Policy of disclosing qualitative and quantitative information on capital adequacy and variable components of remuneration of ING Bank Śląski S.A.

I. Introduction

Pursuant to the Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 and the Act on Banking Law of 29th August 1997 ING Bank Śląski S.A. is obliged to announce to the general public qualitative and quantitative information on capital adequacy and principles of determining remuneration of persons in managerial positions in the Bank.

II. Definitions

Following terms are used within this document:

- **The Policy** - "Policy of disclosing qualitative and quantitative information on capital adequacy and variable components of remuneration of ING Bank Śląski S.A."
- **Bank** - **ING Bank Śląski S.A.** with its registered office in Katowice.
- **ING Bank Śląski S.A. Group** - the **Bank** together with its subsidiaries and associated companies.
- **ING Group** - dominant entity of **ING Group N.V.** with its registered office in Amsterdam, the Netherlands.
- **Banking Law Act** - the Act on Banking Law Act of 29th August 1997 as amended.
- **Regulation CRR** - 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 and amending Regulation (EU) No 648/2012 as amended, including Regulation (UE) 2019/876 and Regulation (UE) 2024/1623.
- **Implementing Regulation** – Commission Implementing Regulation (EU) 2024/3172 of 29 November 2024 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council with regard to public disclosures by institutions of the information referred to in Part Eight, Titles II and III, of that Regulation, and repealing Commission Implementing Regulation (EU) 2021/637 as amended, including implementing regulation (UE) 2026/722 of 26 March 2026.
- **Guidelines EBA/GL/2018/01** - Guidelines on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 as regards transitional arrangements for mitigating the impact of the introduction of IFRS 9 on own funds.
- **Guidelines EBA/GL/2020/12** – Guidelines amending Guidelines EBA/GL/2018/01 on uniform disclosures under Article 473a of Regulation (EU) No 575/2013 on the transitional period for mitigating the impact of the introduction of IFRS 9 on own funds to ensure compliance with the CRR 'quick fix' in response to the COVID-19 pandemic.
- **Implementing Regulation 2021/763** - Commission Implementing Regulation (EU) 2021/763 of 23 April 2023 laying down implementing technical standards for the application of Regulation (EU) No 575/2013 of the European Parliament and of the Council and Directive 2014/59/EU of the European Parliament and of the Council with regard to the supervisory reporting and public disclosure of the minimum requirement for own funds and eligible liabilities, as amended.
- **Recommendation M** - Recommendation M on operating risk management in banks, enclosure to Resolution No. 8/2013 of the Polish Financial Supervision Authority of 8 January 2013.
- **Recommendation Z** - Recommendation Z on the principles of internal governance in banks, enclosure to Resolution No. 289/2020 of the Polish Financial Supervision Authority of 9 October 2020.
- **Recommendation R -** Recommendation R on the principles of classifying credit exposures, estimating and recognizing expected credit losses and credit risk management, enclosure to Resolution No. 129/2021 of the Polish Financial Supervision Authority of 15 April 2021.

- **Disclosure document** - the document containing the disclosures of qualitative and quantitative nature regarding capital adequacy and variable components of remuneration prepared in accordance with this Policy.
- **Instruction** – instruction of verification of "Policy of disclosing qualitative and quantitative information on capital adequacy and variable components of remuneration of ING Bank Śląski S.A.", which has been included in Annex 1 to this Policy. This annex is not published due to its nature (internal procedure).
- **Procedure** - procedure for preparing and transmitting Pillar 3 disclosures to EBA, which has been included in Annex 2 to this Policy. This annex is not published due to its nature (internal procedure).

III. Scope of disclosed information

§ 1

1. The Bank announces selective information regarding capital adequacy based on the data of ING Bank Śląski S.A. Group. The ING Bank Śląski S.A. Group as large subsidiary of UE parent financial holding company discloses information defined in Articles: 437, 438, 440, 442, 449a, 449b, 450, 451, 451a and 453 of Regulation CRR. Additionally, on a voluntary basis, the Group discloses the information specified in Articles 452 of Regulation CRR.
   For operational risk disclosed information is as required in Recommendation M.
   The information concerns in particular:
   - own funds, as laid down in Article 437 of the Regulation CRR, including transitional provisions laid down in Article 492 of the Regulation CRR,
   - compliance with own funds requirements and risk-weighted exposure amounts, as laid down in Article 438 of the Regulation CRR,
   - compliance with countercyclical capital buffer requirements, as laid down in Article 440 of the Regulation CRR,
   - exposure to credit risk and dilution risk and non-performing and forborne exposures, as laid down in Article 442 of the Regulation CRR,
   - principles for Bank's remuneration policy, as laid down in Article 450 of the Regulation CRR and recommendation 30.1 contained in Recommendation Z,
   - leverage ratio and management of the risk of excessive leverage, as laid down in Article 451 of the Regulation CRR,
   - liquidity requirements, as laid down in Article 451a of the Regulation CRR,
   - credit risk mitigation techniques used by the Bank, as laid down in Article 453 of the Regulation CRR,
   - transitional arrangements for temporary treatment of unrealised gains and losses measured at fair value through other comprehensive income, as laid down in Article 468 of the Regulation CRR and Guidelines EBA/GL/2018/01 and EBA/GL/2020/12,
   - operational risk in accordance with the requirements contained in the Recommendation M,
   - exposure to credit risk in accordance with the requirements of recommendations contained in the Recommendation R,
   - application of the IRB approach to credit risk in accordance with Article 452 of Regulation CRR,
   - ESG risks in accordance with Article 449a of Regulation CRR,
   - exposure to shadow banking entities in accordance with Article 449b of Regulation CRR,
   - own funds requirements and eligible liabilities (MREL) in accordance with the requirements contained in Regulation 2021/763.

