



Report on non-financial information of ING Bank Śląski S.A. Group in 2023

Covering non-financial information of ING Bank Śląski S.A.





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The Management Board of ING Bank Śląski S.A hereby presents Report on non-financial information of the ING Bank Śląski S.A. Capital Group in 2023, including non-financial information of ING Bank Śląski S.A. as per Articles 49b and 55 of the Accounting Act (Journal of Laws 1994.121.591 as amended).

Approach to reporting

The selection and description of the policies, as well as the performance indicators, was based on its own materiality criterion, taking into account internal and external factors relating to the ING Bank Śląski S.A. Group's operations. The ratios used are proprietary ratios calculated on the basis of data available in the Group. The report fulfils the requirements related to the Accounting Act Journal of Laws 1994.121.591 as amended. In the selection of indicators and the description of the results of the applied policies presented in this Report, we were also guided by the results of the materiality assessment (which included, among others, a dialogue meeting and individual interviews with representatives of key stakeholder groups of the ING Bank Śląski S.A. Group) that we conducted in Q4 2023 for the preparation of the Management Report on the Activities of the ING Bank Śląski S.A. Group in 2023.

In view of the integrated approach to reporting, an additional description of non-financial information beyond the scope of this Report is included in the Management Report on Operations of the ING Bank Śląski S.A. Group in 2023. In the 2022 Management Report of the ING Bank Śląski S.A. Group, non-financial information is reported in accordance with GRI Standards.

The Bank does not identify any links between the values reported in the 2023 Annual Consolidated Financial Statement of the ING Bank Śląski S.A. Group and the information contained in the Report on Non-Financial Information.





ING Bank Śląski

Our history goes back to 1988. It was in that year, exactly on 11 April, that the Council of Ministers issued a regulation on the establishment of Bank Śląski in Katowice, and this is where our head office is still located today. Less than a year later, at the beginning of February 1989, Bank Śląski began its activities. In 1992 our bank was transformed from a state-owned bank into a joint stock company. In 1993, we received approval from the Securities Commission to list our shares to the public. In January 1994, ING acquired 2.4 million shares in our bank, corresponding to 25.9% of the share capital. On 25 January 1994, the shares of Bank Śląski were quoted for the first time on the Warsaw Stock Exchange.

Since 6 September 2001 – after the merger of Bank Śląski with the ING branch – we have been operating under our current name, ING Bank Śląski S.A. At that time, ING Group became the majority shareholder in our bank (with a stake of 87.77%, which was reduced to 75.00% in March 2005).

The bank is effectively growing organically. The bank’s mission is to inspire and assist clients in making the right life decisions. Achieving this requires a committed and responsive workforce. We pursue this mission through our bank, its subsidiaries and, above all, through our group of over 8,000 employees.

After more than 30 years of continuous development, we are now ranked 4th in terms of total assets and commercial balance (total deposits and loans) in the Polish commercial banking sector. Our scale of operations contributes to the development of the Polish economy, but it also brings with it an awareness of the enormous responsibility for our employees, clients, society and the environment.

We are a universal bank that serves both retail clients and businesses. The primary channel of communication with our nearly 5 million clients is the Internet, with a strongly growing role for mobile banking. We also serve our clients through a network of 205 meeting places. These are places where our clients can ask for advice and have a chat.

In 2023, ING is once again ranked as the leader in brand power (Demand Power) among banks (based on Kantar Polska survey). The high level of the indicator indicates the role of brand image in increasing market share, in particular the bank’s fit with clients’ needs, the brand’s differentiation from competitors and ING’s recognition among banks. In 2023, ING was the most trusted brand among consumers and a bank that continuously improves the quality of its products and services in response to changing client needs and expectations. The strong image translated into the highest preference for ING among banks when consumers chose: a savings account and a loan, and second place for: mortgage loans, personal accounts and a mobile app. The brand has an aspirational image: a bank for entrepreneurial people and a socially engaged brand.

How does ING Group operate in Poland

ING Bank Śląski S.A. is the parent company of the ING Bank Śląski S.A. Group. As a group, we have established ourselves as one of the largest financial institutions in Poland over our more than 30 years of operation. Our core business is banking, i.e., among other things, placing the funds entrusted to us by our clients at risk (this is indicated in detail in paragraph 8 of our charter). As a bank, together with our subsidiaries, we form a group in which we are also active in, among other things:

- leasing,
- factoring,
- payroll and accounting services,
- sales and implementation of business process robotisation software,
- the provision of payment services for the processing of e-commerce transactions.

Group companies are also founders of the ING for Children Foundation and the ING Polish Arts Foundation.

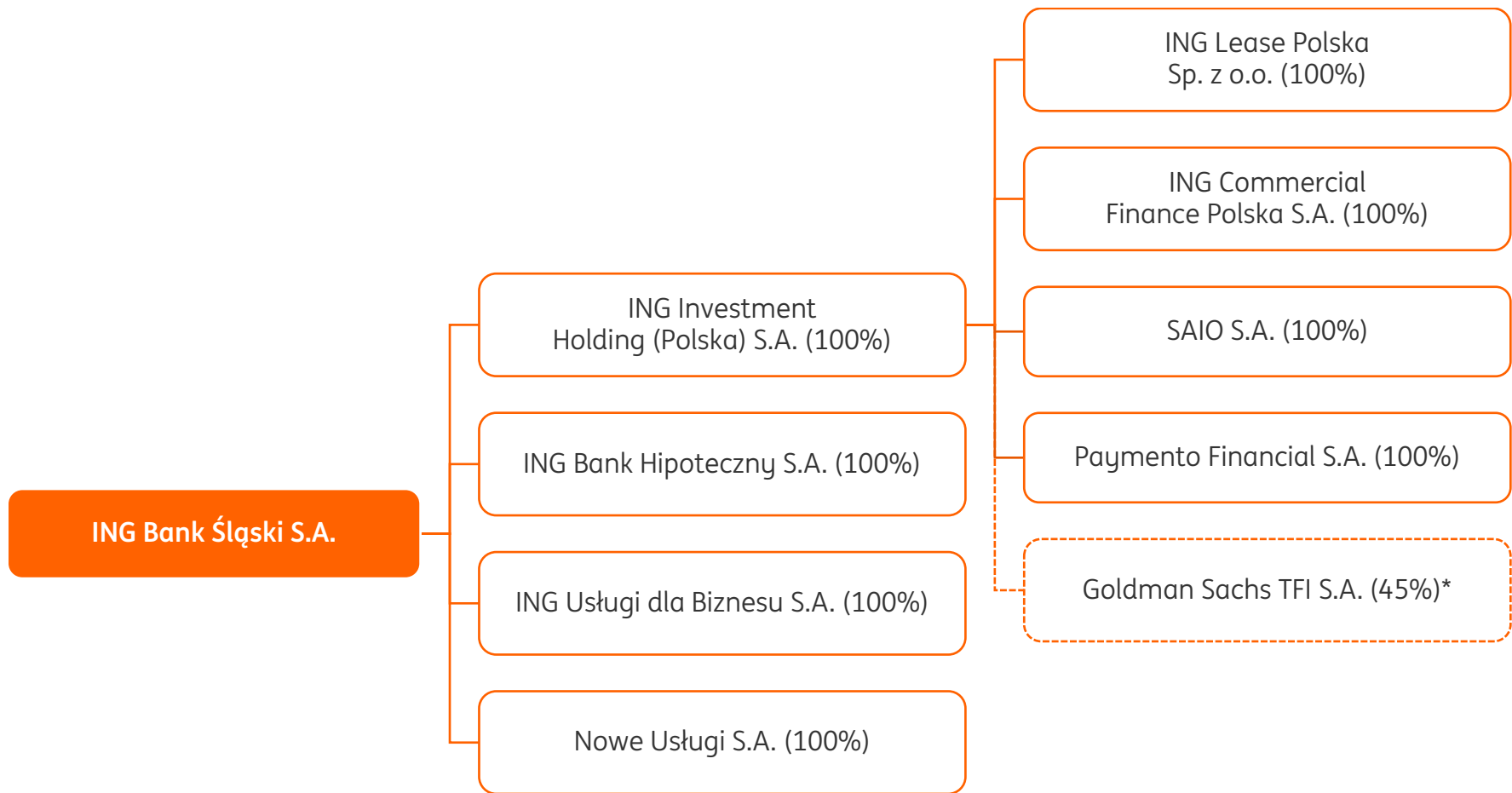
In 2023, the bank and its subsidiaries did not enter into any transactions with related parties that would be individually or in aggregate material transactions entered into on other than arm’s length terms.

ING Bank Śląski conducts interbank market operations with ING Bank N.V. and its subsidiaries. These include deposits, loans, borrowings and derivative operations. The bank also maintains the bank accounts of ING Group N.V. entities, as well as providing outsourcing and advisory services. All of the above transactions take place on an arm’s length basis.



ING Bank Śląski S.A. Group composition

Subsidiaries and associates within the ING Bank Śląski S.A. Group as at 31 December 2023



* Until 24 April 2023 under the name NN Investment Partners TFI.

A solid frame line indicates a subsidiary and a dashed frame line indicates an associated company; *the ING Lease (Polska) Group comprises an additional 5 subsidiaries in which ING Lease (Polska) Sp. z o.o. holds 100% of the shares.

The Bank, through ING Investment Holding (Polska) S.A., holds a 45% stake in Goldman Sachs TFI S.A. and treats this company as an associate. Subsidiaries are consolidated by our bank using the full method and an associated company (Goldman Sachs TFI S.A.) is consolidated using the equity method. In addition to its subsidiaries and associates, the bank holds minority equity investments in the following companies, among others:

- Biuro Informacji Kredytowej S.A. (9.0% of shares),
- Krajowa Izba Rozliczeniowa S.A. (5.7% of shares),
- Polski Standard Płatności Sp. z o.o. (14.3% of shares).

ING Investment Holding (Poland) S.A.

ING Investment Holding (Poland) is a holding company. Through it, the bank holds shares in five companies: ING Lease (Poland) (100%), ING Commercial Finance (100%), SAIO S.A. (100%), Paymentto Financial (100%) and Goldman Sachs TFI S.A. (45%).

ING Lease (Polska) Sp. z o.o.

ING Lease (Polska) has been present in the market since 1995. Since 2012, it has been a member of the ING Bank Śląski S.A. Group. ING Lease (Polska) offers all basic types of leasing which allow financing both movables (in the form of cars, vans, heavy transport vehicles, machinery and equipment, construction, medical, equipment and IT equipment) and real estate. The ING Lease (Polska) Group comprises an additional five subsidiaries in which ING Lease (Polska) Sp. z o.o. holds 100% of the shares. The company addresses its services to all client groups: large, medium and small companies, as well as micro (entrepreneurs).

In 2023, the company's new leasing production amounted to PLN 6.9 billion (+6.7% y/y). As at 2023 yearend, the company served more than 36,200 clients (down by 0.4% y/y) and the portfolio value was PLN 13.7 billion (+6.5% y/y; based on management accounting data).

ING Commercial Finance Polska S.A.

ING Commercial Finance Polska offers factoring. The company was founded in 1994 under the name Handlowy Heller. Since 2006, it has been operating under the name ING Commercial Finance, having been integrated into ING Group N.V. Since 2012, it has been part of the ING Bank Śląski Group – as has ING Lease (Poland).

In 2023, ING Commercial Finance Polska's turnover amounted to PLN 66 billion (down by 1% y/y), representing 14.7% of the turnover of the entire market. In 2023, the company had 10.3 thousand clients (up by 9% y/y) and redeemed 4.2 million invoices (down 1% y/y).

SAIO S.A.

SAIO is active in the sale and implementation of RPA/RDA-class business process robotisation software. It is a versatile tool that can be used by many industries. It works equally well in sales, finance, accounting, HR, purchasing processes, IT or even operational management. SAIO provides clients with a full range of robotisation services: from process review to training to implementation. The final product is a robot that automatically executes the process in the company. The company is developing business based on its own operations and the partner network it is building in Poland and abroad.

SAIO's innovative software was again ranked in the Everest Group – South Africa Products PEAK Matrix® Assessment for 2023 and earned “Star performer” status, awarded to the most dynamic automation market players. The product guarantees security, speed of implementation and full control over the implemented robots. The results of



implementing SAIO are improved business performance, reduced costs, reduced risk of human error, resilience to volume spikes and employee satisfaction.

Paymento Financial S.A.

Paymento Financial was founded in 2016 as an initiative by private individuals and an equity infusion by venture capital funds. The company entered into a partnership with ING Bank Śląski 2017 and has been part of its Group since 31 March 2023.

The company is a regulated entity authorised by the Polish Financial Supervision Authority to provide payment services as a National Payment Institution. The aim of the company is to provide e-commerce transaction processing services to financial market players, particularly in the white-label formula.

The subject of the cooperation with ING Bank Śląski – which is gradually being developed – is the development and transaction handling of the imoje payment gateway. Paymento also provides services to entities outside our group of companies – of the 3 national banks that have a payment gateway (as a bank service), Paymento supports 2 of them.

Goldman Sachs TFI S.A.

Goldman Sachs TFI is the second largest TFI on the Polish market in terms of assets in capital market funds. It is also one of the longest-established investment fund companies in Poland. It has been operating in the local market since 1997. It is authorised by the Polish Financial Supervision Authority to operate. According to data as at 2023 yearend, the company served more than 645,000 individuals and institutions and managed assets worth more than PLN 38 billion.

Goldman Sachs TFI S.A. is part of Goldman Sachs Asset Management, a US-based asset management firm. For 150 years, Goldman Sachs Asset Management has provided investment and advisory services to the world's leading institutions, financial advisers and individuals. It benefits from a global network and a wealth of expertise in every region and market of the world. On 31 December 2022, Goldman Sachs Asset Management managed USD 2.81 billion of assets worldwide.

ING Bank Hipoteczny S.A.

The strategic objective of ING Bank Hipoteczny, which started operations in 2019, is to raise and then increase the share of long-term funding on the balance sheet of the ING Bank Śląski Group by issuing mortgage bonds.

The achievement of the set goal will support:

- strengthening the stability of funding in the ING Bank Śląski S.A. Group,
- diversification of funding sources for the existing retail mortgage portfolio,

- matching the term structure of assets and liabilities in the balance sheet of the ING Bank Śląski S.A. Group,
- lowering the cost of financing the conducted lending activity in the part of the loan portfolio financed with other long-term instruments.

In 2023, due to the unfavourable market environment, ING Bank Hipoteczny did not issue mortgage bonds. As at 2023 yearend, the nominal value of the bank's issued and outstanding mortgage bonds remained unchanged from the end of 2022 and amounted to PLN 404.4 million (the nominal value of the issue amounted to PLN 400 million).

Mortgage bonds issued by the bank are listed on the Luxembourg Stock Exchange and the parallel market of the Warsaw Stock Exchange. The bank's mortgage bonds can serve as collateral for lombard credit, technical credit and repo operations conducted by the National Bank of Poland.

In addition, the bank – in order to increase the diversification of its existing sources of funding – established an own-bond programme, under which it issued short-term debt securities. In 2023, the bank issued three series of its own bonds for a total of PLN 376 million. All of the above series were redeemed in the current year.

ING Usługi dla Biznesu S.A.

ING Usługi dla Biznesu was founded in 2012 and offers innovative business services that go beyond traditional banking.

The company's main objective is to provide tools that make running a business easier. ING Usługi dla Biznesu currently offers the following solutions:

- ALEO.com – the largest online database of companies (registration data, financial data),
- ING Accounting – invoicing and payment management platform, as well as accounting and payroll services,
- Firmove.pl – a service to support future and existing entrepreneurs in business creation and development.

Nowe Usługi S.A.

The Nowe Usługi Company conducts educational and marketing activities. In terms of education, he runs the [edukacjagieldowa.pl](#) website. This is a site about investing and the stock market, for both novice and advanced investors. The website publishes investment-related material on an ongoing basis and a knowledge base is available.

Marketing activities are carried out to popularise Turbo certificates in the Polish market. These are instruments listed on the Warsaw Stock Exchange, of which ING Bank N.V. is the issuer. The company's main activities include organising marketing campaigns, providing training, operating the ING Turbo helpline or providing technical support for the [ingturbo.pl](#) website.



Changes in the structure of the ING Bank Śląski Group

Purchase of Paymento Financial

On 31 March 2023, ING Investment Holding (Poland) S.A. signed an agreement to purchase a 100% stake in the capital of Paymento Financial S.A., after the Polish Financial Supervision Authority on 27 January 2023 found that there were no grounds to object to ING Investment Holding (Poland) S.A.'s acquisition. – a wholly owned subsidiary of ING Bank Śląski S.A. – controlling stake in Paymento Financial S.A. The purchase price was PLN 24.4 million and the payment was settled in cash.

The constantly growing number of clients is the result of the activities pursued by us to foster long-term relationships with clients. These relationships are based on the trusted brand, transparent and flexible product offer and a continuously developed modern distribution and client service system.

Our clients

In 2023, we acquired 284,000 new individual clients (322,000 in 2022), 50,400 entrepreneurs (56,400 in 2022) and 19,500 corporate clients (15,500 in 2022).

At the end of December 2023, the number of clients stood at 5.01 million (up by 95,900 y/y) and was divided into the following business segments:

- 4.45 million individual clients (up by 70.1 thousand y/y),
- 559,000 corporate clients (up by 25,800 y/y), including:
 - 442,000 entrepreneurs (up by 5,400),
 - 114,000 medium and large companies (up by 20,400),
 - 3,400 strategic clients (no change y/y).

The growth of our client base is better described by the number of primary clients, i.e. those for whom we are the bank of first choice and who have several (specific) products. We had a total of 2.41 million such clients as at 2023 yearend, 87,000 more than as at 2022 yearend, including:

- 2.19 million individual clients (up by 79.7 thousand y/y),
- 157,000 entrepreneurs (up by 314.0 y/y), and
- 56,000 corporate clients (excluding strategic clients; up by 7.600 y/y).

Primary clients accounted for 48% of our total clients as at 2023 yearend (47% as at 2022 yearend).



Our business model

We are a universal bank which, together with the other companies in its group, serves both individual clients and companies as part of its operations. We want to be seen as the **bank of the future for entrepreneurial people** – a bank that provides its clients with practical solutions that they need and are happy to use. We want people to be able to achieve their goals with our support.

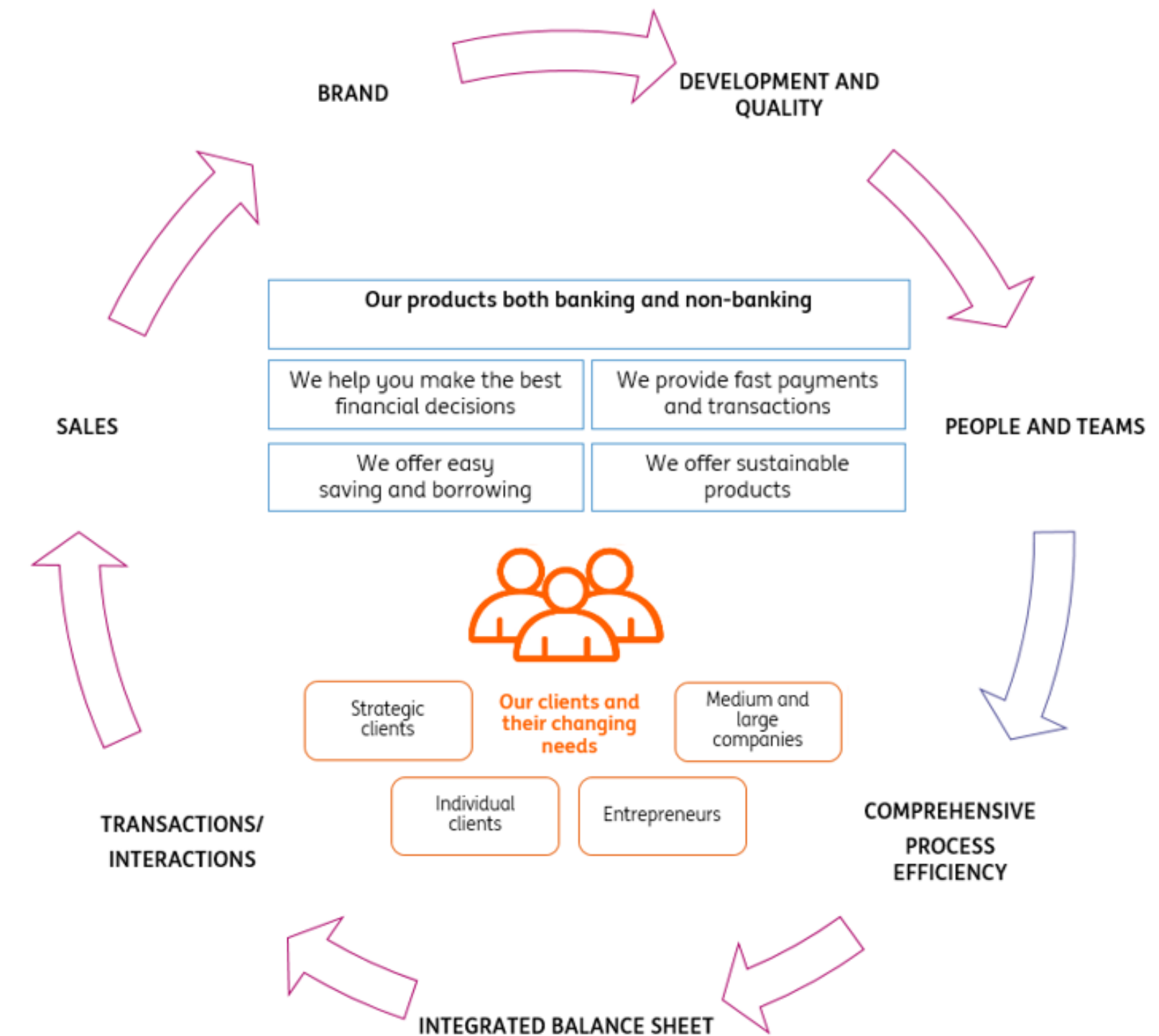
Our mission is to **support and inspire people to be one step ahead in life and business**. In every person's life, the roles they play in society change: from a child, to a student, to a parent, to an entrepreneur, to a bank employee, to our supplier or an employee of another company, to a pensioner. It is a confident journey during which the client will make different and important – both privately and for business – choices. We, as a bank, help him to make the best financial decisions for him. That is why we provide our clients with knowledge and tools, as well as simple, useful and tailor-made solutions. We also enable you to better understand your financial situation.

Our role is to enable you to save money safely and effectively. Deposits entrusted by some finance loans and credits granted to other clients, and these promote the development of both society and the economy. The financing granted allows the purchase of housing, the start-up of a business or the development of a company. We develop and offer products to support sustainable operations for both individuals and companies.

We offer our clients banking products and services (such as loans or savings accounts and transfers), but also in the area of beyond banking, i.e. not related to traditional banking. Our expertise allows us to build a positive client experience. These are not just insurance products or investment products. We also offer our clients a wide range of financial management tools.

As the bank of the future, **we are innovating** to meet the needs of our clients. We also use big data and artificial intelligence and work with fintechs, which allows us to reach higher. We take care of a smooth payment and transaction system. At the same time – with the growing popularity of cashless trading – an efficient electronic payment system is becoming increasingly important. We provide our clients with transactional banking, processing transfers, card, phone or BLIK payments and developing tools for cashless payments. To this end, we have provided specific solutions to support the development of e-commerce, such as the imoje payment gateway – the first online payment for online shops offered by a bank in Poland.

They allow clients to quickly and conveniently complete payment for their purchases. In 2021, we were the first bank in Poland to decide to replace the central system. We have opted for a cloud solution that will further accelerate the digital and technological transformation of our bank. This will make it possible to build reliable banking and ensure that the offer is fully personalised and tailored to individual clients' needs. This will eliminate planned unavailability due to maintenance work or the implementation of new products and solutions.





For us, the primary channel of interaction with clients – both retail and corporate – is electronic and mobile banking. We want our clients to have tools that enable them to make modern payments and remotely deal with simple issues such as paying for public transport tickets, parking and motorway journeys. Our electronic banking also allows you to deal with official matters more conveniently, e.g. you can submit applications for social benefits. At the end of 2023, we introduced changes to online and mobile banking to make it even easier for clients to use these channels. Following the changes, content and functions are more personalised and the system has taken on a new, clear look.

At the same time, we recognise the changing role of establishments. That is why, for several years now, we have no longer been talking about branches, but about meeting places where our advisers help clients to make important decisions – to bank every day, to live better, to grow their business and to take care of their financial future. For corporate clients, we also provide a service at their company’s premises, depending on their needs. The task of our employees is to support clients in making financial decisions, including by analysing their financial needs and objectives, financial situation or the level of risk of investments.

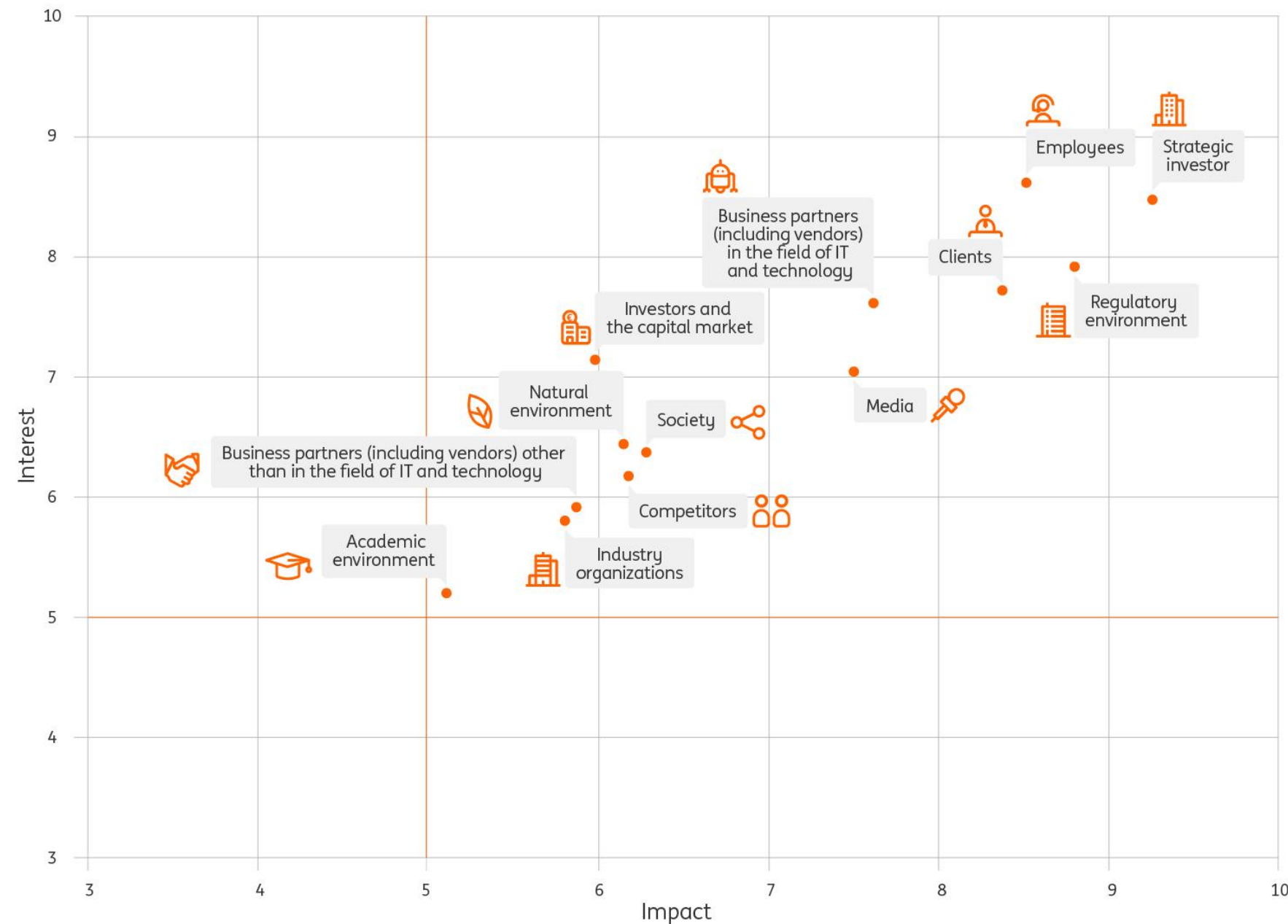
We are aware that we influence many economic processes and individual choices, and that our decisions have an impact on how the world will look and what reality the next generation will find. We are therefore guided by the principles of sustainability in our business and non-business decisions. This applies to the areas of climate and environment (E), society (S) and corporate governance (G). We support our clients in their energy transition, in being entrepreneurial and help them manage their finances. We work towards equal social opportunities and care for the health of employees. We operate ethically based on values, principles and processes and in accordance with regulations and with reference to market best practice.

As a public trust institution, we know how important aspects of a stable and effective risk management system are for the banking sector and the economy as a whole. In our bank, it is structured according to the best market standards based on the principles of three lines of defence, where the first line is business management, the second line is risk and financial management and the third line is internal audit and compliance. We manage ESG risks as an integral part of each group of risks, both financial (e.g. credit risk or market risk) and non-financial (e.g. operational risk). We also take care to optimally manage the asset and liability structure of our balance sheet within the limits of our risk appetite.



Map of stakeholders

Map of stakeholders of the ING Bank Śląski Capital Group



ING's stakeholders are all those we influence and who interact with our organisation. In our business, their needs are very important and we want to know them well and respond accordingly. We are aware that our stakeholders' expectations are different. In our daily work, we work to respond to these diverse expectations. We ensure that our bank communicates in a professional yet straightforward manner with both the internal and external environment. We rely on constant and open dialogue, not least because the opinions of our stakeholders enable us to take account of changing socio-economic conditions in the bank's plans.

In the course of working on last year's report, we updated the stakeholder map of our capital group. There have been no significant changes in our bank's operations in 2023 that could alter the key stakeholders, hence the map verification results have been assumed to be valid.

Throughout the year, we regularly engage with our stakeholders to listen to their views and understand their needs as best we can. We give a strategic dimension to the topics that are most relevant to them. At the same time, we speak out and present our point of view on issues that are important in an economic, social or environmental context.

Communication with the public is a key element of our core business and a natural consequence of the bank's social activities. In our dialogue with stakeholders we apply both highly parametrised tools (satisfaction surveys, audits) and daily contacts. A dialogue meeting and individual interviews with representatives of key stakeholder groups were also part of the materiality study we conducted in Q4 2023. We write about the materiality test here.

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Management of sustainability issues

At ING, the responsible management of ESG (Environmental, Social, Governance) issues is firmly embedded in our business strategy as one of our priorities and follows directly from our mission and values. We see the area of sustainability as a field for building long-term competitive advantages – both ours and those of our clients. We have been working to decarbonise our own economy for many years, and as at 2023 yearend we announced the “ING BSK's roadmap for reducing GHG emissions”, a follow-up to the Green Statement announced in mid-2021. We are creating a welcoming workplace, working for diversity and equality, including minimising the wage gap. We are committed to the highest quality of client service and the availability of our services. We are continually working to develop a sustainable product range and undertake numerous sustainability measures, both in our own operations and by supporting our clients and suppliers in the transformation process.

Compliance with regulations, including in the ESG area, is our priority. We are convinced that sustainability impact and its robust reporting will increasingly become a factor of choice for different stakeholder groups, including clients, employees or investors.

Governance structure for ESG issues

In 2022, the Management Board of ING Bank Śląski established two committees in the organisational structure of the bank: ESG Council and ESG Risk Committee. These committees have decision-making functions vis-à-vis all organisational units of the bank and advisory functions vis-à-vis the Management Board for matters requiring its approval.

