

ING Bank Śląski S.A. Group

Information on preliminary unaudited consolidated

financial results of the ING Bank Śląski S.A. Capital Group

for the 4th quarter of 2024

The data contained in this document are of the preliminary and estimated nature. The final financials will be presented in the consolidated annual report of the Bank Group for the year ended 31 December 2024 and in the annual report of the Bank for the year ended 31 December 2024, which will be published on 7 March 2025.



Table of Contents

The most important financial and business data	3
Selected financial data and key effectiveness ratios	4
Consolidated income statement	5
Consolidated statement of comprehensive income	6
Consolidated statement of financial position	7
Additional information	8
1. Comparability of financial data	8
2. Net interest income	9
3. Net commission income	10
4. Net income on financial instruments measured at fair value through profit or loss and FX result	10
5. Net (loss)/income on hedge accounting	10
6. General and administrative expenses	10
7. Number of employees in the ING Bank Śląski S.A. Group	11
8. Cost of legal risk of FX mortgage loans	11
9. Loans and other receivables to customers measured at amortised cost	12
10. Liabilities to customers	14
11. Total capital ratio	14
12. Income statement by segment	15
13. Legal risk related to the portfolio of loans indexed to CHF	16
Income statement of ING Bank Śląski S.A.	18
Statement of comprehensive income of ING Bank Śląski S.A.	19
Statement of financial position of ING Bank Śląski S.A.	20



The most important financial and business data

In four quarters of 2024, ING Bank Śląski's consolidated net profit amounted to PLN 4,369 million, which means a decrease of 1.6% compared to the same period last year. ING Bank Śląski Group recorded an increase in the basic commercial volumes - gross loans by 5.8% y/y and deposits by 7.9% y/y.

Key financial data of ING Bank Śląski Group for 2024 year compared to the same period last year:

- the result on the basic activity increased by 5.6% to PLN 11,246 million, including:
 - net interest income increased by 6.8% to PLN 8,725 million,
 - net commission income improved by 6.0% to PLN 2,294 million,
- total costs (including the tax on certain financial institutions) increased by 8.1% to PLN 4,698 million,
- impairment for expected credit losses increased by 85.8% to PLN 944 million,
- gross profit decreased by 3.1% to PLN 5,545 million,
- net profit decreased by 1.6% to PLN 4,369 million,
- the return on equity (ROE) reached 26.7% compared to 33.9% last year,
- the cost to income ratio (C/I) was 41.7% compared to 40.7% in the previous year,
- the net interest margin reached 3.5% compared to 3.6% last year,
- the total capital ratio was 14.85% compared with 17.41% in the previous year.

Key business results of ING Bank Śląski Group achieved after 2024 year compared to the last year:

- increase in gross value of loans to customers by 5.8% to PLN 167.4 billion, including:
 - gross loans to retail clients - increase by 9.8% to PLN 71.3 billion,
 - gross loans to corporate clients - increase by 3.0% to PLN 96.1 billion,
- increase in deposits by 7.9% to PLN 218.1 billion, including:
 - deposits from retail clients - increase by 12.1% to PLN 125.7 billion,
 - deposits from corporate clients - increase by 2.6% to PLN 92.5 billion.

Key financial data of ING Bank Śląski for 2024 year compared to the last year:

- net profit increased by 1.6% to PLN 4,369 million,
- total assets increased by 6.4% to PLN 254.9 billion,
- equity increased by 2.9% to PLN 17.1 billion,
- the total capital ratio was 15.62% compared with 18.74% in the previous year.



Selected financial data and key effectiveness ratios

Selected financial data from consolidated financial statements

	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2022 YTD the period from 1 Jan 2022 to 31 Dec 2022	change 4Q 2024/ 4Q 2023	change year 2024/ year 2023
Net interest income	2,261	8,725	2,167	8,171	4.3%	6.8%
Net commission income	565	2,294	556	2,164	1.6%	6.0%
Net income on basic activities	2,890	11,246	2,904	10,648	-0.5%	5.6%
Gross profit	1,601	5,545	1,595	5,720	0.4%	-3.1%
Net profit attributable to shareholders of ING Bank Śląski S.A.	1,309	4,369	1,271	4,441	3.0%	-1.6%
Earnings per ordinary share (in PLN)	10.06	33.57	9.77	34.13	3.0%	-1.6%

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023	change Q/Q (31 Dec 2024/ 30 Sep 2024)	change y/y (2024/2023)
Loans and other receivables to customers at amortized cost (net)	166,677	164,617	156,521	1.3%	6.5%
Liabilities to customers	219,996	216,293	205,290	1.7%	7.2%
Total assets	260,359	254,420	245,361	2.3%	6.1%
Share capital	130	130	130	0.0%	0.0%
Equity attributable to shareholders of ING Bank Śląski S.A.	17,170	16,230	16,736	5.8%	2.6%
Book value per share (in PLN)	131.98	124.75	128.64	5.8%	2.6%

Key consolidated performance indicators

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023	change Q/Q (31 Dec 2024/ 30 Sep 2024)	change y/y (2024/2023)
C/I - cost/income ratio	41.7%	42.6%	40.7%	-2.3%	2.4%
ROA - return on assets	1.7%	1.8%	1.9%	-1.3%	-10.3%
ROE - return on equity	26.7%	27.1%	33.9%	-1.6%	-21.2%
NIM - net interest margin	3.5%	3.6%	3.6%	-1.2%	-3.2%
L/D - loan-to-deposit ratio	75.8%	76.1%	76.2%	-0.5%	-0.6%
Total capital ratio	14.85%	14.98%	17.41%	-0.9%	-14.7%
Total capital ratio of the Bank	15.62%	15.78%	18.74%	-1.0%	-16.6%

Explanations:

C/I - cost/income ratio – general and administrative expenses to net income on basic activities.

