

Enclosure with the Resolution of the Supervisory Board
of 11 March 2022

**Update on Implementation status of the diversity policy
for the ING Bank Śląski S.A. Management Board and Supervisory Board in 2021**

The update on implementation of the diversity policy for ING Bank Śląski S.A. Management Board and Supervisory Board in 2021 is based on Guideline 2.11.6 of the Code of Best Practice for WSE Listed Companies 2021.

Since September 2018, the *Diversity Policy for ING Bank Śląski S.A. Management Board and Supervisory Board Members* has been in force at ING Bank Śląski S.A. The Policy was implemented with the Bank Supervisory Board resolution no. 60/X/2018 of 20 September 2018, after a positive recommendation of the Remuneration and Nomination Committee of the Supervisory Board of ING Bank Śląski S.A. The Policy was updated with ING Bank Śląski S.A. Supervisory Board Resolution No. 57/VII/2019 of 6 June 2019.

I. OBJECTIVES OF THE DIVERSITY POLICY

1. The Policy is intended to:
 - 1) achieve a wide range of competences when nominating Supervisory Board and Management Board members, in order to obtain various points of view and experience and to enable giving independent opinions and making reasonable decisions in these bodies;
 - 2) ensure high quality of task performance by the managing bodies, by selecting competent persons to perform functions in the Supervisory Board and Management Board by applying, first and foremost, objective subject-related criteria and considering the benefits of diversity.
2. As regards the subject-related criteria, the diversity strategy ensures selection of persons, who have diversified knowledge, skills and experience, adequate to their functions and responsibilities, which complement each other on the level of the Management Board and Supervisory Board composition. These criteria are subject to verification in the process of suitability assessment, defined 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.* Furthermore, in order to achieve the best results, except for knowledge, skills and professional experience, the diversity policy includes and uses differences stemming from gender and age.
3. When taking decisions regarding appointment of the managing body members, the Bank takes into account the fact that more diverse management bodies foster constructive challenge and discussion based on different points of view. The policy assumes striving to ensure that there are representatives of both genders in the processes of selection and succession planning. At the same time, the Policy provides for a principle that the Bank will not nominate the members of the managing bodies only to increase their diversity to the detriment of functioning and suitability of the body as a whole or suitability of its individual members.



II. DELIVERY OF THE DIVERSITY POLICY OBJECTIVES

1. With a view to deliver on the assumptions of the Policy, the Remuneration and Nomination Committee of the Supervisory Board determines the target representation ratio for the gender, which is insufficiently represented in the Bank Management Board and Supervisory Board and adopts the plan to achieve the target ratio.

This ratio is determined for the length of the term of the Bank Management Board and Supervisory Board, i.e. once in four full financial years calculated as of the beginning of the term of the given body. It is reviewed annually, based on reports developed by HR units and presented to the Committee by 30 June of each calendar year. If the target ratio is not achieved, the Bank will document the reasons therefor, measures, which will be taken in order to achieve the target ratio and their deadlines.

2. In 2020, the target diversity ratio in the Bank managing bodies was determined at 30% of women versus 70% of men (with possible diversion of +/- 2%). This value is verified separately for the Bank Supervisory Board and Supervisory Board. The measure specified by the Committee in order to achieve the target ratio, was verification of talents and update of the successor database, while considering the Policy objectives.

III. INFORMATION ON THE IMPLEMENTATION OF DIVERSITY POLICY IN 2021

1. Pursuant to the *Diversity Policy for ING Bank Śląski S.A Management Board and Supervisory Board Members*, HR units updated the Remuneration and Nomination Committee on the gender representation status in ING Bank Śląski S.A. Management Board and Supervisory Board at its meeting on 11 June 2021. According to the presented data, the diversity ratio was as follows:

Management Board Composition			Supervisory Board Composition		
Number of members	Number of women	% of women	Number of members	Number of women	% of women
7	3	43%	7	2	29%

Additionally, as part of the presented information, the Committee familiarised itself with benchmarks concerning diversity ratios in ING Bank N.V. and in the biggest banks in Poland. Furthermore, the Committee was provided with a benchmark on diversity, published by EBA – EBA Report on the Benchmarking of Diversity Practices, ref.: EBA/REP/2020/05.