In 2022, the ESG Innovation Expert Centre (coordinating activities related to the building and implementation of ESG goals and the functioning of the ESG Council) and the ESG Risk Team within the Risk Regulation Department have also been established at the bank.

To achieve our ESG objectives, we have adopted two ways of working. The ESG Transformation Programme has been set up to carry out new, complex, multi-faceted tasks. On the other hand, relatively homogeneous topics, which we have been pursuing for a long time and where we have already reached an appropriate level of maturity, are carried out in interdisciplinary teams – guilds – which take care of the continuity and synergy of the work. In 2023, as part of the ESG Transformation Programme, the ESG Data Model project has been established to prepare a consistent ESG data model for the needs of different stakeholders. It will lay the foundations for an ESG management system within the bank and its subsidiaries.

Both the ESG Transformation Programme and the individual ESG Guilds report to the ESG Council.

From 2023, 100% of managers reporting directly to Board Members have an ESG target in their KPIs. In addition, the employees of the units directly involved in the implementation of the sustainability business strategy from 2023 onwards have ESG targets. Responsibility for the achievement of ESG objectives is also expressed in the objectives set for the Management Board for the year and is directly reflected in the level of variable remuneration.

Interdisciplinary collaboration and knowledge sharing

We want to make it natural for everyone in our organisation to think and act in terms of sustainability. We are strengthening the bank's ESG culture by increasing awareness, knowledge and engagement of employees in this area. We are developing sustainability and ESG education programmes for employees, available on the internal My Learning system. The bank's management has been actively promoting the idea of responsible business within and outside the organisation for years, emphasising, among other things, the major role of the banking sector in supporting the energy transition of Polish companies.

Bank officials regularly speak at events and in publications on sustainability issues. We work with the NGO community and are involved in their projects. We are actively working to build the ESG ecosystem. The [ING Grant Programme](#) supports innovative projects linked to the Sustainable Development Goals. We organise round tables to foster the exchange of knowledge and experience between experts from different backgrounds, industries and organisations working for sustainable development. We are convinced that the future is our shared responsibility.

Our ESG targets for 2022-2024

As part of the “Sustainability” priority of our business strategy, we have set directions, targets and measures, in the individual areas of environment, society and corporate governance, which have been approved by the ESG Council and the Supervisory Board. We have divided our objectives into three categories:

- for ourselves – we act and lead by example,
- for our clients – we inspire and support them,
- for the society – together we are building a better world.



In determining these, we have taken into account:

- an analysis of the current degree of implementation of sustainability measures and the Green Statement,
- identifying ING Group N.V.’s ESG strategic directions on a global level to ensure a consistent approach in the ESG area,
- an analysis of the external environment, including the formal and regulatory environment,
- materiality analysis based, inter alia, on stakeholder dialogue.



ESG targets for 2022-2024

Environment (E)

Entrepreneurship and equal opportunities (S)

Ethics and regulatory compliance (G)

WE
(we act by example)

- We run a sustainable economy of our own.
- We digitise processes with an environmental impact in mind.
- We take climate factors into account in our business decisions.

- We create a working environment where we take care of well-being of employees (health, energy, activity and finances).
- We support employees in being entrepreneurial.
- We are committed to diversity and inclusion among the bank's employees.

- We are building ESG awareness and culture among employees, developing ESG competences.
- We integrate ESG into the bank's strategy, organisational structure, product design processes, risk management, purchasing policy and corporate governance.
- We are adapting to regulation – risk, finance, compliance and client portfolio.

Key objectives

Achieve zero-carbon in Scope I and II by 2030.

Maintain the male-female pay gap indicator (wage gap) – 1% by 2024 according to the methodology of the Polish Bank Association.

Designation of min. 1 ESG-related target for 100% of managers and 50% of employees by 2024.

CLIENTS
(we inspire and support)

- We are developing a pro-climate product offering for our clients.
- We finance sustainable projects.
- We support clients in their environmental transformation and in assessing how sustainable their business is.

- We support clients in managing their finances and educate them on how to be entrepreneurial.
- We facilitate technology and digital transformation for business clients.
- We make banking easier for groups at risk of exclusion.

- We build awareness and understanding of ESG business and regulatory issues among clients.
- We care about the safety of our clients.

Key objectives

Allocating PLN 4.5 billion to finance RES and green projects in the corporate in line with the Green Statement by the end of 2023. In addition, we are aiming to provide PLN 5 billion of RES financing in the corporate segment between 2024 and 2030, as declared in ING's Emissions Reduction Orientation document.

Full alignment of the Moje ING mobile app, the Moje ING online banking system and the bank's website with WCAG 2.1 guidelines by 2024.

Achieve client satisfaction of 4/5 from ongoing education activities by 2024.

COMMUNITY
(building a better world together)

- We support climate innovation (grants for startups and scientists).
- We support local environmental action.

We support local community action.

We share good practice and knowledge through industry collaboration and with our stakeholders. We work out common solutions.

Key objectives

Implementing 6 editions of the grant programme and providing PLN 6 million by 2024.

150 volunteer actions within the framework of the Good Idea programme carried out with the ING Foundation for Children, 40 Smiling Turns in Wisła organised by the Foundation until 2024.

Organisation of national conferences in cooperation with NGOs and sectoral organisations (total 2022-2024) – organise minimum 10 conferences by 2024.

An accounting of the achievement of the 2023 ESG targets (as one of the pillars of the business strategy) is available [here](#). The implementation of the 2023 Green Statement targets is described [here](#). We write about our client, community, employee, environment and corporate governance activities in individual sections of this Report.

We also write about our commitment in the ESG area on our [website](#).



Key non-financial performance indicators

ING Bank Śląski S.A.

	2019	2020	2021	2022	2023
Number of clients (thousand)	4,504	4,722	4,851	4,916	5,012
Number of employees (persons)*	7,542	7,972	8,179	7,925	7,906
Ratio of total pay for women to men*	-	98%	99%	95%	95%
Voluntary turnover rate*	4.4%	3.5%	5.6%	6.0%	4.1%
Involuntary turnover rate *	2.8%	3.4%	3.4%	5.1%	3.6%
Financing of RES by the corporate segment (PLN million)*	47.2	1,009.6	269.4	1,478.1	758.9
Electricity consumption (kWh)*	32,131,934	26,931,032	25,331,448	24,372,359	22,492,789
Water consumption (m ³)*	76,930	70,932	58,528	40,535	43,002
Greenhouse gas emission reductions in scope I and II relative to the base year (2019) – market-based approach*	-	-21.4%	-18.7%	-25.1%	-30.2%
Number of hours used for volunteering by employees	7,176	1,072	1,045	5,608	7,805

*For the purposes of ensuring comparability, data for 2019-2022 have been changed compared to previously published data due to methodological changes.

ING Bank Śląski S.A. Capital Group

	2019	2020	2021	2022	2023
Number of clients (thousand)	4,504	4,722	4,851	4,916	5,012
Number of employees (persons)*	7,984	8,426	8,625	8,363	8,379
Ratio of total pay for women to men*	-	98%	99%	96%	95%
Voluntary turnover rate*	4.5%	3.6%	5.5%	6.3%	4.5%
Involuntary turnover rate*	2.7%	3.4%	3.4%	4.9%	3.7%
Financing of RES by the corporate segment (PLN million)*	63.2	1,039.3	335.7	1,563.7	798.2
Electricity consumption (kWh)*	32,916,393	27,657,936	26,036,931	25,082,811	23,195,147
Water consumption (m ³)*	80,707	74,669	61,653	41,717	45,433
Greenhouse gas emission reductions in scope I and II relative to the base year (2019) – market-based approach*	-	-22.4%	-19.6%	-25.1%	-30.0%
Number of hours used for volunteering by employees	7,283	1,072	1,099	5,867	8,360

*For the purposes of ensuring comparability, data for 2019-2022 have been changed compared to previously published data due to methodological changes.



Taxonomy disclosure

What is a Taxonomy?

Taxonomy is the common name of a legal act of the European Union – Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 on establishing a framework to facilitate sustainable investment – that establishes harmonised pan-European principles for sustainable investment. The legislation is designed to increase the level of environmental protection by diverting capital from environmentally damaging investments to greener alternatives.

The taxonomy does not define which activities are “good” and which are “bad”, but only describes in detail investments that are environmentally sustainable. It is intended as a tool to support investors and entrepreneurs to make informed investment decisions towards measures that will contribute to achieving climate neutrality in the European Union by 2050.

The taxonomy does not prohibit investment in activities that do not meet its criteria, but gives additional preference for environmentally sustainable solutions. The implementation of regulations defining what investments are environmentally sustainable will also make it possible to identify pseudo-environmental activities – concerning the unjustified claim by some entities that their activities are environmentally friendly, when there are no grounds for this – this phenomenon is called greenwashing.

On 30 December 2021, the EU Commission Delegated Regulation (2021/2178) to Article 8 of Regulation (EU) 2020/852 of the European Parliament and of the Council on the establishment of a framework to facilitate sustainable investment (later updated in March 2022 and June 2023) entered into force. It imposes an obligation on a number of European entities, including the banking sector and consequently ING Bank Śląski, to report both quantitative and qualitative information on environmentally sustainable business activities. This occurred for the first time in 2022 for 2021. The quantitative reporting of financial institutions in 2022, as in 2023, was transitional. Reporting in 2024 for 2023 for the first time is reporting in target form. It concerns the banking book of credit institutions.

Our business strategy and the Taxonomy

In our business strategy, one of the ESG priorities is to support clients in their environmental transformation. The direction of this transformation is set by the environmental objectives of the EU Taxonomy:

1. climate change mitigation,
2. climate change adaptation,
3. the sustainable use and protection of water and marine resources,
4. the transition to a circular economy,
5. pollution prevention and control,
6. the protecting and restoration biodiversity and ecosystems.

By developing our product offer in the area of sustainable financing, we are mainly focused on the first two environmental objectives, i.e. climate change mitigation and climate change adaptation. The relevance of these objectives is reflected in the targets of our Green Statement 2021, which relate to the financing of renewable energy sources, zero- and low-carbon transport and other pro-environmental goals. Our efforts in this area have been reinforced in 2023 with the publication of “ING BSK’s roadmap for reducing GHG emissions” document, which sets out ambitions for emission reductions in our own economy and loan portfolio in the areas of residential real estate, commercial real estate and energy production.

As part of our work with clients, we actively educate them on the requirements that new regulations, including Taxonomy, place on the economy. We tailor our offering and financing appropriately to the client’s stage of transformation – by making financing conditions dependent on meeting the goals of the client’s ESG strategy or by financing assets necessary to implement this strategy, including assets eligible for taxonomy.

Reporting in 2024 for 2023 is the first time we are able to demonstrate that the part of the financing provided to our customers fully meets the requirements for alignment with the Taxonomy. Due to data limitations, we are unable to provide comparable data for 2022.

We are aware of the challenges posed by the availability and quality of data to assess environmentally sustainable activities. Access to the data and possible further EU regulatory adjustments in this respect will have an impact on our business strategy and our lending decisions, including the setting of quantitative targets.

As at the date of the report, the bank did not have quantitative targets in the form of GARs (Green Asset Ratio) and/or BTARs (Banking Book Taxonomy Alignment Ratio) as to future investment in environmentally sustainable activities.



Minimum safeguards

According to the definition, the Minimum Safeguards is a set of procedures used by the company to ensure compliance of:

- the OECD Guidelines for Multinational Enterprises, and
- UN Guiding Principles on Business and Human Rights, including the principles and rights set out in the eight fundamental conventions identified in the ILO Declaration on Fundamental Principles and Rights at Work and the principles and rights set out in the International Bill of Human Rights.

The EU Platform on Sustainable Finance, as an advisory body to the European Commission, defines two criteria for compliance with the company's minimum safeguards, which should be met together:

- human rights due diligence procedures are in place within the company as referred to in the OECD Guidelines for Multinational Companies and the UN Guiding Principles on Business and Human Rights,
- no judicially established violations in relevant categories (human and labour rights, anti-corruption, tax and fair competition regulations).

In 2023, we conducted a voluntary self-assessment of compliance with the due diligence process guidelines and the requirements of the EU Taxonomy Minimum Safeguards for ING Bank Śląski's business. The results of this analysis confirm that the compliance criteria for the 2023 Minimum Safeguards are met.

Nevertheless, we would like to point out that in the case of financial undertakings, including banks, when reporting financial instruments as Taxonomy-aligned, it is crucial to confirm that Minimum Safeguards have been met by the bank's clients, and not by the bank directly. We write about our approach to reporting Taxonomy-aligned exposures [here](#).

The scope and conduct of the verification of compliance with the due diligence process guidelines and the requirements of the EU Taxonomy Minimum Safeguards for ING Bank Śląski's business included:

- an analysis of internal regulations in terms of self-assessment in meeting the requirements of the Minimum Safeguards,
- establishing a due diligence process for investigating adverse human rights impacts of operations in line with the OECD Guidelines for Multinational Enterprises,
- a review of the anti-corruption processes in place,

- an analysis of tax risk management strategies and processes to ensure tax compliance,
- aspects of knowledge and awareness among employees of the importance of fair competition laws,
- verification of the existence of allegations of human rights violations and compliance with guidelines from the OECD National Focal Point and the Business and Human Rights Resource Centre – no allegations in 2023,
- verification of the existence of final judgments against ING Bank Śląski or executives in tax law cases and the scope of violation of fair competition rules – no final judgments in 2023,
- verification of the existence of final judgments in 2023 in labour law cases and related to human rights violations – one final judgment in this area in 2023, corrective actions taken and control mechanisms implemented.

Regarding the last point above, the 2023 ING Bank Śląski judgment concerned the area of HR for unlawful termination of employment due to lack of consultation with trade unions. In this specific case, corrective actions were taken and control mechanisms were implemented - the process of consulting the intention to terminate the employment contract with the company's trade union was changed so that such events would not occur in the future.

In December 2023, we published the ING Bank Śląski S.A. Group Declaration on Respect for Human Rights. When a violation or risk of a human rights violation is identified, internal and external stakeholders can get in touch with us through whistleblowing channels.

Our reporting obligations

Our quantitative reporting for 2021 and 2022 was in the form of transitional reporting, covering only information on exposures to business activities as described in the Taxonomy (Taxonomy-eligible) and exposures to economic activities not described in the Taxonomy (Taxonomy non-eligible) to the first two environmental objectives (two climate objectives).

This year, for the first time, reporting has a target shape for two climate objectives and a transitional shape for the remaining four environmental objectives (Taxonomy-eligible and Taxonomy non-eligible). From the Taxonomy-eligible exposures, those that are Taxonomy-aligned will be selected. In order for an asset to be considered “green” (Taxonomy-aligned), it must holistically meet the technical screening criteria of substantial contribution and the “do no significant harm” principle. In addition, in the case of exposures to entities other than households, it should be also ensured that their activities are carried out in accordance with “minimum safeguards”.

In order to fulfil all these reporting obligations in preparing the 2023 disclosures, we relied on:



- data and information made public by our corporate clients in their non-financial reports for 2022; we obtained most of this data through the ESG database developed and made available by the BIK;
- actual data from energy performance certificates for buildings obtained from the Central Register of Energy Performance of Buildings;
- data related to the characteristics of the object of financing obtained in the course of the lending process for exposures to households and to corporate clients that have a “known use of proceeds” formula, i.e. the purpose for which the funds are to be used is known.

Our disclosures for 2023 as a credit institution are based on prudential consolidation. They are prepared in several ways:

- total financial assets as at the end of 2023 by type of client and financial instrument,
- credit financial guarantees granted to entities obliged to report non-financially as at the end of 2023,
- exposures to non-financial companies required to report non-financially as at the end of 2023, broken down by the sectors in which they operate,
- financial assets granted during 2023 by type of client and financial instrument at year-end.

In addition, each of these snapshots is presented in two approaches, based on revenue (turnover KPIs) and based on capital expenditure (capex KPIs).

It is worth noting that the taxonomy reporting framework is still not a closed catalogue, and the current rules leave a lot of room for interpretation, and market practice will systematically evolve.

Mandatory taxonomic disclosures

Financing of financial and non-financial entities

With regard to our corporate segment exposures, in a first step we identified those clients that are directly or indirectly through the parent shareholder subject to the obligation to publish non-financial information under Directive 2013/34/EU, as only these clients determine what proportion of their revenues (turnover), costs (operating expenses) and capital expenditures (capex) are related to the activities described in the Taxonomy (both eligible and aligned).

In a further step, we split the on-balance-sheet debt and equity exposures to these identified clients into those under a targeted funding formula (“known use of proceeds”) and those under a general funding formula (“unknown use of proceeds”).

For exposures under the general financing formula, the gross carrying amount multiplied by the relevant KPI (key indicator) reported by the respective client or its parent company in the 2022 report is recognised as activity eligible and aligned with the Taxonomy. For financial institutions, we only recognise eligibility, as their 2022 disclosures did not include data on alignment indicators. At the same time, we would like to point out that for non-financial companies, a breakdown of taxonomy- alignment KPIs by climate objective was available in the 2022 reports, while, no such breakdown was available for Taxonomy-eligible KPIs. Only the sum total for both objectives was available. In such a situation, we recognized eligibility for specific objectives based on the value for alignment (for a value to be aligned, it must first be eligible). Therefore, in our quantitative disclosures we may be dealing with a situation where the sum of the value eligible for individual climate objectives, separately for CCM and separately for CCA, is lower than the total value eligible for CCM+CCA.

Due to our cautious and conservative approach in recognising exposures to non-financial corporates granted under the special purpose financing formula, we have not recognised Taxonomy-eligible and Taxonomy-compliant assets from this, pending the formation of market practice in terms of documentation.

Household financing

With regard to our exposures to households, we analysed a portfolio of mortgage loans and a portfolio of cash loans that were taken out to buy a car or for building renovations.

Retail loans collateralised by residential real estate

For mortgage loans, in assessing their eligibility, based on the data at our disposal, we selected only those loans whose purpose was the purchase of real estate and the exercise of ownership of that real estate (activity 7.7 “Acquisition and ownership of buildings” indicated in annex I to the updated Delegated Regulation 2021/2139) and those loans whose purpose was the construction of a house or the purchase of a dwelling under construction (activity 7.1 “Construction of new buildings” indicated in annex I to the updated Delegated Regulation 2021/2139).

For loans eligible for activity 7.7, in the next step we assessed which loans make a substantial contribution to climate change mitigation on the basis of primary energy demand based on data from building energy performance certificates. For loans granted for residential real estate built by the end of 2020, we have assumed a threshold of 15% of the most efficient buildings in the country based on [estimates from the Ministry of Development and Technology](#), or 76.59 kWh/m². For loans granted for residential real estate built after 2020, we have assumed the level of the building standard for zero-emission buildings adjusted downwards by 10%, i.e. 63 kWh/m² for single-family houses and 58.5 kWh/m² for multi-family buildings.



For loans contributing significantly to climate change mitigation for activity 7.7, the final step of the analysis was to verify the principle of “do no significant harm” according to the technical screening criteria for this activity, i.e. to check whether the financed property is vulnerable to physical risk (acute or chronic) based on the address of the real estate. Only those exposures whose collateral was property not sensitive to high physical risk were considered to be Taxonomy-aligned.

Retail cash loans

In the case of cash loans for the purchase of a car (activity 6.5 indicated in annex I to the updated Delegated Regulation 2021/2139) or the building renovation (activity 7.3, 7.5 or 7.6 indicated in annex I to the updated Delegated Regulation 2021/2139), their eligibility is assessed on the basis of the proof provided to us by the customer (e.g. an invoice confirming the purchase), which amounts to at least 70% of the amount of the financing granted (and only this part is recognised as eligible). Due to our cautious and conservative approach in selecting financial assets as Taxonomy-aligned, we have not recognised “green” exposures from this, pending the formation of market practice in terms of documentation.

Financing of local authorities

As our business model is not based on financing public housing and the financing we provide to local authorities is not in the form of specialised lending, we have not taxonomically verified our exposure to local authorities.

Green asset indicator GAR

As a result of the revision, at the end of 2023 we have recognised PLN 42.8 billion of Taxonomy-eligible assets by turnover KPI and PLN 43.6 billion by capex KPI. From this pool, we have identified 460.4 million assets by turnover KPI and 526.9 million by capex KPI as environmentally sustainable. Retail loans secured by residential real estates are the main item in these values. Our GAR green asset ratio at the end of 2023 was 0.3%.

Summary of the GAR green asset indicator as of the end of 2023		
	Turnover KPI	Capex KPI
Taxonomy-eligible assets (PLN million)	42,848.6	43,577.9
Environmentally sustainable assets (PLN million)	460.4	526.9
Green asset ratio GAR (%)	0.25%	0.29%

The quantitative information required of credit institutions by annex VI of the updated Regulation 2021/2178 can be found [here](#).

Exposures eligible for four environmental objectives (other than climate objectives)

As part of financial institutions’ transitional reporting for the four environmental objectives, other than the climate objectives, banks are required to disclose the proportion of total assets of exposures to Taxonomy-eligible and Taxonomy non-eligible economic activities for the 4 objectives in their 2023 reporting. On the pool of corporate entities identified as having non-financial reporting obligations, we made such an estimate based on their main Polish Classification of Activities/NACE code. As at the end of 2023, the share of activities eligible for the four environmental objectives in assets covered by the green asset ratio amounted to 0.51% according to the turnover KPI and 0.43% according to the capex KPI. On the other hand, the share of non-eligible activities amounted to 4.65% by turnover KPI and 4.73% by capex KPI. When calculating the above eligibility indicators, we only take into account the part of the gross carrying amount that is not included in the eligibility for the two climate objectives.

Share of eligible and non-eligible activities for four environmental objectives other than climate objectives		
	Turnover KPI	Capex KPI
Eligible activity		
As % of assets covered by the green asset ratio	0.51%	0.43%
As % of total assets*	0.37%	0.31%
Non-eligible activity		
As % of assets covered by the green asset ratio	4.65%	4.73%
As % of total assets*	3.38%	3.44%

*Total gross assets.

Financing related to nuclear energy and fossil gas

Among the identified non-financial entities required to publish non-financial reports, we selected clients who disclosed in their 2022 reports that they have Taxonomy-eligible activities related to fossil gas, none of these clients reported any Taxonomy-aligned or Taxonomy non-eligible values for fossil gas. In addition, on the same group of entities, we do not identify companies with Taxonomy-eligible or Taxonomy non-eligible activities related to nuclear energy.



Template 1: Nuclear energy and fossil gas activities

		Turnover KPI	Capex KPI
Nuclear energy related activities			
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	NO	NO
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	NO	NO
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	NO	NO
Fossil gas related activities			
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	YES	YES
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	YES	YES
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	YES	YES

Other quantitative information required by annex XII of the updated Regulation 2021/2178, can be found [here](#). We deviate from the publication of Templates 2, 3 and 5 in relation to stock and Templates 1-5 in relation to flow and for off-balance-sheet exposures as in these cases our gross carrying value associated with fossil gas and nuclear energy is not material.

Trading portfolio

ING Bank Śląski’s trading portfolio at year-end 2023 was in line with its product mandate and consisted of interest rate derivatives, FX derivatives, FX spot and Polish and Czech government bonds. We note that, relative to the 2022 year-end figures, the portfolio of IRS transactions hedging loans that were granted to finance investments related to sustainability support has increased. The portfolio characteristics did not deviate significantly from the average risk exposure during the year.



Figures regarding Taxonomy

The tables below present exposures at gross carrying amount in the banking book of the ING Bank Śląski S.A. Group, in line with prudential consolidation, as of 31 December 2023.

Summary

Summary of key performance indicators under Article 8 the EUT (PLN million)							
Main KPI	Total environmentally sustainable assets based on turnover KPI	Total environmentally sustainable assets based on capex KPI	based on turnover KPI	based on capex KPI	% coverage in Total assets	% of assets excluded from the numerator of the GAR over total assets**	% of assets excluded from the denominator of the GAR over total assets***
Green asset ratio GAR stock	460.4	526.9	0.3%	0.3%	72.7%	38.4%	27.3%
Additional KPI	Total environmentally sustainable assets based on turnover KPI	Total environmentally sustainable assets based on capex KPI	based on turnover KPI	based on capex KPI	% coverage in Total assets	% of assets excluded from the numerator of the GAR over total assets**	% of assets excluded from the denominator of the GAR over total assets***
Green asset ratio (GAR) flow	144.7	180.3	0.3%	0.3%	79.8%	51.0%	20.2%
Trading book*							
Financial guarantees	0.5	4.0	4.7%	34.9%			
Assets under management	0.0	0.0	0.0%	0.0%			
Fees and commissions income*							

*Not reported for 2023 (not mandatory); ** Article 7(2) and (3) and Section 1.1.2 of annex V of the act delegated to Article 8 of the EUT; *** Article 7(1) and Section 1.2.4 of annex V of the act delegated to Article 8 of the EUT.



Turnover KPI

1.Assets for the calculation of GAR - turnover KPI (PLN million, 1/2)

		Total gross carrying amount	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					
			of which towards taxonomy relevant sectors (Taxonomy-eligible)				of which towards taxonomy relevant sectors (Taxonomy-eligible)				of which towards taxonomy relevant sectors (Taxonomy-eligible)					
			of which environmentally sustainable (Taxonomy-aligned)				of which environmentally sustainable (Taxonomy-aligned)				of which environmentally sustainable (Taxonomy-aligned)					
				of which KUoP	of which transitional	of which enabling			of which KUoP	of which enabling			of which KUoP	of which transitional	of which enabling	
GAR - Covered assets in both numerator and denominator		85,397.1	42,093.1	456.7	281.2	11.8	155.0	3.7	3.7	0.0	2.9	42,848.6	460.4	281.2	11.8	157.9
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	85,397.1	42,093.1	456.7	281.2	11.8	155.0	3.7	3.7	0.0	2.9	42,848.6	460.4	281.2	11.8	157.9
2	Financial undertakings	2,293.2	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	230.0	0.1	0.0	0.0	0.0
3	Credit institutions	365.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	72.7	0.0	0.0	0.0	0.0
4	Loans and advances	365.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	72.7	0.0	0.0	0.0	0.0
5	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
7	Other financial corporations	1,927.4	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.0	0.0	157.3	0.1	0.0	0.0	0.0
8	of which investment firms	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
12	of which management companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
16	of which insurance undertakings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
20	Non-financial undertakings	7,033.3	175.5	175.5	0.0	11.8	155.0	3.6	3.6	0.0	2.9	702.5	179.1	0.0	11.8	157.9
21	Loans and advances	6,963.3	173.1	173.1	0.0	11.8	155.0	3.6	3.6	0.0	2.9	700.2	176.7	0.0	11.8	157.9
22	Debt securities, including KUoP	70.1	2.4	2.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.4	2.4	0.0	0.0	0.0
23	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
24	Households	76,070.7	41,917.6	281.2	281.2	0.0	0.0	0.0	0.0	0.0	0.0	41,916.0	281.2	281.2	0.0	0.0
25	of which loans collateralised by residential immovable property	55,373.7	41,916.6	281.2	281.2	0.0	0.0	0.0	0.0	0.0	0.0	41,915.1	281.2	281.2	0.0	0.0
26	of which building renovation loans	1.2	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.0	0.0	0.0
27	of which motor vehicle loans	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
28	Local governments financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
29	Housing financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30	Other local government financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



1.Assets for the calculation of GAR - turnover KPI (PLN million, 2/2)

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)			TOTAL (CCM + CCA)					
		of which towards taxonomy relevant sectors (Taxonomy-eligible)					of which towards taxonomy relevant sectors (Taxonomy-eligible)			of which towards taxonomy relevant sectors (Taxonomy-eligible)					
		of which environmentally sustainable (Taxonomy-aligned)					of which environmentally sustainable (Taxonomy-aligned)			of which environmentally sustainable (Taxonomy-aligned)					
			of which KUoP	of which transitional	of which enabling		of which KUoP	of which enabling		of which KUoP	of which transitional	of which enabling		of which KUoP	of which enabling
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)	95,572.7													
33	Financial and Non-financial undertakings	91,425.2													
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations	89,631.5													
35	Loans and advances	86,937.8													
36	of which loans collateralised by commercial immovable	26,138.7													
37	of which building renovation loans	0.0													
38	Debt securities	2,458.2													
39	Equity instruments	235.4													
40	Non-EU country counterparties not subject to NFRD disclosure obligations	1,793.8													
41	Loans and advances	1,793.8													
42	Debt securities	0.0													
43	Equity instruments	0.0													
44	Derivatives	208.4													
45	On demand interbank loans	217.8													
46	Cash and cash-related assets	782.4													
47	Other categories of assets (e.g. goodwill, commodities etc.)	2,938.9													
48	Total GAR assets	180,969.8													
49	Assets not covered for GAR calculation	67,945.8													
50	Central governments and Supranational issuers	55,279.4													
51	Central banks exposure	10,266.3													
52	Trading book	2,400.0													
53	Total Assets	248,915.6													
	Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations	11.4	0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.0	0.4	0.9	0.5	0.0	0.4
54	Financial guarantees	11.4	0.0	0.0	0.0	0.0	0.0	0.5	0.5	0.0	0.4	0.9	0.5	0.0	0.4
55	Assets under management	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
56	Of which debt securities	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
57	Of which equity instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



2. GAR sector information - Non-financial corporates (Subject to NFRD) - turnover KPI (PLN million, 1/2)

Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		TOTAL (CCM + CCA)	
		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Total	Of which environmentally sustainable (CCM)	Total	Of which environmentally sustainable (CCA)	Total	Of which environmentally sustainable (CCM+CCA)
1	B9.10 - Support activities for petroleum and fossil gas extraction	0.1	0.0	0.1	0.0	0.1	0.0
2	C16.10 - Sawmilling and planing of wood	1.0	0.0	1.0	0.0	1.0	0.0
3	C17.11 - Manufacture of pulp	47.5	3.1	47.5	0.0	47.5	3.1
4	C17.22 - Manufacture of household and sanitary goods and of toilet requisites	1.4	0.0	1.4	0.0	1.4	0.0
5	C20.14 - Manufacture of other organic basic chemicals	72.3	0.6	72.3	0.0	72.3	0.6
6	C20.15 - Manufacture of fertilisers and nitrogen compounds	884.6	0.0	884.6	0.0	884.6	0.0
7	C21.10 - Manufacture of basic pharmaceutical products	6.1	0.0	6.1	0.0	6.1	0.0
8	C22.11 - Manufacture of rubber tires and tubes; retreading and rebuilding of rubber tires	0.6	0.0	0.6	0.0	0.6	0.0
9	C22.21 - Manufacture of plastic plates, sheets, tubes and profiles	0.0	0.0	0.0	0.0	0.0	0.0
10	C22.22 - Manufacture of plastic packing goods	27.5	0.0	27.5	0.0	27.5	0.0
11	C22.29 - Manufacture of other plastic products	93.2	0.0	93.2	0.0	93.2	0.0
12	C23.99 - Manufacture of other non-metallic mineral products n.e.c.	0.0	0.0	0.0	0.0	0.0	0.0
13	C24.10 - Manufacture of basic iron and steel and of ferro-alloys	0.5	0.0	0.5	0.0	0.5	0.0
14	C24.20 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0.1	0.0	0.1	0.0	0.1	0.0
15	C24.42 - Aluminum production	73.0	13.2	73.0	0.0	73.0	13.2
16	C24.51 - Casting of iron	0.0	0.0	0.0	0.0	0.0	0.0
17	C25.12 - Manufacture of doors and windows of metal	79.4	21.5	79.4	0.0	79.4	21.5
18	C25.29 - Manufacture of other tanks, reservoirs and containers of metal	2.7	0.0	2.7	0.0	2.7	0.0
19	C25.50 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	44.9	0.0	44.9	0.0	44.9	0.0
20	C25.61 - Treatment and coating of metals	13.7	0.0	13.7	0.0	13.7	0.0
21	C25.71 - Manufacture of cutlery	11.5	0.0	11.5	0.0	11.5	0.0
22	C25.99 - Manufacture of other fabricated metal products n.e.c.	15.2	0.0	15.2	0.0	15.2	0.0
23	C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	115.8	42.8	115.8	0.0	115.8	42.8
24	C27.12 - Manufacture of electricity distribution and control apparatus	16.2	0.2	16.2	0.0	16.2	0.2
25	C27.90 - Manufacture of other electrical equipment	500.2	0.0	500.2	0.0	500.2	0.0
26	C28.14 - Manufacture of other taps and valves	0.4	0.0	0.4	0.0	0.4	0.0
27	C28.92 - Manufacture of machinery for mining, quarrying and construction	22.6	0.0	22.6	0.0	22.6	0.0
28	C30.20 - Manufacture of railway locomotives and rolling stock	73.2	63.5	73.2	0.0	73.2	63.5
29	D35.11 - Production of electricity	92.8	0.6	92.8	0.0	92.8	0.6
30	E38.31 - Dismantling of wrecks	0.0	0.0	0.0	0.0	0.0	0.0
31	F41.20 - Construction of residential and non-residential buildings	33.6	4.0	33.6	2.1	33.6	6.1
32	F42.13 - Construction of bridges and tunnels	2.6	0.0	2.6	0.0	2.6	0.0
33	F42.99 - Construction of other civil engineering projects n.e.c.	59.5	1.5	59.5	0.5	59.5	2.0