ROA - return on assets - net profit attributable to shareholders of ING Bank Śląski S.A. for 4 subsequent quarters to average assets for 5 subsequent quarters.s

ROE - return on equity – net profit attributable to shareholders of ING Bank Śląski S.A. for 4 subsequent quarters to average equity for 5 subsequent quarters.

NIM - total net interest income for 4 consecutive quarters to average interest assets for 5 consecutive quarters.

L/D - loans-to-deposits ratio – loans and receivables to customers (net) to liabilities due to customers.

Total capital ratio - relationship between own funds and total risk exposure amount.



Consolidated income statement

	Note	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2023 YTD the period from 1 Jan 2023 to 31 Dec 2023
Interest income		3,410	13,112	3,116	12,409
calculated using the effective interest rate method		3,243	12,365	2,909	11,368
other interest income		167	747	207	1,041
Interest expense		-1,149	-4,387	-949	-4,238
Net interest income	2	2,261	8,725	2,167	8,171
Commission income		722	2,887	699	2,722
Commission expense		-157	-593	-143	-558
Net commission income	3	565	2,294	556	2,164
Net income on financial instruments measured at fair value through profit or loss and FX result	4	60	198	112	332
Net income on the sale of securities measured at amortised cost		1	-6	-	-
Net income on the sale of securities measured at fair value through other comprehensive income and dividend income		-18	-3	-12	1
Net (loss)/income on hedge accounting	5	-4	10	97	-5
Net (loss)/income on other basic activities		25	28	-16	-15
Net income on basic activities		2,890	11,246	2,904	10,648
General and administrative expenses	6	-934	-3,958	-987	-3,700
Impairment for expected credit losses		-108	-944	-72	-508
of which gains on sale of receivables		21	80	24	24
Cost of legal risk of FX mortgage loans	8	-65	-92	-106	-106
Tax on certain financial institutions		-192	-740	-156	-644
Share of the net profits of associates measured by equity method		10	33	12	30
Gross profit		1,601	5,545	1,595	5,720
Income tax		-292	-1,176	-324	-1,279
Net profit		1,309	4,369	1,271	4,441
including attributable to shareholders of ING Bank Śląski S.A.		1,309	4,369	1,271	4,441



Consolidated statement of comprehensive income

	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2023 YTD the period from 1 Jan 2023 to 31 Dec 2023
Net profit for the reporting period	1,309	4,369	1,271	4,441
Total other comprehensive income, including:	-374	396	281	2,944
Items that may be reclassified to profit or loss, including:	-384	384	202	2,860
debt instruments measured at fair value through other comprehensive income – gains on revaluation carried through equity	-58	55	179	272
debt instruments measured at fair value through other comprehensive income – reclassification to financial result due to sale	15	9	10	5
cash flow hedge - gains on revaluation carried through equity	-812	-1,447	-436	425
cash flow hedge - reclassification to profit or loss	471	1,767	449	2,158
Items that will not be reclassified to profit or loss, including:	10	12	79	84
equity financial instruments measured at fair value through other comprehensive income – gains on revaluation carried through equity	13	15	88	93
actuarial gains/losses	-3	-3	-9	-9
Net comprehensive income for the reporting period	935	4,765	1,552	7,385
including attributable to shareholders of ING Bank Śląski S.A.	935	4,765	1,552	7,385



Consolidated statement of financial position

as at	Note	31 Dec 2024	30 Sep 2024	31 Dec 2023	1 Jan 2023
Assets					
Cash and cash equivalents		8,361	8,965	7,041	3,050
Loans and other receivables to other banks		21,635	18,150	19,620	4,449
Financial assets measured at fair value through profit or loss		1,948	1,402	2,274	1,953
Derivative hedge instruments		61	92	208	139
Investment securities		58,992	54,231	56,614	48,433
Transferred assets		179	4,495	165	164
Loans and other receivables to customers measured at amortised cost	9	166,677	164,617	156,521	154,975
Investments in associates accounted for using the equity method		185	175	181	179
Property, plant and equipment		1,011	984	1,002	949
Intangible assets		457	482	493	416
Current income tax assets		14	3	1	572
Deferred tax assets		690	645	1,097	1,829
Other assets		149	179	144	158
Total assets		260,359	254,420	245,361	217,266

