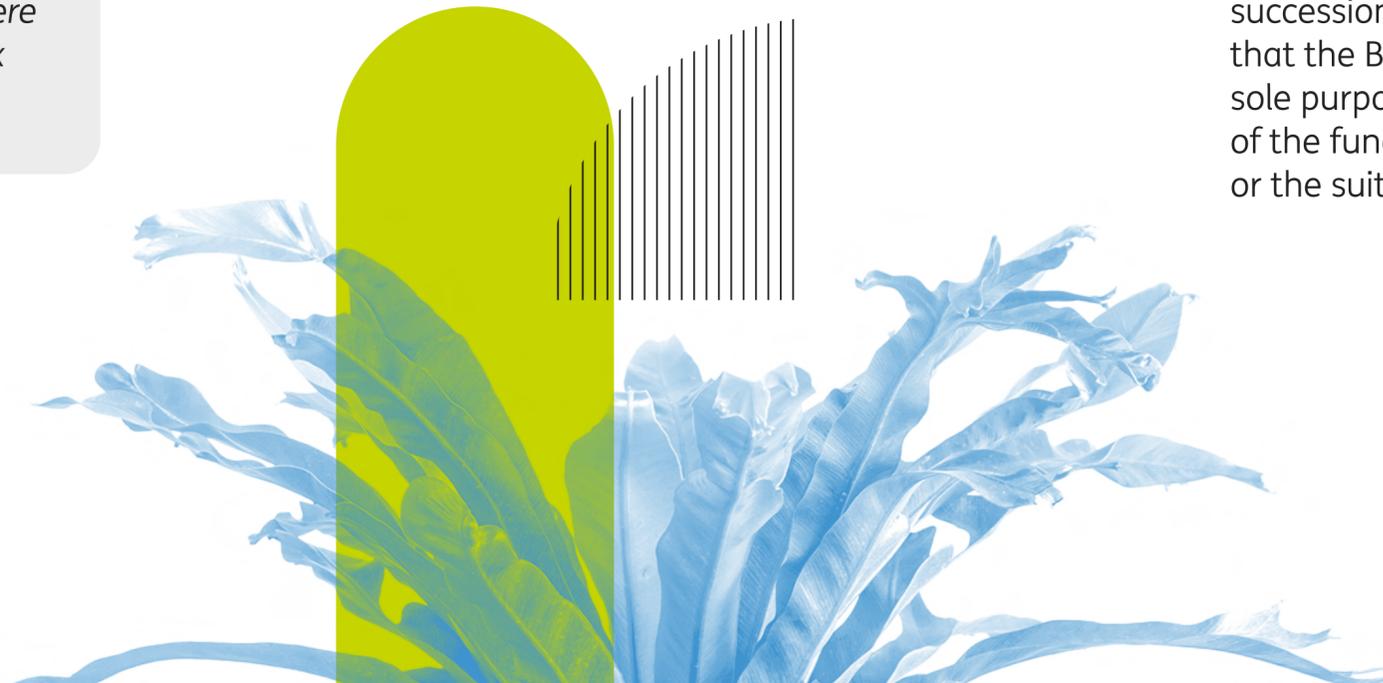
- Resolution of the ING Bank Śląski S.A. Supervisory Board No. 57/VIII/2019 of 6 June 2019, and
- Resolution of the ING Bank Śląski S.A. Supervisory Board No. 24/V/2022 of 11 March 2022. The amendments were accepted by way of Resolution No. 34 of the ING Bank Śląski S.A. General Meeting of 7 April 2022.

Objective of the Diversity Policy

1. The Policy seeks to:

- reach a wide scope of powers when appointing Supervisory Board and Management Board Members to have diverse points of view and experience and to enable issue of independent opinions and reasonable decisions within a given body,
- ensure high quality of tasks performed by the managing bodies by way of selecting competent persons to hold the positions at the Supervisory Board and Management Board, first of all applying therefor objective business-related criteria and taking into account benefits stemming from diversity.

2. As regards business-related criteria, the strategy of diversity 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 all the Management Board and Supervisory Board Members. 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 Policy covers gender- and age-related differences, and applies them to arrive at the best outcome.
3. When taking a decision to appoint members of the managing bodies, the Bank takes into consideration the fact that more diverse management body fosters constructive challenge and discussion based on different points of view. The Policy seeks to ensure representation of both genders in the processes of selection and succession plans. At the same time, the Policy stipulates that the Bank will not appoint members to bodies for the sole purpose of increasing the diversity to the detriment of the functioning and suitability of the body as a whole or the suitability of individual members.





How to achieve the Diversity Policy objective

1. In order to implement the Policy, the Remuneration and Nomination Committee of the Supervisory Board sets a target value for the representation of the underrepresented gender in the Bank Management Board and Supervisory Board and adopts a plan to achieve the target value.

The value is determined in accordance with the duration of the term of office of the Bank Supervisory Board and the Management Board, i.e. once every four consecutive full financial years counted from the beginning of the term of office of a given body. It is verified annually on the basis of reports developed by the HR units and presented to the Committee no later than by 30 June of each calendar year. Should the target value not be reached, the Bank will document the reasons for this, the measures to be taken and the timing of such measures to ensure that the target value is reached.

2. In 2020, the target value for the diversity ratio in the Bank's governing bodies was set at 30% of women to 70% of men (+/- 2%). The value is tested separately for the Bank Management Board and Supervisory Board. Verification of talent and updating of the successor base, while keeping in mind the objectives of the Policy, were the measures identified by the Committee in order to achieve the target.