2. GAR sector information - Non-financial corporates (Subject to NFRD) - turnover KPI (PLN million, 2/2)

Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		TOTAL (CCM + CCA)	
		Gross carrying amount		Gross carrying amount		Gross carrying amount	
		Total	Of which environmentally sustainable (CCM)	Total	Of which environmentally sustainable (CCA)	Total	Of which environmentally sustainable (CCM)
34	F43.22 - Plumbing, heat and air-conditioning installation	6.3	0.5	6.3	0.8	6.3	1.3
35	F43.29 - Other construction installation	0.2	0.0	0.2	0.0	0.2	0.0
36	G46.19 - Agents involved in the sale of a variety of goods	5.0	0.0	5.0	0.0	5.0	0.0
37	G46.21 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	0.1	0.0	0.1	0.0	0.1	0.0
38	G46.42 - Wholesale of clothing and footwear	0.0	0.0	0.0	0.0	0.0	0.0
39	G46.46 - Wholesale of pharmaceutical goods	59.5	0.0	59.5	0.0	59.5	0.0
40	G46.49 - Wholesale of other household goods	45.5	0.0	45.5	0.0	45.5	0.0
41	G46.52 - Wholesale of electronic and telecommunications equipment and parts	0.0	0.0	0.0	0.0	0.0	0.0
42	G46.75 - Wholesale of chemical products	0.0	0.0	0.0	0.0	0.0	0.0
43	G47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	551.4	0.2	551.4	0.2	551.4	0.4
44	G47.19 - Other retail sale in non-specialised stores	0.0	0.0	0.0	0.0	0.0	0.0
45	G47.43 - Retail sale of audio and video equipment in specialised stores	0.3	0.0	0.3	0.0	0.3	0.0
46	G47.76 - Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	0.0	0.0	0.0	0.0	0.0	0.0
47	G47.91 - Retail sale via mail order houses or via Internet	0.1	0.0	0.1	0.0	0.1	0.0
48	H49.20 - Freight rail transport	230.7	0.0	230.7	0.0	230.7	0.0
49	H49.41 - Freight transport by road	48.0	0.0	48.0	0.0	48.0	0.0
50	H52.21 - Service activities incidental to land transportation	0.2	0.0	0.2	0.0	0.2	0.0
51	J59.11 - Motion picture, video and television programme production activities	0.0	0.0	0.0	0.0	0.0	0.0
52	J61.10 - Wired telecommunications activities	595.9	0.0	595.9	0.0	595.9	0.0
53	J61.20 - Wireless telecommunications activities	595.6	7.7	595.6	0.0	595.6	7.7
54	J61.90 - Other telecommunications activities	219.6	2.9	219.6	0.0	219.6	2.9
55	J62.01 - Computer programming activities	10.6	2.8	10.6	0.0	10.6	2.8
56	J62.02 - Computer consultancy activities	0.2	0.1	0.2	0.0	0.2	0.1
57	J62.09 - Other information technology and computer service activities	80.8	0.0	80.8	0.0	80.8	0.0
58	L68.20 - Renting and operating of own or leased real estate	139.2	0.0	139.2	0.0	139.2	0.0
59	L68.31 - Real estate agencies	0.0	0.0	0.0	0.0	0.0	0.0
60	M71.11 - Architectural activities	0.0	0.0	0.0	0.0	0.0	0.0
61	M71.12 - Engineering activities and related technical consultancy	0.5	0.0	0.5	0.0	0.5	0.0
62	M71.20 - Technical testing and analysis	1.2	0.0	1.2	0.0	1.2	0.0
63	N77.11 - Renting and leasing of cars and light motor vehicles	35.6	0.0	35.6	0.0	35.6	0.0
64	N77.40 - Leasing of intellectual property and similar products, except copyrighted works	15.2	0.0	15.2	0.0	15.2	0.0
65	S95.22 - Repair of household appliances and home and garden equipment	0.2	0.0	0.2	0.0	0.2	0.0

The table above presents only taxonomy relevant sectors according to NACE codes, where the gross carrying amount has non-zero values.



3. GAR KPI stock – turnover KPI

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					Proportion of covered assets in Total assets
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			of which KUoP	of which transitional	of which enabling		of which KUoP	of which enabling		of which KUoP	of which transitional	of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	49.3%	0.5%	0.3%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	50.2%	0.5%	0.3%	0.0%	0.2%	34.3%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	10.0%	0.0%	0.0%	0.0%	0.0%	0.9%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	19.9%	0.0%	0.0%	0.0%	0.0%	0.1%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	19.9%	0.0%	0.0%	0.0%	0.0%	0.1%
5	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
7	Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	8.2%	0.0%	0.0%	0.0%	0.0%	0.8%
8	of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
12	of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
16	of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.1%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.1%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
20	Non-financial undertakings	2.5%	2.5%	0.0%	0.2%	2.2%	0.1%	0.1%	0.0%	0.0%	10.0%	2.5%	0.0%	0.2%	2.2%	2.8%
21	Loans and advances	2.5%	2.5%	0.0%	0.2%	2.2%	0.1%	0.1%	0.0%	0.0%	10.1%	2.5%	0.0%	0.2%	2.3%	2.8%
22	Debt securities, including KUoP	3.4%	3.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	3.4%	3.4%	0.0%	0.0%	0.0%	0.0%
23	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
24	Households	55.1%	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	55.1%	0.4%	0.4%	0.0%	0.0%	30.6%
25	of which loans collateralised by residential immovable property	75.7%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	75.7%	0.5%	0.5%	0.0%	0.0%	22.2%
26	of which building renovation loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27	of which motor vehicle loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
28	Local governments financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
29	Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
32	Total GAR assets	23.3%	0.3%	0.2%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	23.7%	0.3%	0.2%	0.0%	0.1%	72.7%



4. GAR KPI flow - turnover KPI

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					Proportion of new covered assets in Total assets
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			of which KUoP	of which transitional	of which enabling		of which KUoP	of which enabling		of which KUoP	of which transitional	of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	21.8%	0.8%	0.5%	0.0%	0.2%	0.0%	0.0%	0.0%	0.0%	24.2%	0.8%	0.5%	0.0%	0.2%	28.8%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.9%	0.0%	0.0%	0.0%	0.0%	1.2%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	19.9%	0.0%	0.0%	0.0%	0.0%	0.5%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	19.9%	0.0%	0.0%	0.0%	0.0%	0.5%
5	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
7	Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	16.5%	0.0%	0.0%	0.0%	0.0%	0.7%
8	of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
12	of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
16	of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
20	Non-financial undertakings	1.2%	1.2%	0.0%	0.1%	1.1%	0.1%	0.1%	0.0%	0.1%	10.1%	1.1%	0.0%	0.1%	1.1%	5.6%
21	Loans and advances	1.2%	1.2%	0.0%	0.1%	1.1%	0.1%	0.1%	0.0%	0.1%	10.1%	1.1%	0.0%	0.1%	1.1%	5.6%
22	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
24	Households	28.2%	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	28.2%	0.7%	0.7%	0.0%	0.0%	22.0%
25	of which loans collateralised by residential immovable property	53.2%	1.3%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	49.4%	1.3%	1.3%	0.0%	0.0%	11.6%
26	of which building renovation loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27	of which motor vehicle loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
28	Local governments financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
29	Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
32	Total GAR assets	7.8%	0.3%	0.2%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	8.7%	0.3%	0.2%	0.0%	0.1%	79.8%



5. KPI off-balance sheet exposures – turnover KPI

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			of which KUoP	of which transitional	of which enabling			of which KUoP	of which enabling			of which KUoP	of which transitional	of which enabling
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	4.7%	4.7%	0.0%	3.3%	7.6%	4.7%	0.0%	0.0%	3.3%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

We are departing from the publication of data in relation to the key performance indicator on financial guarantees in relation to flow due to the fact that we have not provided credit guarantees in 2023 to any client that we have identified as having non-financial reporting obligations.



Capex KPI

1.Assets for the calculation of GAR - capex KPI (PLN million, 1/2)

		Total gross carrying amount	Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					
			of which towards taxonomy relevant sectors (Taxonomy-eligible)				of which towards taxonomy relevant sectors (Taxonomy-eligible)				of which towards taxonomy relevant sectors (Taxonomy-eligible)					
			of which environmentally sustainable (Taxonomy-aligned)				of which environmentally sustainable (Taxonomy-aligned) (Taxonomy-aligned)				of which environmentally sustainable (Taxonomy-aligned)					
				of which KUoP	of which transitional	of which enabling			of which KUoP	of which enabling			of which KUoP	of which transitional	of which enabling	
GAR - Covered assets in both numerator and denominator		85,397.1	42,118.9	482.4	281.2	13.5	123.7	22.4	22.4	0.0	4.2	43,577.9	526.9	281.2	13.5	127.9
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	85,397.1	42,118.9	482.4	281.2	13.5	123.7	22.4	22.4	0.0	4.2	43,577.9	526.9	281.2	13.5	127.9
2	Financial undertakings	2,293.2	0.1	0.1	0.0	0.0	0.0	1.3	1.3	0.0	0.2	126.7	1.5	0.0	0.0	0.2
3	Credit institutions	365.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	66.7	0.0	0.0	0.0	0.0
4	Loans and advances	365.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	66.7	0.0	0.0	0.0	0.0
5	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
6	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
7	Other financial corporations	1,927.4	0.1	0.1	0.0	0.0	0.0	1.3	1.3	0.0	0.2	60.0	1.5	0.0	0.0	0.2
8	of which investment firms	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
9	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
10	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
11	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
12	of which management companies	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
13	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
14	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
15	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
16	of which insurance undertakings	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
17	Loans and advances	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
18	Debt securities, including KUoP	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
19	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
20	Non-financial undertakings	7,033.3	201.2	201.1	0.0	13.5	123.7	21.1	21.1	0.0	4.0	1,535.1	244.2	0.0	13.5	127.7
21	Loans and advances	6,963.3	200.6	200.4	0.0	13.5	123.7	21.1	21.1	0.0	4.0	1,534.5	243.6	0.0	13.5	127.7
22	Debt securities, including KUoP	70.1	0.6	0.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.6	0.6	0.0	0.0	0.0
23	Equity instruments	0.0	0.0	0.0		0.0	0.0	0.0	0.0		0.0	0.0	0.0		0.0	0.0
24	Households	76,070.7	41,917.6	281.2	281.2	0.0	0.0	0.0	0.0	0.0	0.0	41,916.0	281.2	281.2	0.0	0.0
25	of which loans collateralised by residential immovable property	55,373.7	41,916.6	281.2	281.2	0.0	0.0	0.0	0.0	0.0	0.0	41,915.1	281.2	281.2	0.0	0.0
26	of which building renovation loans	1.2	0.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.0	0.0	0.0	0.0
27	of which motor vehicle loans	0.2	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.0	0.0	0.0	0.0
28	Local governments financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
29	Housing financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
30	Other local government financing	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



1.Assets for the calculation of GAR - capex KPI (PLN million, 2/2)

			Climate Change Mitigation (CCM)				Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)							
			of which towards taxonomy relevant sectors (Taxonomy-eligible)				of which towards taxonomy relevant sectors (Taxonomy-eligible)				of which towards taxonomy relevant sectors (Taxonomy-eligible)							
			of which environmentally sustainable (Taxonomy-aligned)				of which environmentally sustainable (Taxonomy-aligned)				of which environmentally sustainable (Taxonomy-aligned)							
			of which KUoP			of which transitional	of which enabling	of which KUoP			of which transitional	of which enabling	of which KUoP	of which transitional	of which enabling			
32	Assets excluded from the numerator for GAR calculation (covered in the denominator)		95,572.7															
33	Financial and Non-financial undertakings		91,425.2															
34	SMEs and NFCs (other than SMEs) not subject to NFRD disclosure obligations		89,631.5															
35	Loans and advances		86,937.8															
36	of which loans collateralised by commercial immovable		26,138.7															
37	of which building renovation loans		0.0															
38	Debt securities		2,458.2															
39	Equity instruments		235.4															
40	Non-EU country counterparties not subject to NFRD disclosure obligations		1,793.8															
41	Loans and advances		1,793.8															
42	Debt securities		0.0															
43	Equity instruments		0.0															
44	Derivatives		208.4															
45	On demand interbank loans		217.8															
46	Cash and cash-related assets		782.4															
47	Other categories of assets (e.g. goodwill, commodities etc.)		2,938.9															
48	Total GAR assets		180,969.8															
49	Assets not covered for GAR calculation		67,945.8															
50	Central governments and Supranational issuers		55,279.4															
51	Central banks exposure		10,266.3															
52	Trading book		2,400.0															
53	Total Assets		248,915.6															
Off-balance sheet exposures - Undertakings subject to NFRD disclosure obligations			11.4		0.0	0.0	0.0	0.0	0.0	1.2	1.2	0.0	0.4	7.1	4.0	0.0	0.0	0.4
54	Financial guarantees		11.4		0.0	0.0	0.0	0.0	0.0	1.2	1.2	0.0	0.4	7.1	4.0	0.0	0.0	0.4
55	Assets under management		0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
56	Of which debt securities		0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
57	Of which equity instruments		0.0		0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0



2. GAR sector information - Non-financial corporates (Subject to NFRD) - capex KPI (PLN million, 1/2)

Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		TOTAL (CCM + CCA)	
		Gross carrying amount					
		Total	Of which environmentally	Total	Total	Of which environmental	Total
1	B9.10 - Support activities for petroleum and fossil gas extraction	0.1	0.0	0.1	0.0	0.1	0.0
2	C16.10 - Sawmilling and planing of wood	1.0	0.0	1.0	0.0	1.0	0.0
3	C17.11 - Manufacture of pulp	47.5	2.7	47.5	0.0	47.5	2.7
4	C17.22 - Manufacture of household and sanitary goods and of toilet requisites	1.4	0.0	1.4	0.0	1.4	0.0
5	C20.14 - Manufacture of other organic basic chemicals	72.3	3.8	72.3	0.0	72.3	3.8
6	C20.15 - Manufacture of fertilisers and nitrogen compounds	884.6	9.3	884.6	16.4	884.6	25.7
7	C21.10 - Manufacture of basic pharmaceutical products	7.6	0.2	7.6	0.0	7.6	0.2
8	C22.11 - Manufacture of rubber tires and tubes; retreading and rebuilding of rubber tires	23.3	0.3	23.3	0.0	23.3	0.3
9	C22.21 - Manufacture of plastic plates, sheets, tubes and profiles	6.1	0.1	6.1	0.0	6.1	0.1
10	C22.22 - Manufacture of plastic packing goods	0.6	0.0	0.6	0.0	0.6	0.0
11	C22.29 - Manufacture of other plastic products	0.0	0.0	0.0	0.0	0.0	0.0
12	C23.99 - Manufacture of other non-metallic mineral products n.e.c.	27.5	2.8	27.5	0.0	27.5	2.8
13	C24.10 - Manufacture of basic iron and steel and of ferro-alloys	93.2	0.0	93.2	0.0	93.2	0.0
14	C24.20 - Manufacture of tubes, pipes, hollow profiles and related fittings, of steel	0.0	0.0	0.0	0.0	0.0	0.0
15	C24.42 - Aluminum production	0.1	0.0	0.1	0.0	0.1	0.0
16	C24.51 - Casting of iron	0.0	0.0	0.0	0.0	0.0	0.0
17	C25.12 - Manufacture of doors and windows of metal	79.4	15.0	79.4	0.0	79.4	15.0
18	C25.29 - Manufacture of other tanks, reservoirs and containers of metal	2.7	0.0	2.7	0.0	2.7	0.0
19	C25.50 - Forging, pressing, stamping and roll-forming of metal; powder metallurgy	44.9	0.0	44.9	0.0	44.9	0.0
20	C25.61 - Treatment and coating of metals	13.7	0.0	13.7	0.0	13.7	0.0
21	C25.71 - Manufacture of cutlery	11.5	0.0	11.5	0.0	11.5	0.0
22	C25.99 - Manufacture of other fabricated metal products n.e.c.	15.2	0.0	15.2	0.0	15.2	0.0
23	C26.51 - Manufacture of instruments and appliances for measuring, testing and navigation	115.8	41.7	115.8	0.0	115.8	41.7
24	C27.12 - Manufacture of electricity distribution and control apparatus	16.2	0.8	16.2	0.0	16.2	0.8
25	C27.90 - Manufacture of other electrical equipment	500.2	0.0	500.2	0.0	500.2	0.0
26	C28.14 - Manufacture of other taps and valves	0.4	0.0	0.4	0.0	0.4	0.0
27	C28.92 - Manufacture of machinery for mining, quarrying and construction	22.6	0.0	22.6	0.0	22.6	0.0
28	C30.20 - Manufacture of railway locomotives and rolling stock	73.2	49.6	73.2	3.7	73.2	53.3
29	D35.11 - Production of electricity	92.8	3.8	92.8	0.0	92.8	3.8
30	E38.31 - Dismantling of wrecks	0.0	0.0	0.0	0.0	0.0	0.0
31	F41.20 - Construction of residential and non-residential buildings	33.6	0.2	33.6	0.0	33.6	0.2
32	F42.13 - Construction of bridges and tunnels	2.6	0.0	2.6	0.0	2.6	0.0
33	F42.99 - Construction of other civil engineering projects n.e.c.	59.5	0.0	59.5	0.1	59.5	0.1



2. GAR sector information - Non-financial corporates (Subject to NFRD) - capex KPI (PLN million, 2/2)

Breakdown by sector - NACE 4 digits level (code and label)		Climate Change Mitigation (CCM)		Climate Change Adaptation (CCA)		TOTAL (CCM + CCA)	
		Gross carrying amount					
		Total	Of which environmentally	Total	Total	Of which environmental	Total
34	F43.22 - Plumbing, heat and air-conditioning installation	6.3	0.6	6.3	0.5	6.3	1.2
35	F43.29 - Other construction installation	0.2	0.0	0.2	0.0	0.2	0.0
36	G46.19 - Agents involved in the sale of a variety of goods	5.0	0.0	5.0	0.0	5.0	0.0
37	G46.21 - Wholesale of grain, unmanufactured tobacco, seeds and animal feeds	0.1	0.0	0.1	0.0	0.1	0.0
38	G46.42 - Wholesale of clothing and footwear	0.0	0.0	0.0	0.0	0.0	0.0
39	G46.46 - Wholesale of pharmaceutical goods	59.5	0.2	59.5	0.0	59.5	0.2
40	G46.49 - Wholesale of other household goods	45.5	0.0	45.5	0.0	45.5	0.0
41	G46.52 - Wholesale of electronic and telecommunications equipment and parts	0.0	0.0	0.0	0.0	0.0	0.0
42	G46.75 - Wholesale of chemical products	0.0	0.0	0.0	0.0	0.0	0.0
43	G47.11 - Retail sale in non-specialised stores with food, beverages or tobacco predominating	551.4	0.3	551.4	0.3	551.4	0.6
44	G47.19 - Other retail sale in non-specialised stores	0.0	0.0	0.0	0.0	0.0	0.0
45	G47.43 - Retail sale of audio and video equipment in specialised stores	0.3	0.0	0.3	0.0	0.3	0.0
46	G47.76 - Retail sale of flowers, plants, seeds, fertilisers, pet animals and pet food in specialised stores	0.0	0.0	0.0	0.0	0.0	0.0
47	G47.91 - Retail sale via mail order houses or via Internet	0.1	0.0	0.1	0.0	0.1	0.0
48	H49.20 - Freight rail transport	230.7	0.0	230.7	0.0	230.7	0.0
49	H49.41 - Freight transport by road	48.0	0.0	48.0	0.0	48.0	0.0
50	H52.21 - Service activities incidental to land transportation	0.2	0.0	0.2	0.0	0.2	0.0
51	J59.11 - Motion picture, video and television programme production activities	0.0	0.0	0.0	0.0	0.0	0.0
52	J61.10 - Wired telecommunications activities	595.9	0.0	595.9	0.0	595.9	0.0
53	J61.20 - Wireless telecommunications activities	595.6	5.5	595.6	0.0	595.6	5.5
54	J61.90 - Other telecommunications activities	219.6	2.0	219.6	0.0	219.6	2.0
55	J62.01 - Computer programming activities	10.6	2.7	10.6	0.0	10.6	2.7
56	J62.02 - Computer consultancy activities	0.2	0.1	0.2	0.0	0.2	0.1
57	J62.09 - Other information technology and computer service activities	80.8	0.0	80.8	0.0	80.8	0.0
58	L68.20 - Renting and operating of own or leased real estate	139.2	0.0	139.2	0.0	139.2	0.0
59	L68.31 - Real estate agencies	0.0	0.0	0.0	0.0	0.0	0.0
60	M71.11 - Architectural activities	0.0	0.0	0.0	0.0	0.0	0.0
61	M71.12 - Engineering activities and related technical consultancy	0.5	0.0	0.5	0.0	0.5	0.0
62	M71.20 - Technical testing and analysis	1.2	0.0	1.2	0.0	1.2	0.0
63	N77.11 - Renting and leasing of cars and light motor vehicles	35.6	0.0	35.6	0.0	35.6	0.0
64	N77.40 - Leasing of intellectual property and similar products, except copyrighted works	15.2	0.0	15.2	0.0	15.2	0.0
65	S95.22 - Repair of household appliances and home and garden equipment	0.2	0.0	0.2	0.0	0.2	0.0

The table above presents only taxonomy relevant sectors according to NACE codes, where the gross carrying amount has non-zero values.



3. GAR KPI stock – capex KPI

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					Proportion of covered assets in Total assets
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			of which KUoP	of which transitional	of which enabling		of which KUoP	of which enabling		of which KUoP	of which transitional	of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HFT eligible for GAR calculation	49.3%	0.6%	0.3%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	51.0%	0.6%	0.3%	0.0%	0.1%	34.3%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	5.5%	0.1%	0.0%	0.0%	0.0%	0.9%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.2%	0.0%	0.0%	0.0%	0.0%	0.1%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.2%	0.0%	0.0%	0.0%	0.0%	0.1%
5	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
7	Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%	0.1%	0.1%	0.0%	0.0%	3.1%	0.1%	0.0%	0.0%	0.0%	0.8%
8	of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
12	of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
16	of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.8%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	17.8%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
20	Non-financial undertakings	2.9%	2.9%	0.0%	0.2%	1.8%	0.3%	0.3%	0.0%	0.1%	21.8%	3.5%	0.0%	0.2%	1.8%	2.8%
21	Loans and advances	2.9%	2.9%	0.0%	0.2%	1.8%	0.3%	0.3%	0.0%	0.1%	22.0%	3.5%	0.0%	0.2%	1.8%	2.8%
22	Debt securities, including KUoP	0.9%	0.9%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.9%	0.9%	0.0%	0.0%	0.0%	0.0%
23	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
24	Households	55.1%	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	55.1%	0.4%	0.4%	0.0%	0.0%	30.6%
25	of which loans collateralised by residential immovable property	75.7%	0.5%	0.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	75.7%	0.5%	0.5%	0.0%	0.0%	22.2%
26	of which building renovation loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27	of which motor vehicle loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
28	Local governments financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
29	Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
32	Total GAR assets	23.3%	0.3%	0.2%	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	24.1%	0.3%	0.2%	0.0%	0.1%	72.7%



4. GAR KPI flow – capex KPI

		Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)					Proportion of new covered assets in Total assets
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					
		Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					
			of which KUoP	of which transitional	of which enabling		of which KUoP	of which enabling		of which KUoP	of which transitional	of which enabling				
GAR - Covered assets in both numerator and denominator																
1	Loans and advances, debt securities and equity instruments not HfT eligible for GAR calculation	21.8%	0.8%	0.5%	0.0%	0.1%	0.1%	0.1%	0.0%	0.0%	25.9%	0.9%	0.5%	0.0%	0.1%	28.8%
2	Financial undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	11.0%	0.0%	0.0%	0.0%	0.0%	1.2%
3	Credit institutions	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.6%	0.0%	0.0%	0.0%	0.0%	0.5%
4	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	18.6%	0.0%	0.0%	0.0%	0.0%	0.5%
5	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
6	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
7	Other financial corporations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	5.6%	0.0%	0.0%	0.0%	0.0%	0.7%
8	of which investment firms	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
9	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
10	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
11	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
12	of which management companies	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
13	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
14	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
15	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
16	of which insurance undertakings	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
17	Loans and advances	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
18	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
19	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
20	Non-financial undertakings	1.5%	1.5%	0.0%	0.2%	0.5%	0.4%	0.4%	0.0%	0.0%	20.4%	2.1%	0.0%	0.2%	0.5%	5.6%
21	Loans and advances	1.5%	1.5%	0.0%	0.2%	0.5%	0.4%	0.4%	0.0%	0.0%	20.4%	2.1%	0.0%	0.2%	0.5%	5.6%
22	Debt securities, including KUoP	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
23	Equity instruments	0.0%	0.0%		0.0%	0.0%	0.0%	0.0%		0.0%	0.0%	0.0%		0.0%	0.0%	0.0%
24	Households	28.2%	0.7%	0.7%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	28.2%	0.7%	0.7%	0.0%	0.0%	22.0%
25	of which loans collateralised by residential immovable property	53.2%	1.3%	1.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	53.2%	1.3%	1.3%	0.0%	0.0%	11.6%
26	of which building renovation loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
27	of which motor vehicle loans	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	70.0%	0.0%	0.0%	0.0%	0.0%	0.0%
28	Local governments financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
29	Housing financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
30	Other local government financing	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
31	Collateral obtained by taking possession: residential and commercial immovable properties	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
32	Total GAR assets	7.9%	0.3%	0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	9.3%	0.3%	0.2%	0.0%	0.0%	79.8%



5. KPI off-balance sheet exposures – capex KPI

	Climate Change Mitigation (CCM)					Climate Change Adaptation (CCA)				TOTAL (CCM + CCA)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-eligible)				
	Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)					Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				Proportion of total covered assets funding taxonomy relevant sectors (Taxonomy-aligned)				
			of which KUoP	of which transitional	of which enabling			of which KUoP	of which enabling			of which KUoP	of which transitional	of which enabling
1 Financial guarantees (FinGuar KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	10.4%	10.4%	0.0%	3.6%	62.4%	34.9%	0.0%	0.0%	3.6%
2 Assets under management (AuM KPI)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

We are departing from the publication of data in relation to the key performance indicator on financial guarantees in relation to flow due to the fact that we have not provided credit guarantees in 2023 to any client that we have identified as having non-financial reporting obligations.



Nuclear energy and fossil gas

Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities in relation to stock (PLN million)

Row	Economic activities	Turnover KPI						Capex KPI					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)		CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		Amount	%	Amount	%	Amount	%	Amount	%	Amount	%	Amount	%
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1.4	0.00%	0.0	0.00%	1.4	0.00%	4.3	0.00%	3.4	0.00%	0.9	0.00%
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	2.0	0.00%	2.0	0.00%	0.0	0.00%	5.3	0.01%	5.3	0.01%	0.0	0.00%
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	0.1	0.00%	0.1	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%	0.0	0.00%
7	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI	42,845.2	23.68%	42,091.0	23.26%	2.3	0.00%	43,568.3	24.07%	42,114.5	23.27%	20.2	0.01%
8	Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI	42,848.6	23.68%	42,093.1	23.26%	3.6	0.00%	43,577.9	24.08%	42,123.2	23.28%	21.1	0.01%



Applied policies related to non-financial issues and due diligence procedures

Social area-related policies

ING Bank Śląski conducts social and charity activities in priority areas in line with its business strategy for sustainable development. We carry out activities both independently and in cooperation with community partners and with the support of two corporate foundations – the ING for Children Foundation and the ING Polish Art Foundation.

We attach great importance to the transparency of our activities. We work with organisations that declare their compliance with anti-corruption, ethical and environmental standards. In the process of establishing cooperation, we ensure due diligence and also cooperate with the Compliance Expert Centre. Charitable financial donations are made on the basis of ING Bank Śląski S.A.'s Donations Policy in place at the bank, with a Donations Committee of five members participating in the process each time and making the decision by majority vote. Depending on the size of the donation, board members or the entire board are involved in the decision-making process.

Continuing to support those affected by the war in 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. They support charities and provide support to refugees in Poland.

SPLIT UA Residency

SPLIT UA Residency is a 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. From ING Bank Śląski's side, there were as many as 11 experts, 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 these purchases, so that 80 packages with solar power banks, mats, electric pots and sweets went to ING Ukraine employees.

As part of Action-Auction, a charitable initiative by employees, auctions of donated items were held for 6 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.

Assistance to earthquake victims 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 667.3 thousand 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 specialist tents at a cost of PLN 1 million, which went to Hatay province – one of the worst affected by the earthquake.

Charitable donations – policy and outcomes

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:

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



We also clarify in the Policy what donations the Bank does not make:

- for political purposes,
- which may be regarded as an attempt to influence decisions made by government officials, including in particular donations to organisations that are directly or indirectly linked to government officials,
- if they have a business purpose and serve to establish or maintain a business relationship with a client or business partner of the bank,
- if there are circumstances indicating that the beneficiary has engaged in corruption, bribery or other unethical or illegal activities,
- if the donation could be judged as an attempt at corruption or bribery,
- for natural persons, with the exception of donations in the case of special circumstances, where an employee and/or his family members suffered damage.
- for organisations that discriminate against people on the basis of age, race, colour, religious belief, gender, disability, sexual orientation or country of origin,
- for organisations that are suspected of acting contrary to the values we hold in accordance with the ING Orange Code,
- for organisations that do not operate under the Act of 24 April 2003 on the activity of public benefit institutions and voluntary work,
- for projects designed to support religious worship, faith-based organisations,
- for student organisations if the purpose is to finance trips and/or student events,
- to cover the running costs of social organisations, e.g. office operation, service charges, salaries.

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 851,500.

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

- for the ING for Children Foundation in the amount of PLN 4.08 million,
- 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:

- assistance to children and their families affected by the earthquake in Turkey and Syria – PLN 250,000,
- support and assistance to Ukraine – PLN 50,000,
- activities for children and young people, including holidays for children and young people – PLN 50,000,
- science, education and upbringing – especially in the area of financial- and climate education – the bank made 42 donations totalling PLN 235,500,
- 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.



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.