as at	Note	31 Dec 2024	30 Sep 2024	31 Dec 2023	1 Jan 2023
Liabilities					
Liabilities to other banks		15,468	13,354	13,655	5,640
Financial liabilities measured at fair value through profit or loss		1,400	1,248	1,822	2,204
Derivative hedge instruments		83	137	280	370
Liabilities to customers	10	219,996	216,293	205,290	192,731
Liabilities from debt securities issued		509	914	404	405
Subordinated liabilities		1,499	1,501	1,526	1,644
Provisions		639	640	542	359
Current income tax liabilities		16	156	115	20
Deferred tax loss		1	-	-	-
Other liabilities		3,581	3,947	4,991	4,550
Total liabilities		243,189	238,190	228,625	207,923
Equity					
Share capital		130	130	130	130
Share premium		956	956	956	956
Accumulated other comprehensive income		-4,699	-4,325	-5,095	-8,040
Retained earnings		20,783	19,469	20,750	16,297
Own shares for the purposes of the incentive program		-	-	-5	-
Total equity		17,170	16,230	16,736	9,343
including attributable to shareholders of ING Bank Śląski S.A.		17,170	16,230	16,736	9,343
Total liabilities and equity		260,359	254,420	245,361	217,266



Additional information

1. Comparability of financial data

Starting from 31 December 2024, the Group introduced changes in the presentation of cash and cash equivalents in the statement of financial position. The *Cash in hand and balances with the Central Bank* item has been replaced by *Cash and cash equivalents*. The new item included financial assets previously presented in the item *Cash in hand and balances with the Central Bank*, i.e. cash, other cash and balances with the Central Bank and selected financial assets previously presented in the item *Loans and other receivables to other banks*, i.e. balances on current accounts and overnight deposit accounts with other banks and balances of collateral margins placed with other banks. The amendment was aimed at harmonising data on cash and cash equivalents between the statement of financial position and the statement of cash flows and adapts the presentation to the position of the IFRS Interpretative Committee and the requirements of IAS 7 *Statement of cash flows*, as well as to the changing market practice in this respect.

The data as at 30 September 2024 and as at 31 December 2023 have been restated in order to achieve comparability. The table contains individual items presented in assets of the statement of financial position, in the breakdown and at values presented in the published financial statements for these periods and in the breakdown and at values presented in this information on preliminary unaudited consolidated financial results for the 4th quarter of 2024 (quarterly information for the 4th quarter of 2024). *Liabilities and equity* did not change and did not require restatement.

As at 30 Sep 2024

	in the interim consolidated financial statements for the period from 1 Jan 2024 to 30 Sep 2024 (published data)	change	in quarterly information for the 4 quarter of 2024 (comparative data)
Assets			
Cash in hand and balances with the Central Bank	8,762	-8,762	not applicable
Cash and cash equivalents	not applicable	8,965	8,965
Loans and other receivables to other banks	18,353	-203	18,150
Financial assets measured at fair value through profit or loss	1,402		1,402
Derivative hedge instruments	92		92
Investment securities	54,231		54,231
Transferred assets	4,495		4,495
Loans and other receivables to customers measured at amortised cost	164,617		164,617
Investments in associates accounted for using the equity method	175		175
Property, plant and equipment	984		984
Intangible assets	482		482
Current income tax assets	3		3
Deferred tax assets	645		645
Other assets	179		179
Total assets	254,420	0	254,420



As at 30 Sep 2023

	in the interim consolidated financial statements for the period from 1 Jan 2023 to 30 Sep 2023 (published data)	change	in the interim consolidated financial statements for the period from 1 Jan 2024 to 30 Sep 2024 (comparative data)
Assets			
Cash in hand and balances with the Central Bank	6,752	-6,752	not applicable
Cash and cash equivalents	not applicable	7,041	7,041
Loans and other receivables to other banks	19,909	-289	19,620
Financial assets measured at fair value through profit or loss	2,274		2,274
Derivative hedge instruments	208		208
Investment securities	56,614		56,614
Transferred assets	165		165
Loans and other receivables to customers measured at amortised cost	156,521		156,521
Investments in associates accounted for using the equity method	181		181
Property, plant and equipment	1,002		1,002
Intangible assets	493		493
Current income tax assets	1		1
Deferred tax assets	1,097		1,097
Other assets	144		144
Total assets	245,361	0	245,361

2. Net interest income

	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2023 YTD the period from 1 Jan 2023 to 31 Dec 2023
Interest income, including:	3,410	13,112	3,116	12,409
interest income calculated using effective interest rate method, including:	3,243	12,365	2,909	11,368
interest on financial instruments measured at amortised cost	2,784	10,611	2,520	9,867
interest on loans and other receivables to other banks	278	1,227	254	855
interest on loans and other receivables to customers *	2,195	8,281	2,024	8,061
interest on investment securities	311	1,103	242	951
interest on investment securities measured at fair value through other comprehensive income	459	1,754	389	1,501
other interest income, including:	167	747	207	1,041
other interest income related to the settlement of valuations of cash flow hedging derivatives	167	746	207	1,039
interest on loans and other receivables to customers measured at fair value through profit or loss	-	1	-	2
Interest expenses, including:	-1,149	-4,387	-949	-4,238
interest on deposits from other banks	-200	-789	-100	-424
interest on deposits from customers	-826	-3,050	-694	-3,121
interest on issue of debt securities	-9	-31	-7	-31
interest on subordinated liabilities	-18	-80	-22	-76
interest on lease liabilities	-4	-18	-4	-17
other interest cost related to the settlement of valuations of cash flow hedging derivatives	-92	-419	-122	-569
Net interest income	2,261	8,725	2,167	8,171

*) in the data for 2024, *interest on loans and other receivables granted to customers*, the impact of an adjustment to the gross carrying amount of PLN mortgage loans due to credit holidays in the amount of PLN -140 million was recognised.