2. Information on the conflict of interest management policy adopted at the Bank, including information on the management of material conflicts and conflicts that could arise as a result of the Bank's belonging to a group or transactions concluded with other entities in the group are described in the "Conflict of Interest Policy". This information is made public by posting it on the website (https://en.ing.pl/company-profile/compliance).

3. ING Group discloses the minimal scope of information which is defined in part eight of Regulation CRR. The information is a part of the annual financial statement of ING Group (chapters concerning Pillar III) or is published as a separate document.
   The Bank discloses the information by indicating the place of publication (web page) the annual financial statements of ING Group.

§ 2

Every time the Bank estimates the adequacy of the disclosed information whether the disclosures convey a comprehensive Bank's risk profile to market participants.

If this assessment shows that the disclosed information does not provide market participants with a comprehensive risk profile, in addition to the information set out in Tables 1 and 2 included in annex 1, the Bank publishes other necessary information.

A change in scope or deviation from disclosure of information is subject to approval by the Director of the Accounting Department.

§ 3

In compliance with the Article 432 of the Regulation CRR, when the information on ING Bank Śląski S.A. Group are being disclosed is non-material, proprietary or confidential, the Bank may omit announcement of the information giving the reason for non-disclosure and publishing more general information in that regard.
Information in disclosures shall be regarded as material if its omission or misstatement could change or influence the assessment or decision of a user of that information relying on it for the purpose of making economic decisions.
The Bank may omit one or more items of information included in the disclosures if those items include information which is regarded as proprietary or confidential.
Information shall be regarded as proprietary if disclosing it publicly would undermine competitive position of the Bank.
Information shall be regarded as confidential where the Bank is obliged by customers or other counterparty relationships to keep that information confidential.

§ 4

The provisions of this Policy shall not apply to the information disclosed by the Bank pursuant to other regulations. The information is provided to the public in accordance with separate regulations adopted by the Bank, in particular the Information Policy of ING Bank Śląski S.A. and Regulations on the publication of confidential information and transactions carried out by persons discharging managerial responsibilities in ING Bank Śląski S.A.

IV. Form and place of disclosure

§ 5

The information determined in § 1 point 1 considering § 2 is disclosed by the Bank is included in the documents published on the website, in the investor relations section.
Additionally the information will be transmitted to the EBA and made available on the EBA website in accordance with Articles 434(1) and 434a of the Regulation CRR. The rules for transmission of data to EBA are laid down in the Procedure.

The published information is up-to-date, reliable, useful and consistent over time and comparable between banks, and presented in a clear, understandable and transparent manner.

V. Frequency and term of disclosure

§ 6

1. As laid down in Article 433 and 433a of the Regulation CRR, the Bank publishes a disclosure document:

- annually - as of December 31 of each year, containing the full scope of the information determined in § 1 point 1 considering § 2,
- semi-annually - as at June 30 of each year, containing the scope of information required on a semi-annual basis,
- quarterly - as of March 31 and September 30 of each year, containing the scope of information required on a quarterly basis.

The date of publication of the disclosed information is the same as the date of publication of financial statements of the ING Bank Śląski S.A. Group.
If the financial statements are published before the submission of information in accordance with Article 430 for the same period, disclosures can be submitted on the same date as supervisory reporting or as soon as possible thereafter.
Institutions may submit to EBA the information required under Article 450 separately from the other information required under Titles II and III no later than two months after the date on which institutions publish their financial statements for the corresponding year.

2. In accordance with Article 111a point 6 of the Banking Law Act, the Polish Financial Supervision Authority may, in justified cases, order the Bank to increase the frequency of publishing the information specified in § 1 point. 1 and the use of specific forms and places of publication of information, as well as set the dates in which the Bank will be obliged to publish this information.

VI. Principles of approval and verification of the information to be disclosed

§ 7

1. The competent units responsible for the preparation and verification of data for accuracy and completeness. The Accounting Department is responsible for the coordination of the preparation of a single disclosure document.
2. The Director of the Accounting Department.or the member of Bank's Management Board declares that the information contained in the disclosures document is factually correct and that the Bank disclosed it in accordance with formal policies and internal processes, systems and control mechanisms.

§ 8

Information disclosed by the Bank based on the data of the ING Bank Śląski S.A. Group is published in Polish and English.

§ 9

The information announced by the Bank based on the data of the ING Bank Śląski S.A. Group in the annual disclosure document is verified by an independent entity authorized to perform audits of financial statements. Information concerning capital adequacy, which pursuant to separate regulations is disclosed in the financial statements, is verified under the standards applied for the verification of financial statements.

§ 10

Information disclosed based on the data of the ING Bank Śląski S.A. Group in the annual disclosure document, prior to its publication, they are accepted by the Management Board and, upon recommendation by the Risk Committee and the Remuneration and Nomination Committee, are approved by the Supervisory Board.
Interim data are approved by the Management Board and Risk Committee of the Supervisory Board.

VII. Principles of verification of the Policy

§ 11

The Principles hereof are verified by the Accounting Department, in cooperation with other units of the Bank which participate in the process, at least once a year. The verification principles are determined by the Instruction.

§ 12

Any amendments hereto shall be made based on the Resolution of the Management Board of the Bank in the form of the Ordinance of the President of the Bank Management Board, after the recommendation by the Risk Committee and the Remuneration and Nomination Committee and after the approvable the Supervisory Board.