Number of hours used for volunteering					
	2019	2020	2021	2022	2023
Bank	7,176	1,072	1,045	5,608	7,805
Group	7,283	1,072	1,099	5,867	8,360

Employee issues-related policies

Every day, the ING Bank Śląski brand is created by over eight thousand people. We employ not only financiers. In our modern organisational structure, there is room for various professions and for employees with various interests and passions that contribute to increasing efficiency, increasing commitment to work, striving for development and innovation. 63% of our bank employees are women.

The principles of organizing our work are defined in the Organizational Regulations of ING Bank Śląski S.A. It contains an organizational chart, as well as the basic rules that guide us when organizing mutual cooperation. We create space for all employees to be independent and responsible.

We focus on building the skills and commitment of our employees in such a way that they can achieve the goals and strategy of our organization, while developing and caring for their overall well-being. We strive to provide the best working conditions. We support employees in leading a healthy lifestyle and encourage them to take care of their health at work and outside.

Our remuneration policy is based on equal treatment of all employees. An important element of this policy is the area of diversity, inclusion and belonging (DIB) and related gender equality. As a fair employer, we structurally address the pay gap, including exposing the gender pay gap.

The most important internal documents regarding the shaping of working conditions and remuneration in the ING Bank Śląski S.A. Group include:

- Remuneration Policy at the ING Bank Śląski S.A. Group,
- Regulations of Remuneration of Employees of ING Bank Śląski S.A.,

- Employee Evaluation regulations of ING Bank Śląski S.A. (Step up),
- Work Regulations of ING Bank Śląski S.A.,
- Procedure for the Organisation of Internships and Placements in the ING Bank Śląski S.A. Group,
- Regulations of the Employee Referral Scheme at ING Bank Śląski S.A.

Other regulations concern areas related to employee fringe benefits in the form of a cafeteria programme and assistance benefits as part of the operation of the Company Social Benefits Fund, as well as the granting of benefits in connection with disability.

The document defining the remuneration principles is the Remuneration Policy in the ING Bank Śląski S.A. Group. The remuneration system is open and transparent and its principles are communicated to all bank employees. This policy specifies the key assumptions for shaping the remuneration policy used to attract and retain employees by ensuring a market-competitive level of remuneration, and defines the components of remuneration. The remuneration policy applies to all employees of the ING Bank Śląski S.A. Group, excluding members of the Management Board of ING Bank Śląski S.A.

Since 2020, the bank has been operating a resolution adopted by the Ordinary General Meeting of ING Bank Śląski S.A. [Remuneration Policy for Supervisory Board and Management Board Members of ING Bank Śląski S.A.](#) The policy sets out the principles for the remuneration of members of our bank's governing bodies. The latest amendments to the Policy were adopted by Resolution of the Ordinary General Meeting of ING Bank Śląski S.A. No. 32 of 7 April 2022. The changes made related to the level of remuneration for members of the Supervisory Board, changes to the incentive programme for members of the Management Board and clarification of the provisions relating to the link between the total remuneration of members of the Management Board and that of other employees.

The remuneration of a member of the Bank Management Board is determined in accordance with the Regulations for the Remuneration of Members of the Management Board of ING Bank Śląski S.A. adopted by the Bank Supervisory Board. The latest amendments to the Regulations were made by Resolution of the Supervisory Board No. 103/XX/2023 of 05 December 2023. The Regulations are a clarification of the principles resulting from the Remuneration Policy for Supervisory Board and Management Board Members of ING Bank Śląski S.A. and at the same time constitute the implementation of the Variable Remuneration Policy for the Identified Staff of ING Bank Śląski S.A.

In determining the level of remuneration of the Supervisory Board members and allowances for additional functions on the Board, market medians for these positions in the banking sector are taken into account, taking into account the scale of the Bank's activities and its financial position. Supervisory Board members' remuneration is analysed annually based on Sedlak & Sedlak's independent remuneration report, which presents financial data from the banking sector on remuneration levels and fringe benefits.



We offer our employees a very attractive benefits package, including high-standard medical care. We have more favourable arrangements for compassionate leave than the law provides.

We support employees, including in difficult life situations, by offering them additional days off: additional days of special leave on the occasion of the birth of a child or a wedding (at a higher rate than that prescribed by law); an additional 5 days of leave per year for parents of a child with a disability certificate; an additional 2 days off for employees caring for the disabled family members; an additional 3 days off for employees with a certified mild degree of disability; an additional day off for the family, which employees can use in full or on an hourly basis; an option to receive days off as an award, up to 5 days per calendar year; an additional day off for employees working on a shift basis (i.e. at night, on Sundays and public holidays); an option to take advantage of sabbatical (a longer break at work to regenerate forces or for additional training); 8 hours per year for voluntary activities; an additional day off in respect of an anniversary.

“At ING, we promote diversity – we actively promote non-discrimination and equal opportunities, inclusion of people with disabilities and respect for diversity, because it is the right thing to do. This approach also ensures that we deliver on our strategy.” – These are the opening words of ING’s Diversity Manifesto, which we adopted in 2016 and which explains what diversity is for ING, why it is important and necessary, and what employees can do to promote it. To stay one step ahead, we need teams that are a healthy mix of different perspectives and backgrounds. Such teams are more creative, adapt more quickly to change and their proposed solutions are more innovative.

As of 2019, we are a signatory to the Diversity Charter. It is a voluntary initiative joined by employers from the following sectors: business, NGOs, public administration, local government and academia. As participants in this endeavour, we are committed to supporting diversity and fostering inclusion in the workplace.

At ING, we are creating an adaptive learning organisation, giving employees the opportunity to develop key capabilities and skills that both help deliver strategic objectives and provide personal satisfaction. To support the implementation of the bank’s strategy and unleash the full potential of our employees, we provide the right environment in which our employees can develop and create the best version of themselves. Our strategy of self-management of their development encourages employees to develop skills in a continuous and integrated way that is appropriate to emerging changes and allows us to respond adequately to needs. We want our employees to develop curiosity and be advocates for learning, sharing knowledge and teaching others in their current and future roles (#doyourthing). We complement the solid foundations with an attractive package of wellbeing activities, in addition to the benefits, perks and a wide range of development programmes on offer.

If Group entities are not included in the common policies, separate regulations tailored to the organisational needs of the individual companies apply in all Group entities, which remain consistent with the banking policies.

Policy outcomes

Policy deliverables of employee issues-related policies*

	2019	2020	2021	2022	2023
Number of employees (persons)					
Bank	7,542	7,972	8,179	7,925	7,906
Capital Group	7,984	8,426	8,625	8,363	8,379
Ratio of total pay for women to men					
Bank	-	98%	99%	95%	95%
Capital Group	-	98%	99%	96%	95%
Voluntary turnover rate					
Bank	4.4%	3.5%	5.6%	6.0%	4.1%
Capital Group	4.5%	3.6%	5.5%	6.3%	4.5%
Involuntary turnover rate					
Bank	2.8%	3.4%	3.4%	5.1%	3.6%
Capital Group	2.7%	3.4%	3.4%	4.9%	3.7%

*For the purposes of ensuring comparability, data for 2019-2022 have been changed compared to previously published data due to methodological changes.

We monitor the gender pay ratio on an ongoing basis. From 2024 onwards, we calculate the gender pay gap ratio based on two methodologies – the existing approach jointly developed by the banking sector at the Polish Bank Association (ZBP) and the methodology contained in the [European Banking Authority Guidelines](#).

Indicator calculation methodology

- The methodology of the Polish Bank Association – Average ratio of female to male salaries weighted by employment structure by grade. Other assumptions used in the calculation include the conversion of full-time salaries for part-time employees and the annualisation of salaries for employees included in the analysis. The variable remuneration included in the calculation represents the remuneration paid in 2023. The adjusted ratio in 2023 was 95%.
- EBA methodology – Ratio of the difference between average male and female pay to average male pay. Other assumptions used in the calculation include the conversion of full-time salaries for part-time employees and the



annualisation of salaries for employees included in the analysis. The variable remuneration included in the calculation represents the remuneration awarded for 2023. The unadjusted rate in 2023 was 32%.

The new calculation of the ratio is due to the entry into force of the EBA Guidelines and the obligation to report the pay gap to the Polish Financial Supervision Authority and the National Bank of Poland in accordance with these guidelines. At the same time, we are continuing to calculate the gender pay gap ratio based on the previously developed approach to enable a comparison of performance over time, also taking into account the bank's ambitions for the next years within the key priorities of the business strategy for the period 2022-2024.

The change in the wage gap from 96 per cent in 2022 to 95 per cent in 2023 was mainly influenced by changes in the workforce structure, especially transfers of employees between grades (promotions). An important element influencing this indicator is the bonus paid, which, for newly recruited employees and women on long-term absences under the current regulations, is not accrued.

We are taking steps to ensure that the gender pay gap is reduced over time.

In addition to the gender pay gap index, from 2022 onwards, we continue with an in-depth analysis on equal pay for equal work, which shows the pay mismatch index for the same positions, grades, competences. In this way, we identify individuals who earn statistically more or less for a given profile, also relative to the opposite sex. The results of the analyses are one of the key elements considered by managers when deciding on salary increases.

We have a number of diversity and inclusion initiatives in place to equalise opportunities for women and men and to raise awareness among managers and employees of our bank's gender non-discrimination policy. One of the Board's annual objectives in recent years has been to ensure that there is an appropriate gender balance in senior management succession plans.

Human rights policies

We know that our activities affect many stakeholder groups and we are conducting work to best understand the scale of our impact on human rights. In December 2023, we published [the ING Bank Śląski S.A. Group Declaration on Respect for Human Rights](#). In it, we describe the actions taken to respect human rights at different levels of our value chain. The development of the Declaration was preceded by activities carried out in cooperation with external human rights experts, the Polish Institute for Human Rights and Business. We will continue to work on the development of a human rights due diligence process (HRDD), identifying risks and their possible – existing or potential – negative impact on human rights that we may be involved with either through our own activities or as a result of business relationships.

We have put in place numerous regulations defining how employees of the ING Bank Śląski Group are to conduct themselves in order to comply with ethical principles and applicable laws.

The basic document in this respect is the Regulations – Principles of Professional Ethics of Employees of ING Bank Śląski S.A. On the other hand, specific principles for different areas of employee conduct are described in related regulations such as: Work Regulations; Policy for a Caring Work Environment Free of Discrimination and Mobbing; Whistleblowing Policy for Infringements of Law, Internal Regulations and Ethical Standards; Personal Data Protection Policy; Know Your Client Policy; Competition Law Compliance Policy; Complaints Management Policy at ING Bank Śląski S.A.; Conflict of Interest Policy; Market Abuse Policy and other accompanying instructions, regulations, procedures.

The professional ethics of our employees are based, among other things, on the Orange Code, whose main slogan is “ethics and integrity first”. We believe that our actions affect many people: clients, employees, shareholders, suppliers and the entire social environment, and we therefore strive to find a balance between the expectations of all these stakeholders. Within the Orange Code we have defined “ING Values and Behaviours”.

Values indicate that we are honest, we are considerate/use common sense and we are responsible. ING behaviour involves taking initiative and acting effectively, helping others to succeed, always being one step ahead.

Along with the development of our company, the group of our clients becomes more and more diverse. Providing them with the best possible experience is a key element of our business strategy. To better understand our diverse clients, we need a team that is just as diverse. At the same time, we want to make sure that every person who works at ING feels like a part of it and is accepted for who they are, regardless of their origin or beliefs – everyone is welcomed at ING. Inclusion is enshrined in our Orange Code, which encourages us to help others succeed. The organisation benefits from it because we work better when we feel part of the team and can be ourselves.

Our Diversity, Inclusion and Belonging Strategy:

- defines diversity management focus areas at the Bank;
- lays down the way of diversity management at our Bank;
- integrates all actions, including processes, procedures and other documents, that are associated with diversity management at our Bank;
- ensures equal treatment and friendly work environment for all employees and candidates for employees;
- supports the organisation in building the awareness of the principles of equal treatment at work, which means no discrimination in any manner whatsoever, both direct and indirect, because of: gender, age, disability, health condition, race, nationality, ethnic origin, religion, denomination, irreligion, political convictions, trade union



membership, sexual orientation, gender identity, family status, lifestyle, form, scope and basis of employment, other cooperation types and other triggers of discriminatory behaviours,

- applies to all employees, regardless of their position, with a particular focus on the bank's authorities (read more about Management Board and Supervisory Board diversity here) and key managers, as well as candidates applying to ING,
- is regularly monitored, every six months.

In 2023, we implemented ING Group N.V.'s global strategy to equalise the representation of women and men in senior management. The strategy calls for at least 30% of women to be in senior management positions by 2025 (GJA 19+). By December 2023, we had achieved 31%. Furthermore, the strategy assumes that by 2028, min. 35% of women will hold Director positions (GJA 22+). In December 2023, we achieved 58%.

These goals do not represent the ultimate endpoint, but are milestones on the way to achieving true gender equality at the top of our organisation, which will ultimately translate into minimising the pay gap.

We are also taking coordinated action to attract, develop and retain female talent.

In terms of client relations, we aim for full availability of our products and services. In offering our services, we pay attention to the needs of all client groups. As a financial institution, we also have an impact on respect for human rights by refusing to finance investments that do not comply with our principles.

The primary internal document that indicates the risk framework in relation to environmental and social issues is the ESG Manual. As part of the process of identifying ESG risks, we identified sectors and areas excluded from funding and restricted. These are activities/areas with which – in our assessment – there is, among other things, a particularly high risk of negative environmental impact and a high risk of negative social impact.

The environmental and social risk assessment covers the client and the transaction. We make our assessment to the best of our knowledge. At client level, we assess whether the business is conducted with respect for human rights, environmental principles and is not covered by exclusionary policies. At the transaction level, we assess whether it complies with the requirements of the detailed policies.

An important aspect when starting to work with a supplier is the attitude to ensure compliance with [the Vendor Code of Conduct of ING Bank Śląski S.A.](#). The Code applies to all vendors, regardless of their place of business. Vendors thus commit themselves to basic standards. These include respecting human rights, complying with applicable law, including labour rights, in their relations with employees, as well as respecting their personal dignity, privacy and individual rights. The vendor should also provide a safe and health-friendly workplace for its employees and take care to protect the environment by aiming to minimise the environmental load of its operations and

taking measures to improve it. It should also respect the prohibitions on forced labour, child labour, corruption and discrimination. For us, it is important to be able to document compliance with these standards.

Policy deliverables

- We found ourselves in the line-up for the next edition of the Diversity&Inclusion Rating. Diversity&Inclusion Rating is an initiative of Responsible Business Forum, which was created in cooperation with Deloitte experts. In the last edition, we were included in a group of companies that scored 80% of the points possible. The initiative brings together stakeholders drawing strength from the various dimensions of diversity, allows for an assessment of a company's level of maturity in diversity management and inclusive organisational culture and also provides a summary of activities in this area. The questionnaire that was completed by the companies consisted of 4 parts: the rudiments of management, Programmes and activities, commitment building and performance indicators.
- We were among twelve companies awarded the title of Super Ethical Company 2022 by the editors of Puls Biznesu. The companies were recognised for their efforts to build and strengthen an organisational culture based on ethics and corporate social responsibility.
- During the Polish Diversity Awards 2023 gala, we received the Diversity Company award. The award is presented to companies, organisations and individuals that promote diversity, equality and inclusivity.
- We were also recognised for our work on gender equality in business and were included in the global Bloomberg Gender-Equality Index (GEI). The bank's gender equality activities have been assessed by independent experts. ING's presence in the Bloomberg GEI index is the result of high scores in a survey on five areas of the company's performance: women's leadership and talent development, equal pay, inclusive work culture, gender protection policies and a pro-woman brand. The index analyses the performance of public companies with a capitalisation of more than USD 1 billion that provide data on employee gender. Only companies that have achieved a score that meets or exceeds a globally defined threshold qualify for the prestigious index.
- We actively counter discrimination. All employees starting work at ING must undergo mandatory anti-bias training.
- Each of us, anonymously or by name, may report irregularities related to material breaches of labour standards, internal regulations, as well as ethical standards in the bank's business practices. We can do this through channels such as: Whistle-blower (electronic form on the intranet site) and email notification to the Mobbing-Discrimination mailbox. Applications by name are assured of confidentiality and discretion. In the Whistle app, you can also make a report anonymously. The President of the Management Board is informed about each



report from the Whistle application, who makes decisions on explanatory actions and accepts their result. The report sent to the Mobbing-Discrimination mailbox goes to the representatives of the HR area. In the years 2017-2022, none of the applications that we received as part of the “Whistle” application was classified as “discrimination”. In 2021, one report submitted through the Bullying – Discrimination channel fell into this category. The 2023 Mobbing-Discrimination box received three submissions. Investigations were carried out and none of the reports confirmed bullying.

- We apply the Vendors Code of Conduct of ING Bank Śląski S.A. to all suppliers, regardless of their place of business. 100% vendors of ING Bank Śląski S.A. declare to comply with the standards of the Code.

Natural environment related policies

At ING, we regard active participation in climate and environmental action as an important part of our responsibility. We promote solutions related to sustainability. We develop and offer products that support sustainability and responsibly manage environmental risks. Environmental degradation measurably and negatively affects our lives. We feel that the future is our shared responsibility. That is why in July 2021, the ING Bank Śląski S.A. Group announced a new Green Statement. In the document, we upheld the basic tenets of the 2017 Declaration and committed to specific goals in the coming years. In November 2023, we published the document “ING BSK’s roadmap for reducing GHG emissions”, which sets out ambitions to reduce emissions in our own economy and loan portfolio. It presents decarbonisation initiatives and progress to date towards reducing greenhouse gas emissions. We also clarify the plan to support clients in their sustainable transformation. The full document is available [here](#).

Status of achievement of the goals from the Green Statement as at 2023 yearend

We are consistently delivering on our commitments in the Green Statement.

In 2017, we declared that by the end of 2025, we would gradually reduce (until full repayment) our existing credit exposures to clients whose business is directly dependent on thermal coal by more than 5%. At the end of 2023, our total exposure to such clients was PLN 340 million, 22% less than a year ago, including on-balance sheet exposure of PLN 51 million gross (-84% y/y) and off-balance sheet exposure of PLN 289 million (+150% y/y). The balance sheet exposure as at 2023 yearend represents 0.06% of gross receivables from corporate segment clients compared to 0.36% a year earlier. This significant reduction in exposure is due to repayments made by clients classified as coal. In 2022, there was a merger in the market, as a result of which, the client classified as coal at the end of 2021 is no longer so recognised. This is because this client as a legal entity has ceased to exist and its

general successor does not meet the definition of a coal client. At the end of 2022 and 2023, this total exposure – understood as the amount of the allocated limit – amounted to PLN 1 billion, of which PLN 800 million at the end of 2022 and PLN 1 billion at the end of 2023 remained as unused.

In 2021, we committed to reduce the share of our funding to the fossil fuel industry by 19% by 2040 with respect to 2019. We know that the use of fossil fuels is harmful to the environment. Such fuels include gas. It is a transitional fuel for the Polish economy, thanks to which the energy transition of local businesses towards renewable energy sources can take place in a gradual and well-planned manner. We want to help our clients effectively implement transformational change, while not compromising on environmental goals. At the end of 2023, our on-balance sheet exposure to upstream oil and gas clients was 4.0 million gross, down 56% from 2019, while our off-balance sheet exposure was 0.9 million, down 94% from 2019. The on-balance-sheet exposure at the end of 2023 represents 0.004% of the gross receivables from clients of the corporate segment.

In addition, the bank, in line with its environmental and social risk policy, does not finance the tobacco industry or other industries that negatively affect protected areas, forestry or animal welfare.

By the end of 2023, we have earmarked:

- Between 2015 and 2023, PLN 13.2 billion in the corporate area to finance Renewable Energy Sources (PLN 4.1 billion) and environmental projects (PLN 9.1 billion). Our target for the end of 2023 was PLN 4.5 billion.
- PLN 524 million to support Local Government Units in investing in pro-environmental projects. Our target for the end of 2023 was PLN 500 million.
- PLN 337 million for further support and promotion of electromobility – financing of electric and hybrid vehicles by ING Lease Polska, including construction of charging stations and promotion of driving electric vehicles. Our target for the end of 2023 was PLN 300 million.

We have implemented an offer for financing prosumer energy projects in the retail segment for individual clients. Clients can now take advantage of the Loan for Better offer, which can be used for such things as photovoltaic installations, the purchase of a bicycle or a scooter. In addition, we offer retail clients a mortgage loan for energy-efficient homes with documented low energy consumption (Energy Efficient Home Loan).

In 2021, we included housing loans in TERRA, ING Group N.V.’s initiative to, among other things, adopt long-term decarbonisation targets for lending in line with the Paris Agreement.

We intermediate the sale of investment products based on ESG criteria, these are investments in funds that comply with Articles 8 (funds promoting sustainable development) and 9 (impact funds) of the SFDR. As at 2023 yearend, assets of PLN 400 million represented investments in funds compliant with Articles 8 and 9 of the SFDR.



In 2023, we organised two more editions of the ING Grant Programme and disbursed grants totalling PLN 2 million to start-ups and young researchers for sustainable development projects. In addition, we provided start-ups and scientists with training on topics such as business models, experimentation and media promotion and mentoring tailored to their needs.

One of the goals enshrined in the new Green Statement is to achieve climate neutrality by 2030 in Scope I and II in market-based terms. In 2023, we have reduced our Scope I and II carbon footprint by 30.0% (market-based approach) compared to the base year (2019).

As part of our educational activities, together with the ING for Children Foundation until 2023, we donated 10,100 copies of the children's book "Ty też możesz uratować świat. Ekoopowieści z Pietruszkowej Woli" [You too can save the world. Eco-tales from Pietruszkowa Wola] published by our bank. Our target from the Green Statement was 25,000 units by the end of 2023. However, due to the rising costs of printing and distributing books, we had to change the implementation of this objective – we created an attractive online educational package (an electronic version of the book and an audio book). We are currently promoting the book in an online version on the foundation's website. We reached more than 14,000 people with the book in electronic form (100%) of primary schools in Poland.

In the years 2021-2023, together with external partners, we also implemented an educational program on climate change for several hundred primary schools. More than 34,000 students from 416 schools in 307 locations across the country took part in the first edition of the "We Save the World (OŚ)" programme, which ended in 2023. At the same time, we actively support employee volunteering.

Supporting climate innovation

We want to help people to be one step ahead in life and in business. We know that the future is our shared responsibility, which is why we actively support innovative sustainability efforts.

ING Grant Programme for start-ups and young researchers

In the Green Statement announced in 2021, we pledged, among other things, to create a Grant Programme for start-ups and young scientists, for projects in the area of sustainable development, with an annual budget of PLN 2 million. The first two editions were held in 2022. In each of them, we have allocated prizes worth a total of PLN 1 million to the best solutions responding to the competition challenge – the selected UN Sustainable Development Goal. In the first edition it was clean and accessible energy (SDG 7), in the second edition it was sustainable production and consumption (SDG 12). In 2023, we continued the initiative. For the third edition, we set the challenge "How can we take care of clean water resources?" (SDG 6). In the fourth edition, we addressed social themes for the first time and sought solutions that support healthy living at any age (SDG 3).

What sets the Programme apart is its focus on supporting not only start-ups, but also young researchers. We help you go from an innovative idea to a thriving business. In creating the formula for the ING Grant Programme, we

researched the needs of start-ups and researchers. We have found that teams creating innovative solutions need grants to develop ideas, mentoring, business partners and promotion. We have included all these elements in the Programme. The ING Grant Programme has been very popular, with a total of more than 650 start-ups and young scientists having already applied in four editions. The solutions and ideas promoted through the Programme reach a wide audience, raising awareness of the UN Sustainable Development Goals. The programme supports the popularisation in Poland of the idea of entrepreneurship and business, creative thinking – particularly focused on how to create and develop innovative solutions in the area of ESG. You can find more information about the ING Grant Programme [here](#).

Carbon footprint calculator for companies

In August 2023, we released a carbon footprint calculator for companies on Firmove.pl. The calculator provides a comprehensive and free calculation of Scope I and II greenhouse gas emissions. The calculator was prepared in cooperation with experts from the Climate Strategies Poland Foundation, which deals with counting the carbon footprint of companies and cities, decarbonisation strategies, climate education and efforts to provide reliable information on climate change. It is a free, convenient, intuitive tool, available to all, that allows you to reliably calculate your own company's emissions data in an accessible way. The calculator responds to the needs of companies that are looking for solutions to help address the growing expectations of regulators or consumers in the area of sustainability. The calculator is accompanied by a wealth of educational content published on Firmove.pl.

Any company that completes the calculator with data will receive an automatically generated report (also downloadable in pdf format). In addition to the results, the report provides information on the calculation standard used, the company's carbon footprint reduction levers and examples to help understand the scale of the result obtained. The calculations are made in accordance with the GHG Protocol standard and are based on around 500 included indicators in the calculator, including emission factors obtained from individual national electricity and heat suppliers. The indicators will be systematically updated for subsequent periods.

Link to the calculator: [Carbon footprint calculator | Firmove](#)

We support employees in designing sustainable innovations

In June 2023, we organised an in-house Masterclass for our service designers at ING, the theme of which was Humanity Centered Design. It is an approach to service design in which we combine an "obsession" with delivering exceptional client experiences with a concern for a positive impact of our solutions on the environment, the planet and communities. The masterclass was part of a development path designed for service designers for 2023, in which we included areas such as humanity-centred design, futures thinking and data-driven.

ESG issues also guided us at the recent CX Day, an annual international event dedicated to creating solutions across ING Group N.V. that will make banking easier for our clients. The task for this edition in the Business Clients Division



and Wholesale Banking Division was to develop distinctive solutions that will support our business clients in the development of their companies by, among other things, building ESG awareness and helping them with their environmental transformation.

We support our clients with a sustainable financing strategy

We have consistently delivered on priorities and strategic objectives focused on supporting our clients to move towards a low-carbon economy. We are developing our product offering and sharing knowledge.

- In line with our Green Statement, we are allocating funds to finance Renewable Energy Sources (RES), environmental projects and support and promotion of electromobility, including the leasing of electric and hybrid vehicles.
- We are developing our product range and looking for innovative solutions to best address the needs of our clients in the transition towards a climate-neutral economy.
- At ING, we focus on education. We combine local expertise with ING Group N.V.'s international experience to maximise value for our clients. We are continuously strengthening our ESG competence – we have, for example, organised a series of workshops for employees combining elements of new product solutions and knowledge of ESG regulation. We share our knowledge and experience both at conferences and thematic events and in daily dialogue with our clients.
- A sustainable development investment loan has been made available to clients from a wide range of medium and large companies, giving companies the chance to finance their objectives on preferential terms.
- A special leasing offer has been made available to clients in the area of medium and large companies to support one of the sustainable development goals.

Greenhouse gas emissions

In line with our Green Statement 2021, we are working to reduce our carbon footprint and achieving climate neutrality by 2030 in Scope I and II (market-based). In addition, we want to achieve climate neutrality for all three scopes by 2050.

Updated calculations for 2021-2022

Due to the further development of our methodology for estimating emissions from Investments (category 15 of Scope III, which primarily concerns receivables from clients), we have decided to recalculate emissions for 2021-2022. It is this category of updated calculations that accounts for virtually all of the revision of data previously

presented. In addition, for the remaining own-economy emissions (other than Investments), we have also included data in the updated data for 2022 that was not yet available at the time of the previous reporting.

Quantitative information on CO₂e emissions update for 2021-2022

tonnes of CO ₂ e	2021	2022
Data before recalculation		
Scope I	3,223	3,811
Scope II – market-based	6,229	4,923
Scope II – location-based	22,560	21,421
Scope III – market-based	6,093,112	5,835,890
Scope III – location-based	6,093,112	5,835,890
categories 1, 3, 5 and 6	6,389	6,014
category 15	6,086,722	5,829,876
Total – market-based	6,102,563	5,844,624
Total – location-based	6,118,894	5,861,122
Data after recalculation		
Scope I	3,223	3,788
Scope II – market-based	6,229	5,018
Scope II – location-based	22,560	21,691
Scope III – market-based	11,535,983	10,269,857
Scope III – location-based	11,535,983	10,273,890
categories 1, 3, 5 and 6	6,389	6,083
category 15	11,529,594	10,267,807
Total – market-based	11,545,435	10,278,663
Total – location-based	11,561,766	10,299,370
Dynamics of change		
Scope I	0.0%	-0.6%
Scope II – market-based	0.0%	1.9%
Scope II – location-based	0.0%	1.3%
Scope III – market-based	89.3%	76.0%
Scope III – location-based	89.3%	76.0%
categories 1, 3, 5 and 6	0.0%	1.1%
category 15	89.4%	76.1%
Total – market-based	89.2%	75.9%
Total – location-based	89.0%	75.7%



Update of the calculations for Investment (category 15 of Scope III)

In 2023, we continued the process of quantifying the CO₂e emissions associated with our Investments, i.e. primarily the portfolio of client receivables (own calculations, not verified by an external party). As we continue to develop methodologies for estimating these emissions, we have recalculated. The changes from the data presented a year ago are significant: an increase of 89.4% for the 2021 data and 76.1% for the 2022 data.

Quantitative information on the update of CO₂e emissions from the Project (Category 15, Scope 3) for 2021-2022

tonnes of CO ₂ e	2021	2022
Data before recalculation		
Mortgage-backed retail portfolio	641,153	602,761
Receivables from clients of the corporate segment	5,445,569	5,227,115
Investment portfolio*	-	-
Total	6,086,722	5,829,876
Data after recalculation		
Mortgage-backed retail portfolio	757,300	699,677
Receivables from clients of the corporate segment	8,507,162	7,794,837
Investment portfolio*	2,265,131	1,773,293
Total	11,529,594	10,267,807
Dynamics of change		
Mortgage-backed retail portfolio	18.1%	16.1%
Receivables from clients of the corporate segment	56.2%	49.1%
Investment portfolio*	-	-
Total	89.4%	76.1%

* includes government bonds and equity investments

Changes in the calculation for the corporate receivables portfolio account for 56% for 2021 and 58% for 2022 of the increase in emissions compared to previous calculations. They result mainly from:

- the inclusion of income-generating real estate financing exposures in the calculation of the carrying amount;
- the inclusion of Scope II emissions of funded entities in the calculation (previously we only included Scope I);
- the inclusion in the calculation of entitlements for entrepreneurs (i.e. mainly sole proprietorships);
- the inclusion of actual data from published non-financial reports for the listed companies we fund;

- in the case of vehicle leasing, the use of emissions and mileage data from the Central Register of Vehicles and Drivers (CEPiK).

The changes in the calculations for the retail mortgage portfolio for 2021-2022 account for 2% of the increase in emissions compared to the calculations presented a year ago and are mainly due to:

- the inclusion of actual emissions data from the Central Register of Energy Performance of Buildings in the calculations;
- the adaptation of the calculations to the modified CRREM methodology. Revision of the basis of emissions calculations for real estates for which data from energy performance certificates for buildings is not available. Using final energy demand (EK) related to heating, ventilation and hot water preparation as the basis for the calculation, instead of primary energy demand (EP). In addition, in line with the revised CRREM approach, the exclusion of energy losses incurred during transmission and distribution (WTT) from the calculation;
- including the calculation of emissions from energy consumption resulting from the operation of the building (lighting, cooking), i.e. Scope II of the real estate's financial emissions;
- the exclusion from the calculation of mortgage loans which, despite being secured by a mortgage, are by definition for any purpose.

Additional, currently our calculations also take into account the bank's investment portfolio, including investments in government bonds and equities. They account for 42% for 2021 and 40% for 2022 of the increase in emissions compared to the previously presented calculations for category 15 of Scope III.