3. Net commission income

	4 quarter 2024	4 quarters 2024 YTD	4 quarter 2023	4 quarters 2023 YTD
	the period from 1 Oct 2024 to 31 Dec 2024	the period from 1 Jan 2024 to 31 Dec 2024	the period from 1 Oct 2023 to 31 Dec 2023	the period from 1 Jan 2023 to 31 Dec 2023
Commission income, including:	722	2,887	699	2,722
transaction margin on currency exchange transactions	185	717	181	708
payment and credit cards	160	647	156	567
lending	120	502	115	491
maintenance of customer accounts	127	484	122	476
insurance product offering commissions	60	244	60	230
participation units distribution fees	27	95	18	64
factoring and lease contracts commissions	14	61	11	57
brokerage activity fees	12	52	14	51
fiduciary and custodian fees	2	21	7	25
other commission	15	64	15	53
Commission expenses, including:	-157	-593	-143	-558
payment and credit cards fees	-86	-336	-74	-315
Net commission income	565	2,294	556	2,164

4. Net income on financial instruments measured at fair value through profit or loss and FX result

	4 quarter 2024	4 quarters 2024 YTD	4 quarter 2023	4 quarters 2023 YTD
	the period from 1 Oct 2024 to 31 Dec 2024	the period from 1 Jan 2024 to 31 Dec 2024	the period from 1 Oct 2023 to 31 Dec 2023	the period from 1 Jan 2023 to 31 Dec 2023
FX result and net income on interest rate derivatives, including	56	205	46	218
FX result	82	145	230	193
currency derivatives	-26	60	-184	25
Net income on interest rate derivatives	-6	-41	41	54
Net income on debt instruments held for trading	5	20	19	46
Net income on repo transactions	5	14	6	14
Total	60	198	112	332

5. Net (loss)/income on hedge accounting

	4 quarter 2024	4 quarters 2024 YTD	4 quarter 2023	4 quarters 2023 YTD
	the period from 1 Oct 2024 to 31 Dec 2024	the period from 1 Jan 2024 to 31 Dec 2024	the period from 1 Oct 2023 to 31 Dec 2023	the period from 1 Jan 2023 to 31 Dec 2023
Net income on hedge accounting	-6	10	-2	-9
valuation of the hedged transaction	-215	-163	51	401
valuation of the hedging transaction	209	173	-53	-410
Cash flow hedge accounting	2	-	99	4
ineffectiveness under cash flow hedges	2	-	99	4
Total	-4	10	97	-5

6. General and administrative expenses

	4 quarter 2024	4 quarters 2024 YTD	4 quarter 2023	4 quarters 2023 YTD
	the period from 1 Oct 2024 to 31 Dec 2024	the period from 1 Jan 2024 to 31 Dec 2024	the period from 1 Oct 2023 to 31 Dec 2023	the period from 1 Jan 2023 to 31 Dec 2023
Personnel expenses	-541	-2,031	-572	-1,936
Other general and administrative expenses, including:	-393	-1,927	-415	-1,764
cost of marketing and promotion	-49	-189	-52	-165
depreciation and amortisation	-90	-340	-108	-327
obligatory Bank Guarantee Fund payments, of which:	-	-151	-	-154
resolution fund	-	-151	-	-154
fees to the Polish Financial Supervisory Commission	-	-29	1	-24
IT costs	-122	-493	-53	-386
maintenance costs of buildings and real estate valuation to fair value	-42	-160	-60	-171
other	-90	-565	-143	-537
Total	-934	-3,958	-987	-3,700



7. Number of employees in the ING Bank Śląski S.A. Group

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023
FTEs	7,946.7	8,066.2	8,332.9
Individuals	8,001	8,120	8,379

8. Cost of legal risk of FX mortgage loans

	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2023 YTD the period from 1 Jan 2023 to 31 Dec 2023
Provisions for legal risk of FX indexed mortgage loans, including:	-65	-92	-106	-106
relating to loans in the Bank's portfolio	-36	-62	-94	-94
relating to repaid loans	-29	-30	-12	-12
Total	-65	-92	-106	-106