Information on the implementation of the Diversity Policy in 2023

1. In accordance with the provisions of the Policy, the HR units presented information to the Remuneration and Nomination Committee at their meeting on 22 June 2023 on the determination of the status of gender representation in the Management Board and Supervisory Board of ING Bank Śląski S.A. According to the data presented, the diversity indicator understood as the number and percentage of women on the body was as follows:

Management Board composition		
Number of members	Number of women	% share of women
8	4	50%

Supervisory Board composition		
Number of members	Number of women	% share of women
8	4	50%

In addition, as part of the information provided, the Remuneration and Nomination Committee reviewed benchmarking studies on diversity indicators for ING Bank N.V. and the largest banks in Poland. Furthermore, the Committee was provided with EBA report on the benchmarking of diversity practices no. EBA/REP/2020/05.





2. Policy implementation on the Bank Management Board:

- There were no changes in the composition of the Bank Management Board during 2023 that would affect the diversity indicator.

Matrix by gender as at 31 December 2023

Number of members	Number of women	% share of women
8	4	50%

Matrix by age as at 31 December 2023

Number of members	Age		
	below 30	from 30 to 50	over 50
8	0 (0%)	2 (25%)	6 (75%)

- Bank Management Board Members are appointed and recalled, considering the requirements of the Banking Law Act. The President of the Management Board and the Vice-President supervising the management of the risk material to the Bank's business are appointed upon the approval of the Polish Financial Supervision Authority.

The Supervisory Board appoints the members of the Bank Management Board from among candidates selected on the basis of succession plans and, if necessary, from among external candidates who have passed the suitability assessment procedure and received a positive recommendation of the Remuneration and Nomination Committee. The process related to succession planning and the selection of suitable candidates is described in detail in the *ING Bank Śląski S.A. Management Board Members Appointing, Onboarding and Recalling Policy*.

- The Bank put in place processes to ensure a composition of the Bank Management Board that allows it to get access to a broad scope of competences when appointing its members in order to acquire various perspectives and experience and to enable issuing independent opinions and reasonable decisions within the authority. In order to ensure high quality of task performance by the Bank Management Board by selecting competent people, one shall apply, first and foremost, objective fact-based criteria and account for benefits deriving from diversity.
- Job profiles have been developed for the positions in the Bank Management Board, specifying the responsibilities as well as the requirements in terms of knowledge and competence and the expected involvement in terms of time commitment required to perform the function. The current composition of the Bank Management Board represents a wide range of knowledge, competencies and experience verified in accordance with 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 adequacy of persons occupying positions in the Bank Management Board is reviewed periodically as part of the assessment of the primary- and secondary individual adequacy and the collective adequacy of the Bank Management Board as a body.

Individuals appointed to the Bank Management Board have high qualifications. All members demonstrate adequate experience and knowledge to manage the bank in the areas reporting to them.

Matrix by education as at 31 December 2023

Education	Education				
	economics	finance and statistics	banking and finance	foreign trade	engineering
	3	1	1	2	1

The education of the Bank Management Board Members is supplemented by additional qualifications and certificates obtained through additional courses of study, post-graduate studies and specialised training, mainly in business management, but also qualifications such as the licence of a statutory auditor. Each Member of the Bank Management Board has extensive professional experience.



3. Implementation of the Policy on the Supervisory Board:

- In 2023, there were changes in the composition of the Bank Supervisory Board that affected the diversity indicator as compared to 2022.

Matrix by gender as at 31 December 2023

Number of members	Number of women	% share of women
8	4	50%

Matrix by age as at 31 December 2023

Number of members	Age		
	below 30	from 30 to 50	over 50
8	0 (0%)	4 (50%)	4 (50%)

- Members of the Supervisory Board are appointed by the General Meeting during a secret voting, upon considering the requirements set out in the Banking Law Act and in the Policy of appointing and recalling Members of the Supervisory Board of ING Bank Śląski S.A., including the scope of the fulfilment of requirements in accordance with the description of responsibilities and skills related to the function of a Supervisory Board Member.

- Job profiles have been developed for the functions in the Bank Supervisory Board, specifying the responsibilities as well as the requirements in terms of knowledge and competence and the expected involvement in terms of time commitment required to perform the function. The current composition of the Supervisory Board represents a wide range of knowledge, competencies and experience verified in accordance with 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 adequacy of persons occupying positions in the Supervisory Board is reviewed periodically as part of the assessment of the primary- and secondary individual adequacy and the collective adequacy of the Supervisory Board as a body.

Individuals appointed to the Bank Supervisory Board have high qualifications. All members have appropriate experience and knowledge to properly supervise the bank.

Matrix by education as at 31 December 2023

Education	
economics	legal
7	1

The education of the Supervisory Board Members is supplemented by additional qualifications and certificates obtained through additional courses of study, post-graduate studies and specialised training, mainly in management, accounting, law, information technology, but also qualifications and licences of, for instance, an attorney-at-law, certified accountant or certified controller. Each Member of the Supervisory Board has extensive professional experience.

- Nationality of the Board members is an additional criteria differentiating the Supervisory Board Members. There are two Members on the Supervisory Board whose nationality is other than Polish.

Matrix by nationality as at 31 December 2023

Polish	other
6	2

The Supervisory Board assess that in 2023 the Bank properly implemented the assumptions of its diversity policy.