Updated calculations for other CO₂e emission sources (own economy)

As a result of obtaining information on actual consumption for locations for which we relied on estimated data after the publication date of the 2022 report, we have decided to recalculate the emission values for 2022. The main changes from the data presented a year ago are due to:

- the actual data for the missing time periods were lower than the estimated data (for natural gas and district heating),
- additional consumption was taken into account after receipt of the final bill from the supplier (concerns electricity),
- additional locations have been included for which consumption was not previously calculated separate market-based reporting has been provided for locations where the owners hold RES certificates of origin or purchase



guarantees of origin. In accordance with the GHG standard for these locations, we assume zero emission from the electricity used to generate cooling (applies to purchased cooling),

- the methodology for estimating water consumption was clarified for locations where information on actual consumption was not available.

Calculation methodology

GRI [305-1] [305-2] [305-3] [305-4] [305-5]

We have prepared our emissions calculations in accordance with [the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard](#). The calculation includes the bank and its subsidiaries (operational control). For our Scope I and II emissions, we have adopted 2019 as the base year.

Methodology for estimating emissions from the Project (Category 15 of Scope III)

As in the previous year, we have decided to publish our estimates for emissions in category 15 of Scope III (Investments). For banks, this category relates primarily to the loan portfolio. Financed emissions will be a key focus area and priority for the bank in order to move towards climate neutrality in the 2050 timeframe.

We prepared the calculations presented in relation to corporate segment loans (including income-generating real estates and vehicle leasing), investment securities (including government debt) and retail mortgage-backed loans based on [the Global GHG Accounting and Reporting Standard for the Financial Industry](#) (PCAF methodology). In 2023, with the support of an external consultant, a set of methodologies for calculating the carbon footprint for the Investment, i.e. for category 15 of Scope III, was approved. The calculations for the different asset classes are in line with the PCAF, with the exception of loans to local authorities, for which the method of calculating the carbon footprint has not yet been defined by the PCAF. Although most of the calculation is based on statistical data, we are increasingly using actual emissions data. This applies in particular to data from energy efficiency certificates for residential buildings and income-generating real estates, as well as data on emissions of listed companies financed by our bank. In future periods, we will strive to improve the accuracy of the estimates, including by acquiring more precise data. We will continue to work on our emissions calculation in future years, both in terms of the methodology itself and the greater availability of higher quality data. Therefore, we cannot exclude the possibility that we will make retrospective recalculations in the future as market practice develops.

Retail mortgage-backed portfolio

Depending on the availability of data in the Central Register of Building Energy Performance, we used two approaches to calculate the building's emissivity. Where information from energy performance certificates is available, the calculation is based on the actual emission intensity of the building. In other cases, we based the approach on the year of construction of the real estate and the corresponding technical and building regulations.

At the end of 2023, we applied the energy performance certificate data to 13.4% of the retail real estate portfolio (at the end of 2022, the coverage was 10.7%). In the calculation, we also use information made available by the Central Statistical Office on the structure of energy consumption in households, data from the European Environment Agency on emissions associated with electricity production, data from the 2006 IPCC Guidelines for National Green-house Gas Inventories, as well as data on the production and transmission of energy and heat from the Energy Regulatory Office and the National Balancing and Emissions Management Centre.

In accordance with the PCAF methodology, the emission volume was adjusted by the LTV (gross carrying amount to collateral value ratio) to reflect the actual emission related to our financial exposure. In the calculation, we focus on residential units and single-family buildings, considering 95% of our bank's total mortgage portfolio at the end of 2023 (93% at the end of 2022).

General financing in the corporate segment

The calculations for the financing of the overall corporate segment portfolio (excluding financing of income-generating real estates) and our bank's equity investments include exposures from ING Bank Śląski, ING Lease (Poland) and ING Commercial Finance. For the purpose of estimating the emissions of funded Scope I entities, we used data on greenhouse gas emissions (CO₂ and CO₂e for other gases) by sector of activity. Data are published annually by Eurostat, with the latest data available for 2022. On the basis of sector data, we have estimated emissivity in relation to revenue generated and in relation to assets. We then translated the estimates at the level of the national economy sectors to the corporate clients of our capital group, using the client's core business as a key. In the case of funded listed clients, we used their published carbon footprint data (1.9% of the portfolio described in 2023).

Vehicle leasing

In the case of vehicle leasing, we first estimated the emissivity of ING Lease (Poland)'s financed motor vehicle portfolio on the basis of an internally validated, PCAF-compliant methodology. We performed the calculations as at the end of 2021-2023. The basis for calculating the emissions of financed vehicles is the in-house vehicle fleet database built and developed, which is fed with actual data from public registers (CEPiK) or estimates calculated on the basis of actual or market data.

Income-generating real estates

For the emissivity calculations for the income-generating real estate segment, we primarily rely on information from the energy performance certificates held. They cover almost 80% of the gross carrying amount of our loan portfolio. In the absence of these data, we use PCAF data on the average emissivity of individual building types in Poland.



Investment in government bonds

In 2023, we estimated for the first time the emissivity of our bank’s investment in government debt, which includes sovereign bonds and sovereign loans of all maturities issued in domestic or foreign currencies. Estimates are in line with the PCAF methodology for public debt and calculations have been made for 2021-2023.

Methodology for estimating emissions from own economy

Emissions for all non-investment sources presented (Scope III category 15) are emissions related to our operational activities as an organisation, i.e. emissions within our own economy.

With regard to emissions related to our own economy, for the preparation of the Scope I emissions estimate we analysed the consumption of energy carriers in stationary sources for heating (natural gas, fuel oil, coal), the consumption of liquid fuels for powering the vehicle fleet (petrol, diesel) and generators (diesel), the loss of refrigerant from air-conditioning equipment. For Scope II we analysed the amount of electricity, district heating and cooling purchased. For Scope III of the report, we focused on emissions related to employee business travel (by rail, air, taxi and coach and private car), as well as water consumption, paper consumption and the amount of waste generated. In Scope III, we also include emissions related to energy and fuels not included in scopes I and II (WTT).

Calculations were made using an operational approach and adopting a market-based method for calculating Scope II GHG emissions and Scope III WTT emissions. In 2019, the bank obtained guarantees of origin for electricity from RES covering 97% of the total volume of consumption. Between 2020 and 2022, the bank entered into an agreement with an energy seller for the purchase of an Eco-Premium product guaranteeing the supply of energy exclusively from renewable sources (which was documented by relevant certificates), while for the remaining volume of electricity the bank purchased guarantees of energy origin. In contrast, the bank had an agreement with a supplier for the purchase of electricity in 2023 as part of the “Naturally that Energy” product. The supplier undertook to provide the bank with a guarantee of origin for electricity generated from renewable energy sources. The remainder of the electricity purchased in 2023 was covered by guarantees of origin purchased by the bank and by the owners of the real estates in which the bank leases space for its operations (applies to real estates where the owner purchases such guarantees himself or has an agreement for the supply of energy from RES).

Included in our emissions are direct CO₂ emissions from biogenic combustion associated with the use of fuel (petrol and diesel) in our bank’s vehicle fleet, in generator sets and fuel oil used for heating purposes. These emissions amounted to 172.3 tonnes of CO₂ in 2023.

Data for 2019-2023 includes a full calendar year. For 2023, we did not have full information on actual consumption, so we adopted estimates where necessary. We will update the calculations for 2023 with the actual consumption received in the 2024 report. A source report with comprehensive information on the methodology, data sources (including Global Warming Potential indicators) and calculation results for 2023 is available at [this link](#).

Nominal greenhouse gas emissions

The table below shows the aggregated data for 2019-2023 in terms of CO₂e emissions for our bank group. We present Scope II and Scope III in both market-based and location-based terms. In the following sections of this section, we also recall the breakdown of emissions by gas and recall the main factors behind the change in emissions in 2023 compared to the previous year (2022) as well as the base year (2019). We present data for Investments (category 15 of Scope III) from 2021 onwards.

CO ₂ e emissions							
tonnes of CO ₂ e						Change 2023 vs	
	2019	2020	2021	2022	2023	2019	2022
Scope I	5,219	3,427	3,223	3,788	3,795	-27.3%	0.2%
Scope II – market-based	6,536	5,693	6,229	5,018	4,431	-32.2%	-11.7%
Scope II – location-based	28,176	23,571	22,560	21,691	19,444	-31.0%	-10.4%
Scope III – market-based	6,530*	4,807*	11,535,983	10,269,857	9,694,062	-**	-5.6%
Scope III – location-based	6,530*	4,807*	11,535,983	10,273,890	9,697,694	-**	-5.6%
Total – market-based	18,285*	13,927*	11,545,435	10,278,663	9,702,289	-**	-5.6%
Total – location-based	39,924*	31,805*	11,561,766	10,299,370	9,720,933	-**	-5.6%
Total I-II – market-based	11,755	9,120	9,452	8,806	8,226	-30.0%	-6.6%
Total I-II – location-based	33,394	26,998	25,783	25,479	23,239	-30.4%	-8.8%

*Do not include an emissions estimate for the Investment (category 15 in Scope III), which the bank calculates from 2021 onwards.; **Data not comparable due to different scope of calculations.

Our emissions for 2023 amounted to 9,702 thousand tonnes of CO₂e on a market-based basis and 9,721 thousand tonnes of CO₂e on a location-based basis. This figure is 5.6% lower than the previous year and is due to the lower emissivity of our Investments (mainly receivables from clients).

Compared to 2019, our emissions for the Scope I and II total decreased by 30.0% on a market-based basis and 30.4% on a location-based basis, mainly due to lower emissions related to heat and electricity consumption. The sum of all three scopes is not comparable vis-à-vis 2019 due to the fact that we only count emissions for category 15 from Scope III from 2021 onwards. In 2023, it represents as much as 99.9% of our total emissions.

The main reasons for the changes in CO₂e missions in each scope are explained below.

Scope I emissions

Our Scope I emissions in 2023 were 0.2% higher y/y. The burning of petrol by the bank’s car fleet is responsible for 81% of emissions in this category. The increase in emissions from petrol fuel (+17.7% y/y) is due to its higher consumption – more intensive use of company cars in 2023. partially offset by a change in the structure of the car fleet (increase in the share of hybrid cars). In 2023, our car fleet grew by 181 hybrid cars.



The dynamics of Scope I emissions in 2023 compared to 2019 was -27.3%. The main factor behind the decrease in emissions in this figure is the decrease in emissions from diesel (car fleet), which is due to the change in the structure of our car fleet and the shift away from diesel-powered cars (in part this effect was consumed by the increase in emissions from petrol fuel). Significantly lower emissions were also associated with the refrigerant in air conditioning. Behind the decline in these emissions is the significantly lower number and size of our sites (resulting, among other things, from fewer meeting venues).

Scope I CO₂e emissions

tonnes of CO₂e

	2019	2020	2021	2022	2023	Change 2023 vs	
						2019	2022
Natural gas	595	592	528	482	444	-25.4%	-8.0%
Fuel oil	67	29	33	44	53	-21.0%	20.6%
Coal	3	3	3	0	0	-100.0%	-
Petrol fuel	1,753	1,691	2,099	2,599	3,059	74.5%	17.7%
Diesel – car fleet	2,121	835	417	284	30	-98.6%	-89.5%
Diesel – generators	47	63	66	56	40	-15.9%	-29.4%
Refrigerants	633	214	76	323	170	-73.1%	-47.3%
Total	5,219	3,427	3,223	3,788	3,795	-27.3%	0.2%

Scope II emissions

Scope II emissions on a market-based basis fell by 11.7% in 2023 compared to 2022. This is primarily the result of lower district heating consumption, which is linked to the reduction in office space in use, an increase in the average annual temperature and winter shutdowns in office buildings in Katowice and Warsaw. In 2023, all the electricity we consume (based in part on estimates) comes from renewable sources – hence the value of electricity emissions on a market-based basis is zero.

The reduction in Scope II emissions in 2023 compared to the base year was 32.2%. This change is driven by lower emissions from purchased district heating which is a result of the reduction in the number and area of our sites over the years.

Location-based Scope II emissions are down 10.4% y/y in 2023 and 31.0% compared to 2019. The main driver of the decline is electricity emissions, although district heating also contributes to this positive trend. To the greatest extent, this is due to the reduction in the amount of office space used, but our many measures to reduce energy consumption are also having an effect.

Scope II CO₂e emissions

tonnes of CO₂e

	2019	2020	2021	2022	2023	Change 2023 vs	
						2019	2022
Scope II – market-based							
Electric energy	672	127	595	0	0	-100.0%	-
Cold	829	765	432	691	622	-25.0%	-10.0%
District heating	5,035	4,801	5,202	4,327	3,809	-24.3%	-12.0%
Total	6,536	5,693	6,229	5,018	4,431	-32.2%	-11.7%
Scope II – location-based							
Electric energy	22 312	18 006	16 926	16 613	14 897	-33,2%	-10,3%
Cold	829	765	432	751	737	-11,1%	-1,9%
District heating	5 035	4 801	5 202	4 327	3 809	-24,3%	-12,0%
Total	28 176	23 571	22 560	21 691	19 444	-31,0%	-10,4%

Scope III emissions

Our Scope III emissions, both market-based and location-based, decreased by 5.6% y/y, due to lower Category 15 – Investment emission. The second largest contributor to the decline in location-based terms was WTT emissions, which fell by 8.3% which is mainly linked to lower electricity consumption and district heating.

Scope III CO₂e emissions

tonnes of CO₂e

	2019	2020	2021	2022	2023	Change 2023 vs	
						2019	2022
Category 1	217	160	131	87	55	-74.8%	-37.3%
Paper	190	134	122	81	47	-75.4%	-42.4%
Water supply	28	26	9	6	8	-71.1%	29.1%
Category 3 – market-based	5,617	4,413	6,127	1,720	1,647	-70.7%	-4.3%
WTT emissions							
Category 3 – WTT	5,617	4,413	6,127	5,754	5,279	-6.0%	-8.3%
emissions – location-based							
Category 5	143	128	91	72	67	-52.7%	-6.1%
Water treatment	57	53	17	11	9	-84.0%	-19.4%
Municipal waste	75	74	74	60	58	-22.1%	-3.5%
Recycled waste	11	0	0	0	0	-98.6%	-42.1%



Category 6	553	106	41	170	257	-53.5%	51.1%
Rail journeys	197	31	13	64	110	-44.1%	71.3%
Air travels	200	28	3	52	93	-53.6%	78.0%
Coach travel	0	0	0	0	0	-100.0%	-
Taxi trips	7	8	7	14	14	86.5%	-2.4%
Travels in private cars	149	39	19	40	41	-72.7%	2.0%
Category 15	-	-	11,529,594	10,267,807	9,692,036	-	-5.6%
Total – market-based	6,530	4,807	11,535,983	10,269,857	9,694,062	1,485	-5.6%
Total – location-based	6,530	4,807	11,535,983	10,273,890	9,697,694	1,486	-5.6%

Emissions from Investment (Category 15 of Scope III)

In 2023, the estimated CO₂e emissions for the Investment, a Scope III category 15, were 9.7 million tonnes of CO₂e, 5.6% less than in 2022 and 15.9% less than in 2021, despite an increase in gross carrying amount of 17.0% y/y and 22.3% compared to 2021. The reduction in emissions is largely due to the decline in market emission rates for sectors that significantly contribute to climate change.

Retail mortgage-backed portfolio

In 2023, the estimated CO₂e emissions for the retail mortgage-backed loan portfolio amounted to 660,000 tonnes of CO₂e, while the emission intensity stood at 12.5 tonnes of CO₂e per PLN 1 million of gross carrying amount. The reduction in both emission (-5.6%) and emission intensity (-8.2%) compared to the previous year is mainly due to the higher proportion of newer buildings in our loan portfolio. The decrease in the household emissions factor of 2.4% also has a significant impact. Another factor that has contributed significantly to the decrease in emissions is the greater coverage of actual data from energy performance certificates (from 11% in 2022 to 13% in 2023).

CO₂e emissions from the retail mortgage-backed loan portfolio

	2021	2022	2023	change y/y
CO ₂ e emissions (tonnes) for Scopes I+II	757,300	699,677	660,555	-5.6%
Gross exposure value (PLN million)	52,000	51,552	53,016	2.8%
Emission intensity (tonnes of CO ₂ e per PLN 1 million of exposure)	14.6	13.6	12.5	-8.2%

Corporate client receivables

The estimated total carbon footprint (Scope I and II client emissions) associated with the financing of our corporate clients decreased by 12.6% y/y in 2023 and by 19.9% compared to 2021 to 6.8 million tonnes of CO₂e. The

reduction in emissions is largely due to the decline in market emission rates for sectors that significantly contribute to climate change, such as manufacturing (Section C) and transport (Section H). The increase in the volume of credit exposures in the area of renewables from PLN 1.9 billion in 2022 to PLN 2.3 billion in 2023 also had a positive impact.

The emissions estimate for the commercial income-generating real estate portfolio in 2023 decreased by 14.0% y/y to 116,000 tonnes of CO₂e. At the same time, the average CO₂e emission intensity per PLN 1 million gross carrying amount decreased by 3.6% y/y to 13.7 tonnes of CO₂e. Reducing the emission level results both from improving data quality, increasing data coverage from energy performance certificates (from 74% in 2022 to 79% in 2023), and from reducing the size of the income-generating real estate portfolio.

For corporate financing other than commercial income-generating real estates, the total emission intensity ratio was 54.0 tonnes of CO₂e per PLN 1 million gross carrying amount in 2023 (-30.1% y/y and -43.3% compared to 2021). For the group of sectors contributing significantly to climate change, the average estimated emission intensity was 86.6 tons of CO₂e per PLN 1 million of gross carrying amount (-16.1% y/y), while for the group of other sectors, the value of the indicator amounted to 25.3 tons of CO₂e per PLN 1 million of gross carrying amount (-35.5% y/y). The sectors contributing most to the total emission intensity of the corporate portfolio are manufacturing (Section C of the Polish Classification of Activities; 30% of total emission for corporate finance other than commercial income-generating real estates) and transport (Section H of the Polish Classification of Activities; 16%). The sectors with the highest emission intensity per PLN 1 million of funding provided are agriculture (Section A of the Polish Classification of Activities), mining and quarrying (Section B of the Polish Classification of Activities), water and waste management (Section E of the Polish Classification of Activities) and transport (Section H of the Polish Classification of Activities).

CO₂e emissions from the Investment (category 15 of Scope III)

	2021	2022	2023	change y/y
CO ₂ e emissions (tonnes) for Scopes I+II				
Corporate client receivables, including financial institutions:	8,507,162	7,794,837	6,810,455	-12.6%
commercial income-generating real estates	133,722	134,754	115,862	-14.0%
other forms of financing:	8,373,440	7,660,083	6,694,593	-12.6%
sectors contributing significantly to climate change	6,799,982	6,071,192	5,019,806	-17.3%
other sectors	1,573,458	1,588,891	1,674,787	5.4%

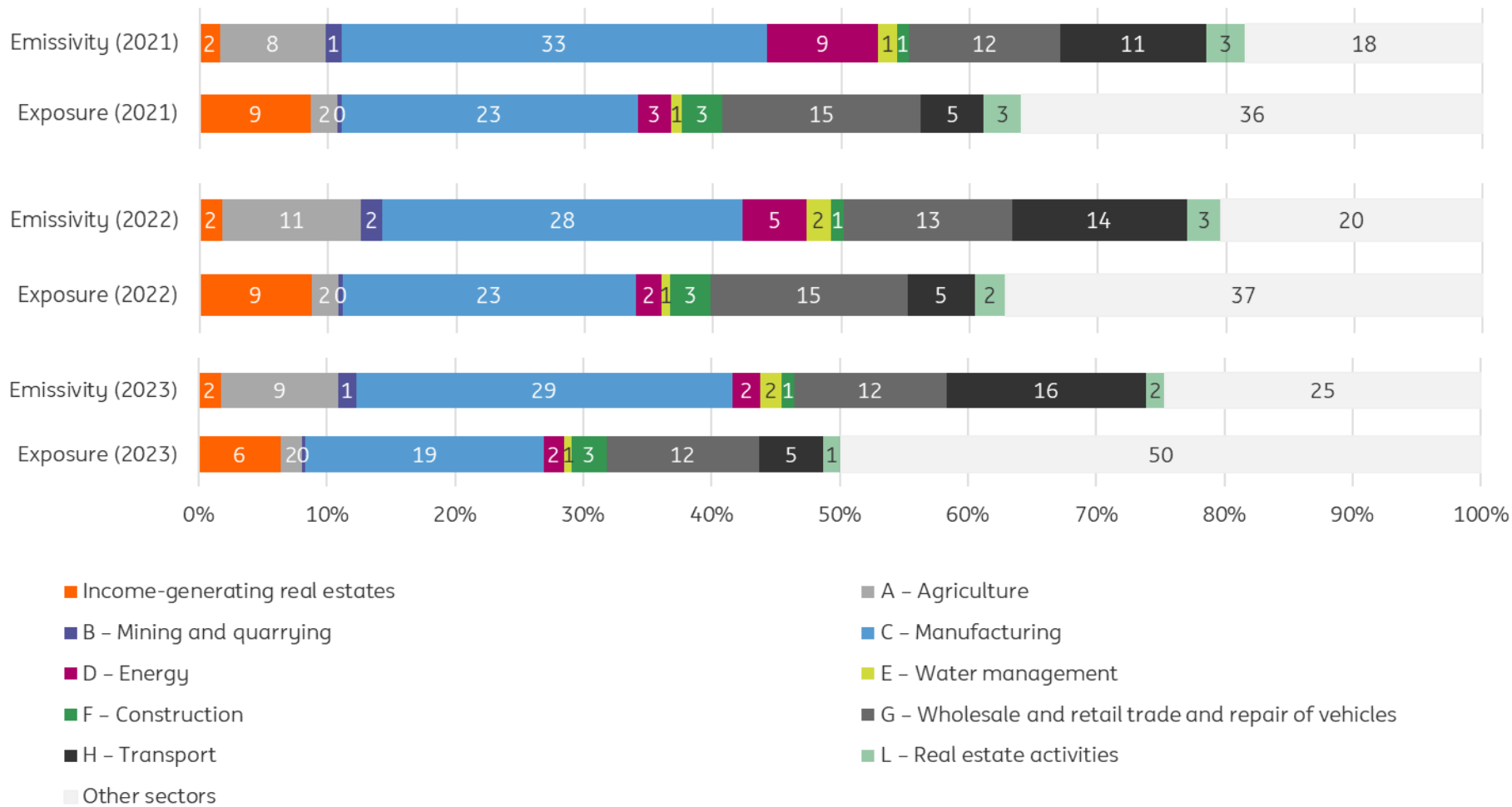
Gross exposure value (PLN million)

Corporate client receivables, including financial institutions:	96,322	108,765	132,510	21.8%
commercial income-generating real estates	8,344	9,479	8,458	-10.8%
other forms of financing:	87,978	99,286	124,052	24.9%



sectors contributing significantly to climate change	53,391	58,818	57,946	-1.5%
other sectors	34,588	40,468	66,106	63.4%
Emission intensity (tonnes of CO ₂ e per PLN 1 million of exposure)				
Corporate client receivables, including financial institutions:	88.3	71.7	51.4	-28.3%
commercial income-generating real estates	16.0	14.2	13.7	-3.6%
other forms of financing:	95.2	77.2	54.0	-30.1%
sectors contributing significantly to climate change	127.4	103.2	86.6	-16.1%
other sectors	45.5	39.3	25.3	-35.5%

Exposure value structure in relation to the emission structure of sectors of the Polish Classification of Activities (%) for corporate client receivables 2021-2023



Investment portfolio

In 2023, the estimated CO₂e emissions for our bank's investment portfolio comprising government bonds and equity instruments amounted to 2,221 thousand tonnes of CO₂e , 25.2% more than in 2022, which is directly linked to a 23.8% higher portfolio value measured by gross carrying amount. Emission intensity stood at 57.4 tonnes of CO₂e per PLN 1 million gross carrying amount, 1.4% higher than the previous year.

CO ₂ e emissions from the investment portfolio				
	2021	2022	2023	change y/y
CO ₂ e emissions (tonnes) for Scopes I+II	2,265,131	1,773,293	2,221,026	25.2%
Gross exposure value (PLN million)	35,000	31,227	38,669	23.8%
Emission intensity (tonnes of CO ₂ e per PLN 1 million of exposure)	64.7	56.8	57.4	1.1%

Financed Scope III emissions for corporate client receivables and investment portfolio

In addition, for corporate client receivables and the investment portfolio, we estimated funded Scope III emissions. At the same time, due to major simplifications in the calculation method and the impossibility of avoiding double counting of financed emissions – and thus possible large deviations from the actual values, with a simultaneous very large impact on the total estimate of financed emissivity – we do not include these emissions in the summaries. We assume that in the future it will be possible to better estimate the total financed Scope III emission of corporate clients as a result of the greater precision of the available statistical data and the greater availability of actual client data.

Breakdown of CO₂e emissions by gas and pollutant

CO ₂ e emissions – a breakdown of gases emitted (included in the Kyoto Protocol)					
	Total (tonnes of CO ₂ e)	CO ₂ (tonnes)	CH ₄ (tonnes)	N ₂ O (tonnes)	HFCs (volumes)
2019					
Scope I*	5,219	4,572	0.17	0.03	0.25
Scope II – market-based	6,536	6,536	0.00	0.00	0.00
Scope II – location-based	28,176	28,176	0.00	0.00	0.00
Scope III*	12,147	952	0.05	0.02	0.00
TOTAL (I-III)* – market-based	23,902	12,060	0.22	0.06	0.25



TOTAL (I-III)* – location-based	45,541	33,699	0.22	0.06	0.25
2020					
Scope I*	3,427	3,204	0.12	0.02	0.11
Scope II – market-based	5,693	5,693	0.00	0.00	0.00
Scope II – location-based	23,571	23,571	0.00	0.00	0.00
Scope III*	4,807	105	0.01	0.00	0.00
TOTAL (I-III)* – market-based	13,927	9,001	0.12	0.03	0.11
TOTAL (I-III)* – location-based	31,805	26,879	0.12	0.03	0.11
2021					
Scope I*	3,223	3,137	0.12	0.02	0.04
Scope II – market-based	6,229	6,229	0.00	0.00	0.00
Scope II – location-based	22,560	22,560	0.00	0.00	0.00
Scope III*	11,535,983	11,529,634	0.00	0.00	0.00
TOTAL (I-III)* – market-based	11,545,435	11,539,000	0.12	0.02	0.04
TOTAL (I-III)* – location-based	11,561,766	11,555,331	0.12	0.02	0.04
2022					
Scope I*	3,788	3,455	0.13	0.03	0.18
Scope II – market-based	5,018	5,018	0.00	0.00	0.00
Scope II – location-based	21,691	21,691	0.00	0.00	0.00
Scope III* – market-based	10,269,857	10,269,696	0.01	0.01	0.00
Scope III* – location-based	10,273,890	10,273,730	0.01	0.01	0.00
TOTAL (I-III)* – market-based	10,278,663	10,278,168	0.14	0.03	0.18
TOTAL (I-III)* – location-based	10,299,370	10,298,876	0.14	0.03	0.18
2023					

Scope I*	3,778	3,614	0.14	0.03	0.08
Scope II – market-based	4,431	4,431	0.00	0.00	0.00
Scope II – location-based	19,444	19,444	0.00	0.00	0.00
Scope III* – market-based	9,694,062	9,693,984	0.02	0.01	0.00
Scope III* – location-based	9,697,694	9,697,615	0.02	0.01	0.00
TOTAL (I-III)* – market-based	9 702 289	9,702,029	0.16	0.04	0,09
TOTAL (I-III)* – location-based	9 720 933	9,720,674	0.16	0.04	0,09

*Due to the design of the emission factors, the value of the part of the emissions for Scope 1 (refrigerant) and Scope 3 (category 1, 3, 5) has been converted into CO₂ equivalent emissions without a breakdown by individual greenhouse gas.

Due to the improvement in the quality of calculations in the field of CO, NO_x/NO₂, SO_x/SO₂, NMVOC, NH₃ and PB for petrol and diesel fuel used in the vehicle fleet, it was decided to recalculate the values for 2019-2022. The updated data is presented in the table below.

Emissions from greenhouse gases not included in the Kyoto Protocol					
kg	2019	2020	2021	2022	2023
Total dust	10.36	9.65	9.23	7.51	6.93
PM10 dust	10.21	9.51	9.09	7.51	6.93
PM2.5 dust	9.95	9.26	8.83	7.51	6.93
Carbon monoxide (CO)	1,698.07	1,339.86	1,323.99	1,427.07	1,485.50
Nitrogen oxides (NO _x /NO ₂)	9,864.33	7,363.10	7,443.73	8,423.70	8,892.36
Sulphur oxides (SO _x /SO ₂)	145.93	119.97	127.81	112.62	104.37
Benzo(a)pyrene	0.00	0.00	0.00	0.00	0.00
Non-methane volatile organic compounds (NMVOC)	209.32	152.71	155.85	179.42	193.18
Ammonia (NH ₃)	49.71	36.27	37.01	42.61	45.88
Lead (Pb)	0.48	0.35	0.35	0.41	0.44



Total emission intensity factors

In the table below, we present our emission intensity ratios per key data (revenue, total assets and number of FTEs). We emphasise that the correct approach to analysing emission intensity for Scopes I and II is to convert emissions into FTEs. When we analyse the emission intensity covering category 15 of Scope III (emissions related to Investments, i.e. primarily receivables from our clients), the indicator that better reflects the nature of the sector in which we operate is the one per revenue or asset.

We would like to point out that we count our investment-related emissions from 2021 onwards, and it is this element that is behind the jump in performance indicators between 2020 and 2021 and makes it difficult to compare the latest results with 2019, which is our base year for Scope I and II emissions.

Performance indicators related to CO₂e emissions

kg of CO ₂ e	2019**	2020**	2021	2022	2023
Emissions per PLN 1 million of revenue*					
Scope I	900	550	467	491	355
Scope II – market-based	1,128	914	903	650	415
Scope II – location-based	4,861	3,783	3,271	2,809	1 821
Scope III – market-based	1,127	771	1,672,633	1,329,913	907 888
Scope III – location-based	1,127	771	1,672,633	1,330,436	908 228
Total – market-based	3,154	2,235	1,674,004	1,331,054	908 658
Total – location-based	6,888	5,105	1,676,371	1,333,735	910 404
Emissions per PLN 1 million of assets (average per year)					
Scope I	35	19	16	18	16
Scope II – market-based	43	32	32	24	19
Scope II – location-based	187	134	115	103	84
Scope III – market-based	43	27	58,803	48,700	42 117
Scope III – location-based	43	27	58,803	48,719	42 132
Total – market-based	121	79	58,851	48,742	42 152
Total – location-based	265	180	58,935	48,840	42 233
Emissions per FTE (average per year)					

Scope I	655	424	377	450	453
Scope II – market-based	821	705	728	596	528
Scope II – location-based	3,539	2,918	2,637	2,578	2 319
Scope III – market-based	820	595	1,348,351	1,220,801	1 156 080
Scope III – location-based	820	595	1,348,351	1,221,280	1 156 513
Total – market-based	2,297	1,724	1,349,456	1,221,847	1 157 061
Total – location-based	5,015	3,938	1,351,364	1,224,309	1 159 285

*total including share in profit of associates.; **Data for 2019-2020 are not comparable with data for 2021-2023 in Scope III and Total due to a different scope of calculations.

Over the last five years, we have seen a positive trend in emission intensity factors when we take into account the change in the calculation range between 2020 and 2021. The ratios, in terms of income and assets, are decreasing both because of the reduction in emissions values themselves and because of the increase in our activities as measured by income or assets. The rate of decline of the indicator per FTE is lower than for the other two indicators, due to the different dynamics in terms of the number of FTEs. Due to the continued processes of optimising operations and reducing the number of venues, employment in our group has been growing significantly slower than total assets over the past five years.