9. Loans and other receivables to customers measured at amortised cost

as at

	31 Dec 2024			30 Sep 2024			31 Dec 2023		
	gross	impairment for expected credit loss	net	gross	impairment for expected credit loss	net	gross	impairment for expected credit loss	net
Loan portfolio, of which:	167,398	-3,959	163,439	165,699	-4,068	161,631	158,256	-3,508	154,748
Corporate banking	96,131	-3,079	93,052	96,202	-3,242	92,960	93,364	-2,525	90,839
loans in the current account	14,934	-218	14,716	15,887	-225	15,662	13,739	-140	13,599
term loans and advances	56,318	-2,462	53,856	55,637	-2,615	53,022	55,373	-2,201	53,172
lease receivables	13,448	-106	13,342	13,411	-99	13,312	13,209	-78	13,131
factoring receivables	6,860	-289	6,571	7,083	-302	6,781	6,851	-104	6,747
debt securities (corporate and municipal)	4,571	-4	4,567	4,184	-1	4,183	4,192	-2	4,190
Retail banking	71,267	-880	70,387	69,497	-826	68,671	64,892	-983	63,909
mortgages	61,295	-181	61,114	59,689	-176	59,513	55,719	-226	55,493
loans in the current account	688	-64	624	693	-58	635	706	-63	643
other loans and advances	9,284	-635	8,649	9,115	-592	8,523	8,467	-694	7,773
Other receivables, of which:	3,238	-	3,238	2,986	-	2,986	1,773	-	1,773
repurchase agreements	1,040	-	1,040	1,325	-	1,325	-	-	-
call deposits placed	759	-	759	643	-	643	607	-	607
other	1,439	-	1,439	1,018	-	1,018	1,166	-	1,166
Total	170,636	-3,959	166,677	168,685	-4,068	164,617	160,029	-3,508	156,521



Quality of loan portfolio

stan na	31 Dec 2024			30 Sep 2024			31 Dec 2023		
	gross	impairment for expected credit loss	net	gross	impairment for expected credit loss	net	gross	impairment for expected credit loss	net
Corporate banking	96,131	-3,079	93,052	96,202	-3,242	92,960	93,364	-2,525	90,839
assets in Stage 1	77,535	-136	77,399	76,590	-151	76,439	77,536	-188	77,348
assets in Stage 2	13,088	-394	12,694	14,117	-396	13,721	12,626	-413	12,213
assets in Stage 3	5,508	-2,549	2,959	5,495	-2,695	2,800	3,151	-1,924	1,227
POCI assets	-	-	-	-	-	-	51	-	51
Retail banking	71,267	-880	70,387	69,497	-826	68,671	64,892	-983	63,909
assets in Stage 1	62,124	-105	62,019	61,587	-103	61,484	58,257	-128	58,129
assets in Stage 2	8,185	-172	8,013	6,973	-139	6,834	5,606	-200	5,406
assets in Stage 3	955	-603	352	934	-584	350	1,026	-655	371
POCI assets	3	-	3	3	-	3	3	-	3
Total. of which:	167,398	-3,959	163,439	165,699	-4,068	161,631	158,256	-3,508	154,748
assets in Stage 1	139,659	-241	139,418	138,177	-254	137,923	135,793	-316	135,477
assets in Stage 2	21,273	-566	20,707	21,090	-535	20,555	18,232	-613	17,619
assets in Stage 3	6,463	-3,152	3,311	6,429	-3,279	3,150	4,177	-2,579	1,598
POCI assets	3	-	3	3	-	3	54	-	54



10. Liabilities to customers

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023
Deposits, including:	218,148	210,156	202,209
Corporate banking	92,474	89,579	90,123
current deposits	60,947	56,511	60,650
including O/N deposits	5,045	5,876	6,453
saving deposits	20,010	18,629	19,441
term deposits	11,517	14,439	10,032
Retail banking	125,674	120,577	112,086
current deposits	31,850	31,477	28,816
saving deposits	76,338	73,153	67,713
term deposits	17,486	15,947	15,557
Other liabilities, including:	1,848	6,137	3,081
liabilities under repurchase agreements	-	4,225	-
cash collateral liabilities	751	794	823
call deposits	7	6	11
other liabilities	1,090	1,112	2,247
Total	219,996	216,293	205,290

11. Total capital ratio

As at	31 Dec 2024	30 Sep 2024	31 Dec 2023*
A. Own equity in the consolidated statement of financial position, including:	17,170	16,230	16,736
A.I. Own equity included in the own funds calculation	17,650	17,677	18,574
A.II. Own equity excluded from own funds calculation	-480	-1,447	-1,838
B. Other elements of own funds (decreases and increases), including:	547	535	456
value adjustments due to prudent valuation requirements	-35	-35	-28
goodwill and other intangible assets	-495	-480	-436
deferred tax assets based on future profitability and not arising from temporary differences after deducting related income tax liabilities	-1	-1	-519
shortfall in credit risk adjustments against expected losses under the IRB approach	-491	-571	-141
shortfall in coverage for non-performing exposures	-38	-36	-14
transitional adjustments to common equity Tier 1 capital	267	240	71
equity instruments qualifying as Tier 2 capital	1,340	1,418	1,507
surplus of provisions over the expected credit losses under the IRB Approach	-	-	16
Own funds taken into account in total capital ratio calculation (A.I. + B), including:	18,197	18,212	19,030
Core Tier 1 capital	16,857	16,794	17,507
Tier 2 capital	1,340	1,418	1,523
Risk weighted assets, including:	122,514	121,580	109,295
for credit risk	105,815	104,816	92,466
for operational risk	15,476	15,476	15,476
other	1,223	1,288	1,353
Total capital requirements	9,801	9,726	8,743
Total capital ratio (TCR)	14.85%	14.98%	17.41%
minimum required level	11.51%	11.32%	11.32%
surplus TCR ratio	3.34 b.p.	3.66 b.p.	6.09 b.p.
Tier 1 ratio (T1)	13.76%	13.81%	16.02%
minimum required level	9.51%	9.32%	9.32%
surplus T1 ratio	4.25 b.p.	4.49 b.p.	6.70 b.p.