2. Implementation of the Policy in the Management Board

- 1) In 2021, the composition of the Management Board changed, which had impact on the diversity ratio. On 1 September 2021, a Vice-President responsible for the COO Division was appointed, which changed the % participation of women in the Management Board.

Matrix by gender

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

Matrix by age

Number	Age of the members	
	from 30 to 50 years old	above 50 years old
8	3	5



- 2) Management Board Members are nominated and recalled by the Supervisory Board, considering the requirements set out in the Banking Law Act. The President of the Management Board and the Vice-President in charge of management of the risk material to Bank's business are appointed upon the approval of the Polish Financial Supervision Authority.

The Supervisory Board appoints the Management Board Members from candidates selected with the use of succession plans, or if necessary, from external candidates, who underwent the suitability assessment procedure and were positively recommended by the Remuneration and Nomination Committee.

The process of succession planning and selection of adequate candidates is detailed in the *Policy of Appointment, Induction and Recall of ING Bank Śląski S.A. Management Board Members*.

- 3) The Bank implemented processes aimed at ensuring a Management Board Composition, which enables achieving a wide range of competences when nominating its members, in order to obtain various points of view and to enable giving independent opinions and making reasonable decisions in the Management Board. In order to ensure high quality of Management Board performance by selecting competent persons, objective material criteria are primarily used, taking account of the diversity benefits.
- 4) For functions in the Bank Management Board, job profiles were developed, specifying the scope of responsibilities and requirements for knowledge, skills and anticipated engagement in terms of dedicated time, indispensable to perform the given functions. The current composition of the Management Board represents a broad range of knowledge, skills and experience, verified in line 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.* Suitability of the Management Board members is verified periodically as part of the primary and secondary individual suitability assessment, as well as collective suitability of the Management Board as a managing body.

Highly qualified persons are appointed to the Management Board. All members have adequate experience and knowledge enabling bank management in their areas of responsibility.

Matrix by education

Education				
economy	finance and statistics	banking and finance	international trade	technology
3	1	1	2	1

Education of the Management Board Members is supplemented by additional qualifications and certificates obtained by studying additional faculties, post graduate studies and completing expert trainings, mainly in the area of business management, as well as qualifications, e.g. of a statutory auditor. Each member of the Management Board has extensive professional experience.

3. Implementation of the Policy in the Supervisory Board

- 1) In 2021, the composition of the Supervisory Board changed, which had impact on the diversity ratio. On 29 November 2021, the composition of the Supervisory Board changed, which had impact on its gender composition.

Matrix by gender

Number of members	Number of women	Share of women in %
7	3	43%



Matrix by age

Number	Age of the members	
	from 30 to 50 years old	above 50 years old
7	2	5

- 2) Members of the Supervisory Board are appointed by the General Meeting in a secret ballot, taking into account the requirements set out in the Banking Law Act and the *Policy of Appointment and Recall of ING Bank Śląski S.A. Supervisory Board Members*, including satisfaction of requirements for the Supervisory Board Members, provided in the description of responsibilities and skills.
- 3) For functions in the Bank Supervisory Board, job profiles were developed, specifying the scope of responsibilities and requirements for knowledge, skills and anticipated engagement in terms of dedicated time, indispensable to perform the given functions. The current composition of the Supervisory Board represents a broad range of knowledge, skills and experience, verified in line 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.* Suitability of the Supervisory Board members is verified periodically as part of the primary and secondary individual suitability assessment, as well as collective suitability of the Supervisory Board as a managing body.

Highly qualified persons are appointed to the Supervisory Board. All members have adequate experience and knowledge enabling their adequate supervision of the Bank.

Matrix by education

Education		
economy	banking and finance	law
5	1	1

Education of the Supervisory Board Members is supplemented by additional qualifications and certifications obtained by studying additional faculties, post graduate studies and completing expert trainings, mainly in the area of management, accounting, law, IT, as well as certificates and licences, e.g. of a legal counsel, certified accountant or statutory controller. Each member of the Supervisory Board has extensive professional experience.

The Supervisory Board are of the view that in 2021 the Bank respected the principles of its diversity policy.