Our bank's directions of action in terms of emission reduction

In Q4 2023, ING Bank Śląski, in the spirit of the commitments enshrined in the Paris Agreement, published the document “[ING BSK's roadmap for reducing GHG emissions](#)”, which sets out ambitions for emissions reductions in its own economy and loan portfolio in the areas of residential real estate, commercial real estate and energy production. In an effort to minimise our environmental impact, we have created a plan that not only reflects our commitment to combating climate change, but also aims to inspire and encourage others to do the same. A key driver of our work is to support our clients and understand the magnitude of the challenges they will face.

This initiative is in line with national policy commitments. Our active involvement in supporting our clients in the transition is linked to the dynamic changes in the legal, social and economic environment. Those changes will have a significant impact on the operations of our clients, and we want to be a partner supporting them as they adapt to the new reality.



The plans to decarbonise our portfolio are integrated into our bank’s business strategy, and the steps we have developed and our ambitions allow us to operationalise these actions.

Based on the available data, we estimated our bank’s financed greenhouse gas emissions as a first step towards setting decarbonisation targets. For commercial and residential real estates, we have adopted as a baseline a reduction path aligned with the ambitious scenario of limiting global warming to 1.5°C compared to the pre-industrial era.

In order to meet the goal of decarbonising the real estate loan portfolio, ING Bank Śląski will increase financing for energy-efficient buildings, renewable energy sources and thermo-modernisation of existing real estates. Planned courses of action also include working with real estate sector organisations on decarbonisation, promoting available financial support programmes and educational initiatives

At the same time, we are continuing our policy in the power generation sector of moving away from financing high-carbon non-renewable sources of energy, i.e. coal and lignite, and redirecting resources mainly towards financing renewable energy sources, in line with the targets set. We have committed to provide PLN 5 billion of funding in renewable energy projects between 2024 and 2030.

We are working to include an increasing proportion of our portfolio in emission reduction plans and to expand our commitments to support portfolio decarbonisation, and our aim is to apply generally accepted and widely used methodologies for emissions calculations and decarbonisation scenarios and to successively increase the quality of our clients’ emissions data as it becomes available.

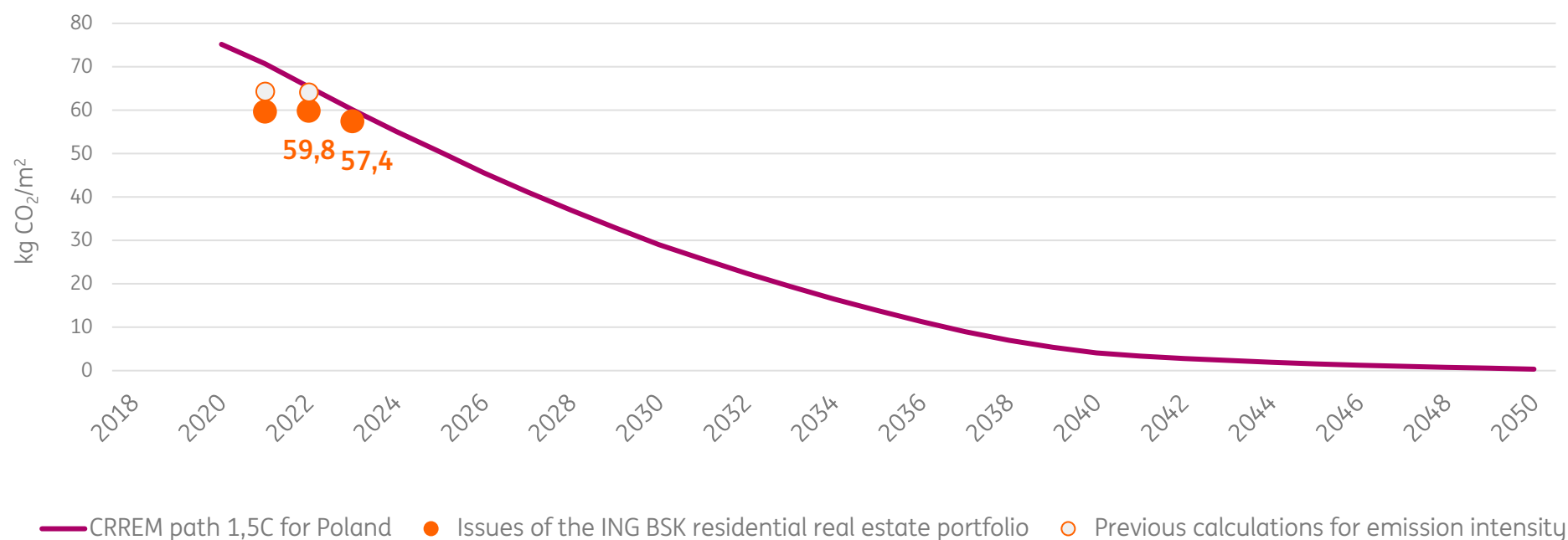
Residential real estates

At the end of 2023, the emission intensity per surface area of financed real estates was 57.4 kg of CO₂e/m² compared to 59.8 kg of CO₂e/m² the year before. The y/y reduction in emission intensity is mainly due to:

- a higher proportion of newer buildings in the portfolio. The share of the newest real estates with the lowest energy consumption (built after 2020) at the end of 2023 by total financed area was 20.9%, with the share at the end of 2022 at 15.8%;
- a 2.4% decrease in the household emissions factor. The factor reports the CO₂ equivalent emissions generated from the consumption of one kWh of energy. The decrease in the share of carbon-intensive energy carriers, such as coal, in the structure of household energy consumption in favour of less carbon-intensive carriers contributes to the decrease in emissions at portfolio level;
- a greater coverage of actual data from energy performance certificates.

Below is the current emission status of our retail mortgage-backed portfolio in relation to the decarbonisation paths taken. As we have decided to revise our methodology for calculating emissivity (which we write about here), we also show the results of previous calculations in the chart in order to maintain full transparency.

Emission intensity per m² of residential real estate portfolio against the decarbonisation paths taken



In Q4 2023, we started to implement the announced plan to support clients through, among other things:

- initiating discussions on potential cooperation with real estate sector organisations to coordinate emission reduction activities and to build awareness, promoting available financial support programmes, grants for thermal upgrading;
- an analysis of the tools available on the market to support our clients in planning measures to improve the energy efficiency of their real estates;
- working on preparing a dedicated offer for the renovation of real estates in our loan portfolio combined with the requirement to provide an energy performance certificate after the renovation;
- automating the collection of data from energy performance certificates for the new and existing loan portfolio;
- planning activities in the area of education of our employees and clients aimed at increasing their knowledge and promoting energy-efficient solutions.



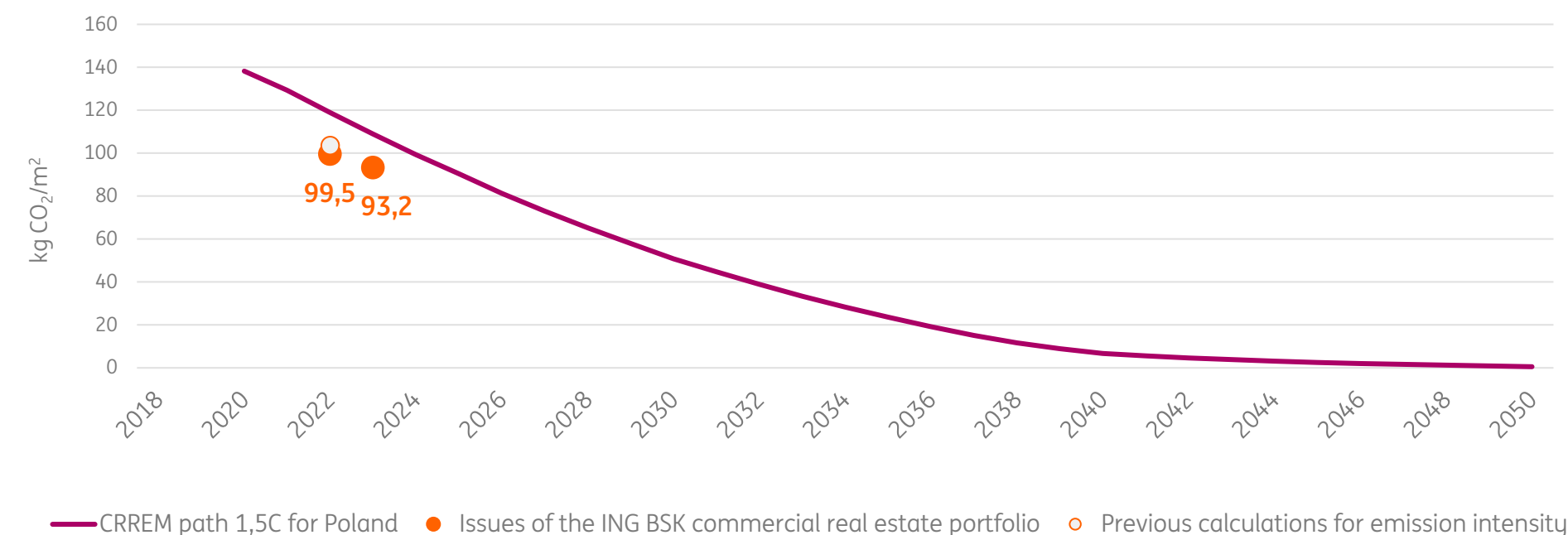
Commercial real estates

At the end of 2023, the emission intensity per surface area of financed real estates was 93.2 kg of CO₂e/m² compared to 99.5 kg of CO₂e/m² in 2022. The reduction in emission intensity compared to the previous year is mainly due to:

- improve data quality, and
- increase coverage of data from energy performance certificates.

Below is the current state of the carbon footprint of our commercial real estate portfolio in relation to the decarbonisation paths taken. As we have decided to revise our methodology for calculating emissivity we also show the results of previous calculations in the chart in order to maintain full transparency.

Emission intensity per m² of commercial real estate portfolio against the decarbonisation paths taken



In Q4 2023, we started to implement the announced plan to support clients through, among other things:

- initiating discussions on potential cooperation with real estate sector organisations to coordinate emission reduction activities and to build awareness, promoting available financial support programmes, grants for thermal upgrading;
- an analysis of the tools available on the market to support our clients in planning measures to improve the energy efficiency of their real estates;

- continuing to obtain energy performance certificates for every new real estate financed by our bank. In addition, we carried out a campaign to collect energy performance certificates for the real estates we financed. As a result of this action, we were able to acquire an additional 36 certificates.

Own economy

From 2019, we are gradually installing and increasing our photovoltaic power generation capacity on our buildings. The total installed capacity as at 2023 yearend is 507 kWp. We plan to invest further in this area in 2024. In connection with this initiative, we are reducing the demand for energy purchased from the market. Using an analogous methodology to the counting of the emissions calculations referred to earlier (KOBIZE index for Scope II, own calculations for Scope III), if we had to purchase the energy produced from photovoltaic panels on the market in 2023 (305 MWh in total), our emissions would be 248.9 tonnes of CO₂e higher in location-based terms. Within this figure, 198.3 tonnes of CO₂e are attributable to Scope II and the remainder (50.5 tonnes of CO₂e) to Scope III in category 3 (WTT).

We have reduced the use of our office space between December 2022 and February 2023. For the operation of key institutions in society – including schools, kindergartens or hospitals – for 38 days we saved:

- 159 GJ of heat energy and 126 MWh of electricity at the headquarters building in Warsaw at Puławska Street,
- 632 GJ of heat energy and 327 MWh of electricity at the headquarters building in Katowice at Sokolska Street and Chorzowska Street.

This initiative has enabled us to reduce our location-based emissions by 448.2 tonnes of CO₂e, including 365.4 tonnes of CO₂e in Scope II and 82.8 tonnes of CO₂e in Scope III in category 3 (WTT).

Management of natural resources

Fuel and energy consumption

In 2023, we have reduced our fuel consumption by 4.5% y/y and 24.5% against 2019, for Scope I and II fuels combined. For Scope I fuels, although our consumption fell by as much as 18.9% against 2019, it increased by 4.5% y/y due to higher petrol consumption (+18% y/y). This was due to the return to normal business contacts after the pandemic. The 8.0% y/y decrease in natural gas consumption in 2023 is due to a decrease in office space in use, a change in heating source and an increase in average annual temperature. The 20.6% y/y increase in fuel oil consumption is due to the irregular nature of oil orders. Consumption data is provided on the basis of purchase invoice orders and not on the basis of meters indicating its consumption.



As for fuel consumption in Scope II, it decreased by 8% y/y, mainly due to lower consumption of electricity (-8% y/y) and district heating (-9% y/y), which is linked to the reduction in office space in use and winter shutdowns in office buildings in Katowice and Warsaw. The decrease in relation to 2019 was as much as 27%.

In 2023, we have introduced the following measures to reduce energy consumption:

- as part of the redevelopment for the new space design standard, we successively replaced the existing fluorescent lighting with LED lighting in the retail outlets,
- we replaced fluorescent lighting with LED technology in rooms and technical cubicles in buildings in Katowice at 34 Sokolska Street and at 50 Chorzowska Street,
- we installed LED lighting with intelligent control system in the office space of the 10th floor, in a building in Katowice at 50 Chorzowska Street,
- we installed LED lighting with intelligent control system in a converted 1st floor office space in a building in Warsaw at 2 Puławska Street,
- as part of winter savings at all ING branches nationwide:
 - we switched off the night-time luminaires in the operating theatres and replaced them with LED luminaires dedicated to video surveillance, controlled by a motion sensor with an integrated light sensor,
 - we switched off outdoor advertising at 10:00 pm.

Fuel consumption by source - ING Bank Śląski S.A.

kWh						Change 2023 vs	
	2019	2020	2021	2022	2023	2019	2022
Natural gas	3,203,190	3,182,520	2,834,848	2,585,018	2,374,645	-25.9%	-8.1%
Fuel oil	248,829	107,079	121,814	162,207	195,196	-21.6%	20.3%
Coal	10,138	9,678	9,773	0	0	-100%	
Petrol fuel	6,299,177	5,928,814	7,249,665	9,102,176	10,853,651	72.3%	19.2%
Diesel – car fleet	6,709,996	2,752,935	1,389,164	956,574	105,597	-98.4%	-89.0%
Diesel – power generators	172,767	228,187	240,800	204,843	144,360	-16.4%	-29.5%
TOTAL Scope I	16,644,098	12,209,214	11,846,064	13,010,818	13,673,449	-17.8%	5.1%
Electric energy	32,131,934	26,931,032	25,331,448	24,372,359	22,492,789	-30.0%	-7.7%
Cold	1,194,210	1,141,938	644,853	1,096,200	1,098,816	-8.0%	0.2%

District heating	14,249,807	13,893,464	15,051,206	12,207,428	11,076,515	-22.3%	-9.3%
TOTAL Scope II	47,575,951	41,966,434	41,027,507	37,675,987	34,668,120	-27.1%	-8.0%
TOTAL Scope (I-II)	64,220,049	54,175,649	52,873,571	50,686,805	48,341,569	-24.7%	-4.6%

Fuel consumption by source - ING Bank Śląski S.A. Group

kWh						Change 2023 vs	
	2019	2020	2021	2022	2023	2019	2022
Natural gas	3,281,392	3,268,420	2,913,799	2,660,371	2,448,796	-25.4%	-8.0%
Fuel oil	254,904	109,969	125,206	166,935	201,292	-21.0%	20.6%
Coal	10,386	9,939	10,045	0	0	-100%	-
Petrol fuel	7,001,446	6,754,521	8,385,374	10,381,752	12,221,174	74.6%	17.7%
Diesel – car fleet	7,924,293	3,119,900	1,557,702	1,062,482	111,175	-98.6%	-89.5%
Diesel – power generators	176,984	234,346	247,507	210,814	148,868	-15.9%	-29.4%
TOTAL Scope I	18,649,406	13,497,095	13,239,632	14,482,354	15,131,304	-18.9%	4.5%
Electric energy	32,916,393	27,657,936	26,036,931	25,082,811	23,195,147	-29.5%	-7.5%
Cold	1,223,365	1,172,761	662,812	1,128,154	1,133,127	-7.4%	0.4%
District heating	14,597,698	14,268,466	15,470,384	12,563,273	11,422,389	-21.8%	-9.1%
TOTAL Scope II	48,737,456	43,099,163	42,170,127	38,774,238	35,750,663	-26.6%	-7.8%
TOTAL Scope (I-II)	67,386,862	56,596,258	55,409,759	53,256,592	50,881,967	-24.5%	-4.5%

Energy production from own photovoltaic installations

In April 2023, in Katowice at 41 Roździeńska Street, we have launched a 280 kWp photovoltaic farm, which is our largest investment in terms of generating capacity. At the end of 2023, we had photovoltaic installations with a total capacity of 507 kWp. In 2023, 1.3% of the electricity we use will come from our own production.

The electricity we produce (photovoltaic panels)

kWh						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Electric energy	3,870	43,280	78,137	138,366	304,755	79x	120,3%



Car eco-policy

At the end of 2023, 97% of our car fleet will consist of hybrid or electric cars. We will gradually increase the fleet of electric cars, with the aim of achieving a minimum 36% reduction in CO₂ resulting from car use in 2030 compared to 2019.

As part of our efforts to support electromobility, we have installed 8 electric car charging stations in Katowice at 34 Sokolska Street. In total, we had 40 charging stations nationwide as at 2023 yearend.

Business travels

In 2023, we experienced an increase in business travel as a result of the return to normal business contacts after the pandemic. Nevertheless, the number of kilometres travelled, both by company car and by plane, is lower than in pre-pandemic 2019, by 7% and 52% respectively.

Business travels - ING Bank Śląski S.A.							
km						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Business travels by company cars	22,682,388	16,829,017	16,949,991	19,823,353	21,582,047	-4.9%	8.9%
Air travels	2,152,100	299,899	23,689	595,149	1,065,987	-50.5%	79.1%

Business travels - ING Bank Śląski S.A. Group							
km						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Business travels by company cars	26,164,962	19,089,186	19,481,296	22,427,544	24,276,413	-7,2%	8,2%
Air travels	2,222,780	314,885	24,220	612,498	1,074,585	-51,7%	75,4%

Water consumption

We systematically collect data and analyse water consumption for all our locations. Thanks to the developed standards for office buildings and bank branches, we use modern two-post toilets, dishwashers and aerators every time we upgrade. The measures are aimed at reducing water consumption.

Nevertheless, our water consumption increased by 9% y/y in 2023. This was primarily due to a failure of the grey water system at the Ruda Śląska facility, which caused water to leak into the sewer system.

Water consumption - ING Bank Śląski S.A.							
m ³						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Water (the source of intake is municipal water supply system)	76,930	70,932	58,528	40,535	43,002	-44.1%	6.1%

Water consumption - ING Bank Śląski S.A. Group							
m ³						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Water (the source of intake is municipal water supply system)	80,707	74,669	61,653	41,717	45,433	-43.7%	-8.9%

Waste

Hazardous and non-hazardous waste

In our business activities, we implement and apply the principles of environmental responsibility in many aspects. This also applies to the waste generated. Our activities aim to treat waste management in a comprehensive manner, therefore:

- we segregate waste compulsorily in meeting places and office buildings. Additionally, we collect and destroy data media (in paper and magnetic form),
- we replaced the mixed waste bins at desks with waste segregation bins in the open spaces of office buildings in Katowice, Warsaw and Ruda Śląska. The containers are made from 90% recycled materials,
- we collect office waste in the form of toner cartridges, furniture waste and electronic waste in meeting areas and office buildings, and hand it over to an authorised company for disposal,
- we extended the waste segregation with the collection of dead batteries,



- all employees in the office buildings in Warsaw and Katowice use the so-called follow-on printing system. This solution allows you to print the document only after we put our ID card to the printer, so we do not waste paper and toner.

100% of our waste is sent for recycling.

Total weight of hazardous waste, broken down by the following disposal methods

kg						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Recycling	1,487	1,187	670	1,624	944	-51.7%	-41.9%

Total weight of non-hazardous waste, broken down by the following disposal methods

kg						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Recycling	507,880	18,992	17,652	10,428	7,848	-98.5%	-24.7%

All quantities of hazardous and non-hazardous waste are reported on the basis of Waste Transfer Cards in the Waste Database system. The method of disposal is determined by the company responsible for recycling the waste we provide.

Municipal waste

Municipal waste that is transferred to municipalities is not recorded – we are unable to obtain information on the weight of such waste generated from municipal clients. In 2022, we have developed a tool that estimates the amount of municipal waste generated across the bank based on estimated average full bin weights for different fractions, as well as real data on the number and capacity of bins and the frequency of waste collection in a given location.

Municipal waste - ING Bank Śląski S.A.

kg						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Municipal waste	3,326,300	3,310,820	3,279,102	2,747,503	2,583,504	-22.3%	-6.0%

Municipal waste

kg						Change 2023 vs:	
	2019	2020	2021	2022	2023	2019	2022
Municipal waste	3,489,626	3,485,256	3,454,168	2,827,593	2,729,542	-21.8%	-3.5%

Educational initiatives to support responsible management of resources

Every day, even small choices have an impact on the state of the environment. Starting with ourselves, we consistently promote environmentally friendly attitudes.

OFF Culture – in-house education programme

For years, we have been trying to educate and encourage our organisation to manage natural resources efficiently and sensibly. Such an example is the educational action Culture OFF, which we launched internally in 2016. Every year we organise a thematic educational campaign aimed at all employees to encourage, inspire and develop good habits. We have already touched on the topics of lighting, water, segregation, optimal use of air conditioning or eliminating plastic.

In April 2023, we summarised all the measures to reduce emissions from our direct operating activities (so-called own economy) that we have been involved in since 2016. Projects included: saving water and energy, using electricity exclusively from renewable sources, installing their own photovoltaic systems, giving a second life to furniture, reducing waste production and replacing their car fleet. In the November instalment of the OFF Culture campaign, we encouraged employees to consciously save electricity both in the office and at home. Stickers with slogans have appeared on office surfaces to remind people to switch off the lights, to encourage people to use the stairs instead of the lifts or to unplug appliances at the end of the day.

Baskets for nuts

Thanks to a campaign to collect plastic bottle tops in bins set up between office buildings in Katowice and in Ruda Śląska at 54 Niedurny Street, we collected more than 150 kg of nuts. The collection is not only an environmental endeavour, but also a tool to help. The nuts collected were donated to the charity.

A second life for coffee grounds

We want to help increase the recycling of coffee grounds, which are a source of valuable biomass. In the kitchens in our office buildings in Warsaw (Puławska Street), in Katowice (34 Sokolska Street and 50 Chorzowska Street) and in Ruda Śląska (Niedurny Street) we have placed containers intended for coffee grounds. In cooperation with EcoBean, our grounds are used to produce raw materials that are used, among other things, in the production of everyday objects, in the cosmetics industry or in the pharmaceutical industry.



Action “Give shirts a second life”

As part of the campaign , “Give shirts a new life”, we encouraged employees to donate used work shirts. Together, we collected almost 4,000 of them. As a result, around 1,200 kg of clothes were given a second life. Second-hand shirts were used to create backpacks that went to the workers.

Anti-corruption policies

We have put in place a number of regulations in our capital group that set out how our employees are to conduct themselves in order to comply with ethical principles and applicable regulations.

The basic document in this respect is the Regulations – Principles of Professional Ethics of Employees of ING Bank Śląski S.A. Their purpose is to reduce the compliance risk by indicating to employees the principles, compliance with which is a prerequisite for ensuring the integrity of the bank’s activities, including compliance with the law, regulatory requirements and ethical standards applicable in the financial services industry. The principles specified in the Regulations shall apply to the employee’s all activities related to the performance of official duties. Some of the principles may also apply to the employee’s private activity, if such private activity may negatively affect the bank’s reputation or cause a conflict of interest.

As a public trust organisation, the Bank sees anti-corruption practices as the top priority in its relationships with clients, business partners, and government officials.

We counteract bribery and corruption

All forms of corruption are absolutely prohibited. Our bank has an Anti-Bribery and Corruption Policy, which all our employees are required to follow. The policy covers active, passive as well as direct and indirect forms of bribery and corruption and sets out the rules for accepting and giving benefits (both tangible and intangible) in relations with clients, business partners and public officials in terms of:

- gifts or invitations to attend special events,
- cash or cash equivalents (giving or receiving benefits in this form is prohibited),
- funding of travel and accommodation costs,
- participation in business meals,
- employment at the Bank, including in the form of an internship or apprenticeship,
- engaging with business partners.

As a matter of policy, we operate in an honest and ethical manner with a zero tolerance for dishonest behaviour.

The acceptance or giving of gifts or invitations by employees to attend special events must always have a sound business justification. In any case, there must be a legitimate purpose for accepting or giving the advantage, and its acceptance or giving must not create a conflict of interest or give the impression that such a conflict exists.

We do not authorise gifts or donations for political purposes on behalf of ING Bank Śląski or companies in the ING Bank Śląski Group, nor do we offer gifts or benefits to political candidates to attend special events.

Decisions regarding the employment or secondment of an employee must be based on substantive, objective criteria and must not seek to exert undue influence. The policy sets out rules, including limits on the amount of gifts and participation in special events that can be given or accepted by our employees.

Advantages given, received and rejected are recorded in the Register of Advantages – if they exceed a certain value and whenever they concern relations with a public official or bear the signs of attempted corruption.

The rules of conduct described above are part of ING Bank Śląski’s Anti-Corruption Declaration, which is an appendix to contracts concluded with suppliers. According to the declaration, the Bank, as well as the ING Group as a whole, does not accept actions that bear the hallmarks of corruption or that may give the impression of an attempt at corruption. We expect our business partners to comply with anti-corruption standards and do not have relationships with entities that do not accept these standards. The text of the declaration and detailed information on supplier relations can be found on [our website](#).

In order for our employees to better recognise corruption and be able to counter it effectively, we continuously raise their awareness of the principles of the Anti-Bribery and Corruption Policy. We carry out this task, among other things, through e-learning training and regular awareness-raising activities, such as e-mail messages or information posted on the intranet, and we intensify these activities especially during the festive season, which is usually conducive to receiving and giving gifts or other benefits. All newly recruited employees are included in an extensive training programme on our bank’s existing standards of conduct. Anti-Bribery and Corruption training was completed within the deadline by 97.44% of our bank’s group employees. The indicator is determined by the number of employees who have done the training in relation to all those enrolled in the training (including those on long-term absences).

As part of our bank’s internal control system, elements of the anti-corruption process are subject to:

- on-going verification, in particular of reports entered in the Register of Benefits,
- independent compliance testing,
- annual testing of key controls (KCT).



We address conflicts of interest

We have internal procedures and controls in place to counter conflicts of interest. The Bank's Conflict of Interest Policy provides for the registration of conflicts of interest: structural and incidental, in order to manage their risks effectively.

The policy sets out conflict of interest requirements covering:

- the operation of the organisation and the methods used in the bank to manage conflicts of interest at the organisational level,
- personal interests of employees that may contribute to a conflict of interest, e.g. between the interests of the bank, clients or other stakeholders and the interests of employees, including the bank's management.

The controls in place at the bank include:

- the division of responsibilities in the bank's organisational structure and the relationship between the different levels of management, as well as the staff links between employees,
- that employees consult and notify the bank when they undertake additional professional activities and personal interests that may give rise to a conflict of interest. In addition, employees were required to make annual declarations of personal interests,
- implementation of private investments by employees with access to protected information,
- the process of determining remuneration in a way that ensures that the interests of clients are central and that quantitative elements are balanced by qualitative indicators when determining variable remuneration ratios.

We comply with the requirements under the Best Practices and the Corporate Governance Principles for managing conflicts of interest:

- The Bank discloses on its [website](#) the principles of conflict of interest management arising from its Conflict of Interest Policy.
- The policy sets out standards of behaviour addressed to members of the bank's bodies in connection with their functions.
- Members of the bank's governing bodies should refrain from engaging in professional activities that could lead to a conflict of interest and should inform the bank immediately if a conflict of interest arises or is likely to arise.

- Members of the Bank's bodies may not participate in decision-making or take part in the settlement of matters in a situation that could give rise to a conflict of interest.
- Issues of potential conflicts of interest of members of the bank's bodies are also examined in the adequacy assessment process.
- The policy also introduces the obligation to assess transactions carried out with related parties for conflicts of interest and to publish information about such conflicts on the bank's website .

Conflict of interest risks are assessed annually as part of the review of the bank's Conflict of Interest Registers. The results of this assessment are presented at the Non-Financial Risk Committee or, in the case of conflicts concerning members of the Bank Management and Supervisory Boards and persons reporting directly to the Bank's Management Board, are reviewed by each of these bodies respectively.

All employees are obliged to report irregularities related to corruption or conflicts of interest. Questionable behaviour should be challenged and (suspicious) improper payments or actions should be reported to management or through channels for anonymous reporting of violations of laws, internal regulations and ethical standards.

Effects of applying policies

In 2023 no cases of suspected bribery or corruption were identified and the risk of conflict of interest globally was assessed as low.

Our processes for reporting violations of the law and applicable internal standards and regulations are governed by the Policy on Anonymous Reporting of Violations of: Applicable Law, Internal Regulations and Ethical Standards, the Manual for Handling Anonymous Reports of Infringements of Law, Internal Regulations and Ethical Standards, the Procedure for handling Whistleblower reports and the Procedure for conducting checks for potential retaliation against Whistleblowers.

Employees can report suspected breaches of the law, internal regulations and ethical standards through established reporting channels:

- the electronic Whistleblower channel (named or anonymous submissions),
- by traditional post (named or anonymous applications).

Reports can be named or anonymous, in either case we are committed to confidentiality and discretion and to protecting whistleblowers from retaliation.

As a rule, each report is received by the President of the Management Board, who decides on the investigative action and accepts the outcome.



The Manual for Handling Anonymous Reports of Infringements of Law, Internal Regulations and Ethical Standards also defines the path to be followed in the case of a report concerning a member of the Management Board or a Compliance Officer. Such applications are addressed to the Supervisory Board.

Employees can also ask questions and clarify doubts about the applicable conduct rules by contacting the Compliance department at the dedicated email address.

Our employees may also report (namely or anonymously) a violation of ethical principles using the website provided by the ING Group N.V. breach reporting channel operated by a third party, via a telephone line (available 24/7), website or e-mail address. The reports are then forwarded to the Chief Compliance Officer of ING Group N.V., who leads the investigation at ING Group N.V. level.

In 2023, 34 reports were submitted that were eligible to be processed under the procedure set out in the Whistleblowing Policy for Infringements of Law, Internal Regulations and Ethical Standards concerning, inter alia, discrimination, harassment or violations of the bank’s internal regulations. After analysis and investigation, irregularities were confirmed in 4 cases and corrective actions were applied (interviews with employees reminding them of the rules of conduct in certain cases, updating internal regulations).

We ensure that our employees are aware of and trust the established channels for reporting violations. Every new employee in our Group undergoes mandatory training on the Orange Code, the code of ethics applicable in the entire ING Group N.V., as well as training on Reporting Ethics and Standards Breaches. This training is cyclical and is repeated by each employee every three years. An awareness campaign was conducted in Q3 2023 to remind bank employees of the topics of whistleblowing and whistleblowers and their importance to the organisation and society. A reminder was also given on how to report breaches at the bank.



Description of significant risks for non-financial issues

Non-financial risk

Non-financial risk encompasses operational risk management functions (together with legal risk) and compliance risk and is based on a common framework that sets out clear principles and standards for identifying, assessing, monitoring, mitigating and reporting risk.

We manage non-financial risks in compliance with the Strategy and Risk Appetite Statement for Non-financial Risks approved by the Bank Management Board that set forth risk limits and tolerance. Compliance with the declared risk appetite is monitored in a periodic Report on the status of non-financial risk (NFRD). Additionally, the bank operates the Non-financial Risk Committee appointed by the Bank Management Board – the Committee advises the Bank Management Board with respect to the management of non-financial risks. The Supervisory Board, with the support of the Risk Committee, supervises the management of operational risk and assesses the effectiveness of its activities in this respect at least once a year.