Transitional provisions

In the calculation of capital ratios, the Group used transitional provisions to mitigate the impact of the implementation of IFRS 9 on the level of own funds. Additionally, as at 31 December and 30 September 2024, the Group applied a temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income in accordance with Article 468 of the CRR. If the Group did not apply the transition provisions, the Group's capital ratios would be as follows:

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023
Total capital ratio (TCR)	14.65%	14.80%	17.35%
Tier 1 capital ratio	13.56%	13.63%	15.96%

12. Income statement by segment

	Retail banking segment	Corporate banking segment	TOTAL	Retail banking segment	Corporate banking segment	TOTAL
	4 quarters of 2024 YTD the period from 01 Jan 2024 to 31 Dec 2024			4 quarters of 2023 YTD the period from 01 Jan 2023 to 31 Dec 2023		
Income total	4,901	6,345	11,246	4,438	6,210	10,648
net interest income	4,153	4,572	8,725	3,779	4,392	8,171
net commission income, including:	671	1,623	2,294	589	1,575	2,164
commission income, including:	1,026	1,861	2,887	912	1,810	2,722
transaction margin on currency exchange transactions	83	634	717	79	629	708
account maintenance fees	113	371	484	115	361	476
lending commissions	23	479	502	25	466	491
payment and credit cards fees	460	187	647	393	174	567
participation units distribution fees	95	-	95	64	-	64
insurance product offering commissions	205	39	244	192	38	230
factoring and lease contracts commissions	-	61	61	-	57	57
other commissions	47	90	137	44	85	129
commission expenses	-355	-238	-593	-323	-235	-558
other income/expenses	77	150	227	70	243	313
General and administrative expenses	-1,978	-1,980	-3,958	-1,954	-1,746	-3,700
Segment operating result	2,923	4,365	7,288	2,484	4,464	6,948
impairment for expected credit losses	-29	-915	-944	-5	-503	-508
cost of legal risk of FX mortgage loans	-92	-	-92	-106	-	-106
tax on certain financial institutions	-252	-488	-740	-231	-413	-644
share of profit/(loss) of associates accounted for using the equity method	33	-	33	30	-	30
Gross profit	2,583	2,962	5,545	2,172	3,548	5,720
Income tax	-	-	-1,176	-	-	-1,279
Net profit	-	-	4,369	-	-	4,441
of which attributable to shareholders of ING Bank Śląski S.A.	-	-	4,369	-	-	4,441



13. Legal risk related to the portfolio of loans indexed to CHF

The Group has receivables from retail mortgage loans indexed to the CHF exchange rate. The table below presents the number and individual elements of the gross and net carrying amount of these receivables.

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023
number of contracts (in pieces)	2,416	2,486	2,753
capital balance	484	498	584
the amount of the adjustment to the gross carrying amount	-387	-370	-510
other elements of the gross carrying amount (interest, ESP)	5	4	3
gross balance sheet value	102	132	77
impairment for expected credit losses	-6	-6	-8
Net carrying amount of CHF-indexed mortgage loans	96	126	69
Provision for legal risk of CHF-indexed mortgage loans	253	215	128

The following table presents the change in 2024 and in 2023:

- in gross carrying amount adjustments for CHF-indexed mortgage loans recognised in the statement of financial position, and
- in provision for legal risk of CHF-indexed mortgage loans.

	4 quarters 2024 YTD		2023	
	the period from 01 Jan 2024 to 31 Dec 2024		the period from 01 Jan 2023 to 31 Dec 2023	
	an adjustment to the gross carrying amount for loans recognized in the statement of financial position	provision for legal risk of CHF-indexed mortgage loans	an adjustment to the gross carrying amount for loans recognized in the statement of financial position	provision for legal risk of CHF-indexed mortgage loans
Balance at the beginning of the period	510	128	582	53
Changes in the period, including:	-123	125	-72	75
provisions recognised/reversed	-12	102	93	12
transfer between provisions	-34	38	-73	73
utilisation, including from settlements	-61	-15	-81	-10
FX differences	-16	-	-11	-
Balance at the end of the period	387	253	510	128

Provision for legal risk of CHF-indexed mortgage loans is presented in liabilities under *Provisions and applies to:*

- mortgage loans indexed to CHF removed from the statement of financial position,
- parts of CHF-indexed mortgage loans recognised in the statement of financial position, for which the estimated loss value exceeds the sum of gross exposures,
- costs resulting from court proceedings with respect to CHF-indexed loans recognised in the statement of financial position.