The common management framework of non-financial risks support the Bank in active identification of core hazards and gaps and the related risks which may result in undesirable events. The framework supports such processes as self-assessment of risks and controls, scenario analyses, monitoring of key risk indicators or testing of key controls. The results of analyses of internal and external events keep improving the adequacy and effectiveness of the internal control system functioning in the bank.

We believe that an effective control environment is essential to building and maintaining a sustainable business, and retains and enhances the confidence of clients, employees and shareholders.

In terms of information on material events that may affect risk, senior management, including the Bank Management Board, is notified as part of the quarterly Non-Financial Risk Report (NFRR). . The report presents the events with the highest actual losses – with the greatest financial impact on the bank. Qualification is carried out by operational risk and compliance experts. In 2023, 1,579 reported incidents were analysed, the most important ones resulting in the highest risk impact were related to compliance, fraud and processing errors.

Operational risk

We define operational risk as the possibility of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events. The scope of the operational risk also includes the legal risk and the model risk.

Operational risk management is an integral part of the bank's management process. The operational risk management process and business processes show interdependence, which means that information obtained within the operational risk management process is included while taking decision on business, and the operational risk management process incorporates business decisions.

We define operational risk management objectives, which are part of the overall risk management strategy, based on:

- regulatory requirements,
- recommendations of the Bank Management Board and Supervisory Board,
- ING Group N.V.'s plans and good practices,
- the need to implement mitigating measures identified during assessments and external and internal audits,
- improvement plans in the area of risk management.

The Bank Management Board – subject to approval of the Supervisory Board – has developed a strategy of operational risk management. This strategy takes into account legal and regulatory requirements and builds on the good practices of ING Group N.V.

Additionally, the Management Board – in agreement with the Supervisory Board – in its risk appetite statement defined the maximum acceptable loss limits, capital limits and risk scope that it is willing to accept in the pursuance of the planned business objectives – subject to full compliance with the law and regulations. The level of limit utilisation is monitored and periodically submitted to the Management Board, Risk Committee and the Supervisory Board.

The main objective in operational risk management is to continuously improve the security of the bank and its clients, reduce operating costs and improve operational efficiency.

In addition to implementing core processes in the area of operational risk, in 2023 we focused our activities on:

- building integrated tools for non-financial risks, including in the area of fraud,



- maintaining a single control framework covering subsidiaries,
- raising the maturity level of the risk culture among our employees,
- including ESG risks in the list of risk factors affecting operational risk levels,
- updating the risk management principles in the area of new technologies used in the bank,
- proactive identification of high-risk areas,
- analysing a new approach to reporting non-financial risks based on data metrics and we continued to implement a new risk categorisation.

Operational risk management policies

With regard to operational risk management, we have a coherent and continuously updated set of internal normative documents. The principles and guidelines contained in the regulations are designed to limit the impact and likelihood of financial and reputational losses.

The operational risk management system is based on:

- legal standards,
- requirements arising from internal regulations that form part of the Bank's strategy – the Non-Financial Risk Appetite Statement and the Operational Risk Management Policy setting out the main operational risk management processes,
- other regulations at the Policy level concerning the Internal Control System, Anti-Fraud, IT Risks, as well as Business Continuity Management, the implementation, modification, review and liquidation of the bank's client products (PARP), the transfer of non-financial risks to the insurance market, Outsourcing, security of persons and resources,
- more detailed regulations, instructions and procedures of the bank relating to risk management issues.

Risk management organisational structure

We have a governance structure with clearly defined, transparent and consistent areas of responsibility based on a three-line-of-defence model.

We have defined responsibilities starting with the Supervisory Board and its supporting Risk Committee and the Bank Management Board, through all organisational units of the bank. In terms of operational risk, we also supervise the bank's significant subsidiaries.

For years, the Bank has had a permanent Non-Financial Risk Committee, whose main task is to support the Management Board in the management of non-financial risks on an ongoing basis.

Operational risk management process

We have effective and consistent processes for identifying and controlling non-financial risks across all of the Bank's products, activities, processes and systems.

The operational risk management system applies to all business spheres of the bank and the activity of the bank capital group, cooperation with clients, providers and partners. It is a cohesive, regular practice that covers the following elements:

- risk identification and assessment, including, inter alia, risk assessments, internal and external event analysis or scenario analyses and stress tests,
- mitigation or risks and monitoring of mitigation activities,
- performance of inspections,
- quality monitoring and assurance.

Identified areas of higher risk in 2023 and key actions on the operational risk side

In 2023, risks related to models, external fraud as well as the IT technologies used, including operational resilience, were the main areas for analysis and the introduction of additional mitigating actions.

The result of the measures taken in our bank is an acceptable level of risk and no exceeded values of the core limits under the Non-Financial Risk Appetite Statement as at 2023 yearend.



The main activities of the Operational Risk Unit within the Second Line of Defence in support of the First Line of Defence in 2023 are as follows:

Subject		Operational risk data for 2023
Legislative changes – opinion/analysis		about 900 initiatives
Product development – opinion/analysis, including product review		about 400 initiatives, including about 30 reviews
Number of registered recommendations		about 500 recommendations created, including no overdue high priority recommendations at the end of each quarter
Conducted workshops to assess risks in processes		about 140 assessments
Risk project support		about 30 projects
Monitoring of outsourcing agreements		about 60 agreements
Number of scenario analyses carried out		about 20 analyses
Monitoring of KRIs		about 150 indicators
Number of internal events/incidents		about 1,600 incidents

Compliance risk

Our compliance mission is to build an organisational culture based on knowledge of and compliance with laws, internal regulations, market standards and ING Values and Behaviours, as defined in the Orange Code.

Compliance risk management process

At the bank, we understand compliance risk as the risk of the consequences of non-compliance in processes with laws, internal regulations and market standards operating in the bank.

The Bank Supervisory Board oversees compliance risk management and the Bank Management Board is responsible for effective compliance risk management, including:

- the implementation of organisational arrangements, regulations and procedures that enable compliance risk to be managed effectively, and
- ensuring that the resources and means required to perform the tasks are adequate.

The Centre of Expertise – Compliance is an organisationally separate, independent unit that is responsible for the organisation and operation of the compliance risk management process. The aim of the Centre of Expertise – Compliance is to shape solutions for identifying, assessing, controlling and monitoring the risk of non-compliance of the bank’s activities with the law, internal regulations and market standards, and to provide reports in this respect. Compliance activities are aimed at the active participation of the bank’s employees in the compliance risk management by shaping a risk culture based on knowledge and compliance with the law, internal regulations and market standards.

Centre of Expertise – Compliance flexibly adapts organisationally to the changing external environment. The changes are necessary to further increase the effectiveness of compliance risk management and to effectively mitigate these risks. With this in mind, the Compliance unit:

- developed the required procedures and methodologies on the basis of which it carried out independent inspections, training programs, issued recommendations and recommendations in banking processes, including in the process of giving opinions on product and legislative changes and marketing materials,
- strengthen the competences of subordinate employees,
- implemented an automation plan in the area of compliance risk,
- continued to cooperate with regulators in monitoring the implementation of the audit recommendations received.

Key initiatives in 2023

In 2023, the bank continued work to improve the compliance risk management system, including the following elements:

- AML/CFT, as well as regulations on counteracting the use of the financial sector for fiscal fraud,
- amendments to banking regulations to align with the EBA’s guidance on compliance management policies and procedures and the role and responsibilities of the AML/CFT inspector in line with the regulator’s expectations,
- raising staff knowledge and awareness of risk culture and ethical standards through the Culture of Risk programme,



- protecting the bank’s reputation,
- implementing solutions to change the WIBOR reference index to WIRON,
- monitoring the application of the Best Practice for GPW Listed Companies.

The following regulations, among others, have been updated:

- Policy – Principles for Reputational Risk Management at ING Bank Śląski S.A.,
- “Know Your Client” policy,
- Conflict of interest policy,
- Policy – the tasks of the statutory bodies of ING Bank Śląski S.A. in the AML/CFT area,
- Sanctions policy,
- Policy – sanctions manual,
- Policy – Manual on US Withholding Tax & Information Reporting.

Transaction security and stability of IT systems

The security of client and partner funds and data is a key issue to which we pay particular attention in our day-to-day operations. We continuously monitor threats and analyses their impact on the ICT infrastructure (applications, systems, networks), as well as business processes, processes of our partners and service providers and their potential impact on clients. On this basis, we design and implement appropriate organisational and technical solutions in the areas of prevention, detection and response.

The bank’s ICT systems protect multi-layered cyber security mechanisms and systems.

An extremely important aspect of our efforts to provide the right level of banking services to clients is to ensure that systems are stable. To attain this goal, various measures are taken such as:

- ensuring an appropriate process of change management in IT systems, which guarantees adequate tests of the impact of changes on the operation of systems,
- ensuring the proper architecture of critical systems that guarantees full redundancy of components and resistance to failures,

- implementation of a mechanism for monitoring the correct operation of systems, allowing for early detection of symptoms of malfunctioning components and quick diagnostics of errors,
- implementation of the process of managing the increase in demand for resources ensuring that hardware and software resources are adapted to changes in business volumes and changes in the way clients operate.

IT security management process

Ensuring security for IT systems and the data processed in them is a priority for the bank, therefore its aspects are embedded in every process or area of the bank’s operations. The processes aimed at ensuring security, resulting from the policies, standards and procedures adopted in the bank (e.g. IT Security Standards, including in the area of security monitoring, connections and external service providers, identity management, web applications or cryptography), are subjected to continuous performance monitoring, which allows for the continuous improvement of procedures related to: counteracting, detecting and responding to threats, as well as taking action to eliminate their potential effects (e.g. unavailability of banking services).

We approach to security management in the IT area is systemic and continuous, identifying threats regularly, strengthening protection mechanisms, and implementing a long-term cyber security strategy. IT security processes and roles are organized in accordance with the best and recognized international standards.

IT security activities are overseen by the Bank Management Board and by the IT Risk and Security Committee appointed by the Board. It comprises, among others, the management of the units: Tech, cyber security, operational risk, data security and internal audit.

A dedicated unit, the IT Security Department (transformed in 2024 into the Expert Centre Cyber Security and IT Risk), is responsible for cyber security tasks, including continuous security monitoring. Nevertheless, the bank adopts the principle that each employee is responsible for ensuring the security of data and ICT systems to the extent adequate to their functions, tasks performed and their powers. Raising the awareness and competence of employees in the area of risk protection is an ongoing element of the training and awareness-raising activities carried out (e.g. training within the Tech Academy and a series of webinars as part of the bank’s risk culture programme).

We are constantly improving security solutions and systems used to protect our clients, as well as our bank itself, constantly testing their real effectiveness through, among others, penetration tests of banking infrastructure and applications, APT tests (Advanced Persistent Threat), tests of immunity to DDoS (Distributed Denial of Service) and many others.

We design and update existing security standards and architectures on an ongoing basis. Based on their requirements, ICT systems are designed, built and implemented according to the principle to ensure safety at the earliest possible stages of their life. During development, before implementation and periodically after



implementation, the systems are subjected to various tests, verifying the resistance of systems and applications to attempts to breach their integrity and to bypass the applied security measures.

Components of the ICT system are subject to a continuous scanning process aimed at detecting any vulnerabilities and eliminating them immediately. In addition, banking systems (network, infrastructure and applications) have security monitoring in place to detect any anomalies, adverse effects and security incident attempts. Multi-layered protection against malware (such as ransomware) is also implemented.

As part of the activities increasing the level of security, mechanisms of multi-factor authentication of users' access to ICT systems and data and monitoring of their activity are implemented.

We develop model security requirements for each ICT technology and specific application solution, and their effectiveness and correctness of implementation is regularly verified as part of security tests and reviews, as well as internal and external audits. Such audits and tests are performed by reputable expert companies.

We have maintained and updated existing and implement new tools for early detection of all types of fraud and abuse, advanced targeted attacks, including preventing information leakage or execution of unauthorized transfer of large amounts of money from the banking system.

We use solutions of leading providers of tools and services in the area of cyber security and unique solutions developed in-house by inner specialists. At the same time, we constantly cooperate with ING Group N.V. member companies and other companies and organisations in Poland (banks, internet service providers, trade associations). This allows us to observe trends, detect new vulnerabilities and counteract IT security threats in advance.

We actively cooperate with governmental and financial supervision institutions, complying with all recommendations and recommendations of these institutions, including the requirements for the operator of the key service, which the bank has been designated pursuant to the Act on the National Cyber Security System.

In activities related to ensuring the security of client data, we are not limited only to the bank's infrastructure, but we require an equally high level of security from its partners, both by means of appropriate contractual provisions with IT security requirements and verification of their fulfilment as part of periodically performed audits.

In September 2023, thanks to ING Hubs Poland, our Bank migrated its Vision card management system from ING Bank Śląski's infrastructure to ING Private Cloud. The main benefits of migration are:

- moving the card management system to a secure environment certified by the Payment Card Industry Data Security Standard – PCI DSS – which means greater security and reliability for our clients,
- increased performance and scalability – the environment is designed to handle 15 million cards.

In November 2023, we stopped using the explicit card number in our applications and processes, and completed the migration of our banking apps to a set of card communication interfaces, the Common API, which ensures that our

apps' communications are compliant with the Payment Card Industry Data Security Standard. Our actions have been confirmed by an internal audit opinion and by an external independent auditor, S.C. 2 Labs. For our clients, this means increased security in the handling of card processes and transactions.

In online banking applications, we use the following solutions to enhance client security:

- Authorisation of operations (transactions, logins, data changes, etc.) with a one-time code or the PUSH method – this method enables authorisation of instructions in the internet banking system by means of an authorisation code or confirmation of a message in the mobile application Moje ING. Along with the request for transaction confirmation, the client is provided with comprehensive information on the details of the transaction, which allows for additional verification of the instruction.
- FIDO2-compliant U2F key – is an additional security feature when logging into an online banking system on a computer, which effectively protects the user against phishing scams.
- Hard daily limit – an amount limit up to which transfers can be made on a given day in online banking.
- Encrypted Internet connection – access to banking systems is possible only after entering an ID and password. Communication between clients' computers and the bank's server is encrypted with the TLS protocol. The ingbank.pl service and the internet banking system are protected by digital certificates with a high level of trust, which secure the connection via an encrypted HTTPS protocol. This guarantees fully secure data transfer in an encrypted form, protects it from external changes and authenticates computers communicating with each other.
- 3D Secure (standard for on-line card payments) – when our clients pay with a card in an on-line shop that supports 3D Secure, they additionally confirm the payment with a one-time SMS code. In order to use 3D Secure payments in our Bank, you don't need to run or activate anything – just a card that supports on-line payments.
- Masked password – logging into the internet banking system is done without entering the whole password – the system automatically draws only selected characters.
- Automatic logout in the event of user inactivity.
- Voice-code as an additional authentication factor used in the loan agreement process.
- Behavioural biometrics – analysis of user interactions with a computer in order to detect possible interference by undesirable persons. During this verification, it is not checked what a given user does, but how he/she does it. Among other things, we collect and analyse information on how quickly and often the user clicks on individual



keys on the keyboard, how they scroll the screen, how quickly and often they click the mouse. The user profile is built only after logging into the Moje ING online banking system and the user's behaviour is compared after each login.

- Transaction monitoring – the bank monitors the use of internet banking in real time, both in detection and prevention modes.
- Malware detection – a tool has been implemented to detect malware activity at the client's station when using online banking.

With regard to mobile banking, we apply the following security solutions:

- Authorization of transactions in the mobile application – this method is available to clients who use the Moje ING internet banking system, make a transfer on their computer and have Moje ING mobile application installed; it is used interchangeably with SMS code.
- Fingerprint login (this option is available for phones with a fingerprint reader) or using FaceID. Activation of this login method is available after logging into the application.
- FIDO2-compliant U2F key – is an additional security feature when logging into the online banking system on a mobile device, which effectively protects the user against phishing scams.
- Hard daily limit – the amount limit up to which transfers can be made on a given day via the mobile app, which was halved in 2023.
- Automatic logout in the event of user inactivity.
- Voice-code as an additional authentication factor used in the process of pairing a mobile device with a client account.
- Voice-code as an additional authentication factor used in the loan agreement process.

In the event of a justified suspicion of a threat of cyber crime or fraud against clients, we take preventive measures, e.g. rejecting transactions, blocking services, protecting clients against taking over their data or funds by unauthorized persons.

Cyber security

Developments in technology, including the increasing use of AI (artificial intelligence) solutions and the continuing tension caused by the armed conflict in Ukraine, have meant that the threat level and frequency of attacks by cyber criminals remains high. Attempts to destabilise the operation of individual market players through DDoS attacks (resulting in the unavailability of services), which have been observed for several years, also occurred in 2023. ING Bank Śląski was one of the financial market entities targeted (dedicated) DDoS attacks by a criminal group linked to Russia in 2023. Attacks in which criminals impersonate a bank are also systematically increasing.

Fraudsters use both modern technical means and social engineering in their attacks. At the same time, they are constantly modifying attack scenarios, which requires us to constantly analyse the bank's resilience to existing threats, adjusting defence mechanisms, high flexibility and speed of response.

One of the most common methods of attack remains phishing, in which a criminal impersonates another person or institution in order to phish for confidential information, usually using emails.

The high number of attacks using telephone calls (spoofing) also continues. Spoofing fraudsters pretend to be the bank's helpline or security department, using appropriate techniques so that the client's phone displays the bank's real helpline number when they call. Criminals urge clients to make transfers or withdraw funds via BLIK and deposit them into another account convincing them that this will secure their funds.

Clients were also exposed to attacks by criminals using attack methods based on social engineering involving, among other things, defrauding client funds under the pretext of high returns after investing them on cryptocurrency exchanges or in securities of well-known Polish companies listed on the WSE.

Advanced Ransomware attacks often carried out by organised criminal groups, based on the infection of IT devices with malware, also using the previously mentioned social engineering attack techniques, have continuously been one of the most serious threats faced by banks and clients for several years.

The sophistication of targeted attacks on state institutions, companies and the financial services sector (mainly banks) carried out by organised groups of cyber criminals was similar to previous years.

Developments in technology and financial services require keeping up with legal and regulatory developments, building a coherent system of resilience against threats and raising awareness among clients through campaigns to raise awareness of the most common threat methods associated with cyber criminals.

The initiated changes in the regulatory area have the potential to contribute positively to a safer use of new technologies based, for example, on cloud solutions, and to increase the resilience of the entire financial and public services sector.



Bearing this in mind, we are constantly strengthening and developing our own cyber security system at the local level and across the ING Group N.V. in order to prevent acts of cyber crime against clients, employees and our bank's information and communication system.

The measures taken in the area of cyber security meant that we did not record any significant incidents or frauds as a result of weaknesses in the bank's security system.

Our cyber security activities

All employees are responsible for ensuring the security of data and information systems, within their respective areas and tasks. In particular, this responsibility falls to staff from the IT and risk units, dedicated to countering and responding to cyber threats. The purpose of the Anti-Fraud Expert Centre is to coordinate all fraud activities and to react quickly and adapt preventive measures to the activity of fraudsters, while the purpose of the IT Security Department is to protect the bank's infrastructure, services and employees from cyber threats. In 2023, these units continued their core operation.

Cyber resilience is one of the core principles of how our bank builds its IT solutions and client interaction channels. We follow the rules:

- Security at the heart of everything we do in the ICT infrastructure area.
- Security as an integral part of business awareness.
- Security as a competitive advantage.

Due to the continuous development of new, advanced attack methods, the bank's security teams are constantly improving existing systems and building new, more effective detection and prevention mechanisms. We have performed, among other things:

- improving security architecture and implementation of security tools and processes for resources created within the Google cloud for ING Bank Śląski,
- one of the first implementations in Poland of workstation protection tools based on modern solutions made available in a cloud model,
- optimisation of the protection of the infrastructure of applications providing services made available to clients on the internet,
- the development of non-signature (based on threat analysis and dedicated scenarios) detection and prevention mechanisms for the bank's workstations and ICT infrastructure,
- extending vulnerability monitoring across all banking systems,

- improving security monitoring of the bank's systems, workstations and networks,
- improving the control process for managing network access principles,
- more than 300 security (penetration) tests of banking systems, including "Red&Blue" exercises and simulated Advanced Persistent Threat attacks.

Basic regulations for cyber security in its broadest sense include Information Risk Policies and IT Security Standards, for example:

- Information Risk Policy – Platform Security Standard at ING Bank Śląski S.A.,
- IT Security Standard – Security Monitoring,
- IT Security Standard – Security Validation and Testing,
- IT Security Standard – Identity and Access Management,
- Security Policy for Internet Payment Services at ING Bank Śląski S.A.

These and other policies are further clarified in related downstream internal regulations (e.g. procedures, instructions).

We care about the awareness of our clients and employees. We carry out a number of educational activities on fraud risks, cyber security and programmes to improve the skills and knowledge of staff to ensure that they are well aware of the bank's fraud and cyber security risks. We provide a range of IT risk control system training, technical training aimed at cyber security professionals, IT Academy activities and online training continue. We are constantly expanding the range of training platforms available to employees. We are also continuing the Security Champions programme, aimed at developing competence in the areas of cyber security and secure coding among application developers.

We have been also carrying out a number of activities to educate clients on threats and cyber security, including presentations at conferences and the Tech Blog, as well as a campaign involving recognised cyber security authorities in the market.

Online, e-learning and on-site training courses, particularly for new employees, are provided by highly qualified experts.

One of the important elements of the bank's development strategy remains the continuous improvement of the competence of security professionals and the testing of systems, processes and people through numerous exercises and tests. Cyber resilience is one of the basic principles of building an online banking system. Cyber security and fraud prevention activities are formalised and based on the bank's internal regulations. Despite rapidly



changing trends, fraud scenarios and technology, the Bank's security units, acting on the basis of and in accordance with internal regulations, efficiently and, above all, effectively counter threats.

All these activities are aimed at protecting the bank's resources from threats from inside and outside and thus protecting our clients and the funds entrusted to us.

We have implemented and are continuously developing behavioural verification methods to identify potential attempts at criminal activity in the area of electronic banking channels. With this solution, we counteract the impersonation of Moje ING users by third parties. Behavioural verification allows for a better adjustment of protective mechanisms to the user of electronic banking by creating a dedicated behavioural profile of the client. These methods are used after obtaining the consent of the client. In order to encourage clients to use this type of solution, we continue to run awareness campaigns.

We also improve mechanisms for detecting anomalies both in the bank's transaction system itself and in transactions ordered by clients, thus catching suspicious transactions – ordered by unauthorised persons – and we take care of the integrity of transactions ordered by clients, reducing the risk of internal fraud.

We are constantly developing tools, algorithms and rules to detect various types of fraud and abuse, including preventing confidential data leakage. We execute many of these tasks together with other ING Group N.V. member companies, as well as in cooperation with financial institutions, state bodies and law enforcement agencies. As in previous years, we actively participate in the work of the Banking Cyber Security Centre Fincyber.pl operating within the Polish Bank Association.

We establish cooperation with suppliers of modern technologies in order to introduce new authorisation methods based, for example, on biometrics or client behaviour.

In addition, information campaigns for our bank's clients warning them of current risks are already a regular feature of the services we provide. On current basis we keep our clients informed about existing threats through our websites, social media and educate them and show them how to behave in order to use online and mobile banking safely. Such activities are visible in our e-banking system for each user, and information is systematically placed on the basis of the currently detected threat targeting each electronic banking user. As part of client awareness, we also conducted a number of dedicated training courses for selected corporate and strategic clients.

The bank's activities are not only limited to resources and data managed directly by the bank, but are also carried out in relation to third-party providers of key services. To this end, the bank's agreements are continuously reviewed for compliance with applicable regulations such as: the PFSA's Cloud Communiqué, the EBA's guidelines and ING Group N.V. standards regarding security requirements for IT and cloud providers. We oblige the companies we work with to apply the best standards and guidelines in protecting the data and services entrusted to them. We verify this requirement in the course of supplier security audits with special attention to the entire business processes, taking into account activities also carried out by subcontractors.

Personal data security

The stability of IT systems also means the protection of personal data of clients, business partners and employees. However, in addition to IT security, we also take care of the physical security of the data and information held at the bank and are constantly improving our approach to data protection. Our internal regulations strictly define the permissibility and rules for the presence of members of the public in the offices and exclude the connection of unverified devices to the bank's ICT network.

We regularly test the physical safeguards and the findings of the inspections inspire us to make changes. Testing physical security and any method of remote access to systems has become an integral part of the bank's APT testing of the bank's cyber security resilience.

Management of personal data security

We are committed to ensuring that the rights to privacy and protection of personal data, as set out in the Charter of Fundamental Rights of the European Union, the European Convention on Human Rights, the Data Protection Regulation (GDPR) and the case law of the European Court of Justice, are taken into account when processing personal data.

We have regulated this area in our Data Protection Policy, which reflects the requirements under the law and sets out the bank's obligations in this respect. It also includes principles relating to the processing of personal data, inter alia, their confidentiality, data minimisation and processing for a well-defined purpose, transparency and information requirements for individuals with regard to the processing and their rights,

We have appointed a Data Protection Officer whom any data subject can contact by writing to the bank's postal address or email address abi@ing.pl. For more information on data protection and its implementation at the bank, please visit this page.

In 2023, we found no substantiated complaints regarding breaches of client privacy, although there are administrative proceedings pending before the Provincial Administrative Court in five cases and before the Supreme Administrative Court in three cases.

We have implemented the recommendations of the Polish Bank Association "Principles of good practice for the processing and protection of personal data in the banking sector".

In 2023, the data protection officer confirmed the occurrence of 192 data protection breaches, of which 85 breaches required notification to the President of the Personal Data Protection Authority. In the required cases – where violations of the rights and freedoms of individuals were assessed at a high level – we informed the affected persons of these incidents, as well as of possible measures to minimise the negative consequences for them.



Our employees demonstrate a high level of awareness of personal, financial and business data protection by completing mandatory training cycles on an ongoing basis.

We continuously implement Programmes aimed at continuously increasing the competence of our employees in the field of data protection, indicating the importance of protecting the privacy of clients, business partners and employees themselves. In this respect, the bank uses meetings, workshops, as well as periodic communication to employees.

The security of using banking services also depends on clients, so we share with them information about potential threats and recommend security solutions on devices supporting Internet banking transactions made by the clients. We put at each client's disposal a set of rules for the correct use of online banking:

- we suggest how to create a secure password,
- we keep informing about hazards in Internet banking,
- we remind of secure banking rules,
- we explain how to protect against data theft on the Internet,
- we teach how to protect the devices used by our clients,
- we block services when reasonable to protect clients against unauthorized access to their data,
- we make our clients aware of hazards during their meetings in our facilities,
- we attend workshops for academic circles aimed at raising awareness,
- we carry out numerous awareness-raising activities using bank communication channels.

We care about both the security of retail clients and the security of corporate clients. As in previous years, we continue to hold conferences for corporate and strategic clients, during which we present threats related to cyber crime and the mechanisms of applications and solutions to counteract abuse.

Not only do we implement the requirements associated with the introduction of the European Union Data Protection Regulation, but we also analyse the changes and incorporate them into internal procedures and regulations without undue delay. Within the framework of the Polish Bank Association, we cooperate with other banks to develop the Principles of Good Practice for the Processing and Protection of Personal Data in the Banking Sector, as well as to develop consistent solutions related to the protection of personal data.

Effects of applying policies

Key figures on data protection

	2019	2020	2021	2022	2023
Substantiated complaints about breaches of client privacy	0	0	0	0	5
Percentage of employees trained in personal data security*	97%	97%	99%	98%	98%

*Does not include long-term absentees.

ESG risk

ESG issues are an important, enduring and intrinsic element for the entire organisation, integrated into our sustainability business strategy.

ESG risk as an enabler of core risk categories

We have identified ESG risk as a factor that reinforces existing traditional risk categories – credit, market, liquidity and funding and operational risks – as interpreted in the ECB Guide on climate-related and environmental risks – supervisory expectations relating to risk management and disclosure of November 2020. ESG risk management is therefore about integrating mechanisms for its identification, measurement, assessment, mitigation, monitoring, reporting into the standard processes of credit, market, liquidity and funding and operational risk management.

Below we identify those ESG risks that we believe will have the greatest impact on our business. We present them in order of most significant expected impact. We have grouped them according to traditional risk categories, starting with the impact within credit risk:

a) ESG risks in credit risk:

under **transformation** risk, the risk of deterioration of receivables from companies in carbon-intensive industries due to a decline in their revenues/increase in costs/increase in debt due to:

- regulations unfavourable to them,
- the need for significant investment in green solutions/products/processes,
- loss of competitiveness as a result of support (at macro level) for alternative low-carbon technologies,
- changing audience preferences,



- increase in legal costs,
- increased reporting costs,
- write-offs of assets related to technology/products that have gone out of use.

What action we have taken:

- We are consistently delivering on our pledge to move away from financing activities related to the mining, trading or generation of electricity/heat from thermal coal – with the end of 2025, the last remaining financings in our portfolio will come to an end.
- We have identified the sectors most at risk of transformation (as part of a so-called heatmap of climate and environmental risks) and require that:
 - in manual processes: each credit decision package referred to this risk and identified its mitigants,
 - in semi-automatic and automatic processes: transformation risk is one of the factors influencing the overall assessment of the sector and thus affects the credit limits offered.
- We periodically estimate issues from the corporate loan portfolio.
- We have started collecting information on the emissions and transformation plans of our largest clients in the sectors with the highest transformation risk.
- We performed a stress test including transformation risk, which showed the impact of transformation risk on the level of the cost of risk of the corporate loan portfolio.
- We take this risk into account in the rating process by including a corporate client rating in the list of reasons for appeal.
- We have launched several initiatives to capture data on corporate client issues.

under transformation risk:

- the risk of a decline in the value of real estates accepted as collateral with low energy efficiency,
- the risk of deterioration in the quality of receivables from mortgage loans granted to individual clients using a real estate with low energy efficiency,

- the risk of deterioration in the quality of receivables from loans financing commercial real estates with low energy efficiency.

What action we have taken:

- We periodically review the retail mortgage portfolio for the energy efficiency of the real estates accepted as collateral and have identified a high-risk portfolio.
- In the retail mortgage segment, we have set a maximum share of new financing earmarked for real estates with lowest energy efficiency (RAS – risk appetite parameters for new sales).
- On a cyclical basis, we estimate issues from the retail mortgage portfolio and the commercial real estate loan portfolio.
- We have identified courses of action for decarbonisation in the areas of retail mortgage loans and commercial real estate loans.
- We have implemented and are in the process of improving processes to collect information on the energy efficiency of the real estates accepted as collateral (for existing and new loans).
- In the retail segment, we promote products designed to finance energy-efficient real estates and to finance energy efficiency improvements in real estates.
- We performed stress tests in the retail mortgage segment, which showed the impact of transformation risk on the level of the cost of risk of the retail mortgage portfolio.

under **physical climate** risk, the risk of a decline in the value of energy efficiency of the real estates accepted as collateral that are exposed to sudden or prolonged physical hazards.

What action we have taken:

- In the retail mortgage segment, we introduced mandatory flood insurance for new financing, based on an analysis that identified the risk of flooding as the most significant of the physical risks to which this portfolio is exposed.
- We periodically review portfolios in terms of the exposure of real estates accepted as collateral to sudden and prolonged physical hazards (by location per postcode and city).



- We are in the process of building processes to accurately assess the physical threat in a location with street and building number accuracy.
- under **physical climate** risk, the risk of a decline in the value of energy efficiency of the real estates accepted as collateral that are exposed to sudden or prolonged physical hazards.