As at 31 December 2024, the number of CHF-indexed mortgage loan agreements removed from the statement of financial position, excluding closed agreements as a result of cancellation of the agreement by the court or as a result of conversion to PLN loans in connection with the settlement, amounted to 2,543 (2,479 as at 31 December 2023) and the corresponding disbursement amount was PLN 358 million (PLN 352 million as at 31 December 2023).

As at 31 December 2024, there were 1,673 court cases pending against the Bank (1,389 cases at the end of 2023) in connection with concluded CHF-indexed loan agreements in PLN. The outstanding principal of the mortgage loans to which the proceedings related was PLN 284 million as at 31 December 2024 (PLN 291 million at the end of 2023). By 31 December 2024, 568 court cases had ended with a final court judgement.

Changes in the period regarding the estimation of the adjustment / provision for legal risk, both in relation to loans in the Bank's portfolio and in relation to repaid loans, the Bank presents in the statement of profit or loss in the item *Cost of legal risk of FX mortgage loans*.

The amount of the adjustment to the gross carrying amount / provision for legal risk for the portfolio of CHF-indexed mortgage loans presented in the statement of financial position and already removed from the statement of financial position depends on many variables, i.e. the scale of settlements with borrowers, the expected number of future disputes, possible future legal settlements, ended with a nullifying judgement and the distribution of probabilities of individual scenarios.

As at 31 December 2024, a portfolio approach was used to estimate the adjustment to the gross carrying amount related to the portfolio of CHF-indexed mortgage loans recognised in the statement of financial position and to estimate the provision for the assets related to CHF-indexed mortgage loans removed from the statements resulting from legal risk related to these loans.

The adjustment to the gross carrying amount of the CHF portfolio is aimed at reflecting the actual and expected changed cash flows resulting from the agreement (this approach results from the fact that the legal risk related to the portfolio of CHF-indexed mortgage loans changes the estimation of payments on these assets, and the introduction of a correction to the gross carrying amount will allow for the presentation of the gross carrying amount at a value that will reflect the actual and expected changed cash flows resulting from the agreement).



For financial assets that have already been removed from the statement of financial position, the creation of provisions for legal risk on a portfolio basis results from the assessment of the probability of a cash outflow.

As at 31 December 2024, potential losses due to legal risk are estimated as probability-weighted average of three scenarios - base, positive and negative - taking into account the estimated probability of occurrence. The scenarios on which the estimation is based are diversified in terms of the expected number of court cases (calculated on the basis of the Bank's professional judgement resulting from the Bank's experience to date and an analysis of the current market situation with regard to cases ended with a annulling judgement), as well as the scale of settlements with customers expected by the Bank.

As at 31 December 2024, for the portfolio of CHF-indexed mortgage loans recognised in the statement of financial position, the Bank assumes in each scenario that for a specific part of the portfolio there may be:

- cancellation of the loan agreement after the end of the final court proceedings or
- conversion of loans indexed to CHF to loans denominated in PLN (whose interest rate is determined based on the WIBOR rate) through voluntary settlements.

The calculation of losses in the event of cancellation of the loan agreement is based on the assumption that the Bank will refund instalments to the customer and return the principal of the loan granted to the Bank by the customer, without taking into account the recovery by the Bank of remuneration for the borrower's use of the capital. This solution, depending on the scenario, covers from 54% to 58% of the portfolio of CHF-indexed mortgage loans included in the statement of financial position, which are not subject to legal proceedings. For CHF-indexed mortgage loans recognised in the statement of financial position being the subject of litigation, the Bank recognised the full loss resulting from the annulment. The positive, baseline and negative scenarios differ in the number of litigation cases and the size of the settlement portfolio, and the weights of the different scenarios are equal.

The calculation of losses in the case of conversion of loans from CHF-indexed to PLN-denominated through voluntary settlements was made in accordance with current estimates and terms of the settlements offered by the Bank with the right to remuneration. This solution, depending on the scenario, covers from 5% to 15% of the CHF-indexed mortgage portfolio recognised in the statement of financial position.

As at 31 December 2024, for financial assets already removed from the statement of financial position, the Bank assumes in each scenario that for a specific part of the portfolio there may be a cancellation of the loan agreement after the end of the legally binding court proceedings. The calculation of losses in the event of cancellation of a loan agreement is analogous to the CHF-indexed mortgage portfolio recognised in the statement of financial position. This solution, depending on the scenario, covers 10% to 15% of financial assets already removed from the statement of financial position, which are not subject to legal proceedings. For mortgage loans already removed from the statement of financial position being the subject of litigation, the Bank recognised the full loss resulting

from the annulment. The positive, baseline and negative scenarios differ in their assumptions about the number of contentious cases, and the weights of the individual scenarios are equal. In 2024, the approach to costs related to penal interest and court costs and the estimate of the expected number of litigation cases were updated in the provision estimate, which affected the calculation of losses in the event of cancellation of the agreement. The other assumptions remained unchanged.

The change in the estimate due to the adjustment to the gross carrying amount / provisions for legal risk of mortgage loans indexed to CHF recognised in the statement of financial position and already removed from the statement of financial position in 2024 compared to their balance as at 31 December 2023 resulted from the periodic review of the main assumptions of the calculation, taking into account the expected number of new litigation cases and the update of other model parameters.