What action we have taken:

- We have developed a methodology to assess the share of exposures sensitive to sudden or prolonged physical hazards in the exposure to companies and monitor this share on a cyclical basis.
- We are working on new, increasingly precise, methods of indicating exposure to companies vulnerable to violent and prolonged physical threats.

under **physical environmental risk and social risk**, the risk of deterioration in the quality of receivables from companies due to a decline in their revenues/increase in costs/increase in debt due to their activities having a negative impact on the environment or a negative impact on employees/communities.

What action we have taken:

- The bank's largest clients are subject to constant monitoring of the so-called "adverse press".
- In manual credit processes, we require each credit decision package to address this risk and identify its mitigants.
- In accordance with our ESG Manual, we exclude from financing or impose restrictions on financing environmentally or socially harmful activities (including the aforementioned departure from financing activities related to the mining, trading or generation of electricity/heat from thermal coal, or, inter alia, departure from financing companies whose activities are materially related to the cultivation, processing, production and sale of tobacco products and e-cigarettes).

b) ESG risk in Compliance risk:

under **regulatory compliance risk**, the risk of financial loss to the bank as a result of regulatory sanctions for non-compliance of internal policies and instructions with external ESG regulations, as well as for inadequacy of processes to ensure such compliance.

What action we have taken:

- Our bank's organisational structure ensures proper oversight of ESG risks, and the ESG Transformation Programme established in 2022 enables and accounts for specific actions.
- The bank has an ESG Risk Management Policy and an ESG Manual in place.
- Established in 2023, the ESG Data Model Project, among other things, ensures regulatory compliance of the bank's ESG reporting.

under **greenwashing risk**, the risk of financial loss to the bank as a result of regulatory sanctions, litigation loss, business disruption and reputational damage due to ING's ESG risk-related statements in the social factors (S), environmental factors (E) or corporate governance area (G) that the client would perceive as false, opaque, misleading or unsubstantiated.

What action we have taken:

- We are keeping a close eye on the implementation of our publicly made pledges, including moving away from financing activities linked to the mining, trading or generation of electricity/heat from thermal coal, or those substantially involving the production, cultivation, processing and sale of tobacco.
- We have implemented and apply the Manual for defining green, sustainable and sustainability-supporting products.
- We include in our product approval processes the need to verify ESG elements/features.
- We review environmental communications for greenwashing risks.
- We are in the process of assessing the risk of greenwashing for all existing products across business lines.
- We are implementing the Instruction – Greenwashing Risk Prevention Guidelines.

c) ESG risk in liquidity risk:

under **transformation risk and physical climate risk**, the risk of disruption to the bank's liquidity as a result of increased deposit outflows from the bank or increased credit needs of clients due to the need to cover additional expenses resulting from the materialisation of transformation risk or physical risk.



What action we have taken:

- In 2021, we estimated the impact of this risk in liquidity stress tests over a horizon of 5, 10, 20 years. They showed that the bank would maintain an adequate level of liquidity in a negative impact situation. We will carry out such tests periodically, at least every three years (the next one in 2024).
- We performed an analysis of the impact on the bank's liquidity of client deposits with high climate risk in 2023. The results of the analysis do not make it clear that client volumes with high climate risk represent a homogeneous volume of deposits that can be treated separately due to the expected costs of climate risk.

d) ESG risks in other areas

We also manage other ESG risks, without describing them in detail, among others:

- due to the estimated low impact of these risks (e.g. ESG risks within market risks, operational risks of disruption to business continuity and security of people and resources due to physical climate risks),
- due to the historically firmly established and effective system for managing these risks (e.g. social risks arising from poor human resources practices, social and environmental risks associated with working with suppliers).

Oversight of ESG risk management

We expect the impact of ESG risks to become increasingly strong and therefore our organisational structure addresses these concerns well. It ensures that ESG risks are effectively supervised and that the implementation of ESG risk management mechanisms is carried out correctly and in a timely manner.

The organisational structure of risk management, including the role of the Supervisory Board, the Bank Management Board and the Division supervised by the CRO (Chief Risk Officer), is defined by the General Principles for Managing and Mitigating Credit, Market, Liquidity and Funding and Operational Risks at ING Bank Śląski S.A. The Bank Management Board monitors and oversees the risk management process, including credit, market, liquidity and funding and operational risks. It is supported in this task by the Risk Committee, which includes a minimum of three members of the Supervisory Board.

At the beginning of 2023, the Board approved a Risk Management Strategy, in which among the key objectives for 2023-2025 is the continuation of efforts to increasingly identify, measure and assess ESG risks, as well as efforts to ensure that the bank's policies, procedures and processes are in line with requirements under external regulations.

The Bank Management Board is involved in monitoring and overseeing the risk management process, including credit, market, liquidity and funding and operational risks. The Bank Management Board approves the Bank's business strategy and risk management strategy which include ESG risk strategies as elements. In addition, the

Bank Management Board set up a standing ESG Risk Committee, tasked with creating the structure, policies, methods, models and tools for ESG risk management, and appointed the members of the Committee.

The Management Board has designated the CRO as the Board Member responsible for carrying out key tasks in the implementation of ESG risk management into the risk management system.

ESG Risk Committee

The ESG Risk Committee is the Bank's standing committee dealing with ESG risk issues. Within the scope of its activities, it has decision-making functions vis-à-vis all organisational units of the bank and advisory functions vis-à-vis the Bank Management Board. The CRO acts as chairman of the ESG Risk Committee.

The tasks of the Committee include:

- setting and changing the level of ESG risk appetite limits,
- creating a policy for managing ESG risks:
 - approving methodologies for managing ESG risks, including their metrics,
 - validating the tools used to assess ESG risks,
 - deciding on the implementation and modifications of regulations dedicated to ESG risks,
 - defining credit analysis standards for ESG risks,
 - defining the general principles of the ESG risk assessment and monitoring process,
 - determining the principles for including ESG risks in collateral valuation,
- defining a process for the comprehensive management of ESG risks, including the definition of IT systems to support the management process,
- approving ESG risk models, including their documentation, the results of their monitoring and validation,
- monitoring and assessing the level of ESG risks at stand-alone and consolidated levels,
- ensuring compliance with laws, supervisory regulations, deciding on the implementation of ING Group's ESG risk guidance and recommendations and approving any other ESG risk issues.

The Committee is composed of the following:

- President of the Bank Management Board,



- Members of the Bank Management Board,
- Bank Directors in the CRO Division,
- Bank Director – Tribe Financing,
- Director of the Strategic Clients Financing Department,
- Tribe Lead III – Bank Director Loans and Insurance,
- Director of the Investor Relations, ESG Reporting and Market Analysis Bureau.

As a general rule, the unit that informs the ESG Risk Committee and provides solutions for the management of ESG risks is the ESG Risk Team within the Risk Regulation Department (the tasks of the Team are further outlined in the information below on the division into three lines of defence). The ESG Risk Team prepared an ESG Risk Management Policy, which was approved by the Board in January 2023.

ESG risk management under the three lines of defence

First line of defence

With regard to ESG risks, which are an element that reinforces traditional risks, the first line of defence identifies, assesses and monitors ESG risks as part of its standard process/role, described in separate regulations:

- Credit risk management policy at ING Bank Śląski S.A.,
- Operational Risk Management Policy at ING Bank Śląski S.A.,
- The Compliance Policy of ING Bank Śląski S.A.

Second line of defence

The units of the CRO Division ensure that ESG risks are duly and effectively addressed in all relevant processes managed by the unit. They advise the Governing Body on the actions to be taken to ensure compliance with applicable laws, rules, regulations and standards, and assess the possible impact of any changes in the legal or regulatory environment on the bank's operations and compliance framework. Given that sustainability rules and standards may change over time, the bank may be more exposed to liability, litigation and/or reputational risks in the future. Second line of defence units ensure that all risks are appropriately identified, assessed, measured, monitored, managed and reported. For individual credit transactions, they provide independent analysis and provide an expert opinion on risk exposures, including ESG risks. As ESG risks materialise through existing traditional risks, this analysis/assessment takes place as part of the standard activities performed within the CRO Division units.

The specialised ESG risk management unit within the 2nd line of defence is the Risk Regulation Department, within which the ESG Risk Team has been separated and is responsible for the creation of the ESG risk management policy within the CRO Division and its implementation, including:

- development of methods to manage ESG risks, including their measurement,
- developing the tools used to measure ESG risks,
- implementing and updating ESG risk regulations,
- developing and updating standards for assessing ESG risks in the credit process,
- developing the general principles of the ESG risk assessment and monitoring process,
- how ESG risks are taken into account in collateral valuation,
- development of a comprehensive ESG risk management process including identification of IT systems used in the process,
- supervision of ESG models, including documentation, monitoring results and validation,
- monitoring of the level of ESG risks at stand-alone and consolidated levels,
- ensuring compliance with the law, supervisory regulations and best practice of ING Group N.V.

In January 2023, the Management Board approved the ESG Risk Management Policy prepared by the ESG Risk Team, which sets out how ESG risk is managed at the Bank, including how ESG risk management fits into the existing framework for managing credit, market, liquidity and funding and operational risks. It describes in detail the channels for transferring ESG risks, including environmental risks, into traditional risk categories.

In addition, within the CRO Division, sector specialists, through their transactional specialisation in a particular sector, add value in terms of, among other things, lending directions through, for example, sector guidelines and spreading knowledge of the sector situation based on the analysis of individual transactions and available portfolio analyses. The credit risk factors analysed include ESG risk factors.

The Centre of Expertise Compliance ensures that compliance risks arising from ESG risks are properly and effectively addressed in the relevant processes. It advises the Governing Body on the measures to be taken to ensure compliance with applicable laws, rules, regulations and standards, and assess the possible impact of any changes in the legal or regulatory environment on the bank's operations and compliance framework. Takes into account that, as sustainability principles and standards may evolve over time, a bank may be more exposed over time to risks related to liability, litigation and/or reputational damage that arise from climate and environmental issues (E) as



well as social risk (S) and corporate governance (G) issues. It verifies whether there were planned mitigating actions and, if there were, whether they were designed correctly and executed.

Third line of defence

Internal Audit Department, which – in terms of ESG risks – takes into account and assesses in its reviews the extent to which the bank is prepared to manage these risks. It performs internal controls of the risk management framework, including ESG risks, taking into account changes in the risk profile and in products and/or business lines. The assessment covers the adequacy of ESG risk management policies and procedures and their compliance with the bank's internal policies and procedures and external requirements.

Reporting of ESG risk

We disclose information on environmental risk, social policy and corporate governance in the Annual Management Report of ING Bank Śląski Group.

The ESG Risk team in the Risk Regulation Department, as part of its internal reporting on ESG risks, prepares and periodically presents reports on the level of ESG risks to the Bank Management Board, Supervisory Board and ESG Risk Committee to enable decision-making and appropriate further action if necessary. This reporting includes:

- periodic reports – provide information on status and developments, and support regular ESG risk management decisions; depending on their content and purpose, they may be provided on a monthly or quarterly basis; an example would be the monthly reports prepared for the Management Board on the environmental risk assessment of client exposures by sector,
- (ad-hoc) reports – these are any reports prepared to decide on a course of action for the ESG Team's internal use or at the request of management.

Reports to regulatory authorities may also be prepared.

ESG risk tolerance framework

Risk tolerance framework – corporate clients

The primary internal document that indicates the risk framework in relation to environmental and social issues is the ESG Manual. As part of the process of identifying ESG risks, we identified sectors and areas excluded from funding and restricted. These are activities/areas with which – in our assessment – there is, among other things, a particularly high risk of negative environmental impact and a high risk of negative social impact.

The environmental and social risk assessment covers the client and the transaction. We make our assessment to the best of our knowledge. At client level, we assess whether the business is conducted with respect for human

rights, environmental principles and is not covered by exclusionary policies. At the transaction level, we assess whether it complies with the requirements of the detailed policies.

We apply the Sector Exclusion Policy to corporate clients to whom credit and other banking products/services are offered. It applies to activities with a particularly high risk of negative impacts on the environment and the principles of sustainable development and a risk of human rights violations. In line with this policy:

- we do not establish relationships with clients whose core business is covered by ING Bank Śląski's exclusion policy,
- past relationships with this type of client have been terminated or an exit path is agreed.

Sector-specific policies apply to corporate clients to whom credit products are offered. We identify and appropriately manage relationships with clients who operate in areas of greater social or environmental vulnerability. We have specific policies in place to support the protection of the environment and to minimise risks in exposed business areas.

Detailed policies concern the following areas:

- animal welfare,
- forestry and plantations,
- tobacco industry,
- industrial processing,
- chemical industry and utilisation of chemicals,
- defence and the arms industry,
- hard coal mining, coal-fired power industry, and related businesses,
- other mining and power industry, petrochemical industry and metal manufacturing.

We respect and care for the environment and expect a similar approach from all clients. After 2025, we will not finance coal clients whose business is directly dependent on thermal coal to the extent of more than 5%. Furthermore, we do not fund:

- new coal-fired power plants and oil sands projects and dedicated oil sands infrastructure,
- fishing with harmful methods or against protected species,



- harmful or illegal tree felling,
- ship dismantling activities without the appropriate environmental certification,
- operations located in UNESCO World Heritage sites, wetlands listed in the Ramsar Convention or significantly affecting these areas or critical habitats registered by the International Union for Conservation of Nature (IUCN).

We support clients on their journey towards environmentally sustainable operations. We help them to build awareness of:

- environmental impact of their business and the impact of ESG factors on their financial situation,
- take action to eliminate or reduce negative impacts and implement (where possible) sectoral best practice.

We require credit clients operating in sectors with significant environmental risk or significant exposure to environmental risk – in the standard credit process (Normal Track), commensurate with the size of the client, type of transaction and materiality of risk:

- transparency as to the client's environmental impact,
- as far as possible – have a policy/strategy/plan to move towards an environmentally sustainable economy,
- information on environmental objectives/activities – undertaken and planned, as well as the extent to which ESG risk mitigation actions have been implemented.

As part of social risk management, in line with the Exclusion Policy, the full funding ban applies to the following areas:

- human rights violations/abuses, including in forced labour situations, child labour, inadequate working conditions, use of violence,
- the risk to the health of workers and local communities, including contact with harmful chemical materials, transmission of animal diseases to humans, non-compliance with labour laws,
- production of and trade in controversial weapons, including: anti-personnel mines, cluster munitions, phosphorus bombs, depleted uranium munitions, nuclear, chemical, biological weapons,
- cultivation, processing, production and sale of tobacco and tobacco products and e-cigarettes,
- asbestos-related activities, fur farming, gambling.

We have a detailed policy on defence financing and activities related to the arms industry. We are not opposed to establishing relationships with this type of client. We believe that sovereign states, within the limits of the law, regulations, national and international conventions, have the right to maintain public order, to participate in joint military missions or peacekeeping missions, and to defend themselves and to have armed forces properly equipped. However, we believe that certain companies, weapons and activities violate our values and business ethics. We do not engage with controversial weapons because of their particularly destructive nature and the results of their use: mass casualties and destruction in the area under attack, from which it is difficult to exclude civilians. By key components of controversial weapons we mean infrastructure, equipment parts and materials, services and programmes and systems (mechanical, electronic and digital) specifically designed for controversial weapons.

In the ESG Manual , we have identified selected standards, guidelines and initiatives whose application can be an important reference in the social risk assessment process, such as: Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights, International Labour Organisation Conventions on Labour Standards, UN Global Compact, Guiding Principles on Business and Human Rights, ILO Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, OECD Guidelines for Multinational Companies.

The exclusions and restrictions in the ESG Manual also apply to our bank's suppliers (KYS process – Know Your Supplier).

We also pay increased attention to the credit analysis of corporate clients who operate in sectors we have identified as higher environmental and social risk.

We are working on creating a climate risk appetite limit (Climate RAS) for a portfolio of clients in the medium and large corporate segment. Our target for 2024 will be to define such limits for individual sectors based on average GHG intensity. We plan to monitor and introduce warning signals for Climate RAS on a regular basis, in line with our existing practice of controlling RAS limits.

Risk tolerance framework – retail mortgage exposures

For the retail mortgage portfolio, we have identified the key transformation risks and the likelihood of their occurrence in the short, medium and long term. We have identified the part of the portfolio exposed to high transition risk, based on an analysis of existing and planned regulations at European Union level. We assessed the materiality of transformation risk for this portfolio as a combination of the probability and size of the portfolio exposed to high transformation risk. We have also implemented a methodology for determining the RAS for transformation risk and determined the risk appetite by year to 2030 for new sales. The defined objectives of the RAS are, expressed in concrete figures, a gradual reduction in the share of mortgage loans exposed to high transition risk in new sales.



Definitions and methodology

In establishing the principles and framework for ESG risk management, we are guided by the EBA guidelines EBA/GL/2020/06 of May 2020 on Loan origination and monitoring. From 30 June 2021, the bank is obliged, among other things, to include an assessment of the ESG exposure of its clients' business in its lending process. Guided by these guidelines, we have included environmental, social and governance factors in our credit risk appetite and incorporated them into our credit assessment processes for corporate clients. We have developed Environmental Risk Heatmaps, which provide a benchmark for individual corporate client assessments in manual pathways and also allow for sector and/or portfolio approaches in environmental risk assessment. Heatmaps for retail portfolios indicate which risks may be material for a specific product group and were the starting point for further analysis.

In the introduced standards on ESG risk management, we have also taken into account the provisions of the ECB Guide on climate-related and environmental risks – Supervisory expectations relating to risk management and disclosure, November 2020, and the EBA Report on management and supervision on ESG risk for credit institutions and investment firms, EBA/REP 2021/18, July 2021.

We have indicated in the ESG Risk Management Policy the methods, definitions and international standards used. Among other things, there we defined environmental, social and corporate governance risks, using the provisions of the EBA Report on management and supervision on ESG risk for credit institutions and investment firms, EBA/REP 2021/18, July 2021. There, we also identified the key ESG risk factors and their channels of transmission to traditional risks.

We continually monitor regulatory risks arising from changes in the legal environment in relation to the financial sector – following the work of regulators and legislative proposals. We participate in the work of the Polish Bank Association on the interpretation of ESG regulations.

Processes to identify, measure and monitor ESG risk-sensitive activities and exposures

As we treat ESG risk as an enabler of the core risks (credit, market, liquidity and funding, operational), most of the processes to identify, measure, monitor these risks have been built into the standard processes for managing these core risks.

Environmental risk within credit risk

The KYC process excludes the risk of establishing a new relationship with a client carrying out environmentally harmful activities, and allows us to identify clients carrying out such activities among existing relationships, with the result that we stop offering them new products and services. Thus, the KYC process significantly mitigates environmental risks in the short, medium and long term, thereby affecting the level of credit, liquidity and funding and reputational risks.

As part of our standard corporate client credit risk management processes, we have included the identification, measurement/assessment and monitoring of individual client environmental risk (assessment in the credit application and the possibility of rating appeals), which affects the level of funding in manual processes. We have also included a sectoral assessment of environmental risk, which influences the level of financing in automated and semi-automated processes and provides a benchmark in the individual client's assessment. The relevant regulations and internal rules are contained in documents: Credit Risk Management Policy, Sector Guidelines, Business Banking and Wholesale Banking client environmental risk heatmaps, ESG Manual, Corporate Client Credit Manual and Strategic Client Credit Manual.

These Environmental Risk Heatmaps are based on an expert assessment of the environmental risk factors of each sector. They therefore provide both a benchmark for assessing the ESG risks of an individual client, but also allow for portfolio consideration and assessment of these risks, e.g.:

- by incorporating the Heatmap's assessment of the sector into the process of determining the overall classification of the sector, which is translated into the corporate client's credit limits in the automated and semi-automated processes,
- in the internal reporting of the bank's credit exposure to corporate clients in sectors with a certain level of risk.

Environmental risk heatmaps were drawn up with a medium time horizon of up to 5 years.

For investment projects subject to the Equator Principles, we apply this socio-environmental principles standard in the assessment of transactions. Projects that do not comply with the Equator Principles are not financed by our bank.

For the mortgage portfolio and the cash loan portfolio in the retail segment, we have also drawn up Environmental risk heatmaps. For the mortgage portfolio, the risks identified are related to physical risk factors of the financed real estate with low energy efficiency. These heatmaps were the starting point for further more detailed analyses. For the cash loan portfolio, we assessed the impact of ESG factors as indirect, mainly resulting from the potential destruction of client-owned real estate, loss/reduction of income due to, for example, loss of a job in a high-risk environmental sector, or reduction or loss of creditworthiness due to increases in energy prices.

For real estates securing retail and corporate credit exposures, we assess the physical risk at a given date using an internal tool that assigns a risk level for a specific physical risk. We have preliminarily examined threats to locations at postcode and city level. We are working on an even more accurate indication of the level of risk – at the level of the exact address. From our analysis to date, the only threat whose impact could be significant to our defences is the threat of river flooding. For new retail collateralised credit exposures, we implemented mandatory presentation of flood insurance in March 2023. In addition, there is a stipulation in the segment-specific collateral instructions that we do not accept collateral exposed to environmental risk (for individual cases of identified risk).



In 2023, we carried out for the second time an estimation of the physical climate risk in the bank’s banking portfolio, in accordance with the EU Commission Regulation (2022) laying down implementing technical standards with regard to the disclosure of information on environmental, social and corporate governance risks. A table with the data together with a discussion of the estimates can be found in the Attachments in the Management Board Report on Operations of the ING Bank Śląski S.A. Group in 2023, under Figures – ESG risk.

We have defined a method for estimating/measuring the energy efficiency of the real estates accepted as collateral. A table with the data together with a discussion of the estimates can be found in the Attachments in the Management Board Report on Operations of the ING Bank Śląski S.A. Group in 2023, under Figures – ESG risk.

In 2023, we conducted a dedicated transition risk stress test for the corporate and retail mortgage portfolio . The task was carried out as part of the ICAAP stress tests and the results were discussed and approved by the ALCO Committee.

The basis for the transition risk stress test was the three scenarios used as a standard in ICAAP stress tests, differing in assumptions and macroeconomic parameters, degree of severity and probability of implementation. We have considered which areas of our corporate clients’ business are at high risk of transformation, and we have included this selection in the exercise. We have considered carbon intensity, energy intensity and vulnerability to changing climate policies as factors influencing transition risk. For retail mortgage loans, we applied a selection for the energy efficiency of the real estates financed. The calculations were carried out over a three-year horizon, in line with the financial plan. The results of the stress test confirmed that, under internally chosen assumptions, transformation risk affects the level of the cost of risk of both the retail mortgage portfolio and the corporate loan portfolio. The task also allowed observation of the potential magnitude of the impact of transformation risk on the loan portfolio depending on the future (projected) macroeconomic parameters and the severity of the chosen scenario. The stress test will be repeated depending on the needs we identify.

Social risk within credit risk

In the KYC process for the bank’s largest clients (strategic client segment), the ESG risk assessment at client level and the risk assessment at transaction level take into account social factors. Social risk factors such as, for example: human rights, labour rights, the impact of the activity on communities and societies are taken into account. We do not fund clients with an unacceptable level of ESG risk, and for clients with a high level of ESG risk, we conduct an in-depth assessment. We also have specific policies for the financing of areas with – in our view – high social risks, in line with the ESG Manual (e.g. arms, tobacco, chemicals, industrial processing, animal welfare).

In the credit process for clients in the medium and large business segment, in the standard path of the credit process we assess the client’s sensitivity to social risk factors and its ability to mitigate these risks. In addition, we have identified and indicated sectors/areas sensitive to social risk – we require additional information from clients operating in these sectors/areas to assess social risk. We do not finance new clients for whom social risk has been assessed at an unacceptable level, and we can set corrective actions for clients with credit exposure with a high risk

level. Reporting on the distribution of the portfolio of medium and large companies by level of social risk takes place on a semi-annual basis.

We do not accept collateral with which to bear social risks – the relevant provisions are contained in the internal collateral instructions for each segment.

Corporate governance risk within credit risk

We have defined corporate governance risk factors in the ESG Manual and take them into account in the ESG risk assessment of the bank’s largest clients (strategic clients), carried out as part of the KYC process, at the individual client level. Among other things, we analyse issues such as how the client reports the impact of the E and S factors, having a human rights policy, information on negative NGO/media campaigns or possible stakeholder protests.

In the manual credit process, credit analysis standards for strategic clients and medium and large companies include the requirement to assess the client’s sensitivity to corporate governance risk factors (on a best knowledge basis) and to assess its ability to mitigate these risks. For large companies, the assessment of ESG risks is made on the basis of information contained in published non-financial risk strategies/reports.

ESG risk within liquidity risk

As part of our liquidity risk management, we performed a climate stress test in 2021 with horizons of 5, 10 and 20 years. The test scenarios identified risks, trends in climate, business, legal and social changes that affect the Bank’s liquidity. The results of this liquidity test indicate that the bank will maintain an adequate level of liquidity, despite negative factors related to physical or transformation risks. As part of this test, we also included the impact of physical and transformation risk on bond pricing and the impact on changes in credit volumes. The conclusions of this analysis will be used in determining the bank’s development directions. Such a test will be repeated as and when necessary and, by design, at least every three years (we will conduct the next one in 2024).

As part of the liquidity risk analyses, an analysis of the impact on the bank’s liquidity of client deposits with high climate risk was carried out in 2023. The results of the analysis do not make it clear that client volumes with high climate risk represent a homogeneous volume of deposits that can be treated separately due to the expected costs of climate risk. The costs of climate risk can arise both from the need to cover damage – in terms of physical risk , and from transition costs (or the need to terminate operations) due to regulation. Consequently, the additional costs of climate risk may affect deposit volumes of clients with high climate risk.

ESG risks within operational risk

The non-financial risk management system, including operational risk, recognises ESG risk as a factor that can affect the levels of the various risk subcategories, pointing to climate and environmental risks and social and corporate governance risks.



Of the 10 operational risk categories identified at the bank – business interruption risk, employment malpractice risk or risk of breach of security of persons and property – are particularly linked to the ESG area. The risk management process is described in the Operational Risk Management Policy at ING Bank Śląski S.A. and in the document Policy – Principles of Reputational Risk Management at ING Bank Śląski S.A., while the principles of risk identification and assessment are defined in the Non-financial Risk Identification and Assessment Manual.

ESG risks within compliance risk

We avoid practices that could mislead our stakeholders about environmental activities. To this end, we are implementing the principles of greenwashing risk assessment within Compliance. We have also developed Principles for the Assessment of Environmental Messages to moderate risks in the first line of defence. These measures aim to effectively mitigate the adverse effects of greenwashing risk in our bank.

Mitigating ESG risks by building knowledge

We provide training as well as participate in external events on ESG risks. Training aims to build awareness of ESG risks and mitigate them through effective action by employees within the processes in which they participate.

ESG data

We are working to acquire environmental risk data, including highly precise location data for the risk of violent and progressive weather events, data on clients' greenhouse gas emissions and precise data on the energy efficiency of buildings. Data from the internal physical risk assessment tool, data provided by Biuro Informacji Kredytowej [Credit Information Bureau] and data from the public database of energy efficiency certificates allowed an initial estimate of the exposure to physical climate risk, the CO₂ emissions of the loan portfolio and the emission intensity of the real estates accepted as collateral. When financing income-generating real estates, we take and record information from energy efficiency certificates. In December 2023, we started downloading information on energy efficiency certificates for new retail mortgage exposures.

In 2023, we launched the ESG Data Model project, which aims to implement a single consistent ESG data model across the organisation and develop a concept and roadmap for a target reporting process that is as automated as possible in line with regulatory requirements.

In 2023, we introduced a pilot programme on the Transformation Environmental Risk Assessment Form. Its completion is mandatory in the lending process for the largest clients in the medium and large corporate segment that meet certain conditions, such as operating in the high or medium transformation risk sector, according to our bank's methodology for assessing environmental risks. As part of the form, we asked clients, among other things, about their carbon footprint in Scopes I, II, III and their plans to reduce it, about board responsibility and human resources in the context of ESG / sustainability, and about fossil fuel revenues and costs. During the pilot, we obtained responses from nearly 400 clients.

Channels of transmission of ESG factors into core risk categories

We expect the impact of higher energy costs from non-renewable sources on the debt repayment and debt service capacity of corporate and retail clients. For corporate clients in high-risk sectors for transformation, we would additionally expect higher levels of their debt for the necessary transformation investments, possibly with increasingly lower yields if they did not address the transformation risks. We have excluded corporate clients with environmentally damaging activities from financing, and have introduced steps in our lending processes to take a more prudent approach towards clients in sectors with high environmental risk.

We have taken steps to limit the impact of physical risk on the real estates securing new retail mortgage exposures (mandatory flood insurance). We are testing a new approach to identifying the location of medium and large business clients and assigning a level of physical risk to that location. When assessing the physical risks in our corporate clients' operations, we take into account the physical risks to the real estates we secure and additionally analyse heat waves and water scarcity. We expect these risks to affect productivity in some sectors. An impact on the PD of corporate clients is therefore likely.

The results of the climatic liquidity stress test conducted in 2021 indicate that the bank will maintain an adequate level of liquidity despite negative factors related to physical or transformation risks.

We have assessed that in the short term, social risks may materialise mainly through: major social incidents, fines paid resulting, for example, from non-compliance with labour laws, court cases, investor preferences – which may translate into higher costs of raising capital, contractor and consumer choices, the outflow of valuable labour (costs of recruitment processes, training for new employees, etc.).

Serious incidents in the area of human rights violations or accidents at work, especially when publicised in the media, can lead to a change in investor preferences (increased cost of raising capital) and a change in counterparty and consumer choices, thereby realising themselves in credit and market risk (reduced creditworthiness, reduced asset value).

Inadequate OHS standards, e.g. a high number of serious occupational accidents or serious incidents of discrimination (especially publicised in the media), can result in court cases (costs) and the payment of fines or damages or compliance costs – Compliance (reduced profitability of the company, reduced asset value). Failure to invest in employee well-being can lead to an exodus of the most valuable workforce (recruitment costs, costs of acquiring and training new employees). Consumer boycotts resulting from controversies around the conduct of business, manufacturing of products, services, unethical supply chain, conflicts of interest, can translate into a reduction/loss of creditworthiness, value of assets.

We recognise that the materiality of social risk may increase in the medium to long term, in particular due to changes in policy and market sentiment related to social transformation, the introduction of enforcement mechanisms into the legal system (e.g. equal pay) and the implementation of social risk reporting requirements



(ESRS) to ensure comparability of disclosures. Social risks can be realised in particular in the case of clients who are not prepared or willing to adapt or do not have the necessary resources, and can therefore become the target of complaints, be affected by lawsuits, market pressures or reputational risks.

We expect changes in external legislation to regulate greenwashing. We attach great importance to transparency in our information policy and transparency in the products and services we offer. In our view, this approach minimises the risk of being suspected of greenwashing.



Accounting Act Compliance table

Mandatory disclosures under the Accounting Act	
ING Bank Śląski S.A.	ING Bank Śląski S.A. Group
Description of the business model	Description of the business model
Key non-financial performance indicators	Key non-financial performance indicators
Social area-related policies	Social area-related policies
Employee issues-related policies	Employee issues-related policies
Policies on human rights issues	Policies on human rights issues
Policies on environmental issues	Policies on environmental issues
Anti-corruption policies	Anti-corruption policies
Relevant risks for non-financial issues	Relevant risks for non-financial issues



SIGNATURES OF THE MANAGEMENT BOARD MEMBERS OF ING BANK ŚLĄSKI S.A.

2024-03-06	Brunon Bartkiewicz President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Joanna Erdman Vice-President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Marcin Giżycki Vice-President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Bożena Graczyk Vice-President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Ewa Łuniewska Vice-President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Michał H. Mrożek Vice-President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Sławomir Soszyński Vice-President	The original Polish document is signed with a qualified electronic signature
2024-03-06	Alicja Żyła Vice-President	The original Polish document is signed with a qualified electronic signature