The main source of uncertainty for the above estimates is the number of litigation cases and the propensity of clients to conclude settlements in accordance with the programme offered by the Bank.



Income statement of ING Bank Śląski S.A.

	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2023 YTD the period from 1 Jan 2023 to 31 Dec 2023
Interest income	3,266	12,534	2,966	11,822
calculated using the effective interest rate method	3,100	11,787	2,759	10,781
other interest income	166	747	207	1,041
Interest expense	-1,105	-4,196	-899	-4,060
Net interest income	2,161	8,338	2,067	7,762
Commission income	708	2,813	683	2,649
Commission expense	-160	-605	-147	-570
Net commission income	548	2,208	536	2,079
Net income on financial instruments measured at fair value through profit or loss and FX result	60	196	112	327
Net income on the sale of securities measured at amortised cost	1	-6	-	-
Net income on the sale of financial assets measured at fair value through other comprehensive income and dividend income	-42	-37	-20	-15
Net (loss)/income on hedge accounting	-4	10	97	-5
Net (loss)/income on other basic activities	13	13	-19	-24
Net income on basic activities	2,737	10,722	2,773	10,124
General and administrative expenses	-886	-3,755	-938	-3,509
Impairment for expected credit losses	-101	-879	-43	-458
of which gains on sale of receivables	21	80	24	24
Cost of legal risk of FX mortgage loans	-65	-92	-106	-106
Tax on certain financial institutions	-192	-740	-156	-644
Share of the net profits of subsidiaries and associates measured by equity method	89	234	52	252
Gross profit	1,582	5,490	1,582	5,659
Income tax	-273	-1,121	-311	-1,218
Net profit	1,309	4,369	1,271	4,441



Statement of comprehensive income of ING Bank Śląski S.A.

	4 quarter 2024 the period from 1 Oct 2024 to 31 Dec 2024	4 quarters 2024 YTD the period from 1 Jan 2024 to 31 Dec 2024	4 quarter 2023 the period from 1 Oct 2023 to 31 Dec 2023	4 quarters 2023 YTD the period from 1 Jan 2023 to 31 Dec 2023
Net profit for the reporting period	1,309	4,369	1,271	4,441
Total other comprehensive income, including:	-325	450	233	2,905
Items that may be reclassified to profit or loss, including:	-335	438	154	2,821
debt instruments measured at fair value through other comprehensive income – gains on revaluation carried through equity	-58	55	179	272
debt instruments measured at fair value through other comprehensive income – reclassification to financial result due to sale	15	9	10	5
loans measured at fair value through other comprehensive income - revaluation gains / losses related to equity	49	54	-48	-39
cash flow hedge - gains on revaluation carried through equity	-813	-1,447	-436	425
cash flow hedge - reclassification to profit or loss	472	1,767	449	2,158
Items that will not be reclassified to profit or loss, including:	10	12	79	84
equity financial instruments measured at fair value through other comprehensive income – gains on revaluation carried through equity	13	15	88	93
actuarial gains/losses	-3	-3	-9	-9
Net comprehensive income for the reporting period	984	4,819	1,504	7,346



Statement of financial position of ING Bank Śląski S.A.

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023	1 Jan 2023
Assets				
Cash and cash equivalents	8,360	8,963	7,039	3,050
Loans and other receivables to other banks	25,063	20,532	22,540	6,492
Financial assets measured at fair value through profit or loss	1,948	1,402	2,274	1,953
Derivative hedge instruments	61	92	208	139
Investment securities	58,892	54,104	56,528	48,348
Transferred assets	179	4,495	165	164
Loans and other receivables to customers	156,496	155,122	146,663	145,733
Investments in subsidiaries and associates accounted for using the equity method	1,969	1,880	1,761	1,624
Property, plant and equipment	969	953	965	926
Intangible assets	416	438	450	393
Current income tax assets	-	-	-	566
Deferred tax assets	467	415	888	1,650
Other assets	121	158	119	121
Total assets	254,941	248,554	239,600	211,159

as at	31 Dec 2024	30 Sep 2024	31 Dec 2023	1 Jan 2023
Liabilities				
Liabilities to other banks	10,803	8,609	8,827	658
Financial liabilities measured at fair value through profit or loss	1,400	1,248	1,822	2,204
Derivative hedge instruments	83	137	280	370
Liabilities to customers	219,941	216,354	205,040	192,242
Subordinated liabilities	1,499	1,501	1,526	1,644
Provisions	633	635	536	348
Current income tax liabilities	15	147	101	-
Other liabilities	3,460	3,805	4,849	4,427
Total liabilities	237,834	232,436	222,981	201,893
Equity				
Share capital	130	130	130	130
Share premium	956	956	956	956
Accumulated other comprehensive income	-4,762	-4,437	-5,212	-8,117
Retained earnings	20,783	19,469	20,750	16,297
Own shares for the purposes of the incentive program	-	-	-5	-
Total equity	17,107	16,118	16,619	9,266
Total liabilities and equity	254,941	248,554	239,600	211,159